The text of the EU-Guyana FLEGT VPA is made public here exclusively for information purposes. The text presented in this document is the text at the end of the negotiations conducted by the European Commission. It will be subject to legal revision in order to verify the internal consistency and to ensure that the formulations of the negotiating results are legally sound. It will be transmitted to the Council for its signing and, following assent of the European Parliament, conclusion. This text is therefore not binding under international law.

VOLUNTARY PARTNERSHIP AGREEMENT

Between the European Union and the Cooperative Republic of Guyana on forest law enforcement, governance and trade in timber products into the European Union

THE COOPERATIVE REPUBLIC OF GUYANA, hereinafter referred to as "Guyana",

and

THE EUROPEAN UNION, hereinafter referred to as 'the Union"

Hereinafter referred to together as "the Parties",

CONSIDERING the close working relationship between the Union and Guyana, particularly in the context of the Partnership Agreement between the members of the African, Caribbean and Pacific Group of States, on one part, and the European Community and its Member States, on the other, signed in Cotonou on 23 June 2000[1], revised in Luxembourg on 25 June 2005, hereinafter referred to as "the Cotonou Agreement";

CONSIDERING the Joint Caribbean-EU Partnership Strategy developed on the basis of the decision of the May 2010 EU-Caribbean Forum of the African, Caribbean and Pacific

[1] OJ EC L 317, 15.12.2000, p. 3.

Group of States (CARIFORUM) Summit held in Madrid and elaborated jointly by the EU and CARIFORUM countries;

CONSIDERING the Economic Partnership Agreement between the CARIFORUM States and the European Community;

CONSIDERING the Communication from the Commission to the Council of the Union and the European Parliament "Forest Law Enforcement, Governance and Trade (FLEGT) – Proposal for an EU Action Plan" as a first step towards addressing urgent issues of illegal logging and associated trade;

REAFFIRMING the commitment to the Charter of the United Nations and having regard to the principles articulated in the Universal Declaration of Human Rights and the United Nations Declaration on the Rights of Indigenous Peoples;

REAFFIRMING the commitment to the International Covenant on Civil and Political Rights, the International Convention on the Elimination of All Forms of Racial Discrimination and the International Covenant on Economic, Social and Cultural Rights;

REAFFIRMING the importance of the principles and commitments set out in the Declaration of the 2030 Agenda for Sustainable Development of 2015, in particular the commitment to achieve sustainable development in its three dimensions – economic, social and environmental – in a balanced and integrated manner;

RECALLING in this respect the Sustainable Development Goals and targets, in particular the target 15.2 to promote by 2020 the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally;

AWARE of the importance of the principles of sustainable forest management set out in the 1992 Rio Declaration on Environment and Development and, in particular, of Principle 10 concerning the importance of public awareness and participation in environmental issues and of Principle 22 concerning the vital role of indigenous peoples

and their communities and other local communities in environmental management and development;

RECOGNISING the role of forests as a key climate solution and RECALLING in this context the Paris Agreement on Climate Change, in particular Article 5 which calls for reducing emissions from deforestation and forest degradation, enhancing conservation and sustainable management;

HAVING REGARD to the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES) and, in particular, the requirement that CITES export permits issued by the Parties To CITES for specimens of species listed in Appendices I, II or III be granted only under certain conditions, in particular that such specimens were not obtained in breach of the relevant laws for the protection of fauna and flora;

REAFFIRMING the importance attached by the Parties to the principles and rules that govern the multilateral trade, in particular the rights and obligations laid down in the General Agreement on Tariffs and Trade (GATT) 1994 and in other multilateral agreements listed in Annex IA to the Marrakesh establishing the World Trade Organization (WTO) of 1994 and the need to apply them in a transparent and non-discriminatory manner;

HAVING REGARD to Council Regulation (EC) No 2173/2005 of 20 December 2005 on the establishment of a FLEGT licensing scheme for the import of timber into the European Community;

RECOGNISING the commitment of Guyana to continue promoting good governance, sustainable forest management, law enforcement and trade in legal timber;

RECOGNISING that the implementation of a FLEGT Voluntary Partnership Agreement will further reinforce sustainable forest management and contribute to combating climate change through reduced emissions from deforestation and forest degradation and the role of conservation, sustainable management of forest and enhancement of forest carbon stocks in developing countries (REDD+);

ACKNOWLEDGING that the Guyana Timber Legality Assurance System is designed to ensure the legality of all timber products covered by this Agreement irrespective of the destination;

ACKNOWLEDGING the importance of involving in the implementation of this Agreement all relevant stakeholders through their own representative institutions; within and outside the forestry sector, regardless of gender, age, location, religion or belief, ethnic origin, colour, language, disability or any other status including from the private sector, civil society, local and indigenous communities and other people dependent on forests;

REAFFIRMING, in that respect, the commitments of Guyana under the Constitution, national legislation and international instruments, effective mechanisms shall be set up for the contribution to the implementation of this Agreement;

RECOGNISING that the publication of non-confidential information is essential in facilitating the full and effective participation of all relevant and concerned stakeholders within and outside the forestry sector regardless of gender, age, location, religion or belief, ethnic origin, colour, language, disability or any other status provision of information shall be central in the implementation of this Agreement;

RESOLVED to minimise any adverse effects on relevant stakeholders within and outside the forest sector that may arise as a consequence of the implementation of this Agreement;

THE PARTIES HEREBY AGREE AS FOLLOWS:

Article 1

Objective

The objective of this Agreement, consistent with the Parties' common commitment to the sustainable management of all types of forests, is to provide a legal framework aimed at ensuring that all imports into the Union from Guyana of timber products covered by this Agreement have been legally produced and, thereby, to promote trade in timber products.

In addition, this Agreement provides a basis for dialogue and cooperation between the Parties to facilitate and promote full implementation of this Agreement and enhance forest law enforcement and governance.

Article 2

Definitions

For the purposes of this Agreement, the following definitions shall apply:

(a) "import into the Union" means the release for free circulation into the Union within the meaning of Article 201 of Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code of timber products which cannot be classified as "goods of a non-commercial nature" as defined in point 21 of Article 1 of Commission Delegated Regulation (EU) 2015/2446 of 28 July 2015 supplementing Regulation (EU) No 952/2013 of the European Parliament and of the Council as regards detailed rules concerning certain provisions of the Union Customs Code;

(b) "export" means the physical leaving or taking out of timber products from any part of the geographical territory of Guyana; except for timber products in transit through Guyana;

(c) "timber products in transit" means any timber products originating from a third country, which enter the territory of Guyana under customs control and leaves in the same form whilst retaining the country of origin;

(d) "timber products" means the products listed in Annex I;

(e) "HS code" refers to the four- or six-digit code as set out in the nomenclature of the Harmonised Commodity Description and Coding System established by the International Convention on the Harmonised Commodity Description and Coding System of the World Customs Organisation.

(f) "FLEGT licence" means a document which confirms that a shipment has been legally sourced and verified in accordance with the criteria laid down in this Agreement.

(g) "Licensing Authority" means the authority designated by Guyana to issue, and validate FLEGT licences;

(h) "Competent Authorities" means the authorities designated by the Member States of the Union to receive, verify and accept FLEGT licences;

(i) "shipment" means a quantity of timber products covered by a FLEGT licence that is sent by a consignor or a shipper from Guyana and is presented for release for free circulation at a customs office in the Union;

(j) "legally produced timber" (hereinafter also referred to as "legal timber") means timber products acquired, harvested, produced, processed, transported, and traded in accordance with the legislations in force in Guyana, as set out in Annex II and other relevant provisions of this Agreement; and, in the case of imported timber, it means timber products harvested, produced, processed, transported and exported in accordance with the relevant legislation of the country of harvest and the procedures described in Annex V;

(k) "release for free circulation" means a Union customs procedure which confers the customs status of Union goods or goods which are not from the Union (in accordance with Regulation (EU) No. 952/2013), entailing the collection of any import duties due; the collection, as appropriate, of other charges; the application of commercial policy measures and prohibitions and restrictions; and the completion of other formalities laid down in respect of the importation of goods.

Article 3

FLEGT licensing scheme

1. A Forest Law Enforcement Governance and Trade (FLEGT) licensing scheme is hereby established between the Parties. The FLEGT licensing scheme establishes a set of procedures and requirements aimed at verifying and attesting, by means of FLEGT

licences, that timber products shipped to the Union from Guyana were legally produced. In accordance with Council Regulation (EC) No 2173/2005 of 20 December 2005 on the establishment of a FLEGT licensing scheme for imports of timber into the European Community and this Agreement, the Union shall accept such shipments from Guyana for import into the Union only if they are covered by FLEGT licences.

2. The FLEGT licensing scheme shall apply to the timber products listed in Annex I.

3. The Parties agree to take all measures necessary to implement the FLEGT Licensing Scheme within six years.

Article 4

Licensing Authority

1. Guyana shall designate the FLEGT Licensing Authority and notify the European Commission of its contact details. Both Parties shall make that information available to the public.

2. The Licensing Authority shall verify that timber products have been legally produced in accordance with the legislation listed in Annex II. The Licensing Authority shall issue FLEGT licences covering each shipment of timber products that are legally produced in Guyana and are destined for export to the Union.

3. With respect to imported timber, the Licensing Authority shall not issue FLEGT licences for products that have not been harvested, produced or exported in line with the legislation of the country of harvest and of the country of production.

4. The Licensing Authority shall maintain and make publicly available its procedures for issuing FLEGT licences.

5. The Licensing Authority shall also maintain records of all shipments covered by FLEGT licences and, consistent with national legislation concerning data protection, shall provide these records for the purposes of an Independent Audit, referred to in Article 10, whilst respecting the confidentiality of exporters' proprietary information.

Article 5

Competent Authorities of the Union

1. The European Commission shall inform Guyana of the contact details of the competent authorities designated by the Member States of the Union. Both Parties shall make this information available to the public.

2. The competent authorities shall verify that each shipment is covered by a valid FLEGT licence prior to releasing that shipment for free circulation in the Union. This release for free circulation may be withheld and the shipment held if there is any doubt as to the validity of the FLEGT licence in accordance with Annex III.

3. The competent authorities shall maintain and annually publish a record of FLEGT licences received.

4. According to national legislation on data protection, the competent authorities shall grant the persons or bodies designated by Guyana as the Independent Auditor, access to the relevant documents and data.

5. Article 5(2) shall not apply to timber products from species listed in the Appendices to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) insofar as these products are covered by the examination procedures laid down in Council Regulation (EC) No 338/97 of 9 December 1996 on the protection of species of wild fauna and flora by regulating trade therein. However, timber and timber products covered by the examination procedures mentioned above are subject to the legality verification under the Guyana Timber Legality Assurance System referred to in Article 8.

Article 6

FLEGT licences

1. FLEGT licences shall be issued by the Licensing Authority as a means of attesting that timber products have been legally produced.

2. FLEGT licences shall be drawn up and completed in English on the form specified in Annex IV.

3. The Parties may, by agreement, establish electronic systems for the issuing, transmission and receipt of FLEGT licences.

4. The procedure for issuing FLEGT licences, the technical specifications and format are laid out in Annex IV.

Article 7

Definition of legally produced timber

1. For the purposes of this Agreement, a definition of "legally produced timber" is given in point (j) of Article 2 and specified in Annex II. This Annex sets out Guyana's national legislation and identifies the principles, criteria, indicators and verifiers required to prove compliance with such legislation. The Annex also describes Guyana legislation that shall be complied with in order for timber products to be covered by a FLEGT licence.

2. Guyana will carry out a review of the legal framework applicable to the forestry sector, as presented in Annex II with the aim of strengthening and implementing all relevant policies, laws, regulations, statutes, strategies, guidelines, voluntary measures and codes of practice.

Article 8

Verifying the legality of the timber produced or acquired

1. Guyana shall improve the existing system, for verifying that timber products have been legally produced and that only shipments verified as such are exported to the Union. The system for verifying legality shall include compliance checks in order to provide assurance that the timber products have been legally produced, irrespective of the intended market, and that FLEGT licences are not issued for shipments of timber products that have not been legally produced, or that are of unknown origin.

2. The Guyana Timber Legality Assurance System (GTLAS) shall include compliance checks and procedures to ensure that timber of illegal or unknown origin does not enter the supply chain.

3. The GTLAS for verifying that shipments of timber products to the Union have met the legal requirements is set out in Annex V.

Article 9

Release of shipments covered by a FLEGT licence

1. The procedures governing the release for free circulation in the Union of shipments covered by a FLEGT licence are described in Annex III.

2. Where a competent authority has reasonable grounds to suspect that a licence is not valid or authentic or does not conform to the shipment it purports to cover, it may apply procedures described in Annex III.

3. Where persistent disagreements or difficulties arise between the Licensing Authority and competent authorities concerning FLEGT licences, the matter shall be referred to the Joint Monitoring and Review Committee, referred to in Article 19.

Article 10

Independent Auditor

1. The Parties agree on the need to call on the services of an Independent Auditor at agreed intervals to assess the operation, credibility and efficiency of the GTLAS, as set out in Annex V.

2. Guyana shall engage the services of an Independent Auditor, in consultation with the Union, for the purposes of the tasks listed in Annex VI.

3. The Independent Auditor shall be a person or group of persons with no conflict of interest, including but not limited to conflicts resulting from an organisational or commercial relationship with the Union or with Guyana's forestry sector's regulatory

authorities, its Licensing Authority or anybody given the responsibility of verifying the legality of timber production, or any operator exercising a commercial activity in its forestry sector.

4. The Independent Auditor shall operate in accordance with a documented management structure, and with published policies, methods and procedures that correspond to internationally-accepted best practices.

5. The Independent Auditor shall refer complaints arising from its work to the Joint Monitoring and Review Committee, referred to in Article 19.

6. The Independent Auditor shall submit its observations to the Parties in reports in accordance with the manual of procedures described in Annex VI. Reports of the Independent Auditor shall be published in accordance with the procedures set out in Annex IX.

7. The Parties shall facilitate the work of the Independent Auditor, ensuring in particular that it has access to documents, information and other materials necessary for the performance of its functions, and that it is able to record and duplicate them. In accordance with their respective national legislation on data protection, the Parties shall nonetheless refuse to disclose information that they are not permitted to communicate.

Article 11

Irregularities

The Parties shall inform each other in accordance with Article 21 if they have reasonable suspicion or have evidence of any circumvention of the FLEGT licensing scheme, including but not limited in relation to the following:

(a) Circumvention of trade, including re-direction of trade from Guyana to the Union via a third country, where there is reason to believe that this is done with the intention of avoiding licensing requirements.

(b) FLEGT licences covering timber products that contain timber from third countries that is suspected of being illegally produced.

(c) Fraud in obtaining or using FLEGT licences.

Article 12

Date of operation of the FLEGT licensing scheme

1. The Parties shall notify each other through the Joint Monitoring and Review Committee, referred to in Article 19, when they consider they have made the necessary preparations for the FLEGT Licensing Scheme to become fully operational.

2. The Parties shall, through the Joint Monitoring and Review Committee, commission an independent assessment of the FLEGT licensing scheme on the basis of the criteria set out in Annex VIII. The assessment shall determine whether the GTLAS underpinning the FLEGT licensing scheme as described in Annex V adequately fulfils its functions.

3. The JMRC may then issue a recommendation for the commencement of the FLEGT licensing scheme.

4. On the basis of the recommendations of the Joint Monitoring and Review Committee, the Parties shall agree on a date on which the FLEGT licensing scheme should commence full operations.

5. The Parties shall notify each other in writing of this date.

Article 13

Application of the Guyana Timber Legality Assurance System (GTLAS) to timber products covered under this Agreement

1. Using the GTLAS, Guyana shall verify the legality of timber products exported to non-Union markets and timber products sold on its domestic market, and shall verify the

legality of imported timber products using the system developed for implementing this Agreement.

2. In support of the application of the GTLAS, the Union shall encourage the use of the system with respect to trade in other international markets and with third countries.

3. The Union shall implement measures to prevent the placing on the Union market of illegally-harvested timber and products derived there from in accordance with its applicable legislation.

Article 14

Schedule for implementation of this Agreement

The Joint Monitoring and Review Committee referred to in Article 19 shall develop a schedule for the implementation of this Agreement and shall evaluate the progress of implementation with reference to that schedule.

Article 15

Supporting measures

1. The Parties have identified areas, listed in Annex VII, where there is a need for additional technical and financial resources in order to implement this Agreement.

2. Guyana shall ensure that the strengthening of its capacity to implement this Agreement is included in its national planning instruments, such as poverty reduction strategies and budgets.

3. The Parties shall ensure that activities associated with the implementation of this Agreement are coordinated with relevant existing and future development initiatives such as, amongst others, those supporting action to reduce emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

4. The provision of such resources shall be subject to the normal procedures of the Union and its Member States for programming assistance to Guyana and to the budgetary procedures of Guyana itself.

Article 16

Stakeholder involvement in implementation of this Agreement

1. Guyana shall ensure that the implementation and monitoring of this Agreement are done in a transparent and participatory manner together with all relevant stakeholders through their own institutions, regardless of gender, age, location, religion or belief, ethnic origin, colour, language, disability or any other status, including from the private sector, civil society, local and indigenous communities and other people dependent on forests.

2. Guyana shall ensure that the National Implementation Working Group (NIWG) is in place to monitor the implementation of this Agreement, and is made up of representatives of relevant Government agencies and representatives of all relevant stakeholders.

3. Guyana shall hold regular consultations with all relevant stakeholders regardless of gender, age, location, religion or belief, ethnic origin, colour, language, disability or any other status including from the private sector, civil society, local and indigenous communities and other people dependent on forests on the implementation of this Agreement. In that regard, it shall develop and employ strategies, modalities and programmes to meaningfully consult its stakeholders.

4. The Union shall hold regular consultations with its stakeholders on the implementation of this Agreement, taking into account its obligations under the 1998 Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters (Aarhus Convention).

Article 17

Social safeguards

1. In order to minimise potential adverse effects on stakeholders within and outside the forest sector regardless of gender, age, location, religion or belief, ethnic origin, colour, language, disability or any other status the Parties hereby agree to regularly assess the impact of this Agreement.

2. The Parties shall monitor the impact of this Agreement on stakeholders and take reasonable and appropriate steps to mitigate any adverse effects. The Parties may agree on additional measures to address any adverse effect.

Article 18

Market incentives

Taking into account this Agreement and other relevant international obligations, the Union shall strive to promote favourable access to its market for the timber products covered by this Agreement. Such efforts shall include:

a. the encouragement of public and private procurement policies that recognise efforts to ensure a supply of legally produced timber products; and

b. A more favourable perception of FLEGT- licenced products on the Union market.

Article 19

Joint Monitoring and Review Committee

1. The Parties shall establish a Joint Monitoring and Review Committee, hereinafter referred to as 'JMRC' to facilitate the management, monitoring and review of this Agreement, including the management of the independent audit. The JMRC shall also facilitate dialogue and exchanges of information between the Parties.

2. The JMRC shall be established within three months of the entry into force of this Agreement. Each Party shall nominate its representatives on the JMRC which shall take its decisions by consensus. The JMRC shall be co-chaired by senior officials designated by each Party.

3. The JMRC shall establish its own rules of procedure.

4. The JMRC shall meet at least twice a year on dates and at places agreed by the Parties.

5. The JMRC shall ensure that its work is transparent and that relevant information about its work and decisions is made available to the public.

6. The JMRC shall publish an annual report in accordance with the criteria set out in Annex X.

7. The specific functions of the JMRC are described in Annex IX.

Article 20

Reporting and public disclosure of information

1. Public access to information is essential to improve governance and therefore provision of relevant information to stakeholders shall be central for this Agreement. Information shall be made available to facilitate implementation and monitoring of systems, and thus improve stakeholder and consumer confidence as well as to ensure accountability of the Parties. Details of the information to be published are set out in Annex IX.

2. Each Party shall consider the most appropriate mechanisms (media, documents, Internet, workshops, annual reports) by which to disseminate the information to the public. In particular, the Parties shall endeavour to provide the various stakeholders associated with the forestry sector with reliable, relevant and up-to-date information using the mechanisms described in Annex IX.

Article 21

Communication on implementation of this Agreement

1. The representatives of the Parties responsible for official communications concerning the implementation of this Agreement shall be:

- For Guyana: Honourable Minister of Foreign Affairs
- For the Union: The Head of the Delegation of the Union in Guyana

2. The Parties shall communicate to each other in a timely manner the information necessary for implementing this Agreement, including changes regarding the representatives mentioned in paragraph 1.

Article 22

Confidential information

Each Party undertakes, within the limits of its laws, not to disclose confidential information exchanged under this Agreement. Neither Party shall disclose to the public, nor permit its authorities to disclose, trade secrets or confidential commercial information exchanged under this Agreement.

Article 23

Territorial application

This Agreement shall apply to the territory in which the Treaty on the Functioning of the Union is applied under the conditions laid down in that Treaty, on the one hand, and to Guyana, on the other.

Article 24

Settlement of disputes

1. Any dispute concerning the application or interpretation of this Agreement shall be settled by means of prompt consultations between the Parties.

2. These consultations shall be initiated by way of a written request indicating the issue(s) to be resolved and the date and place of the consultations.

3. If a dispute has not been settled by consultations within three (3) months from the date of the initial request for consultations, either Party may refer the dispute to the JMRC, which shall endeavour to settle it. The JMRC shall be provided with all relevant information for an in-depth examination of the situation with a view to finding an acceptable solution. To this end, the JMRC shall be required to examine all possibilities for maintaining effective implementation of this Agreement.

4. In the event that the JMRC is unable to settle the dispute, the Parties may jointly seek the good offices of, or request mediation by, a third party.

5. If the dispute cannot be settled in accordance with paragraph 3, either Party may notify the other of the appointment of an arbitrator; the other Party shall then appoint a second arbitrator within thirty (30) calendar days of the appointment of the first arbitrator. The Parties shall jointly appoint a third arbitrator within two (2) months of the appointment of the second arbitrator.

6. The arbitrators' decisions shall be taken by majority vote within six (6) months of the third arbitrator being appointed.

7. The decision shall be binding on the Parties and shall be without appeal.

8. The JMRC shall establish the working procedures for arbitration.

Article 25

Amendments

1. A Party wishing to amend this Agreement shall submit a proposal to the other Party at least three months before the next meeting of the JMRC. The JMRC shall discuss the proposal and, if consensus is reached, shall make a recommendation. Each Party shall consider the recommendation and, if it agrees, approve it in accordance with its own legal procedures.

2. Any amendment approved by both Parties in accordance with paragraph 1 shall enter into force on the first day of the month following the date on which the Parties notify each other of the completion of the procedures necessary for this purpose.

3. The JMRC may adopt amendments to the Annexes to this Agreement.

4. Notification of any amendment shall be sent to the joint depositaries for this Agreement.

Article 26

Suspension

1. A Party wishing to suspend this Agreement shall notify the other Party in writing of its intention to do so. The matter shall subsequently be discussed between the Parties taking into consideration relevant stakeholders' views.

2. Either Party may suspend the application of this Agreement in the event that the other Party:

(a) fails to fulfil its obligations as specified under this Agreement, or

(b) fails to maintain the regulatory and administrative measures and means required to implement this Agreement, or

(c) through their omissions or actions poses significant risks to the environment, health, safety or security of the people of either the Union or Guyana.

The decision on suspension and the reasons for that decision shall be notified to the other Party in writing.

3. The conditions of this Agreement shall cease to apply 30 calendar days after notice as referred to in the second subparagraph of paragraph 2 is given.

4. Application of this Agreement shall resume 30 calendar days after the Party that has suspended its application informs the other Party that the reasons for the suspension no longer apply.

Article 27

Termination of this Agreement

Either Party may terminate this Agreement by notifying the other Party in writing providing its reasons for the termination.

This Agreement shall cease to apply twelve (12) months after the date of such notification.

Article 28

Duration

This Agreement shall remain in force for a period of ten (10) years unless the Parties suspend or terminate it in accordance with Articles 26 or 27 of this Agreement respectively. The Agreement shall be automatically extended for consecutive periods of five (5) years, unless a Party renounces the extension by notifying the other Party in writing at least twelve (12) months before this Agreement expires.

Article 29

Annexes

The Annexes to this Agreement shall form an integral part thereof.

Article 30

Authentic texts

This Agreement shall be drawn up in duplicate in the Bulgarian, Czech, Croatian, Danish, Dutch, English, Estonian, Finnish, French, German, Greek, Hungarian, Italian, Latvian, Lithuanian, Maltese, Polish, Portuguese, Romanian, Slovak, Slovenian, Spanish and Swedish languages, each of these texts being equally authentic. In the case of divergence of interpretation, the English text shall prevail.

Article 31

Commencement of the Agreement

1. This Agreement shall enter into force on the first day of the month following the date on which the Parties notify each other in writing of completion of their respective procedures necessary for this purpose.

2. Notification shall be sent to the Minister of Foreign Affairs of Guyana and to the Secretary-General of the Council of the Union, which shall be the joint depositaries for this Agreement.

IN WITNESS WHEREOF, the undersigned being duly authorised thereto, have signed this Agreement.

DONE at .....

For the Cooperative Republic of Guyana	*For the Union*
Name:	Name:
Title:	Title:

Annexes

1. Annex I: product coverage: the harmonised commodity codes for timber products covered under the FLEGT licensing scheme

2. Annex II: legality definition

3. Annex III: conditions governing the release for free circulation in the Union of timber products exported from Guyana and covered by a FLEGT licence

4. Annex IV: requirements and technical specifications for FLEGT licences

5. Annex V: the Guyana timber legality assurance system

6. Annex VI: terms of reference for the independent audit of the GTLAS

7. Annex VII: supporting measures and financing mechanisms

8. Annex VIII: criteria for assessing the operationality of Guyana's timber legality assurance system

9 annex IX: public access to information on the FLEGT licensing scheme

10. Annex X: joint monitoring and review committee

Annex I

Product coverage: the Harmonised Commodity codes for timber products covered under the FLEGT licensing scheme

The list in this Annex refers to the Harmonised Commodity Description and Coding System established by the International Convention on the Harmonized Commodity Description and Coding System of the World Customs Union.

HS Codes	Description
4403	Wood in the rough, whether or not stripped of bark or sapwood, or roughly squared.
4404	Hoopwood; split poles; piles, pickets and stakes of wood, pointed but not sawn lengthwise; wooden sticks, roughly trimmed but not turned, bent or otherwise worked, suitable for the manufacture of walking-sticks, umbrellas, tool handles or the like; chipwood and the like.
4406	Railway or tramway sleepers (cross-ties) of wood.
4407	Wood sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or end-jointed, of a thickness exceeding 6 mm.
Ex. 4408	Sheets for veneering (including those obtained by slicing laminated wood), for plywood or for similar laminated wood and other wood, sawn lengthwise, sliced or peeled, whether or not planed, sanded, spliced or end-jointed, of a thickness not exceeding 6 mm (not from bamboo nor rattan).
Ex.4409	Wood (including strips and friezes for parquet flooring, not assembled) continuously shaped (tongued, grooved, rebated, chamfered, V-jointed, beaded, moulded, rounded or the like) along any of its edges, ends or faces, whether or not planed, sanded or end-jointed (not from bamboo nor rattan).
Ex.4412	Plywood, veneered panels and similar laminated wood (not from bamboo nor rattan).
Ex.4418	Builders' joinery and carpentry of wood, including cellular wood panels, assembled flooring panels, shingles and shakes (not from bamboo nor rattan).

Annex II

Legality Definition

1 List of acronyms 25

2 Introduction 26

3 Definition of terms 29

4 Legality matrices 32

4.1 Legality matrix A (for a FSO to legally conduct forest operations) 32

4.2 Legality matrix B for State Forest Authorisations (large concessions) 34

4.3 Legality matrix C for State Forest Authorizations (small concessions) 40

4.4 Legality Matrix D for Amerindian Villages 45

4.5 Legality Matrix E for Private Lands 49

4.6 Legality matrix F for salvaged timber products State Lands in conversion 52

4.7 Legality matrix G for seized timber products 57

4.8 Legality matrix H for processing and sale of timber products 58

4.9 Legality Matrix I for export and import of timber products 62

5 Glossary 67

6 Appendix Applicable legal references 72

1 List of acronyms

AOP	Annual Operation Plan
EPA	Environmental Protection Agency
EU	European Union
FCA	Forest Concession Agreement
FD	Finance Division
FLEGT	Forest Law Enforcement, Governance and Trade
FMP	Forest Management Plan
FMD	Forest Monitoring Division
FRMD	Forest Resource Management Division
FSO	Forest Sector Operator
GFC	Guyana Forestry Commission
GGMC	Guyana Geology and Mines Commission
GLSC	Guyana Lands and Surveys Commission
RA	Revenue Authority
GTLAS	Guyana Timber Legality Assurance System
LD	Legality Definition
MISD	Management Information Systems Database
MSP	Ministry of Social Protection
MIPA	Ministry of Indigenous Peoples' Affairs
MPI	Ministry of Public Infrastructure
NAREI	National Agriculture Research and Extension Institute
NIB	National Insurance Board
NTWG	National Technical Working Group
PPE	Personal Protective Equipment
SFA	State Forest Authorisation
VC	Village Council
VPA	Voluntary Partnership Agreement
WTS	Wood Tracking System

2 Introduction

This Annex sets out the Legality Definition (LD) for 'legal timber' applicable to this Agreement. The LD may be updated as and when required during the implementation of this Agreement in accordance with the provisions of Article 25 of the Agreement.

The LD forms an integral part of the Guyana Timber Legality Assurance System (GTLAS) described in Annex V.

The LD is based on the relevant national legal and regulatory framework in force and sets out principles, criteria, indicators and verifiers required to prove compliance with such framework.

The LD also includes additional legal references that are relevant for the implementation of this Agreement and the overall functioning of the GTLAS. These references and other applicable laws and regulations can be found in Appendix 1 of this Annex. The LD applies to all Forest Sector Operators (FSOs) countrywide and for all timber products listed in Annex 1 and covers domestic and international trade.

The LD was developed through a multi-stakeholder participative process, co-ordinated by the National Technical Working Group (NTWG), in which a vast majority of the key stakeholders within Guyana's forestry sector, and other interest groups were represented. Development of the LD involved several workshops nationwide during which key stakeholders were provided with information on the Voluntary Partnership Agreement (VPA) process. Stakeholders were also consulted and their approval sought on the details of the various elements of the LD.

The targeted stakeholders included loggers, saw millers, manufacturers, timber dealers, timber exporters, timber importers, transporters, custom brokers, as well as representatives from logging associations, Amerindian Villages and communities, non-governmental organisations, including indigenous ones, and Ministries and Government Agencies.

Structure and content of legality definition matrix

The LD is divided into nine matrices associated with the different types of operations. Each matrix comprises a set of principles that identify the primary legal obligations with corresponding criteria that detail the legal requirements assuring compliance with every principle. Each criterion includes indicators corresponding to the measure(s) that fulfil the criterion. Further, verifiers provide the evidence to prove the fulfilment of every indicator and are underpinned by the national laws and regulations (legal reference) which prescribe the legal and procedural requirements that need be observed for the attainment of the verifier.

An FSO's compliance with the indicators serves to demonstrate its compliance with the LD. The Responsible Agency in the matrices below are Ministries and Government Agencies that will undertake the verification of FSO's compliance with the indicators of the LD.

Verifiers are associated to every indicator. There are two kinds of verifiers:

- Some verifiers are issued by Ministries and Government Agencies following their internal procedures and internal checks for their issuance. In these cases, the FSO complies with the indicators when it has the required valid verifier.

- Other verifiers are also issued by the Ministries and Government Agencies as part of their mandate but through regular inspections of FSOs' operations. The inspection reports that are issued as a result of these inspections are the verifiers. In these cases, the indicators outline the requirements that the FSO has to comply with. Compliance is assessed through the inspection and the inspection report mentions the result of the assessment.

To further facilitate the implementation of the GTLAS Manual of Procedures for verification, which will be elaborated during the development phase of the GTLAS, a distinction is made between static and dynamic verifiers.

- Static verifiers support the demonstration of legal compliance for criteria of the LD that are not directly related to the movement of timber through the supply chain and / or are associated with long-term operations of the FSOs. They are issued either on a one-time basis or on a periodic basis and are valid for that period. Static verifiers will be verified for an entire period (lifetime of the concession or regulatory validity period).

- Dynamic verifiers include, but are not limited to, those directly related to the movement of timber products along the supply chain within Guyana. They are subject to the applicable requirements at each critical control point of the supply chain. Dynamic verifiers are issued and valid for a single shipment, and are therefore monitored and checked on a routine basis along the supply chain.

List of matrices detailing requirements of each FSO associated with the following type of operations:

Type of operations	**Matrix No.**	**Title**
All FSOs	A	Legality matrix for a FSO to legally conduct forest operations
Large Concession	B	Legality matrix for State Forest Authorisations for Large Concessions
Small Concession	C	Legality matrix for State Forest Authorisations for Small Concessions
Amerindian Villages	D	Legality matrix for Amerindian Villages
Private Lands	E	Legality matrix for Private Lands
Salvaged timber products from State Lands in conversion	F	Legality matrix for salvaged timber products from State Lands in conversion
FSOs in breach of the Forests Act 2009	G	Legality matrix for seized timber products
Processing and Sale of Timber	H	Legality matrix for processing and or sale of timber products
Export and Import of Timber	I	Legality matrix for export and import of timber products

All FSO categories shall comply with the relevant requirements outlined in Matrix (A) - Legality matrix for a FSO to legally conduct forest operations and the other matrices that covers their operations. In case of breaches of the Forests Act 2009, the FSO must satisfy the relevant requirements outlined in Matrix (G) - Legality matrix for seized timber products.

3 Definition of terms

A FSO is natural person or body corporate registered with and approved by the Guyana Forestry Commission to conduct forestry operation(s).

The **natural person or body corporate** may be defined as a sole trader(s), and / or those registered under the Business Registration Act, the Partnership Act, the Companies Act, the Friendly Societies Act or Cooperative Societies Act.

The FSOs are categorised based on:

Large Concessions – Areas larger than 8097 hectares are categorised by the GFC as large concessions. FSOs of Large Concessions must have a State Forest Authorisation granted by the GFC. These State Forest Authorisations can be either a Forest Concession Agreement or an Exploratory Permit. Forest Concession Agreements can either be Timber Sales Agreements or Wood Cutting Leases, which are granted for up to 40 years or subject to conditional renewal. A Forest Concession Agreement is only issued after the FSO has obtained an Exploratory Permit.

Small Concessions – Areas of 8097 hectares or less are categorised by the GFC as small concessions. FSOs of Small Concessions must have a State Forest Authorisation that can either be a State Forest Permission or a Community Forest Management Agreement. These State Forest Authorisations are granted by the GFC for up to two years, subject to conditional renewal.

