



Report

Annual Audit certification LegalSource™

for Rain Forest Management (RFM) Sarl

Monitoring and scope extend 2019

Report date: December 13, 2019

Certificate code: NC-LS-026 751

Date of issue: 09/14/2018

Contact the organization

RFM Sarl
Damascus City
3939 Libreville
Contact: Stephen Yorich MVOU Kolomoni
Tel: (+241)04934924 / e-mail: stephenyorich@gmail.com

Audit managed by

NEPCon Africa Contact person: Sandra Razanamandranto
Tel: +233 233008813
Courriel: srazanamandranto@nepcon.org



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Email address of contact person:	db@nepcon.org

Summary

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A. Introduction

The purpose of this report is to document compliance with the requirements of the standard by LegalSource Rainforest Management (RFM) Sarl below referred to as << >> Organization. The report presents the findings of the auditors LegalSource, who evaluated the systems and organizational performance against the applicable requirements. The sections below present the audit findings and follow-up actions required by the Organization.

Dispute settlement If stakeholders have concerns or comments about the LegalSource standard or the audit body, they are encouraged to contact their regional office nearest NEPCon. Formal concerns and complaints must be submitted in writing.

B. Scope

The audit report and certificate LegalSource cover the following areas:

Report Type	
Report Type:	Confidential

Details of the organization	
Primary Contact:	Yorich Stephen MVOU Kolomoni
Address :	City DAMASCUS, BP 3939 Libreville-Gabon. Tel: (241) 04 30 90 01
Phone / Web / Email:	www.rfmtimber.com
Competence of the main legal entity:	Republic of Gabon
Main activities	forest-Transformation primary and secondary operating
Organization description:	<p>The company Rain Forest Management (RFM) is a Limited Liability Company (LLC) law but Malaysians Gabonese capital created in July 2018.</p> <p>The company's activities are organized around 3 main activities:</p> <ul style="list-style-type: none">- Logging in forest allocated by the Gabonese government securities;- The primary and secondary processing of timber resources harvested in its various titles in his Mbomao Oussa-industrial complex (road-Axis Lalara Makokou);- The sale of the products obtained in the local market and the international timber market. <p>In terms of forest management, RFM company holds several licenses covering a total area of 386,428 hectares scattered in the provinces of Ogooué-Ivindo, Woleu-Ntem, Middle Ogooué and Ngounié.</p> <p>RFM The company is also in partnership with RFM GSEZ for the exploitation of forest titles held by that company.</p> <p>All forest tracks operated by RFM integrated the planning process to date with the signing of contracts SMFCs with the Gabonese Government for some (SMFCs RFM RFM SMFCs SEZ Okano-Ivindo and SMFCs RFM GSEZ Middle Ogooué). Requests for obtaining SMFCs are underway for CPEAT arrived at maturity of 3 years (CPEAT GSEZ Ngounié and Ntem).</p> <p>RFM obtained a formed land allocation CPEAT GSEZ Ngounié and Ntem in the context of its implementation in the free zone of Gabon (GSEZ) on which is installed a unit of 8 dryers primarily directed to debited obtained from wood from forest concessions obtained by GSEZ allocated under the supervision of the Ministry of Forestry.</p>

	<p>On its site location Nkok, RFM products is drying on behalf of its CFA and TBNI partners on the basis of commercial agreements.</p> <p>The scope of the certificate LegalSource RFM company covers the production of logs from its various concessions located in the Republic of Gabon and processing. Products from processing these logs include logs, charged and tertiary processing of wood products such as moldings, doors, doors and cabinets.</p> <p>The list of species allowed to harvest is attached to the audit report.</p>
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Scope of the certificate	
Type Certificate	<input type="checkbox"/> single-site certificate <input checked="" type="checkbox"/> Certificate Group / Multi-Site
evaluated Standards:	<input checked="" type="checkbox"/> LegalSource standard (LS-02) v2 <input checked="" type="checkbox"/> generic standard of NEPCoN CoC (NC-STD-01) <input checked="" type="checkbox"/> Generic group Standard & Multi-Site NEPCoN (NC-STD-02)
Product Range:	The scope of the certificate LegalSource RFML covers logs from forest tracks operated by the company with the exception of SMFC RFM2 including the products of primary processing (charged) and the products of the 3rd transformation as moldings, doors, doors and cabinets and door frames and windows.
Changes to the scope of the certificate since the last audit:	During this audit, the company RFM requested the extension of its certificate LegalSource to CPEAT GSEZ Ngounié and Ntem.
Sites or certification group members	
<input type="checkbox"/> Instead of the table below, details are in the room	
Site 1:	
Name of the site :	RFM Central Office
Site Address / Phone / Web / Email:	Libreville direct management SMFCs and CPAET in which RFM conducts its logging. The list of forest concessions are specified in section F (Legal compliance to the forest level see scope of the assessment)
Site Activity:	Forest manager
Product Range:	All the concessions in which RFM conducts forestry activities except RFM2 concession.
Site visited during the audit:	<input checked="" type="checkbox"/>
Site 2:	
Name of the site :	Factory RFM Mbomao-Oussa (Lalara)
Site Address / Phone / Web / Email:	BP 3939 Libreville, Gabon
Site Activity:	Processing unit

Product Range:	View Site 1
Site visited during the audit:	<input checked="" type="checkbox"/>
Site 3:	
Name of the site :	Storage site of the Industrial Zone and dryers Nkok
Site Address / Phone / Web / Email:	BP 3939 Libreville, Gabon
Site Activity:	Drying and storage debited
Product Range:	View Site 1
Site visited during the audit:	<input checked="" type="checkbox"/>

