

Timber Legality Risk Assessment Belarus

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The original document of FSC can be accessed here <https://ic.fsc.org/en/document-center>.

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NEPCon originally published the Timber Legality Risk Assessment for Belarus in May 2017. Since then clarifications of the findings of indicators 1.5, 1.11, 1.12, 1.18, 1.19, 1.20 has been done, but the risk conclusions have not been changed.

B. Overview of legality risks

Timber Risk Score: 98 / 100 in 2017

This report contains an evaluation of the risk of illegality in Belarus for five categories and 21 sub-categories of law. We found:

- **Specified risk for 1 sub-category.**
- **Low risk for 16 sub-categories.**
- **No legal requirements for 3 sub-categories.**

The Timber Risk Score for Belarus is 98 out of 100. The key legality risks identified in this report concern timber harvesting activities related to protected sites and species (sub-category 1.9). There is a risk that:

- protected areas are violated due to a lack of proper communication between FME and local state nature conservation authorities.
- legally established procedures to protect endangered or threatened species are not followed. Not all protection documents are updated in a timely manner, due to which protection regimes may not correspond with the newest legal acts.
- harvesting takes place when/where forbidden.

Timber source types and risks

There are four timber source types found in Belarus. Knowing the “source type” that timber originates from is useful because different source types can be subject to different applicable legislation and have attributes that affect the risk of non-compliance with the legislation. We have analysed the risks for all four of these source types and found them to be the same.

Exploitative forests	Wood harvested from forest felling in exploitative forests (including thinning, sanitary thinning, felling, and final felling). This is the primary source of timber from Belarus.
Conservation forests	Wood harvested from conservation forests, including thinning, sanitary thinning, felling, and final felling.
Recreation and health forests	Wood harvested from recreation forests including thinning, sanitary thinning, felling, and final felling.
Protective forests	Wood harvested from protective forests, including thinning, sanitary thinning, felling, and final felling.

This table summarises the findings of the timber legality risk assessment. The risks are not distinguished between the sources types for Belarus, hence the risk conclusions are for all sources of timber in Belarus.

Legal Category	Sub-Category	Risk Conclusion
Legal rights to harvest	1.1 Land tenure and management rights	Low
	1.2 Concession licenses	Low
	1.3 Management and harvesting planning	Low
	1.4 Harvesting permits	Low
Taxes and fees	1.5 Payment of royalties and harvesting fees	Low
	1.6 Value added taxes and other sales taxes	Low
	1.7 Income and profit taxes	Low
Timber harvesting activities	1.8 Timber harvesting regulations	Low
	1.9 Protected sites and species	Specified
	1.10 Environmental requirements	Low
	1.11 Health and safety	Low
	1.12 Legal employment	Low
Third parties' rights	1.13 Customary rights	Low
	1.14 Free prior and informed consent	N/A
	1.15 Indigenous/traditional peoples rights	N/A
Trade and transport	1.16 Classification of species, quantities, qualities	Low
	1.17 Trade and transport	Low
	1.18 Offshore trading and transfer pricing	Low
	1.19 Custom regulations	Low
	1.20 CITES	Low
	1.21 Legislation requiring due diligence/due care procedures	N/A

C. Overview of the forest sector in Belarus

Forests in the Republic of Belarus are the exclusive property of the State, which means that all produced timber originates from state managed forests. The Forest Code (*Forest Code of the Republic of Belarus of 2015* No. 332-Z) states that Belarusian forests are divided into 4 categories according to the management purpose: conservation forests, recreation and health forests, protected forests, managed forests. Harvesting of timber is allowed depending on the management and protection regime assigned based on the forest category.

Forest management permits are based on the Forest Management Plan and Charter (Statute) of Forestry Enterprise.

Timber harvesting is regulated according to the Edict of the President of the Republic of Belarus No.214 of 07.05.2007 (in conformity with the Edict of the President of the Republic of Belarus No.504 of 08.11.2012).

The Belarusian forests are managed through forest management enterprises (FMEs) organized into groups according to the geographical principle. Each group of FMEs is subordinated to the Regional State Forestry Board (RSFB). The RSFB are to coordinate and control the work of the subordinated FMEs. RSFB is directly subordinated to the Ministry of Forestry. The Ministry of Forestry implements the unified Forest Management Policy and is responsible for the organization and management of forestry in the country.

The authorities responsible for monitoring of timber harvesting and other forestry measures are as follows (Forest Code, Chapter 23, Article 106):

- 1) State authority of Environmental Protection (Ministry of Natural Resources and Environmental Protection of the Republic of Belarus) as well as its territorial bodies;
- 2) State Control Committee of the Republic of Belarus;
- 3) State Inspectorate for Protection of Fauna and Flora under the President of the Republic of Belarus;
- 4) Executive Office of the President of the Republic of Belarus;
- 5) State authority of Forestry Management (Ministry of Forestry of the Republic of Belarus, Ministry of Defence, etc.), as well as State Regional Forestry Boards (GPLHO);
- 6) Other state bodies (organisations) in accordance with the legislative acts (paragraph 2.6 of Article 106).

All timber sales are based on online trading (bidding), which is managed by the Timber Trade Department of the Open Joint Stock Company "Belarusian Universal Commodity Exchange". Timber can only be purchased by organisations registered in the database of the Open Joint Stock Company and must follow open official procedures.

Harvesting permits are based on the data of Forest Management Plan and are either:

1. "Logging bilet" (permission for felling of forest stand) or "Forest warrant" ("Order") (permission for felling of a part of forest stand or individual trees).

2. Forest warrant is issued for logging by “citizens” (local people) of no more than 50 cubic meters of wood.
3. Forest Card (“Forest билет”) is a permission for harvesting of non-timber products.

This means that the logging permits are not divided into different types of logging.

In 2015, Belarus had a CPI of 32 (below the threshold of 50) and according to the World Bank Worldwide Governance Indicators (on a scale of -2,5 to 2,5 in 2014) received a score of -0,50 for Government Effectiveness, -0,81 on Rule of Law and -0,32 on Control of Corruption. This indicates that the country has high corruption levels and a low degree of legal compliance despite the governance score having improved over the last 10 years.

With regard to forestry and the issuance of permits for logging, specific instances of bribery and corruption are not known. There are a few cases about attempts to bribe forestry officials, but these cases are not related to forestry activities (i.e. not related to the issuance of permits, but related to the construction of buildings) (Sources: the official website of the General Prosecutor’s Office of the Republic of Belarus).

Sources:

- EOS (European Organisation of the Sawmill industry). 2016. Export ban from Belarus. <http://www.eos-oes.eu/en/news.php?id=925>
- IHB. 2015. Belarus bans log exports starting 2016. http://www.ihb.de/wood/news/Belarus_log_exports_ban_42123.html
- FAO. 2015. Global Forest Resource Assessment. <http://www.fao.org/3/a-az163e.pdf>

D. Legality Risk Assessment

LEGAL RIGHTS TO HARVEST

1.1. Land tenure and management rights

Legislation covering land tenure rights, including customary rights as well as management rights that includes the use of legal methods to obtain tenure rights and management rights. It also covers legal business registration and tax registration, including relevant legal required licenses. Risk may be encountered where land rights have not been issued according to prevailing regulations and where corruption has been involved in the process of issuing land tenure and management rights. The intent of this indicator is to ensure that any land tenure and management rights have been issued according to the legislation.

1.1.1. Applicable laws and regulations

- Constitution of the Republic of Belarus of 1994 (with changes and additions adopted at the republican referenda of November 24, 1996 and of October 17, 2004) (Chapter 1, Article 13). Available at: <http://www.pravo.by/main.aspx?guid=6351>
- Forest Code of the Republic of Belarus of 2015 No. 332-Z. Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=Hk1500332&p1=1>
- Land Code of the Republic of Belarus of 2008 No. 425-Z (Chapter 2). Available at: <http://www.pravo.by/main.aspx?guid=6361>
- Edict of the President of the Republic of Belarus No.444 of 09.09.2009 (in conformity with the Edict of the President of the Republic of Belarus No.504 of 08.11.2012) "On approval of the Regulation on the provision of forest lands to legal entities for rent and (or) use for the implementation of forest management" (together with the "The Regulations on the procedure for granting forest lands to legal entities for lease and (or) use for the implementation of forest management") Available at: <http://www.mlh.gov.by/ru/official/acts.html>
- Edict of the President of the Republic of Belarus No.446 of 09.09.2009 (in conformity with the Decree of the President of the Republic of Belarus No.458 of 08.10.2012) "On Some Issues of Improvement of Activities in the Field of Forestry" Available at: <http://www.mlh.gov.by/ru/official/acts.html>
- Resolution of the Council of Ministers of the Republic of Belarus No. 298 on March 16, 2004 "Questions of the Ministry of Forestry of the Republic of Belarus" Available at: <http://www.mlh.gov.by/ru/official/acts.html>
- Resolution of the Council of Ministers of the Republic of Belarus No. 965 on July 29, 2006 "On some issues of the Ministry of Forestry of the Republic of Belarus" Available at: <http://www.government.by/ru/solutions/>
- Resolution of the Council of Ministers of the Republic of Belarus No. 1041 on November 04, 2014 "About gratuitous acquisition in property of the Republic of Belarus enterprises as property complexes". Available at: <http://www.government.by/ru/solutions/>

- Order of the President of the Republic of Belarus on February 28, 2014 No.09 / 111-58 and the Order of the Council of Ministers on March 27, 2014 No.06-201-45. Available at: <http://www.mlh.gov.by/ru/official/acts.html>
- Regulation of the Ministry of Forestry No. 30 on October 22, 2009 "On approval of the standard form of lease of forest area for forest management" Available at: <http://www.expert.by/EC/monitorings/124128.txt>

1.1.2. Legal authority

- Ministry of Forestry of the Republic of Belarus
- Ministry of Defence of the Republic of Belarus
- The Executive Office of the President of the Republic of Belarus (State Nature Conservation Institutions (National Parks and Berezinsky Biosphere Reserve); Forestry and Hunting Organisations)
- The National Academy of Sciences of Belarus (State Scientific Institution "The Institute of Forest")
- Ministry of Education of the Republic of Belarus (Educational and Experimental Forestry Enterprises)
- City (cities of regional subordination and Minsk City) executive and regulatory authorities (Park Forests)
- The Ministry of Emergency Situations of the Republic of Belarus (State Environmental Research Institution "Polessky State Radiation Ecological Reserve")

1.1.3. Legally required documents or records

- Charter of a Forestry Enterprise
- Forest Management Plan
- Land State Registration Data (2015)
- Harvest permit

1.1.4. Sources of information

Government sources

- The State Control Committee of the Republic of Belarus (2015). *The State Control Committee reviewed the results of checking the forest industry.* [online] The official website of the State Control Committee of the Republic of Belarus. Available at: <http://kgk.gov.by/ru/news-press-center-ru/view/v-komitete-gosudarstvennogo-kontrolja-rassmotreny-rezultaty-proverki-lesnoj-otrasli-107632/> [Accessed 10 March 2016]
- The State Control Committee of the Republic of Belarus (2014). *The State Control Committee checked the activities of some enterprises of the forestry industry.* [online] The official website of the State Control Committee of the Republic of Belarus. Available at: http://kgk.gov.by/ru/vazno_znat-ru/view/Komitetom-

[goskontrolja-proverena-dejatelnost-rjada-organizatsij-lesnoj-otrasli-9912/](#)

[Accessed 12 March 2016]

- Ministry of Forestry of the Republic of Belarus (2016). *Control Activities, typical violations identified by verifications*. [online] The official website of the Ministry of Forestry of the Republic of Belarus. Available at: <http://www.mlh.gov.by/ru/official/kontra.html> [Accessed 7 May 2016]
- Ministry of Forestry of the Republic of Belarus (2016). *Orderliness on the ground*. [online] The official website of the Ministry of Forestry of the Republic of Belarus. Available at: <http://mlh.by/ru/news/3019.html> [Accessed 12 June 2016]
- The General Prosecutor's Office of the Republic of Belarus (2016). *Fighting corruption*. [online] The official website of the General Prosecutor's Office of the Republic of Belarus. Available at: <http://prokuratura.gov.by/ru/main.aspx?guid=10143> [Accessed 17 August 2016]
- The State Control Committee of the Republic of Belarus (2016). *General Prosecutor's Office offers to step up fight against corruption*. [online] The official website of the General Prosecutor's Office of the Republic of Belarus. Available at: <http://prokuratura.gov.by/ru/main.aspx?guid=95845#doc> [Accessed 17 August 2016]
- Ministry of Forestry (2016). *National Forest Cadastre of the Republic of Belarus*. Minsk: LRUE Belgosles, 2016 - 90 p.
- Ministry of Forestry (2015). *The state registration of forests, National Forest Cadastre of the Republic of Belarus*. [online]. Minsk, LRUE Belgosles 2015 - 95 p. 9. Available at: <http://belgosles.by/> [Accessed 14 October 2016]

Non-Government sources

- Shmatkov, N. (2015). *A research proves high effectiveness of law enforcement on timber origin and legality in Belarus*. [online]. The program on "Improving Forest Law Enforcement and Governance in the European Neighbourhood Policy East Countries and Russia (ENPI FLEG). Regional ENPI-FLEG Program in Belarus. Available at: <http://www.enpi-fleg.org/news/a-research-proves-high-effectiveness-of-law-enforcement-on-timber-origin-and-legality-in-belarus/> [Accessed 20 February 2016]
- enpi-fleg.org (2015). *New vision of the forests classification in the Republic of Belarus. The impact of economic and environmental factors* [online] European Neighbourhood and Partnership Instrument East Countries Forest Law Enforcement and Governance II Program. Regional ENPI-FLEG Program in Belarus. Available at: <http://www.enpi-fleg.org/docs/new-vision-of-the-forests-classification-in-the-republic-of-belarus/> [Accessed 17 June 2016]
- enpi-fleg.org (2015). *The New Forest Code of the Republic of Belarus - trends and development of forest management*. [online]. European Neighbourhood and Partnership Instrument East Countries Forest Law Enforcement and Governance II Program. Regional ENPI-FLEG Program in Belarus. Available at: <http://www.enpi-fleg.org/>

fleg.org/docs/the-new-forest-code-of-the-republic-of-belarus-trends-and-development-of-forest-management/ [Accessed 17 June 2016]

- News.tut.by (2015). *The Supreme Court upheld the verdict*. [online]. Belarusian TUT.BY Portal. Available at: <http://news.tut.by/society/470731.html> [Accessed 22 June 2016]
- Laevskaya, E.V., Bakinovskaya, O.A., Luchkov, A.I., Marchenko, Ya.I., Bovdey, N.N., Shahray, I.S. (2012). *Reference handbook of forestry legislation, reforestation, conservation and protection of forests: Law enforcement and management improvement in the forestry of Eastern European countries of European Neighbourhood Policy East Countries and Russia*. Minsk: World Bank in Belarus, Ministry of Forestry of Belarus, "V.I.Z.A. GROUP" LLC, 231 p.
- Laevskaya, E.V., Bakinovskaya, O.A., Luchkov, A.I., Marchenko, Ya.I., Bovdey, N.N., Shahray I.S. (2012). *Reference book on law enforcement in the forestry legislation for officials of state forest protection and environmental agencies: law and management improvement in the forestry of Eastern European countries of European Neighbourhood Policy East Countries and Russia*. Minsk: World Bank in Belarus, Ministry of Forestry of Belarus, "V.I.Z.A. GROUP" LLC, 173 p.
- Lisitsa, F.D. (2012). *Thematic stands on law enforcement in forest legislation, reforestation, protection and conservation, law and management improvement in the forestry of Eastern European countries of European Neighbourhood Policy East Countries and Russia: thematic stands*. Edited by R.S. Buzunovsky, V.F. Pobirushko. Minsk: World Bank in Belarus, Ministry of Forestry of Belarus, "V.I.Z.A. GROUP" LLC, 60 p.
- Info.fsc.org (2016). *Public summaries of FSC FM and CoC (Risk Assessment) certification reports*. [online] FSC Public Search. Available at: <http://info.fsc.org/> [Accessed 10 July 2016]

1.1.5. Risk determination

Overview of legal requirements

All forestland of the Republic of Belarus is owned by the state. Neither local communities nor individuals or non-state organisations own forests. Forests are managed by the following authorities:

- 1) Ministry of Forestry (87.6% of forests),
- 2) Ministry of Defence (1%),
- 3) Executive Office of the President of the Republic of Belarus (State Nature Conservation Institutions (National Parks and Berezinsky Biosphere Reserve), Forestry and Hunting Organisations) (8%),
- 4) National Academy of Sciences of Belarus (State Scientific Institution "The Institute of Forest") (0.04%),
- 5) Ministry of Education (Educational and Experimental Forestry Enterprises) (0.3%),

- 6) City (cities of regional subordination and Minsk City) executive and regulatory authorities (park forests) (0.4%),
- 7) Ministry of Emergency Situations (State Environmental Research Institution "Polesky State Radiation Ecological Reserve") (2.3%).

Note: December 2009 - December 2014 - Joint-Stock Company "VitebskDrev" of the Belarusian Production and Trade Concern of the Forestry, Woodworking, Pulp and Paper Industry "Bellesbumprom" (branch "Gorodok Forestry" as well as "Beshenkovichi Forestry") (2.1%).