Amerindian Villages – Section 2 of the **Amerindian Act** defines Village or Amerindian Village as "a group of Amerindians occupying or using Village lands" and Village lands as "lands owned communally by a Village" under an Absolute Grant or Certificate of title

granted to the Village Council (VC) to hold for the benefit of the Village. An Amerindian Village becomes an FSO when it enters into a contract with the GFC to conduct commercial harvesting within the boundaries of the Amerindian Village.

Private Lands–Section 2 of the **Forests Act 2009** defines Private Lands as "land that is neither public land nor village land", and which are legally held by either an individual(s) or body corporate by Registered title, Transport or Absolute Grant. A private landowner becomes an FSO when it enters into a contract with the GFC to conduct commercial harvesting within the boundaries of the private land

State Lands in Conversion - Timber products can be salvaged from State lands that are approved by the relevant Ministries and Government Agencies to be converted to non-forest land uses under the following authorisations:

a) **Mining Licence or Permit -** A Mining licence or permit is issued by the Guyana Geology and Mines Commission over an area within State Lands to prospect, mine for, take and appropriate any minerals. A holder of a mining licence or permit becomes an FSO when authorised by the GFC to salvage timber products within the boundaries of that area.

b) **Leases**- a lease is issued by the Guyana Lands and Surveys Commission over an area within State Lands for the purposes of agriculture or other activities. A holder of a lease becomes an FSO when authorised by the GFC to salvage timber products within the boundaries of that area.

c) **Infrastructure (roads, hydropower plant, dams, etc.) -** The Ministry of Presidency grants approval to construct hydropower plants while the Ministry of Public infrastructure grants authorisations to conduct all other infrastructural works, such as roads and bridges. A holder of an infrastructural approval becomes an FSO when authorised by the GFC to salvage timber products within the boundaries of that area.

A Third party is a natural person, or body corporate that has a legal agreement with the FSO to conduct commercial forestry operations within the boundaries of the approved

area. The FSO, who is registered with GFC is responsible for ensuring that the third party complies with the requirements of the LD.

4 Legality matrices

4.1 Legality matrix A (for a FSO to legally conduct forest operations)

Principle 1	The natural person or body corporate is legal			
Criterion 1.1	The natural person or legal entity has a legal identity			
Indicator Number	Indicator	Verifiers (Responsible Agency)	Legal references	Type of verifier
A.1.1.1 (mandatory)[2]	The natural person or body corporate has a Tax Identification Number.	Valid Tax Identification Number Certificate (Revenue Authority)	Section 59 of the **Income Tax Act**	Static
A.1.1.2 Optional (in addition to A.1.1.1)	The natural person or body corporate has a business name registered under the Business (Name) Registration Act.	Certificate of Registration (Deeds and Commercial Registries Authority)	Sections 5 and 13 of the **Business (Names) Registration Act**, Sections 3 and 6 of the **Partnership Act**	Static
A.1.1.3 Optional (in addition to A.1.1.1)	i) In case of local company: the body corporate has a Certificate of Incorporation	i) Certificate of Incorporation (Local company) (Deeds and Commercial Registries Authority) ii) Certificate of Registration (Foreign company) (Deeds and	i) Section 8 of the **Companies Act** ii) Section 321 of the **Companies Act**	Static

[2]A1.1.1 applies to all operators indistinctive of their status. In addition, FSOs will need to comply with one of the other indicators that correspond to their status.

	ii) In case of foreign company: the body corporate has a Certificate of Registration	Commercial Registries Authority)		
A.1.1.4 Optional (in addition to A.1.1.1)	The Village Council is lawfully appointed in accordance with the Amerindian Act.	Statement of elections results (Ministry of Indigenous Peoples' Affairs)	Section 72(13) of the **Amerindian Act**	Static
A.1.1.5 Optional (in addition to A.1.1.1)	The Friendly Society has an Acknowledgment of Registration.	Acknowledgment of Registration (Friendly Societies Registry)	Section 15 of the **Friendly Societies Act**	Static
A.1.1.6 Optional (in addition to A.1.1.1)	The Co-operative Society has a Certificate of Registration.	Certificate of Registration (Commissioner of Cooperative Societies)	Sections 7 and 9 of the **Cooperative Societies Act**	Static

4.2 Legality matrix B for State Forest Authorisations (large concessions)

Principle 1	The FSO has the legal right to harvest and respects other parties' legal user rights			
Criterion 1.1	The FSO has the legal right to harvest			
Indicator Number	Indicator	Verifier (Responsible Agency)	Legal references	Type of verifier
B.1.1.1	The FSO has an Approval Letter for the forest concession to be allocated.	Approval Letter (GFC/Forest Resource Management Division (FRMD)	Sections 6 and 8 of the **Forests Act 2009,** The **Wood Tracking System Guidelines**[3]	Static
B.1.1.2	The FSO is the holder of one of the following: i) a valid Exploratory Permit ii) a Forest Concession Agreement (FCA)	The FSO has one of the following verifiers: i)Exploratory Permit (GFC/FRMD) ii)FCA (GFC/FRMD)	i)Section 9 of the **Forests Act 2009**, Regulations 4 and 5 of the **Forest Regulations 2018** ii)Sections 6 and 8 of the **Forests Act 2009,** Section 21 of the **Companies Act,** Regulation 7, 8, 9 and 11 of the **Forest Regulations 2018**	Static

[3] The Wood Tracking System Guidelines will be updated during the development phase of the GTLAS. This footnote applies everywhere the wood tracking system guidelines are mentioned in this matrix.

B.1.1.3 Optional	The FSO has a GFC approved Third-party rental agreement that permits for harvesting and / or extraction within the FSO's concession.	Approved Third party rental agreement (GFC/Forest Monitoring Division (FMD))	Section 16 of the **Forests Act**, Section 21 of the **Companies Act**	Static
Criterion 1.2	The FSO respects other parties' legal user rights			
Indicator Number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
B.1.2.1	The FSO harvests the timber products within the boundaries of the concession.	FMD Inspection Report (GFC/FMD)	Section 6(2) of the **Forests Act 2009**	Static
B.1.2.2	The FSO does not impede the exercise of traditional rights of Amerindian peoples.	FMD Inspection Report (GFC/FMD)	Section 5(2)(e) of the **Forests Act 2009**, Sections 55 and 57 of the **Amerindian Act**, Regulations 8 First Schedule Form B section 4.3 of the **Forests Regulations 2018**, Regulations 4 First Schedule Form A section 8 of **the Forests Regulations 2018**	Static
B.1.2.3	The FSO does not impede the exercise of the legal user rights of other individual groups	FMD Inspection Report GFC/FMD)	Section 5(2) of the **Forests Act 2009,** Regulations 8 First Schedule Form B section 4.2 of the **Forests Regulations 2018**	Static

Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environment and Wood Tracking System (WTS) requirements			
Indicator Number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
B.2.1.1	The FSO has an Environmental Authorisation	One of the following verifiers: i) Environmental Permit (Environmental Protection Agency (EPA)) ii) Operation Permit (EPA)	For both verifiers: Section 11, 12, 13 and 15 of the **Environmental Protection Act,** Section 21 (1) (b) of the **Environmental Protection Act**, Sections 18 and 19 of the **Environmental Protection (Authorisations) Regulations**	Static
B.2.1.2	The FSO complies with the approved Annual Allowable Cut and/or Maximum Allowable Cut.	Tag Management Report (GFC/FMD)	Sections 6(2)(b) and 9(2)(b) of the **Forests Act**, Section 2.2.2 of **the Code of Practice No.1 of 2018**	Dynamic
B.2.1.3	The FSO complies with the WTS requirements.	WTS Verification Report[4] (GFC/FMD)	Regulations 23, 24, 25, 26 and 27 of the **Forest Regulations 2018**, The **Wood Tracking System Guidelines**	Dynamic

[4] In this Annex, 'WTS Verification Report' is used as a generic reference to the various reports listed in section 3.4.4 of Annex V.

B.2.1.4	The FSO has an approved Forest Management Plan (FMP) of at least five years in addition to an Annual Operation Plan (AOP) for the concession area.	Both of the following verifiers: i) FMP (GFC/FRMD) ii) AOP (GFC/FRMD)	For both verifiers: Section 8(2)(a) of the **Forests Act 2009**, Sections 2.2 and 2.3 of the **Code of Practise No.1 of 2018**, The **Guidelines for Forest Operations (large concessions)**	Static
B.2.1.5	The FSO does not harvest any restricted and protected species without the permission of the GFC.	GFC Approval Letter (GFC/FMD)	Regulations 15 of the **Forest regulations 2018**, Section 4 (4.4.1 and 4.4.2) of the **Code of Practice No. 1 of 2018**	Dynamic
Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3.1	The FSO complies with required fees, charges and levies			
Indicator Number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
B.3.1.1	The FSO complies with the requirements for the payments of management fees, charges and levies.	One of the following verifiers: i) Receipts on the payment schedules (GFC/Finance Division(FD)) ii) Receipts for full payments (GFC/FD)	For both verifiers: Regulations 38, 40, 41 and 53 of the **Forest Regulations 2018**	Dynamic

B.3.1.2	The FSO complies with the tax requirements of the applicable tax schedule published by the RA.	One of the following verifiers: i) Valid Tax Identification Number Certificate (for FSOs less than one year of operation) (RA) ii) Lodgement Receipt (for FSOs exceeding one year of operation) (RA)	For both verifiers: Section 4 of the **Corporation Tax Act**, Section 59 of the **Income Tax Act**	Static
Criterion 3.2	The FSO complies with its obligations in relation to employment law and social security requirements			
Indicator Number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
B.3.2.1	The FSO has a Certificate of Compliance.	Certificate of Compliance (National Insurance Board (NIB))	Section 16 of the **National Insurance and Social Security Act**, Regulations 4, 5, 14, 15 and 19 of the **National Insurance and Social Security (Collection of Contributions) Regulations**	Static
B.3.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection Report (Ministry of Social Protection (MSP))	Section 41 of the **Occupational Safety and Health Act** , Sections 2 and 3 of the **Employment**	Static

			of Young Persons and Children Act	
B.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection Report (MSP)	Sections 8 and 11 of the **Labour Act,** Section 4 and the Schedule of the **Labour National (Minimum Wage) Order No. 15 of 2016**	Static
B.3.2.4	The FSO ensures that first-aid facilities are available or catered for at the workplace.	Inspection Report (MSP)	Section 17 of **Forests Act**, Section 47 (1) (n) of the **Occupational Safety and Health Act**	Static
B.3.2.5	The FSO ensures that workers are provided with the applicable personal protective equipment (PPE).	Inspection Report (MSP)	Section 46 of the **Occupational Safety and Health Act**, Section 17 of the **Forests Act**	Static
B.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection Report (MSP)	Section 69 of the **Occupational Safety and Health Act**	Static
B.3.2.7	The FSO complies with the Non-Discrimination Legislation.	Inspection Report (MSP)	Sections 4(2), 5(1) and 5(2) of the **Prevention of Discrimination Act**	Static

4.3 Legality matrix C for State Forest Authorizations (small concessions)

Principle 1	The FSO has the legal right to harvest and respects other parties' legal user rights			
Criterion 1.1	The FSO has the legal right to harvest			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
C.1.1.1	The FSO has an Approval Letter for the forest concession to be allocated.	Approval Letter (GFC/FRMD)	Sections 6 and 7 of the **Forests Act 2009**, The **Wood Tracking System Guidelines**[5]	Static
C.1.1.2	The FSO has a FCA.	FCA (GFC/FRMD)	Sections 6, 7, 11(3) the **Forests Act 2009**, Section 21 of the **Companies Act,** Regulation 7, 8, 9 and 11 of the **Forest Regulations 2018**	Static
C.1.1.3 Optional	The FSO has a GFC approved Third-party rental agreement that permits for harvesting and / or extraction within the FSO's concession.	Approved Third-party rental agreement (GFC/FMD)	Section 16 of the **Forests Act 2009**, Section 21 of the **Companies Act**	Static

[5] The WTS guidelines will be updated during the implementation phase of the Agreement. This footnote applies everywhere the wood tracking system guidelines are mentioned in this matrix.

Criterion 1.2	The FSO respects other parties' legal user rights			
Indicator Number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
C.1.2.1	The FSO harvests the timber products within the boundaries of the concession.	FMD Inspection Report (GFC/FMD)	Section 6(2) of the **Forests Act 2009**	Static
C.1.2.2	The FSO does not impede the exercise of traditional rights of Amerindian peoples.	FMD Inspection Report (GFC/FMD)	Section 5(2) (e) of the **Forests Act 2009**, Regulations 8 First Schedule Form C section 4.3 of the **Forests Regulations 2018**, Sections 55 and 57 of the **Amerindian Act**	Static
C.1.2.3	The FSO does not impede the exercise of the legal user rights of other individual groups.	FMD Inspection Report (GFC/FMD)	Section 5(2) of the **Forests Act 2009**, Regulations 8 First Schedule Form C section 4.2 of the **Forests Regulations 2018**	Static
Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environment and WTS requirements.			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier

C.2.1.1	The FSO has an Environmental Authorisation.	Operation Permit (EPA)	Section 21 (1) (b) of the **Environmental Protection Act,** Sections 18 and 19 of the **Environmental Protection (Authorisations) Regulations**	Static
C.2.1.2	The FSO complies with the approved quota.	Tag Management Report (GFC/FMD)	Sections 6(2)(b) and 9(2)(b) of the **Forests Act 2009**, Section 2.4 of the **Code of Practice No.1 of 2018**	Dynamic
C.2.1.3	The FSO complies with the WTS requirements.	WTS Verification Report (GFC/FMD)	Regulations 23, 24, 25, 26 and 27 of the **Forest Regulations 2018**, The **Wood Tracking System Guidelines**	Dynamic
C.2.1.4	The FSO does not harvest any restricted and protected species without the permission of the GFC.	GFC Approval Letter (GFC/FMD)	Regulations 15 of the **Forest Regulations 2018**, Section 4 (4.4.1 and 4.4.2) of the **Code of Practice No. 1 of 2018**	Dynamic
Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3.1	The FSO complies with required fees , charges and levies			
Indicator Number	Indicator	Verifier (Responsible Agency)	Legislative references	Type of verifier

C.3.1.1	The FSO complies with the requirements for the payments of management fees, charges and levies.	One of the following verifiers: i) Receipts on the payment schedules (GFC/FD) ii) Receipts for full payments (GFC/FD)	For both verifiers: Regulations 38, 40, 41 and 53 of the **Forest Regulations 2018**	Dynamic
C.3.1.2	The FSO complies with the tax requirements of the applicable tax schedule published by the RA.[6]	One of the following verifiers: i) Valid Tax Identification Number Certificate (for FSOs less than one year of operation) (RA) ii) Lodgement Receipt (for FSOs exceeding one year of operation) (RA)	For both verifiers: Section 4 of the **Corporation Tax Act**, Section 59 of the **Income Tax Act**	Static
Criterion 3.2	The FSO complies with its obligations in relation to employment law and social security requirements			
Indicator Number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
C.3.2.1	The FSO has a Certificate of Compliance.	Certificate of Compliance (NIB)	Section 16 of the **National Insurance**	Static

[6] CMFAs registered with Friendly Societies are exempted from complying with indicator C.3.1.2.

			and Social Security Act, Regulations 4, 5, 14, 15 and 19 of the **National Insurance and Social Security (Collection of Contributions) Regulations**	
C.3.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection Report (MSP)	Section 41 of the **Occupational Safety and Health Act** , Sections 2 and 3 of the **Employment of Young Persons and Children Act**	Static
C.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection Report (MSP)	Section 8 and 11 of the **Labour Act** Section 4 and the Schedule of the **Labour National (Minimum Wage) Order No. 15 of 2016**	Static
C.3.2.4	The FSO ensures that first-aid facilities are available or catered for at the workplace.	Inspection Report (MSP)	Section 17 of **Forests Act 2009**, Section 47 (1) (n) of the **Occupational Safety and Health Act**	Static
C.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection Report (MSP)	Section 46 of the **Occupational Safety and Health Act**,	Static

			Section 17 of the **Forests Act**	
C.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection Report (MSP)	Section 69 of the **Occupational Safety and Health Act**	Static
C.3.2.7	The FSO complies with the Non-Discrimination Legislation.	Inspection Report (MSP)	Sections 4(2), 5(1) and 5(2) of the **Prevention of Discrimination Act**	Static

4.4 Legality Matrix D for Amerindian Villages

Principle 1	The FSO has the legal right to harvest and respects other parties' legal user rights			
Criterion 1.1	The FSO has the legal right to harvest			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
D.1.1.1	The FSO has a legal title for the forest land where commercial activities are being conducted.	One of the following verifiers: i)Certificate of Title (Land Registry) ii) Absolute Grant (GL&SC)	i)Section 71 of the **Land Registry Act** ii)Sections 63 of the **Amerindian Act,** 3 of the **State Lands Act**	Static
D.1.1.2 Optional	The resident of the Amerindian Village has a written permission with the FSO to engage in commercial activities related to harvesting or extraction within village lands.	Written permission between the VC and the FSO (resident) (GFC)	Section 54 of the **Amerindian Act**, Section 21 of the **Companies Act**	Static

D.1.1.3 Optional	The non-resident has a written Consent with the FSO to engage in commercial activities related to harvesting or extraction within village lands.	Written Consent between the VC and the FSO (non-resident(GFC)	Section 55 of the **Amerindian Act**, Section 21 of the **Companies Act**	Static
Criterion 1.2	The FSO respects other parties' legal user rights			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
D.1.2.1	The FSO harvests the timber products within the boundaries of the village lands.	Inspection Report (GFC/FMD)	Section 55 of the **Amerindian Act**,	Static
D.1.2.2	The FSO does not impede the exercise of traditional rights of Amerindian peoples.	Inspection Report (GFC/FMD)	Section 5(2) (e) of the **Forests Act 2009**, Sections 55 and 57 of **the Amerindian Act**	Static
Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environment and WTS requirements			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
D.2.1.1	The FSO complies with the WTS requirements.	WTS Verification Report (GFC/FMD)	Regulations 23, 24, 25, 26 and 27 of the **Forest Regulations 2018**, The **Wood Tracking System Guidelines**[7]	Dynamic

[7] The WTS guidelines will be updated during the implementation phase of the Agreement.

Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3.1	The FSO complies with applicable tax requirements			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
D.3.1.1	The FSO complies with the tax requirements of the applicable tax schedule published by the RA.	One of the following verifiers: i) Valid Tax Identification Number Certificate (for FSOs less than one year of operation) (RA) ii) Lodgement Receipt (for FSOs exceeding one year of operation) (RA)	For both verifiers: Section 4 of the **Corporation Tax Act**, Section 59 of the **Income Tax Act**	Static
Criterion 3.2	The FSO complies with its obligations in relation to employment law and social security requirements			
Indicator Number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
D.3.2.1	The FSO has a Certificate of Compliance.	Certificate of Compliance(NIB)	Section 16 of the **National Insurance and Social Security Act**, Regulations 4, 5, 14, 15 and 19 of the **National Insurance and Social Security (Collection of Contributions) Regulations**	Static

D.3.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection Report (MSP)	Section 41 of the **Occupational Safety and Health Act**, Sections 2 and 3 of the **Employment of Young Persons and Children Act**	Static
D.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection Report (MSP)	Sections 8 and 11 of the **Labour Act**, Section 4 and the Schedule of the **Labour National (Minimum Wage) Order No. 15 of 2016**	Static
D.3.2.4	The FSO ensures that first-aid facilities are available or catered for at the workplace.	Inspection Report (MSP)	Section 47 (1) (n) of the **Occupational Safety and Health Act**	Static
D.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection Report (MSP)	Section 46 of the **Occupational Safety and Health Act**, Section 17 of the **Forests Act 2009**	Static
D.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection report (MSP)	Section 69 of the **Occupational Safety and Health Act**	Static
D.3.2.7	The FSO complies with the Non-Discrimination Legislation.	Inspection report (MSP)	Sections 4(2), 5(1) and 5(2*)* of the **Prevention of Discrimination Act**	Static

4.5 Legality Matrix E for Private Lands

Principle 1	The FSO has the legal right to harvest			
Criterion 1.1	The FSO has the legal right to harvest			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
E.1.1.1	The FSO has legal title for the forest land where the commercial activities are taking place.	One of the following verifiers: i) Absolute title (Land Registry) ii)Transport (Deeds Registry) iii)Absolute grant(GL&SC)	i)Sections 65 and 66 of the **Land Registry Act** ii)Section 22 (1) of the **Deeds Registry Act** iii)Section 3(1)(a) of the **State Lands Act**	Static
E.1.1.2 Optional	The FSO has a legal agreement with a third party for harvesting and / or extraction within the private land.	Agreement between the FSO and third party (GFC/FMD)	Section 3(1)(b) of the **State Lands Act,** Sections 65 and 66 of the **Land Registry Act,** Section 23(1) of the **Deeds Registry Act**, Section 21 of the **Companies Act** and the **Wood Tracking System Guidelines**[8]	Static

[8] The WTS guidelines will be updated during the implementation phase of the Agreement. This footnote applies everywhere the wood tracking system guidelines are mentioned in this matrix.

Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with WTS requirements			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
E.2.1.1	The FSO complies with the WTS requirements.	WTS Verification Report (GFC/FMD)	Regulations 23, 24, 25, 26 and 27 of the **Forest Regulations 2018**, The **Wood Tracking System Guidelines**	Dynamic
E.2.1.2	The FSO harvests the timber products within the boundaries of the private land.	FMD Inspection Report (GFC/FMD)	Section 21 of the **State Lands Act**, the **Wood Tracking System Guidelines**	Static
Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3.1	The FSO complies with applicable tax requirements			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of Verifier
E.3.1.1	The FSO complies with the tax requirements of the applicable tax schedule published by the RA.	One of the following verifiers: i) Valid Tax Identification Number Certificate (for FSOs less than one year of operation) (RA) ii) Lodgement Receipt (for FSOs exceeding one year of operation) (RA)	**For both verifiers:** Section 4 of the **Corporation Tax Act**, Section 59 of the **Income Tax Act**	Static
Criterion 3.2	The FSO complies with its obligations in relation to employment law and social security requirements			

Indicator Number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
E.3.2.1	The FSO has a Certificate of Compliance.	Certificate of Compliance (NIB)	Section 16 of the **National Insurance and Social Security Act**, Regulations 4, 5, 14, 15 and 19 of the **National Insurance and Social Security (Collection of Contributions) Regulations**	Static
E.3.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection Report (MSP)	Section 41 of the **Occupational Safety and Health Act**, Sections 2 and 3 of the **Employment of Young Persons and Children Act**	Static
E.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection Report (MSP)	Section 8 and 11 of the **Labour Act** Section 4 and the Schedule of the **Labour National (Minimum Wage) Order No. 15 of 2016**	Static
E.3.2.4	The FSO ensures that first-aid facilities are available or catered for at the workplace.	Inspection Report (MSP)	Section 47 (1) (n) of the **Occupational Safety and Health Act**	Static

E.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection Report (MSP)	Section 46 of the **Occupational Safety and Health Act,** Section 17 of the **Forests Act 2009**	Static
E.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection Report (MSP)	Section 69 of the **Occupational Safety and Health Act**	Static
E.3.2.7	The FSO complies with the Non-Discrimination Legislation.	Inspection Report (MSP)	Sections 4(2), 5(1) and 5(2*)* of the **Prevention of Discrimination Act**	Static

4.6 Legality matrix F for salvaged timber products from State Lands in conversion

Principle 1	The FSO has the legal rights to harvest and respects other parties' legal use rights			
Criterion 1.1	The FSO has the legal right to harvest			
Indicator Number	Indicator	Verifier (Responsible Agency)	Legislative references	Type of verifier
F.1.1.1	The FSO is the holder of a: i)Lease ii) Mining permit or licence iii) Authorisation to enter upon any land and carry out works for the purposes of	One of the following verifiers: i) Lease (GLSC) ii)Mining permit/licence (GGMC) iii)Written permission from the Ministry of	i) Section 3(1)(b) of the **State Lands Act** ii) Section 7 of the **Mining Act** iii) Sections 3 and 4 of the **Public Lands**	Static

	construction and maintenance of any roads; including the cutting and removal of timber products, or other purposes iv) licence to construct and maintain a hydropower plant	Public Infrastructure (MPI) iv) Hydro Licence (His Excellency the President of Guyana)	**(Private Roads) Act**, Section 2 of the **Public Lands Private Roads (Wood Cutting) Regulations** iv)Sections 5, 6 and 7 of the **Hydroelectric Power Act**	
F.1.1.2 Optional	The FSO has a legal agreement with a third party for harvesting and / or extraction within the FSO's property.	Agreement between the FSO and third party (GFC/FMD)	Section 21 of the **Companies Act**, The Wood Tracking System Guidelines[9]	Static
criterion 1.2	The FSO respects other parties' legal user rights			
Indicator Number	Indicator	Verifier (Responsible Agency)	Legislative references	Type of verifier
F.1.2.1	The FSO harvests within the boundaries of one of the following: i)Lease ii)Mining Permit and or Licence	FMD Inspection Report (GFC/FMD)	i) Section 3 of the **State Lands Act** ii) Section 7 and 135(2)(zc) of the **Mining Act**	Static

[9] The WTS guidelines will be updated during the implementation phase of the Agreement. This footnote applies everywhere the wood tracking system guidelines are mentioned in this matrix.

	iii)within an area where MPI and or Guyana Energy Agency have been duly authorised to carry out projects		iii) Sections 3 and 4 of the **Public Lands (Private Roads) Act,** Sections 6 (2) **of the Hydroelectric Power Act**	
F.1.2.2	The FSO does not impede the exercise of traditional rights of Amerindian peoples.	FMD Inspection Report (GFC/FMD)	Section 5(2)(e) of the **Forests Act 2009,** Sections 55 and 57 of the **Amerindian Act**	Static
F.1.2.3	The FSO does not impede the exercise of the legal user rights of other individual groups.	FMD Inspection Report (GFC/FMD)	Section 5(2) of the **Forests Act 2009**	Static
Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environment and WTS requirements			
Indicator Number	Indicator	Verifier (Responsible Agency)	Legislative references	Type of verifier
F.2.1.1	The FSO complies with the WTS requirements.	WTS Verification Report (GFC/FMD)	Regulations 23, 24, 25, 26 and 27 of the **Forest Regulations 2018**,The **Wood Tracking System Guidelines**	Dynamic
F.2.1.2 (applicable to an FSO who is required to comply with IV of F.1.1.1)	The FSO has an Environmental Authorisation to construct and maintain a hydropower plant.	Construction Permit (EPA)	Section 21 (1a) of the **Environmental Protection Act**, Sections 18 and 19 of the **Environmental Protection**	Static

			(Authorisations) Regulations	
Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3.1	The FSO complies with required fees, charges and levies			
Indicator number	Indicator	Verifier (Responsible Agency)	Legislative references	Type of verifier
F.3.1.1	The FSO complies with the requirements for the payments of management fees, charges and levies.	One of the following two verifiers: i)Receipts on the payment schedules (GFC/FD) ii) Receipts for full payments (GFC/FD)	For both verifiers: **The Wood Tracking System Guidelines**	Dynamic
F.3.1.2	The FSO complies with the tax requirements of the applicable tax schedule published by the RA.	One of the following verifiers: i) Valid Tax Identification Number Certificate (for FSOs less than one year of operation) (RA) ii) Lodgement Receipt (for FSOs exceeding one year of operation) (RA)	For both verifiers: Section 4 of the **Corporation Tax Act**, Section 59 of the **Income Tax Act**	Static
Criterion 3.2	The FSO complies with its obligations in relation to employment law and social security requirements			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
F.3.2.1	The FSO has a Certificate of Compliance.	Certificate of Compliance(NIB)	Section 16 of the **National Insurance and Social Security**	Static

			Act, Regulations 4, 5, 14, 15 and 19 of the **National Insurance and Social Security (Collection of Contributions) Regulations**	
F.3.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection Report (MSP)	Section 41 of the **Occupational Safety and Health Act,** Sections 2 and 3 of the **Employment of Young Persons and Children Act**	Static
F.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection Report (MSP)	Sections 8 and 11 of the **Labour Act**, Section 4 and the Schedule of the **Labour National (Minimum Wage) Order No. 15 of 2016**	Static
F.3.2.4	The FSO ensures that first-aid facilities are available or catered for at the workplace.	Inspection Report (MSP)	Section 47 (1) (n) of the **Occupational Safety and Health Act**	Static
F.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection Report (MSP)	Section 46 of the **Occupational Safety and Health Act**, Section 17 of the **Forests Act 2009**	Static

F.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection Report (MSP)	Section 69 of the **Occupational Safety and Health Act**	Static
F.3.2.7	The FSO complies with the Non-Discrimination Legislation.	Inspection Report (MSP)	Sections 4(2), 5(1) and 5(2*)* of the **Prevention of Discrimination Act**	Static

4.7 Legality matrix G for seized timber products[10]

Principle 1	Seized timber products is managed according to the legal requirements			
Criterion 1.1	The FSO complies with the rules for the use of seized timber products.			
Indicator Number	Indicator	Verifier (Responsible Agency)	Legislative references	Type of verifier
G.1.1.1	The FSO is the holder of one of the following for the seized timber products: i) Seizure Form ii) Custody Form	One of the following verifiers: i) Seizure form (GFC/FMD) ii) Custody Form (GFC/FMD)	Section 58 of the **Forests Act 2009**, The Wood Tracking System Guidelines[11]	Dynamic
G.1.1.2	The FSO complies with all legal obligations related to the seized timber products for re-entry into the supply chain.	i) GFC Clearances pass (GFC/FMD)	Sections 58(5), 58 (7), 60, 70 (5) and 71 of the **Forests Act 2009,** The **Wood Tracking System Guidelines**	Dynamic

[10] Compliance with the indicators in this matrix demonstrates the legal re-entry of seized timber products into the supply chain.
[11] The WTS guidelines will be updated during the implementation phase of the Agreement. This footnote applies everywhere the wood tracking system guidelines are mentioned in this matrix.

4.8 Legality matrix H for processing and sale of timber products

Principle 1	The FSO complies with timber processing and sales requirements			
Criterion 1.1	The FSO complies with the applicable licensing requirements			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
H.1.1.1	The FSO has an Annual Operating Licence.	Annual Operating Licence (GFC/FMD)	Section 39 of the **Forests Act 2009**, Regulations 29, 30 and 31 of the **Forest Regulations 2018**, The **Wood Tracking System Guidelines**[12]	Static
H.1.1.2 optional	The FSO has a valid Forest Produce Dealer's licence.	Forest Produce Dealer's licence (GFC/FMD)	Section 41 of the **Forests Act 2009**, Regulations 32, 33 and 34 of the **Forest Regulations 2018**, The Wood Tracking System Guidelines	Static
H.1.1.3 optional	The FSO has a valid Lumber yard licence.	Lumberyard licence (GFC/FMD)	Section 40 of the **Forests Act 2009**, The Wood Tracking System Guidelines	Static

[12] The WTS guidelines will be updated during the implementation phase of the Agreement. This footnote applies everywhere the wood tracking system guidelines are mentioned in this matrix.

Principle 2	The FSO complies with the forest operation obligations			
Criterion 2.1	The FSO complies with forest management, environmental and WTS requirements			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
H.2.1.1	The FSO has an Environmental Authorisation.	One of the following verifiers: i)Environmental Permit (EPA) ii)Operation Permit (EPA)	For both verifiers: Section 11, 12, 13 and 15 of the **Environmental Protection Act,** Section 21 (1) (b) of the **Environmental Protection Act** Section 18 and 19 of the **Environmental Protection (Authorisations) regulations**	Static
H.2.1.2	The FSO complies with the WTS requirements.	WTS Verification Report (GFC/FMD)	The **Wood Tracking System Guidelines**	Dynamic
Principle 3	The FSO complies with its fiscal and social obligations			
Criterion 3. 1	The FSO complies with required fees, charges and levies			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
H.3.1.1	The FSO complies with the requirements	One of the following two verifiers:	For both verifiers:	Dynamic

	for the payments of management fees.	i)Receipts on the payment schedules (GFC/FD) ii) Receipts for full payments (GFC/FD)	Regulations 53 of the **Forest Regulations 2018**, The **Wood Tracking System Guidelines**	
H.3.1.2	The FSO complies with the tax requirements of the applicable tax schedule published by the RA.	One of the following verifiers: i) Valid Tax Identification Number Certificate (for FSOs less than one year of operation) (RA) ii) Lodgement Receipt (for FSOs exceeding one year of operation) (RA)	For both verifiers: Section 4 of the **Corporation Tax Act**, Section 59 of the **Income Tax Act**	Static
Criterion 3.2	The FSO complies with its obligations in relation to employment law and social security requirements			
Indicator number	Indicator	Verifiers (Responsible agency)	Legislative references	Type of verifier
H.3.2.1	The FSO has a Certificate of Compliance.	Certificate of Compliance (NIB)	Section 16 of the **National Insurance and Social Security Act**, Regulations 4, 5, 14, 15 and 19 of	Static

			the **National Insurance and Social Security (Collection of Contributions) Regulations**	
H.3.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection Report (MSP)	Section 41 of the **Occupational Safety and Health Act** , Sections 2 and 3 of the **Employment of Young Persons and Children Act**	Static
H.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection Report (MSP)	Sections 8 and 11 of the **Labour Act**, Section 4 and the Schedule of the **Labour National (Minimum Wage) Order No. 15 of 2016**	Static
H.3.2.4	The FSO ensures that first-aid facilities are available or catered for at the workplace.	Inspection Report (MSP)	Section 47 (1) (n) of the **Occupational Safety and Health Act**	Static
H.3.2.5	The FSO ensures that workers are provided	Inspection report (MSP)	Section 46 of the **Occupational Safety and Health**	Static

	with the applicable PPE.		**A**ct, Section 17 of the **Forests Act 2009**	
H.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection report (MSP)	Section 69 of the **Occupational Safety and Health Act**	Static
H.3.2.7	The FSO complies with the Non-Discrimination Legislation.	Inspection Report (MSP)	Sections 4(2), 5(1) and 5(2*)* of the **Prevention of Discrimination Act**	Static

4.9 Legality Matrix I for export and import of timber products

Principle 1	The FSO complies with timber products export and import requirements			
Criterion 1.1	The FSO complies with export requirements and with the WTS			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
I.1.1.1	The FSO has a valid licence to export timber products.	One of the following verifiers: i)Forest Produce Dealer's Licence (GFC/FMD)	i)Section 41 of the **Forests Act 2009** Regulations 32, 33, and 34 of the Forest Regulations 2018.	Static

		ii)Annual Operating Licence (GFC/FMD) iii) Lumberyard licence (GFC/FMD)	ii) Regulation 31 (a) (iii) of the **Forest Regulation 2018,** Section 39 of the **Forests Act 2009** iii) Sections 40 (2) of the **Forests Act 2009**	
I.1.1.2	The FSO has an authorisation to export.	i)Export Certificate (GFC/FMD) ii)CITES Permit (where applicable) (Wildlife Conservation and Management Commission, GFC/FMD)	i)Section 44 of the **Forests Act 2009** The **Wood Tracking System Guidelines**[13] ii)Section 29(1) of the **Wildlife Conservation and Management Act of 2016**	Dynamic
I.1.1.3	The FSO complies with the WTS requirements.	WTS Verification Report (GFC/FMD)	Regulations 23, 24, 25, 26 and 27 of the **Forest Regulations 2018**, The **Wood**	Dynamic

[13] The WTS guidelines will be updated during the implementation phase of the Agreement. This footnote applies everywhere the wood tracking system guidelines are mentioned in this matrix.