Evaluation Process

Audit team:	<p>Paul Alain ESSOUNGA BENG Cameroon is a forest engineer with experience in logging companies in Cameroon, where he worked as Manager of Forest Management Units (FMUs) as an internal auditor and to prepare companies for certification external audits (OLB FSC).</p> <p>Paul Alain is also an FSC FM and CoC auditor for many years. He was a member of team audits in Cameroon, Congo and Gabon for more than 6 years on behalf of the Rainforest Alliance and NEPCon.</p> <p>Paul Alain was an auditor for certification Verification of Legal Conformity (VLC) is a private legal certificate issued by the Rainforest Alliance forest management companies. He was a member of teams audit for this certification in Cameroon and Republic of Congo.</p> <p>Paul Alain was formed on LegalSource certification by NEPCon. He participated in several certification audits on LegalSource standard in Central Africa.</p> <p>Armel TSIBA-NGOLO is Forest Technical Engineer and holds a Master of Science in Sustainable Management of Forests. In 2011, he worked for Rougier (Mokabi SA) as a social charge. Then returned in 2012 the international NGO ACTED, as Monitor MEAs and investigator for an impact assessment of logging on populations under the FLEGT VPAs. He worked about 3 years with the Independent Observer FLEGT-VPA in the Republic of Congo. He attended several courses related to sustainable forest management, including social forestry as part of the Center for Social Excellence Project for the forests of the Congo Basin (CES) in 2009, audit organized by the Rainforest Alliance in 2013 and then in 2018, in forest governance in 2014 in Kumasi, Ghana, and sustainable Development in 2015. It is to participate in several audits (VLC, FLV, FSC FM / COC and Legal Source NEPCon). For this audit Armel is responsible for aspects of legal and socio-economic component.</p> <p>Laetitia KOMBILA Development is Sociologist spaces and territories. From 2013 to 2016, she assured responsibilities as "Head of the social component" external in several sites of the company SIAT Gabon. After several training in auditing and management aspects of the social aspects concerning sustainable forest management (including one organized by TFT), Laetitia Kombila participated in several socio-economic studies for various companies based in Gabon. It is to date, Head of Social Program Rougier. She also participated in several diagnostics to the PPECF II</p>
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	program. For this audit, Laetitia Kombila is responsible for the aspects of legality and socio-economic component.																																								
Description of the audit process	The annual audit and change in scope of certificate LegalSource RFM Sarl took place according to the following schedule:																																								
	<table border="1"> <thead> <tr> <th>Activity</th> <th>Location</th> <th>Auditeurk (s)</th> <th>Dated</th> </tr> </thead> <tbody> <tr> <td>Arrival of the audit team</td> <td colspan="3">21 and 22 August 2019 in Libreville</td> </tr> <tr> <td>Opening Meeting *</td> <td>Main office</td> <td>Audit team</td> <td>08/23/1019</td> </tr> <tr> <td>Interview with officials RFM; review of written procedures and Reports of Non-Compliance (RNC) open</td> <td>Main office</td> <td>Audit team</td> <td>08/23/1019</td> </tr> <tr> <td>field trip</td> <td>WMU / site / group member / subcontractor / supplier, etc.</td> <td>Audit team</td> <td>24 to 29 / 08/2019</td> </tr> <tr> <td>Stakeholder Consultation</td> <td>The whole team depending on listeners specialties</td> <td>Audit team</td> <td>24 to 29 / 08/2019</td> </tr> <tr> <td>Preliminary Closing Meeting Lalara</td> <td>Lalara Factory</td> <td>Audit team</td> <td>08/29/2019</td> </tr> <tr> <td>Nkok Site visit</td> <td>Industrial Zone Nkok (GSEZ)</td> <td>Audit team</td> <td>08/30/2019</td> </tr> <tr> <td>Interview with authorities Water and Forest, CNSS, Ministry of Employment, taxes in Libreville</td> <td>Libreville</td> <td>Audit team</td> <td>08/30/2019</td> </tr> <tr> <td>Closing meeting and conclusions of the audit *</td> <td>Offices RFM Libreville</td> <td>Audit team</td> <td>08/31/2019</td> </tr> </tbody> </table>	Activity	Location	Auditeurk (s)	Dated	Arrival of the audit team	21 and 22 August 2019 in Libreville			Opening Meeting *	Main office	Audit team	08/23/1019	Interview with officials RFM; review of written procedures and Reports of Non-Compliance (RNC) open	Main office	Audit team	08/23/1019	field trip	WMU / site / group member / subcontractor / supplier, etc.	Audit team	24 to 29 / 08/2019	Stakeholder Consultation	The whole team depending on listeners specialties	Audit team	24 to 29 / 08/2019	Preliminary Closing Meeting Lalara	Lalara Factory	Audit team	08/29/2019	Nkok Site visit	Industrial Zone Nkok (GSEZ)	Audit team	08/30/2019	Interview with authorities Water and Forest, CNSS, Ministry of Employment, taxes in Libreville	Libreville	Audit team	08/30/2019	Closing meeting and conclusions of the audit *	Offices RFM Libreville	Audit team	08/31/2019
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Measures taken by the Organization prior to the finalization of the report:	No provision of complementary or additional documentation was made by RFM throughout the stay of the audit team.																																								
Notes for next audit:	<p>In the next audit, the following points should be given special attention:</p> <ul style="list-style-type: none"> - EPI management; - The development and implementation of proper procedures to LegalSource certification; - The risk assessment of the various suppliers of wood in the Due diligence system; - The training of the company's field staff in RIL; - Awareness of the company's personnel on the requirements of the LegalSource certification. 																																								

C. Observations audit

Audit Conclusion	
Organization approved:	<input type="checkbox"/>
Organization not approved:	<input checked="" type="checkbox"/>
<p>Additional Comments: During the 2018 assessment audit of RFM , minor NCR were issued and these were to be corrected during the 2019 annual audit or risk being raised to major. During the audit year 2019, 8 of the 14 minor NCR issued during the audit in 2018 upgraded from minor to Major and 7 Major NCR were issued in 2019 out of the 30 NCRs issued.</p> <p>Thus a total of 15 Major NCRs for the 2019 annual audit, which automatically does not permit maintaining LegalSource certificate for RFM in accordance with the requirements of certification.</p>	

Non-Compliance

Reports of non-compliance (NCR) describe the non-compliances identified during the audit. The NCRs include timelines set for the organization to demonstrate compliance. MAJOR nonconformities issued during assessments or reassessments must be addressed before issuing the certificate. MAJOR nonconformities issued during annual audits must be addressed within the time prescribed in the NCR or result in the suspension of the certificate. If applicable, all non-conformities with the requirements of the standard are shown below:

# Non-compliance:	01/18	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	<p>NEPCon Generic Group & Multi-Site Standard (NC-STD-02), 2.2 criterion:</p> <p>The standard requires that the central office of the organization develops, implements and maintains documented procedures covering all requirements including clear procedures for the inclusion or removal of sites or group members.</p> <p>AND</p> <p>Standard NEPCon LegalSource (LS-02) v2.0 criterion 3.1:</p> <p>The standard requires that the organization has written procedures including all applicable elements.</p>	
Description of non-compliance:		
<p>During the 2018 audit, RFM had not developed procedures covering LegalSource certification management requirements including the requirements of multi-site certification.</p> <p>RFM has developed a due diligence process on the basis of document NEPCon DD-12 that covers the requirements of the LegalSource standard on due diligence. A draft Procedural Manual was also developed to guide the operational aspects of the activities at the plant and forest management activities.</p> <p>At the time of the audit, these documents were being finalized and were not implemented by RFM. The consultation of proposed procedures allowed auditors to find that these documents focus more on the description of the role of different stakeholders than on the description of the same workflow and processes.</p>		
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i>	

	<i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 03 months after the report finalization date
Evidence Provided by Organization:	RFM did not present evidence to lift the issued non-compliance.
Findings for Evaluation of Evidence:	<p>During the 2019 annual audit, the auditors made the following observations:</p> <ul style="list-style-type: none"> - The document on due diligence is not available; - The Procedures Manual covering aspects of LegalSource certification is not available; - No procedure covering the requirements for Multisite LegalSource certification available; - No procedure developed as part of LegalSource certification available. <p>This lack of documentation permitted the audit team to see that RFM has not developed a procedure covering the requirements of LegalSource certification.</p> <p>RFM did not present evidence to correct the issued non-compliance.</p>
NCR Status:	The NCR remains open and becomes Major for the audit in 2019
Comments (optional)	

# Non-compliance:	02/18	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	<p>NEPCon Generic Group & Multi-Site Standard (NC-STD-02), 2.8 criterion:</p> <p>The standard requires that the central office of the organization maintains and updates the information on the different sites participating or other entity involved in the certification LegalSource Multisite and if applicable notifies the certification body of the inclusion or exclusion of new members within the scope of its certificate within five (5) working days.</p>	
Description of non-compliance:		
RFM has a list of all forestry permits included in the scope of its LegalSource certificate. However, there is no system to ensure that RFM informs NEPCon whenever a new forest license is acquired or when logging permits are open for exploitation.		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 03 months after the report finalization date	
Evidence Provided by Organization:	RFM did not present evidence to correct the issued non-compliance.	