Every forestry enterprise or national park has to manage forests according to the actual forest management plan. Land tenure and management rights are based on the official document "Charter of a Forestry Enterprise".

The boundaries of the forest resources are determined by distinguishing the lands of the forest resources from the lands of other categories in the order determined by normative legal acts of the Republic of Belarus (see Forest Code, Chapter 4). The boundaries between land users are marked on the ground. A new procedure of state land registration was completed in 2015. The result is a database of land resources of the forestry enterprise as well as a cartographic database. The data is available through the forestry enterprise upon request (however, it is not publicly available or free access in internet). Only legal state authorities have the right to forest management, as already mentioned above (Forest Code, Article 20 of Chapter 5).

Description of risk

The borders between forestlands of different authorities (see above) are clearly identified (on maps (forestry maps of different scale and data of Land Cadastre) as well as on the ground (so called "kvartal net")). The forest management plan gives a clear picture of where forestland could be managed and harvested. The cartographical database is well structured (Sources: Baginski U., 2013; Ermakou V., Atroshchanka A., Dziemid M., 2007; Atroshchanka A., 2009; Minkevich S., 2015). Forest areas with land ownership conflicts are not known. Land tenure rights are clear. All borders were clearly identified through field inventories (including State Registration of Lands (2015) and forest inventory) and registered in the database of Land Cadastre (provided by the local land survey service) (Government sources 7-9; Non-Government sources 1, 3).

There is no evidence in Belarus that land rights have been issued in violation of prevailing regulations or that corruption has been involved in the process of issuing land tenure and management rights, therefore the risk level can be considered as low (Government sources 5, 6; Non-Government sources 1, 3, 5, 6).

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.1.6. Risk designation and specification

Low risk

1.1.7. Control measures and verifiers

N/A

1.2. Concession licenses

Legislation regulating procedures for the issuing of forest concession licenses, including use of legal methods to obtain concession license. Especially bribery, corruption and nepotism are well-known issues in connection with concession licenses. The intent of this indicator is to avoid risk related to situations where organizations are obtaining concession licenses via illegal means such as bribery, or where organizations or entities that are not eligible to hold such rights do so via illegal means. Risk in this indicator relates to situations where due process has not been followed and the concession rights can therefore be considered to be illegally issued. The level of corruption in the country or sub-national region is considered to play an important role and corruption indicators (e.g., Corruption Perception Index, CPI) should therefore be considered when evaluating risks.

1.2.1. Applicable laws and regulations

- Forest Code of the Republic of Belarus of 2015 No. 332-Z (Chapter 11, Article 51; Chapter 9, Articles 38, 40) Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=Hk1500332&p1=1>
- Land Code of the Republic of Belarus of 2008 No. 425-Z (Chapter 1, Article 1, 16) Available at: <http://www.pravo.by/main.aspx?guid=6361>
- Law of the Republic of Belarus No. 63-Z of 12.07.2013 "On concessions". Available at: <http://www.pravo.by/main.aspx?guid=3871&p0=H11300063>
- Law of the Republic of Belarus No. 53-Z of 12.07.2013 "On investments" (Chapter 1, Article 4) Available at: <http://www.pravo.by/main.aspx?guid=3871&p0=H11300053&p1=1>

1.2.2. Legal authority

- Ministry of Forestry of the Republic of Belarus
- Ministry of Defence of the Republic of Belarus
- The Executive Office of the President of the Republic of Belarus (State Nature Conservation Institutions (National Parks and Berezinsky Biosphere Reserve); Forestry and Hunting Organisations)
- The National Academy of Sciences of Belarus (State Scientific Institution "The Institute of Forest")
- Ministry of Education of the Republic of Belarus (Educational and Experimental Forestry Enterprises)
- City (cities of regional subordination and Minsk City) executive and regulatory authorities (Park Forests)
- The Ministry of Emergency Situations of the Republic of Belarus (State Environmental Research Institution "Polessky State Radiation Ecological Reserve")

1.2.3. Legally required documents or records

- Charter of a Forestry Enterprise
- Forest Management Plan
- Land State Registration Data (2015)
- Harvest permit

1.2.4. Sources of information

Government sources

- Parvo.by (2008). "On approving the list of sites proposed for transfer to concession" [online]. Edict of the President of the Republic of Belarus No.44 of 28.01.2008. (in wording of Edict of the President of the Republic of Belarus No.494 of 16.10.2014) Available at: <http://www.pravo.by/main.aspx?guid=3871&p0=P30800044> [Accessed 17 April 2016]

Non-Government sources

- enpi-fleg.org (2015). *Brief Review of the Forest Policy and Forest Legislation of the Republic of Belarus*. [online] European Neighbourhood and Partnership Instrument East Countries Forest Law Enforcement and Governance II Program. Regional ENPI-FLEG Program in Belarus. Available at: <http://www.enpi-fleg.org/docs/brief-review-of-the-forest-policy-and-forest-legislation-of-the-republic-of-belarus/> [Accessed 17 June 2016]
- Laevskaya, E.V., Bakinovskaya, O.A., Luchkov, A.I., Marchenko, Ya.I., Bovdey, N.N., Shahray, I.S. (2012). *Reference handbook of forestry legislation, reforestation, conservation and protection of forests: Law enforcement and management improvement in the forestry of Eastern European countries of European Neighbourhood Policy East Countries and Russia*. Minsk: World Bank in Belarus, Ministry of Forestry of Belarus, "V.I.Z.A. GROUP" LLC, 231 p.

1.2.5. Risk determination

Overview of Legal Requirements

Forests in Belarus are managed by different types of legal state entities (listed above). According to the law, forest concession rights might be granted. However, currently no forest concession licenses have been granted for forest management.

Description of risk

Currently no forest concession licenses have been granted for forest management. See Edict of the President of the Republic of Belarus No.44 of 28.01.2008 "On approving the list of sites proposed for transfer to concession". There were no forestry sites (objects, etc.) proposed for transfer to concession.

Not applicable at the moment.

Risk conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.2.6. Risk designation and specification

Low risk

1.2.7. Control measures and verifiers

N/A

1.3. Management and harvesting planning

Any legal requirements for management planning, including conducting forest inventories, having a forest management plan and related planning and monitoring, as well as approval of these by competent authorities. Cases where required management planning documents are not in place or are not approved by competent authorities should be considered. Low quality of the management plan resulting in illegal activities may be a risk factor for this indicator as well.

1.3.1. Applicable laws and regulations

- Forest Code of the Republic of Belarus of 2015 No. 332-Z (Chapter 8, 9) Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=Hk1500332&p1=1>
- Edict of the President of the Republic of Belarus No.214 of 07.05.2007 (in wording of Edict of the President of the Republic of Belarus No.504 of 08.11.2012) "On Some Measures on Improvement of the Activity in the Sphere of Forestry" (together with the "Rules of Supply of Standing Wood and its Harvest in the Forests of the Republic of Belarus", "Rules of Wood Supply in Domestic Market of the Republic of Belarus", "Regulations of the State Forest Service of the Republic of Belarus") Available at: <http://mlh.by/ru/official/acts.html>
- 3.TKP 377-2012 (02080). Technical code of common practice. Rules of forest management inventory of forest fund. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 143-2008 (02080). Technical code of common practice. Rules of felling in the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 060-2006 (02080). Technical code of common practice. Rules of delineation and measurements of felling area in the forests of the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 103-2007 (02080). Technical code of common practice. Rules of survey of cutting areas, the collection of resin, the procurement of secondary forest resources and secondary forest utilization. Available at: <http://mlh.by/ru/official/tech.html>
- 7. Resolution of the Council of Ministers No. 713 on 26 August 2015 "On approval of the volume of the cutting fund for 2016". Available at: <http://mlh.by/ru/official/acts.html>

1.3.2. Legal authority

- Ministry of Forestry of the Republic of Belarus
- Ministry of Defence of the Republic of Belarus

- The Executive Office of the President of the Republic of Belarus (State Nature Conservation Institutions (National Parks and Berezinsky Biosphere Reserve); Forestry and Hunting Organisations)
- The National Academy of Sciences of Belarus (State Scientific Institution "The Institute of Forest")
- Ministry of Education of the Republic of Belarus (Educational and Experimental Forestry Enterprises)
- City (cities of regional subordination and Minsk City) executive and regulatory authorities (Park Forests)
- The Ministry of Emergency Situations of the Republic of Belarus (State Environmental Research Institution "Polessky State Radiation Ecological Reserve")

1.3.3. Legally required documents or records

- Forest Management Plan
- Logging permit (legal permission)
- List of projected silvicultural measures
- Technological plan ("karta")
- Forest map with delineated forest stands projected for forestry measures
- Act of survey of forest stand
- Forest map showing harvesting areas
- Forest inventory data

1.3.4. Sources of information

Government sources

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1.3.5. Risk determination

Overview of Legal Requirements

Forestry measures are based on the data in the Forest Management Plan (FMP). The FMP is prepared for a 10-year period based on field forest inventories by the State Forest Inventory Institution "Belgosles". The FMP provides detailed forest stand characteristics and other legally required information and procedures. Harvesting restrictions are identified in management plan and maps. Forest management without approved FMP is forbidden (Forest Code of the Republic of Belarus of 2015 No. 332-Z, Chapter 8, Article 36).

Forest inventory (or surveys) of a forest (logging) site that is planned to be thinned out or felled is conducted according to the requirements that are described in Legal Act TKP 060-2006 (02080). Currently, most of the Forestry Acts are under revision because of a new version of the Forest Code 2015. Foresters of the Forest Management Enterprise (FME) are responsible for inventory/survey of a logging site. Different field methods of growing stock volume estimation are in use. The method of inventory (survey) depends on the forest stand to be assessed. The most detailed forest inventory (enumeration of trees) is applied for ripe forest stands. For young forest stands, rather rough estimations can be used. Currently, changes in legal acts are being prepared by external experts to meet requirements of Forest Code 2015. Based on field inventory data (or data from FMP, i.e. in case of forest stands at the age of pre-commercial thinning)) the planned volume of wood of different size and quality categories is calculated. The estimated volume should correspond to the actual harvested volume (allowable differences in volume are available for each method of evaluation of growing stock). Requirements regarding management and harvesting planning are strictly controlled via field visits.

The State Inspectorate for Protection of flora and fauna of the President of the Republic of Belarus as well as the State Control Committee of the Republic of Belarus carry out field measurements at the forest site and comparative analysis with the data from the Forest Management Enterprise (FME) as well as a document review.

Description of Risk

Forest management plans (FMP) in Belarus are prepared only by the legally approved state organisation (RUE Belgosles), which has branches in Minsk, Gomel and Vitebsk (Government source 12). Therefore, forest management plans have a unified form and standard content. There is a procedure for forest inventory field works (Chapter 8 of Forest Code, also TKP 377-2012 (02080)). All new forest management plans are checked by legal authorities to ensure that all applicable legislation is followed. There is a procedure approved by the Government of Belarus stipulating how, when and by whom a FMP shall be reviewed and publicly discussed, etc. Forest management plans (also changes and (or) amendments) must undergo state environmental review according to an environmental legislation (Chapter 8, Article 36, p. 4 of Forest Code) before approval.

An analysis of a number of management plans (sampling: FME "Stolbtsovskii Experimental leshoz", FME "Logoiskii leshoz", FME "Krupskii leshoz", FME "Berezinski leshoz", FME "Chervenski leshoz", FME "Negorelski Educational and Experimental leshoz", FME "Uzdenski leshoz"), as well as consultation with foresters and experts shows that plans are accurate and do not contradict legal requirements. There may be cases where management plans present false/inaccurate data due to either faulty

inventory data which is impacted by incorrect estimations and/or measurements/calculations, however, it is not a wide spread phenomenon having negative influence on management and harvesting planning. If there is false inventory data (or “outdated data” due to natural forest growth that provides changes in stand characteristics) that could result in inaccurate (or out of date) forest stand characteristics, a special document “Act of survey of forest stand” can be filled in based on additional field verification (survey).

Corruption is not considered as factor influencing management and harvesting planning of forests in Belarus. There are a few cases about attempts to bribe officials of forestry, but these cases are not related to forestry (but related to the construction of buildings) (see Non-Government sources 7, 8; Government sources 1-6).

It can be concluded that legal requirements for management planning, including conducting forest inventories, having a forest management plan and related planning and monitoring are well developed and enforced. Cases where required management planning documents are not in place or are not approved by competent authorities are not known (see Non-Government sources 1-5).

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.3.6. Risk designation and specification

Low risk

1.3.7. Control measures and verifiers

N/A

1.4. Harvesting permits

Legislation regulating the issuing of harvesting permits, licenses or other legal document required for specific harvesting operations. It includes the use of legal methods to obtain the permit. Corruption is a well-known issue in connection with the issuing of harvesting permits. Risk relates to situations where required harvesting is carried out without valid permits or where these are obtained via illegal means such as bribery. In some areas, bribery may be commonly used to obtain harvesting permits for areas and species that cannot be harvested legally (e.g., protected areas, areas that do not fulfil requirements of minimum age or diameter, tree species that cannot be harvested, etc.). In cases where harvesting permits classify species and qualities to estimate fees, corruption and bribery can be used to classify products that will result in a lower fee. The level of corruption in a country or sub-national region is considered to play an important role and corruption indicators should therefore be considered when evaluating risks. In cases of illegal logging, harvesting permits from sites other than the actual harvesting site may be provided as a false proof of legality with the harvested material.

1.4.1. Applicable laws and regulations

- Forest Code of the Republic of Belarus of 2015 No. 332-Z (Chapter 9, Article 37-40). Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=Hk1500332&p1=1>

- Resolution of the Council of Ministers of the Republic of Belarus No. 1276 of 27.09.2006 "On approval of the forms of logging permit, order and forest card and instructions on the accounting, storage, filling and delivery of logging permit, order and forest card" (together with "Instructions on the accounting, storage, filling and delivery of the logging permit, the warrant and the forest card (bilet)"). Available at: <http://mlh.by/ru/official/acts.html>
- TKP 377–2012 (02080). Technical code of common practice. Rules of forest management inventory of forest fund. Available at: <http://mlh.by/ru/official/tech.html>
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1.4.2. Legal authority

- Ministry of Forestry of the Republic of Belarus
- Ministry of Defence of the Republic of Belarus
- The Executive Office of the President of the Republic of Belarus (State Nature Conservation Institutions (National Parks and Berezinsky Biosphere Reserve); Forestry and Hunting Organisations)
- The National Academy of Sciences of Belarus (State Scientific Institution "The Institute of Forest")
- Ministry of Education of the Republic of Belarus (Educational and Experimental Forestry Enterprises)
- City (cities of regional subordination and Minsk City) executive and regulatory authorities (Park Forests)
- The Ministry of Emergency Situations of the Republic of Belarus (State Environmental Research Institution "Polesky State Radiation Ecological Reserve")

1.4.3. Legally required documents or records

- Forest Management Plan
- Harvest permit
- Technological karta

1.4.4. Sources of information

Government sources

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1.4.5. Risk determination

Overview of Legal Requirements

Belarus' Constitution determines that all forests are owned entirely by the state. The Ministry of Forestry of the Republic of Belarus is the primary designated government agency responsible for forest utilisation, reproduction, conservation and protection. Forestry measures are based on forest management plan. Logging operations are done based on the requirements of forest management plan and issued logging licenses (Forest Code, Chapter 36, 38, 39). Logging licenses are issued by the Forest Management Enterprise (FME) (Ministry of Forestry, also FMEs of Ministry of Defence, Executive Office of the President of the Republic of Belarus, Ministry of Education, National Academy of Sciences), in which way companies (or FME) are given the permission to fell trees on the FME's property.

Logging license issuance is based on the data of Forest Management Plan and forest inventory (survey) data. Harvest permit:

- "Logging bilet" (permission for felling of forest stand) or "Forest warrant" ("Order") (permission for felling of a part of forest stand or individual trees).
- Forest warrant is issued for logging by "citizens" (local people) of no more than 50 cubic meters of wood.
- Forest Card ("Forest bilet") is a permission for harvesting of non-timber products.

There is detailed legislation covering the process of issuing logging licenses (Chapter 39, 40 of Forest Code; Resolution of the Council of Ministers No. 1276 of 27.09.2006, "Instructions on the accounting, storage, filling and delivery of the logging permit, the warrant and the forest bilet"). The competent state authorities carry out the process for implementation and overall control.

Description of Risk

Regarding "corruption perception index", (CPI) Belarus is considered as high risk country for corruption (countries with a corruption perception index of less than 50 (Belarus' CPI is 32 (position 107) (see Table of results: Corruption Perceptions Index 2015). The website of the "Law Enforcement and Governance in the forest sector (FLEG)" Program (see Non-Government source 1) highlights that in general, the problem of illegal logging in Belarus is not as severe as in many other countries of the same region. Over the past five years, the number of forest-related offences has been steadily decreasing because of a number of official measures to combat illegal activities

in the forest sector. Because of active and comprehensive measures taken by the state, illegal logging in Belarus does not have a sizeable impact on forest utilisation. Another important aspect that tells about Belarus' steady headway towards internationally recognized standards in the forest sector is the forest certification process, which is one of the key integral criteria of forest sector performance. However, even though legal authorities have been increasing control of illegal logging in Belarus since the beginning of 2000, some illegal logging is occurring. According to statistical data provided by the Ministry of Forestry, illegally logged wood in Belarus amounts only to 0.04% of the total felled timber volume (3725 m³ to 10.1 million m³).