			Tracking System Guidelines	
I.1.1.4	The FSO complies with the requirements for the payments of export levies.	Receipts (GFC/FD)	Regulation 41 of **the Forest Regulations 2018**, The **Wood Tracking System Guidelines**	Dynamic
Criterion 1.2	The FSO complies with import requirements and with the WTS			
Indicator Number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
I.1.2.1	The FSO has an import licence.	Import Licence (GFC/FMD)	Section 37 of the **Forests Act 2009**, Regulation 36 of the **Forest Regulation 2018**	Static
I.1.2.2	The FSO has an import permit.	Import permit (NPPO)	Section 8 of the **Plant Protection Act**	Dynamic
I.1.2.3	The FSO exercises due diligence to minimise the risk of importing timber products of illegal origin.	i)Due diligence assessment report (NPPO) ii) CITES Permit where applicable (Wildlife Conservation and Management Commission)	i) Regulation 36(3) of the **Forests Regulations 2018** ii)Section 29(1) of **Wildlife Conservation and Management Act**	Dynamic
I.1.2.4	The FSO complies with the WTS requirements.	WTS Verification Report (GFC/FMD)	Regulations 23, 24, 25, 26 and 27 of the **Forest Regulations 2018**, The **Wood Tracking System Guidelines**	Dynamic

Principle 2	The FSO complies with its fiscal and social obligations (applies only to FSOs who are exporting and or importing and are not covered by other matrices)			
Criterion 2.1	The FSO complies with required fiscal obligations			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
I.2.1.1	The FSO complies with the tax requirements of the applicable tax schedule published by the RA.	One of the following verifiers: i) Valid Tax Identification Number Certificate (for FSOs less than one year of operation) (RA) ii) Lodgement Receipt (for FSOs exceeding one year of operation) (RA)	For both verifiers: Section 4 of the **Corporation Tax Act**, Section 59 of the **Income Tax Act**	Static
Criterion 2.2	The FSO complies with its obligations in relation to employment law and social security requirements			
Indicator number	Indicator	Verifiers (Responsible Agency)	Legislative references	Type of verifier
I.2.2.1	The FSO has a Certificate of Compliance.	Certificate of Compliance (NIB)	Section 16 of the **National Insurance and Social Security Act**, Regulations 4, 5, 14, 15 and 19 of the **National Insurance and Social Security**	Static

			(Collection of Contributions) Regulations	
I.2.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection Report (MSP)	Section 41 of the **Occupational Safety and Health Act,** Sections 2 and 3 of the **Employment of Young Persons and Children Act**	Static
I.2.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection Report (MSP)	Section 8 and 11 of the **Labour Act**, Section 4 and the Schedule of the **Labour National (Minimum Wage) Order No. 15 of 2016**	Static
I.2.2.4	The FSO ensures that first-aid facilities are available or catered for at the workplace.	Inspection Report (MSP)	Section 47 (1) (n) of the **Occupational Safety and Health Act**	Static
I.2.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection Report (MSP)	Section 46 of the **Occupational Safety and Health Act**, Section 17 of the **Forests Act 2009**	Static
I.2.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection Report (MSP)	Section 69 of the **Occupational Safety and Health Act**	Static

I.2.2.7	The FSO complies with the Non-Discrimination Legislation.	Inspection Report (MSP)	Sections 4(2), 5(1) and 5(2) of the **Prevention of Discrimination Act**	Static

5 Glossary

Amerindian — An "Amerindian" is defined in section 2 of the **Amerindian Act** as any citizen of Guyana who belongs to any of the native or aboriginal peoples of Guyana or is a descendant of any of the native or aboriginal peoples of Guyana.

Amerindian Village Council — A "Village Council" is defined in section 2 of the **Amerindian Act** as having been established under the authority of the Amerindian Act, the Annai District Council, Konashen Village Council, Baramita Village Council and any Village Council established by order of the Minister responsible for Amerindian Affairs.

Annual Operating Licence — An Annual licence, as listed in section 39 of the **Forests Act 2009**, granted by the Guyana Forestry Commission for a sawmill used to break down and convert logs and cants into boards, planks, scantlings or wood products suitable for further processing.

Annual Operational Plan — A document that sets out the main and detailed activities to be undertaken by the licence holder in the forthcoming calendar year (January to December). It contains a review of the previous year's operations, and plans that are put in place for the current year's operation.

CITES	The Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) (ratified by Guyana in 1973) is a convention established in 1973 that regulates or prohibits the international trade of plant and animal species that are believed to be harmed by or that maybe harmed by international trade.
Due Diligence	In the context of this Agreement, due diligence refers to the reasonable measures taken by operators to minimise the risk of importing timber that has been illegally harvested, or is illegal, into Guyana.
Export	Section 2 of the **Customs Act**, Cap. 82:01 defines "export" as taking or causing to take out of Guyana.
Exporter	Section 2 of the **Customs Act**, Cap. 82:01defines "exporter" as any person by who many good (including goods transferred from an importing aircraft or ship) are exported from Guyana or supplied for use as aircraft's or ships' stores and also owner, or any person acting on his behalf, and any person who for customs purposes signs any document relating to goods exported or intended for supply as aircraft's or ships' stores as aforesaid.
Forest	Section 2(a) of the **Forests Act 2009** defines forest as an ecosystem dominated by woody plants, consisting of- (i) closed forest formations, where trees of various stories and undergrowth cover a high proportion of the ground; or

(ii) open forest with a continuous vegetation cover in which tree crown cover exceeds 10 percent and

(b) Includes-

(i) Mangrove forests and any wetlands or open lands within a forest which form an integral part of the ecosystem;

(ii) Timber products in the ecosystem; and

(iii)Biological, soil and water resources of the ecosystem.

Forest Concession Agreement Under Section 2 of the **Forests Act 2009** an agreement by which the Guyana Forestry Commission grants a concession under section 6 of the said **Act**.

Forest Management Plan May be defined as the practical application of business methods and technical forestry principles to the operation of a forest resource. It is based upon detailed social, economic and environmental appraisals, setting out the order and extent of all activities to be carried out in a concession.

Forest Operations Section 2 of the **Forests Act 2009** defines these operations as the cutting or taking of timber products; the removal or conveyance of timber products from any area; the operation of a primary conversion plant; the building or maintenance of any path, roadway, structure, or installation; and any other activity carried out to facilitate any of the aforesaid activity.

Forest produce Dealer's Licence Section 41 of the **Forests Act 2009** requires any person who carries on the business of buying timber products for resale to be the holder of this Licence granted by the GFC.

Import	Section 2 of the **Customs Act**, Cap. 82:01 defines "import" to mean to bring or cause to be brought within Guyana.
Importer	Section 2 of the **Customs Act**, Cap. 82:01 defines "importer" as the owner or any other person for the time being possessed of or beneficially interested in any goods at and from the time of the importation thereof until the same are duly delivered out of the charge of the proper officer, and also any person who signs any document relating to the any imported goods required by the customs laws to be signed by an importer.
Lumber yard Licence	A Licence, as listed in section 40 of the **Forests Act 2009**, granted by the GFC to permit a person to conduct the business of buying, storing and selling timber on his premises.
Primary Conversion plant	Section 2 of the **Forests Act 2009** defines a primary conversion plant as any sawmill, or any other plant, machine, or equipment designed or used to break down or in any way convert any kind of timber products in a raw form into products for sale, use, or further treatment or processing and includes a portable sawmill or a chainsaw.
Removal Permit	Section 36 of the **Forests Act 2009** requires an FSO to have a valid removal permit issued by the GFC to remove and/or convey timber products within Guyana from any State forest, public land, Village lands, private land or any entry point into Guyana.

Sawmill	Section 2 of the **Forests Act 2009** defines 'sawmill' as: (a) a mill designed and used to break down and convert logs or cants into boards, planks, scantlings or wood products suitable for further processing; and (b) Includes a sawpit;
Sawpit	Section 2 of the **Forests Act 2009** defines 'sawpit' as an area or pit made to facilitate the operation of a pit-saw by manual labour.
State Forest	Section 3 of the **Forests Act 2009** defines a State Forest as any area declared to be a State Forest by the Minister, save and except Amerindian Village lands, Iwokrama Rainforest and Kaieteur National Park.
State Forest Authorisation	Section 2 of the **Forests Act 2009** defines 'State Forest Authorisation' as an exploratory permit, a concession, a use permit, an afforestation agreement, or a community forest management agreement.
Timber	Section 2 of the **Forests Act 2009** describes Timber as including: a) A tree, or any ligneous part of a tree, whether standing, fallen or felled and b) Any wood, whether or not sawn, split, hewn or otherwise cut up or fashioned, except firewood.

Traditional Rights

"Traditional right "is defined in section 2 of the **Amerindian Act** as any subsistence right or privilege, in existence at the date of the commencement of the **Amerindian Act**, which is owned legally or by custom by an Amerindian Village or Amerindian Community and which is exercised sustainably in accordance with the spiritual relationship which the Amerindian Village or Amerindian Community has with the land, but it does not include a traditional mining privilege.

6 Appendix Applicable legal references

	Acts, Regulations	Description
Forestry	**Forests Act** No. 6 of 2009	An Act to consolidate and amend the law relating to forest.
	Forests Regulations, Regulations No. 2 of 2018	These Regulations support the implementation of the Forests Act No.6 of 2009.
	State Lands Act, Cap. 62:01	An Act to provide for the proper regulation of the State lands, rivers, and creeks of the State.
	Code of Practice No.1 of 2018	Its overall purpose is to promote harvesting practices that will improve standards of utilization, reduce, environmental impacts, help ensure that forests are sustained for future generations, and improve the economic and social contributions forestry as a component of sustainable development.
	The Wood Tracking System Guidelines	The Wood Tracking System (WTS) is a mandatory national information system to control the supply chain of timber and timber products at the national level.
Environment / Land-use	**Environmental Protection Act**, Cap. 20:05	An Act to provide for the management, conservation, protection and improvement of the environment, the prevention or control of pollution, the assessment of the impact of economic development on the

	environment, the sustainable use of natural resources and for matters incidental thereto or connected therewith.
Environmental Protection (Authorisations) Regulations, Regulations No. 10 of 2000	These Regulations support the implementation of the Environmental Protection Act, Cap. 20:05
Mining Act Cap. 65:01	An Act to make provisions with respect to prospecting for and mining of metals, minerals and precious stones, for regulating their conveyance and for matters connected therewith.
Plant Protection Act, Act No. 9 of 2011	An Act to regulate the importation and exportation of plants, planting material and objects derived from them, to protect from the introduction of exotic pests and diseases to Guyana and to control and eradicate diseases and pests within the country.
Deeds Registry Act, Cap. 5:01	An Act to regulate the Office of the Registrar of Deeds of Guyana and to amend the law relating to the execution and registration of transports, mortgages and other deeds.
Land Registry Act, Cap. 5:02	An Act to provide for the registration of land and for matters connected therewith.
Hydroelectric Power Act, Cap. 56:03	An Act to make provision for the grant of licences authorising the utilisation of the waters of Guyana for the purpose of generating electrical energy, and for the management, conservation and preservation of the environment surrounding hydroelectricity generating facilities or areas intended as compensation for residual impacts from hydroelectricity generating facilities and for matters connected therewith.
Public Lands (Private Roads) Act, Cap 62:03	An Act to enable persons to construct and maintain roads for mining, woodcutting, and other purposes on public lands, and to impose and recover, subject to certain conditions, tolls for the use by other persons of such roads.

	Public Lands Private Roads (Wood Cutting) Regulations	These Regulations support the implementation of the Public Lands (Private Roads) Act, Cap 62:03.
	Wildlife Conservation and Management Act, Act No. 14 of 2016	An Act to provide for the protection, conservation, management, sustainable use, internal and external trade of Guyana's wildlife.
Labour, safe and non-discriminatory practices	**Employment of Young Persons and Children Act**, Cap.99:01	An Act to carry out certain Conventions relating to the employment of young persons and children
	Labour Act, Cap. 98:01	An Act to provide for the establishment of a Department of Labour, for the regulation of the relationship between employers and employees and for the settlement of differences between them.
	Labour National (Minimum Wage) Order No. 15 of 2016	These Regulations support the implementation of the Labour Act, Cap. 98:01.
	Prevention of Discrimination Act, Cap. 99:08	An Act to provide for the elimination of discrimination in employment, training, recruitment and membership of professional bodies and the promotion or equal remuneration to men and women in employment who perform work of equal value, and for matters connected therewith.
	National Insurance and Social Security Act, Cap. 36:01	An Act to establish a system of National Insurance and Social Security providing pecuniary payments by way of old age benefit, invalidity benefit, survivor's benefit, sickness benefit, maternity benefit and funeral benefit, and to substitute for compensation under the Workmen's Compensation Ordinance, a system of insurance against injury or death caused by accident arising out of and in the course of employment or resulting from disease due to the nature of employment; to establish a National Insurance Fund; and to provide for matters connected with or incidental thereto.

	National Insurance and Social Security (Collection of Contributions) Regulations	These Regulations support the implementation of the **National Insurance and Social Security Act**, Cap. 36:01.
Occupational Safety and Health	**Occupational Safety and Health Act**, Cap. 99:06	An Act to provide for the registration and regulation of industrial establishments, for occupational safety and health of persons at work, and for purposes connected therewith or material thereto.
Finance and Trade	**Income Tax Act**, Cap. 81:01	An Act to impose a tax upon incomes and to regulate the collection thereof.
	Corporation Tax Act, Cap. 81:03	An Act to impose a tax on the profits of companies and for purposes connected therewith.
	Companies Act, Cap. 89:01	An Act to revise and amend the law relating to companies and to provide for related and consequential matters.
	Business (Names) Registration Act, Cap. 90:05	An Act to provide for the registration of firms and persons carrying on Business under Business Names and for purposes connected therewith.
	Partnership Act, Cap. 89:02	An Act to declare and amend the Law of Partnership.
	Friendly Societies Act, Cap. 36:04	An Act to make provision with respect to the establishment, registration, incorporation, and management of Friendly, and other Societies.
	Co-operative Societies Act, Cap. 88:01	An Act to provide for the formation and to regulate the operations for Co-operative Societies.
Indigenous peoples	**Amerindian Act**, Cap. 29:01	An Act to provide for the recognition and protection of the collective rights of Amerindian Villages and Communities, the granting of land to Amerindian Villages and Communities and the promotion of good governance within Amerindian Villages and Communities.

Additional legal references relevant for the implementation of this Agreement and the overall functioning of the Guyana Timber Legality Assurance System:

- Constitution

- Access to Information Act 2011, Act No. 21 of 2011
- Customs (Amendment) Act 1994, Act No. 2 of 1994
- Equal Rights Act, Cap. 38:01
- Guyana Forestry Commission Act 2007, Cap. 67:02
- Applicable international treaties, conventions, declarations and bilateral agreements which Guyana has signed on

The following existing documents will be updated during the implementation phase of the GTLAS

1. Guidelines for Forest Operations (Small Concession)
2. Guidelines for Forest Operations (Large Concession)
3. FRMD Manual of Procedures
4. FMD Manual of Procedures
5. Finance Division Manual of Procedures
6. WTS Guidelines

The following documents will be created during the development phase of the GTLAS

1. GTLAS Manual of Procedures for verification
2. Manual of Procedures for controlling imported timber products

Annex III

Conditions governing the release for free circulation in the union of timber products exported from Guyana and covered by a FLEGT licence

Article 1

Lodging of the licence

1. The licence shall be lodged with the competent authorities of the Union Member State in which the shipment covered by that licence is declared for release for free circulation[14]. This may be done electronically or by other expeditious means.

2. The competent authorities referred to in paragraph 1 shall, in accordance with the applicable national procedures, inform the customs authorities as soon as a licence has been accepted.

Article 2

Checks on validity of license documentation

1. Paper licences shall conform to the model described in Annex IV. Any licence that does not meet the requirements and specifications set out in Annex IV shall be invalid.

2. A licence shall be considered void if it is lodged on a date later than the expiry date indicated in the licence.

3. Any erasures from or alterations to a licence shall not be accepted unless such erasures or alterations have been validated by the Licensing Authority.

[14] Release for free circulation is an EU customs procedure. Under Article 129(2) and (3) of Regulation (EC) No 450/2008 of the European Parliament and of the Council of 23 April 2008 laying down the Community Customs Code (Modernised Customs Code), release for free circulation entails: (a) the collection of any import duties due; (b) the collection, as appropriate, of other charges, as provided for under relevant provisions in force relating to the collection of those charges; (c) the application of commercial policy measures and prohibitions and restrictions insofar as they have not been applied at an earlier stage (in this case, it is among these measures that the existence of a FLEGT licence will be verified); (d) completion of the other formalities laid down in respect of the importation of the goods. Release for free circulation confers on non-Community goods the customs status of Community goods.

4. The extension of the validity of a licence shall not be accepted unless that extension has been validated by the Licensing Authority.

5. A duplicate or replacement licence shall not be accepted unless it has been issued and validated by the Licensing Authority.

Article 3

Requests for additional information

1. In case of doubt concerning the validity or authenticity of a licence, a duplicate or a replacement licence, the competent authority in the Union may request additional information from the Licensing Authority.

2. A copy of the licence, the duplicate or the replacement licence in question may be forwarded together with the request.

3. If necessary, the Licensing Authority shall withdraw the licence and issue a corrected copy, which shall be authenticated by the stamped endorsement 'Duplicate' and forwarded to the competent authority.

Article 4

Verification of the conformity of the licence with the shipment

1. If further verification of the shipment is considered necessary before the competent authority can decide whether a licence can be accepted, checks may be carried out to establish whether the shipment in question conforms to the information provided in the licence and to the records relating to the relevant licence that are held by the Licensing Authority.

2. Where the volume or weight of the timber products contained in the shipment presented for release for free circulation does not deviate by more than ten percent from the volume or weight

indicated in the corresponding licence, the shipment shall be considered to conform to the information provided in the licence as far as volume or weight is concerned.

3. In case of doubt about whether the shipment conforms with the FLEGT licence, the competent authority concerned may seek further clarification from the Licensing Authority.

4. The Licensing Authority may request the competent authority to send a copy of the licence or the replacement in question.

5. If necessary, the Licensing Authority shall withdraw the licence and issue a corrected copy, which shall be authenticated by the stamped endorsement 'Duplicate' and forwarded to the competent authority.

6. If the competent authority receives no answer within twenty one calendar days of the request for further clarification the competent authority shall not accept the licence and shall act in accordance with the applicable legislation and procedures.

7. A licence shall not be accepted if it has been established, where necessary after provision of additional information in accordance with Article 3 of this Annex or a further investigation in accordance with Article 4 of this Annex that the licence does not conform to the shipment.

Article 5

Verification prior to the arrival of the shipment

1. A licence may be lodged before the arrival of the shipment it covers.

2. A licence shall be accepted if it meets all the requirements set out in Annex IV, and no further verification in accordance with Articles 3 and 4 of this Annex is deemed necessary.

Article 6

Other matters

1. Costs incurred while the verification is being completed shall be at the expense of the importer, except where the applicable legislation and procedures of the Member State of the Union concerned determine otherwise.

2. Where persistent disagreements or difficulties arise from the verification of FLEGT licences, the matter may be referred to the JMRC.

Article 7

Release for free circulation

1. In box 44 of the Single Administrative Document on which the customs declaration for release for free circulation is made, reference shall be made to the number of the licence that covers the timber products subject to the declaration.

2. Where the customs declaration is made by computerised means, the reference shall be provided in the appropriate box.

3. Timber products shall be released for free circulation only after completion of the procedures described in this Annex.

Annex IV

Requirements and technical specifications for FLEGT licences

Article 1

General requirements relating to FLEGT licences

1. Any shipment of timber products listed in Annex I to this Agreement which is exported from Guyana to the Union is required to have a FLEGT licence. In accordance with Regulation (EC) No 2173/2005 and this Agreement, the Union shall accept such shipments from Guyana for import into the Union only if they are covered by FLEGT licences.

2. In accordance with point (j) of Article 2 of this Agreement, a FLEGT licence is a document issued by the Licensing Authority which confirms that a shipment of timber products intended for export to the Union has been legally produced and verified in accordance with the criteria laid down in this Agreement.

3. FLEGT licences may be issued in paper or electronic form.

4. A FLEGT licence shall be issued for a single shipment of a single licensee and to a first point of entry into the Union. One single FLEGT licence should not be declared to more than one customs office in the Union.

5. Either paper or electronic licences shall provide the information specified in Appendix 1, in accordance with the notes for guidance set out in Appendix 2.

6. The applicant submits the FLEGT licence and Export Certificate for export to the Union, or only the Export Certificate for export to other destinations, attaching the other required documents, to the Customs Excise and Trade Operations (CETO). The procedures for the issuance of the FLEGT licence and the Export Certificate, and their respective articulation with the Customs documents, will be finalised during the implementation phase of the GTLAS.

7. For complex shipments, including different types of timber products, for which it may not be possible to include all required information referred to in Template 1 in the Appendix 1, an authorised attachment (additional goods description attached to the FLEGT licence) shall be added to the licence. The authorised attachment shall include qualitative and quantitative information related to the description of the shipment as specified in Template 2 in Appendix 1. In that case, the corresponding boxes (boxes number 9 to 16) in the licence shall not include information on the shipment but reference the authorised attachment.

8. The detailed requirements and procedures to extend the validity, and define the cancelation and the management of FLEGT licences will be finalised during the implementation phase of the GTLAS. The procedures to apply for and issue FLEGT licences will be made public.
9. Guyana will provide the Union with an authenticated copy of the FLEGT licence, specimens examples of the stamps of the Licensing Authority, and specimen signatures of authorised personnel.

10. For all approved FLEGT licences, the original and its copies will be issued to the licensee according to the dispositions listed in the Agreement.

11. Timber products protected under the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES) are subject to the legality verification under the GTLAS and shall be also covered by a FLEGT licence.

Before export, the CITES Management Authority of Guyana shall ensure that timber subject to the provision of CITES or products containing such timber meet all GTLAS requirements. The CITES Management Authority of Guyana shall issue CITES permits for shipments into the Union containing only timber that is subject to the provisions of CITES or products containing such timber product.

Article 2

Responsibility of the FLEGT Licensing Authority

1. The Licensing Authority in Guyana shall be the Timber Legality and Trade Unit (TLTU) of the Guyana Forestry Commission.

2. Competence requirements for the personnel, management structures and internal controls of the Licensing Authority will be defined and established before the FLEGT licensing regime is operational.

3. The FLEGT Licensing Authority will inform the Management Information System Unit (MISU) of the Export Request Forms received and rejected, and the FLEGT licences issued.

4. The Licensing Authority shall develop a numbering system for FLEGT licences that enables differentiation between FLEGT licences destined to the European Union market and all other export documents required by statute.

5. The FLEGT Licensing Authority will only issue a single extension which will be for a period not exceeding three (3) months, at the request of the licensee. The Licensing Authority will introduce and validate the new expiration date.

6. In any case, when extending the validity, withdrawal or replacement of the FLEGT licence, the Licensing Authority shall inform the competent authority of the relevant Union Member State.

7. The FLEGT Licensing Authority shall endeavour to guarantee the authenticity of FLEGT licences and to prevent erasures or alterations.

8. The FLEGT licensing system will be progressively linked to the proposed Guyana Single Window System for export from Guyana, when conditions allow.

9. The FLEGT Licensing Authority is responsible for the required exchange of information between Guyana and the FLEGT competent authorities of the Member States of the Union, as well as other competent authorities of Guyana on issues related to FLEGT licences.

Article 3

Procedure for issuing FLEGT licences.

The following steps are considered for the management of FLEGT licences.

1. For each shipment, the FMD submits an Export Request Form to the FLEGT Licensing Authority, notifying the Licensing Authority that the FSO has made a request for export of timber product and has met the FMD Export Requirements.

2. Upon receiving the Export Request Form, the FLEGT Licensing Authority shall check the Central Information Database (CID) to ensure the FSO's compliance in relation to the timber to be exported.

3. After reviewing the Export Request Form and checking the CID, and it is confirmed that the FSO is compliant with the Guyana Timber Legality Assurance System (GTLAS) requirements, the FLEGT Licensing Authority shall issue the FLEGT licence for the corresponding shipment.

4. If the FSO is non-compliant with the GTLAS, the FLEGT Licensing Authority shall inform the FSO of the cases of non-compliance identified and the FSO shall be given an opportunity to address them. If the FSO is unable to address these cases of non-compliance, the Licensing Authority shall then reject the Export request for the corresponding shipment.

5. A FLEGT licence shall be issued before customs clearance of the shipment by the Customs Excise and Trade Operations (CETO).

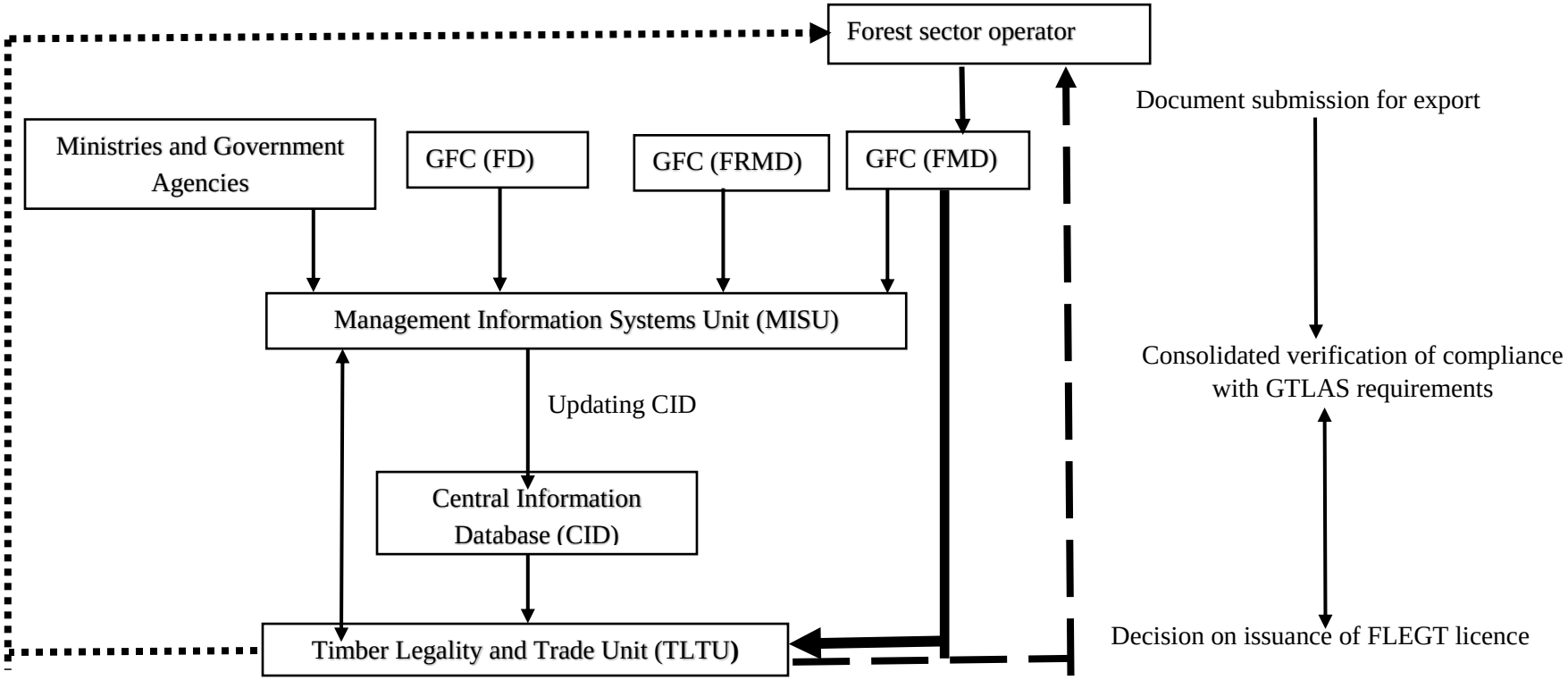
6. Any timber listed in Annex I for samples and demonstration purposes are also subject to the FLEGT licensing scheme when exported into the European Union market.

7. For all approved FLEGT licences, the FLEGT Licensing Authority will provide electronic copies to the relevant Union customs authority and competent authority.

8. All records relating to the issuance of FLEGT licences shall be kept in the CID, including those that were rejected.

9. Relevant forms and procedures for applying for a FLEGT licence will be developed and made public before the FLEGT licensing scheme is operational.

Diagram of information flow



Key

FMD submits Export Request Form

Non-Compliant (TLTU rejects Export Request Form and inform FSO of case(s) of non-compliances)

Compliant (TLTU issues FLEGT Licence to FSO)

GTLAS information flow (including export procedures)

Article 4

Technical specifications with regard to paper FLEGT licences

1. Paper licences shall conform to the format set out in Appendix 1.

2. The paper size shall be standard A4. The paper shall have watermarks showing the GFC's logo and seal.

3. The licences shall be completed using a typewriter or computer, or by hand, if necessary.

4. The Licensing Authority will use a metal stamp, preferably made of steel.

5. The Licensing Authority shall use a tamper-proof method to record the quantity allocated in such a way as to make it impossible to insert figures or references.

6. The form shall contain no erasures or alterations, unless those erasures or alterations have been authenticated by the stamp and signature of the Licensing Authority.

7. The licences shall be printed and completed in English.

Article 5

Technical specifications with regard to electronic FLEGT licences

1. FLEGT licences may be issued and processed using electronic systems developed in the context of the GTLAS.

2. In Member States of the Union that are not linked to an electronic system, a paper-based licence shall be made available.

Article 6

Copies of FLEGT licences

1. A FLEGT licence shall be drawn up in one original licence and four copies, as follows:

i. “Original for Competent Authority”;

ii. a "Copy for Customs at destination";

ii. a “Copy for Importer”;

iii. a "Copy for the Licensing Authority";

iv. a "Copy for the Licensee";

2. The FLEGT licences marked "Original for Competent Authority", "Copy for the Importer" and “Copy for Customs at destination” shall be given to the licensee, who shall send them to the importer.

3. The importer shall lodge the original with the competent authority and the relevant copy with the customs authority of the Member State of the Union in which the shipment covered by that licence is declared for release for free circulation. The copy marked "Copy for the Importer" shall be retained by the importer for the importer's records.

4. The copy marked "Copy for the Licensing Authority" shall be retained by the Licensing Authority for its records and for possible future verification of licences issued.

5. The copy marked “Copy for Licensee” shall be given to the licensee for the licensee’s records.

6. Electronic copies of the FLEGT licence will also be provided to the relevant Union customs authority and the competent authority.

7. The Licensing Authority will archive a copy of the FLEGT licence and an electronic copy will be stored by the Management Information System Unit in the CID.

Article 7

Validity, withdrawal and replacement of FLEGT licences

1. Validity and loss of the validity of FLEGT licences

1.1. FLEGT licences will be valid from the day of their issuance, and will have a validity of six (6) months from the date of issue. The expiration date will be indicated on the FLEGT licences.

1.2. FLEGT licences shall cease to be valid and shall be returned to the Licensing Authority if the timber products covered by the licence are lost or destroyed during shipment prior to arrival in the European Union.

1.3. When the export has not been carried out and the licensee has not requested an extension.

2. Withdrawal of the FLEGT licence

The FLEGT licence will be withdrawn in the following situations:

2.1. For any infraction committed by the licensee related to the shipment that is identified after the issuance of the FLEGT licence.

2.2. The licensee may also return it voluntarily if the licensee decides not to use it.

3. Replacement of the FLEGT licence

3.1. In the event of loss, theft or destruction of the FLEGT licence, the licensee or an authorised representative may apply to the Licensing Authority for a replacement, providing justification of the loss, theft or destruction of the original and/or copy.

3.2. Once the Licensing Authority is satisfied of the justification for replacing the licence, it shall issue a replacement following receipt of the request from the licensee.

3.3. Replacement FLEGT licences shall include the information and particulars contained in the original FLEGT licence, including the FLEGT licence number. The replacement FLEGT licence shall bear the words 'Replacement licence'.

3.4. In the event that the lost or stolen licence is retrieved, it shall not be re-used and must be returned to the Licensing Authority.

4. FLEGT Licence re-application

A new FLEGT licence shall be requested by the exporter whenever there is a change in the timber product, HS code, species, or number of units, as well as any deviation in the weight and/or volume of the shipment by more than 10% in comparison with the FLEGT licence.

Article 8

Management of non-compliance related to FLEGT licences

In the event of any infringement or fraudulent information relating to timber products, or forgery, alteration or modification of information on the FLEGT licence or infringement of the FLEGT license regulations, the Licensing Authority shall apply penalties as prescribed by the laws of Guyana.

Article 9

Treatment of doubts regarding the validity of a licence

1. In case of doubt concerning the validity or authenticity of a licence, a duplicate or a replacement licence, the competent authority in the Union may request additional information from the Licensing Authority.

2. If considered necessary, the Licensing Authority may ask the competent authority to send a copy of the licence or the replacement in question.

3. If the Licensing Authority considers it necessary, it shall withdraw the licence and issue a corrected original, which shall be authenticated by the stamped endorsement ‘Duplicate’ and forwarded to the competent authority.

4. If the validity of the licence is confirmed, the Licensing Authority shall notify the competent authority forthwith, preferably by electronic means. Any copies returned by the competent authority shall be authenticated by the stamped endorsement ‘Validated on’.

5. In the event that the licence in question is not valid, the Licensing Authority shall notify the competent authority forthwith, preferably by electronic means and both Authorities shall take appropriate action.