Findings for Evaluation of Evidence:	<p>During the audit in 2019, the auditors found that RFM had a list of all the sites included in the scope of its LegalSource certificate. However, no formal system is in place to ensure that NEPCon be informed when new licenses are included the scope of the certificate or when permits are open for exploitation.</p> <p>RFM did not present evidence to correct the issued non-compliance.</p>
NCR Status:	The NCR remains open and becomes Major for the audit in 2019
Comments (optional)	

# Non-compliance:	03/18	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	<p>NEPCon Generic Group & Multi-Site Standard (NC-STD-02), 2.11 criterion:</p> <p>The standard requires that the central office of the organization regularly conducts audits (at least once a year) of all sites and entities included in the scope of its certificate in order to assess compliance of these with the applicable requirements.</p> <p>And</p> <p>Standard NEPCon LegalSource (LS-02) v2.0 4.1 criterion:</p> <p>The organization must evaluate its due diligence system at least once a year to identify and correct weaknesses and risks identified.</p> <p>and criterion 7.9</p> <p>Risk analysis should be evaluated at least annually and revised if changes are noted in the characteristics of the identified risks</p>	
Description of non-compliance:	<p>RFM has not made available to the auditors an internal audit procedure or reports to show that the due diligence system, risk analysis as part of the due diligence and the implementation of internal procedures is evaluated at least once a year.</p>	
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 03 months after the report finalization date	
Evidence Provided by Organization:	RFM did not present evidence to correct the issued non-compliance.	
Findings for Evaluation of Evidence:	<p>During the 2019 audit, the auditors found that RFM has not developed internal audit procedure of its activities and they have not had access to reports to show that RFM followed up at least once per year on its due diligence system, its risk analysis as part of the LegalSource certification or the implementation of its internal procedures.</p> <p>RFM did not present evidence to correct the issued non-compliance.</p>	

NCR Status:	The RNC remains open and becomes Major for the audit in 2019
Comments (optional)	

# Non-compliance:	05/18	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.0 criterion 4.3: The standard requires that the Organization and implement a complaints procedure to deal with complaints based on the production or supply of equipment, including:</p> <p>4.3.1 Assessment of associated evidences to the complaint within two (2) weeks of receipt;</p> <p>4.3.2 In cases where the evidence is considered relevant, implementation of appropriate corrective actions; and,</p> <p>4.3.3 Keeping records of all complaints received and action taken.</p>	
Description of non-compliance:		
RFM The company has not presented clear procedure (written or otherwise) for the management of complaints and disputes related to the production or wood supply as part of its due diligence system.		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 03 months after the report finalization date	
Evidence Provided by Organization:	RFM did not present evidence to correct the issued non-compliance.	
Findings for Evaluation of Evidence:	<p>During the 2019 audit, the auditors did not have access to a procedure covering the management of complaints, claims and disputes that may arise between RFM, its customers or its suppliers during production or wood supply as part of its due diligence system.</p> <p>RFM did not present evidence to correct the issued non-compliance.</p>	
NCR Status:	The NCR remains open and becomes Major for the audit in 2019	
Comments (optional)		

# Non-compliance:	06/18	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.0 criteria 9.1 to 9.6</p> <p>The standard requires that the organization develops and implements a procedure for the use of the LegalSource trademark</p>	
Description of non-compliance:		

RFM The company did not present procedure governing the use of LegalSource trademark as part of its activities.	
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 03 months after the report finalization date
Evidence Provided by Organization:	RFM did not present evidence to correct the issued non-compliance.
Findings for Evaluation of Evidence:	During the audit 2019, the auditors did not have access to a procedure governing the use of the mark by LegalSource RFM in its activities. RFM did not present evidence to correct the issued non-compliance.
NCR Status:	The NCR remains open and becomes Major for the audit in 2019
Comments (optional)	

# Non-compliance:	11/18	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.0, Appendix 1, indicator 3.3.4 The standard requires that environmental restrictions such as those related to forest management and the establishment of plantations such as those relating to road construction, management of the water network, the use of fire and chemical products, handling, storing hydrocarbons and limiting conversions are respected.	
Description of non-compliance:		
Field observations showed that: - The roads and skid trails are not properly planned before opening and it will destroy the remaining vegetation; - RFM has not established a clear system of waste management of oil and lubricants. These shortcomings are different from requirements of decree No. 689 / PR / MEFPEPN December 1, 2004 and the National technical guide for the development and management of state forests. The NCR issued is a minor because although RFM is planning its roads and skid trails in its various development plans, the auditors found on the ground that the effective implementation of these roads do not match the planning in most cases. This is a gap with the requirements of Article 42 of Decree No. 689 which specifies that the implementation of roads and skid trails should be planned on board prior to its materialization on the ground, trying to respect the planned route.		
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>	

Time to comply	In the 03 months after the report finalization date
Evidence Provided by Organization:	RFM did not present evidence to correct the issued non-compliance.
Findings for Evaluation of Evidence:	During the 2019 audit, the auditors found that if the deviations related to road planning are resolved, those related to waste management of oil remain valid as RFM has not developed a management procedure on waste oil and field supplies of operating equipment is done using barrels of oil that are deposited in the felling without measures against leaks. RFM did not present evidence to correct the issued non-compliance.
NCR Status:	The NCR remains open and becomes Major for the audit in 2019
Comments (optional)	

# Non-compliance:	12/18	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.0, Appendix 1, indicator 3.4.1 The standard requires that the requirements related to the health and safety of staff during activities are respected by all personnel involved in forest management activities or timber harvesting.	
Description of non-compliance:		
<p>During the field visit, the audit team found that none of the employees interviewed wore his Personal Protective Equipment (PPE) while working. The exchanges with relevant and consultation of documents provided by RFM allowed auditors to find that this is due to the fact that for about a year before the audit, RFM has a PPE order from Malaysia and this material had not arrived in Gabon yet.</p> <p>No PPE distribution list was available to demonstrate that PPE was made available to workers. However, officials of RFM subsequently provided to auditors the documents proving that the order of PPE had finally arrived and was ready for distribution.</p> <p>On the other hand, some workers working in particularly vulnerable areas are equipped with PPE that does not protect them effectively. auditors were able to see some fellers working with helmets without visors and are not equipped with leggings to protect against possible cuts due to the handling of the chain saw.</p> <p>Non Gabonese Staff demonstrated ignorance of harbor-related PPE requirements because their equipment in the field is heterogeneous varying from one individual to another and the use of PPE at work is not respected.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 03 months after the report finalization date	
Evidence Provided by Organization:	Distribution lists of PPE to staff	
Findings for Evaluation of Evidence:	During the audit in 2019, the auditors found that despite the presence of evidence of distribution of PPE to employees, the	

	majority of them still do not wear them during their activities without sanctions from the company. The evidence presented by RFM fail to lift the NCR issued
NCR Status:	The NCR remains open and becomes Major for the audit in 2019
Comments (optional)	