The analysis of reports of the Ministry of Forestry of Belarus suggests that one case of illegal logging brings the damage of around 4.66 m³ of wood (for 10,110 ha of forest). These figures do not have a significant impact on the environment and social and economic situation in the area of the particular legal entity. It is concluded that the percent of illegal wood logging is very low of the total wood harvesting. Around 0.04 % of the total wood logging is harvested illegally and it does not affect (significantly) the forestry economy or the local population.

An international research "Feasibility Study for Introduction of Electronic Timber Tracking Technologies in Belarus" was carried out by the Russian consulting company "Forest Certification" together with experts from the Grodno State Forestry Board and the Belarusian State Technological University supported by the European Neighbourhood and Partnership Instrument (ENPI) East Countries Forest Law Enforcement and Governance (FLEG) II Program funded by European Union (Non-Government sources 4, 5). According to the results of the research, the effectiveness of the existing timber tracking system in Belarus is high, especially with regards to combating illegal logging. The existing system of timber tracking of the Ministry of Forestry of Belarus is effective enough to be used to prove timber legality (Non-Government sources 4, 5).

Over the last five years there are no official cases reported about bribery among persons responsible for issuing logging licenses. There are a few cases about attempts to bribe officials of forestry, but these facts are not related to forestry (but related to the construction of buildings) (see Non-Government sources 11, 12; Government sources 1, 2, 5). There are no corruption cases described in connection with the issuing of harvesting permits (see Non-Government sources 1-14). However, analysis of Internet resources (information of independent ecologists, environmental activists, see Non-government sources 2, 6-10) shows the availability of publications reporting violations of wood harvesting in view of the national environmental legislation in the Forest Management Enterprise (FME) of the state environmental agencies.

Also competent state control authorities have reported some violations of forest law (see Government sources 1-5, 7-9), for example:

- a) the age of forest stand does not correspond to those indicated in the documents and does not meet the acceptable age for felling - often due to errors in forest inventory data and/or natural growth of young trees of the second layer (increased volume of young layer (in comparison with previous inventory data) results in changing of predomination of tree species and, therefore age of felling),

- b) diameters of felled trees do not correspond to those indicated in the documents,
- c) the number of trees felled do not meet data in the documents,
- d) cutting of forest stands in prohibited areas (or prohibited types of logging) (due to lack of proper communication between local environmental authorities and FME responsible staff) (e.g. forest sites have got new protected status but the data was not timely transferred to FME (to be considered and taken into account during forestry activity)),

The above-mentioned issues are not systematic and harvesting permits are in place. In general, corruption is not considered as a factor influencing the possibility to obtain harvesting permits for areas and species that could not be harvested according to the legislation. Therefore this indicator is considered to be of low risk.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.4.6. Risk designation and specification

Low risk

1.4.7. Control measures and verifiers

TAXES AND FEES

1.5. Payment of royalties and harvesting fees

Legislation covering payment of all legally required forest harvesting specific fees such as royalties, stumpage fees and other volume based fees. It also includes payments of the fees based on correct classification of quantities, qualities and species. Incorrect classification of forest products is a well-known issue often combined with bribery of officials in charge of controlling the classification.

1.5.1. Applicable laws and regulations

- Edict of the President of the Republic of Belarus No.504 of 08.11.2012 "On amendments and additions to the Presidential Decrees as of May 7, 2007 no. 214 and as of September 9, 2009 no. 444 "On some measures of improvement in forest management" (Rules of timber trading in the domestic market of Belarus were approved, amendments were made to the "Rules of standing timber trading and its harvesting in the forests of Belarus"). Available at: <http://mlh.by/ru/official/acts.html>
- Edict of the President of the Republic of Belarus No.211 of 20.05.2015 "On amendments and additions to the Presidential Decrees as of May 7, 2007 no. 214 "On some measures of improvement in forest management". Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=P31500211&p1=1&p5=0>
- Resolution of the Council of Ministers of the Republic of Belarus No. 708 of 30.05.2007 (in wording of Resolution of the Council of Ministers of the Republic of Belarus No. 2034 of 26.12.2008) "On Approval of the Regulation on the Procedure of the Forming of Stumpage Prices of the Main Forest Species" (together with the "Regulation on the Procedure of the Forming of Stumpage Prices of the Main Forest Species"). Available at: <http://mlh.by/ru/official/acts.html>
- Resolution of the Council of Ministers of the Republic of Belarus No. 1039 of 15.12.2015 "On approval of rates for main standing forest species in 2016". Available at: <http://www.centri-cen.by/upload/1039.pdf>
- Law of the Republic of Belarus No. 57-Z of 12.07.2013 "On Accounting and Reporting". Available at: <http://www.pravo.by/main.aspx?guid=3871&p2=2/2055>

1.5.2. Legal authority

- Ministry of Finance of the Republic of Belarus
- Ministry of Taxes and Duties of the Republic of Belarus
- The State Control Committee of the Republic of Belarus
- Ministry of Forestry of the Republic of Belarus

1.5.3. Legally required documents or records

- The act of delineation and taxation of cutting area

- Statement of volume and monetary valuation of the cutting area
- Harvest permits
- Receipts from tax payment

1.5.4. Sources of information

Government sources

- belta.by (2015). *Rates for main standing forest species in 2016, 2015*. [online]. Belarusian Telegraph Agency. Available at: <http://www.belta.by/economics/view/taksy-na-drevesinu-osnovnyh-lesnyh-porod-v-2016-godu-menjatsja-ne-budut-174281-2015/> [Accessed 17 July 2016]
- gosinspekciya.gov.by (2016). *State Inspectorate informs*. [online] The official website of the State Inspectorate for Protection of Fauna and Flora under the President of the Republic of Belarus. Available at: <http://gosinspekciya.gov.by/information/> [Accessed 17 June 2016]
- kgk.gov.by (2015). *The State Control Committee reviewed the results of checking the forest industry*. [online] The official website of the State Control Committee of the Republic of Belarus. Available at: <http://kgk.gov.by/ru/news-press-center-ru/view/v-komitete-gosudarstvennogo-kontrolja-rassmotreny-rezultaty-proverki-lesnoj-otrasli-107632/> [Accessed 10 May 2016]
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- Respublika (2016). *Knock on wood*. [online] Available at: <http://respublika.sb.by/obshchestvo-27/article/postuchim-po-derevu-03062016.html> [Accessed 22 July 2016]
- minfin.gov.by (2016). *Typical violations of the law*. [online] Ministry of Finance of the Republic of Belarus. Available at: http://www.minfin.gov.by/ru/typical_violations_law/ [Accessed 22 June 2016]
- minfin.gov.by (2016). *Control and auditing activities. Typical violations of the law*. [online] Ministry of Finance of the Republic of Belarus. Available at: http://www.minfin.gov.by/ru/typical_violations_law/control_and_auditing/ [Accessed 23 June 2016]
- nalog.gov.by (2016). *Tax control*. [online] Ministry of Taxes and Duties of the Republic of Belarus. Available at: http://www.nalog.gov.by/ru/nalogovii_control_ru/ [Accessed 23 June 2016]

Non-Government sources

- Janushko, A.D. (2004). *Myths and Realities of Forestry of Belarus*. In Belarusian Forest Newspaper. Minsk: 2004 August 12 (№30). P. 3.
- Shmatkov, N. (2015). *A research proves high effectiveness of law enforcement on timber origin and legality in Belarus*. [online] Regional ENPI-FLEG Program in Belarus. The program on "Improving Forest Law Enforcement and Governance in the European Neighbourhood Policy East Countries and Russia (ENPI FLEG)". Available

at: <http://www.enpi-fleg.org/news/a-research-proves-high-effectiveness-of-law-enforcement-on-timber-origin-and-legality-in-belarus/> [Accessed 20 February 2016]

- enpi-fleg.org (2015). *Brief Review of the Forest Policy and Forest Legislation of the Republic of Belarus*. [online] European Neighbourhood and Partnership Instrument East Countries Forest Law Enforcement and Governance II Program. Regional ENPI-FLEG Program in Belarus. Available at: <http://www.enpi-fleg.org/docs/brief-review-of-the-forest-policy-and-forest-legislation-of-the-republic-of-belarus/> [Accessed 17 June 2016]
- enpi-fleg.org (2015). *Feasibility study for the timber origin tracing system establishment based on product labeling and electronic record keeping for the Republic of Belarus*. [online] European Neighbourhood and Partnership Instrument East Countries Forest Law Enforcement and Governance II Program. Regional ENPI-FLEG Program in Belarus. Available at: <http://www.enpi-fleg.org/docs/feasibility-study-for-the-timber-origin-tracing-system-establishment/> [Accessed 04 July 2016]
- Bui, A., Mashkouski, U., Minkevich, S., (2012). *Ways of improving of timber recording system in Belarus based on foreign experience*. Improving Forest Law Enforcement and Governance in the European Neighbourhood Policy East Countries and Russia. Practical publication. Minsk: MLH RB, OOO "V.I.Z.A. GROUP". P. 87.
- Minkevich, S.I., Bui., A.A., (2013). *Analysis of timber registration system on its compliance with the norms of EU Regulation*. In Proceeding of Scientific papers of BSTU. Minsk: No 1. Forestry. P. 36-39.
- enpi-fleg.org (2010). Law Enforcement and Governance in the forest sector (FLEG). [online] Available at: <http://fleg1.enpi-fleg.org/index.php?id=14&L=1> [Accessed 19 May 2016]

1.5.5. Risk determination

Overview of Legal Requirements

In order to add value to the Forest Management Enterprises (FMEs), the Belarusian state has initiated a halt to selling of standing timber. In accordance with Presidential Decree 504, the transition period has been initiated, which means that since 2015 FMEs have only been allowed to sell standing timber from deciduous forests on so called "hard to reach" forest sites of their forest (which will sum up to 0.8 million m³ out of the total Belarusian forest area). This means that FMEs (leshoz) are now only allowed to either cut their own forest or a contractor can cut the forest for them.

Harvesting organisation (who get a harvesting permit) has to pay legally required stumpage fee. Silvicultural thinning, sanitary cuttings are not taxable. Final, harvesting is always taxable and stumpage fee can be split into several payments: 30 percent - before issuing the logging permit, 30 percent - not later than 30 calendar days later, and 40 percent - not later than 60 calendar days after the issuance of a logging permit. The stumpage prices are approved by the Resolution of the Council of Ministers of the Republic of Belarus No. 1039 of 15.12.2015 and depends on different factors (e.g. tree species, remoteness of a forest site, etc.).

Description of Risk

The website of the "Law Enforcement and Governance in the forest sector (FLEG)" Program (see Non-Government sources, 7) highlights that illegal logging in Belarus does not have a sizeable impact on forest utilization. More common though are cases of illegal timber sales spurred by improper valuation of logging sites and poor recording of harvested timber. This creates conditions for the emergence of unrecorded timber to a shadow market. Responding to this problem, the Ministry of Forestry together with other government authorities and non-governmental organisations are actively involved in developing continuous efforts aimed at preventing the illegal timber trade.

The authors of this quote regarding illegal timber sales due to inaccurate measurement methods, (see above) do not give any quantitative data. There are also no references to any publications with specific data confirming the results. Therefore, this statement was compared with other data. State Inspectorate for the Protection of Flora and Fauna, the State Control Committee conducts road control measures (random sampling (weekly), also on schedule). In the description of the results of inspections, there is no data on a systematic and deliberate understatement or underestimation of the volume of harvested wood for sale (see Government sources, 2, 3, 5, 6). A research of methods for measuring and estimating the volume of wood was carried out. Some results have led to the conclusion that 1) the methods used can estimate the growing stock with an accuracy of 10% or 15% (different methods), 2) the methods used to measure the volumes of harvested wood allow us to estimate volumes with an accuracy of 3-5% to 15% (different methods). Field inspection data showed that the methods used to determine the amount of harvested wood provide 1) different accuracy depending on the laboriousness of the measurements, the technologies used and the volume of the measured batch of round wood, and 2) correspond to the normative accuracy given in the legislation acts (see Non-Government sources, 4, 5, 8).

Employees of the Ministry of Forestry are taking measures to improve the measures and accounting system. The works on automation of wood accounting systems are under way as well as creation of conditions for quick (daily) accounting (harvesting data is transmitted to the central office) of harvested wood volumes in the accounting program 1C. The employees of the Ministry of Forestry visit other forestry countries to get and share the experience on wood accounting. A Unified Automatic Informational System of the Ministry of Forestry of Belarus has been introduced recently to meet requirements for more reliable and transparent system of timber registration (at different stages, incl. planning, harvesting and flows of round wood). Also, Ministry of Forestry has financed a research project aimed at developing of new wood volume tables (to make evaluation of growing stock volume more accurate). The tables (volume tables of Gomellesproekt) are already in use and the new tables provide more accurate volume results.

Payment is strictly controlled by the State Control Committee and State Taxes Service.

Review of available information from official sources (Section "Typical violations of the law" of the website of the Ministry of Finance, Section "Tax Control" of the Ministry of Taxes and Duties of the Republic of Belarus, information from the State Control Committee) and consultation with experts do not reveal problems related to the issues of payments and taxes in Belarusian forestry. There is no information that payments of stumpage fees are not paid (or paid less). The detailed information regarding payments and taxes of an organisation can be obtained from the Tax service upon written request. There are no indications of risks based on publication review and interviews with

stakeholders and competent authorities. There is no negative feedback on this issue from NGOs.

There are no evidences to specify risk in this category at the moment.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.5.6. Risk designation and specification

Low risk

1.5.7. Control measures and verifiers

N/A

1.6. Value added taxes and other sales taxes

Legislation covering different types of sales taxes, which apply to the material being sold, including selling material as growing forest (standing stock sales). Risk relates to situations where products are sold without legal sales documents or far below market price resulting in illegal avoidance of taxes.

1.6.1. Applicable laws and regulations

- Tax code of the Republic of Belarus No. 166-Z of 19.12.2002 (General part)
Available at: http://etalonline.by/?type=text®num=Hk0200166#load_text_none_1
- Tax code of the Republic of Belarus No. 71-Z of 29.12.2009 (Special part, Chapter 12) Available at: <http://etalonline.by/?type=text®num=Hk0900071>
- Law of the Republic of Belarus No. 57-Z of 12.07.2013 "On Accounting and Reporting". Available at: <http://www.pravo.by/main.aspx?guid=3871&p2=2/2055>

1.6.2. Legal authority

- Ministry of Taxes and Duties of the Republic of Belarus
- Ministry of Finance of the Republic of Belarus
- The State Control Committee of the Republic of Belarus

1.6.3. Legally required documents or records

- Harvest permits
- Information about taxpayers / VAT payers (Database of State Tax Inspectorate),
- VAT invoices,
- Annual VAT declaration

1.6.4. Sources of information

Government sources

- nalog.gov.by (2016). *Control measures*. [online]. Ministry of Taxes and Duties of the Republic of Belarus. Available at: http://www.nalog.gov.by/ru/control_meropriyatia_minsk_obl_ru/ [Accessed 23 June 2016]
- nalog.gov.by (2016). *Taxes must be paid on time*. [online]. Ministry of Taxes and Duties of the Republic of Belarus. Available at: http://www.nalog.gov.by/ru/m_publr_minsk_obl_ru/view/nalogi-nado-platit-vovremja-14239/ [Accessed 23 June 2016]
- kgk.gov.by (2015). *The State Control Committee reviewed the results of checking the forest industry*. [online]. The official website of the State Control Committee of the Republic of Belarus. Available at: <http://kgk.gov.by/ru/news-press-center-ru/view/v-komitete-gosudarstvennogo-kontrolja-rassmotreny-rezultaty-proverki-lesnoj-otrasli-107632/> [Accessed 10 May 2016]
- mlh.gov.by (2016). *Typical violations identified by verifications, control activities*. [online]. The official website of the Ministry of Forestry of the Republic of Belarus. Available at: <http://www.mlh.gov.by/ru/official/kontra.html> [Accessed 7 May 2016]
- minfin.gov.by (2016). *Typical violations of the law*. [online]. Ministry of Finance of the Republic of Belarus. Available at: http://www.minfin.gov.by/ru/typical_violations_law/ [Accessed 22 June 2016]
- minfin.gov.by (2016). *Control and auditing activities. Typical violations of the law*. [online]. Ministry of Finance of the Republic of Belarus. Available at: http://www.minfin.gov.by/ru/typical_violations_law/control_and_auditing/ [Accessed 23 June 2016]
- nalog.gov.by (2016). *Tax control*. [online]. Ministry of Taxes and Duties of the Republic of Belarus. Available at: http://www.nalog.gov.by/ru/nalogovii_control_ru/ [Accessed 23 June 2016]
- new.butb.by (2016). *Control of transactions execution*. [online] OJSC Belarusian Universal Commodity Exchange. Available at: <http://new.butb.by/> [Accessed 21 June 2016]

Non-Government sources

- news.tut.by (2009). The VAT rate in Belarus from January 1, 2010 increased from 18% to 20%. *Belarusian news portal*. [online] Available at: <http://news.tut.by/economics/156688.html> [Accessed 22 February 2016]
- enpi-fleg.org (2015). *Feasibility study for the timber origin tracing system establishment based on product labeling and electronic record keeping for the Republic of Belarus*. [online] European Neighbourhood and Partnership Instrument East Countries Forest Law Enforcement and Governance II Program. Regional ENPI-FLEG Program in Belarus. Available at: <http://www.enpi-fleg.org/docs/feasibility-study-for-the-timber-origin-tracing-system-establishment/> [Accessed 04 July 2016]
- Bui, A., Mashkouski, U., Minkevich, S., (2012). *Ways of improving of timber recording system in Belarus on the basis of foreign experience*. Improving Forest Law Enforcement and Governance in the European Neighbourhood Policy East

Countries and Russia. Practical publication. Minsk: MLH RB, OOO "V.I.Z.A. GROUP". P. 87.