APPENDICES

1. Licence form (template 1 and template 2).

2. Notes for guidance

Appendix 1

Template 1: Format of the FLEGT licence

1	**1 Issuing Authority** Name Address	**2 Importer** Name Address
ORIGINAL	**3 FLEGT Licence number**	**4 Date of expiry** ____ ____ _____
	5 Country of export	**7 Means of transport**
	6 ISO code	
	8 FLEGT Licensee (name and address)	
	9 Commercial description of timber products	**10 HS headings**
1		

11. Common and scientific names	**12 Countries of harvest**	**13 ISO codes**
14 Volume (m^3)	**15 Net weight (kg)**	**16 Number of units**
17 Distinguishing marks		
18 Signature and stamp of issuing authority Name Place and date		

Template 2: additional information for complex shipment

THE FOLLOWING INFORMATION IS RELATED TO THE FLEGT
Licence # **.....**
Date of expiry:.....
Name of licensee:.....
Name of importer:.....

Item #	Commercial description of timber products	HS Heading	Common and Scientific names	Country of harvest	ISO Code of Country of harvest	Volume (m^3)*	Net weight (kg)*	Number of Units
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								

*Either volume or weight is required

Place of issue	Date (DD/MM/YYYY):	Signature and stamp of issuing authority			

Appendix 2
Notes for Guidance

General:

– Complete in capital letters.
– ISO codes refer to the international standard two-letter country code.

Box 1	Licensing Authority	Indicate the name and address of the Licensing Authority.
Box 2	Importer	Name and address
Box 3	FLEGT licence number	Indicate the licence number.
Box 4	Issuance and Expiry date	Dates of issue and expiration of the licence.
Box 5	Country of export	This means the partner country (Guyana) from where the timber products were exported to the Union.
Box 6	ISO code	Indicate the two-letter code for Guyana.
Box 7	Means of transport	Indicate the means of transport at the port of export.
Box 8	Licensee	Indicate the name and address of the licensee.
Box 9	Commercial description	Indicate the commercial description of the timber product(s).
Box 10	HS heading	The four- or six digit commodity code established pursuant to the Harmonised Commodity Description and Coding System and described in Annex I of this Agreement.
Box 11	Common and scientific name	Indicate the common and scientific name of the species of timber used in the product. Where more than one species is included in a composite product, use separate lines. May be omitted for a composite product or component that contains multiple species whose identity has been lost (e.g. particle board).
Box 12	Countries of harvest	Indicate the countries where the timber referred to in box 10 was harvested. The source of all species utilised in the case of composite products, must be identified unless it contains multiple species which are no longer identifiable.
Box 13	ISO codes	Indicate the ISO code of the countries referred to in box 12. May be omitted for a composite product or component that contains multiple species whose identity has been lost.
Box 14	Volume (m3)	Give the overall volume in m^3 May be omitted unless the information referred to in box 15 has been omitted.

Box 15	Net weight (kg)	Give the weight in kg. This is defined as the net mass of the timber products without immediate containers or any packaging, other than bearers, spacers, stickers, etc. May be omitted unless the information referred to in box 14 has been omitted.
Box 16	Number of units	Indicate the number of units, if this is the best way to quantify a manufactured product. May be omitted.
Box 17	Distinguishing marks	Indicate any distinguishing marks where appropriate, e.g. lot number or bill of lading number. May be omitted.
Box 18	Signature and stamp of issuing authority	This box must be signed by the authorised official and stamped with the official stamp of the Licensing Authority. The signatory's name and the place and date must also be indicated.

Annex V

The Guyana timber legality assurance system

1 INTRODUCTION 98
2 SCOPE OF THE GTLAS 99
2.1 Timber products covered by the GTLAS 99
2.2 Sources of timber 100
2.3 Forest Sector Operators covered by the GTLAS 102
2.4 Applicable legislation and procedures 102
2.5 Roles and responsibilities of entities involved in the GTLAS implementation 102
2.6 Implementing structures to ensure effective coordination 107
2.6.1 FLEGT VPA Secretariat 108
2.6.2 Government Coordination Body 108
2.6.3 National Implementation Working Group 109
3 DESCRIPTION OF THE GTLAS 110
3.1 Forest Allocation and Harvesting Rights 112
3.1.1 Allocation of forest and harvesting rights for Small and Large Concessions 113
3.1.2 Allocation of Harvesting rights on Amerindian Villages, Private and Conversion Forests 114
3.1.3 Allocation of Other Rights 115
3.2 Legality Definition 115
3.3 WTS requirements 118
3.3.1 Pre-harvest Inventory 118
3.3.2 Harvesting 119
3.3.3 Post-harvest 122
3.3.4 Transportation 123
3.3.5 Processing of timber products 128
3.3.6 Domestic sales of timber products 129
3.3.7 Export of timber products 130
3.3.8 Import of timber product 132
3.3.9 Timber products in-transit 134
3.3.10 Seized and abandoned timber products 134
3.4 Verification of compliance with the allocation process, the Legality Definition and the supply chain control requirements. 137
3.4.1 General Principles for verification 137
3.4.2 Verification of compliance with the forest allocation process 138
3.4.3 Verification of compliance with the Legality Definition 139

3.4.4 Verification of WTS requirements 141
3.5 Management of non-compliance 158
3.6 Consolidated Verification 159
3.7 Data and information collection and management 159
3.8 FLEGT Licensing Scheme 163
3.9 Independent Auditing of the GTLAS 164
3.10 Complaint mechanism 165
3.10.1 Ministries and Government Agencies 165
3.10.2 Independent Audit 166
3.10.3 The JMRC 166
3.11 Monitoring of GTLAS Implementation 166
4 ENHANCING SYSTEMS SUPPORTING GTLAS IMPLEMENTATION 167
5 Appendix 1 170

1 INTRODUCTION

As part of international efforts to address illegal logging and its associated trade, a growing number of countries have adopted measures to prevent the trade in illegal timber products. Guyana's Forest Law Enforcement, Governance and Trade (FLEGT) Voluntary Partnership Agreement (VPA) with the Union complements Guyana's Green State Development Strategy. In implementing the VPA, Guyana will build on its existing legality assurance system to further strengthen the fight against illegal logging and associated trade, and maintain a low rate of deforestation and forest degradation.

Under the VPA, the Guyana Timber Legality Assurance System (GTLAS) is based on national laws and regulations and aims to ensure that Guyana's timber products are legal. To that end, the GTLAS will establish a credible legality assurance system that guarantees the legality of harvest, transport, processing, as well as exports and imports of timber products. It will include compliance checks to provide assurance that timber products have been legally produced irrespective of the intended destination market. It will ensure that FLEGT licences and Export Certificates are issued for shipments to the Union market of timber products that are legal and that only Export Certificates are issued for those destined to all other markets. In addition, the GTLAS will verify the legality of imported timber products.

Guyana will build and expand on its current Wood Tracking System (WTS) and other Government control systems to ensure the legality of its timber products. The current WTS is a tag and paper-based system that enables efficient monitoring of the flow of timber products for domestic and international trade. The WTS will be linked to Guyana's Legality Definition, which is based on national laws and regulations, and will form a key component of the GTLAS.

An evaluation of the current WTS and verification procedures assessed the practicality and workability of the GTLAS requirements. It also identified measures and gaps to be addressed during the implementation phase to ensure timber legality through robust checks, verification and validation procedures.

Some of these measures include: strengthening public sector inter-agency coordination, in particular between the Guyana Forestry Commission (GFC) and other land management agencies to further enhance the land allocation processes and address related issues; enhancing public access to information on the forest sector; strengthening the legal framework; upgrading the GFC's data management information and communication system; and developing more robust verification and validation procedures. Filling some of the gaps identified includes: developing systems to identify, record and manage cases of non-compliance; handling and resolving complaints; instituting periodic audits by a third party to assess and improve the GTLAS; and creating a FLEGT licensing unit for timber exports. To ensure the enhancement of those areas that have been identified as needing strengthening, implementing structures will be established.

The GTLAS was developed through a multi-stakeholder participative process coordinated by the National Technical Working Group. This process involved a vast majority of key stakeholders within Guyana's forestry sector and other interest groups. Over several nationwide meetings, key stakeholders were provided with information and consulted on the VPA process. The details of the various elements of the GTLAS included in this document were agreed by consensus with these stakeholders.

The stakeholders involved in the GTLAS' development included: loggers, sawmillers, manufacturers, timber dealers, exporters, importers and transporters, custom brokers, as well as representatives of logging associations, Amerindian villages and communities, indigenous non-governmental organisations, and Government Ministries and Agencies.

2 SCOPE OF THE GTLAS

2.1 Timber products covered by the GTLAS

Timber products and their corresponding Harmonised Commodity Description and Coding System (harmonised system (HS) Codes), covered by the GTLAS are included in Annex I. The

Parties shall consider including more products to Annex I two years after the commencement of FLEGT licensing.

2.2 Sources of timber

The sources of timber are divided into six (6) main categories;

a. Small concessions are areas of 8097 hectares or less. FSOs of Small Concessions must have a State Forest Authorisation that can either be a State Forest Permission or a Community Forest Management Agreement. These State Forest Authorisations are granted by the GFC for up to two years, subject to conditional renewal and include an approved quota. Small concessions must comply with a Code of Practice No. 1 of 2018 and Guidelines for Forest Operations (Small Concession). Pre-harvest inventory is not a requirement for small concessions.

b. Large concessions are areas larger than 8097 hectares. FSOs of Large Concessions must have a State Forest Authorisation granted by the GFC. These State Forest Authorisations can be either a Forest Concession Agreement or an Exploratory permit. Forest Concession Agreements can either be Timber Sales Agreements or Wood Cutting Leases. These SFAs are issued after the FSO has obtained an Exploratory Permit, with a contract of up to 40 years, which is subject to conditional renewal. Large concessions must comply with a Code of Practice No.1 of 2018 and Guidelines for Forest Operations (Large Concession). The Code will include provisions on the preparation of a Forest Management Plan, an Annual Operation Plan, and the conduct of a pre-harvest inventory by the FSO, as specified in the Forest Management Plan Guidelines.

c. Amerindian Villages – The Amerindian Act 2006 defines Village Lands as lands owned communally by a Village under an Absolute Grant or Certificate of title granted to the Village Council. An Amerindian Village becomes an FSO when it enters into a contract with the GFC to conduct commercial harvesting within the boundaries of the Amerindian Village.

d. Private Lands – The Forests Act 2009 defines Private Lands as lands that are neither public nor village lands, and which are legally held by either an individual(s) or body corporate by

Registered title, Transport or Absolute Grant. A private landowner becomes an FSO when it enters into a contract with the GFC to conduct commercial harvesting within the boundaries of the private land.

e. State Lands[15] in conversion – Timber products can be salvaged from State Lands that are approved by the relevant Ministries and Government Agencies to be converted to non-forest land uses under the following authorisations:

I. Mining Licence or Permit - a mining licence or permit is issued by the Guyana Geology and Mines Commission over an area within State Lands to prospect, mine for, take and appropriate any minerals. A holder of a mining licence or permit becomes an FSO when authorised by the GFC to salvage timber products within the boundaries of that area.

II. Leases - a lease is issued by the Guyana Lands and Surveys Commission over an area within State Lands for the purposes of agriculture or other activities. A holder of a lease becomes an FSO when authorised by the GFC to salvage timber products within the boundaries of that area.

III. Infrastructure (roads, hydropower plants, dams, etc.) - an approval is granted by the Ministry of the Presidency to construct hydropower plants. The Ministry of Public Infrastructure grants authorisations to conduct all other infrastructural works, such as roads and bridges. A holder of an infrastructural approval becomes an FSO when authorised by the GFC to salvage timber products within the boundaries of that area.

To salvage timber from the area in conversion (for commercial use), the holder of any of the above authorisations must first register with the GFC to become an FSO and follow the rules established in section 3.3.3 in the GTLAS. If the holder of any of the above authorisations does not intend to use the timber for commercial purposes or for any use within the approved area, the holder does not need to be registered with GFC and does not become an FSO. In these cases, the timber is considered abandoned (see section 3.3.10).

[15] State Land is inclusive of State Forest Areas

f. Imported Timber products - An importer becomes an FSO when an Import Licence is issued by the GFC to import timber products listed in Annex I.

g. Seized Timber Products – Timber products are seized when there is a suspicion of an offence committed in contravention of the Forests Act 2009. Seized timber products can re-enter the supply chain following the procedures outlined in section 3.3.10.

2.3 Forest Sector Operators covered by the GTLAS

FSOs are categorised based on the following types of operation, which involve timber harvesting, and the import, transport, process, trade and export of timber products:

- SFAs (small and large concessions)
- Amerindian Villages
- Private lands
- State Lands in conversion
- Processing and/or sale of timber products
- Export and/or import of timber products

2.4 Applicable legislation and procedures

The Legality Definition sets out the applicable legislation (including regulations) underpinning the GTLAS (See Appendix 1 of Annex II). These pieces of legislation form the framework applicable to Guyana's forest sector and support the country's efforts towards sustainable forest management (SFM). They aim to address illegal logging and associated trade. The effective implementation of the laws and regulations mentioned in this Agreement seeks to promote good forest governance and ensure the credibility of the GTLAS.

2.5 Roles and responsibilities of entities involved in the GTLAS implementation

The Government Ministries and Agencies that will be involved in the verification of compliance with the Legality Definition and the supply chain control are listed below:

- GFC
- Revenue Authority
- Ministry of Indigenous Peoples' Affairs
- Ministry of Social Protection
- National Insurance Board
- Guyana Lands and Surveys Commission
- Guyana Geology and Mines Commission
- Environmental Protection Agency
- Deeds and Commercial Registries Authority
- Friendly Societies Registry
- Department of Cooperative Societies
- Deeds Registry
- Land Registry
- National Plant Protection Organisation
- Wildlife Conservation and Management Commission
- Ministry of Public Infrastructure
- Ministry of the Presidency

All the Ministries and Government Agencies will be in charge of verifying compliance of the FSOs with the Legality Definition under their mandate and will be required to provide data and information to the Management Information System Unit (MISU) to manage and maintain the FSOs' electronic data-files. During the implementation phase of the GTLAS, the roles and responsibilities of the Ministries and Government Agencies in conducting GTLAS verification will be further developed and compiled in a GTLAS Manual of Procedures for verification.

A summary description of the Ministries and Government Agencies involved in the GTLAS, and that will verify compliance and provide data and information to the MISU are listed below:

1. **The GFC** has the statutory mandate to manage and regulate Guyana's State Forests. The GFC will be responsible for implementing the Agreement on behalf of Guyana, including the

management of the GTLAS in coordination with other Ministries and Government Agencies. Within the GFC, the following divisions or units will be involved in the implementation of the GTLAS:

- The **Forest Resource Management Division (FRMD)** is responsible for establishing the legal status of relevant FSOs for all sources of timber products covered by Annex I. The FRMD conducts, reviews and approves pre-harvest inventories for large concessions and conducts pre-harvest inspections on State Lands in conversion. The Division also reviews and approves relevant FSOs' management and operational plans, where applicable. Additionally, the FRMD advises the Forest Monitoring Division (FMD) of FSO's approval to commence harvesting. The FMD then issues GFC tracking tags and the relevant transport documents (see sections 3.3.4).

- The **Forest Monitoring Division (FMD)** is responsible for managing and monitoring all the critical control points of the WTS. The FMD also issues GFC tracking tags and transport documents to the FSOs and monitors their use (see section 3.3.4). It does so by using paper-based and digital information through the entire supply chain. If the FSO intends to contract a third party for harvesting and / or extraction within the FSOs' Small Concession or Large Concession, then the FMD approves the third party rental agreement between the FSO and the third party. The FSO is still responsible for the compliance with the relevant indicators of the Legality Definition.

- The **Finance Division (FD)** is responsible for overseeing FSOs' compliance with financial obligations to the GFC.

    - The **Management Information Systems Unit (MISU)** is a unit within the Finance Division and is responsible for the overall management of the Central Information Database (CID). The CID will contain the data and information used by the MISU for assessing the legal compliance of FSOs and their operations. The MISU receives, verifies and archives data and information related to the functioning of the GTLAS, which is supplied by the GFC's

divisions, Ministries and Government Agencies, and FSOs for inclusion in the FSOs' electronic data-files in the CID. In case of non-compliance, the MISU informs the FSO or the person responsible for the non-compliance, and updates the non-compliance section of the CID based on information received from the relevant Ministries and Government Agencies. The MISU will verify this data and information through desk reviews, regular communication with all FSOs involved and data analysis. The MISU will also ensure the reliability and availability of information of the CID, in particular that the FSOs' electronic data-files are up-to-date. It will also work with other Ministries and Government Agencies to improve regular data communication and sharing.

- The **Timber Legality and Trade Unit (TLTU)** will be the FLEGT Licensing Authority of Guyana. The TLTU and the MISU will operate autonomously to avoid conflicts of interest between the verification activities of the MISU and the licensing activities of the TLTU. The TLTU will receive and process Export Request Forms from FMD. The TLTU will check the CID to determine whether the FSO has met the legal requirements of the GTLAS to be issued an Export Certificate and a FLEGT licence. The TLTU will issue Export Certificates for all markets and additionally FLEGT licences for products listed in Annex I destined to the European Union. The TLTU will also be responsible for the issuance of import licences for timber products.

- The **Internal Audit Unit (IAU)** is responsible for internal audits as per the GFC's mandate. The IAU performs quality control on the data and information related to the GTLAS. Upon request, the IAU will also provide a report to the Independent Auditor on the functioning of GFC operations within the GTLAS.

2. The **Revenue Authority** is the tax and customs authority in Guyana. The Customs, Excise and Trade Operation (CETO) unit of the Revenue Authority shall ensure that all timber products exported from and imported into Guyana meet the GTLAS requirements related to the customs and excises functions. The CETO ensures that all timber products to be exported have a valid FLEGT licence and Export Certificate for the European Union market, or an Export Certificate

for other markets. It also monitors the flow of transit timber from the point of entry until exit from Guyana**.**

3. The **Ministry of Indigenous Peoples' Affairs** is responsible for verifying Village Councils' elections of Amerindian Villages involved in timber harvesting for commercial purposes.

4. The **Ministry of Social Protection** is responsible for verifying FSOs' compliance with their social and labour obligations under the Legality Definition.

5. The **National Insurance Board** is responsible for supervising and controlling the registration of FSOs and the payment of their social security contributions. The National Insurance Board is also responsible for verifying FSOs' compliance with the relevant indicator in the Legality Definition.

6. The **Guyana Lands and Surveys Commission** is responsible for the issuance of absolute grants and leases on State Lands. It liaises with all the Ministries and Government Agencies involved in the registration and storage of records relating to State Lands.

7. The **Guyana Geology and Mines Commission** is responsible for the issuance and management of mining licences or permits.

8. The **Environmental Protection Agency (EPA)** is responsible for the issuance and management of environmental authorisations.

9. The **Deeds and Commercial Registries Authority** is responsible for the registration of incorporated companies or body corporate.

10. The **Friendly Societies Registry** is responsible for the registration of FSOs from Community Management Forest Associations that are categorised under the Friendly Societies Registry.

11. The **Department of Cooperative Societies** is responsible for the registration of FSOs from Community Management Forest Associations that are categorised under the Co-operative Societies.

12. The **Deeds Registry** is responsible for registration and titling of land converted from Government ownership to private ownership.

13. The **Land Registry** is responsible for registration and titling of private lands.

14. The **National Plant Protection Organisation** is responsible for the management of import permits, Phytosanitary certificates and quarantine matters associated with timber products.

15. The **Wildlife Conservation and Management Commission** is the Management Authority for the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) and is responsible for issuing CITES permits at the point of export and import.

16. The **Ministry of Public Infrastructure** is responsible for the planning, construction, maintenance of major public infrastructure in Guyana, and for the issuance and management of the approval (authorisation) of infrastructural work.

17. The **Ministry of the Presidency** is responsible for the approval (Hydro Licence) of the construction of hydropower plants.

2.6 Implementing structures to ensure effective coordination

To enable the smooth operation and coordination between Government and non-governmental bodies involved in VPA implementation, the FLEGT VPA Secretariat will be strengthened and the Government Coordination Body and the National Implementation Working Group will be established.

2.6.1 FLEGT VPA Secretariat

The FLEGT VPA Secretariat will be part of the GFC and will serve as the secretariat to the National Implementation Working Group. This Secretariat will coordinate and facilitate activities to be implemented in accordance with the annual work plan approved by the National Implementation Working Group. It will also provide logistic and technical support to the meetings of the Government Coordination Body and the Joint Monitoring and Review Committee (JMRC).

2.6.2 Government Coordination Body

The Government Coordination Body will be established and formalised through a Government directive. It will act as a coordination body for Ministries and Government Agencies involved in the development and implementation of the Agreement. A joint Memorandum of Understanding (MoU) will be developed and signed by all Ministries and Government Agencies outlining their commitment to participate in the Government Coordination Body. The Government Coordination Body will ensure effective implementation of the Agreement in keeping with each Agency's legislative and policy mandate. It may co-opt any other Government entities when necessary.

The functions of the Government Coordination Body include:

- Examining the current procedures of Ministries and Government Agencies that relate to the operation of the GTLAS with a view to identifying and addressing any gaps and overlaps in those procedures
- Contributing to the development and implementation of the GTLAS
- Carrying out the continuous review of the development and implementation of the GTLAS
- Recommending improvements and resolving issues that may arise in relation to the functioning of the GTLAS

- Developing GTLAS verification procedures, which will be based on an analysis of risks of non-compliance (See section 3.4.1), to ensure economies of scale and coordination among Ministries and Government Agencies.

The Ministries and Government Agencies represented on the GCB will hold regular, periodic and ad hoc meetings to discuss the operationalisation of the GTLAS.

During the implementation phase, the GFC will develop MoUs or other relevant arrangements with each of these Ministries and Government Agencies to define protocols and procedures to exchange data and information. The MoUs will be negotiated and signed during the implementation phase of the GTLAS. They will require Ministries and Government Agencies to nominate a VPA focal point and an alternate.

The MoUs or other relevant arrangements will cover, at a minimum, the following areas:

- Agreement for verifiers and compliance assessments results to be submitted to the MISU
- Description and format of the type of information required to be submitted
- Frequency and timeframes for the submission of information
- Description of protocol for reporting the compliance status of FSOs to the MISU
- Verification and auditing protocols to ensure the integrity of data and information supplied to the GFC
- Procedure for parties to query a document/verifier if the need arises
- Procedure to address breaches of the terms of the MoU by the GFC or the relevant Ministry or Government Agency
- Collaboration between the Ministries and Government Agencies with regards to field-based verification/monitoring activities
- Any other information that will be necessary for the effective functioning of the GTLAS, such as joint public educational activities, awareness campaigns and the development of mechanisms for sharing information with other land-management agencies.

2.6.3 National Implementation Working Group

The National Implementation Working Group is a multi-stakeholder structure that will contribute to the implementation of the regulatory framework of the VPA. It will include on the one hand representatives of Ministries and Government Agencies, and of other stakeholders from the private sector, civil society and Indigenous peoples on the other. The Working Group will act as focal point for effective communication and information exchange on progress in implementation. The National Implementation Working Group will coordinate the formulation of a detailed roadmap of activities in accordance with the implementation schedule. It will oversee the implementation of these activities in coordination with, and through the continuous engagement of, stakeholders in the development of the GTLAS during VPA implementation. The Working Group will provide strategic guidance to Guyana's representatives on the JMRC. It will also be able to propose items to be added to the agendas of the JMRC's meetings. The Working Group will hold regular and periodic meetings, and receive inputs from the Government Coordination Body and the FLEGT VPA Secretariat.

3 DESCRIPTION OF THE GTLAS

The GTLAS is composed of eight elements:

1. Forest Allocation and Harvesting Rights
2. Legality Definition
3. WTS requirements
4. Verification of compliance with the allocation process for concessions, the Legality Definition and the WTS requirements
5. FLEGT Licensing Scheme
6. The Independent Audit
7. Complaint mechanism for the GTLAS
8. Monitoring of GTLAS implementation

The GTLAS is based on the legal framework established in elements one to eight above, which have been agreed on by a vast majority of stakeholders in Guyana.

Forest allocation and harvesting rights outline the procedures that the GFC must follow in order to allocate Forest Concessions within State Lands and grant harvesting rights on State Forest Areas, State Lands in conversion, Amerindian Village and Private Lands.

The Legality Definition is a summary of Guyana's national legal and regulatory framework applicable to this Agreement. This framework shall be complied with by FSOs in order for timber products to be covered by a FLEGT licence.

The WTS requirements are requirements that FSOs have to comply with to enable the systematic tracking of timber products throughout the supply chain.

The fourth element covers the verification carried out by Guyana. It is based on the existing functions of Ministries and Government Agencies involved in the GTLAS and will be strengthened in relevant areas suggested by stakeholders. The roles and responsibilities of the Ministries and Government Agencies in conducting GTLAS verification will be further developed in a GTLAS Manual of Procedures for verification during the implementation phase of the GTLAS.

The fifth element is the FLEGT licensing scheme. Shipments will be considered legal when FSOs and their timber products comply with the requirements established through the verification system. On this basis, the European Union and Guyana agree for the TLTU to issue FLEGT licences to cover such timber products exported to the European Union. FLEGT licensing scheme procedures are further detailed in Annex IV.

In line with its objectives outlined in Annex VI, the Independent Audit regularly assesses that the GTLAS is credible and effective. The seventh element is the Complaint Mechanism. The Complaint Mechanism allows all stakeholders without discrimination to file a complaint in relation to the functioning of the GTLAS or if they believe they have been negatively affected by the GTLAS. The complaints will be directed to Ministries and Government Agencies, the Independent Auditor or the JMRC.

Guyana and the European Union will jointly monitor the implementation of the GTLAS through the JMRC, as described in Annex X.

3.1 Forest Allocation and Harvesting Rights

The Forests Act 2009 and the Forests Regulations 2018 sets out the parameters of the GFC's authority to grant:

- SFAs for small concessions (inclusive of the Community Forest Management Agreements)
- SFAs for large concessions
- Use permits
- Afforestation agreements

The Forests Act 2009 and the Forests Regulations 2018 sets out the conditions for contracts between the GFC and the following stakeholders:

- Holder of private land
- Village council from Amerindian Land
- Holder of an authorisation to salvage timber products from State Lands that are designated as conversion forests

The GFC, in collaboration with the Guyana Geology and Mines Commission, the Guyana Lands and Surveys Commission, the Ministry of Indigenous Peoples' Affairs, the Environmental Protection Agency and other relevant agencies, will strengthen the national geographic information system (GIS) mechanisms for sharing information related to land management issues between these agencies. This will entail developing a GIS digitalisation for private land and agricultural leases, mining claims and small operators, and updating the current GIS information housed within the Ministry of Natural Resources GIS platform.

For all instances in section 3.1.1 to 3.1.3 below, the successful applicant (FSO) is then required to comply with all contractual obligations.

The procedures for forest concession allocation will be updated in the FRMD Manual of Procedures during the development of the GTLAS. These procedures will cover forest allocation for large and small concessions (establishment of a vacancy list; the application process; the evaluation process; issuance of SFA) and the issuance of the contract for harvesting on private lands or authorisation for State Lands in conversion. The Manual will also detail the requirements that must be complied with to conform with the regulations. Relevant sections of the Manual will be publicly available.

3.1.1 Allocation of forest and harvesting rights for Small and Large Concessions

SFAs are granted only when it is established that there is no existing legal ownership over the State Forests Area identified for allocation. To that end, the GFC shall hold meetings with other land-use Agencies prior to the allocation process to verify that areas available for SFAs are free of encumbrances. To the extent possible, the GFC, in collaboration with other land use agencies, will endeavour to avoid granting SFAs where other land uses exist.

In the allocation of State Forests Areas, where other legitimate land-use activities, such as mining or agriculture, may exist, the GFC will ensure the other land-use Agencies have no objections to the granting of SFAs. Under the Legality Definition, the GFC will ensure the FSOs respect other parties' legal user rights, particularly where SFAs co-exist with different land-use activities.

The process to allocate State Forests for commercial harvesting starts with the establishment of a vacancy list of forested areas available for allocation as SFAs by the GFC. Once that list is approved by the GFC Board of Directors, it is advertised in the electronic and print media for stakeholders to apply. Stakeholders can apply for these areas using the appropriate forms and by a stipulated deadline. Applications are reviewed by the GFC's Divisions and the Forest Resource Allocation Committee to verify the accuracy and completeness of the information submitted. The applications are then further reviewed and evaluated by the Technical sub-committee of the GFC Board using the relevant Board-approved criteria and taking into account requirements under the Forests Act 2009 and the Forests Regulations 2018. The Technical sub-

committee forwards recommendations to the GFC Board of Directors, which makes the final decision on the award.

Application evaluation will include at a minimum the following criteria: completeness of the application form; full disclosure of the applicant's financial sustainability; experience in forest operations; employment generation; and added value of proposed operations. If the final decision on the award is positive, the GFC prepares and issues an original SFA and enters the required information into the CID. No forest concession agreement is granted until the prescribed fee, and any other outstanding fee, have been paid or assured to the GFC.

3.1.2 Allocation of harvesting rights on Amerindian Villages, Private and Conversion Forests

For harvesting on Amerindian Villages, private and conversion forests, the applicant submits the required documents to the GFC, which then verifies the authenticity of the source documents with the relevant Ministries and Government Agencies. The required source documents for harvesting on Amerindian Villages and private forests include: Absolute Title;; Transport; Absolute Grant or Certificate of Title. The documents required for harvesting on conversion forests include: Agriculture Lease; mining licence or permit; or infrastructure approval letter or hydro licence. Once these documents are verified as authentic, the GFC processes the information, issues the contract for the removal of timber products, and enters the required information into the CID.

The GFC recognises that there is an on-going process for the issuance of Amerindian land titles and extensions under the supervision of the Amerindian Land Titling Project (ALTP).

Where ALTP's recommendations for titling of, or extensions to, Amerindian lands are approved and endorsed by the Cabinet of Guyana, the GFC is informed by the subject Minister in a timely manner. The GFC then has to follow these recommendations to revisit the concession area over which forest allocations have been granted and adjust the concession boundaries as necessary.

3.1.3 Allocation of Other Rights

3.1.3.1 Use Permits

Upon application, the GFC may grant a Use permit in accordance with the Forests Act 2009. The purposes of Use permits are to conduct research, carry out education or training, or similar activities. No commercial harvesting can take place with a Use permit.

3.1.3.2 Afforestation agreements

Upon application, the GFC may grant permission to carry out afforestation in accordance with the Forests Act 2009. No such agreement exists at the time of the conclusion of this Agreement.

In the event that commercial timber plantations are established, Annex II to this Agreement will be amended to include the necessary legality matrices. Such matrices will be developed in consultation with stakeholders and the Union.

3.2 Legality Definition

The GTLAS is underpinned by Annex II, which sets out the requirements applicable to the different categories of FSOs mentioned in section 2.3 and addresses the principles listed in table 1.

The broad range of legality matrices was derived from Guyana's legislation, which identifies several sources of timber products and types of FSOs with differing legality requirements.

The verification of FSOs' compliance with a Principle considers all applicable criteria and corresponding indicators, as described in section 3.4 and 3.6 below. The compliance with each indicator is based on the availability and validity of corresponding official documents (verifiers) issued by the GFC and / or various Ministries and Government Agencies.

Each of the nine matrices set out in the Legality Definition are summarised in table 1.The left column lists the thematic area for each principle, the right column lists the Ministries and Government Agencies in charge of that thematic area.

Table 1: Principles applicable to all FSO types listed in Annex II

A. Legality matrix for an FSO to legally conduct forest operations	
Principle 1: The natural person or body corporate is legal	
Legal right to operate	Deeds and Commercial Registries Authority, Commissioner of Cooperative Societies, Friendly Societies Registry, Ministry of Indigenous Peoples' Affairs, Revenue Authority
B. Legality matrix for State Forest Authorisations (large concessions)	
Principle 1:The FSO has the legal right to harvest and respects other parties' legal user rights	
Legal right to harvest	GFC
Other parties' legal user rights	GFC
Principle 2: The FSO complies with the forest operation obligations	
Environment	Environmental Protection Agency
Forestry	GFC
Principle 3: The FSO complies with its fiscal and social obligations	
Fiscal	GFC, Revenue Authority
Social obligations	Ministry of Social Protection, National Insurance Board
C. Legality matrix for State Forest Authorisations (small concessions)	
Principle 1: The FSO has the legal right to harvest and respects other parties' legal user rights	
Legal right to harvest	GFC
Other parties' legal user rights	GFC
Principle 2: The FSO complies with the forest operation obligations	
Environment	Environmental Protection Agency
Forestry	GFC
Principle 3: The FSO complies with its fiscal and social obligations	
Fiscal	GFC, Revenue Authority
Social obligations	Ministry of Social Protection, National Insurance Board
D. Legality Matrix for Amerindian Villages	
Principle 1: The FSO has the legal right to harvest and respects other parties' legal user rights	
Legal right to harvest	Lands Registry, Guyana Lands and Surveys Commission,
Other parties' legal user rights	GFC
Principle 2: The FSO complies with the forest operation obligations	
Forestry	GFC
Principle 3: The FSO complies with its fiscal and social obligations	
Fiscal	Revenue Authority
Social obligations	Ministry of Social Protection, National Insurance Board
E. Legality Matrix for Private Lands	
Principle 1: The FSO has the legal right to harvest and respects other parties' legal user rights	
Legal right to harvest	Land Registry, Deeds Registry, Guyana Lands and Surveys Commission, GFC

Other parties' legal user rights	GFC
Principle 2: The FSO complies with the forest operation obligations	
Forestry	GFC
Principle 3: The FSO complies with its fiscal and social obligations	
Fiscal	Revenue Authority
Social obligations	Ministry of Social Protection, National Insurance Board
F. Legality matrix for salvaged timber products from State Lands in conversion	
Principle 1: The FSO has the legal rights to harvest and respects other parties' legal use rights	
Legal right to harvest	GFC, Guyana Lands and Surveys Commission, Guyana Geology and Mines Commission, Ministry of Public Infrastructure, His Excellency the President of Guyana
Other parties' legal user rights	GFC
Principle 2: The FSO complies with the forest operation obligations	
Environment	Environmental Protection Agency
Forestry	GFC
Principle 3: The FSO complies with its fiscal and social obligations	
Fiscal	GFC, Revenue Authority
Social obligations	Ministry of Social Protection, National Insurance Board
G. Legality matrix for seized timber products	
Principle 1: Seized timber products is managed according to the legal requirements	
Breach and management of timber seizure	GFC
H. Legality matrix for processing and sale of timber products	
Principle 1: The FSO complies with timber processing and sales requirements	
Legal right to operate	GFC
Principle 2: The FSO complies with the forest operation obligations	
Environment	Environmental Protection Agency
Forestry	GFC
Principle 3: The FSO complies with its fiscal and social obligations	
Fiscal	GFC, Revenue Authority
Social obligations	Ministry of Social Protection, National Insurance Board
I. Legality Matrix for export and import of timber products	
Principle 1: The FSO complies with timber products export and import requirements	
Export	GFC, Wildlife Conservation and Management Commission Authority
Import	GFC, Wildlife Conservation and Management Commission Authority, National Plant Protection Organisation
Fiscal	GFC
Forestry	GFC
Principle 2: The FSO complies with its fiscal and social obligations (applies only to FSOs who are exporting and / or importing and are not covered by the other matrices)	
Fiscal	Revenue Authority
Social obligations	Ministry of Social Protection, National Insurance Board

3.3 WTS requirements

The management and control of the supply chain from harvesting to transport, processing, domestic sales, exports and imports are key components of the GTLAS. These controls are carried out through the procedures listed in the WTS Guidelines. All FSOs must comply with the requirements of the Legality Definition. Additionally, FSOs of large and small concessions must comply with the requirements specified in the Code of Practice No. 1 of 2018, Guidelines for Forest Operations (Small Concession), and Guidelines for Forest Operations (Large Concession).