# Non-compliance:	13/18	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.0, Appendix 1, indicator 3.4.3 The standard requires that proof of training of company personnel on the technical and legal requirements of their activities are available.	
Description of non-compliance:		
Finding during the audit in 2018 : At the time of the audit, RFM had not yet organized the training of technical staff on the requirements of Forest Exploitation to reduce Impact (RIL). The company was in the process of discussion with local representatives of the Ministries of Forestry at Oyem to provide technical support to improve practices in the forest. Regarding training in hygiene, health and safety (HSE), the audit team has not had access to documents showing that the company's employees have been trained on the applicable requirements in this area as required by Article (201) of the labor code No. 3/94 of 21 November 1994. However, according to officials of RFM, awareness sessions on first aid were held but no report available to support these claims.		
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above. Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>	
Time to comply	In the 03 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:	During the audit 2019, the auditors found that the situation of the company in relation to the achievement of RIL training and HSE has not changed since the last audit. No evidence of training of company staff on RIL standards and requirements for HSE was presented to auditors. The evidence presented by RFM fail to lift the NCR issued	
NCR Status:	The NCR remains open and becomes Major for the audit in 2019	
Comments (optional)		

# Non-compliance:	01/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 section E: Checklist LegalSource exercise due diligence criterion 1.2 The standard requires that the forest management company ensures that its wood procurement policy is implemented.	
Description of non-compliance:		
<p>finding :</p> <p>RFM has a responsible procurement policy in writing and approved by the company's hierarchy. However following discussions with staff and consultation documents made available to them, the auditors found that this policy is partially implemented. This is explained by the fact that the company's quality system is not efficient. The following observations were made by the auditors:</p> <ul style="list-style-type: none"> • The internal organization of the company is diffused and staff responsibilities in managing the LegalSource certification are not well defined; • The company's procedures do not cover all the requirements of the LegalSource certification; • The existing procedures are poorly disseminated to operational staff resulting in low ownership; • Low competence in line with the vision of the company (recruited staff, although young, dynamic and available, did not receive the necessary training to ensure the implementation of sustainable procurement policy). <p>Given all remaining shortcomings, auditors note that the responsible procurement policy RFM is not fully implemented.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	02/19	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 section E: Checklist LegalSource exercise due diligence criterion 2.1 The standard requires that the forest management company designates one person or position having overall responsibility for compliance with all applicable requirements of this standard.	
Description of non-compliance:		

finding :	
<p>During the audit 2019, RFM introduced Mr. Stéphane MVOU Kolomoni Yorich as referring to the company in charge of LegalSource certification. This officially acts as responsible person for certification in RFM. However, examination of the employment contract of the latter shows that the person is recruited as administrative agent in charge of the certification with no real definition of its responsibilities within the company.</p> <p>Exchanges between the audit team and the concerned noted many shortcomings of designated official for the management of the LegalSource certification. Indeed, the latter lacks experience in the preparation and support of his company in maintaining the LegalSource certificate. Furthermore, the controller has to date not participated in any formal training in audit and forest certification, general knowledge of the requirements of the LegalSource standard and technical audits is low.</p> <p>The auditors also found that the transfer of skills between the old post of certification manager at the audit 2018 and the new had not occurred.</p>	
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>
Time to comply	In the 03 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	03/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 section E: Checklist LegalSource exercise due diligence criterion 2.2</p> <p>The standard requires that the person / position appointed has the power and access to resources to ensure that requirements are met.</p>	
Description of non-compliance:		
finding :		
<p>Interaction with the administrative officer in charge of certification for RFM by te auditors revealed that he does not have access to all necessary information to ensure that the requirements of the LegalSource standard are met by the company .</p> <p>His responsibilities in the company are diffuse and it has no power of decision allowing it to solicit or to centralize information on the LegalSource certification. The job description that contains the functions, responsibilities and resources at the disposal of the administrative officer in charge of certification has not been provided to the auditors.</p> <p>Moreover, RFM does not have a flow chart to know the position of administrative officer in charge of certification in the general structure of the company.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p>	

	<i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	04/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 section E: Checklist LegalSource exercise due diligence criterion 2.3</p> <p>The standard requires that the forest management company refers to individual responsibility for all applicable elements of this standard.</p>	
Description of non-compliance:		
finding :		
As the general manager of the LegalSource certification within RFM, the responsibilities of other actors responsible for implementing and monitoring the various requirements of LegalSource standard are not defined and they are not clearly identified.		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	05/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 section E: Checklist LegalSource exercise due diligence criterion 2.4</p> <p>The standard requires that all relevant personnel demonstrate knowledge and competence in the implementation of relevant procedures to implement this standard.</p>	

Description of non-compliance:	
finding : The auditors found that the staff of the RFM company involved in forestry are trained for the activity they carry out within the company. Their academic background gives them the prerequisites for the implementation of relevant procedures to meet the requirements of the LegalSource standard. However, technical exchanges that auditors had with each employee revealed that they need support on all aspects related to the implementation of the LegalSource standard, particularly in terms of training on the requirements of the standard, writing procedures, writing field reports, information management, development of action plans for the correction of non-conformities and for conducting internal audits (risk identification illegalities by category activities, their analysis, their assessment and mitigation process these risks).	
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	06/19	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 section E: Checklist LegalSource exercise due diligence criterion 3.1 The standard requires that the forest management company has written procedures including all applicable elements of this standard.	
Description of non-compliance:		
finding : RFM has not submitted to auditors written procedures covering the requirements of the LegalSource certification.		
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>	
Time to comply	In the 03 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		

NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	07/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 section E: Checklist LegalSource exercise due diligence criterion 3.2</p> <p>The standard requires that the forest management company ensures that documents demonstrating compliance to this standard are maintained and available to auditors.</p>	
Description of non-compliance:		
<p>finding :</p> <p>Staff at RFM demonstrated limited knowledge of the requirements of the LegalSource certification and does not have procedures or work instructions enabling company personnel to be more aware of them. In general, archiving documents of the company needs to improve and several key documents for the LegalSource certification are not available (Due Diligence System, risk analysis and other procedures).</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	08/19	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 section E: due diligence checklist LegalSource, criteria 4.1, 4.2, 5.1, 5.2, 6.1, 6.2, 6.3, 6.4</p>	
Description of non-compliance:		
<p>finding :</p> <p>RFM has not made available to the auditors the descriptive document of its Due Diligence system. No report or internal audit of the system is available</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p>	