1.6.5. Risk determination

Overview of Legal Requirements

Value added tax (VAT) is 20% in Belarus. The rate of VAT increased from 18% to 20% on January 1, 2010 (provided by the Special Part of the Tax Code (Tax code of the Republic of Belarus No. 71-Z of 29.12.2009 (Special part, Chapter 12)). According to the Tax code, VAT is applicable to all wood material being sold. This is indicated in the national law and controlled by different state authorities. The value added tax is paid monthly.

Round wood is sold at auction (exchange auctions via Belarusian Universal Commodity Exchange (butb.by)). State Taxes service (Inspectorate) is responsible for collection of VAT, which has to be declared by tax payer.

Description of Risk

Situations where products are sold without legal sales documents or far below market price are not known. There is no information that VAT is not paid (or paid less).

Payment is strictly controlled by the State Control Committee and State Taxes Service. Review of available information from official sources (Section "Typical violations of the law" of the website of the Ministry of Finance, Section "Tax Control" of the Ministry of Taxes and Duties of the Republic of Belarus, information from the State Control Committee) and consultation with experts do not reveal problems related to the issues of payments and taxes in Belarusian forestry. There is no information that taxes are not paid (or underpaid). The detailed information regarding payments and taxes of a concrete organisation can be obtained from Tax service upon written request. There are no indications of risks based on publication review and interviews with stakeholders and competent authorities.

There are no evidences to specify risk in this category.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.6.6. Risk designation and specification

Low risk

1.6.7. Control measures and verifiers

N/A

1.7. Income and profit taxes

Legislation covering income and profit taxes related to the profit derived from sale of forest products and harvesting activities. This category is also related to income from the sale of timber

and does not include other taxes generally applicable for companies or related to salary payments.

1.7.1. Applicable laws and regulations

- Tax code of the Republic of Belarus No. 166-Z of 19.12.2002 (General part). Available at: http://etalonline.by/?type=text®num=Hk0200166#load_text_none_1
- Tax code of the Republic of Belarus No. 71-Z of 29.12.2009 (Special part, Chapter 14). Available at: <http://etalonline.by/?type=text®num=Hk0900071>
- Law of the Republic of Belarus No. 57-Z of 12.07.2013 "On Accounting and Reporting". Available at: <http://www.pravo.by/main.aspx?guid=3871&p2=2/2055>

1.7.2. Legal authority

- Ministry of Taxes and Duties of the Republic of Belarus
- Ministry of Finance of the Republic of Belarus

1.7.3. Legally required documents or records

- Income tax declarations and reports
- Accounting records
- Receipts from payment of taxes

1.7.4. Sources of information

Government sources

- nalog.gov.by (2016). *Control measures*. [online]. Ministry of Taxes and Duties of the Republic of Belarus. Available at: http://www.nalog.gov.by/ru/control_meropriyatia_minsk_obl_ru/ [Accessed 23 June 2016]
- nalog.gov.by (2016). *Taxes must be paid on time*. [online]. Ministry of Taxes and Duties of the Republic of Belarus. Available at: http://www.nalog.gov.by/ru/m_publr_minsk_obl_ru/view/nalogi-nado-platit-vovremja-14239/ [Accessed 23 June 2016]
- kgk.gov.by (2015). *The State Control Committee reviewed the results of checking the forest industry*. [online]. The official website of the State Control Committee of the Republic of Belarus. Available at: <http://kgk.gov.by/ru/news-press-center-ru/view/v-komitete-gosudarstvennogo-kontrolja-rassmotreny-rezultaty-proverki-lesnoj-otrasli-107632/> [Accessed 10 May 2016]
- mlh.gov.by (2016). *Typical violations identified by verifications*. [online]. Control activities. The official website of the Ministry of Forestry of the Republic of Belarus. Available at: <http://www.mlh.gov.by/ru/official/kontra.html> [Accessed 7 May 2016]
- minfin.gov.by (2016). *Typical violations of the law*. [online]. Ministry of Finance of the Republic of Belarus. Available at: http://www.minfin.gov.by/ru/typical_violations_law/ [Accessed 22 June 2016]

- minfin.gov.by (2016). *Control and auditing activities. Typical violations of the law.* [online]. Ministry of Finance of the Republic of Belarus. Available at: http://www.minfin.gov.by/ru/typical_violations_law/control_and_auditing/ [Accessed 23 June 2016]
- nalog.gov.by (2016) *Tax control.* [online] Ministry of Taxes and Duties of the Republic of Belarus. Available at http://www.nalog.gov.by/ru/nalogovii_control_ru/ [Accessed 23 June 2016]
- new.butb.by (2016) *Control of transactions execution.* [online] OJSC Belarusian Universal Commodity Exchange. Available at: <http://new.butb.by/> [Accessed 21 June 2016]

Non-Government sources

- enpi-fleg.org (2015). *Feasibility study for the timber origin tracing system establishment based on product labelling and electronic record keeping for the Republic of Belarus.* [online]. European Neighbourhood and Partnership Instrument East Countries Forest Law Enforcement and Governance II Program. Regional ENPI-FLEG Program in Belarus. Available at: <http://www.enpi-fleg.org/docs/feasibility-study-for-the-timber-origin-tracing-system-establishment/> [Accessed 04 July 2016]
- Bui, A., Mashkouski, U., Minkevich, S., (2012). *Ways of improving of timber recording system in Belarus on the basis of foreign experience.* Improving Forest Law Enforcement and Governance in the European Neighbourhood Policy East Countries and Russia, practical publication. Minsk: MLH RB, OOO "V.I.Z.A. GROUP". P. 87.

1.7.5. Risk determination

Overview of Legal Requirements

Income tax is paid by organisations regardless of the form of ownership, meaning that also the state own companies pay income tax. If timber is sold by a legal entity, the entity will be liable to pay income tax, which is 18%. By law, the taxable base for calculating income tax is gross profit, dividends and income, equal to them in accordance with paragraph. 1, Art. 35 of the Tax Code. In the legislation, there are a number of conditions fully or partially exempt from income tax. However, these exceptions do not apply to forestry. Income and profit taxes shall be paid in time. The bank account will be closed, if the Forest Management Enterprise (FME) has not paid tax in a timely manner. That is indicated in the national law (Tax Code, Chapter 5) and controlled by different state authorities. Receipts exist for payments of income and profit taxes.

Description of Risk

Situations where products are sold without legal sales documents or far below market price are not known. (see Government sources, 1-7; Non-Government sources, 1-2). Round wood is sold at auction (exchange auctions via Belarusian Universal Commodity Exchange (butb.by)). State Taxes service (Inspectorate) is responsible for collection of taxes, which have to be declared by tax payer. There is no information that taxes are not paid.

Review of available information from official sources (Section “Typical violations of the law” of the website of the Ministry of Finance, Section “Tax Control” of the Ministry of Taxes and Duties of the Republic of Belarus, information from the State Control Committee) and consultation with experts do not reveal problems related to the issues of payments and taxes in forestry. The detailed information regarding payments and taxes of a concrete organisation can be obtained from Tax service upon written request (Annex 12 to the Decree of the Ministry of Taxes and Duties of the Republic of Belarus No 14 of 04.26.2013). There are no indications of risks based on publication review and interview with stakeholders.

There are no evidence to specify risk in this category.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.7.6. Risk designation and specification

Low risk

1.7.7. Control measures and verifiers

N/A

TIMBER HARVESTING ACTIVITIES

1.8. Timber harvesting regulations

Any legal requirements for harvesting techniques and technology including selective cutting, shelter wood regenerations, clear felling, transport of timber from felling site and seasonal limitations etc. Typically this includes regulations on the size of felling areas, minimum age and/or diameter for felling activities and elements that shall be preserved during felling etc. Establishment of skidding or hauling trails, road construction, drainage systems and bridges etc. shall also be considered as well as planning and monitoring of harvesting activities. Any legally binding codes for harvesting practices shall be considered.

1.8.1. Applicable laws and regulations

- Forest Code of the Republic of Belarus of 2015 No. 332-Z. Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=Hk1500332&p1=1>
- Edict of the President of the Republic of Belarus No.214 of 07.05.2007 (in wording of Edict of the President of the Republic of Belarus No.504 of 08.11.2012) "On Some Measures on Improvement of the Activity in the Sphere of Forestry" (together with the "Rules of Supply of Standing Wood and its Harvest in the Forests of the Republic of Belarus", "Rules of Wood Supply in Domestic Market of the Republic of Belarus", "Regulations of the State Forest Service of the Republic of Belarus"). Available at: <http://mlh.by/ru/official/acts.html>
- Resolution of the Council of Ministers of the Republic of Belarus No. 1765 of 06.12.2001 "About the age of felling (forest trees on final felling)". Available at: <http://mlh.by/ru/official/acts.html>
- TKP 143-2008 (02080). Technical code of common practice. Rules of felling in the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 060-2006 (02080). Technical code of common practice. Rules of delineation and measurements of felling area in the forests of the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 026-2006 (02080). Technical code of common practice. Sustainable forest management. Sanitary rules in the forests of the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 047-2009 (02080). Technical code of common practice. Sustainable forest management. Instruction on reforestation and afforestation in Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- STB 1708-2006. Sustainable forest management. The main provisions. Available at: <http://mlh.by/ru/official/tech.html>
- STB 1688-2006. Sustainable forest management. Requirements for the forestry planning. Available at: <http://mlh.by/ru/official/tech.html>
- STB 1360-2002. Sustainable forest management. Felling. Requirements to technology. Available at: <http://mlh.by/ru/official/tech.html>

- STB 1361-2002. Sustainable forest management. Intermediate felling. Requirements to technology. Available at: <http://mlh.by/ru/official/tech.html>
- STB 1592-2005. Sustainable forest management. Silvicultural machines. General requirements. Available at: <http://mlh.by/ru/official/tech.html>
- STB 1342-2002. Sustainable forest management. Machines for felling. General technical requirements. Available at: <http://mlh.by/ru/official/tech.html>

1.8.2. Legal authority

- Ministry of Forestry of the Republic of Belarus
- Ministry of Defence of the Republic of Belarus
- The Executive Office of the President of the Republic of Belarus (State Nature Conservation Institutions (National Parks and Berezinsky Biosphere Reserve); Forestry and Hunting Organisations)
- The National Academy of Sciences of Belarus (State Scientific Institution "The Institute of Forest")
- Ministry of Education of the Republic of Belarus (Educational and Experimental Forestry Enterprises)
- City (cities of regional subordination and Minsk City) executive and regulatory authorities (Park Forests)
- The Ministry of Emergency Situations of the Republic of Belarus (State Environmental Research Institution "Polesky State Radiation Ecological Reserve")

1.8.3. Legally required documents or records

- Forest Management Plan
- Harvesting permit
- List of projected silvicultural measures
- Technological karta
- Forest map (planshet 1:10 000) with delineated cutting areas
- Coloured forest map (1: 25 000) according to tree species composition, projected silvicultural measures, etc.

1.8.4. Sources of Information

Government sources

- gosinspekciya.gov.by (2016). *State Inspectorate informs*. [online]. The official website of the State Inspectorate for Protection of Fauna and Flora under the President of the Republic of Belarus. Available at: <http://gosinspekciya.gov.by/information/> [Accessed 12 January 2016]
- kgk.gov.by (2015). *The State Control Committee reviewed the results of checking the forest industry*. [online]. The official website of the State Control Committee of the Republic of Belarus. Available at: <http://kgk.gov.by/ru/news-press-center->

[ru/view/v-komitete-gosudarstvennogo-kontrolja-rassmotreny-rezultaty-proverki-lesnoj-otrasli-107632/](http://kgk.gov.by/ru/view/v-komitete-gosudarstvennogo-kontrolja-rassmotreny-rezultaty-proverki-lesnoj-otrasli-107632/) [Accessed 10 March 2016]

- kgk.gov.by (2014). *The State Control Committee checked the activities of some enterprises of the forestry industry*. [online] The official website of the State Control Committee of the Republic of Belarus. Available at: http://kgk.gov.by/ru/vazno_znat-ru/view/Komitetom-goskontrolja-proverena-dejatelnost-rjada-organizatsij-lesnoj-otrasli-9912/ [Accessed 12 March 2016]
- kgk.gov.by (2014). *Joint inspection organs of state control and the prosecutor's office*. [online]. The official website of the State Control Committee of the Republic of Belarus. Available at: http://kgk.gov.by/ru/vazno_znat-ru/view/Sovmestnaja-proverka-organov-goskontrolja-i-prokuratury-vyjavila-mnogochislennye-narushenija-i-9831/ [Accessed 15 March 2016]
- mlh.gov.by (2016). *Typical violations identified by verifications. Control activities*. [online]. The official website of the Ministry of Forestry of the Republic of Belarus. Available at: <http://www.mlh.gov.by/ru/official/kontra.html> [Accessed 7 May 2016]
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1.8.5. Risk determination

Overview of Legal Requirements

Timber harvesting is regulated in detail by legal acts. The regulations on timber harvesting describe the types of forest cuttings (TKP 143-2008 (02080), Chapter 4) and defines the minimum age of forest trees to be cut which is dependent on tree species and forest categories (Resolution of the Council of Ministers of the Republic of Belarus No. 1765, TKP 143-2008 (02080), Article 5.1.2). In addition, it requires that a certain number of trees per/ha shall be left after harvesting (TKP 143-2008 (02080), Article 4.7, 4.9, 5.3.4). These trees shall match the criteria described in this legal act. The harvesting is prohibited around nesting places of rare and endangered bird species (TKP 143-2008 (02080), TKP 17.07-01-2014 (02120). The regulation on forest cuttings defines the minimum width of cutting area, which depends on tree species, forest type, and forest category (TKP 143-2008 (02080), Article 5.1.8, table 3). The procedures and time for selecting and preparing the forest cutting area is also defined (TKP 060-2006 (02080), Article 5.1).

The technological requirements mentioned in the regulations of forest cuttings (TKP 143-2008 (02080), Chapter 5, 6, 7) describe how much of shelter wood and wood residues or dead wood shall be left, how the skidding trails shall be prepared and used, how timber shall be extracted from the cutting area and stored (TKP 143-2008 (02080), TKP 060-2006 (02080), TKP 026-2006 (02080), TKP 047-2009 (02080)). The use of the road structure, drainage systems and bridges, which depends on the harvesting season,

cutting type, forest category, etc. is also described in legal acts (TKP 143-2008 (02080), Chapter 4; TKP 060-2006 (02080), Chapter 4, 6-8).

The regulation on marking and evaluation of forest cutting areas describes the preparation process for selection and marking of the forest cutting areas (TKP 060-2006 (02080), Chapter 6-8, 10, Article 5.2). It defines how the trees to be cut are selected and marked based on cutting type, forest category and other environmental conditions (TKP 060-2006 (02080), Chapter 5, 7; TKP 143-2008 (02080), Chapter 4; STB 1360-2002; STB 1361-2002). The requirements for forest machinery are defined in the regulations on evaluation of compliances of tractors, its trailers and other machines in forestry (STB 1592-2005; STB 1342-2002).

Belarusian legal acts cover all aspects of this indicator.

Description of Risk

Silvicultural system, type of harvest, volume of wood according to species for harvesting and other planned management measures are prescribed in the forest management plan for each forest stand (smallest unit of the forest where homogenies forest grows (according to forest inventory law)). Some limitation (e.g. maximum area for clear cut) regarding harvesting are prescribed in legislation (TKP 143-2008 (02080), STB 1360-2002; STB 1361-2002; STB 1688-2006; STB 1708-2006). Harvest and extraction of wood have to be carried out in a way that minimizes negative impacts on soil, waterways, forest vegetation, left trees and the quality of timber. All forestry activities are under supervision of the Forest Management Enterprises (FME) managers, who have to select trees to be cut.

Procedures regarding designation of harvesting, harvest permission and management records are strictly prescribed in legislation (TKP 143-2008 (02080), TKP 060-2006 (02080), STB 1360-2002; STB 1361-2002). Forest managers have to records all performed management activities in Forestry Management Records (cutting areas should be delineated on forest maps) and submit monthly (and annual) summary from these records to Regional Forestry Board (GPLHO) which perform regular on-site inspections of performed management activities on chosen forest management unit. During these checks, also records keeping and overall compliance with legal requirement are reviewed. In case of major gaps, Regional Forestry Board and/or the Ministry of Forestry penalize FME and responsible forest managers.