Section 3.3 outlines the WTS requirements that the FSO has to comply with, while section 3.4.4 outlines the steps followed by the Ministries and Government Agencies to verify the compliance with these requirements.

Appendix 1 provides a summary of the critical control points within the supply chain, as well as the documents and/or evidence required where specific verifications will take place to carry out supply chain controls and assess the legality of timber flows under the GTLAS.

3.3.1 Pre-harvest Inventory

Large concessions: FSOs of large concessions must comply with the pre-harvesting requirements of the Code of Practice No. 1 of 2018, Guidelines for Forest Operations (Large Concession) and the tracking requirements of the WTS guidelines.
FSOs of small concessions, State Lands in conversion,[16] Amerindian Villages or private lands are not subject to pre-harvesting requirements.

The pre-harvesting rules for large concessions are as follows:

[16] In State Lands in conversion, the GFC conducts a pre-harvest inspection to establish the location and species of trees designated for commercial harvesting.

1. Obligation to conduct a pre-harvest inventory for all blocks that are proposed to be harvested in the operational year to know the maximum allowable cut within a given cycle[17]

2. Obligation to prepare a pre-harvest inventory report, which includes a stock map

3. Obligation to affix a tag with a unique inventory number to each tree to be harvested

4. Obligation to prepare a Forest Management Plan

5. Obligation to prepare an Annual Operation Plan that includes the pre-harvest inventory information.

3.3.2 Harvesting

The GFC's administrative control and monitoring mechanism for commercial timber production is facilitated by the WTS through the use of a unique sequence number of GFC tracking tags that are assigned to all FSOs. These GFC tracking tags are used to identify and verify the origin of the timber product and to control the level of harvesting in State Forests Areas. Tagging must be done as follows. Half of the tag is affixed to the stump at the time of felling and the other half bearing the same sequence of numbers as recorded on the stump tag is affixed to the timber product (logs, lumber, piles, poles and posts) being transported from State Forests Areas, State lands in Conversion, private lands and Amerindian Villages. The unique number on tags assigned, indicates who the FSO is and the geographic origin of the timber products.

[17] Pre-harvest inventory obligation may be waived by the GFC for FSOs of large concessions in which 25 % or more of a block (100 ha) is impacted by active mining.

Large concessions: FSOs of large concessions must comply with the harvesting requirements of the Code of Practice No.1 of 2018, Guidelines for Forest Operations (Large Concession) and the tracking requirements of the WTS guidelines. FSOs of large concessions are issued tags for the trees to be harvested in GFC-approved blocks for the operational year. An FSO's annual quota (timber product volume) is calculated by the GFC based on the chosen cutting cycle and the results of the pre-harvest inventory. The quota is used to determine the number of tags to be issued.

Small concessions: FSOs of small concessions must comply with the harvesting requirements of the Code of Practice No.1 of 2018, Guidelines for Forest Operations (Small Concession) and the tracking requirements of the WTS guidelines. FSOs of small concessions are issued tracking tags after the GFC approves the commercial harvesting. An FSO's approved quota (timber product volume) is calculated by the GFC for the concession area. The quota is used to determine the number of tags to be issued.

State Lands in conversion: FSOs of State Lands in conversion must comply with the tracking requirements of the WTS guidelines. Tags are issued to the FSOs of State Lands in conversion for those trees identified for commercial purposes during the pre-harvest inspection by the FRMD.

Amerindian Villages and private lands: FSOs of Amerindian Villages and private lands must comply with the tracking requirements of the WTS guidelines. FSOs of Amerindian Villages and private lands are issued with tags upon request since there are no pre-harvest inventory nor fixed quota.

Harvesting rules	**FSO categories**			
	Large concessions	**Small concessions**	**State Lands in conversion**	**Amerindian Villages and private lands**

1.	Obligation to harvest only authorised trees from the approved pre-harvest inventory and the related stock map (see section 3.3.1 above), in compliance with the Annual Operation Plan[18]	X			
2.	Prohibition to harvest any tree outside the boundaries of the approved area	X	X	X	X
3.	Obligation to harvest only those trees for commercial purposes that were approved in the FRMD pre-harvest inspection report.			X	
4.	Obligation to harvest trees based on the sustainable yield[19]	X	X		
5.	Obligation to affix GFC tracking tags to harvested logs	X	X	X	X
6.	Obligation to affix GFC tracking tags to related stumps	X	X	X	X
7.	Obligation to fill in a Removal Permit or Private Property Removal Declaration with all due information (see appendix 1 below) and to declare to the GFC at the forest station	X	X	X	X
8.	Obligation to follow felling restrictions (including: minimum felling diameter, maximum felling height)	X	X		
9.	Prohibition to harvest protected species without GFC permission	X	X		
10.	Obligation to follow stipulations related to road and trails construction	X	X		
11.	Obligation to follow stipulation related to controlled and directional felling	X	X		

[18] FSOs will be allowed by the GFC to harvest non-inventoried trees (with the required felling diameter) up to a maximum of 10% of the annual operation plan of each GFC-approved Block. Consequently, the FSO must complete a revised stock map, clearly indicating the non-inventoried trees, and submit it to the GFC.
[19] Annual Allowable Cut/Maximum Allowable Cut for Large Concessions or Approved Quota for Small Concessions.

3.3.3 Post-harvest

Large concessions: FSOs of large concessions must comply with the post-harvest requirements of the Code of Practice No.1 of 2018, Guidelines for Forest Operations (Large Concession) and the tracking requirements of the WTS guidelines.

Small concessions: FSOs of small concessions must comply with the post-harvest requirements of the Code of Practice No.1 of 2018, Guidelines for Forest Operations (Small Concession) and the tracking requirements of the WTS guidelines.

State Lands in conversion, Amerindian Villages and private lands: FSOs of State Lands in conversion, Amerindian Villages and private lands must comply with the tracking requirements of the WTS guidelines.

Post-Harvest rules		**FSO categories**			
		Large concessions	**Small concessions**	**State Lands in conversion**	**Amerindian Villages and private lands**
1.	Obligation to pay management fees, charges, levies	X	X	X	
2.	Obligation to close harvested blocks	X			
3.	Obligation to return unused tags	X	X	X	X
4.	Obligations to comply with environmental requirements	X	X		

3.3.4 Transportation

Large concessions: FSOs of large concessions must comply with the transport requirements of the Code of Practice No.1 of 2018, Guidelines for Forest Operations (Large Concession) and the tracking requirements of the WTS guidelines.

Small concessions: FSOs of small concessions must comply with the transport requirements of the Code of Practice No.1 of 2018, Guidelines for Forest Operations (Small Concession) and the tracking requirements of the WTS guidelines.

State Lands in conversion, Amerindian Villages and private lands, and processing and sale: FSOs of these operations must comply with the tracking requirements of the WTS guidelines.

FSOs must fill in documentation specifying timber products at or leaving each site. These documents are used to control timber origin during transportation. The table below specifies which document would be required according to the departure point of the timber products: for timber products coming from forest areas; for intermediary transport; for seized timber; and for timber to be exported.

1. Timber products coming from forest areas:

For timber products coming from State Forests Areas, there are four different documents used to control transport:

i. A Removal Permit[20] is used to transport timber products from State Forests Areas. The Removal Permit is the legal document that the GFC uses to collect data on the timber products that have been verified and branded by the GFC. Such timber products, accompanied with the Removal Permit, can then go through the first point of declaration to the GFC or to the final destination.

ii. A Trip Sheet is used in connection with the Removal Permit and is intended for use before the Removal Permit expires. Usually one or many Trip Sheets would be issued to accompany one Removal Permit. Trip sheets are used before the total volume of timber products are declared on the Removal Permit at the forest station. Trip sheets are used to transport a 'sub-set' of timber products from the forest to a central location so as to enable the declaration of the total volume on a Removal Permit. Thereafter, further transport of the timber products use the Removal Permit to the final destination.

iii. A Transhipment Permit is used to transport timber products from State forests for which the Removal Permit has been surrendered to the GFC. Such timber products, accompanied by the Transhipment Permit, can then go through the point at which the Removal Permit was surrendered to a final destination thereafter.

iv. A Bill of Sale[21] is used to transport timber products (for which the Removal Permit has been surrendered to the GFC) sold from State Forests Areas.

[20] Production Register is used as an accompanying document attached to the Removal Permit or Private Property Removal Declaration to register additional production information on timber products declared on either of these documents.

[21] The *Bill of Sale* is issued by the FSO to the buyer and contains the following information: species, supplier, destination, official stamp (in case of sawmill/lumber yard) and quantity (volume or length).

For timber products coming from private lands and Amerindian Villages, the FSO shall use a Private Property Removal Declaration[20] to transport timber products. Such timber products, accompanied with the Private Property Removal Declaration, can then go through the first point of declaration to the GFC or to their final destination. A Bill of Sale is also used to transport timber products (for which the Private Property Removal Declaration has been surrendered to the GFC) sold from private lands and Amerindian Villages.

2. For intermediary transport along the supply chain, when timber products are not departing a forest area and not arriving at the point of export, a Bill of Sale is used.

3. For seized timber products, the following documents are used to control transport:
   a. Custody Form or Seizure Form are used to transport timber products when the timber products are suspected to be in breach of the Forests Act 2009. They are both issued by the GFC during verification.
      i. The Custody Form is issued when the timber product remains in the custody of the FSO or the accused. The Form facilitates the transport of the timber product to a GFC-approved location.
      ii. The Seizure Form is issued when the timber product is secured by the GFC.

   b. The Clearance Pass is issued by the GFC to cover onward transport of timber products, which are allowed to re-enter the supply chain after the matter regarding the seized timber product has been dealt with by the courts, and or any necessary compensation has been paid or outstanding payments have been accounted for in the GFC's financial system or after the seized timber has been sold by auction.

4. A Timber Marketing Certificate (see section 3.3.7 on how to apply for and obtain a Timber Marketing Certificate) is issued by the GFC for timber products intended for export only, regardless of the origin of the timber. A Timber Marketing Certificate is used to transport timber

product from the point of GFC inspection to the point of export if the quantity of timber products to be exported is of one container. If the timber products are in excess of one container, then the Transhipment Permit or Bill of Sale is used to transport the timber product from the point of GFC inspection to the point of export, accompanied by a copy of the approved Timber Marketing Certificate. All timber being transported for export must be verified by the GFC before departure.

Transportation rules		**FSO categories**				
		Large concessions	**Small concessions**	**State Lands in conversion**	**Amerindian Villages and private lands**	**Processing and sale**
1.	Obligation to register all timber products coming from State Forests Areas on a Removal Permit before transport and declare this document to the GFC forest station during transit or upon request during GFC field verification.	X	X	X		
2.	Obligation to register any 'sub-set' of timber product coming from State Forests Areas on a Trip Sheet so as to enable declaration on a Removal Permit.	X	X	X		
3.	Obligation to register all timber products coming from State Forests Areas or private forests areas on a Bill of Sale[22] before transport and declare this document to the GFC forest station during transit or upon request during GFC field verification.	X	X	X	X	

[22] Use of *Bill of Sale*: this is only in use if timber product (for which royalty has been paid and the *Removal Permit* surrendered to the GFC) has been sold at the level of the State Forest Area or private forest areas.

4.	Obligation to register all timber products coming from private forests areas on a Private property removal declaration before transport and declare this document to the GFC forest station during transit or upon request during GFC field verification.				X	
5.	Obligation to register all timber products transported intermediarily[23] along the supply chain on a Bill of Sale and present this document upon request during GFC field verification.					X
6.	Obligation to use a Custody Form or Seizure Form to transport seized timber products and declare this document to the GFC forest station during transit or upon request during GFC field verification.	X	X	X	X	X
7.	Obligation to use Clearance Pass for onwards transport of timber products that have been cleared by GFC to re-enter the supply chain[24] and declare this document to the GFC forest station during transit or upon request during GFC field verification.	X	X	X	X	X
8.	Obligations to complete all relevant sections in the transport documents	X	X	X	X	X
9.	Obligation to use a Timber Marketing Certificate for timber products intended for export only from	X	X	X	X	X

[23] Intermediary: refers to the transport of timber products along the supply chain when the timber products do not depart a forest area and do not arrive at the point of export.
[24] Once the non-compliance issue regarding the seized timber product is resolved, a *Clearance Pass* is issued by the GFC. When timber products are sold at an auction and release for re-entry into the supply chain, a *Clearance Pass* is issued by the GFC.

	the point of GFC grading inspection to the point of export.					
10.	Obligation to use a Transhipment Permit for all timber products coming from State Forest Areas and the Removal Permit surrendered to the GFC.	X	X	X		

3.3.5 Processing of timber products

Primary processing is the initial conversion of round woods into different timber products. Primary conversion can be carried out at a static sawmill, portable sawmill or chainsaw operation. Secondary processing is the further conversion of primary processed timber products into other timber products. A secondary processing facility can be either a sawmill or a lumberyard that only uses primary processed timber products for further processing into value-added timber products. In this operation, round wound is not utilised as the input resource.

Sawmill or lumberyard: FSOs of sawmill or lumberyard must comply with the tracking requirements of the WTS guidelines.

Processing rules		**FSO categories**	
		Sawmills	**Lumberyards**
1.	Obligation to be licenced annually to operate the sawmill or lumberyard	X	X
2.	Obligation to specify the relevant information about all timber products entering the sawmill or lumberyard on a Sawmill/Lumberyard record of produce received/purchased/supply register	X	X
3.	Obligation to specify the relevant information on all processed timber products on a Return of lumber sawn and lumber produce Form or Return of log sawn and log produce Form	X	

4.	Obligation to specify the relevant information on all processed timber products on a Monthly lumber yard return.		X
5.	Obligation to submit all of the above documents on a monthly basis to the GFC forest station or upon request during GFC field verification.	X	X

3.3.6 Domestic sales of timber products

Domestic sale of timber products is done at a lumber yard, sawmill or at the concession. Additionally, a natural person or body corporate that does not operate a sawmill or lumberyard may be licensed to buy and sell timber products only.

ALL FSOs must comply with the tracking requirements of the WTS guidelines.

Domestic Sales of timber products rules		**FSO categories**				
		Large concessions	**Small concessions**	**State Lands in conversion**	**Amerindian Villages and private lands**	**Processing and sale**[25]
1.	Obligation to be licenced to sell timber products locally[26].					X
2.	Obligation to specify the relevant information on all sale	X	X	X	X	X

[25] Refers to Sawmills, Lumberyards or a natural person, body corporate or entity that does not operate a sawmill or lumberyard but is only licensed to buy and sell timber products.

[26] FSOs of large concessions, small concessions, State Lands in Conversion, Amerindian Villages and Private lands are already registered with the GFC to either conduct or allow commercial forestry operation(s).

	of timber products recorded on a Wood product sales Form					
3.	Obligation to submit the Wood product sales Form on a monthly basis to the GFC forest station or upon request during GFC field verification.	X	X	X	X	X
4.	Obligation to issue a Bill of Sale to a buyer and record its invoice number in the Wood product sales Form.	X	X	X	X	X

3.3.7 Export of timber products

Currently, as per the Forests Act 2009, any export of timber products shall be accompanied by an *Export Certificate* issued by the GFC to the exporter.

Additionally, no Export Certificate may be issued for any timber product if the product has been taken, removed, transported or otherwise dealt with in breach of the Forests Act 2009.

The FSO must first submit the following documents to the GFC for prior approval to ensure FSOs export legally verified timber products:

- Application for Timber Marketing Certificate Form

- Application for Export Certificate Form
- Application for Export of forestry produce Form
- Customs Declaration Form C72
- Commercial Invoice
- CITES Permit (if applicable)
- CARICOM Certificate of Origin (required for export to countries of the Caribbean Community (CARICOM) only)
- Certificate of Origin (for non-CARICOM countries)

Once the FSO is deemed compliant and the above documents are approved, a FLEGT licence and Export Certificate are issued to the FSO and the above documents are returned to the FSO. The FSO then submits the FLEGT licence and Export Certificate for the European Union market, or Export Certificate only for non-European Union markets, along with the other documents mentioned above, to the CETO.

Rules for Export of timber products		**All FSOs**
1.	Obligation to be licenced to export timber products.	X
2.	Obligation to register all timber products designated for export on the relevant export documents[27] before export and declare these documents to the GFC headquarters for approval.	X
3.	Obligation to complete all relevant sections in the above export documents.	X
4.	Obligation to declare the GFC-approved export documents and Export Certificate to the CETO.	X

[27] Includes Application for export of forestry produce Form, Application for timber marketing certificate Form, Application for Export certificate Form and Customs declaration Form C72.

5.	Prohibition to export timber products not declared on an Export Certificate.	X
6.	Obligation to submit CITES permit (if applicable) and *CARICOM Certificate of Origin* (if applicable) and Commercial Invoice when declaring export documents to the GFC headquarters.	X
7.	Obligation to pay export levy	X

3.3.8 Import of timber product

As per the Forests Act 2009, any FSO that imports timber product has to hold an Import Licence. In addition, the Forests Act 2009 stipulates that no person shall import or convey within Guyana any timber product that has been unlawfully obtained in, or unlawfully imported from, any country.

According to the Forests Act 2009, it is the responsibility of the importer to prove that imported timber products have been obtained legally and exported legally from their country of origin.

Guyana shall issue legislation requiring importers to conduct due diligence and shall develop specific implementation guidelines regarding the additional documentation requirements for import to implement the Agreement.

Guyana will recognise the legality of imported timber products if they are accompanied by:

1. A valid FLEGT licence covering the entire shipment from an exporting country that has concluded a VPA with the Union and has an operational FLEGT licensing scheme in place; or

2. A valid CITES permit covering the entire shipment; or

3. A self-declaration demonstrating due diligence by establishing a due diligence assessment report according to the following:
   - Information on the legal origin in the country of harvest of the timber products to be imported.
   - Information on the assessed risk of illegality of the timber products to be imported.
   - Procedure to mitigate and/or manage any risk of illegality identified.

Rules for importing timber products		**All FSOs**
1.	Obligation to be licensed to import timber products.	X
2.	Prohibition to import timber products not declared on an import permit.	X
3.	Obligation to register all timber products designated for import on the Application for import and declare this document to the National Plant Protection Organisation (NPPO) for approval prior to import.	X
4.	Obligation to complete all relevant sections in application for import.	X
5.	Obligation to submit a *FLEGT licence* or *CITES Permit* or *Due Diligence Assessment report* (where applicable) with the application for import.	X

3.3.9 Timber products in-transit

Timber products in transit are products transported in Guyana with an origin and a destination outside the customs borders of Guyana. Timber products in transit shall not be allowed to enter Guyana's supply chain. As a result, they shall not be sold on the domestic market, or issued Export Certificates or FLEGT licences.

The CETO has procedures in place to manage and control goods in transit, which will also be used to manage and control timber products in transit.

Timber products in transit must be approved by the CETO. They are under the supervision of Guyana's Customs at all times from the point of entry to the point of exit, where the timber products are transferred to the receiving country through the exchange of official customs documents.

3.3.10 Seized and abandoned timber products

Seized timber products

Timber products found to have been harvested in contravention of the Forests Act 2009 are seized and removed from the supply chain. In certain cases described below, following procedures for managing seized timber, such timber can re-enter Guyana's supply chain and therefore become eligible for FLEGT licensing.

When the GFC suspects that an FSO is in breach of the Forests Act 2009, the GFC has the power to seize the timber products under suspicion and conduct an investigation to determine whether a breach has been committed. If the GFC finds that the FSO is in breach, but that it is a first offence and that the offence concerned is minor or trivial, the GFC may agree to compound the offence. Otherwise, the FSO will be subject to judicial proceedings.

Timber products found to have been illegally harvested by a non-FSO for commercial purposes are seized and used in Government-approved projects.
The procedures for finding breaches and managing seized timber are described below.

1. Finding of seized timber: When the FMD has reasonable doubt about the legality of a timber product, GFC seizes it by either taking possession of it or by issuing a custody form ordering the FSO to maintain possession of the timber product and prohibiting them from transporting it unless authorised by the GFC. The Seizure Form is issued to the FSO or non-FSO when the seized timber product is secured by the GFC.

The FMD then conducts an investigation to confirm whether a breach has been committed. If it is found that a breach was committed by a non-FSO, the seized timber products can only be used by the Government in Government-approved projects[28].

For breaches or suspicion of breach of the Amerindian Act (within the boundaries of Amerindian villages), the VC and / or GFC (when invited by the VC)[29] conducts the investigation, and the VC may summon the FSO or non-FSO to appear before them.

In all cases of non-compliance, by FSOs or non-FSOs, the FMD prepares a Seizure and Detention Report. This Report, together with a copy of either of the Forms mentioned above, is forwarded to the GFC headquarters for a final decision on the findings and recommendations. The Report is then forwarded to the MISU to be archived in the non-compliance section of the CID.

2. **Penalty**: For a first offence that is trivial or minor, the FSO and GFC can agree to compound the offence. All other offences are subject to Sections 68, 69, and 70 of the Forests Act and penalties listed in Schedule 1 of the Forests Act.

3. Re-entry into the supply chain: A designation as seized timber may be voided and timber products returned to the supply chain when:

- any necessary compensation has been paid and outstanding payments have been accounted for in the GFC financial system and subsequent approval has been granted by the GFC;
- court proceedings have concluded, finding no basis for the suspicion; or
- GFC auctions have concluded.

[28] In the case when there are no current government-projects at the time of the seizure of the timber, these timber products will be stored in a GFC-approved secured location for later use.

[29] The VC can choose to accept compensation or let it be subjected to judicial proceedings. Under either scenario, the FMD will collect a copy of the report from the VC.

In the above cases, a Clearance Pass is issued for all seized timber products that are allowed to re-enter the supply chain and to cover onward transport of the timber products.

4. Documentation of the resolution of the case: Following the issuance of the Clearance Pass, the final decision of the sanction and the approval granted on the clearance of the timber products are forwarded to the MISU. The MISU then updates the non-compliance section of the CID and archives the documents in the FSO's electronic data-file in the CID if the offender is an FSO. In the implementation phase of the GTLAS, this non-compliance section of the CID will be enhanced.

5. Future development of applicable requirements of seized timber products During the implementation phase of the GTLAS, any gaps in the process described in this section will be addressed, including: procedures for the re-entry of timber products into the supply chain for which offences have been committed and compounded, the status and restrictions on timber that is suspected of being illegal before a breach is found; the standards and procedure for setting the market value of the timber products subject to compensation; procedures when compensation is not paid as required; the process and record for paying compensation; the process, standards and documentation for approval of satisfaction of penalties and issuance of a Clearance Pass; fate of the timber products when the FSO is found guilty through a court proceeding; the requirements and procedures for auction of seized timber products; and who within the GFC is responsible for each of these steps and what their mandates and responsibilities are in the auction process.

Any individual who is not an FSO, but the GFC suspects to be in breach of the Forests Act 2009, will also be subjected to the rules for seized timber products.

Rules for Seized timber products		**All FSOs**
1.	Obligation to transport seized timber product (to a location specified by the GFC) with either a Custody Form or Seizure Form, and declare this document to the GFC forest station during transit or upon request during GFC field verification.	X
2.	Prohibition to use seized timber products that have not been cleared for re-entry into the supply chain through a Clearance Pass.	X

Abandoned timber products

The Forests Act 2009 provides that abandoned timber products whose legal ownership cannot be traced and/or established will not enter the supply chain but will be considered State property and used in Government-approved projects. The GFC will prepare reports on the findings of abandoned timber products and how they were used, and electronic copies of these reports will be archived by the MISU in the CID and made public. The definition of abandoned timber, the steps to ensure it is segregated from the supply chain, and the requirements to report on findings of abandoned timber on a regular basis will be outlined in procedures developed during the implementation phase of the VPA.

3.4 Verification of compliance with the allocation process, the Legality Definition and the supply chain control requirements.

3.4.1 General Principles for verification

This section describes how the verification of compliance with the allocation process, the Legality Definition and the WTS requirements is carried out. It is based on Guyana's existing legislation and Manuals of Procedures.

Based on gaps identified during the development of the GTLAS, the FMD Manual of Procedures, the Finance Division Manual of Procedures and the FRMD Manual of Procedures will be updated before the FLEGT licensing scheme is operational.

During the implementation phase of the GTLAS, the methodology for routine functions and inspections, consolidated verification, and the management of non-compliance by the Ministries and Government Agencies in conducting GTLAS verification will be further developed and compiled in a GTLAS Manual of Procedures for verification. This Manual will be developed under the supervision of the GFC in coordination with all the other Ministries and Government Agencies involved in the GTLAS. The JMRC will also have the opportunity to review and comment on this Manual before the GTLAS is operational.

The GTLAS Manual of Procedures will define a verification methodology to assess risks of non-compliance by FSOs with the indicators and the supply-chain controls based on the following:

- The roles and responsibilities of the Ministries and Government Agencies: under the framework of section 2.5 above, it will further describe who does what in the verification of each indicator and the supply-chain controls.
- How frequency and intensity for verification will be set in relation to the assessed risk.
- Risk factors, such as FSO types, timber products types, species, geographic region.
- The type of verification: physical or desk-based, programmed or impromptu
- The protocols for archiving verifiers and information on compliance for both electronic and hard copies.

This will ensure that verification is performed in a credible, cost-effective and efficient manner.

The verification of legal compliance with the allocation process, the Legality Definition and the supply chain requirements aims to ensure that:

- State forests are allocated following the procedures described in section 3.1
- Harvesting on Amerindian Villages and Private lands follows the procedures described in section 3.1.2
- Forest operations in Guyana are legal
- FSOs meet their obligations under the Legality Definition and supply chain controls
- Cases of non-compliance are identified, recorded and resolved

3.4.2 Verification of compliance with the forest allocation process

The verification of compliance with the forest allocation process checks the level of compliance with the requirements for allocating forest concessions agreements as set out in the Forests Act 2009 and the allocation procedure section under the FRMD Manual of Procedures.

Once the applications are complete, including the payment of the required fees, the applications are first reviewed by the GFC's FMD and the FRMD for completeness, and then by the GFC's Forest Resource Allocation Committee. The GFC's Internal Audit Unit verifies that the GFC allocation process has complied with established procedures for allocation FCA, including that the applications were compliant with the appropriate guidelines for the Forest Resource Allocation Committee review of applications. The Commissioner of Forests then submits a

report on the entire process outlined above to the technical sub-committee of the GFC Board of Directors, which reviews and evaluates the applications. Based on the above review and evaluation, the technical sub-committee of the Board submits a report to the GFC Board of Directors, which makes the final decision on the award. To ensure transparency, the type of information to be made public regarding the results of allocation process will be defined during the implementation phase.

Once there is a final decision on the award, original contracts are prepared and issued by the GFC, and the required information is entered into the CID.

The procedure for FCA allocation (establishment of the vacancy list, the application process, the GFC review and evaluation process and the GFC Board review and evaluation and award process), including lodging of related pieces of evidence and compliance assessment in the CID, will be described in the FRMD Manual of Procedures.

3.4.3 Verification of compliance with the Legality Definition

The verification of compliance with the Legality Definition will apply to all FSOs of Guyana. Verification of FSOs' compliance relies on the work of the GFC and all other Ministries and Government Agencies involved in implementing the GTLAS. Verifiers listed in the Legality Definition are used to verify legal compliance with the corresponding indicators. Ministries and Government Agencies will carry out the following checks on FSOs:

- **Responsibilities of Ministries and Government Agencies**

Ministries and Government Agencies involved in the GTLAS will carry out desk- and field-based functions in accordance with their mandate. In the context of the GTLAS, the Ministries and Government Agencies will have three types of responsibilities:

- Routine functions

  Ministries and Government Agencies will be required to follow their internal procedures and internal checks, which lead to the issuance of verifiers. In these cases, the FSO complies with the indicators when it has the required valid verifier.

- Routine inspections

  Routine inspections are the regular inspections of FSO operations carried out by the Ministries and Government Agencies as part of their mandate. They lead to the issuance of inspection reports that are also verifiers of the Legality Definition. In these cases, the indicators outline the requirements that the FSO has to comply with. Compliance is assessed through the inspection and the inspection report mentions the result of the assessment.

- Random announced or unannounced inspections

  Ministries and Government Agencies will also conduct random announced or unannounced verifications of compliance with indicators based on documentary and physical checks, to ensure FSOs are continuously meeting their legal obligations under the GTLAS.

The Ministries and Government Agencies responsible for the assessment of compliance with the indicator will inform the MISU about the result of the compliance assessment, stating clearly whether or not the FSO has complied with the indicators under their responsibility.

The MISU will update the FSO's electronic data-file in the CID based on reports generated from the verification activities specified in Section 3.4 and reports submitted by other Ministries and Government Agencies during consolidated verification.
Specific procedures for the verification of compliance with each indicator within the Legality Definition will be further developed in a GLTAS Manual of Procedures for verification during the implementation phase of the GTLAS. These verification procedures will ensure the robustness of the verification of compliance with the indicators as part of the GTLAS.

These procedures will outline how the functions and inspections, both routine and random, are to be carried out and how these lead to the creation of a verifier and to the assessment of compliance. Static and dynamic verifiers will be considered differently:

- Static verifiers will be verified for a specified period that will be defined in the implementation phase of the GTLAS

- Dynamic verifiers are used to verify the legal compliance of timber source and WTS requirements at each stage of the supply chain

3.4.4 Verification of WTS requirements

The WTS is a mandatory national system used by the GFC to assess and verify FSOs' compliance with the WTS requirements and their timber products throughout the supply chain, from harvesting to transport, to processing and domestic sale. The WTS covers all sources of timber products flows in Guyana, including imports, and allows the GFC to collect accurate statistics on these flows, including those related to timber production, processing and trade. The WTS enables the GFC to verify that the FSO has complied with supply chain control requirements set out in the WTS Guidelines, and allows for the management of cases of non-compliance. Section 3.3 sets the rules of the WTS that FSOs are required to comply with, and Sections 3.4.4.1 to 3.4.4.8 describe the related verification by the Ministries and Government Agencies. The WTS enables the GFC to perform systematic and random field-based and desk-based verifications of FSOs' activities and operations for the different control points of the WTS. During field-based verifications, the FMD routinely inspects timber products to assess and validate the FSOs' compliance based on information submitted to the GFC by the FSOs at each critical control points of the supply chain.

Appendix 1 below further describes data declared and verified. During desk-based verifications carried out at the GFC headquarters, the FMD conducts regular reconciliation by analysing data and information declared by the FSOs and that collected by the GFC during field-based verifications for the different critical control points along the supply chain. For each control point, these analyses are further described in Sections 3.4.4.1 to 3.4.4.8 and Appendix 1. When the WTS requirement relates to the submission of a document, the verification of compliance with this requirement will entail an assessment of the accuracy and completeness of the information contained in the said document.

Cases of non-compliance identified during field inspection and verification and desk data verification are dealt with following the administrative process as per Section 3.5 on non-compliance management.

All reports submitted by the FMD staff and information submitted by FSOs are sent to the MISU for archiving in the FSOs' electronic data-files in the CID. An annual summary of the verification reports will be made publicly available.

The MISU receives, enters and archives relevant data and information related to supply chain controls submitted by other Ministries and Government Agencies in the CID (See section 3.4.3).

The procedures for conducting data analysis, reconciliation and validation will be updated in the FMD Manual of Procedures during the implementation phase of the GTLAS. This Manual of Procedures will indicate where, by whom and how this data will be verified through validation and reconciliation[30]. The GFC has developed a table (Appendix 1) covering the critical control points within the supply chain and the documents and/or evidence establishing legality for the following steps:

- Pre-harvest inventory
- Harvesting
- Post-harvest
- Transportation of timber products
- Processing of timber products
- Sale of timber products on the domestic market
- Export of timber products
- Seizure of timber products
- Timber products in transit
- Import of timber products

Overall, the WTS increases the transparency and credibility of Guyana's forest sector, thereby contributing to improving its image on the national and international markets.

[30] Validation: the government verifies the information declared by the FSO to ensure accuracy of declaration
Reconciliation: the government compares information in between two steps to verify traceability.

3.4.4.1 Verification of compliance of legal status, prior to conducting forest operations

The FRMD verifies that the FSO has the required documents to prove that the FSO is legally established to operate in Guyana as specified in the Legality Definition. The FRMD approves the FSO's right to harvest prior to harvesting, based on both desk-based assessments at GFC headquarters and inspections in the field. The FRMD submits this data and information to the MISU for archiving in the FSO's electronic data-file.

3.4.4.2 Verification of compliance of pre-harvest inventory

- **Large concessions**

FMD verifies compliance with pre-harvesting requirements outlined in section 3.3.1 through several levels of field and data verification.

A. <u>Field inspections</u>

A.1 Monitoring of pre-harvesting activities

FRMD field staff assesses the FSO's compliance with rules 1, 2 and 3 listed in section 3.3.1 through routine field inspection and fills in a GFC Verification Report listing all possible cases of non-compliance.

FRMD staff submits the GFC Verification Report to FRMD headquarters for further verification through data comparison.

B. <u>Desk verification</u>

B.1 Validation of forest management documents

FRMD headquarters assess the FSO's compliance with rules 2, 4 and 5 listed in section 3.3.1 through the desk review of the FSO's Forest Management Plan and Annual Operation plan, and fills in a Desk Review Report listing all cases of non-compliance.

B.2 Verification of declared inventory information:

FRMD headquarters compares data from the FSO's Pre-harvest inventory Report with that from the GFC Verification Report to validate compliance with rules 1, 2 and 3 listed in section 3.3.1.

Based on verifications above, FRMD headquarters provides the GFC Verification Report and Desk review Report, which include information on compliance, to the MISU for archiving in the FSO's electronic data-file.

The FRMD informs the FMD on the compliance of the FSO, which is required to commence harvesting.

Upon approval of the pre-harvest inventory, the FMD issues GFC tracking tags to the FSO for the trees to be harvested in GFC-approved blocks for the operational year. The GFC calculates the FSO's annual quota (timber product volume) based on the chosen cutting cycle and the results of the pre-harvest inventory. The quota is used to determine the number of tags to be issued.