	<i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 03 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	09/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 section E: Checklist LegalSource exercise due diligence criterion 4.3</p> <p>The standard requires that the forest management company has and implement a complaints procedure to deal with complaints based on the production or supply of equipment, including:</p> <p>4.3.2 Assessing the evidence related to the complaint within two (2) weeks of receipt;</p> <p>4.3.3 In cases where the evidence is considered relevant, implementation of appropriate corrective actions; and,</p> <p>4.3.4 Keeping records of all complaints received and action taken.</p>	
Description of non-compliance:		
finding :	RFM has not developed a procedure related to complaints relating to the production or timber supply	
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	10/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 section E: Checklist LegalSource exercise due diligence criterion 4.4</p> <p>The standard requires that when the forest management company identifies that products were marketed and / or sold before risk mitigation, the company must:</p> <p>4.4.1 immediately stop sale of any product remaining in inventory;</p> <p>4.4.2 identify all relevant buyers and inform them in writing within three (3) working days and keep a record of such notifications;</p> <p>4.4.3 analyze the causes and implement measures to prevent any recurrence;</p> <p>4.4.4 notify the certification body; and,</p> <p>4.4.5 mitigate the causes and allow the certification body to assess the actions taken.</p>	
Description of non-compliance:		
finding :		
RFM did not provide auditors a document analysis and mitigation of controversial supply risks in the context of managing its LegalSource certificate.		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	11/19	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 section E: List LegalSource due diligence control criteria 7.3, 7.4, 7.5, 7.6, 7.7, 7.8, 7.9, 8.1, 8.2 and 8.3</p>	
Description of non-compliance:		
finding :		

The auditors did not have access to the document on risk analysis of timber supply under the LegalSource certification. No supply risk assessment report is available, and no mitigation measure of supply risk were made.	
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 03 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	12/19	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 section E: Diligence Checklist reasoned LegalSource, Criteria 9.1, 9.2, 9.3, 9.4, 9.5 and 9.6 The standard allows products that are included in the scope of the LegalSource certification, the organization to use the mark "LegalSource certified" on sales and transport documents	
Description of non-compliance:		
finding : RFM has not made available to the auditors a procedure covering the rules of use of the LegalSource trademark. Exchanges with the company personnel demonstrate that they are not aware of the rules for use of the NEPCon LegalSource trademark.		
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>	
Time to comply	In the 03 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	13/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 Annex 1 Indicator 2.2.4 The standard requires that wood products sales prices are in line with market prices	
Description of non-compliance:		
<p>finding :</p> <p>The wood products obtained by RFM in its timber processing activities are sold directly to a client. It is the latter that makes all subsequent operations of sale of wood products for its own account.</p> <p>The audit team requested from RFM the following documents to ensure that the sales prices charged by the company are in line with the market price and the minimum selling price as specified by the Gabon law (reprimand price):</p> <ul style="list-style-type: none"> • The list of Mercurial price issued by the Government of Gabon • Payment Proofs by client. RFM to Gabon for the exact amount mentioned on the invoices reviewed by the audit team • A copy of the invoice sent by client the end customer in the EU <p>However, outside of the mercurial woods in export prices, other documents have not been provided, so that the audit team was unable to verify the regularity of sales transactions by RFM.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	14/19	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 Annex 1 Indicator 3.2.2 The standard requires that legal procedures for the monitoring, management and protection of endangered species or species threatened by the management unit are in place	
Description of non-compliance:		
<p>finding :</p>		

<p>Without the Wildlife protection plan (PPF), RFM can develop legal procedures for monitoring, management and wildlife protection. This document, according to the regulations in force in Gabon is the basis of wildlife protection.</p> <p>The administration has been consulted on the matter, and they informed the audit team that the company is not at fault because it is the [forestry administration] that delay in processing the files submitted by the companies.</p> <p>However, the company is striving, though, to control inputs of each site by establishing control barriers, to ongoing monitoring and awareness among workers and surrounding villages SMFC.</p> <p>However, during the visit of SMFC RFM1, the auditors found that the entry barrier SMFC had been vandalized to let a vehicle pass through. This barrier is not guarded so the incident has not been reported since the operations were shutdown in the area. Control of illegal activities in the forest concessions of RFM is currently the responsibility of a single individual who cannot cover their own areas concerned especially that it has no dedicated moving logistics.</p>	
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>
Time to comply	In the 03 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	15/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Annex 1, 3.3.1 and 3.3.4 Indicator</p> <p>The standard requires that assessments of environmental and social impact are in place and approved by the statutory authority, if required by law.</p>	
Description of non-compliance:		
<p>finding :</p> <p>The auditors examined the texts on the environment, including articles:</p> <ul style="list-style-type: none"> • 226 of Law N0 16-01 of 31 December 2001 on the Forestry Code; • 30 of Act N0 007/2014 of 01/08/2014 on the protection of the environment in the Gabonese Republic, which requires an environmental impact assessment prior submitted for consideration of the Ministry of the Environment; • and Article 3 of the Decree N0 12 dash 539 / PR / MEFPEPN su 15 July 2005 regulating the environmental impact study. <p>Moreover, the law N0 3/94 of 21 November 1994 Gabonese work code, Title IV, fixed the general rules of basic safety and health at work.</p> <p>The auditors found that the company had developed in 2016 an environmental impact notice relating to an administrative regularization of the timber processing plant RFM Mbomao-Oussa, accompanied</p>		

<p>by an environmental management plan, given that this plant had not subject to a study on the environment according to the provisions of law 16/93 of 26/08/1993 determined by the environmental code.</p> <p>However, the auditors also found that the company has not received permission from the Minister for the Environment. This authorization is subject to the filing of the following key documents (the seven), in accordance with Article 6 of Decree NO 543 / PR / MEFEPEN of 15 July 2005 laying classified installations:</p> <ul style="list-style-type: none"> • The impact study; • The study of the danger of the facility; • A notice relating to the conformity of the proposed facility. <p>This requirement is not reached for breach of environmental impact studies and risk approved by the statutory authority.</p>	
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	16/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Annex 1, 3.3.2 and 3.3.4 Indicator</p> <p>The standard requires that the requirements for environmental monitoring are met.</p>	
Description of non-compliance:		
<p>finding :</p> <p>The auditors noted three force elements available at RFM: a notice of impact with mitigation of impacts, the existence of occupational health and safety committee (CSST) and the presence of HSE within the company.</p> <p>Despite these strengths, the auditors noted that the legal requirements for environmental monitoring and regulations are not fully implemented.</p> <p>The auditors made the following observations:</p> <ul style="list-style-type: none"> - The Environmental and Social Management Plan (ESMP) of the impact statement is partially applied pending completion by RFM of an environmental impact assessment and a study of the danger to the Mbomao-Oussa industrial site; - It does not exist any follow-up procedures, with the exception of the waste management process which remains incomplete on the form and substance. 		

For evidence, the auditors visited the various sites and industrial facilities of the company and found the following deficiencies:

- The fire system is almost nonexistent at the sawmill, carpentry and boiler;
- (A fire extinguisher 9 kg per installation, three);
- Fire extinguishers are installed in hard to reach places for everyone;
- There is no toilet in the mill;
- PPE is partially distributed to all levels and some workers do not have (several agents were observed in industrial facilities and construction of PPE with non-compliant and / or without equipment);
- Water drainage with decanting system is not installed according to the instructions of ESMP impacts;
- Waste management is not well assured (no separation, garbage bins are placed but the waste is found on the ground);
- The workers in the forest sometimes make fires with logs of wood scrap (cases found during the site visit RFM 1, 2 AAC1 UFG).