State Inspectorate for Protection of flora and fauna of the President of the Republic of Belarus as well as State Control Committee of the Republic of Belarus periodically control how forest operations in cutting areas are being or have been implemented according to existing legal acts. The Ministry of Forestry also has the annual control plan where the aspect /types of forestry activities, including silvicultural felling, main felling, reforestation, etc.) and places to be checked are listed. Reports of competent authorities are available (see list of Government Sources, 1-7), which is showing that violations in timber harvesting in most cases was elucidated and infringers punished (there is information about some violations of requirements given in harvesting permit, see also "Description of risk" in subcategory "Harvesting permits") (Government Sources 1, 2, 7). The infringements were rare.

There is no negative information based on review of Non-Governmental sources.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.8.6. Risk designation and specification

Low risk

1.8.7. Control measures and verifiers

N/A

1.9. Protected sites and species

International, national, and sub national treaties, laws, and regulations related to protected areas allowable forest uses and activities, and/or, rare, threatened, or endangered species, including their habitats and potential habitats. Risk relates to illegal harvesting within protected sites, as well as illegal harvest of protected species. Note that protected areas may include protected cultural sites, including sites with historical monuments.

1.9.1. Applicable laws and regulations

- Forest Code of the Republic of Belarus of 2015 No. 332-Z (Chapter 23). Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=Hk1500332&p1=12>.
- Law of the Republic of Belarus No. 3335-XII of 20.10.1994 "On Specially Protected Natural Territories". Available at: <http://www.minpriroda.gov.by>
- Law of the Republic of Belarus No. 205-Z of 14.06.2003 "On Flora". Available at: <http://mlh.by/ru/official/tech.html>
- Law of the Republic of Belarus No. 257-Z of 10.07.2003 "On Wildlife". Available at: <http://mlh.by/ru/official/tech.html>
- Resolution of the Ministry of Natural Resources and Environmental Protection of the Republic of Belarus No. 26 of 09.06.2014 "On Approval of the list of rare and endangered species"). Available at: <http://redbook.minpriroda.gov.by/>
- TKP 17.05-01-2014 (02120). Technical code of common practice. Protection of the environment and wildlife management. Vegetable world. Protection rules of wild plants belonging to the species included in the Red Book of the Republic of Belarus, and the sites of their location. Available at: <https://brestnatura.org/ru/law/>
- TKP 17.07-01-2014 (02120). Technical code of common practice. Protection of the environment and wildlife management. Animal world. Regulations for protection of wild animals belonging to the species included in the Red Book of the Republic of Belarus and their habitats. Available at: <https://brestnatura.org/ru/law/>
- TKP 17.12-06-2014 (02120). Technical code of common practice. Protection of the environment and wildlife management. Territories. Vegetable world. Terms of allocation and protection of typical and rare biotopes, typical and rare landscapes. Available at: <https://brestnatura.org/ru/law/>

- TKP 143-2008 (02080). Technical code of common practice. Rules of fellings in the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>

1.9.2. Legal authority

- Ministry of Natural Resources and Environmental Protection of the Republic of Belarus
- State Service for Protected Areas under the Natural Resources and Environmental Protection;
- Regional Environment Protection Departments;
- Ministry of Forestry of the Republic of Belarus
- Ministry of Defence of the Republic of Belarus
- The Executive Office of the President of the Republic of Belarus (State Nature Conservation Institutions (National Parks and Berezinsky Biosphere Reserve); Forestry and Hunting Organisations)
- The National Academy of Sciences of Belarus (State Scientific Institution "The Institute of Forest")
- Ministry of Education of the Republic of Belarus (Educational and Experimental Forestry Enterprises)
- City (cities of regional subordination and Minsk City) executive and regulatory authorities (Park Forests)
- The Ministry of Emergency Situations of the Republic of Belarus (State Environmental Research Institution "Polessky State Radiation Ecological Reserve")

1.9.3. Legally required documents or records

- Forest Management Plan
- list of rare and endangered species
- List of projected silvicultural measures
- Forest map (planshet 1:10 000) with delineated cutting areas
- Colored forest map (1: 25 000) (projected silvicultural measures)
- Regulations on the specially protected natural area (e.g. Regulations on Reserve)
- Passport (information sheet) of specially protected natural area
- Passport (information sheet) of natural monument
- Security obligation

1.9.4. Sources of Information

Government sources

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President of the Republic of Belarus. Available at:

<http://gosinspekciya.gov.by/information/> [Accessed 12 January 2016]

- kgk.gov.by (2015). *The State Control Committee reviewed the results of checking the forest industry*. [online]. The official website of the State Control Committee of the Republic of Belarus. Available at: <http://kgk.gov.by/ru/news-press-center-ru/view/v-komitete-gosudarstvennogo-kontrolja-rassmotreny-rezultaty-proverki-lesnoj-otrasli-107632/> [Accessed 10 March 2016]
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- Rudenik, V. (2015). At the same rake. Control activities. *State Control: Analysis, Practice, comments*. no. 4 (18), December 2015, - pp. 9-11.

Non-Government sources

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- Belasin, E., (2013). *Are they cutting down oak trees in the Belovezhskaya Pushcha?* [online]. How a journalist investigated forest secrets. Available at: <http://bp21.org.by/ru/art/a130925.html> [Accessed 18 June 2016]
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- Ustin, V., (2013). *Help save unique forests in Negorelsky experimental and research forestry!* [online] Available at: <http://www.wildlife.by/node/22337> [Accessed 19 June 2016]
- vb.by (2014). *"Minus" on the vine*. [online]. Evening Brest. Available at: <http://www.vb.by/society/26164.html> [Accessed 23 June 2016]
- ptushki.org (2016). *"Wildlife Week with APB" second day, 2016*. [online]. Public organisation "APB-BirdLife Belarus". Available at: <http://www.ptushki.org/info/press/item/17255.html> [Accessed 27 August 2016]
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1.9.5. Risk determination

Overview of Legal Requirements

The legislation regarding the management of established protected areas is well developed. Categories and types of specially protected natural areas are described in the Law of the Republic of Belarus No. 3335-XII, see Chapter 1, Article 3; STB 1708-2006, Chapter 5, Annex G. Protection and use regime of protected areas is regulated according to the Chapter 1, Article 12 of the Law No. 3335-XII. The main legal documents, which regulate the protection and management regime of protected areas, are the following: Law on Protected Areas, Regulations of protected area (Regulations on the specially protected natural area e.g. Regulations on Reserve, Passport of specially protected natural area); the individual regulation of protected objects or selective areas (Passport of natural monument, Security obligation) (see section "Legally required documents or records"). "Passport" refer to an information sheet, documenting per each species within the Forest management Enterprise (FME) important information about the species or cultural sites such as quantity, site, name etc.

The management of forests, according to the Forest Code (Forest Code of the Republic of Belarus No. 332-Z) is based on the forest management plan (STB 1681-2006, STB 1688-2006), which includes a special section on nature protection measures, where the protected species, habitats and other environmental protection values or objects are listed and marked on the maps with prescribed and detailed protection measures. Legal requirements in relation to protected areas (HCVF) are described in a special document for each specific area (i.e. Regulations on Reserve according to the Law No. 3335-XII, Chapter 4, Article 31). The Regulation states which types of silvicultural activities, including types of logging are allowed (also seasonal limitations, geographical distribution of forest sites of different values, etc.). Regimes of protection of rare species are given in TKP 17.05-01-2014 (02120), TKP 17.05-07-2014 (02120), and for rare biotopes the relevant legal act is TKP 17.12-06-2014 (02120). The TKP gives full description of the regimes of protection, including types of logging that are allowed and seasonal limitations, etc. Types of forestry measures allowed in specially protected forest sites are described in Appendix H of TKP 143-2008 (02080).

Description of Risk

The Ministry of Natural Resources and Environmental Protection periodically controls how the legislation on protection of natural values, objects and protected areas are implemented. In addition, the regional offices of State Inspectorate for Protection of flora and fauna of the President of the Republic of Belarus as well as the State Control Committee of the Republic of Belarus periodically assess how the management rules and legal requirements for environmental protection are implemented in the management unit. The reports about places checked and issues found are published in the forestry mass media and specialized journal "State Control: Analysis, Practice, Commentaries". Some cases are related to protected areas violation (or potential

violation due to planned activity) (see Government sources, 8; Non-Government sources, 6-15). There are cases where the protection of a reserve was violated due to the lack of proper communication between the various departments (FME and local state nature conservation authorities): FME has not received precise information on the protection of the reserve due to changes in the protection requirements (e.g. see Decision of the Executive Committee of Zhitkovichi region No. 2211). Further, there are cases where the forest management plan (e.g. Forest management plan Zhitkovichski FME) has been prepared according to the old data for the reserve and was based on the old protection requirements (changes in the protection requirements of reserve took effect after the release of forest management plan).

There is information about some rare species in forest management plan. However, legally established procedures for surveying, managing and protecting endangered or threatened species within the management unit are not always followed (even if there are such procedures approved by regional authorities). E.g. harvesting in a forest reserve (with some forest sites populated by rare and/or endangered species) where types of felling and timeframe are restricted (see Government sources, 8; Non-Government sources, 8, 9, 11, 14, 15). In 2014, some new legal acts entered into force (see list of Applicable laws and regulations). However not all Protection documents (i.e. Guard and Security obligations for rare species) are updated accordingly. That means that Regional Environment Protection Departments do not always in time provide the updated Protection documents (i.e. Guard and Security obligations) to FME. This may lead to the violation of the protection regime for specific rare species, as the old regime may not correspond with a new one given in TKP of 2014.

The analysis of Internet resources (information of NGO, independent ecologists, environmental activists (see list of Non-Government sources, 6-15) confirms the availability of publications reporting "potential" violations of the national environmental and nature conservation legislation (in most cases harvesting (or harvesting plans) in protected areas where these types of harvesting are not allowed. Also according to publications, regarding rare species there is risk of harvesting when/where it is forbidden.

The competent state control authorities have reported some violations of forest and environmental law (see Government sources 7, 8), e.g. cutting of forest stands in protected areas (or prohibited types of logging) due to lack of proper communication between local environmental authorities and FME responsible staff. And as another example, forest sites have got new status, but the data was not timely transferred to FME (to be considered and taken into account during forestry activity)). However, considering the need to verify such facts and in the same time guided by the 'precautionary' approach, it is impossible to consider these "forest areas" as areas of low risk.

Risk Conclusion

This indicator has been evaluated as specified risk. Identified laws are not upheld consistently by all entities and/or are often ignored, and/or are not enforced by relevant authorities.

1.9.6. Risk designation and specification

Specified risk

1.9.7. Control measures and verifiers

The following documents could be collected and analysed

- a) Forest Management Plan (FMP shall be approved and valid),
- b) list of protected areas (e.g. in FMP),
- c) list of rare and endangered species,
- d) Protection documents (e.g. Regulations on Reserve, Passport of natural monument, Security obligation),
- e) List of protected harvesting and silvicultural measures (FMP data) and/or Forest map with delineated forest stands projected for harvesting or silvicultural measures, and/or Forest map ("Planshet") showing harvesting areas, or f) "Act of survey of forest stand".

If cutting area is not on the list of protected areas (or planning protected areas) and not in the list of areas with rare and endangered species, then OK. If cutting area is on the list, then analyse a) "Regulation on protected area", or b) "Security obligation" on protection of rare and endangered species, and c) field verification may be needed.

Field verification shall confirm that a) harvesting takes place within the area that was prescribed for such harvesting, b) information regarding area, species, volumes and other information given in the harvesting permit are correct and in compliance with legal acts.

1.10. Environmental requirements

National and sub-national laws and regulations related to the identification and/or protection of environmental values including but not limited to those relating to or affected by harvesting, acceptable level for soil damage, establishment of buffer zones (e.g. along water courses, open areas, breeding sites), maintenance of retention trees on felling site, seasonal limitation of harvesting time, environmental requirements for forest machineries, use of pesticides and other chemicals, biodiversity conservation, air quality, protection and restoration of water quality, operation of recreational equipment, development of non-forestry infrastructure, mineral exploration and extraction, etc... Risk relates to systematic and/or large-scale non-compliance with legally required environmental protection measures that are evident to an extent that threatens the forest resources or other environmental values.

1.10.1. Applicable laws and regulations

- Forest Code of the Republic of Belarus of 2015 No. 332-Z (Chapter 8, 23). Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=Hk1500332&p1=12>.
- Law of the Republic of Belarus No. 271-Z of 20.07.2007 "About dealing with waste". Available at: http://kodeksy-by.com/zakon_rb_ob_obrawenii_s_othodami.htm
- Edict of the President of the Republic of Belarus No.364 of 07.07. 2008 "On approval of the Regulation on the distribution of forests into groups and categories of protection, conversion of forests from one group or category of protection to another and allocation of especially protected forest areas". Available at: <http://mlh.by/ru/official/acts.html>

- TKP 143-2008 (02080). Technical code of common practice. Rules of felling in the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 026-2006 (02080). Technical code of common practice. Sustainable forest management. Sanitary rules in the forests of the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 047-2009 (02080). Technical code of common practice. Sustainable forest management. Instruction on reforestation and afforestation in Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 060-2006 (02080). Technical code of common practice. Rules of delineation and measurements of felling area in the forests of the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- TKP 103-2007 (02080). Technical code of common practice. Rules of survey of cutting areas, the collection of resin, the procurement of secondary forest resources and secondary forest utilization. Available at: <http://mlh.by/ru/official/tech.html>
- The Code of Administrative Offences No. 194-Z of 21.04.2003. Available at: <http://etalonline.by/?type=text®num=Hk0300194>
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- Sanitary norms and rules "Requirements of the use, conditions of transport and storage of pesticides (plant protection products), agricultural chemicals and mineral fertilizers". Approved by the Resolution of the Ministry of Health of the Republic of Belarus September 27, 2012 No149. Available at: <http://www.pravo.by/main.aspx?guid=3871&p0=W21226455p&p1=1>

1.10.2. Legal authority

- Ministry of Natural Resources and Environmental Protection of the Republic of Belarus
- State Service for Protected Areas under the Natural Resources and Environmental Protection;
- Regional Environment Protection Departments;
- Ministry of Forestry of the Republic of Belarus
- Ministry of Defence of the Republic of Belarus
- The Executive Office of the President of the Republic of Belarus (State Nature Conservation Institutions (National Parks and Berezinsky Biosphere Reserve); Forestry and Hunting Organisations)
- The National Academy of Sciences of Belarus (State Scientific Institution "The Institute of Forest")
- Ministry of Education of the Republic of Belarus (Educational and Experimental Forestry Enterprises)
- City (cities of regional subordination and Minsk City) executive and regulatory authorities (Park Forests)
- The Ministry of Emergency Situations of the Republic of Belarus (State Environmental Research Institution "Polessky State Radiation Ecological Reserve")

1.10.3. Legally required documents or records

- Forest Management Plan
- Harvest permit
- Technological karta
- List of projected silvicultural measures
- Forest map (planshet 1:10 000) with delineated cutting areas
- Colored forest map (1: 25 000) (projected silvicultural measures)

1.10.4. Sources of information

Government sources

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Non-Government sources

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1.10.5. Risk determination

Overview of Legal Requirements

The regulation (Forest Code of the Republic of Belarus of 2015 No. 332-Z (Chapter 8, Article 35, 36)) on preparation of forest management schemes and forest management plans states that forest management plan shall include sections related to forest protection against fires, sanitary protection, and biodiversity protection, recreational and social functions of forests.

The forest operations shall be planned and implemented following requirements set up by the regulation on forest cuttings (TKP 143-2008 (02080), STB 1688-2006, STB 1360-2002, STB 1361-2002) There are requirements for protection of nesting places of rare and endangered bird species (TKP 17.07-01-2014 (02120)) as well as requirements to leave trees and dead wood for biodiversity protection in logging sites (TKP 143-2008 (02080), Article 5.2.1, Article 6.1.2.7, Article 6.1.3.2, Annex A; TKP 060-2006 (02080), Article 5.2.11). The maintenance of buffer zones along water courses or lakes as well as some limitation in relation to protection of soil against erosion is addressed in Forest Code of the Republic of Belarus of 2015 No. 332-Z (Chapter 4, Article 16, 19), Edict of the President of the Republic of Belarus No.364 of 07.07. 2008 (Chapter 2, Annex 1), as well as in the regulation on forest cuttings (TKP 143-2008 (02080), Article 5.2.6, Article 6.1.14.10, Article 6.4.1.3, Article 6.4.6, Annex A; TKP 060-2006 (02080), Article 5.2.11). Requirements on acceptable level for soil damage is described in TKP 103-2007 (02080) (Article 5.10). Water protection buffer zones should be left along rivers and around lakes, along highways and railways also require buffer zones (Forest Code (Chapter 4, Article 16, 19), Edict of the President of the Republic of Belarus No.364 of 07.07. 2008 (Chapter 2, Annex 1).