- **Small concessions**

The GFC does not conduct pre-harvest inspection since FSOs of small concessions are not required to conduct pre-harvest activities.

The FMD calculates and approves the FSO's quota (timber product volume) for the concession area. The quota is used to determine the number of tags to be issued.

The FMD approves the commercial harvesting and issues the related GFC tracking tags to the FSO.

- **State Lands in conversion**

Even though FSOs of State Lands in conversion are not required to conduct pre-harvest activities, the FRMD conducts a pre-harvest inspection to establish the location and species of trees designated for commercial harvesting. FRMD staff submits a Pre-harvest inspection Report to FMD headquarters for uploading in the CID and for further verification through data comparison during harvesting verifications.

The FMD issues GFC tracking tags to the FSOs for those trees identified for commercial purposes during the pre-harvest inspection by the FRMD.

- **Amerindian Villages and private lands**

The GFC does not conduct pre-harvest inspections since FSOs on Amerindian Villages and private lands are not required to conduct pre-harvest activities. The FMD issues GFC tracking tags to the FSOs upon request.

3.4.4.3 Verification of compliance from harvesting and post-harvesting

- **Large concessions**

The FMD assesses and verifies compliance with harvesting requirements outlined in section 3.3.2 through several levels of field and data verification.

A. <u>Field inspections and verifications:</u>

A.1 Monitoring of harvesting activities

FMD field staff assesses FSO's compliance with rules 1, 2, 5, 6, 8, 9, 10 and 11 listed in section 3.3.2 through routine field inspections and fills in an Inspection Report listing all possible cases of non-compliance.

A.2 Log scaling inspections

FMD field staff scales harvested logs through routine field inspection and fills in a log scaling inspection report listing all possible cases of non-compliance with rules 5, 8 and 9 listed in section 3.3.2.

A.3 Post-harvest inspections

FMD field staff inspects stumps location and data and fills in a Field data sheet form listing all possible cases of non-compliance with rules 1, 2, 6, 7, 8, 9, 10 and 11 listed in section 3.3.2 and rules 2 and 4 listed in section 3.3.3.

A.4 Field Verification of harvested log declared information

FMD field staff inspects timber products to assess compliance with rules 5, 7, 8 and 9 listed in section 3.3.2 and validate data from the Removal Permit. FMD field staff fills in a Daily monitoring Report listing all possible cases of non-compliance.

During field inspections and verifications, FMD field staff affixes a detention mark (using a hammer) on the non-compliant timber and an approval mark for compliant timber. After FMD field inspection, timber that is marked as compliant is validated for transport along the supply chain where further field inspections and verifications will be conducted as per sections 3.4.4.4 to 3.4.4.7.

FMD field staff submits all the reports and form mentioned above in section 3.4.4.3 to the FMD headquarters for further verification through data comparison.

B. <u>Data verification:</u>

Verification of timber origin and harvesting restrictions is carried out through reconciliation between stump and log information:

- FMD headquarters compares data from the Removal Permit with that from the Inspection, the log scaling inspection and the daily monitoring Reports and Field data

sheet form to verify timber origin and compliance to rules 1, 2, 4, 5, 6, 7, 8 and 9 listed in section 3.3.2.

- FMD headquarters compares data from FSO pre-harvest inventory report with that from the Inspection, the log scaling inspection and daily monitoring Reports to verify compliance with rules 1, 2 and 7 listed in section 3.3.2.

- GFC headquarters verifies compliance with fiscal and tag use obligation:

  - GFC Finance Division compares data from the Forest Concession Agreement and / or Removal Permit with that from the receipts and payment schedules to verify that the FSO complies with rule 1 of section 3.3.3

  - GFC Internal Audit Unit compares data from the FMD Tag Issuance Register and Removal Permit with that from the FMD Tags Returned Register and Production Register to verify that FSO complies with rule 3 of section 3.3.3.

Based on verifications above, FMD headquarters fills in a desk review report, and sends it together with the reports mentioned above in section 3.4.4.3 to the MISU for archiving into the FSO's electronic data-file.

– **Small concessions**

FMD assesses and verifies compliance with harvesting requirements outlined in section 3.3.2 through several levels of field and data verification.

A. <u>Field inspections and verifications:</u>

A.1 Monitoring of harvesting activities

FMD field staff assesses FSO's compliance with rules 2, 5, 6, 8, 9, 10 and 11 listed in section 3.3.2 through routine field inspections and fills in an Inspection Report listing all possible cases of non-compliance.

A.2 Field Verification of harvested log declared information

FMD field staff inspects timber products to assess compliance with rules 5, 7, 8 and 9 listed in section 3.3.2 and validates data from the Removal Permit. FMD field staff fills in a Daily monitoring Report listing all possible cases of non-compliance.

A.2 Post-harvest inspections

FMD field staff inspects stumps location and data and fills in a Field data sheet form listing all possible cases of non-compliance with rules 2, 6, 7, 8, 9, 10 and 11 listed in section 3.3.2 and rule 4 listed in section 3.3.3.

FMD field staff submits all the reports and form mentioned above in section 3.4.4.3 to the FMD headquarters for further verification through data comparison.

B. <u>Data verification:</u>

B.1 Verification of timber origin and harvesting restrictions through reconciliation between stump and log information:

FMD headquarters compares data from the Removal Permit with that from the Inspection and Daily Monitoring Reports and the Field data sheet form to verify timber origin and compliance to rules 2, 4, 5, 6, 7, 8 and 9 listed in section 3.3.2.

B.2 GFC headquarters verifies compliance with fiscal and tag use obligations:

- GFC Finance Division compares data from the Forest Concession Agreement and / or Removal Permit with that from the receipts and payment schedules to verify that the FSO complies with rule 1 of section 3.3.3

- GFC Internal Audit Unit compares data contained in the FMD Tag Issuance Register and Removal Permit with that in the FMD Tags Returned Register to verify that FSO complies with rule 3 of section 3.3.3.

Based on verifications above, FMD headquarters fills in a desk review report and sends it, together with all the reports and form mentioned above in section 3.4.4.3 to the MISU for archiving into the FSO's electronic data-file.

– **State Lands in conversion**

FMD assesses and verifies compliance with harvesting requirements outlined in section 3.3.2 through data verification.

Data verification:

Verification of timber origin and accuracy of declared information through reconciliation between stump and log information:

FMD headquarters compares data from the Removal Permit with that from the pre-harvest inspection report to assess and verify timber origin and compliance with rules 2, 3, 5, 6 and 7 listed in section 3.3.2.

GFC headquarters verifies compliance with fiscal and tag use obligations:

- GFC Finance Division compares data from the or lease or mining permit or licence or hydro licence and / or Removal Permit with that from the receipts and / or payment schedules to verify that the FSO complies with rule 1 of section 3.3.3

- GFC Internal Audit Unit compares data contained in the FMD Tag Issuance Register and Removal Permit with that in the FMD Tags Returned Register to verify that FSO complies with rule 3 of section 3.3.3.

Based on the above verifications, FMD headquarters fills in a desk review report, which includes information on compliance, and sends it to the MISU for archiving into the FSO's electronic data-file.

- **Amerindian Villages and private lands**

The FMD assesses and verifies compliance with harvesting requirements outlined in section 3.3.2 through several levels of field and data verification.

A. <u>Field inspections:</u>

A.1 Monitoring of harvesting activities

FMD field staff assesses FSO's compliance with rules 2 and 5 listed in section 3.3.2 through routine field inspections and fills in an Inspection Report listing all possible cases of non-compliance.

A.2 Field Verification of harvested log declared information

FMD field staff inspects timber products to assess compliance with rules 5 and 7 listed in section 3.3.2 and validates data from the Private Property Removal Declaration. FMD field staff fills in a Daily monitoring Report listing all possible cases of non-compliance.

A.3 Post-harvest inspections

FMD field staff inspects stumps location and data, and fills in a Field data sheet form listing all possible cases of non-compliance with rules 2, 5, 6 and 7 listed in section 3.3.2.

FMD field staff submits the inspection and daily monitoring reports and the Field data sheet form to the FMD headquarters for further verification through data comparison.

B. <u>Data verification:</u>

B.1 Verification of timber origin and accuracy of declared information through reconciliation between stump and log information:

FMD headquarters compares data from the Private Property Removal Declaration with that from the Inspection Report and Daily Monitoring Report and the Field data sheet form to verify timber origin and compliance to rules 2, 5 and 7 listed in section 3.3.2.

B.2 GFC headquarters verifies compliance with fiscal and tag use obligations:

- GFC Internal Audit Unit compares data contained in the FMD Tag Issuance Register and Private Property Removal Declaration with that in the FMD Tags Returned Register to verify that FSO complies with rule 3 of section 3.3.3

Based on the above verifications, FMD headquarters fills in a desk review report and sends it, together with the reports and form mentioned above in section 3.4.4.3, to the MISU for archiving into the FSO's electronic data file.

3.4.4.4 Verification of compliance of transport

The FMD verifies compliance with transport requirements outlined in section 3.3.4 through several levels of field and data verification. The FMD assesses timber origin through the verification of the document from the origin.

A. <u>Field inspections:</u>

A.1 Monitoring of transport activities

FMD inspects transported timber through routine inspection to assess timber source and FSO compliance with rules 1, 2, 3, 4, 5, 6, 7, 9 or 10 and 8 (according to the situation) and fills in a Monthly report listing all possible cases of non-compliance.

FMD staff submits the Monthly report to FMD headquarters, for further verification through data comparison.

B. <u>Data verification:</u>

B.1 Verification of declared information on timber products being transported:

FMD headquarters compares data from transport documents listed in section 3.3.4 with that from the Monthly Report to assess compliance with rules 8 and 1, 2, 3, 4, 5, 6, 7, 9 or 10 (according to the situation).

Based on the above verifications, FMD headquarters fills in a desk review report and sends it, together with the Monthly Report, to the MISU for archiving into the FSO's electronic data-file.

3.4.4.5 Verification of compliance for processing facilities

The FMD is responsible for verifying and reconciling data and information on timber stock and log yards, and between log inputs and processed outputs into processing facilities (sawmill or lumberyard). On a monthly basis, the FMD will check and reconcile timber product inputs and outputs by comparing the volumes of timber products entering the sawmill or lumberyard and processed by the facility (output). The FMD will examine the actual inputs and outputs of the processing operation based on the types and volume of timber products entering and processed at the facility, and the recovery rate of processing to ensure that no undeclared timber product enters the facility. This ensures that the FSO only processes declared timber products that were inspected prior to entering the facility.

The FMD verifies compliance with processing requirements outlined in section 3.3.5 through several levels of field and data verification.

A. <u>Field inspections and verification:</u>

A.1 Monitoring and verification of the source and accuracy of declarations of timber products entering the sawmill or lumberyard

FMD field staff assesses the FSO's compliance with rules 1 and 2 (see section 3.3.5) by comparing data from the Sawmill/Lumberyard record of produce received/purchased/supply Register with the physical inspection timber product entering sawmill or lumberyard and fills in a Daily monitoring Report listing all possible cases of non-compliance.

FMD field staff submits the Daily monitoring report to FMD headquarters for further verification through data comparison.

B. <u>Data verification:</u>

B.1 Verification of accuracy of declared information through reconciliation:

-FMD headquarters compares data from Sawmill/Lumberyard record of produce received/purchased/supply Register with that from the Daily monitoring Report to verify compliance with rules 1, 2 and 5 listed in section 3.3.5.

FMD headquarters compares data from the Return Form[18] with that from the Daily monitoring Report to verify compliance with rules 1, 3 or 4 and 5 listed in section 3.3.5 and to monitor the recovery rate of processing to ensure that no undeclared timber product is processed at the sawmill or lumberyard. Based on the above verifications, FMD headquarters fills in a Desk review Report and sends it, together with all reports mentioned above in section 3.4.4.5 to the MISU for archiving into the FSO's electronic data file.

3.4.4.6 Verification of compliance for the sale of timber product on the domestic market[31]

The FMD verifies compliance of all timber products sold after processing through verifications of processing activities described in section 3.4.4.5.

In addition, FMD headquarters does the following data verification to verify timber sources:

- FMD headquarters compares data from the Wood product sales Forms with that from the relevant return Forms[32] and that from Sawmill/Lumberyard record of produce received/purchased/supply Register to verify compliance with rules 1, 2, 3 and 4 listed in section 3.3.6 and to verify that no undeclared timber product is sold.

[31] See section 3 of Annex II for definition of a FSO.
[32] Return of lumber sawn and lumber produced Form or Return of logs sawn lumber produced Form or Monthly Lumberyard Return.

- FMD headquarters compares data from Wood product sale Forms with that from the Bill of Sale to verify compliance with rules 1, 2, 3 and 4 listed in section 3.3.6 and verify that no undeclared timber product is sold (applicable to the FSO who is a natural person, body corporate or entity only licensed to buy and sell timber products).

Based on the above verifications, FMD headquarters fills in a Desk review Report and sends it, together with all forms and register, which includes information on compliance, to the MISU for archiving into the FSO's electronic data-file.

– **Large or Small concessions, State Lands in conversion, Amerindian Villages and Private lands**

The FMD verifies compliance of all timber products sold after processing through verifications of pre-harvesting and harvesting activities described in sections 3.4.4.1 and 3.4.4.2.

In addition, FMD headquarters does the following data verification to verify timber sources:

- FMD headquarters compares data from the Wood product sale Form with that from transport documents to assess compliance with rules 1, 2, 3 and 4 listed in section 3.3.6 and verify that no undeclared timber product is sold.

Based on the above verification, FMD headquarters fills in a desk review report and sends it, together with the Wood product sale Form to the MISU for archiving into the FSO's electronic-data file.

3.4.4.7 Verification of compliance with export requirements

There are two distinct consecutive verification procedures before a FLEGT licence and an Export Certificate are issued: GFC Grading Inspection and TLTU final checks. Annex IV sets out the requirements for FLEGT Licensing, which will build on these verification procedures.

The FMD verifies compliance with requirements outlined in 3.3.7 through several levels of field and data verification.

A. Field inspections:

A.1 GFC Inspection

After the FSO has submitted an application for export with all the associated forms and document, FMD field staff inspects timber products through scaling and grading to assess compliance with rules 1, 2 and 3 listed in section 3.3.7. After grading, if the GFC Grading Inspector is satisfied that there are no cases of non-compliance, he/she affixes an –'approval brand' on the timber product and completes the Application for Timber Marketing Certificate Form before it is returned to the FSO. The FSO re-submits the Application for Timber Marketing Certificate Form to the FMD headquarters for further verification through data comparison (see B.1 below).

B. Data verification:

B.1 Verification of declared information and timber product source:

B.1.a FMD headquarters compares data from the Application for Timber Marketing Certificate form with the Application for export of Forestry produce form, the Application for Export certificate form and the Customs declaration form C72 to verify timber source and compliance with rules 1, 2, 3, 4, 5 and 6 listed in section 3.3.7.

The FMD then submits a verification report to MISU for archiving in the CID. Once the FSO is deemed compliant, the FMD also submits an Export Request Form to the TLTU.

B.1.b Verification of compliance with GTLAS to inform FLEGT Licensing:
Using the compliance information archived by the MISU in the CID during its consolidated verification (see Section 3.6), the TLTU checks the FSO's compliance information to ensure that the FSO complies will all relevant indicators and, in that case, issues an Export Certificate (and a FLEGT licence for Union markets) to the FSO. The FSO then submits the Export Certificate and all necessary documents to the CETO.

B.2 GFC headquarters verifies compliance with fiscal obligations:

- GFC Internal Audit Unit compares data contained in the invoice for the shipment with data on the receipt to verify that FSO complies with rule 7 of section 3.3.7

Based on the above verifications, FMD headquarters provides all forms mentioned above in section 3.4.4.7 to the MISU for archiving into the FSO's electronic data-file in the CID.

C. Field Inspections

C.1 CETO Shipment Inspection

The CETO carries out additional checks to ensure that the shipment of timber product matches with the information on the Export Certificate, after which the CETO gives its approval for the release of the timber product for export.

In case of discrepancies between the content of the Customs Declaration and the FLEGT licence, the CETO will inform the TLTU, which will take appropriate actions that will be developed during the implementation phase of the GTLAS.

3.4.4.8 Verification for imported timber product

The NPPO, in collaboration with the GFC and the CETO, will carry out systematic checks for imported timber products on the basis of the following documents:

- FSO Due diligence assessment report; or
- Valid FLEGT licence; or
- Valid CITES Permit

The FMD, in collaboration with the NPPO and the CETO, will verify compliance with requirements outlined in 3.3.8 through several levels of field and data verification.

Close coordination will be maintained between the CETO and the GFC in the control and check of timber imports to ensure all imported timber products are legal. The GFC will establish a Manual of Procedures for controlling imported timber products during the implementation phase of the GTLAS. This Manual will include the principles of due diligence consistent with the European Union Timber Regulation.

A. <u>Data verification of the import application</u>

A.1 The NPPO, the GFC and the CETO coordinated documentary checks:

- The NPPO, the GFC (FMD) and the CETO assess the FSO's compliance with rules 1, 3, 4 and 5 listed in section 3.3.8, risk of illegality and confirm the legal origin of the timber products to be imported through documentary checks. The NPPO fills in a Verification Report listing all possible cases of non-compliance.

Once the FSO is deemed compliant, the NPPO will issue an Import permit. On that basis, the CETO will clear the timber products listed on the import permit following CETO and FMD verification (B).

Based on the above verifications, the NPPO will provide the verification report mentioned above in section 3.4.4.8 to the MISU for further verification through data comparison.

B. <u>Field inspection and verification:</u>

B.1 CETO and GFC (FMD) shipment inspection:

The CETO and the FMD field staff may conduct additional physical inspection, based on the results of the above verifications and on a risk assessment basis, to assess the FSO's compliance with rule 2 listed in section 3.3.8. The physical inspection of the timber products shall assess that they match with the Application to Import Form. The CETO then fills in a Verification Report listing all possible cases of non-compliance.

C. <u>Data verification</u>

C.1 Verification of timber product source through reconciliation:

FMD headquarters compares data from the Verification Report with that from the FSO Import documentation to verify compliance with rules 1 and 2 listed in section 3.3.8.

Based on the above verifications, FMD headquarters fills in a desk review report and sends it, together with the forms and reports mentioned above in section 3.4.4.8, to the MISU for archiving into the FSO's electronic data-file.

3.5 Management of non-compliance

A central function of the GTLAS is to identify and address non-compliance, often referred to as management of non-compliance. The GTLAS plays this role with regards to all the activities regulated through the legality definition, based on all the underlying legal and regulatory requirements. In addition, the independent audit assesses the compliance of the GTLAS with its stated objectives and processes. The GTLAS ensures that whenever non-compliance is identified, including failure to comply with the terms of the contract, subsequent steps are taken following legal obligations. If such steps are not provided by the underlying laws and regulations, the GTLAS can define these complementary steps such as, administrative/operational sanctions. During the implementation phase, mechanisms for identifying and addressing compliance risks will be integrated throughout GTLAS elements, including through the development of the GTLAS Manual of Procedures for verification, as necessary to complement existing requirements. The GTLAS will also include systematic procedures for the management of non-compliance.

The management of non-compliance through the GTLAS will be systematic and in line with legal and regulatory requirements. It will support principles of transparency and accountability, including ensuring that all cases of non-compliance detected during implementation of the GTLAS will be recorded electronically in the CID by the MISU.
Data will be compiled, analysed and shared with enforcement authorities. A summary report will be made publicly available on a semi-annual basis, to advance accountability and strengthen enforcement. When non-compliance identified in the GTLAS leads to the seizure of timber, this will trigger the process for seizure of timber outlined in section 3.3.10 above.

3.6 Consolidated Verification

Consolidated verification is carried out by the MISU to ensure the FSO complies with all indicators of the Legality Definition. The MISU archives all compliance information it receives from the GFC's FRMD, Finance Division and the FMD, and other Ministries and Government Agencies in the FSO's electronic data-file. The procedures for, and frequency of, the consolidated verification for each indicator, as well as protocols for the exchange of information between the MISU and the other Ministries and Government Agencies, will be established in a GTLAS Manual of Procedures for verification during the implementation phase of the GTLAS.

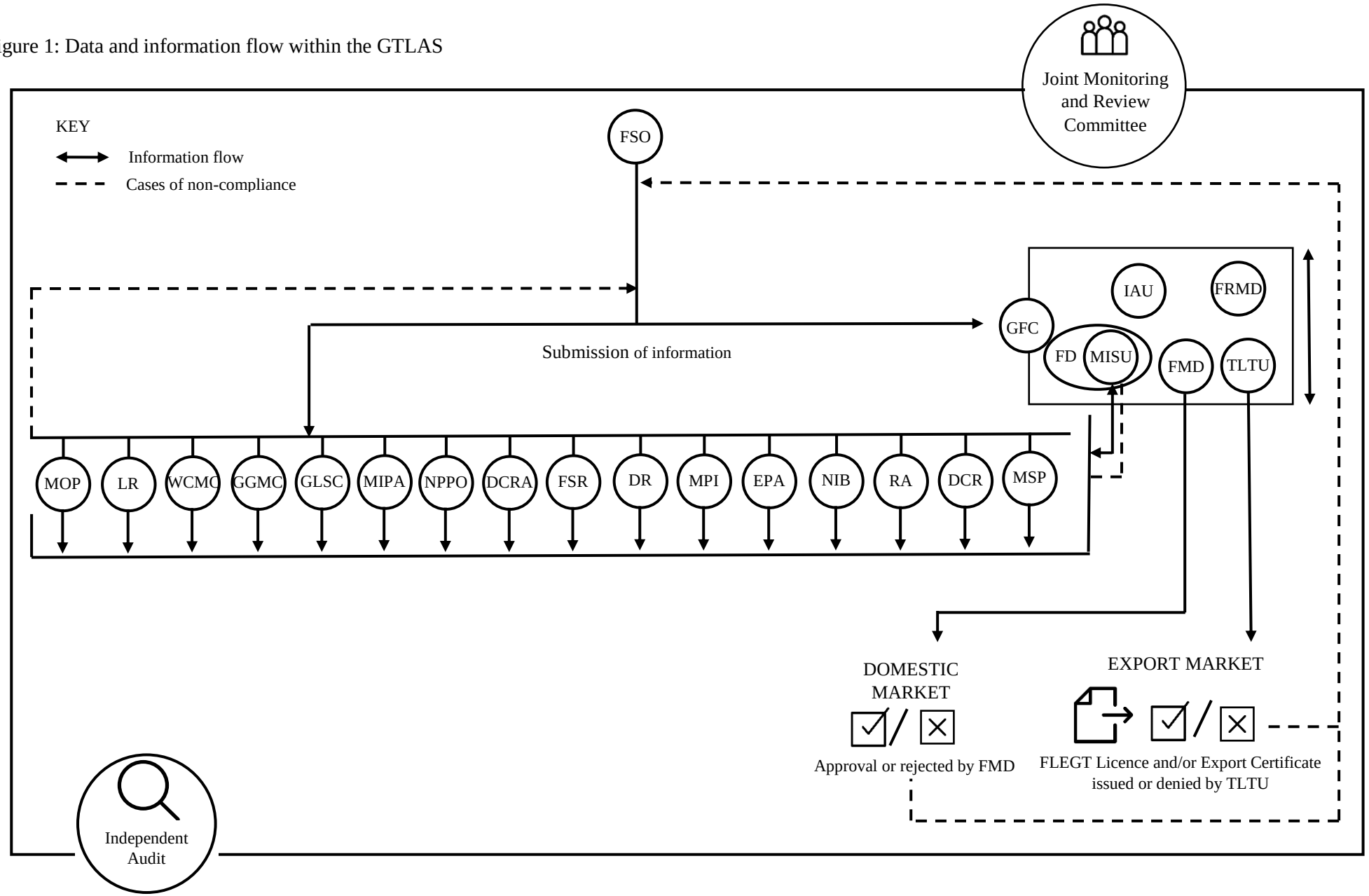
Based on the information provided to the MISU by the Ministries and Government Agencies involved in GTLAS verification, the MISU will update the non-compliance section of the CID in the FSO's electronic data-file. The MISU also follows up on all non-compliance cases related to the indicators identified and recorded in the non-compliance section of the CID by the Ministries and Government Agencies to ensure that these are addressed in a timely manner. Using the CID, the TLTU will access all records of FSOs' compliance with the requirements of the GTLAS in order to inform its FLEGT licensing decisions.

3.7 Data and information collection and management

Figure 1 below shows the flow of data and information management and verification processes within the GTLAS as it relates to the domestic and international trade in timber products.

It depicts how data and information is collected, using the procedures in the WTS, to regulate the activities and operations of FSOs, and to ensure compliance with existing laws and regulations.

Figure 1: Data and information flow within the GTLAS



KEY

- The **Forest Sector Operator (FSO)** submits the relevant documents to the Ministries and Government Agencies to comply with the relevant indicators in the Legality Definition.

- The **Guyana Forestry Commission (GFC) and other Ministries and Government Agencies** verify the FSO's compliance with the indicators using data and information submitted by the FSO and that collected during inspections. This data and information is then forwarded to the Management Information System Unit (MISU) for inclusion in the FSO's electronic data-file in the Central Information Database (CID).

- The **GFC** manages the Guyana Timber Legality Assurance System (GTLAS), which includes the Wood Tracking System (WTS), and verifies FSO's compliance through the work of the following units/divisions:

- The **Forest Resource Management Division (FRMD)** collects information on the FSO's legal status for all sources of timber products covered by Annex I from the FSO and the relevant Ministries and Government Agencies. The FRMD then forwards this information to the MISU for inclusion in the FSO's electronic data-file in the CID. The FRMD also advises the Forest Monitoring Division (FMD) of the FSO's approval to commence harvesting and to be issued GFC tracking tags and transport documents. The FRMD also forwards information to the Finance Division relating to the payment of management fees, charges and levies.

- The **FMD** collects information on all the critical control points of the WTS through field-based inspections and desk-based verifications. The FMD also receives and forwards relevant information from FSOs involved in the GTLAS to the MISU. The FMD also forwards information to the Finance Division relating to the payment of management fees, charges and levies. The FMD has also the responsibility of approving timber products sold on the domestic market based on FSO's compliance with GTLAS requirements.

- The **Finance Division** receives data and information related to the FSO's financial obligations from all the other divisions of the GFC. All information received by the Finance

Division is forwarded to the MISU for inclusion in the FSO's electronic data-file in the CID.

- The **MISU** is responsible for the overall management of the CID. The MISU receives and verifies data and information related to FSO's compliance with the GTLAS requirements from all other divisions within the GFC and Ministries and Government Agencies. The MISU archives this information in the FSO's electronic data-file in the CID.

- The **Internal Audit Unit (IAU)** will perform quality control of GTLAS data and information collected by the other GFC divisions. Upon request, it will also provide a report to the Independent Auditor relating to the functioning of the GTLAS for GFC operations. The information collected during the audit will also be forwarded to the MISU for archiving in the CID.

- The **Timber Legality and Trade Unit (TLTU)** will be the FLEGT Licensing Authority of Guyana. The TLTU will check the CID to determine the FSO's compliance with all legal requirements of the GTLAS before issuing the Export Certificate and FLEGT licence. The TLTU will forward information relating to the issuance status of a FLEGT licence and Export Certificate to the MISU for archiving in the CID. Based on the information in the CID, once the FSO is deemed compliant with the GTLAS, the timber products are allowed to enter the export market.

- The **Complaint mechanism** receives, archives and handles complaints from FSOs and the general public through three channels: Ministries and Government Agencies, the Independent Auditor or the JMRC. This information is then forwarded to the MISU for archiving in the Complaints Register.

- The **Independent Auditor** assesses the operation, the efficiency and credibility of the GTLAS according the applicable legal framework. The Independent Auditor will collect information from documentation reviews, field checks, investigations and interviews with relevant stakeholders. The Independent Auditor will also have access to information produced by the GFC and those held by other Ministries and Government Agencies

involved in the GTLAS. The Independent Auditor will forward the audit report to the Joint Monitoring and Review Committee (JMRC) for review.

- The **JMRC** is a bilateral mechanism (Guyana-European Union) that will oversee the implementation phase of the GTLAS and the licensing phase of this Agreement. The Committee will review the summary report received by the Independent Auditor and approve its publication. The JMRC will also receive information through the complaint mechanism. It will also facilitate the dialogue and the exchange of information between the Parties.

3.8 FLEGT Licensing Scheme

FLEGT licences shall be granted for each export shipment of timber products that are listed in Annex I of this Agreement and exported to the Union market provided that such shipment and the exporter have met all the requirements set out in the GTLAS.

FLEGT licences shall be issued to the FSO prior to final clearance by CETO.

Guyana shall issue a legal document on the FLEGT licensing regulations, procedures and responsibilities that shall be publicised to all export operators and other relevant parties. A detailed management and licence issuance procedure for FLEGT licensing, based on existing export procedures, will be developed during the implementation phase of the GTLAS, and will be included in the FMD Manual of Procedures under the section on the Procedures for Export and will be based on the following elements:

Documents

- A CITES permit is required if the shipment contains CITES-listed species.
- The required documents for timber exports and the electronic or paper-based steps for applying for an Export Certificate and FLEGT licence will be clearly outlined and made public before the FLEGT licensing scheme is operational.
- The procedures to check the coherence between the Customs Declaration and the FLEGT licence will be described.

Verification

- The purpose of the verification, as well as its frequency and intensity, will be clearly described.

Grading

– Grading requirements prior to timber export will be outlined.

TLTU and FSO

– The period for the TLTU to respond on the status and on the result of an application will be clearly specified.
– Steps for addressing complaints regarding the TLTU's activities will be clearly outlined.
– The steps for processing applications for timber exports by the TLTU will be clearly described. These will include registering applications, checking the completeness and accuracy of information, interacting with the exporter and the MISU, communicating with Competent Authorities and archiving the information.
– The regular reports to be prepared by the TLTU on FLEGT licences issued for review by the JMRC will be described.

CETO

– The role and function of the CETO in the export process will be clearly defined.
– The steps to undertake in case of discrepancies between the Customs Declaration and the FLEGT licence will be clearly laid out, including the interaction among the CETO, the TLTU and the MISU, as well as information management in the CID.

The details of the FLEGT licensing scheme are set out in Annex IV of this Agreement together with the format and mandatory information included on the FLEGT licence.

3.9 Independent Auditing of the GTLAS

The objective of the Independent Audit is to assess whether the GTLAS is functioning effectively, appropriately and with credibility. It also aims to identify potential weaknesses and risks in the structures and implementation of the system. The terms of reference for the

Independent Audit, including the tasks, qualifications required and method, are presented in Annex VI to this Agreement.

3.10 Complaint mechanism

The complaint mechanism addresses complaints and disputes on the functioning of the GTLAS. Under the GTLAS, the complaint mechanism will be supported using three channels: Ministries and Government Agencies, the Independent Auditor or the JMRC. The detailed procedures for the complaint and dispute mechanism for each channel will be developed during the implementation phase of the GTLAS and will be made public.

3.10.1 Ministries and Government Agencies

The complaint mechanism for each Ministry and Government Agency involved in the GTLAS will build on existing systems, which will be assessed and modified as necessary during the development of the GTLAS. The complaint mechanism within each Ministry and Government Agency will be based on the following principles:

- Be clear, transparent and simple to follow
- Be publicised widely, with instructions on how and where to lodge complaints
- Consider electronic or paper-based submissions
- Be sufficiently responsive to ensure complaints are investigated and addressed adequately
- Ensure, through the internal audits of each Ministry and Government Agency, that complaints are adequately addressed in a timely manner
- Enable complainants to appeal decisions
- Consider complaints from both natural persons and legal entities
- Ensure that complaints forms are user-friendly and take into account the fact that not all complainants may be literate

Each Ministry and Government Agency will regularly provide a summary of complaints received in relation to the implementation and functioning of the GTLAS to the GFC. This summary will include the number of complaints received, the types of complaints and their

status. The GFC will maintain that information in an electronic Register of Complaints in the CID. The Independent Auditor will have access to information in the electronic Register of Complaints.

3.10.2 Independent Audit

The Independent Audit will set up a dedicated mechanism for transparently handling complaints or grievances from stakeholders. In the procedures to be developed, the Independent Auditor will share all complaints with the GFC for inclusion in the Register of Complaints and with the JMRC.

The procedures developed for the complaint mechanism under the Independent Audit (Annex VI) will adhere to the principles of independence, credibility, accessibility, transparency and timeliness.

3.10.3 The JMRC

The JMRC is responsible for handling complaints regarding the functioning and implementation of the FLEGT licensing scheme in the territory of both Parties. It will also be responsible for handling complaints relating to work carried out by the Independent Auditor and agree on appropriate actions to be taken. The procedures developed for this complaint mechanism under the JMRC will adhere to the principles of independence, credibility, accessibility, transparency and timeliness.

3.11 Monitoring of GTLAS Implementation

The Parties shall establish a JMRC to facilitate the management, monitoring and review of this Agreement in accordance with its Article 19. The overall function of the JMRC in the management, monitoring and review of this Agreement, and its specific functions related to the GTLAS are described in Annex X.

Guyana and the European Union will establish relevant sub-committees to the JMRC as appropriate, to deal with specific areas related to the Agreement's implementation. Sub-

committees will prepare reports on their areas of responsibility, including recommendations to the JMRC for review and appropriate action.

Prior to FLEGT licensing, a joint independent technical evaluation of the GTLAS will be undertaken. This joint technical evaluation will review the system description with special focus on any amendments made to the Agreement after ratification. This evaluation will also assess the entire system to determine whether or not adequate mechanisms are in place to ensure the GTLAS fulfils its intended functions. The criteria for this evaluation are outlined in Annex VIII.