In addition, auditors exchanged with a sample of staff, which confirmed that RFM has still many gaps in environmental management and safety.

Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	17/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 Annex 1 Indicator 4.1.1 The standard requires that the stakeholder consultation confirmed that customary rights are respected during forest / logging management activities.	
Description of non-compliance:		
finding : RFM has identified the customary rights of communities throughout the achievement of socio-economic studies, participatory mapping that allowed to sign contractual specification items in connection with the observance of Article 251 of Law No. 16-01 of December 31, 2001 on the forest code in Gabon and the application of decree No. 105 / MFEPRN / SG / DGF / DDF / SACF laying down the model of notebook contractual charges.		

<p>To date, two Contractual charge Papers were signed with neighboring communities of RFM GEZ.</p> <p>As part of the implementation of its participatory mapping, RFM has a collection of map information that must later be used to locate the main areas of interest of the local population. The National Forest Management Technical Guide specifies how maps are presented.</p> <p>RFM has not respected this requirement in its participatory mapping and map data are not presented as necessary.</p>	
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	18/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Annex 1 Indicator 4.2.1</p> <p>The standard requires that the stakeholder consultation confirmed that the legal provisions relating to free, prior and informed consent are met when third party rights were sold to a third party</p>	
Description of non-compliance:		
<p>finding :</p> <p>After analyzing the documentation available both to the company and to stakeholders especially at the government and local authorities, we can confirm that the company has consulted stakeholders.</p> <p>Furthermore, the minutes provided by the communities demonstrate that the decisions taken by local communities were taken without any constraints.</p> <p>However, the company has neglected some aspects of participatory mapping as identifying the interests of people with cultural identity marks (name of the river, camping name location of the main avenues for the people ...).</p> <p>Communications on the FDL management of the village Okala have not been done, confusion regarding donations made by the company and future investments is noticeable at the village community Okala.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	

Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	19/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input type="checkbox"/> <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Annex 1 Indicator 5.3.2</p> <p>The standard requires that there be no manipulation of timber transfer price by the company.</p>	
Description of non-compliance:		
<p>finding :</p> <p>The audit team requested the following documents from RFM to ensure that prices are in line with market prices and minimum sale price as prescribed by law in Gabon (reprimand price):</p> <ul style="list-style-type: none"> • The list of Mercurial price issued by the Government of Gabon • Proof of payment client. RFM to Gabon for the exact amount mentioned on the invoices reviewed by the audit team • A copy of the invoice sent by client to the end customer in the EU <p>However, outside of the mercurial sales prices of wood products published by the Gabonese Government, other requested documents were not provided, so that the audit team was unable to verify compliance with this indicator and must raise a nonconformity.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	20/19	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section I: Chain of custody, criterion 1.1</p> <p>The standard requires that the forest management company designates a person with overall responsibility for the control system of the chain of custody and individual responsibilities of each part of the control system (purchase, processing, storage, marking, record keeping, etc.).</p>	
Description of non-compliance:		
<p>finding :</p> <p>The general manager of the RFM Chain of Custody is not formally identified and others involved in the chain of custody. The procedure of Coc-RFM, RFM GSEZ system available to auditors identifies critical points in the follow-up of traceability without designating officials or records required for traceability.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 03 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	21/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section I: chain of custody, criterion 1.2</p> <p>The standard requires that the forest management company develop and maintain documented procedures to ensure compliance with all applicable requirements of the traceability chain.</p>	
Description of non-compliance:		
<p>finding :</p> <p>RFM The company has a document entitled PROCEDURES SYSTEM CoC RFM - RFM GSEZ, but this document does not go into sufficient detail to satisfy all requirements of CoC according to LegalSource standard. It sets out the various stages of forest inventories to sales of products, but it contains no details or procedure on the type of information to collect and record every step to ensure the minimization of the risk of non-certified materials being mixed with certified materials. In</p>		

addition, RFM now also purchases wood from third parties and procedures of CoC does not include anything for this scenario.	
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	22/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 Section I: Chain of custody, criterion 1.3 The standard requires that the forest management company develop and implement procedures to handle non-compliances identified by the auditors.	
Description of non-compliance:		
finding : RFM company has not developed procedures describing the methods and measures to implement and staff support treating non-conformities identified by the auditors.		
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	23/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section I: chain of custody, criterion 1.4</p> <p>The standard requires that the forest management company demonstrates that it knows the procedures for compliance with the requirements of this standard and possesses the skills to implement them.</p>	
Description of non-compliance:		
<p>finding :</p> <p>In addition to the observations mentioned in 1.2 above regarding the shortcomings of the existing procedures of the CoC, it was discovered in interviews on the premises of Lalara every step of the chain, the staff was not aware of the procedure and the implementation of it was not fully compliant. Given that the CoC system itself does not comply with the standard requirements of LS, the CoC system cannot be guaranteed (especially at the entrance to the sawmill factory to the final sale where no information at all as required by LS to minimize the risk of mix).</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	24/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section I: chain of custody, criterion 1.5</p> <p>The standard requires that the forest management company to keep records to demonstrate compliance with this standard.</p>	
Description of non-compliance:		
<p>finding :</p> <p>There are no documents for entry into the mill and at all stages of production to ensure the segregation of goods throughout the chain until sale to the end customer.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p>	

	<i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	25/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section I: Chain of custody, criteria 1.6 and 4.1</p> <p>The standard requires that the forest management company should define and document the different products and categories of declarations followed in the chain of custody control system.</p>	
Description of non-compliance:		
finding :		
<p>In Annex 2 of its procedures CoC system, RFM has provided a list of its products in the LegalSource certification. This list includes products such as doors, door frames, windows, window frames, moldings and laminated materials. Obtaining these products involves a great mix of products sometimes small size of which is difficult to establish traceability. These products therefore have a high risk of mixing of certified products with non-certified products.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	26/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section I: chain of custody, criterion 1.7</p> <p>The standard requires that the forest management company should maintain data on the quantity of products monitored and ensure that they are available to auditors. Information relating to quantities will be kept to a minimum for each reporting period:</p> <ul style="list-style-type: none"> • Product purchased, • Product used in the manufacture, • Conversion factors, • Product sold, • The inputs and products in stock. 	
Description of non-compliance:		
<p>finding :</p> <p>RFM keeps records on purchases and products used in manufacturing, as well as products sold and kept in stock. However, there is no proper documentation of the CoC containing information along every step of the production line. For example, when evaluating a stock of wood in old converted warehouse, it was impossible to determine where the wood came from and how and when it was processed. It was not possible to determine whether it was mixed or not.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	27/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section I: Chain of custody, criterion 2.1</p> <p>The standard requires that the forest management follow and separate products with separate classes of statements in all processes, including purchasing and receiving, processing, storage and shipping, delivery and sale .</p>	