Management of waste is in accordance with the Law of the Republic of Belarus No. 271-Z of 20.07.2007. There must not be any industrial or household garbage left on the forest site (Code of Administrative Offences No. 194-Z of 21.04.2003, Chapter 6, Article 6.5; Procedural-Executive Code of Administrative Offences. No 194-Z of 20.12.2006, Chapter 3, Article 10.3). Garbage dumps in the forest are prohibited. Any waste (industrial waste, garbage, etc.) must also be removed after forestry operations. Old batteries, car tires, motor oil, and incandescent lamps must be sent for disposal to the authorised organisation (Law of the Republic of Belarus No. 271-Z of 20.07.2007). The use of pesticides and agrochemicals in forestry is allowed only under the regulations given in the State Register (Sanitary regulations "Sanitary-epidemiological requirements for storage, use and transport of pesticides and agrochemicals", Chapter 10, see Resolution of the Ministry of Health of the Republic of Belarus 27.09.2012 No 149. There are national laws and regulations related to seasonal limitation of harvesting time (TKP 143-2008 (02080), Article 5.2), environmental requirements for forest machineries (STB 1592-2005, STB 1342-2002), biodiversity conservation (TKP 143-2008 (02080), TKP 060-2006 (02080), TKP 103-2007 (02080), TKP 17.12-06-2014 (02120).

Description of Risk

State Inspectorate for Protection of flora and fauna of the President of the Republic of Belarus as well as State Control Committee of the Republic of Belarus consistently check (based on annual plans of checks, also upon request/claim/suspicious information) how

the forest operations are performing and whether they follow environmental requirements stated in the harvesting permissions. There is information from state control authorities about some violations of forest law (Government sources 1-8):

- a) cutting of forest stands in protected areas,
- b) the age of forest stand does not correspond to those indicated in the documents,
- c) diameters of felled trees do not correspond to those indicated in the documents,
- d) the number of trees felled do not meet data in the documents, e) cutting of forest stands in prohibited areas (or prohibited types of logging).

However, there is no information about violation of environmental requirements.

The analysis of internet resources (information of independent ecologists, environmental activists (see Non-Government sources 6-8, 10-13), NGO (see Non-Government source 9), researchers (see Non-Government source 14) confirms that there are publications reporting "potential" violations of the national nature conservation legislation in specific protected areas (See 1.9). However, the findings above are not directly related to the violations of environmental requirements (violations of the Belarusian Law that cover conservation of environmental values).

Analysis of the above sources of information (also consultation with representatives of non-governmental organizations and experts of forestry) showed that 1) information on possible violations of nature conservation legislation is mostly related to state environmental institutions (the territory of the national park, etc.), 2) violations of nature conservation legislation do not have an extensive and systematic nature, and 3) there is no publications/information in respect of violations of the environmental requirements.

Based on the reports produced by the mentioned state competent authorities as well as representatives of NGOs, researchers and independent ecologists, it is evident that there is no identified systematic and/or large scale non-compliance with legally required environmental protection measures to an extent that threatens the forest resources or other environmental values.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.10.6. Risk designation and specification

Low risk

1.10.7. Control measures and verifiers

N/A

1.11. Health and safety

Legally required personnel protection equipment for persons involved in harvesting activities, use of safe felling and transport practice, establishment of protection zones around harvesting sites, and safety requirements to machinery used. Legally required safety requirements in relation to

chemical usage. The health and safety requirements that shall be considered relate to operations in the forest (not office work, or other activities less related to actual forest operations). Risk relates to situations/areas where health and safety regulations are consistently violated to such a degree that puts the health and safety of forest workers at significant risk throughout forest operations.

1.11.1. Applicable laws and regulations

- Cross-industry regulations on labour safety in the woodworking industry, and forestry. Decree of the Ministry of Labour and Social Protection of the Republic of Belarus No. 211/39 of 30.12.2008. Available at: <http://lesnoi.by/moodle/course/view.php?id=40>
- System safety standards. Logging operation. Safety Requirements. GOST 12.3.015-78. - Enter. 01.01.1979. Available at: http://www.mintrud.gov.by/ru/new_url_1945731889
- Fire safety regulations in the forests of the Republic of Belarus: Belarus PPB 2.38-2010. - Enter. 01.11.10. Available at: <http://mlh.by/ru/official/tech.html>
- Standards for fire equipment and tools for fighting forest fires: Resolution of the Ministry of Forestry and the Ministry of Emergency Situations No. 57/129 of 29.12.2007. Available at: http://mchs.gov.by/modules/cfiles/files/pos_57_129_29.12.2007.pdf
- Law of the Republic of Belarus No. 356-Z of 23.06.2008 "On Labour Protection". Available at: http://kodeksy-by.com/zakon_rb_ob_ohrane_truda.htm
- TKP 143-2008 (02080). Technical code of common practice. Rules of felling in the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- Decree of the Ministry of Forestry of the Republic of Belarus of 24.03.2009 No 7 "On approval of the safety management system of the Ministry of Forestry of the Republic of Belarus and its subordinate organisations". Available at: <http://pravo.levonevsky.org/bazaby11/republic11/text233.htm>
- State program on social protection and the promotion of employment for 2016 - 2020 years. Subprogram 2 "Labour Protection". Available at: <http://www.mintrud.gov.by/system/extensions/spaw/uploads/files/Gosudarstvennaja-programma-na-2016-2020-1.pdf>
- Resolution of the Ministry of Labour and Social Protection of the Republic of Belarus of 30 September 2013 No 98 "On approval of the Model provisions on the organisation of labour protection service"

1.11.2. Legal authority

- Ministry of Labour and Social Protection of the Republic of Belarus
- Ministry of Forestry of the Republic of Belarus

1.11.3. Legally required documents or records

- Subcontracting agreements

- Summary statistic on different accidents in forestry work,
- List of accidents (company data)
- Health and safety equipment issuance card,
- Health and safety verification acts
- Journals safety instruction
- Norms of issuance of protective clothing
- Norms of issuance of special protective equipment and fixtures

1.11.4. Sources of information

Government sources

- mintrud.gov.by (2016). *Occupational Safety and Health*. [online]. The official website of the Ministry of Labour and Social Protection of the Republic of Belarus. Available at: <http://mintrud.gov.by/oxrana-truda/> [Accessed 20 July 2016]
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- lesgazeta.by (2016) *Occupations most at risk of fatal injury*. [online]. Belarusian forestry newspaper. Available at: <http://lesgazeta.by/news/vazhno-znat/v-belarusi-nazvali-professii-naibolee-podverzhennye-risku-smertelnogo-travmirovaniya> [Accessed 20 July 2016]
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- chausyleshoz.by (2016) *Health and safety*. [online]. Chauski FME. Available at: <http://chausyleshoz.by/news/426-statistika-neschastnyih-sluchaev-pri-vyipolnenii-lesozagotovitelnyih-rabot-v-finlyandii-i-belarusi.html> [Accessed 23 October 2016]
- lesgazeta.by (2016). *Heads of the Ministry of Forestry take the exam on labour protection*. [online]. Belarusian forestry newspaper. Available at: <http://lesgazeta.by/people/podrobnosti/rukovoditeli-organizacij-minleshoza-sdavali-jekzamen-po-ohrane-truda> [Accessed 20 October 2016]
- mintrud.gov.by (2014). *Information letter on occupational injuries in carrying out logging activities*. [online]. Department of State Labour Inspection. Available at: <http://www.mintrud.gov.by/ru/informacionnoe-pismo-o-proizvodstvennom-travmatizme-pri-vypolnenii-lesosechnyx-rabot> [Accessed 20 October 2016]
- mlh.by (2016). *Section "Labour Protection"*. [online]. Belarusian magazine "Forestry and hunting". Available at: <http://www.mlh.by/ru/lioh/> [Accessed 23 October 2016]
- git.gov.by (2016). *Operational data of the State Labour Inspectorate regarding occupational injuries*. [online]. Department of State Labour Inspection. Available at: <http://git.gov.by/без-рубрики/operativnye-dannye-departamenta-gosudarstvennoj-inspekcii-truda-o-proizvodstvennom-travmatizme-so-smertelnym-ixodom-v->

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Non-Government sources

- ohrana-truda.by (2013). *The new version of the law "On labour protection"*. [online]. Engineers Forum of Labour Protection Belarus. Available at: <http://www.ohrana-truda.by/topic/1633-novaia-redaktciia-zakona-ob-okhrane-truda-2013//> [Accessed 17 June 2016]

1.11.5. Risk determination

Overview of Legal Requirements

According to the legislation (Law of the Republic of Belarus No. 356-Z), forestry enterprises shall have in place a special Health and Safety department. All personnel involved in harvesting activities shall have protection equipment (Cross-industry regulations on labour safety in the woodworking industry, and forestry, Chapter 1, 88; Decree of the Ministry of Labour and Social Protection No. 140 of 01.11.2002, No 166 of 08.12.2005). Rules of safe felling (in Cross-industry regulations on labour safety in the woodworking industry, and forestry, Chapter 13-21) and transport practice (Chapter 16-18, 22-27) shall be followed. Establishment of protection zones around harvesting sites, and safety requirements to machinery should be used (Cross-industry regulations on labour safety in the woodworking industry, and forestry, Chapter 14; TKP 143-2008 (02080), Article 5.2.6, Annex A). At present most of Forest Management Enterprises (FMEs) have a recognized 3rd party certification system covering health and safety procedures such as "occupational health and safety management system".

Instructions on labour protection, logs and records of training and testing, also individual cards of personal protective equipment should always be available (GOST 12.3.015-78). Employees must use the required personal protective equipment (Cross-industry regulations on labour safety in the woodworking industry, and forestry, Article 88).

The monitoring of compliance with Health and Safety legislation is performed by different government authorities such as the Ministry of Labour and Social Protection, regional branches of the Ministry of Forestry as well special health and safety departments of forestry enterprises. Also regional branches of the Ministry of Labour and Social Protection, Trade Unions, State Control Committee) are checking how the health and safety requirements are fulfilled.

Description of Risk

The Department of State Labour Inspection of the Ministry of Labour and Social Protection provides guidance regarding health and safety issues, collect information about accidents and conduct an annual report of Health and Safety (Government source 3, 7). Based on this report, the sectors with the highest amount of work injuries in recent years are: industry, construction, transport, electricity and gas supply. However, the agricultural sector, including hunting and forestry, is a risk prone sector in terms of serious accidents and deaths. During 2015 33% of fatal accidents across all sectors, happened within the agricultural sector (including hunting and forestry) (Government source 3). According to the assessment of the experts of the Chair of Life Safety and Labor Safety of BSTU, the Forestry (without Hunting) takes approximately a fifth of 33%. Also, according to their estimates, the organization and control of labor protection in forestry is better than in agriculture and industrial construction.

Field inspections reveal violations, which in most cases relate to lack of use of personal protective equipment (forest shoes with special protection, etc.), which was provided to the employee (Non-Government source 2).

The Ministry of Forestry has implemented a sector-targeted program to improve working conditions and safety (approved by the Ministry of Forestry of 30.12.2010, No 41). Based on the program various risk mitigation measures are foreseen and implemented by organisations of the Ministry of Forestry (Government source 2) e.g. in order to further improve conditions and labour protection in 2014, 87829,6 million rubles were spent (2500 thousand rubles per forestry employee)) (Government source 2, 5). The Safety Management System is obligatory for all organisations subordinated by the Ministry of Forestry (Decree of the Ministry of Forestry of the Republic of Belarus of 24.03.2009 No 7) (see "Applicable laws and regulations" 7, 9). The above-mentioned resulted in a decreased number of work related accidents (in 2014 by 26% in comparison with 2011), which is considered a result of the implemented health and safety program (Government source 2, 4, 8).

During 2014, there were recorded 28 deaths and accidents in the organisations of the Ministry of Forestry (including 6 serious injuries, 4 death cases) (Government source 2, 5). In the Belarusian forest newspaper and magazine "Forestry and hunting" is continuously printed information under "Occupational health", "Labour Protection", "Social security", "Fire Safety" to inform workers about the state of occupational safety and occupational injuries in forestry (Government source 4, 8).

During 2014 on labour protection questions were trained 2457 employees, including 1159 managers and specialists, 1316 workers. In total 6 regional and 142 regional practical seminars on occupational safety and health was carried out, which was attended by 3710 employees (Government sources 1, 2, 4, 6, 8).

During the last 10 years the state forestry authorities have implemented a number of measures aimed to improve working conditions and to prevent accidents: 1) health and safety program of the Ministry of Forestry to improve working conditions and safety, 2) increased finance of health and safety measures in FMEs, 3) occupational Health and Safety Management System is introduced to be obligatory for all organisations subordinated by the Ministry of Forestry. Despite the accidents that still occur at work, the rate of serious injuries in 2014 in Belarus has decreased by 26 % (2011) (Government sources 2, 4, 8).

Taking into account the improvement during the last years and preventive measures implemented by the responsible authorities (Government sources 1-11), this subcategory is considered as low risk.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.11.6. Risk designation and specification

Low risk

1.11.7. Control measures and verifiers

N/A

1.12. Legal employment

Legal requirements for employment of personnel involved in harvesting activities including requirement for contracts and working permits, requirements for obligatory insurances, requirements for competence certificates and other training requirements, and payment of social and income taxes withhold by employer. Furthermore, the points cover observance of minimum working age and minimum age for personnel involved in hazardous work, legislation against forced and compulsory labour, and discrimination and freedom of association. Risk relates to situations/areas where systematic or large scale noncompliance with labour and/or employment laws. The objective is to identify where serious violations of the legal rights of workers take place, such as forced, underage or illegal labour.

1.12.1. Applicable laws and regulations

- Constitution of the Republic of Belarus of 1994 (with changes and additions adopted at the republican referenda of November 24, 1996 and of October 17, 2004) (Article 41). Available at: <http://www.pravo.by/main.aspx?guid=6351>
- Labour Code of the Republic of Belarus No. 296-Z of 26.07.1999). Available at: <http://www.pravo.by/main.aspx?guid=6361>
- Law of the Republic of Belarus No. 1605-XII of 22.04.1992 "On Trade Unions"). Available at: http://kodeksy-by.com/zakon_rb_o_professional_nyh_soyuzah.htm
- Law of the Republic of Belarus No. 356-Z of 23.06.2008 "On Labour Protection"). Available at: http://kodeksy-by.com/zakon_rb_ob_ohrane_truda.htm
- State program on social protection and the promotion of employment for 2016 - 2020 years. Chapter 6, Subprogram 2 "Promotion of Employment"). Available at: <http://www.mintrud.gov.by/system/extensions/spaw/uploads/files/Gosudarstvennaja-programma-na-2016-2020-1.pdf>

1.12.2. Legal authority

- Ministry of Labour and Social Protection of the Republic of Belarus
- Ministry of Forestry of the Republic of Belarus

1.12.3. Legally required documents or records

- Accounting data of employees from personnel department
- Employment contracts
- Database of employees

1.12.4. Sources of information

Government sources

- git.gov.by (2016). *Typical violations of labour legislation and labour protection* [online]. Department of State Labour Inspection. Available at: <http://git.gov.by/nadzorno-kontrolnaya-deyatelnost/tipichnye-narusheniya-zakonodatelstva/> [Accessed 11 August 2016]
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- git.gov.by (2016). *Labour protection of minors.* [online]. Department of State Labour Inspection. Available at: <http://git.gov.by/dlya-molodyozhi-nachinayushhej-trudovuyu-deyatelnost/oxrana-truda-pri-organizacii-truda-nesovershennoletnix/> [Accessed 28 August 2016]
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- belmeta.com (2016). *Jobs in the forestry. Forest master*. [online]. Belmeta. Available at: http://belmeta.com/вакансии/мастер_леса [Accessed 20 August 2016]
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1.12.5. Risk determination

Overview of Legal Requirements

Legal employment in Belarus is defined by a number of different laws and regulations (see list of Applicable laws and regulations). According to the legislation (Labour Code of the Republic of Belarus No. 296-Z, Section II, Chapter 2) all employees shall have signed an employment contract, which is a basis for obligatory social security. According

to the requirements of the Labour Law (Labour Code of the Republic of Belarus No. 296-Z, Chapter 2), the employment contract must be in writing and it must contain essential provisions in order to be valid, such as conditions of payment, the place of work and a job description. Certain types of employment contract may require additional provisions such as the term of the contract, seasonal work, etc. Temporary hires, provided through employment agencies, offer an alternative to fixed term contracts.

Persons involved in harvesting activities are required to be covered by insurance and are obliged to hold required certificates of competence for the function they carry out (Government sources 2). Legally established minimum salaries are paid for personal involved in harvesting activities (Government sources 6-11, Non-Government source 2). Salaries are paid officially and declared by the employer according to requirements for personal involved in harvesting activities (Government sources 3-11, Non-Government source 2).

Description of Risk

Workers are in general employed according to the regulation and required contracts are in place (Government sources 2-5, Non-Government source 1).

The geographical position of Belarus attracts illegal immigrants from Central Asia, the Caucasus, the Far East and from the former Soviet Union, many of which cross Belarus' territory with the hope to get to Western Europe (Government source 12). There is information that some of the foreigners are working illegally in the field of trade and construction (Non-government sources 3, 5).

The most common area of illegal labour activity in the country is the service sector and in the western regions, it is border trade. Work abroad is typical for all regions (Non-government sources 4). Based on data of the Ministry of Labour and Social Protection of the Republic of Belarus, the most common cases of illegal employment in Belarus for the most economic sectors are:

- 1) Individual persons performing economical activities without self-employed licenses,
- 2) Performing economical activities without legally registering company or without required licenses. Illegal employment in the forestry sector is according to this data, not an actual issue.