4 ENHANCING SYSTEMS SUPPORTING GTLAS IMPLEMENTATION

The GTLAS will be developed based on its existing elements, which will be enhanced as follows during the implementation phase:

a. Forest Use Allocation process
   - Identifying and addressing gaps, and current and potential areas of conflict in the framework of land allocation
   - Strengthening mechanisms for information sharing to improve collaboration with Government Agencies responsible for land allocation

b. Legality Definition
   - Identifying and addressing gaps in the current legal framework

c. WTS requirements
   - Upgrading the CID for archiving and analysing data and information generated by the GTLAS, this will include individual FSO electronic data-file in the CID for archiving compliance data and information related to each FSO
   - Upgrading the WTS to allow stakeholders to access through a single window portal, while improving communication technologies for reliable and secure transmission and sharing of data and information within the GFC

d. Verification of compliance with concession allocation requirements, Legality Definition and WTS requirements

- Enhancing checking, verification and validation procedures, including by setting up robust routine and random inspections by the GFC and the other Ministries and Government Agencies
- Coordinating inter-agency activities of legality verification to inform FSOs' electronic data-files and verification activities

- Improving and developing systems to identify, record and manage cases of non-compliance by FSOs
- Developing procedures for the control of compliance of imported timber
- Developing a GTLAS Manual of Procedures for verification to detail the verification functions (routine and consolidated verification along the supply chain) of the GFC divisions and all other Government Ministries and Agencies involved in the GTLAS
- Developing criteria and procedures during the implementation phase of the GTLAS, for assessing that the traditional rights of Amerindian peoples are not impeded.

e. FLEGT Licensing Scheme
    - Establishing a FLEGT licensing scheme for all timber exports to the European Union
    - Creating a new entity, the TLTU within the GFC, responsible for the issuance of FLEGT licences and Export Certificates

f. Independent Audit
    - Periodic audits carried out by an agreed independent third party to assess and improve the credibility, efficiency and effectiveness of the GTLAS

g. Complaint Mechanism
    - Developing procedures for receiving and handling complaints and resolving disputes related to the implementation and operation of the GTLAS

h. Monitoring of GTLAS Implementation

- Establishing internal implementation structures for coordinating and monitoring the progress of the implementation of the Agreement
- Establishing a JMRC for the Parties to implement the Agreement

i. Other key enhancements
   - Enhancement of public access to, and sharing of, information on the forest sector, in particular as it relates to the GTLAS, as required by Annex IX
   - Development of Information Communication Technology to enable near real-time sharing of data and information among FSOs, Ministries and Government Agencies
   - Capacity building programmes for staff from Ministries and Government Agencies on the GTLAS
   - Gradual implementation of the new GFC's revenue structure which includes implementation of stumpage value amongst others
   - Gradual transition from paper-based to an electronic support system

5 APPENDIX 1

Summary of the Critical Control Points within the Supply Chain and the Documents and Evidence Establishing Legality

The table below is based on existing procedures outlined in the WTS Guidelines and FMD Manual of Procedures, which will be both updated during the implementation phase of the GTLAS (See Annex II for the list of guidelines).

Product identification	**Data declaration**		**Data verification**	
	Activity and responsibility	**Data to be declared**	**Validation**	**Reconciliation**
Method	Who declares what and how?	Which data?	Which sets of data are compared?	Which sets of data are compared?
Pre-harvest (point of identification of trees that may enter the supply chain) See sections 3.3.1, 3.3.2 and 3.4.4.2				
Each tree identified by a unique inventory number using the FSO's tree inventory tags.	FSO completes the pre-harvest inventory report and submits this along with the Forest Management Plan and Annual Operation Plan to the GFC headquarters.	Before harvesting, relevant information in relation to the timber product is specified in a Pre-harvest inventory report, which includes a stock map. The information specified includes: - identification number, - Species, - Diameter, - Location (Grid/GPS), - Block number	Verification of the accuracy of the inventory data declared in FSO pre-harvest inventory report by comparison with the GFC verification report (physical inspection). **For State Lands in conversion**, location and tree species is identified by the FRMD in a pre-harvest inspection report.	Does not apply as pre-harvest inventory identifies commercial tree stock that may enter the supply chain. No reconciliation as data directly gathered by the GFC.
Remarks: Entry point in the supply chain for large concessions and State Lands in conversion only. Can be waivered if 25 % or more of the block is impacted by active mining. No pre-harvest inventory is required for small concessions, Amerindian Villages and private lands.				
Harvesting See sections 3.3.2 and 3.4.4.3				
Each log identified by a unique identification number using a GFC tracking tag	FSO completes the Removal permit or Private property removal declaration. The FSO submits this to the GFC forest station.	After harvesting, when the FSO is ready to transport timber product, relevant information in relation to the timber product is specified in writing on the Removal permit or Private property removal declaration which includes: - Date and time issued, - Name of FSO	**For large concessions, small concessions, State Lands in conversions, Amerindian Villages and Private Lands only**: Verification of the accuracy of measurements and species declared in FSO Removal permit or Private property removal declaration by comparison with	Verification of log origin through: 1. For large concessions, small concessions, Amerindian Villages and Private Lands only: Verification of GPS reading, species and diameter declared in the Removal permit or Private Property Removal Declaration by comparison with the Inspection Report, Daily Monitoring report or

Product identification	Data declaration		Data verification	
	Activity and responsibility	**Data to be declared**	**Validation**	**Reconciliation**
		- Destination, - Registration number for the mode of transportation - GFC Tracking tag number - Species and product type - Volume - Tree stump GPS reading - Number of pieces - Diameters (x4) - Length	physical inspection of the timber product **For large concessions, small concessions, only**: Verification of environmental requirements during physical inspection of the stump for species declared on the removal permit or private property removal declaration.	Field Datasheet from GFC (from physical inspection). 2. **For large concessions only**, verification of number of logs and volumes per species and diameter class by comparison between Removal permit and GFC verification report (from pre-harvest section). 3. **For State Lands in conversion only**: verification of GPS reading and accuracy of declared information by comparison between Removal Permit and pre-harvest inspection report (from pre-harvest inspection).
Remarks: The entry points in the supply chain for small concessions, Amerindian Villages, Private property is harvesting through a Removal permit or Private property removal declaration. When trees have been overlooked during the inventory and additional GFC tags have been allocated to the FSO, the information related to the additional trees will be considered for the comparisons of documents.				
Post-Harvesting See Sections 3.3.3 and 3.4.4.3				
No standard identification	**For large concessions only:** The FSO obtains a block closure letter from the GFC (FRMD). **For all FSOs**: The FSO signs the FMD Tags Returned register when returning unused tags. **For large concessions, small concessions and State Lands in conversion only:** The FSO pays management fees, charges or levies and obtains a receipt from the GFC upon making payments relative to the data declared on the Removal Permit or Forest Concession	**For large concessions only:** During block closure, the relevant information in relation to the block is specified in writing to the FSO on the block closure letter, which includes: - Block number - Date open and date closed - MAC/AAC - Total extracted volume - Geographic location of block When returning unused tags, the following information is specified in the FMD Tags Returned Register :	**For large concessions only:** Verification of the closure of block declared in the block closure letter by comparison with physical inspection of the block. Verification of tags returned by comparison between the FMD Tag Issuance Register and the physical inspection of the tags. **For large concessions, small concessions and State Lands in conversion only**: Verification of	No reconciliation required. Verification of tags declared in the FMD Tag Issuance Register by comparison with the FMD Tags Returned Register and Production Data. **For large concessions, small concessions and State Lands in conversion only**: Verification of payments made by comparison

Product identification	Data declaration		Data verification	
	Activity and responsibility	**Data to be declared**	**Validation**	**Reconciliation**
	Agreement (for State Forest Authorisations only) or Removal Permit or lease or mining permit or licence or written permission or hydro licence (for State Lands in conversion only).	- Date - Concession name - Folio number - Number of tags returned - Start and end sequence(s) - Returned by **For large concessions, small concessions and State Lands in conversion only**: When making payments, the following information is specified: - Date - Concession name - Folio number - Amount paid - Payment type[33]	payments made by comparison between receipts with the actual monies paid.	between the receipts and or payment schedule with the Removal Permit or Forest Concession Agreement (for State Forest Authorisations only) or Removal Permit or lease or mining permit or licence or written permission or hydro licence (for State Lands in conversion only)
Transport: See sections 3.3.4 and 3.4.4.4				
Each timber product is identified from documentation from origin site	FSO declares the relevant transport document to the GFC forest station.	During transport, the relevant information in relation to the timber product is declared in writing to the GFC on the transport document[34] (this information may vary depending on the type of transport document) and production register (where applicable) which includes: - Date and time issued, - Name of FSO, - Destination - Registration number for the mode of transportation - GFC tracking tag number	Verification of the accuracy of measurements and species declared in the FSO transport document by comparison with the physical inspection of the timber product.	Verification of volume and species declared in the transport document by comparison with the Monthly Report.

[33] Payment type include fees, charges and levies
[34] Transport documents as listed in section 3.3.4

Product identification	Data declaration		Data verification	
	Activity and responsibility	**Data to be declared**	**Validation**	**Reconciliation**
		- Species and product type, - Volume - Number of pieces - Tree stump GPS reading, - Diameters (x4), - Length.		
Remarks: Same documents are used for road or river transportation. The same verification applies.				
Processing: entering See sections 3.3.5 and 3.4.4.5				
Each timber product is identified from documentation from origin site	FSO completes the Sawmill/Lumberyard record of produce received/purchased/supply register for all timber products entering the sawmill/lumberyard. The FSO submits this to the GFC forest station.	When timber products are entering the sawmill/lumberyard, relevant information in relation to the timber product are specified on the Sawmill/Lumberyard record of produce received/purchased/supply register which includes: - Month - Name and address of facility - Licence number - Date of receipt - Date and number of transport document - Species - Quantity of timber product - Origin of timber product - Licence number of delivery vehicle - Name of supplier	Verification of the accuracy of measurements and species declared in the FSO Sawmill/Lumberyard record of produce received/purchased/supply register by comparison with the physical inspection of the timber product.	Verification of the source of the timber product input: Verification of species and volume declared in the Sawmill/Lumberyard record of produce received/purchased/supply register by comparison with the Daily monitoring report from GFC (from physical inspection).
Processing operation See sections 3.3.5 and 3.4.4.5				
No standard identification	**Sawmill**: FSO completes the Return of lumber sawn and lumber produced or Return of log sawn and lumber produce Form for all timber products processed at the sawmill.	When timber products are processed, relevant information in relation to the timber product are specified on the Return of lumber sawn and lumber produced or	No validation required as the timber product (now processed), would have been validated upon entering the Sawmill/Lumberyard in the previous step.	Verification of the recovery of timber products: Verification of the species and volume recovered declared in the FSO's Return of lumber sawn and lumber produced or Return of log

Product identification	Data declaration		Data verification	
	Activity and responsibility	**Data to be declared**	**Validation**	**Reconciliation**
	The FSO submits this to the GFC forest station. **Lumberyard:** FSO completes the Monthly Lumberyard Return for all timber products processed at the lumberyard. The FSO submits this to the GFC forest station.	Return of log sawn and lumber produce Form which includes: - Month - Name and address of facility - Species - Balance of logs from previous month - Log received (pieces and volume) - Total logs in stock - Input of logs processed (pieces and volume) - Output of lumber (pieces and volume) - Balance of logs remaining When timber products are processed, relevant information in relation to the timber product are specified on the Monthly Lumberyard Return which includes: - Name and location of lumberyard - Species - Balance (volume) brought forward - Input volumes - Total volumes in stock - Output volumes - Balance volumes in stock		sawn and lumber produce Form or Monthly Lumberyard Return by comparison with the Daily monitoring report from GFC (from physical inspection of timber products entering the sawmill/lumberyard).
Sale on the domestic market See sections 3.3.6 and 3.4.4.6				

Product identification	Data declaration		Data verification	
	Activity and responsibility	**Data to be declared**	**Validation**	**Reconciliation**
Each timber product is identified from documentation from origin site	FSO[35] completes the Wood products sales Form for all timber products sold. The FSO submits this to the GFC forest station.	When timber products are exiting the processing facility, relevant information in relation to the timber product are specified on the Wood products sales Form which includes: - Month - Name and address of facility - Licence number - Date of sale - Product - Species - Quantity if timber product - Invoice number - GFC Tracking number (when applicable)	**For Sawmill or lumberyard**: timber product being sold from these facilities are validated before entering sawmill or lumberyard. See Processing (entering) section. **For Large or Small Concession, State Lands in conversion, Amerindian Villages and private lands:** timber product being sold from these areas are first validated during the point of harvesting. See Harvesting section.	**Sawmill or Lumber yard:** Verification of the output of the timber product: Verification of volume and species declared in the Wood product sales Form by comparison with the Return of lumber sawn and lumber produced or Return of log sawn and lumber produce Form or Monthly Lumberyard Return and the Sawmill/Lumberyard record of produce received/purchased/supply register. **Large or Small Concession, State Lands in conversion, Amerindian Villages and private lands or a natural person, body corporate or entity only licensed to sell timber products:** Verification of the sale of the timber product through the verification of volume, species and source declared in the Wood product sales Form by comparison with the transport document.
Remarks				
Export of timber products See sections 3.3.7 and 3.4.4.7				
Each timber product is identified from documentation from origin site and GFC export marking (hammer marking or	FSO completes and submits all relevant documents for export to GFC (FMD) for approval. Once these documents are approved, they are returned to the FSO, who then obtains an Export Certificate (and a FLEGT licence for Union markets).	When timber products are to be exported, relevant information in relation to the product are specified in the following documents: Application for export of forestry produce Form	Verification of the accuracy of volume measurements and species of the timber products to be exported declared in the FSO's application for Timber Marketing Certificate by comparison with the physical timber product (GFC's grading inspection).	Verification of the source of the timber product declared on the Application for export certificate Form by comparison with the Application of export of forestry produce Form or the transport document.

[35] See section 3 of Annex II for a definition of a FSO.

Product identification	Data declaration		Data verification	
	Activity and responsibility	Data to be declared	Validation	Reconciliation
stamp depends on the product).	The FSO then submits this Certificate and the licence, if applicable, together with the approved documents to the CETO.	- Name and address of applicant - Transport document number - Suppliers invoice/ receipt number - Inspection site and licence number - Proposed place of loading for export - Export License Application for Timber Marketing Certificate Form - Location of the timber product - Exporter - Species - Description - Number of pieces - Volume measurements Application for Export Certificate Form - Exporter - Timber Marketing Certificate reference number - Destination - Number of pieces - Size - Species - Description of timber product - Volume - Consignee		

Product identification	Data declaration		Data verification	
	Activity and responsibility	**Data to be declared**	**Validation**	**Reconciliation**
	CETO FSO submits the Export Certificate (and a FLEGT licence for Union markets) and other relevant documents to CETO for approval prior to releasing it for shipment.	Customs Declaration Form C72 - Exporter - Consignee - Quantity (weight) In addition to the above documents, information declared on the Export Certificate include: - Exporter - Timber Marketing Certificate reference number - Destination - Number of pieces - Size - Species - Description of timber product - Volume - Consignee - GFC Stamp and signature	Verification of the accuracy of volume measurements and species of the timber products to be exported declared on the Export Certificate by comparison with the physical timber product (CETO inspection).	No reconciliation required.
Remarks: Exit point.				
Seizure of timber product See section 3.3.10				
Each timber product is identified from documentation from origin site and a detention hammer brand	FSO resolves the non-compliance regarding the seized timber product and then obtains a Clearance Pass from the GFC in order for the timber product to re-enter the supply chain.	When seized timber products are cleared for re-entry into the supply chain, relevant information in relation to the timber product are specified in the Clearance Pass which includes: - Date of clearance - Name of FSO - Species - Volume - Number of pieces and/or size - Transport document number (where applicable)	Verification of the accuracy of volume measurements, number of pieces, and/or size, and species of the timber products declared on the Clearance Pass by comparison with the physical timber product.	Verification of volume, number of pieces, and/or size , and species declared in the Clearance Pass by comparison with the Seizure and the detention report.
Remarks: Seized timber product only enter the supply chain after a clearance is issued by the GFC.				

Product identification	Data declaration		Data verification	
	Activity and responsibility	**Data to be declared**	**Validation**	**Reconciliation**
Timber product in transit See section 3.3.9				
Each shipment of timber products identified by identification number using a HS code corresponding to the timber product imported and a unique declaration number	Captain/master/driver of carrying vehicles declares to CETO goods in transit. Agent to declare goods arriving in Guyana within seven days.	Information provided by captain/master/driver of carrying vehicle. Goods are still in transition under Customs' control.	Not Applicable.	Not Applicable.
Remarks: Timber products in transit follow CETO-established procedures for managing and controlling goods in transit. If these timber products are being transported by vessel, they are not allowed to leave the vessel when in transit. Additionally, timber products in transit/transhipment transported overland are accompanied at all times by CETO officials until the vehicle leaves the customs border of Guyana, and official responsibility for the goods is transferred to the receiving country through the exchanges of official customs documents. If the timber products must be stored during transit overland, approval must first be obtained from CETO and this consignment is stored in a sanitised area designated for only in transit goods. The same applies for the timber products transported by vessel in the event the vessel suffers a malfunction. In this way, CETO officials ensure that shipments of timber products in transit are not modified between the point of entry and the point of exit on the territory of Guyana, and never enter the supply chain.				
Import of timber product See sections 3.3.8 and 3.4.4.8				
Each shipment of timber products identified by identification number using a HS code corresponding to the timber product imported and a unique declaration number.	FSO completes and submits an application for import Form to NPPO for approval.	When timber products are to be imported, relevant information in relation to the timber product are specified in the application for import Form: - Information on timber product origin - Product description (type/quantity/weight/volume) - Information on the importer (where applicable) - FLEGT Licence or CITES Permit or Due Diligence Assessment Report	Verification of the accuracy of volume measurements, species and origin of the timber products to be imported declared in the FSO's import permit by comparison with the physical timber product (GFC inspection). Verification of timber product origin and accuracy of measurements declared on the FSOs import documentation by comparison with the GFC Verification report (during physical inspection of imported timber product).	No reconciliation.
Remarks: The first step into the Supply Chain would be Clearance by the CETO at the approved Port of Entry. There is no critical control point in the supply chain verified under GTLAS before timber is imported.				

Annex VI

Terms of reference for the independent audit of the GTLAS

1. Introduction

The Independent Audit is carried out in accordance with Article 10 of this Agreement. The Independent Audit will address operators and their operations listed in Annex II and will be applied to the timber products listed in Annex I. It will also cover all stages of the supply chain as described in Annex V namely: legal status; legal access to the forest; harvesting; transportation; non-compliance and confiscated timber; processing; sale; import; and export.

The Terms of Reference (ToR) included in this Annex describe the operations and functions of the Independent Audit to assess the system of legality assurance established in this Agreement. The operations of the Independent Audit provides assurance that timber harvested, transported, processed, exported, imported or sold on the domestic market complies with Annex II. They also verify that it complies with the supply chain requirements and that the Licensing Authority has issued FLEGT licences only to shipments that comply with the GTLAS requirements. The ToR set out tasks and protocols for gathering information and reporting. The ToR also establish primary sources of information and describe the qualifications and experience required of the Independent Auditor. These ToR may be used as a basis for the development of more detailed tendering documents.

2. Objectives

The purpose of the Independent Audit is to assess and improve the operation, credibility, and efficiency of the GTLAS.

3. Tasks

Tasks of the Independent Auditor shall include but are not be limited to:

1. Preparing a manual of procedures for the Independent Auditor's operations including methods for gathering information, assessing evidence and reporting.

2. Assessing that the GTLAS is functioning credibly and efficiently and that timber harvested, processed, transported and traded (domestic and internationally) complies with the legal requirements of this system.

3. Verifying that the components of the GTLAS including Annex II, forest allocation and harvesting rights, the supply chain controls, and the verification of its compliance are in place and functioning credibly and efficiently.

4. Assessing the performance and effectiveness of all of the departments in the Guyana Forestry Commission (GFC) involved in the operation of the GTLAS.

5. Assessing the performance and effectiveness of verification activities of Ministries and Government Agencies involved in the operation of GTLAS.

6. Assessing the process for issuing FLEGT Licences in order to ensure that the licence issuance and the verification system is functioning credibly and efficiently.

7. Assessing how reported cases of non-compliance by the different Ministries and Government Agencies involved in the GTLAS' verification are recorded, addressed and archived by the relevant authorities.

8. Identifying gaps and weaknesses in the design and implementation of the GTLAS and suggest recommendations to the JMRC.

9. Assessing the implementation of corrective measures decided by the JMRC to address gaps and weaknesses identified in audit reports.

10. Reporting findings and recommendations to the JMRC, which will publish the

summary of these audit reports regularly.

11. Carrying out any other inquiry, analysis or study requested by the JMRC to further substantiate the Independent Audit.

4. Methodology: Methods for gathering and assessing information and reporting

The Independent Auditor is required to demonstrate professionalism and integrity at all times. The Independent Auditor shall conform to best international practice suitable with ISO 19011, ISO 17021 or equivalent. The work of the Independent Auditor appointed by the JMRC must be factual, evidence-based and includes field investigations and documentary checks. The manual referred to in 3.1 proposed by the Independent Auditor will be reviewed and agreed by the JMRC before the Independent Auditor starts the auditing activities in conformity with the approved manual.

1. Work schedule - In the first year of operation of the FLEGT licensing scheme, the Independent Auditor shall develop and submit the Independent Audit manual of procedures and conduct one audit. In subsequent years, the Independent Audit shall conduct at least annual audits of the GTLAS for a period of two (2) years after which this frequency will be reviewed by JMRC. The Independent Auditor may conduct impromptu audits and spot checks as approved by the JMRC.

2. Scope of work - The activities of the Independent Audit shall cover at a minimum all tasks listed in section 3 above. The Independent Auditor shall audit the pertinent activities of relevant Ministries and Government Agencies responsible for different aspects of the GTLAS, in accordance with the approved manual.

3. Evidence gathering - The Independent Audit manual of procedures shall describe procedures and practices for gathering evidence, including field checks, investigations, interviews, and documentation review. It shall also describe how the Independent Auditor will respond to complaints about its own work and about the operation of the GTLAS.

4. Audit systems - In documenting audit evidence, diagnosing failures and cases of non-compliance in any part of the GTLAS and following up corrective action taken, the Independent Auditor shall:

    a. Ensure all observations made during the audits are properly documented and that records of audit evidence detailing the level of performance, compliance, and non-compliance are archived.
    b. Record observed system-related weaknesses, gaps and areas requiring improvement in the GTLAS, ensure that appropriate recommendations are provided and assess the impact of these recommendations.
    c. Record and assess the effectiveness of all corrective measures to address cases of non-compliance implemented by the GFC and other relevant Ministries and Government Agencies involved in the GTLAS.

5. Adequate resources - the Independent Auditor will have adequate resources for carrying out verifications against the legality definition and the systems for controlling the timber supply chain.

6. Documented management system - the Independent Auditor will have an adequate documented management system to ensure its personnel have the necessary competence and experience to carry out effective verification, and to apply internal control and supervision.

5. Reports and dissemination

The Independent Auditor shall adhere to the structure and protocol for preparing its reports as agreed with the JMRC. The IA shall:

    a. Report on activities in line with the work schedule agreed by the JMRC;
    b. Prepare its reports in accordance with internationally accepted auditing principles and as specified in the manual by the JMRC;

c. Present a preliminary report to the JMRC for comments;
d. Present a final and complete report (based on the comments received on the preliminary report and on the evidence gathered) to the JMRC, which contains all relevant information on the audit programme and on the operation of the GTLAS.
e. Prepare a summary report, which the JMRC will validate for dissemination to the general public. The summary report will be based on the complete report and summarise its main recommendations and conclusions, including on the identified weaknesses of the system.

6. Sources of information

Primary sources of information shall include document reviews, field visits and consultations/meetings with relevant stakeholders. In respect to field visits, the Independent Auditor shall have access to areas where forest resources are being extracted, transported, processed and sold, as well as to points of import and export.

Guyana will ensure that the Independent Auditor has access to all relevant information, including documents and databases that Guyana and the European Union deem important or relevant, especially those that are needed to assess the credibility and efficiency of the GTLAS. Access to information shall include that produced by the GFC and those held by other Ministries and Government Agencies involved in the GTLAS. In particular, the Independent Auditor shall have access to information from the GTLAS and its components and other sources, such as published audits from other countries that have established a FLEGT licensing scheme or Guyana REDD+ Monitoring Reporting & Verification System reports.

Stakeholders that could provide relevant information include:

a. The GFC, Ministries and other Government Agencies

All GFC Divisions are considered primary sources of information to inform the Independent Auditor.

In the case that the Independent Auditor requires information from other Ministries and Government Agencies involved in the GTLAS, the Independent Auditor shall have access to these entities through the GFC.

b. Non-State Actors

a. Indigenous stakeholders
b. Indigenous People's Commission
c. National Toshaos Council
d. Guyana Manufacturing and Service Association
e. Small loggers Association
f. Forest Products Association
g. Civil society organisations
h. Any other private organisation or individual that could provide information on the functioning of the GTLAS

Other sources of information may include:

a. Body Corporates involved in commercial forestry.
b. Academic institutions such as the University of Guyana, The Guyana School of Agriculture and the National Agricultural Research and Extension Institute
c. Local authorities
d. Competent Authorities from Member States of the European Union
e. Companies and local Community associations involved in commercial forestry.
f. Any other stakeholders that the Independent Auditor considers relevant.

7. Qualifications required

a. The Independent Auditor, as a function, should bring:

1. Expertise with at least an advanced degree in Forestry/Forest Management/ Forest Policy, Forest/Environmental Law, Natural Resources Management, or related field.
2. Extensive experience in monitoring and assessment of legal compliance.
3. Proven track record in auditing of forest management, timber processing, timber traceability, customs and chain of custody systems.
4. Good knowledge of regional and international trade in timber and timber products and the commercial forestry sector.
5. Familiarity with issues related or relevant to forestry in Guyana as well as the GTLAS would be an added advantage.
6. Excellent oral and written English communication skills.
7. Demonstrated ability to work with a range of stakeholders and in relating monitoring activities to the appropriateness of different country environments.

b. The Independent Auditor shall comply with the following requirements:

- Having no conflict of interest arising from any organisational or commercial relationship as required by ISO 17021, ISO 17065 or equivalent.
- Having no direct involvement in forest management, timber processing, timber trade or regulation in the forestry sector in Guyana.
- Having its own quality control system as required by ISO 17021, ISO 17065 or equivalent.

c. In addition, the Independent Audit shall also:

1. have a documented internal quality management system;
2. have in place a mechanism for transparently handling complaints or grievances.

8. Selection process and institutional arrangements

The bidding process is open to all institutions with relevant capacities, including not-for-profit, academic and research institutions.

Bid evaluation will be transparent and the criteria that will be applied will be made public. The selection process of the Independent Auditor will include due diligence on the competing entities in accordance with the standards established by the JMRC. The bid evaluation report will be made public.

Guyana shall appoint the Independent Auditor upon the non-objection of the JMRC.

9. Other requirements

Additional responsibilities of the Independent Auditor include:

1. The Independent Auditor shall engage with civil society, Indigenous stakeholders, the private sector and Ministries and Government Agencies in ways that enable stakeholders in Guyana to acquire a fair understanding of the Independent Auditor's work, for example through appropriate engagements.

2. The Independent Auditor will hire a contact point person to be based in Guyana through a transparent process.

Annex VII

Supporting measures and financing mechanisms

The forest sector in Guyana remains an important contributor to the national economy, generating employment and contributing to poverty reduction. The forest sector is also key for interventions in Guyana's Green Development Agenda in attracting resources from the international community to ensure the conservation and sustainable utilisation of its forest resources. In complimenting resources from the international community, Guyana commits to include funding from national budgetary allocations to support the development of the value-added sector of the industry.

Guyana will take a range of supporting measures, as indicated in Article 15(1) of this Agreement, in cooperation with the Union and its Member States and other development partners to implement this Agreement effectively. These include measures to:

1. Strengthen implementing structures to ensure effective coordination
2. Strengthen the regulatory and legal framework
3. Support the development and operationalisation of the GTLAS
4. Build capacity
5. Communicate
6. Monitor the implementation of the Agreement
7. Monitor the impacts of the Agreement
8. Create a dedicated space for dialogue on land tenure, land use and conflicts
9. Carry out market improvements and industry development
10. Finance mechanism for implementing the Agreement

Possible supporting measures are outlined below. These will be further developed into detailed action plans at an early stage of the implementation of this Agreement.

1. Strengthen implementing structures to ensure effective coordination

Institutional structures will be strengthened to enable smooth operation and coordination between Government and non-government bodies involved in implementing this Agreement, namely the FLEGT VPA Secretariat, the Government Coordination Body and the National Implementation Working Group (NIWG). In preparation for implementation, support to build capacity within these structures will be a priority.

2. Strengthen the regulatory and legal framework

Parallel to the implementation of the GTLAS, Guyana will examine the regulatory and legal framework applicable to the forestry sector with the aim of strengthening and implementing all relevant policies, laws, regulations, statutes, strategies, guidelines, voluntary measures and codes of practice and conduct. Key measures may include:

a. Review and improve the efficiency of the regulatory framework;
b. Review and improve the coherence of the legal framework;
c. Develop and implement regulations related to due diligence;
d. Develop and implement regulations related to the WTS;
e. Develop and implement codes of practices related to the forest sector;
f. Develop and encourage the implementation of codes of practices for Amerindian villages.

3. Support the development and operationalisation of the GTLAS

The GTLAS will build on existing systems and structures already operating in Guyana. Support is required to upgrade systems to ensure verification of compliance with the legality definition contained in Annex II and with the supply chain controls and procedures described in Annex V. The supporting measures will focus on action needed to establish the functional capacity across a number of different Ministries and Government Agencies and on the introducing independent audit. They involve expanding and updating the WTS, as well as establishing the

legality verification function, the FLEGT licensing system, the independent audit function and the complaint mechanism.

3.1.**Supply chain (WTS)**

Guyana will expand and update the system of traceability and verification to ensure the near real-time availability of information throughout the supply chain to ensure compliance with GTLAS requirements as set up in Annexes II, IV and V. The key enhancements to the existing system include the following:

a. Upgrade GFC's internal databases.
b. Develop and deploy the Central Information Database (CID) for securely archiving compliance data and information related to each FSO.
c. Improve Information and Communication Technologies systems for reliable and secure transmission and exchange of data and information (especially from hinterland areas) between all Ministries and Government Agencies involved in the GTLAS verification activities, and among the various GFC divisions and units involved in implementing the Agreement.
d. Upgrade the WTS to allow for the online submission of supply chain-related information by FSOs.
e. Upgrade the WTS to allow for the validation and reconciliation of supply chain data by the GFC.

3.2.**Control and verification**

Guyana shall develop systems for the verification of compliance with all indicators within the Legality Definition and for the supply chain controls. Key measures may include:

a. Expand the roles and responsibilities, including by developing detailed procedures, of GFC's current Internal Audit Unit to include the auditing of the elements of the GTLAS under the GFC;

b. Support active monitoring of the GTLAS through audits conducted by the Internal Audit Unit.
c. Develop and implement procedures for the control and verification of the compliance with the Legality Definition and the supply chain controls.

3.3.**Licensing**

Guyana shall develop a unit and implement detailed procedures for the issuing of FLEGT licences and Export Certificates as well as for the necessary inter-agency coordination. The key enhancements to the existing system include the following:

a. Create and set up the Management Information System Unit (MISU) to input, verify, update, and store data on FSOs legal compliance with the requirements of the GTLAS;
b. Create and set up the Timber Legality and Trade Unit (TLTU) in charge of issuing FLEGT licences and Export Certificates;
c. Develop the FLEGT licensing system;
d. Create and develop procedures with other agencies involved in the GTLAS, in particular Customs, to ensure the good functioning and efficiency of the licensing process for export.

3.4.**Independent audit**

Guyana will contract upon the provision of non-objection by the JMRC an independent auditor to evaluate the functioning of the system, identify potential gaps, and determining corrective actions to improve the operation, credibility, and efficiency of the GTLAS.

3.5. **Complaint mechanism**

The complaint mechanism will identify, record and manage cases of non-compliance by FSOs of their legal requirements under the GTLAS, until their resolution. The key support measures needed to implement the complaint mechanism are:

a) Developing and implementing procedures for receiving, handling and resolving complaints regarding all Ministries and Government Agencies involved in the GTLAS. The mechanism should allow the receipt, handling and resolution of complaints from FSOs and the general public, during the implementation phase of the GTLAS and during the licensing phase of the VPA.

b) Developing an effective stakeholder complaints mechanism to ensure that concerns from communities and FSOs are articulated and communicated to the relevant body.

3.6. **Joint Evaluation of the GTLAS**

The GTLAS will undergo an independent assessment on the basis of the criteria set out in Annex VIII to determine whether it fulfils adequately its functions and thus the FLEGT licensing scheme can commence.

4. Build capacity

All parties involved in implementing this Agreement in Guyana will require some capacity building, including: technical training for Ministries and Government Agencies and their staff, including the Forestry Training Center Inc. (FTCI), the FLEGT VPA Secretariat, the GFC, the Revenue Authority and the Ministry of Social Protection; training and building administrative capacity of logging associations and Amerindian Villages; training of civil society; training of FSOs other than logging associations and Amerindian villages.

5. Communicate

Communication supports the implementation of the Agreement by means of encouraging the involvement of all concerned stakeholders, ensuring public access to information, promoting the image of the Guyanese timber and forest sector and promoting the benefits of this Agreement among the stakeholders and the wider public. To this end, key measures to ensure effective communication of the results as well as impacts of this Agreement may include: implementing a communication strategy; organising annual national level consultation/awareness raising sessions; providing annual updates on advances on key milestones on the implementation of the Agreement through the GFC's website, social media forums, the local press and local radio sessions; maintaining a digital and regularly updated record of all stakeholders' feedback; and developing an information exchange platform for consistent dissemination of information.

6. Monitor the implementation of the agreement

The Joint Monitoring and Review Committee (JMRC) shall have overall responsibility for monitoring the implementation of the Agreement. In addition, other stakeholders, including from the private sector, civil society and indigenous peoples, will monitor the implementation of the Agreement and, in so doing, contribute to the effective implementation of the GTLAS. To this end, key measures may include support to the National Implementation Working Group (NIWG) and stakeholders, including from the private sector, civil society and indigenous peoples, to effectively monitor the Agreement and GTLAS implementation.

7. Monitor the impacts of the agreement

Monitoring the social, environmental and economic impacts of the Agreement is necessary to ensure that it achieves its intended aims. To this end, key support measures may include: establishing a monitoring system or improving existing systems where necessary, including baselines and agreed indicators covering elements such as forest management and forest condition, livelihoods, governance; revenue generation and economic development, market

performance; establishing and implementing synergies between the Agreement and the REDD+ mechanism. The JMRC shall establish effective monitoring as indicated in Annex X.

8. Create a dedicated space for dialogue on land tenure, land use and conflicts

Although the purpose of this Agreement is not to address land issues, a coordination mechanism providing a dedicated space for dialogue on land tenure, land use and conflicts over land use among all concerned parties is instrumental in strengthening governance and law enforcement. In that context, complaints relating to Amerindian land issues that are brought to the attention of Government Ministries and Agencies in the framework of the implementation of this Agreement will be channelled to the Grievance and Redress Mechanism of the current Amerindian Land Titling Project and its successor entity beyond the life of that project. To this end, support will be provided to the Grievance and Redress Mechanism and its successor.

9. Carry out market improvements and industry development

9.1 International market

To ensure that the forest sector in Guyana continues to be a key contributor to the local economy, generating employment opportunities in urban and rural areas and contributing to poverty reduction, Guyana will develop a marketing strategy to promote access of Guyanese forest products to the Union's market during the development and the licensing phase of the GTLAS.