Description of non-compliance:	
finding : The company segregates logs from their source and their main storage area, however, in the storage area logs of different sites and sources have not always been geographically separated thereby increasing the risk of mixing due to human errors. There is no segregation procedure for the rest of the chain in the mill or warehouse or sale to end customers. The organization is entirely oriented on the basis of customer orders, rather than the source / legal to avoid mixtures.	
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	29/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 Section I: chain of custody, criterion 5.1 The standard requires that the forest management company ensures that sales and shipping documents invoices contain information on statements, including: 5.2.1 Product Description and reporting category; 5.2.2 Quantity of each product / reporting; 5.2.3 Code of generic certification CoC NEPCon, if any.	
Description of non-compliance:		
finding : RFM puts no information of his LegalSource certificate on its sales documents. It has been said that the company sells all of its production to a company, which is the selling agent and it is the latter which retails from around the EU and beyond. The audit team was not able to get a copy of the invoices for the company. the end customer to check the proper use of the LegalSource trademark.		
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>	
Time to comply	In the 12 months after the report finalization date	

Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	30/19	
Classification of Non-Compliance:	MAJOR <input checked="" type="checkbox"/>	minor <input type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section J: Checklist for Group and Multi-Site Certification. Criteria 1.1, 2.4, 2.5, 2.8, 2.10, 2.11 and 2.12</p> <p>The standard application as part of the multi-site LegalSource certification, the central office to act on behalf of the participating sites or other groups</p>	
Description of non-compliance:		
<p>finding :</p> <p>RFM has not described in its documents how the management of multi-site certification will be or how to divide responsibilities between the various parties involved.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 03 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	31/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section J: Checklist for Group and Multi-Site Certification. criterion 1.2</p> <p>The standard application as part of the multi-site certification LegalSource, the central office has the skills and capacity to implement and monitor the requirements for multi-site certification.</p>	
Description of non-compliance:		

finding : RFM has not provided auditors with evidence of competence of its Libreville central office staff for the implementation and control requirements of the requirements of multi-site certification or group of RFM.	
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	RAS
Findings for Evaluation of Evidence:	
NCR Status:	OPEN
Comments (optional)	

# Non-compliance:	32/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	Standard NEPCon LegalSource (LS-02) v2.1 Section J: Checklist for Group and Multi-Site Certification. 1.3 criterion The standard application as part of the multi-site LegalSource certification, the central office documents and implementst the eligible requirements on websites or participating groups.	
Description of non-compliance:		
finding : RFM has not provided auditors with evidence demonstrating that the central office of Libreville has developed and applied the rules on the eligibility of different sites in the multisite certification of LegalSource.		
Corrective Action Request:	<i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i> <i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

# Non-compliance:	33/19	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.1 Section J: Checklist for Group and Multi-Site Certification. criterion 1.4</p> <p>The standard application as part of the multi-site certification LegalSource, the central office designates a person or position responsible for the management of the participating sites or groups.</p>	
Description of non-compliance:		
finding :		
The central office of the company RFM Libreville has not formally appointed a management staff of the sites included in the scope of the multisite certificate.		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	RAS	
Findings for Evaluation of Evidence:		
NCR Status:	OPEN	
Comments (optional)		

Observations are issued for the first stages of a problem which does not in itself constitute a nonconformance, but which, in the opinion of the auditor, could become a nonconformity if the Organization does not take care or if no general improvements can be made. If necessary, all comments are presented below:

Observation #:	01/19
Standard & Requirement	LegalSource standard (LS-02) criterion 1.1
Description of observation:	
<p>RFM made available to auditors its responsible procurement policy (Responsible Sourcing Policy) signed by the CEO (founder) of RFM. This policy is freely available for download on the company website in English.</p> <p>However, the policy is to be translated to French which is the official language of Gabon or in Malay, the language of the majority of the company's expatriate staff. On the other hand even if the company's supply policy is available on the website, it is not displayed on any of the sites in which RFM operates (factory-Mbomao Oussa, central office Libreville facilities the industrial area of Nkok, forest sites)</p>	

Observation #:	02/19
Standard & Requirement	Standard LS-02 NEPCon LegalSource, Appendix 1, indicator 1.1.4
Description of observation:	
<p>At the waterfront village of Matora SMFCs RFM GSEZ Ntem, a conflict is pending. It concerns the repayment by the Forestry Administration license OTC (family section) to Mr. Etienne Bossima regarding the forest area managed by RFM.</p> <p>The man concerned would have taken his due for the counting work at the time the title had been awarded and would like the company to compensate for this work that has not been taken into account when opening the permit for RFM GEZ.</p> <p>The frustration of Mr. Bossima Etienne has led to a complaint in court against the company RFM. The report given by the Forestry confirmed by interaction with the Forest Development Director at Libreville level indicates that the company had no legal obligation to respond favorably to his request. The first hearings on the matter were conducted by the Makokou court.</p> <p>However, at the time of the audit, the outcome of the situation was not yet known and it was conditioned by the Makokou court judgement.</p> <p>This is not a gap with the requirements of the indicator but RFM will conduct lobbying necessary to know the final outcome of the situation legally</p>	

Observation #:	03/19
Standard & Requirement	Standard LS-02 NEPCon LegalSource, Appendix 1, indicator 3.4.2
Description of observation:	
<p>RFM staff acknowledges having received certain personal protective equipment (PPE). PPE distribution lists were provided to auditors. The distribution took place at all levels and services.</p> <p>However, the auditors found that PPE with some employees do not protect the danger incurred in connection with their activities. The auditors point out that there has not been a position risk analysis (APR)</p>	

Observation #:	04/19
Standard & Requirement	Standard LS-02 NEPCon LegalSource, Appendix 1, indicator 4.3.1
Description of observation:	
<p>Next participatory mapping studies conducted by the company for CPAET Ngounié, villages potentially harboring indigenous peoples have been identified. According to RFM General Directorate, following the operation of FMU plan, this area be will operating in fifteen years. The company at this stage is only at the level of stakeholder identification.</p>	

D. Non-Compliance closed

Non-Compliance closed

This section describes where the organization has sufficiently addressed nonconformities issued during or since the last audit.

All non-compliances that cannot be closed are open and appear in the section C (above). If a minor non-compliance is not met, the NCR will be reclassified as major and the Organization must take specified action items, otherwise involuntary suspension will take place.

# Non-compliance:	04/18	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.0 criterion 1.1:</p> <p>The standard requires that the organization has a policy of acting in his or engagement to produce and to source responsibly by avoiding the use of felled forest products bought or processed in violation of applicable national laws and ratified international treaties</p> <p>The policy must be:</p> <p>1.1.1 written;</p> <p>1.1.2 Publicly accessible;</p> <p>1.1.3 Approved at the executive level.</p>	
Description of non-compliance:	<p>RFM produced a responsible sourcing policy signed by the RFM CEO. However, at the time of the audit, the policy was not made public nor circulated within the company.</p>	
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	Responsible Sourcing Policy signed by the CEO of RFM and published on the site	
Findings for Evaluation of Evidence:	<p><u>Finding during the audit 2019 :</u></p> <p>During the audit in 2019, the auditors found that the responsible sourcing policy signed by the CEO of RFM is available at the company's website and can be accessed at any time. However, this policy is not displayed at the general office in Libreville or the sawmill in Lalara and even less at the RFM facilities in the industrial area of Nkok.</p> <p>The evidence presented by RFM can lift the issued non-compliance.</p>	
NCR Status:	The NCR is closed and a comment made to the non-display of policies at the corporate central sites.	
Comments (optional)		