Different competent authorities control forestry enterprises on various aspects, including questions of employment and implementing of labour law (Government sources 1, 6-9, 11).

All FMEs of Belarus are state organizations. Employment is in accordance with the Labor Code. Each FME has a staff of employees of the Human Resources Department, the Bureau of Occupational Safety and Health. The Human Resources Department is responsible for concluding an employment agreement with employees; The agreement is signed by the director of the FME. Human resource staff, the management of the FME does not have any interest in hiring illegal workers, since 1) the management of the FME (the owner of the organization is the state) does not have financial interests in hiring illegal workers and / or hiring forest workers without qualification certificate (if required); 2) the management of the FME takes personal administrative and criminal responsibility for recruiting forest workers without a qualification certificate.

Admission to work is carried out 1) only if there is a qualification certificate and 2) on the results of examinations after specialized training (periodically, depending on type of work).

The control over the admission to the work is carried out by the employees of the Bureau for the Protection of Labor. All employed employees who are involved in forest work have state insurance. Insurance is paid by the state for each specific case. Control is done by the trade union organization, the Ministry of Labor and Social Protection.

Income tax (for each employee) is paid by the FME. The control is performed by the Regional Tax Inspectorate.

Analysis of the media, Internet resources, scientific publications and reports did not reveal cases of violations of the above procedures. An analysis of the publicly available database of certificate holders (90% of all lesхозes of Belarus are holders of FSC FM/CoC certificates) did not reveal any cases of nonconformities on the issues of legality of employment, insurance of workers engaged in hazardous work, as well as qualification requirements of workers and payment of income tax. Also interview with forestry specialists and consultation with representatives of NGO and trade unions did not reveal any evidence or indications of illegal employment in the forestry sector. Based on the information provided, it is seen that there might be some cases of violations of the labour law e.g. complaints from workers to the employer (the timely payment of wages, holiday pay, and payment for additional workdays) in the forestry sector. However, the control measures implemented by legal authorities (Government sources 1-3) (new Tariff agreement is in force, Government source 2) and the fact that there are no indications of illegal employment in the forestry sector, provide background for defining this sub-category as low risk.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.12.6. Risk designation and specification

Low risk

1.12.7. Control measures and verifiers

N/A

THIRD PARTIES' RIGHTS

1.13 Customary rights

Legislation covering customary rights relevant to forest harvesting activities including requirements covering sharing of benefits and indigenous rights.

1.13.1. Applicable laws and regulations

- Constitution of the Republic of Belarus of 1994 (with changes and additions adopted at the republican referenda of November 24, 1996 and of October 17, 2004) (Article 13). Available at: <http://www.pravo.by/main.aspx?guid=6351>
- Forest Code of the Republic of Belarus of 2015 No. 332-Z (Article 5, 14, 95). Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=Hk1500332&p1=1>
- Land Code of the Republic of Belarus of 2008 No. 425-Z (Chapter 2, 6, 12). Available at: <http://www.pravo.by/main.aspx?guid=6361>

1.13.2. Legal authority

N/A

1.13.3. Legally required documents or records

N/A

1.13.4. Sources of information

N/A

1.13.5. Risk determination

Overview of Legal Requirements

The Legal Acts (Constitution, Forest Code) allow all people free access to the forest, as well as free movement through the forest. Everybody is allowed to pick forest fruits, mushrooms for their own consumption. Restriction from these requirements are implemented in military forest and protected areas. Forestry authority may order restriction for necessary period if there is need for special protection of forest (e.g. fire season).

Description of Risk

There is no evidence to indicate that legal requirements are being violated.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.13.6. Risk designation and specification

Low risk

1.13.7. Control measures and verifiers

N/A

1.14. Free prior and informed consent

Legislation covering "free prior and informed consent" in connection with transfer of forest management rights and customary rights to the organisation in charge of the harvesting operation.

1.14.1. Applicable laws and regulations

Not applicable – there is no legislation covering Free prior and Inform Consent

1.14.2. Legal authority

NA

1.14.3. Legally required documents or records

NA

1.14.4. Sources of information

NA

1.14.5. Risk determination

NA

1.14.6. Risk designation and specification

NA

1.14.7. Control measures and verifiers

NA

1.15. Indigenous/traditional peoples' rights

Legislation that regulates the rights of indigenous/traditional people as far as it's related to forestry activities. Possible aspects to consider are land tenure, right to use certain forest related resources or practice traditional activities, which may involve forest lands.

1.15.1. Applicable laws and regulations

NA

1.15.2. Legal authority

NA

1.15.3. Legally required documents or records

NA

1.15.4. Sources of information

NA

1.15.5. Risk determination

NA

1.15.6. Risk designation and specification

NA

1.15.7. Control measures and verifiers

NA

TRADE AND TRANSPORT

1.16. Classification of species, quantities, qualities

Legislation regulating how harvested material is classified in terms of species, volumes and qualities in connection with trade and transport. Incorrect classification of harvested material is a well-known method to reduce/avoid payment of legality prescribed taxes and fees. Risk relates to material traded under illegal false statements of species, quantities or qualities. This could cover cases where this type of false classification is done to avoid payment of royalties or taxes or where trade bans on product types or species are implemented locally, nationally or internationally. This is mainly an issue in countries with high levels of corruption (CPI<50).

1.16.1. Applicable laws and regulations

- Instructions on round wood accounting in organisations of the Ministry of Forestry of the Republic of Belarus (Regulation of the Ministry of Forestry of the Republic of Belarus No. 176 of 01.07.2011 "On approval of the Instruction on accounting timber in organisations of the Ministry of Forestry of the Republic of Belarus"). Available at: <http://pravoby.info/bel/20/160.htm>
- STB 1711-2007. Round timber of coniferous species. Specifications. Available at: <http://mlh.by/ru/official/tech.html>
- STB 1712-2007. Hardwood roundwood. Specifications. Available at: <http://mlh.by/ru/official/tech.html>
- STB 1667-2012. Round timber. Methods of measuring the size and determine the volume. Available at: <http://mlh.by/ru/official/tech.html>
- GOST 2708-75. Round timber. Volume tables. Available at: <http://www.gosthelp.ru/text/GOST270875Lesomaterialykr.html>
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- STB 2315-1-2013. Round timber hardwood. Sort by quality. Part 1: Oak, ash. Available at: <http://www.tnpa.by/PoiskTnpaGosOrgan.php>
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- ТКП 085-2015 (33090). Metrological support of organisations of the Ministry of Forestry of the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>
- Rules of Wood Supply in Domestic Market of the Republic of Belarus (Edict of the President of the Republic of Belarus No.214 of 07.05.2007 (in wording of Edict of the President of the Republic of Belarus No.504 of 08.11.2012))
- ТКР 060-2006 (02080). Technical code of common practice. Rules of delineation and measurements of felling area in the forests of the Republic of Belarus. Available at: <http://mlh.by/ru/official/tech.html>

1.16.2. Legal authority

- The State Committee for Standardization of the Republic of Belarus
- Ministry of Forestry of the Republic of Belarus (UE "Belgiproles")

1.16.3. Legally required documents or records

- Waybill (or Bill of lading, Shortcut on the timber hauling)
- Wood records documentary
- Round wood inventory sheet
- Reclassification card
- Computer timber accounting database

1.16.4. Sources of information

Government sources

- belgiproles.by (2016). *Standardization and Quality Management*. [online]. The official website of UE "Belgiproles". Available at: <http://belgiproles.by/standardization.aspx> [Accessed 12 October 2016]
- mlh.by (2016) *Technical normative legal acts*. [online]. The official website of the Ministry of Forestry. Available at: <http://mlh.by/ru/official/tech.html> [Accessed 13 October 2016]
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- mlh.gov.by (2016). *Investment and innovation in the forestry*. [online]. The official website of the Ministry of Forestry. Available at: <http://www.mlh.gov.by/ru/news/3146.html> [Accessed 23 September 2016]

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- Minkevich, S.I., Bui., A.A., (2013). *Analysis of timber registration system on its compliance with the norms of EU Regulation*. In Proceeding of Scientific papers of BSTU. Minsk: No 1. Forestry. P. 36 39.
- Minkevich, S., Bui A., (2013). *Accounting of harvested timber*. [online]. Available at: <http://tractor-belarus.com/publications/news/detail.php?id=28> [Accessed 20 September 2016]

1.16.5. Risk determination

Overview of Legal Requirements

The State Committee for Standardisation and UE "Belgiproles" (organisation of the Ministry of Forestry) are responsible for development of legal acts and regulations related to classifications, measurement of qualities and quantities of round wood (Government sources 1, 2). Regulations on measuring and defining the volume of round wood (STB 1667-2012) and standing forests (TKP 060-2006 (02080)) defines how the volume for different timber products (round wood, sawn timber, paper wood, etc.) shall be calculated and provides the tables (GOST 2708-75) of logs volume calculations as well as other formulas for calculation of timber volume (STB 1667-2012).

Each Forest Management Enterprise (FME) shall have quality management staff (with quality manager in chief) (Regulation of the Ministry of Forestry No. 176 of 01.07.2011). Schedule of procedures on round wood calculation sets the order, how the round wood shall be accepted (documents and data required) as well as provides the rules on round wood re-classification, describes the documented timber tracking system and explains in details, how the required documents shall be filled (Instructions on round wood accounting, approved 01.07.2011).

Description of Risk

Technical normative legal acts (TNPA) on the measurement of round timber and assessment of the quality of the timber, have been developed and improved since the beginning of 2000 (Government sources 1-3). There is a database of technical normative legal acts (Government sources 1, 3). In forestry UP Belgiproles is responsible for the development and improvement of technical regulations (including assessment of roundwood) (Government sources 1, 2).

The internal quality management is carried out by a) staff of FME (quality manager in chief), and b) by the department of standardisation of UE "Belgiproles" via document control and field verification of sampling of round wood (Government sources 1, 2, 4). An examples is the "weeks of product quality" in the organisations of the Ministry of Forestry) (ТКП 041-2015 (33090), ТКП 084-2012 (02080), ТКП 085-2015 (33090)).

According to the results of checking (verification within "weeks of quality" – a special event of quality control organised by the Ministry of Forestry), 0.62% (from 14th to 18th March 2016) and 0.58% (16th to May 20th 2016) of the quality of the total volume of tested timber, did not correspond requirements of the standards (STB 1711-2007, STB 1712-2007). Products are generally correctly classified (species, quantities, qualities etc.) on sales documents and other legally required documents (Government sources 1, 4). There are customer complaints on product quality (e.g. diameter). However, there are claims of customers for quality that are not fully supported by evidence. In general, the number of claims (reclamations) decreased twice. In total for January to April 2016, 117 complaints were received, of which 42 were accepted (Government source 4).

The external control is carried out by different competent state authorities (document control and field verification) (Government sources 7-13). Control bodies work to verify that the present material equals what has been indicated in invoices and properly marked. An electronic timber accounting system is going to be incorporated as part of software that is already in use in the Belarusian forestry (Government sources 4-6, 14). Based on the results of an international research "Feasibility Study for Introduction of Electronic Timber Tracking Technologies in Belarus" in addition some proposals for further improvement of the electronic timber origin tracking system within the Unified Automatic Informational System of the Ministry of Forestry of Belarus were proposed (Non-government sources 1, 3, 4). Therefore, there is further improvement of the system of timber registration and volume / quality assessment.

Thus, the review of sources of information, consultation with experts from forestry, representatives of NGOs are not currently identified cases of deliberate incorrect classification of harvested material in terms of species, volumes and qualities in connection with trade and transport. Belarus has legislation that regulates volume measurement of wood and procedures of control and verification and there is no evidence at the moment (e.g. from state or non-state sources) to consider this this indicator as specified risk.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.16.6. Risk designation and specification

Low risk

1.16.7. Control measures and verifiers

N/A

1.17. Trade and transport

All required trading permits shall exist as well as legally required transport document which accompany transport of wood from forest operation. Risk relates to the issuing of documents permitting the removal of timber from the harvesting site (e.g., legally required removal passes, waybills, timber tags, etc.). In countries with high levels of corruption, these documents are often falsified or obtained by using bribery. In cases of illegal logging, transport documents from sites other than the actual harvesting site are often provided as a fake proof of legality with the harvested material.

1.17.1. Applicable laws and regulations

- Resolution of the Ministry of Finance of the Republic of Belarus of 30 June 2016 No 58 "On the form of the waybill, bill of lading and the approval of the Instructions on the procedure for filling of the waybill and the bill of lading". Available at: <http://www.centr-cen.by/upload/58.pdf>
- Instructions on the procedure for filling of the waybill and the bill of lading (approved 30 June 2016, Resolution of the Ministry of Finance No 58). Available at: <http://www.centr-cen.by/upload/58.pdf>
- Instructions on round wood accounting in organisations of the Ministry of Forestry of the Republic of Belarus (Regulation of the Ministry of Forestry of the Republic of Belarus No. 176 of 01.07.2011 "On approval of the Instruction on accounting timber in organisations of the Ministry of Forestry of the Republic of Belarus"). Available at: <http://pravoby.info/bel/20/160.htm>
- 4. Rules of Wood Supply in Domestic Market of the Republic of Belarus (Edict of the President of the Republic of Belarus No.214 of 07.05.2007 (in wording of Edict of the President of the Republic of Belarus No.504 of 08.11.2012))

1.17.2. Legal authority

- Ministry of Finance of the Republic of Belarus
- Ministry of Taxes and Duties of the Republic of Belarus
- Ministry of Forestry of the Republic of Belarus

1.17.3. Legally required documents or records

- Waybill (or Bill of lading, Shortcut on the timber hauling)
- Computer timber accounting database

1.17.4. Sources of information

Government sources

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1.17.5. Risk determination

Overview of Legal Requirements

"Schedule of procedures on round wood calculation" sets the requirements on how the round wood shall be accepted and which documents and data are required (Instructions on round wood accounting, approved 01.07.2011). The same regulation describes the rules of the documented timber tracking system and explains in details, how the required documents shall be filled (Instructions on the procedure for filling of the waybill and the bill of lading, approved 30 June 2016, No 58).

"Schedule of procedures on round wood transportation" states that the person, transporting timber from forests, shall have the timber transportation sheet (waybill) (Instructions on round wood accounting, approved 01.07.2011). The information and data which have to be included in the transportation sheet and other documents are defined in the mentioned schedule of procedures (Instructions on the procedure for filling of the waybill and the bill of lading, approved 30 June 2016, No 58). The mentioned legal acts allow to link documents related to transportation, trade to the specific material in question and to the origin.

Description of Risk

An international research "Feasibility Study for Introduction of Electronic Timber Tracking Technologies in Belarus" was carried out supported by the European Neighbourhood and Partnership Instrument (ENPI) East Countries Forest Law Enforcement and Governance (FLEG) II Program funded by European Union. The research was organised to assess the need for additional measures to increase transparency and effectiveness of a timber tracking system in Belarus. This research was important in the context of enforcement of the European Union Timber Regulation 995/2010 laying down obligations on operators who place timber or timber products on European markets. It was also an important step towards the introduction of due diligence systems to evaluate and minimize legality risks. One of the conclusions from the research is that timber product labelling and the applied record keeping system are in accordance with the regulations and that the system in place allows tracing the delivery to the origin.

Recommendations have been made with regard to the improvement of the national forest sector and the associated legislation as well as to that of the timber record keeping system, including the use of electronic record keeping technology (Non-Government sources 1, 3, 4). According to the results of the research, the effectiveness of the existing timber tracking system in Belarus is high. Additional measures to barcode individual logs are not necessary.

The State Inspectorate for Protection of flora and fauna of the President of the Republic of Belarus as well as State Control Committee of the Republic of Belarus control the implementation of the legislation on trade and transportation, is implemented (Government sources 5-9). Inspections revealed cases where transport documentation is not filled in fully correct. However, errors in filling in the documents do not have a significant and systematic character (Government sources 5-9, Non-Government source 4).

Thus, the review of sources of information, consultation with experts from forestry, representatives of NGOs are not currently identified cases of timber transport without documents or issued as a result of corrupt / bribery practices.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.17.6. Risk designation and specification

Low risk

1.17.7. Control measures and verifiers

N/A

1.18. Offshore trading and transfer pricing

Legislation regulating offshore trading. Offshore trading with related companies placed in tax havens combined with artificial transfer prices is a well-known way to avoid payment of legally prescribed taxes and fees to the country of harvest and considered as an important generator of funds that can be used for payment of bribery and black money to the forest operation and

personnel involved in the harvesting operation. Many countries have established legislation covering transfer pricing and offshore trading. It should be noted that only transfer pricing and offshore trading as far as it is legally prohibited in the country, can be included here. Risk relates to situations when products are sold out of the country for prices that are significantly lower than market value and then sold to the next link in the supply chain for market prices, which is often a clear indicator of tax laundry. Commonly, the products are not physically transferred to the trading company.