9.2 Domestic market

The supply of legal and quality timber products on the domestic market is imperative to safeguard against any illegal activities that may undermine the Agreement's implementation. To this end, key measures may include: assessing the barriers to legality compliance on the domestic market; improving the legal framework relating to the domestic market; developing

public procurement policies; and strengthening the capacity and incentives for compliance, notably by the small and medium enterprises.

10. Finance mechanisms for implementing the agreement

Financial resources will need to be mobilised for the implementation of the Agreement. Detailed measures and budgets for the areas described in this Annex will be developed. With support from the Union, Guyana will work jointly and with other donors to gain access to the necessary funding. Key measures may include: developing a fund mobilisation strategy to secure the development of the GTLAS; and collaborating with the Ministry of Finances to ensure that the annual operational budget of each Ministry and Government Agency involved in the implementation of the GTLAS enables it to meet its obligations under the GTLAS when it is operational.

Annex VIII

Criteria for assessing the operationality of Guyana's timber legality assurance system

BACKGROUND

A joint independent technical evaluation of the GTLAS will be carried out before the Forest Law Enforcement, Governance and Trade (FLEGT) licensing of timber exports to the European Union commences. This joint technical evaluation will assess the entire system to determine whether adequate mechanisms are in place to ensure the GTLAS functions and performs in practice as intended. The evaluation will review the system description with special focus on any revisions made to the Agreement after ratification. The Terms of Reference (TOR) for the independent technical evaluation will be jointly agreed between the Parties, within the Joint Review and Monitoring Committee (JRMC).

The technical evaluation will cover the following:

- The Legality Definition which lists the laws of Guyana that must be complied with in order for a licence to be issued.
- The control of the supply chain to track timber products from the forest to the point of export or domestic sale, and from the point of import to the point of export or domestic sale;
- The verification procedures to determine compliance with all elements of the definition of legality and control of the supply chain.
- The procedures for issuing Export Certificates and for issuing FLEGT licences.
- The Independent auditing to ensure that the system is functioning as intended.

Based on the experience of other Agreements, the assessment of the GTLAS may be carried out using a stepwise and iterative approach where any weaknesses and non-compliances of the GTLAS identified during the assessment can be progressively addressed through the planned implementation of corrective measures.

1. DEFINITION OF LEGALITY

Legally produced timber should be defined on the basis of the laws applicable in Guyana. The definition used must be unambiguous, objectively verifiable and operationally workable and, as a minimum, include the laws and regulations that cover:

- Harvesting rights: the allocation of forest concessions and the granting of legal rights to harvest timber within legally defined boundaries.
- Forestry operations: compliance with legal requirements regarding forest management and operations including compliance with relevant environmental and social legislation.
- Fees and taxes: compliance with legal requirements concerning taxes, royalties, and fees (or any other revised revenue system) directly related to timber harvesting and harvesting rights.
- Other users: respect for other parties' legal tenure or rights of use of land and resources that may be affected by timber harvesting rights, where such other rights exist.
- Trade and customs: compliance with legal requirements for trade and customs procedures.

Key Questions:

1.1.1: Are the legal requirements clearly identified in the Legality Definition?

1.1.2: Are principles, criteria and indicators that can be used to test compliance with each element of the Legality Definition specified?

1.1.3: Are the verifiers which are used to verify compliance with each Principle and Criterion of the Legality Definition specifically based on documented legal references, within the mandated Ministry or Government Agency, which describes how the verifier ensures compliance with the indicator?

1.1.4 Are the verifiers clear, objective and operationally workable? Is there any possible confusion with regards to the nature of the verifier? Does the verifier cover all iterations and / or real-world practices in terms of the entities and activities to which they apply? Does the verifier hold a legal basis? Is the verifier appropriate and adequate to confirm compliance with the intent of the indicator? Is the verifier currently used by operators and responsible authorities?

1.1.5: Are the roles and responsibilities of all relevant stakeholders and regulatory agencies identified clearly for each criteria and indicator?

1.1.6: Does the Legality Definition cover the relevant sections of the related current laws and regulations? If not, why are some of these relevant sections not reflected in the Definition?

1.1.7: Has there been stakeholder engagement in developing the Legality Definition?

1.1.8: Have the legal requirements that were identified during stakeholder discussions been included in the GTLAS?

1.1.9: Has the Legality Definition been adjusted after the ratification of the Agreement? Are the verifiers which are used to check compliance with each Principle and Criterion of the Legality Definition specifically based on documented legal references, within the mandated Ministry of Government Agency, which describes how the verifier ensures compliance with the indicator?

In the event of amendments to the Legality Definition, key questions will include:

1.2.0: Were all relevant stakeholders consulted on these amendments, and were any subsequent changes to the legality verification system done through a process that took adequate account of their viewpoints?

1.2.1: In the event of amendments to the Legality Definition do all revisions conform to questions 1.1.1 to 1.2.0?

2. CONTROL OF THE SUPPLY CHAIN

Systems to control the supply chain must provide credible assurance that timber products can be traced throughout the supply chain from:

- the point of harvest in the forest to the point of export;
- the point of harvest in the forest to the point of sale on the domestic market;
- the point of import to the point of sale on the domestic market; and
- the point of import to the point of export.

2.1. Rights of use

There is clear delineation of areas where forest resource use rights have been allocated and the holders of those rights have been identified.

Key Questions:

2.1.1: Is the supply chain control system robust enough to prevent contamination with materials for which valid use rights are not assured?
2.1.2: Does the control system ensure that FSOs carrying out harvesting operations have been granted appropriate rights of use for the specific forest areas?
2.1.3: Are the procedures for issuing harvesting rights and the information on such rights, including their holders, publically available?

2.2. Methods for controlling the supply chain

There are effective mechanisms for tracing timber throughout the supply chain from harvesting or point of import to the point of domestic sale or export covering the following:

- legal status of FSOs;
- legal access to the forest;
- legal rights to harvest;
- forest management and timber harvesting (including salvaged timber);
- post harvest (log tagging and documentation);
- transportation of timber products;
- processing of timber products;
- sale of timber products on the domestic market;
- confiscated and abandoned timber products;
- export of timber products;
- import of timber products;
- timber products in transit for export;
- social, labour and fiscal aspects related to FSOs' operations;
- the legal establishment and fiscal compliance of the FSO; and
- the environmental aspects related to FSOs' operations.

The approach for identifying timber may vary, ranging from the use of labels for individual items to reliance on documentation accompanying a load or batch. The selected method should reflect the type and value of timber and the risk of contamination with unknown or illegal timber.

Key Questions:

2.2.1: Are all the different types of supply chain operations and sources of timber, identified and described in the control system?
2.2.2: Are all stages in the supply chain identified and described in the control system?
2.2.3: Is a credible risk-based approach included in the verification methodology to ensure that sections of the supply chain that present the highest risk of contamination with unknown or illegal timber receive specific attention? Are risk-based approaches included in the verification methodologies implemented and functioning as intended, in practice?
2.2.4: Have methods to identify the product origin and to prevent mixing with timber from unknown sources in the following stages of the supply chain been defined and documented? Are these methods implemented and functioning as intended, in practice?

- standing timber (inventory for large concessions)
- logs in the forest
- transport and interim storage (log yards/ponds, interim log yards/ponds)
- arrival at processing facility and storage of materials
- entry into and exit from processing facility
- storing of processed products at the processing facility
- exit from processing facility and transport
- arrival at point of export

2.2.5: Which organisations are in charge of controlling the timber flows? Do they have adequate human and other resources for carrying out the control activities?
2.2.6 Are the supply chain control procedures clearly defined and communicated to relevant stakeholders? Are the supply chain control procedures implemented and functioning as intended, in practice?

2.3. Quantitative data management

There are robust and effective mechanisms for measuring and recording the quantities of timber products at each stage of the supply chain, including reliable and accurate pre-harvest estimations of the standing timber volume (where applicable) in each harvesting site.

Key questions:

2.3.1: Does the control system produce quantitative data of inputs and outputs, including conversion ratios where applicable, at the following stages of the supply chain?

- standing timber (inventory for large concessions)?
- logs in the forest (at log landings)?
- transported and stored timber (log yards/ponds, interim log yards/ponds)?
- arrival at the processing facility and storing of materials?
- entry into and exit from production lines?
- storing of processed products at the processing facility?
- exit from processing facility and transport?
- arrival at point of export?

2.3.2: Are the functions of information systems for the verification of the supply chain clearly defined?

2.3.3: If confiscated timber is authorized to re-enter the supply chain, is it managed by the system to ensure that all necessary steps for regularization have been followed beforehand?

2.3.4: Does the absence of an inventory of standing timber before harvesting from small concessions, State forests in conversion, Amerindian land and private lands constitute a real risk based on the possibility that unverified timber may enter into the supply chain? If yes, how is this risk being addressed? Is it being addressed effectively?

2.3.5: Which organisations are responsible for maintaining records of the quantitative data? Are they adequately resourced in terms of personnel and equipment? Are the organisations responsible for maintaining records on the quantitative data fulfilling their mandate and responsibilities?

2.3.6: Are all quantitative data recorded in a way that makes it possible to verify quantities with the prior and subsequent stages in the supply chain in a timely manner? Is the recorded data being used to verify quantities with the prior and subsequent stages?

2.3.7: What information on the supply chain control is made publicly available? How can stakeholders access this information?

2.4. Segregation of legally verified timber from timber of unknown sources

Key Question:

2.4.1: What control measures are applied to ensure that verified and unverified materials are segregated throughout the supply chain? Are the control measures applied effectively?

2.5. Imported timber products

There are adequate controls to ensure that imported timber products have been legally sourced.

Key Questions:

2.5.1: What evidence is required to demonstrate that imported timber products originate from trees harvested legally in the country of origin? Is this evidence provided consistently and correctly?

2.5.2: Where imported timber is used, can the country of harvest be identified on the FLEGT licence? Is country-of-harvest information being systematically included in the FLEGT licence?

2.6. Timber in transit

There are adequate controls and procedures in place for managing timber products in transit. The system in place prevents transit timber from mixing with other sources of timber for manufacturing of processed products or sale.

Key Questions:

2.6.1: Are the procedures and controls in place for managing timber products in transit clear and adequate?

2.6.2: Are there established procedures ensuring that transit timber does not mix with other sources of timber for manufacturing of processed products or sale in Guyana?

2.6.3: Are the procedures and controls implemented and functioning effectively as intended? Are the procedures and controls effective in ensuring that transit timber does not mix with other sources of timber for manufacturing of processed products or sale in Guyana?

2.6.4: What records are kept to enable subsequent verification?

2.6.5: What information on timber products in transit is made publicly available? How can stakeholders access this information?

2.7. Confiscated timber products

There are adequate procedures and controls in place to ensure confiscated timber products suspected to be in breach of Guyana's forest legislation regulations are dealt with appropriately before they enter the supply chain.

Key Questions:

2.7.1: Is there a clear definition of what constitutes confiscated timber?

2.7.2: Are procedures and controls for clearing confiscated timber for entry into the supply chain effective?

3. VERIFICATION PROCEDURES

Verification provides adequate checks to ensure the legality of timber. It must be sufficiently robust and effective to ensure that any non-compliance with requirements, either in the forest or within the supply chain, is identified and prompt action is taken.

3.1. Organisation

Verification is carried out by a Government or a third-party organisation that has adequate resources, management systems, skilled and trained personnel, as well as robust and effective mechanisms to control conflicts of interest.

Key Questions:

3.1.1: Has the Government appointed a verification body or bodies to undertake the verification tasks? Is the mandate (and associated responsibilities) clear and in the public domain?

3.1.2: Have the verification body or bodies' adequate resources for carrying out the verification of the legality? Resources include, but are not limited to: human, financial, logistics, IT, energy supply and connectivity.

3.1.3: Are the verification body or bodies operational to carry out their required verification tasks?

3.1.4: Are institutional roles and responsibilities clearly defined and functional?

3.1.5: Does the verification body have a fully documented management system that:

- ensures its personnel have the necessary competence and experience to carry out effective verification?
- applies internal control / supervision?
- includes mechanisms to control conflicts of interest?
- ensures transparency of the system?
- defines and applies verification methodology?

3.3. Verification with respect to the definition of legality

There is a clear definition that sets out what has to be verified. The verification methodology is documented and ensures that the process is systematic, transparent, and evidence-based, carried out at a defined frequency and covers everything included within the definition.

Key Questions:

3.3.1: Does the verification methodology used by the verification bodies cover all elements of the legality definition and describe clearly how indicators are complied with?

3.3.2: Is the risk-based approach documented through comprehensive and practical procedures?

3.3.3: Is the risk-based approach contributing effectively to the Legality Definition-based verification?

3.3.4: Do the verification bodies:

- check documentation, operating records and on-site operations (including through spot checks)?
- collect information from external interested parties?
- record their verification activities?

3.3.5: Are the verification results made publicly available? How can stakeholders access this information?

3.3.6: Are verification results clearly and unambiguously informing on the level of compliance of the indicator (Yes/No)?

3.4. Verification of systems for controlling the integrity of the supply chain

There is a clear scope of criteria and indicators to be verified which covers the entire supply chain. The verification methodology is documented, ensures that the process is systematic, transparent, evidence-based, carried out at regular intervals, covers all criteria and indicators within the scope, and includes regular and timely reconciliation of data between each stage in the chain.

Key Questions:

3.4.1: Does the verification methodology fully cover each stage of the supply chain controls? Is this clearly spelt out in the verification methodology?

3.4.2: What evidence is there to demonstrate application of verification of supply chain controls?

3.4.3: Which organisation is responsible for data reconciliation and verification? Do they have adequate resources for carrying out the data management activities? Resources include, but are not limited to: human, financial, logistics, IT, energy supply and connectivity.

3.4.4: Are there methods for assessing reconciliation between standing timber, harvested logs and timber entering the processing facility or point of export? If yes, are the methods effective in identifying where data does not correspond and allowing for follow-up and/or further investigation?

3.4.5: Are there methods to assess the coherence between inputs of raw materials and the outputs of processed products at sawmills and other plants? Do these methods include specification and periodic updating of the conversion ratios? If yes, are the methods effective in identifying incoherence between data flows, allowing for follow-up and/or further investigation?

3.4.6: Are the information systems and technologies applied for storing, verifying and recording data sufficient to ensure adequate verification?

3.4.7: Are there effective backup systems to ensure speedy and effective data recovery in the event of a major catastrophic event such as fire or system malfunction?

3.5 Mechanisms for handling complaints

There are adequate mechanisms for handling complaints and disputes that arise from the verification process.

Key Questions:

3.5.1: Do the verification bodies have a complaints mechanism that is available to all stakeholders?

3.5.2: Do the verification bodies have mechanisms in place to receive and respond to objections from stakeholders?

3.5.3: Do the verification bodies have mechanisms in place to receive and respond to infringements / breaches detected by Government officials?

3.5.4: Is it clear how complaints are received, documented, escalated (where necessary) and responded to?

3.6. Mechanisms for dealing with non-compliance

There are adequate mechanisms for dealing with cases of non-compliance identified during the verification process or brought forward through complaints and independent monitoring.

Key Questions:

3.6.1: Does the verification system define mechanisms for dealing with cases of non-compliance identified during the verification process or brought forward through complaints and independent monitoring? Is this mechanism effective?

3.6.2: Are there adequate records available on cases of non-compliance and of correction of the verification results, or on other actions taken? Is there also an evaluation of the effectiveness of such actions?

3.6.3: Have mechanisms been developed for handling cases of non-compliance and their consequences on FLEGT licensing and issuance of Export Certificates? Are these applied in practice?

3.6.4: What kind of information on cases of non-compliance goes into the public domain?

4. LICENSING OF EXPORTS AND SALE ON THE DOMESTIC MARKET

A Licensing Authority for the overall responsibility for issuing FLEGT Licences and Export Certificates has been designated. FLEGT licences and Export Certificates are issued for individual shipments destined to the European Union. Export certificates only are issued for

exports to non-European Union markets, and there are systems in place to verify the legality of timber products placed on the domestic market.

4.1. Organisational set-up

Key Questions:

4.1.1: Which body is assigned the responsibility of issuing FLEGT licences and Export Certificates?

4.1.2: Are there procedures in place for ensuring only legal timber enters the domestic market?

4.1.3: Are there controls in place to ensure the adequacy and effectiveness of these procedures?

4.1.4: Are the roles of the Licensing Authority and its personnel with regard to the issuance of FLEGT licences and Export Certificates clearly defined and publicly available?

4.1.5: Are the competence requirements defined and internal controls established for the personnel of the Licensing Authority?

4.1.6: Does the Licensing Authority have adequate resources for carrying out its task? Resources include, but are not limited to: human, financial, logistics, IT, energy supply and connectivity.

4.2. Issuance of FLEGT licences and Export Certificates

Adequate arrangements have been made to issue FLEGT licences and Export Certificates.

Key Questions:

4.2.1: Do the FLEGT licences comply with the technical specifications contained in Annex IV?

4.2.2: Are the roles and responsibilities of the personnel of the Licensing Authority clearly defined and publicly available?

4.2.3: Are the procedures of the Licensing Authority applied effectively in practice? What evidence supports this conclusion?

4.2.4: Are there adequate records on issued FLEGT licences and Export Certificates? Are there adequate records in cases where FLEGT licences and Export Certificates were not issued due to non-compliance? Do the records clearly show the evidence on which the issuing of FLEGT licences and Export Certificates are based?

4.2.5: Is there a system in place to detect and identify counterfeit legal documents?

4.2.6: Is the system adequate in detecting counterfeit legal documents?

4.2.7: Does the Licensing Authority have adequate procedures to ensure that each shipment of timber meets the requirements of the legality definition and supply chain controls based on information from all the relevant Ministries and Government Agencies involved in the implementation of the GTLAS?

4.2.8: Have the requirements for issuing licences been clearly defined and communicated to exporters and to other concerned parties?

4.2.9: What kind of information on issued licences goes into the public domain? How can stakeholders access this information?

4.2.10: Has Guyana developed a numbering system for FLEGT licences that enables differentiation between FLEGT licences and Export Certificates? Has the Licensing Authority adhered to this numbering system?

4.2.11: Does the licensing system allow for the replacement of FLEGT licences in case the document is lost?

4.2.12: Does the licensing system allow for modification of the FLEGT licence in case of one or more of the following scenarios:

- the destination or consignee of the shipment changes or;
- the discrepancy between the actual volume/quantity of the shipment of timber and timber products to be exported exceeds 10%?

4.3. Queries on issued FLEGT licences

There is an adequate mechanism in place for handling queries from competent authorities in the Union with regard to FLEGT licences, as set out in Annex III.

Key Questions:

4.3.1: Has a Licence Information function been assigned and established in the Licensing Authority, inter alia, to receive and respond to inquiries from the competent authorities in the Union and other parties?

4.3.2: Have clear communication procedures been established between the Licensing Authority and the competent authorities in the Union?

4.3.3: Are there communication channels for Guyanese or international stakeholders to inquire about issued FLEGT licences?

4.4. Mechanism for handling relevant complaints and disputes

There is an adequate mechanism for handling relevant complaints and disputes that arise from licensing. This mechanism makes it possible to deal with any complaint relating to the operation of the licensing scheme.

Key Questions:

4.4.1: Are there a mechanism and documented procedures for handling relevant complaints that are available to all stakeholders and are they effective?

4.4.2: Is it clear how complaints are received, documented, escalated (where necessary) and responded to?

5. RESPONSIBILITIES OF OTHER GOVERNMENT ORGANISATIONS

The GFC, which has the official mandate of managing Guyana's national forest resources, is the co-ordinating agency for implementing this Agreement. It does this in collaboration with Ministries and Government Agencies that are involved in the implementation of the GTLAS and whose statutory mandates impact on the sustainable management of the country's forest resources.

Key Questions:

5.1.1.: Is there a mechanism in place, such as a Memorandum of Understanding (MoU) or other mechanisms, governing the roles and responsibilities of the other Ministries and Government Agencies in relation to the implementation of this Agreement?

5.1.2: Are these other Ministries and Government Agencies informed of their statutory responsibilities and do they understand them?

5.1.3: Do Ministries and Government Agencies have adequate resources to carry out their tasks outlined in this Agreement? Resources include, but are not limited to: human, financial, logistics, IT, energy supply and connectivity.

5.1.4: Is there a verification system in place to verify that these other Ministries and Government Agencies are undertaking their responsibilities under this Agreement adequately and effectively?

5.1.5: Is it clear how often are these verifications done? Are reports generated from these verifications and are they publicly available?

5.1.6: Is there a system in place to use the outcomes from these verifications to improve the GTLAS continually? Is the system in place working effectively?

6. THE INFORMATION SYSTEMS SUPPORTING GTLAS IMPLEMENTATION

In the context of the implementation of the GTLAS, Guyana in partnership with the European Union, will implement a comprehensive upgrade of the Information and Communication Technologies (ICT) systems supporting the GTLAS, prior to issuing FLEGT licences and Export Certificates.

In particular, ICT systems will be developed and implemented to enable near real time transmission and sharing of FSOs' data and information between the GFC and Ministries and Government Agencies involved in implementing this Agreement.

Key Questions

6.1.1: Does the ICT system allow connectivity (with effective encryption capability) for transmitting information between and among the GFC divisions and units, including between GFC Headquarters and the field stations, as well as among the field stations?

6.1.2: Does the ICT system supporting the implementation of the GTLAS allow near real time access and exchange of data and information between the GFC and the Ministries and Government Agencies involved in implementing this Agreement?

6.1.3: Do the other Ministries and Government Agencies have the capacity through staff training and equipment upgrade to facilitate free flow of communication (including data and information exchange) with the GFC?

7. INDEPENDENT AUDITOR

The Independent Audit (IA) will be established before the operationalisation of the FLEGT Licensing Scheme. Its objective will be to identify any weaknesses in the GTLAS system, make recommendations for its improvement on a continuous basis, and thereby contribute to operation, credibility and efficiency of the GTLAS and this Agreement in general.

Key Questions:

7.1.1: Is the implementation of the Independent Audit in line with the ToRs in Annex VI?
7.1.2: Has the Government made the guidelines for the Independent Audit publicly available?
7.1.3: Do the guidelines provide clear requirements on the eligibility of organisations to perform Independent Audit functions to ensure impartiality and avoid conflicts of interest?
7.1.4: Do the guidelines provide procedures to access the information?
7.1.5: Can stakeholders access the information contained in Annex IX in practice?
7.1.6: Do the guidelines provide procedures for the submission of complaints as it relates to the GTLAS and other elements of the Agreement and for these to be made publicly available?
7.1.7: Have reporting and public disclosure provisions that apply to Independent Audit been clarified and established?
7.1.8: Does the Independent Audit methodology conform to best international practice suitable with ISO 19011, ISO 17021 or equivalent?
7.1.9: Does the JMRC provide a no objection for the selection of the Independent Audit, and Guyana contract the Independent Audit to undertake the verification tasks? Is the mandate (and associated responsibilities) clear and in the public domain?
7.1.10: Are institutional roles and responsibilities of Ministries and Government Agencies as identified in the GTLAS clearly defined and applied?
7.1.11: Does the Independent Audit have adequate resources for carrying out verification against the legality definition and the systems for controlling the timber supply chain?
7.1.12: Does the Independent Audit have a fully documented management system that:

- ensures its personnel have the necessary competence and experience to carry out effective verification?

- applies internal control / supervision?
- includes mechanisms to control conflicts of interest?
- ensures transparency of the system?
- defines and applies verification methodology?

Annex IX

Public access to information on the FLEGT licensing scheme

1. INTRODUCTION

In line with the policies of Guyana and the Union to manage natural resources in a transparent and accountable way, the Parties agree that the availability of information is essential for the successful implementation of the Voluntary Partnership Agreement (Agreement). The Parties therefore commit to ensuring that there is continuing access to information to facilitate the implementation and monitoring of the Agreement. The Parties also undertake to ensure that the information acquired under the Guyana Timber Legality Assurance System (GTLAS) established under the Agreement is made available to the public.

2. INFORMATION TO BE PUBLISHED BY THE JOINT MONITORING AND REVIEW COMMITTEE

2.1 Structure and procedures guiding the functioning of the Joint Monitoring and Review Committee (JMRC)

2.2 Minutes of the meetings of the JMRC and summaries of decisions

2.3 Information on Independent Audit

a. Terms of Reference of the Independent Auditor
b. Independent Audit manual of procedures
c. Selection criteria of the Independent Auditor
d. Summary reports from the Independent Auditor

2.4 Annual Reports produced by the JMRC, in particular, information relating to:

a. progress made by Guyana in the implementation of each of the elements of the GTLAS and all other matters relating to implementation of the Agreement;
b. progress made in achieving the Agreement's objectives, as well as actions to be taken within a deadline specified in the Agreement and the corresponding complementary measures before the FLEGT licensing scheme is operational;

c. the number of FLEGT licences issued by Guyana;
d. Action, if any, to prevent the export of timber products of illegal origin to non-Union markets or their placing on the national market;
e. quantities of timber products imported into Guyana or having transited and transhipped through Guyana;
f. the measures, if any, taken to prevent the import of timber products of illegal origin in order to maintain the integrity of the FLEGT licensing scheme;
g. cases of non-compliance with the GTLAS in Guyana and action taken in such cases;
h. quantities of timber products imported into the Union under the FLEGT Licensing Scheme, according to the relevant HS code headings and according to the Member State of the Union into which import took place (to be provided by the Union);
i. quantities of timber products exported to the Union under the FLEGT Licensing Scheme according to the relevant HS code headings and according to the Union Member State of destination (to be provided by Guyana);
j. Information on cases and quantities of timber products about which clarifications were needed between the Guyana Licensing Authority and the competent authorities from the Union.

3. INFORMATION TO BE PUBLISHED BY GUYANA

Relevant information and reports will be regularly published and/or made available by the GFC through different channels. The information will include the following elements:

3.1. Legal information:

a. Text of the Agreement with its Annexes, and its subsequent amendments;
b. Existing laws and their accompanying regulations referred to in Annex II;
c. Ratified international conventions and treaties;
d. GFC Code of Practice, WTS Guidelines and Guidelines for large and small concessions;
e. Relevant sections of Manuals of Procedures linked to the verification procedures described in Annex V;
f. Any legal or regulatory text linked to Annexes II or V adopted during the implementation phase of the GTLAS.

3.2. Production information:

a. Total annual timber production by type of product;
b. Annual volumes processed, by type of product;
c. Annual volumes of logs exported (total and to the European Union);
d. Annual volumes of timber exported by type of product (total and to the European Union);
e. Annual volumes of timber traded by type of product on the domestic market;
f. Annual volumes of confiscated timber.

3.3. Allocation information:

a. List of the names of the FSOs that have been allocated Forest Concession Agreements, Agriculture Leases, Mining Permits or Licences and titles of Forest Concession Agreements;
b. Additional information on the individual status of large and small concessions: contact details, description of the concession area (map), legal status of concession, duration;
c. GFC allocation procedures for forest concessions;
d. Allocation guidelines for permits/leases/licences/titles by other agencies when granted on State Forest Land;
e. Criteria for allocation of forest concessions;
f. Location map of forest concessions with allocated areas identified;
g. Location map for areas available for logging and deadlines for applications;
h. Where applicable, information on beneficial owners or on persons having effective control of the holder of the concession;
i. List of FSOs holding authorisation for commercialising conversion or salvaged timber;
j. Annual volumes of conversion or salvaged timber harvested.

3.4. Management information:

a. Mandate, roles and responsibilities of the agencies responsible for management and control of the concessions;
b. Area of certified forestry concessions;

c. Environmental Social Impact Assessments where applicable;
d. List of Ministries and Government Agencies with verifying responsibilities under Annex II;
e. List of Large concessions with approved management plans;
f. List of Amerindian Villages and Private forested areas;
g. Memorandum of Understanding (MoU) outlining the roles and responsibilities of GTLAS verification Ministries and Government Agencies under the Agreement.

3.5. Processing information:
a. List of approved processing FSOs with contact information;
b. Annual volume of logs processed by species and type of product

3.6. Export information:
a. Data on timber products imported into Guyana;
b. Data on exports to the Union, by species, country and volume by FSO;
c. Data on Export Certificates applied for, issued and rejected

3.7. Information on GTLAS and monitoring:
a. Description of the GTLAS including also regulations guiding the implementation of the GTLAS, and other relevant methodologies.
b. Procedures for granting export certificates and FLEGT licences;
c. List of FLEGT licences issued;
d. List of rejected applications for FLEGT licences
e. Verification reports will be available upon request

3.8. Information on the issuing authorities and their specific responsibilities in disclosing documents of any other Ministry and Government Agency.

4. INFORMATION TO BE PUBLISHED BY THE UNION

a. The text of this agreement, its Annexes and any amendments;
b. The number of FLEGT licences from Guyana that are received by the Competent

Authorities in Union Member States.

c. Annual quantities and values of timber and timber products imported into the Union from Guyana.
d. Total quantities and value of timber and derived products by country imported into the Union with and without FLEGT licences;
e. All available reports from the Independent Market Monitoring (IMM).
f. Updated information on Union regulations related to timber trade, and financial and technical support related to VPA implementation in Guyana.
g. List and contact details of the Competent Authorities in Union Member States responsible for the FLEGT and EU Timber Regulation.

5. INFORMATION ON FINANCIAL TRANSACTIONS

The GFC will make available financial information on the forest sector through annual reports that will include forestry revenue on annual payments, such as forestry fees, acreage fees, a listing of disputes, settlements and payment/non-payment of penalties.

6. OTHER INFORMATION TO BE MADE PUBLIC

Beyond the list provided above, any relevant information including reports related to Guyana's forestry sector especially in terms of governance and legal compliance shall be updated regularly by the GFC and made publically available.

The JMRC can also recommend additional information to be made public upon the proposal of one of the Parties.

7. METHODS FOR IMPLEMENTATION

This Annex complies with current legislation of Guyana namely the **Access to Information Act** and the **Forests Act 2009**.

The information listed in this Annex will be made available:

a. Through official reports,
b. on websites of the GFC and the Forest Products Development and Marketing Council Inc., as well as the websites of the Ministry of Natural Resources, of the Government

Information Agency and other Government Agencies),

c. on multi-stakeholder implementation platform,
d. at public meetings,
e. at press conferences,
f. in films,
g. on radio and television.

Procedures will also be developed for the future management and update of information listed in this Annex.

8. COMMUNICATION STRATEGY

A communication strategy developed in consultation with relevant stakeholders will be implemented and guided by the following principles:

a. Information will be accessible at no-cost or at a reasonable cost;
b. A list of public and accessible documents will be made available;
c. Information will be accurate and up-to-date;
d. Information will be made available in a timely fashion;
e. Information will be provided in the appropriate format for publication;
f. Methods of communication will be listed;
g. The GTLAS will be one of the main sources of information.

Annex X

Joint Monitoring and Review Committee

The Parties, in exercising the powers and obligations under Article 19 of this Agreement, establish the Joint Monitoring and Review Committee (JMRC).

The Parties shall appoint their representatives to the JMRC.

The JMRC shall function, in accordance with rules of procedures it will develop and adopt.

The specific functions and tasks of the JMRC relate to the management, monitoring and review of the implementation of the Agreement, including the management of the independent auditThe JMRC shall also promote dialogue and the exchange of information between the Parties.

1. Management of this Agreement:

The JMRC shall:

a. conduct an independent assessment of the operational readiness of the Guyana Timber Legality Assurance System (GTLAS) according to criteria described in Annex VIII. The assessment shall determine whether the GTLAS underpinning the FLEGT licensing scheme as described in Annex V adequately fulfils its functions;
b. propose the date on which the Forest Law Enforcement, Governance and Trade (FLEGT) Licensing Scheme should be fully operational;
c. receive notification from either Party if they suspect or have evidence of any circumvention or irregularity in the implementation of the FLEGT Licensing Scheme, and to identify any required follow-up in accordance with Article 11 of this Agreement;

d. develop and adopt the Implementation Schedule as well as a monitoring and evaluation framework to track progress of the Schedule.
e. review and comment on the manual of procedures for controlling imported timber products and on the GTLAS Manual of Procedures for Verification which includes the methodology and criteria for the risk-based approaches included in the GTLAS;
f. examine complaints relating to the FLEGT licensing scheme within the territory of either or both of the Parties;
g. maintain specific records to tracks all changes made to the Annexes to this Agreement and minutes of relevant meetings with stakeholder groups. These records will be maintained from ratification through licensing and beyond;
h. make recommendations, in order to help attain the objectives of the Agreement, including on capacity building and the participation of the private sector, civil society and Indigenous stakeholders;
i. establish working groups as needed to address any aspects of the implementation of the Agreement that may need special attention;
j. prepare and publish Annual Reports on the implementation of the Agreement in accordance with Annex IX, based on the information from the Parties;
k. receive and discuss proposals from either Party seeking to amend the Agreement or its Annexes; submit recommendations to each of the Parties on any proposed amendment to this Agreement; and adopt any amendment to the Annexes to the Agreement, in accordance with Article 25 of this Agreement.
l. deal with any other question associated with implementation of the Agreement, following a proposal by one or both of the Parties;
m. seek an acceptable solution, in the event of a difference of opinion between the Parties, in relation to the application and/or interpretation of the Agreement, as described in Article 24 of the Agreement.

2. Monitoring and review of the Agreement

The JMRC shall:

a. monitor progress made in achieving the objectives outlined in Annex VII;
b. ensure that the assessment of the social, economic and environmental impacts of
   the Agreement, is in accordance with good practice and criteria to be agreed by the Parties, and propose appropriate solutions to any problem identified by this assessment;
c. ensure that regular assessments of the implementation of this Agreement VPA are carried out, including spot checks if applicable;
d. ensure monitoring and reporting of the domestic and International market situation at regular intervals, propose any necessary studies and recommend action to take on the basis of the market analysis reports;

3. Management of the Independent Audit

The JMRC shall:

a. give a no-objection to the appointment of the Independent Auditor selected by the Parties and contracted by Guyana, based on the Terms of Reference for the Independent Auditor contained in Annex VI of this Agreement.
b. give a no-objection to the renewal of the Independent Auditor's contract as may be required.
c. examine the reports of the Independent Auditor;
d. propose actions to be taken in order to resolve the questions and recommendations contained in the Independent Audit reports;
e. examine complaints by third parties regarding the operations of the Independent Auditor;
f. approve the manual of procedures developed and submitted by the Independent Auditor and approve the audit report proposed by the Independent Auditor in the context of the documented procedures;

g. agree on the Independent Auditor schedule of work and recommend additional audits as appropriate;
h. examine, comment on and approve the Independent Auditor's provisional reports to be made public as appropriate;
i. request a specific additional report from the Independent Auditor where needed;
j. monitor, as necessary, corrective measures taken by the Parties in order to resolve the problems identified by the Independent Auditor;