# Non-compliance:	08/18	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	Minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.0, Appendix 1, indicator 1.4.7</p> <p>The standard requires restrictions in harvesting permits are observed at the example of buffer zones, protected species and materialization of skid trails.</p> <p>Indicator 3.1.2: The crop should not be held in areas where it is prohibited</p> <p>Indicator 3.1.4: Restrictions on harvesting must be observed in the field</p>	
Description of non-compliance:		
<p>Consultation with management plans developed by RFM for SMFC RFM1, UFA RFM GSEZ Ogoué-Ivindo and UFA RFM GSEZ Ntem allowed auditors to find that a protected area is provided inside SMFC RFM1. The latter is marked on the ground by red paint with indicative plates to inform employees of the prohibited activities in this area.</p> <p>The precise development plan that no wood harvesting activity should take place within the protected area.</p> <p>However, the auditors found that harvesting activities took place within the protected area (felling and skidding). Logs from felled trees were used to build a bridge within the protected area.</p> <p>Moreover, during the visit in the FMU RFM GSEZ Okano-Ivindo, the auditors found that the 30-meter buffer zone designed to protect streams beds from falling trees was not met. Indeed, tree cutting within this buffer zone was found and the tree in question has completely crossed the river.</p> <p>This difference is considered minor because it is not a systematic problem but isolated cases.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	<ul style="list-style-type: none"> - Activity reports; - Field visit 	
Findings for Evaluation of Evidence:	<p><u>Finding during the audit 2019 :</u></p> <p>During field visits during the audit 2019, the auditors found that RFM has significantly improved its practices concerning the respect of buffer zones, protected areas and areas prohibited to exploitation. Indeed, during the field visit, the auditors found that these areas are fully protected during activities and no cases of non-compliance with the provisions of the management plans for these areas were observed in the field.</p>	

	The evidence presented by RFM possible to lift the emitted non-compliance.
NCR Status:	The NCR is closed
Comments (optional)	

# Non-compliance:	09/18	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.0, Appendix 1, indicator 1.4.7</p> <p>The standard requires that restrictions in harvesting permits are observed at the example of buffer zones, protected species and materialization of skid trails.</p> <p>And</p> <p>Indicator 3.1.5 that tree species for which harvesting is prohibited are marked on the ground</p>	
Description of non-compliance:		
<p>RFM company does not strictly follow legal requirements for marking of protected trees on the ground so that they are clearly identified as protected. The maps from inventories provide no indication of the location of protected trees and crop trees as recommended by Article (58) of Decree No. 689 / PR / MEFEPEN of 24 August 2014 concerning the requirements and technical standards production forests in Gabon. On the field, the recognition of these trees is not easy because of the systematic non-marking.</p> <p>However, on the ground, the auditors found no cases of removal of a protected species. That's why the NCR is minor because of the risk of slaughter, removal or destruction of the footpath of protected species generated by the absence of marking.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	<ul style="list-style-type: none"> - Activity reports; - Field visit 	
Findings for Evaluation of Evidence:	<p><u>Finding during the audit 2019 :</u></p> <p>During field visits during the audit 2019, the auditors found that RFM has significantly improved its practices concerning marking on the ground of protected trees. Indeed, systematic marking of species considered to be protected in the development plans are observed on the visited sites, being clearly marked on the ground in order to facilitate their identification by operational staff.</p> <p>The evidence presented by RFM allows to close the issued non-compliance.</p>	
NCR Status:	The NCR is closed	
Comments (optional)		

# Non-compliance:	10/18	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.0, Appendix 1, indicator 3.3.3</p> <p>The standard requires that environmental restrictions such as those related to land degradation, respect for buffer zones, respect of the boundary slopes and restrictions related to the seasons are respected.</p>	
Description of non-compliance:		
<p>Finding during the audit 2018 :</p> <p>Field observations showed that:</p> <p>In SMFCs RFM1 and UFA RFM GSEZ Ntem, because of the rugged terrain, stevedoring operations cause much damage on the ground that can cause erosion problems due to rains.</p> <p>This damage is a gap with the requirements of Decree No. 689 / PR / MEFEPEN 1 December 2004 setting out the requirements for the sustainable management of production forests and the requirements of the National Technical Guide for the development and management of forests.</p> <p>The sections 4.6.4.4 and 4.6.3 of the Technical Guide specify that the logging must not generate damage over a width of less than 4.5 m and skid trails should be straight.</p>		
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>	
Time to comply	In the 12 months after the report finalization date	
Evidence Provided by Organization:	<ul style="list-style-type: none"> - Activity reports; - Field visit 	
Findings for Evaluation of Evidence:	<p>Finding during the audit 2019 :</p> <p>During field visits during the audit 2019, the auditors found that RFM has considerably improved its practices of skidding on the ground. The areas of steep slopes are avoided as far as possible, roads are built to flank and skid trails are planned prior to their materialization in the field. Only the necessary skid trails are created, and the movement of vehicles is effectively done to reduce the impacts on soil and residual vegetation.</p> <p>The evidence presented by RFM allows to close the issued non-compliance.</p>	
NCR Status:	The NCR is closed	
Comments (optional)		

# Non-compliance:	14/18	
Classification of Non-Compliance:	MAJOR <input type="checkbox"/>	minor <input checked="" type="checkbox"/>
Standard & Requirement	<p>Standard NEPCon LegalSource (LS-02) v2.0, Appendix 1, indicator 4.2.1</p> <p>The stakeholder consultation should confirm that the legal</p>	

	requirements for Free Prior and Informed Consent (FPIC) are observed when the rights of stakeholders are transferred to a third party
Description of non-compliance:	
<p>The only legal requirement concerning the right of third parties in Gabon is the signing of an agreement between the forest and the leadership of local population impacted by forestry activities to finance income-generating activities and community achievements. This agreement is materialized by signing a clause Contractual Booklet (CCC) as specified in sections (39) and (40) of the Forestry Code. The contents of the CCC is defined by decision N ° 105 / MFEPRN / DGF / DDF / SACF and it is signed for each Annual Cut (AAC).</p> <p>At the time of the audit RFM had already started signing the CCC with local residents to AAC 5 SMFC RFM1. However, the company should continue the same exercise for all other forest titles.</p>	
Corrective Action Request:	<p><i>The organization shall implement corrective actions to demonstrate compliance with the requirements described above.</i></p> <p><i>Effective corrective actions are used to correct non-compliance specifically described in the statement, can eliminate the root cause and prevent recurrence of non-compliance.</i></p>
Time to comply	In the 12 months after the report finalization date
Evidence Provided by Organization:	Load Contract signed Notebooks
Findings for Evaluation of Evidence:	<p><u>Finding during the audit 2019:</u></p> <p>During the audit 2019, the auditors found that RFM has signed two new Notebooks on expenses Contract (BCC) for its other SMFCs. This is a step forward from last audit, but this activity should continue. The pace of signatures found is because, in part, the signature of the CCC is governed by local representatives of the Administration who program the foundation for it.</p> <p>The evidence presented by RFM allows to close the issued non-compliance.</p>
NCR Status:	The NCR is closed
Comments (optional)	