1.18.1. Applicable laws and regulations

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- Tax code of the Republic of Belarus No. 71-Z of 29.12.2009 (Special part, Chapter 24). Available at: <http://etalonline.by/?type=text®num=Hk0900071>
- Edict of the President of the Republic of Belarus No. 353 of 25.05. 2006 "On approving the list of offshore zones"
<http://www.pravo.by/main.aspx?guid=3871&p0=P30600353>
- Letter of the Ministry of Taxes of Belarus from 22.06.2010 № 4-2-24 / 11596 "On the offshore fee". Available at: https://www.gb.by/izdaniya/glavnyi-bukhgalter/offshornyi-sbor-v-kontekste-zakonodatels_000000
- Law of the Republic of Belarus No. 10-Z of 05.01.2009 "On Commodity Exchange". Available at: <http://www.pravo.by/webnpa/text.asp?RN=h10900010>
- Law of the Republic of Belarus No. 284-Z of 08.07.2015 "On Amendments and Addenda to the Law of the Republic of Belarus "On Commodity Exchanges". Available at: <http://www.pravo.by/main.aspx?guid=12551&p0=H11500284&p1=1&p5=0>
- Resolution of the Ministry of Finance of the Republic of Belarus of 16 June 2004 No 714 "On measures to develop exchange trade on commodity exchanges". Available at: <http://butb.by/торги-лесопродукцией/правовые-документы/>
- Resolution of the Ministry of Finance of the Republic of Belarus of 08 October 2015 No 839 "On Measures for the Implementation of the Law of 8 July 2015". Available at: <http://butb.by/торги-лесопродукцией/правовые-документы/>

1.18.2. Legal authority

- Ministry of Taxes and Duties of the Republic of Belarus
- Ministry of Finance of the Republic of Belarus

1.18.3. Legally required documents or records

- Financial reports according to the Law on Financial Statements of Entities
- Waybills (international form, cmr)
- Invoices

1.18.4. Sources of information

Government sources

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Non-Government sources

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1.18.5. Risk determination

Overview of Legal Requirements

Offshore trading is not illegal in Belarus, however, there is a list of approved offshore countries (Edict of the President of the Republic of Belarus No. 353).

The objects of offshore fee are as follows:

- 1) transfer of funds by a resident of a non-resident of Belarus, registered in an offshore zone,
- 2) the performance of an obligation in kind to non-residents of Belarus, registered in an offshore zone,
- 3) transition in accordance with the law of property rights and (or) duties in connection with the change of persons in the undertaking to which a resident of the Republic of Belarus and the non-resident registered in an offshore zone (Tax code No. 71-Z of 29.12.2009 (Special part, Article 232)).

The rate of offshore acquisition - 15% (Article 232 of Tax Code).

On January 1, 2012 Article 30-1 of the Tax Code of the Republic of Belarus (Government source 4) (regarding control of the application of transfer pricing in the Republic of Belarus) entered into force.

According to the requirements described in Article 30-1 of Tax Code, tax authorities are entitled to verify compliance with the price level with the market prices for foreign trade transactions, in cases where their amount exceeds the amount established by the Tax Code. This is when the sum of transactions during a tax period, with one person (organisation), carried out with a related party, or with a resident of offshore areas, exceeds 1 billion of Belarusian rubbles excluding indirect taxes (from 1 January 2016, according to the wording of Article 30/1 of the Tax Code of the Republic of Belarus) (Government sources 4, 5).

In 2016, transactions of 5 categories shall be controlled (Government source 5):

- Real estate transactions;
- Transactions on foreign trade activity;
- Transactions with related parties, non-payers of income tax;
- Deal with the organisations that implement (acquire) strategic goods;
- Deal with large taxpayers.

Online auctions are carried out through a special industry exporter of forest products "Bellesexport" via online auctions (<http://butb.by/>) of the Belarusian Universal Commodity Exchange (section of timber trading).

Direct sales (direct contracts without online exchanges) are not allowed (Edict No.504). Thus, the sale price of the lot of wood - this is the equilibrium market price at the time of sale. At present, transfer pricing is not applicable to forestry organisations in Belarus.

Online auctions are carried out through a special industry exporter of forest products UE "Bellesexport" via online auctions of the Belarusian Universal Commodity Exchange (section of timber trading) (Government source 8).

Description of Risk

The country's economists expressed confidence that in Belarus the development of offshore trade is impossible (Government source 3): "To do this, Belarus would have to break a number of agreements with other countries, including the avoidance of double taxation and so on".

Export transactions of wood are concluded through Belarusian Universal Commodity Exchange. According to Article 11 of the Law of the Republic of Belarus of January 5, 2009 "On Commodity Exchanges» Commodity Exchange shall register all exchange transactions. There are no countries of partners (wood buyers) in the list of offshore countries (Government sources 3, 5-7; Non-Government sources 1, 2). All direct agreements (OTC transactions) must be registered in the information system of commodity exchanges (not later than three working days after the conclusion of OTC transactions) (in accordance with the Law of the Republic of Belarus of July 8, 2015) (Government source 9). Transfer pricing is not applicable to the forestry enterprises of Belarus at the moment (Government sources 4, 5, 9; Non-Government sources 3, 4).

There is not enough evidence to consider this sub-category as specified.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.18.6. Risk designation and specification

Low risk

1.18.7. Control measures and verifiers

N/A

1.19. Custom regulations

Custom legislation covering areas such as export/import licenses, product classification (codes, quantities, qualities and species).

1.19.1. Applicable laws and regulations

- The Customs Code of the Republic of Belarus No. 204-Z of 04.01.2007. Available at: http://kodeksy-by.com/tamozhennyi_kodeks_rb.htm
- The Customs Code of the Customs Union (ed. 05.08.2015) (Annex to the Agreement on the Customs Code of the Customs Union, the EurAsEC Interstate Council adopted

the decision on the level of Heads of State from 27.11.2009 N 17). Available at: http://www.tks.ru/codex_ts

- Edict of the President of the Republic of Belarus No. 522 of 09.10. 2010 "On the establishment of export custom duties on timber". Available at: http://www.gtk.gov.by/ru/tarifnoe-regulirivanie-ved/tamozennie_poshlini/vivoznie_tamozennie_poshlini

1.19.2. Legal authority

- The State Customs Committee of the Republic of Belarus

1.19.3. Legally required documents or records

- Waybills (international form, cmr)
- Invoices

1.19.4. Sources of information

Government sources

- gtk.gov.by (2016). *Custom duties* [online]. State Customs Committee of the Republic of Belarus. Available at: http://www.gtk.gov.by/ru/tarifnoe-regulirivanie-ved/tamozennie_poshlini/vivoznie_tamozennie_poshlini [Accessed 17 September 2016]
- customs.gov.by (2016). *The fight against smuggling*. [online]. State Customs Committee of the Republic of Belarus. Available at: <http://customs.gov.by/ru/activity> [Accessed 22 September 2016]

Non-Government sources

- Abroskin, A. (2010) *When exporting timber company will pay customs duties*. [online]. Chief Accountant. Practical magazine for accountants. Available at: https://www.gb.by/izdaniya/glavnyi-bukhgalter/abroskin-komentarii-pri-eksporte-lesoma_000000 [Accessed 20 September 2016]

1.19.5. Risk determination

Overview of Legal Requirements

In order to prevent a domestic hardwood timber (oak, beech) deficit, customs are paid on goods exported from the Republic of Belarus (according to the annex in the Edict of the President No. 522). In this way, a larger proportion of the valuable hardwood is saved for the domestic market. Customs duty is 100 euros per 1 m³. The Republic of Belarus is part of the Eurasian Economic Community and a member of Customs Union. It includes only the individual types of wood, that are classified in headings 4401, 4403, 4404, 4407 (according to the Foreign Economic Activity Commodity Nomenclature of the Customs Union (FEACN of the CU)) (Government sources 1, Non-Government source 1). Export/import licenses are required for hardwood species (oak, ash, maple, alder) since November 1th 2016. This is supposed to be a temporary measure, but was extended for another 6 months on June 2nd 2017.

Each export supply of wood is subject to customs clearance. As a rule, employees of an outsourcing organization or a special staff of their own employees are responsible for

customs clearance. Control over the correctness of customs clearance is carried out by the State Customs Control Committee.

Control over the payment of customs duties is carried out by the State Customs Control Committee and the Regional Service of the Ministry of Taxes and Duties.

Description of Risk

Classification of wood (wood species, size, quality, specifications, codes) is performed in accordance with 1) the national legislation (STB 1711-2007, STB 1712-2007, STB 1667-2012 (wood species, size, quality)), 2) exchange agreement (exchange trade rules in JSC "Belarusian universal commodity Exchange") (wood species, size, quality, codes, specifications); classification of wood products (codes) - in accordance with the Commodity Nomenclature of Foreign Trade of the Eurasian Economic Union (EAEC HS) (the Common Customs Tariff of the Eurasian Economic Union (approved by the Board of the Eurasian Economic Commission Decision of 16 July 2012 № 54)).

Protective duties were established on certain types of wood. Also, the demand for hardwoods (oak, beech) exceeds the supply in the domestic market. So actually, forestry organisations do not export wood and wood products, on which duties (in accordance with Presidential Edict No. 522) have been established.

The analysis of publicly available information resources and reports of competent state bodies did not reveal any cases of violations of the proper payment of customs duties.

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.19.6. Risk designation and specification

Low risk

1.19.7. Control measures and verifiers

N/A

1.20. CITES

CITES permits (the Convention on International Trade in Endangered Species of Wild Fauna and Flora, also known as the Washington Convention). Note that the indicator relates to legislation existing for the area under assessment (and not e.g., the area from which CITES species are imported).

1.20.1. Applicable laws and regulations

- Resolution of the Supreme Council of Belarus of December 20, 1994 №3462-XII "On accession of the Republic of Belarus to the CITES". Available at: <http://pravo.levonevsky.org/bazaby/org66/basic/text0582.htm>

- Resolution of the Cabinet of Ministers of the Republic of Belarus on July 3, 1995 No. 350 "On measures to ensure the implementation of the Republic of Belarus the obligations arising from the Convention on International Trade in Endangered Species of Wild Fauna and Flora Endangered". Available at: <http://laws.newsby.org/documents/sovetm/pos18/sovmin18483.htm>
- Decision of the Council of Ministers on March 18, 1997 No. 218 "On establishing prohibitions and restrictions on the movement of things through the customs border of the Republic of Belarus". Available at: <http://laws.newsby.org/documents/sovetm/pos17/sovmin17687.htm>
- Order of the State Customs Committee of the Republic of Belarus on November 19, 1997 No. 382 - OD "On Export of zoological collections" (contains a range of zoological collections and their parts, limited for export outside the customs territory of the Republic of Belarus, approved by the Ministry of Natural Resources and Environmental Protection of the Republic of Belarus on October 10, 1997). Available at: <http://pravo.levonevsky.org/bazaby/org170/basic/text0916.htm>
- Order of the State Customs Committee of the Republic of Belarus of 30 May 1997 No. 172 - OD "On approval of the nomenclature of things, restricted and banned for movement across the customs border of the Republic of Belarus"
- The procedure for issuing permits for the removal of wildlife and their products, bird nests, eggs and nests from the natural environment in the scientific, cultural, educational and aesthetic purposes (approved by Decree of the Ministry of Natural Resources and Environmental Protection of the Republic of Belarus of 26 March 1997, No. 79)
- The procedure for issuing permits for movement across the customs border of the Republic of Belarus animal and plant species, their parts or derivatives thereof (derivatives), subject to the Convention on International Trade in Endangered Species of Wild Fauna and Flora, CITES (approved by Decree of the Ministry of Natural Resources and Environmental Protection of the Republic of Belarus of June 12, 1998 No. 177)
- Law of the Republic of Belarus No. 205-Z of 14.06.2003 "On Flora". Available at: <http://mlh.by/ru/official/tech.html>

1.20.2. Legal authority

- Ministry of Natural Resources and Environmental Protection of the Republic of Belarus
- State Scientific and Production Amalgamation (National Academy of Sciences)

1.20.3. Legally required documents or records

- There is no wooden CITES species in Belarus

1.20.4. Sources of information

N/A

1.20.5. Risk determination

Overview of Legal Requirements

CITES came into force in Belarus on 8th November 1995. In signatory countries like Belarus, CITES regulates the international trade of wild species of flora and fauna with some degree of threat or in critical danger. That is, exports, re-exports and imports of animals and plants, alive or death, and parts or derivatives of these are regulated through a system of permits (licenses) and certificates issued if certain requirements are met. These documents shall be submitted to obtain authorization of entrance or exit of shipments of specimens of certain species to a specific country. Species regulated by CITES are included in the listings named Annexes, according to their degree of threat.

Description of Risk

There is no wooden CITES species in Belarus

Risk Conclusion

This indicator has been evaluated as low risk. Identified laws are upheld. Cases where law/regulations are violated are efficiently followed up via preventive actions taken by the authorities and/or by the relevant entities.

1.20.6. Risk designation and specification

Low risk

1.20.7. Control measures and verifiers

N/A

1.21. Legislation requiring due diligence/due care procedures

Legislation covering due diligence/due care procedures, including e.g. due diligence/due care systems, declaration obligations, and /or the keeping of trade related documents, legislation establishing procedures to prevent trade in illegally harvested timber and products derived from such timber, etc.

1.21.1. Applicable laws and regulations

Not Applicable – There is no legislation covering Diligence/Due Care procedures

1.21.2. Legal authority

N/A

1.21.3. Legally required documents or records

N/A

1.21.4. Sources of information

N/A

1.21.5. Risk determination

N/A

1.21.6. Risk designation and specification

N/A

1.21.7. Control measures and verifiers

N/A

Annex I. Timber Source Types

The table **Timber Source Types in Belarus** identifies the different types of sources of timber it is possible to find in the country of origin.

'Timber Source Type' is a term used to describe the different legal sources of timber in a country, in order to allow a more detailed specification of risk. The Timber Source Type is used to clarify:

- which forest types timber can be sourced from legally;
- what the legal requirements are for each source type, and
- if there are risks related to certain source types and not others.

Timber Source Type can be defined by several different characteristics. It may be based on the actual type of forest (e.g. plantation or natural), or other attributes of forests such as ownership, management regime or legal land classification. In this context Timber Source Types are defined and discerned using the following characteristics:

- Forest type** - refers to the type of forest such as plantation or natural tropical forest, or mixed temperate forest. Often the clearest differentiation is between natural forest and plantations.
- Spatial scale (Region/Area)** - relating to meaningful divisions of a nation. However, in some cases the assessment may be carried out at national level where that allows the risk assessment to establish risk at a meaningful level. E.g. a small country with uniform legislation and a uniform level of risk in all areas of the country, as national level assessment may be enough. In case there are significant differences in the legal framework or legality risks between different types of ownership (e.g. public forest, private forest, industrial forest), between different type of forest (e.g. natural forest and plantations) and/or between different geographical regions the conformance risk evaluation shall specify these differences when specifying the risk and apply the appropriate control measures.
- Legal land/forest classification** - refers to the legal classification of land. Focus is on land from where timber can be sourced, and this could entail a number of different legal categories such as e.g. permanent production forest, farm land, protected areas, etc.
- Ownership** - Ownership of land may differ in a country and could be state, private, communal etc. Ownership of land obviously have impacts on how land can be managed and controlled.
- Management regime** - Independently of the ownership of the land, the management of forest resources may differ between areas. Management may also be differentiated as private, state, communal or other relevant type.
- License type** - Licenses may be issues to different entities with a range of underlying requirements for the licensee. A license might be issued on a limited area, limited period of time and have other restrictions and obligations. Examples could be a concession license, harvest permit, community forestry permit etc.

TIMBER SOURCE TYPES IN BELARUS

Forest type	Region / Area	Legal Land Classification	Ownership & management regime	License / Permit Type	Description of source type
Semi-Natural Forest	National	Conservation forests	State owned and managed	Harvest permit, may be either: 1. <i>Felling Bilet</i> (permission for felling of forest stand); or 2. <i>Forest warrant</i> (permission for felling of part of a forest stand or individual trees)	Wood harvested from forest felling in conservation forests (thinning, sanitary, felling, and final felling (where applicable according to Forestry Acts)) Harvested in accordance with the Forest Management Plan (FMP), protection documents (e.g. Passport (information sheet) of Specially Protected Natural Area; Regulations on Reserve; Passport (information sheet) of Natural Monument; Security Obligation) and harvest permit.
		Recreation and health forests			Wood harvested from forest felling in recreation forests (thinning, sanitary, felling, and final felling (where applicable according to Forestry Acts)). Harvested in accordance with the FMP, protection documents and harvest permit.
		Protective forests			Wood harvested from forest felling in protective forests (thinning, sanitary felling, and final felling). Harvested in accordance with the FMP, protection documents and harvest permit.
		Exploitative forests			Wood harvested from forest felling in exploitative forests (thinning, sanitary felling, and final felling). Harvested in accordance with the FMP and harvest permit.



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About

Supporting Legal Timber Trade

Supporting Legal Timber Trade is a joint project run by NEPCon with the aim of supporting timber-related companies in Europe with knowledge, tools and training in the requirements of the EU Timber Regulation. Knowing your timber's origin is not only good for the forests, but good for business. The joint project is funded by the LIFE programme of the European Union and UK aid from the UK government.



NEPCon (Nature Economy and People Connected) is an international, non-profit organisation that builds commitment and capacity for mainstreaming sustainability. Together with our partners, we foster solutions for safeguarding our natural resources and protecting our climate.

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