

**VOLUNTARY PARTNERSHIP AGREEMENT BETWEEN THE EUROPEAN UNION AND THE  
CO-OPERATIVE REPUBLIC OF GUYANA ON FOREST LAW ENFORCEMENT, GOVERNANCE AND  
TRADE IN TIMBER PRODUCTS TO THE EUROPEAN UNION**

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

and

THE CO-OPERATIVE REPUBLIC OF GUYANA, hereinafter referred to as "Guyana",

hereinafter jointly referred to 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 of the one part, and the European Community and its Member States, of the other part, signed in Cotonou on 23 June 2000 <sup>(1)</sup>, revised in Luxembourg on 25 June 2005 and in Ouagadougou on 22 June 2010 (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 Group of States (CARIFORUM) Summit held in Madrid and elaborated jointly by the Union and the CARIFORUM States,

CONSIDERING the regional agreement on access to information, public participation and justice in environmental matters in Latin America and the Caribbean adopted in Escazú, Costa Rica, on 4 March 2018,

CONSIDERING the Economic Partnership Agreement between the CARIFORUM States, of the one part, and the European Community and its Member States, of the other part <sup>(2)</sup>,

CONSIDERING the communication from the Commission to the Council of the European Union and the European Parliament entitled "Forest Law Enforcement, Governance and Trade (FLEGT) – Proposal for an EU Action Plan" of 21 May 2003 as a first step towards addressing urgent issues of illegal logging and associated trade,

REAFFIRMING the commitment of the Parties to the Charter of the United Nations, signed in San Francisco on 26 June 1945, and having regard to the principles articulated in the Universal Declaration of Human Rights, adopted by the General Assembly of the United Nations on 10 December 1948, and the United Nations Declaration on the Rights of Indigenous Peoples, adopted by the General Assembly of the United Nations on 13 September 2007,

REAFFIRMING the commitment of the Parties to the International Covenant on Civil and Political Rights, adopted by the General Assembly of the United Nations on 16 December 1996, the International Convention on the Elimination of All Forms of Racial Discrimination, adopted by the General Assembly of the United Nations on 21 December 1965, and the International Covenant on Economic, Social and Cultural Rights, adopted by the General Assembly of the United Nations on 16 December 1966,

REAFFIRMING the importance of the principles and commitments set out in the Declaration of the 2030 Agenda for Sustainable Development set out in the document entitled "Transforming our world: the 2030 Agenda for Sustainable Development" adopted by General Assembly of the United Nations on 25 September 2015 (hereinafter referred to as the "Agenda 2030"), in particular the commitment to achieve sustainable development in its three dimensions – economic, social and environmental – in a balanced and integrated manner,

<sup>(1)</sup> OJ EC L 317, 15.12.2000, p. 3.

<sup>(2)</sup> OJ EU L 289, 30.10.2008, p. 3.

RECALLING in this respect the Sustainable Development Goals set out in the Agenda 2030 and its targets, in particular target 15.2, namely, by 2020, to promote 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 Rio Declaration on Environment and Development, adopted by the General Assembly of the United Nations on 14 June 1992, and, in particular, of Principle 10 concerning the importance of public awareness, involvement and participation in environmental issues, of Principle 20 concerning the role of women in environmental management and development, 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 mitigation and adaptation solution and recalling in this context the Paris Agreement under the United Nations Framework Convention on Climate Change adopted on 12 December 2015, in particular Article 5 thereof, 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 Fauna and Flora, signed at Washington, D.C., on 3 March 1973 (hereinafter referred to as "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 and III to CITES 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 multilateral trade, in particular the rights and obligations laid down in the General Agreement on Tariffs and Trade 1994 ("GATT 1994") contained in Annex 1A of the Agreement Establishing the World Trade Organization, done at Marrakesh on 15 April 1994 and in other multilateral agreements listed in that Annex 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 imports 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 forest law enforcement, governance and trade (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 forests and enhancement of forest carbon stocks in developing countries (REDD+),

ACKNOWLEDGING that the Guyana Timber Legality Assurance System, adopted by the Guyana Forestry Commission of 26 September 2018, 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, from both within and outside the forestry sector, regardless of gender, age, location, religion or belief, ethnic origin, colour, language, disability or any other status, including those from the private sector, civil society, and local and indigenous communities as well as other people dependent on forests,

RECOGNISING the commitment of Guyana to set up, in accordance with its Constitution, national legislation and international instruments, effective mechanisms to allow all relevant stakeholders to contribute 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 stakeholders within and outside the forestry sector, regardless of gender, age, location, religion or belief, ethnic origin, colour, language, disability or any other status, and that the provision of information is therefore central to the implementation of this Agreement,

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

HAVE AGREED AS FOLLOWS:

#### ARTICLE 1

##### **Objective**

The objective of this Agreement, consistent with the Parties' common commitment to the sustainable management of all types of forest, 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 apply:

- (a) "competent authority" means the authority designated by a Member State of the Union to receive, verify and accept FLEGT licences;
- (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) "FLEGT licence" means a document as set out in Appendix 1 to Annex IV which confirms that a shipment has been legally sourced and verified in accordance with the criteria laid down in this Agreement;
- (d) "HS code" refers to the four- or six-digit code as set out in the nomenclature of the Harmonized Commodity Description and Coding System established by the International Convention on the Harmonized Commodity Description and Coding System of the World Customs Organization, done at Brussels on 14 June 1983, including any subsequent amendments;
- (e) "import into the Union" means the release for free circulation in 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 Article 1, point (21), 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;
- (f) "Independent Auditor" means a natural or a legal person or a grouping thereof who shall, at agreed intervals, assess the operation, credibility and efficiency of the Guyana Timber Legality Assurance System;
- (g) "Joint Monitoring and Review Committee" or "JMRC" means the committee established by the Parties to facilitate the management, monitoring and review of this Agreement, including the management of the independent audit, and to facilitate dialogue and exchange of information between the Parties;

- (h) "legally produced timber" or "legal timber" means timber products acquired, harvested, produced, processed, transported, and traded in accordance with the legislation 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;
- (i) "licensing authority" means the authority designated by Guyana to issue and validate FLEGT licences;
- (j) "release for free circulation" means a Union customs procedure which confers the customs status of Union goods on 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;
- (k) "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;
- (l) "timber products in transit" means any timber product originating from a third country, which enters the territory of Guyana under customs control and leaves in the same form whilst retaining the country of origin;
- (m) "timber products" means the products listed in Annex I.

#### ARTICLE 3

##### **FLEGT licensing scheme**

1. A 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 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. The FLEGT licensing scheme shall apply to timber products.
3. The Parties shall take all measures necessary to implement the FLEGT licensing scheme.

#### ARTICLE 4

##### **Licensing authority**

1. Guyana shall designate an authority to be the licensing authority and notify in writing the European Commission of its contact details. The 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 accordance 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 maintain records of all shipments covered by FLEGT licences in a manner consistent with various national laws and policies relating to data protection and confidentiality of information and shall provide these records for the purposes of an independent audit as referred to in Article 11, whilst respecting the confidentiality of exporters' proprietary information.

## ARTICLE 5

**Competent authorities**

1. The European Commission shall inform Guyana in writing of the contact details of the competent authorities designated by the Member States of the Union. The 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. In accordance with national legislation on data protection, the competent authorities shall grant the person or body designated by Guyana as the Independent Auditor access to the relevant documents and data.
5. Paragraph 2 of this Article shall not apply to timber products from species listed in the Appendices to CITES insofar as these products are covered by the examination 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 products covered by that examination are subject to the legality verification under the Guyana Timber Legality Assurance System referred to in Article 8 of this Agreement.

## ARTICLE 6

**FLEGT licences**

1. The licensing authority shall issue FLEGT licences 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 technical specifications and the procedure for issuing FLEGT licences are set 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 set out in Article 2, point (h), and specified in Annex II. Annex II sets out Guyana's national legal framework, as well as the principles, criteria, indicators and verifiers that must be complied with in order for timber products to be covered by a FLEGT licence.
2. Guyana will carry out a review of the national legal framework applicable to the forestry sector, as set out in Annex II, with the aim of strengthening, where necessary, and implementing relevant policies, laws, regulations, statutes, strategies, guidelines, voluntary measures and codes of practice.

## ARTICLE 8

**Guyana Timber Legality Assurance System (GTLAS)**

1. Guyana shall use and improve where necessary the existing system for verifying that timber products have been legally produced and that only shipments verified as such are exported to the Union by establishing the Guyana Timber Legality Assurance System (GTLAS), as set out in Annex V.

2. The GTLAS shall include compliance checks in order to provide assurance that 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 harvested, or that are of unknown origin.

#### ARTICLE 9

##### **Application of the GTLAS to timber products**

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 therefrom in accordance with its applicable legislation.

#### ARTICLE 10

##### **Release of shipments covered by a FLEGT licence**

1. The conditions governing the release for free circulation in the Union of shipments covered by a FLEGT licence are set out 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 the procedures set out 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 JMRC

#### ARTICLE 11

##### **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 natural or a legal person, or grouping thereof, with no conflict of interest, including conflicts resulting from an organisational or commercial relationship with:
  - (a) the Union or with Guyana's forestry sector's regulatory authorities;
  - (b) the licensing authority or anybody given the responsibility of verifying the legality of timber production; or
  - (c) any operator exercising a commercial activity in the forestry sector of Guyana.
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 JMRC.

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

7. The Parties shall, in accordance with their respective various national laws and policies relating to data protection and confidentiality of information, facilitate the work of the Independent Auditor, ensuring in particular that it has access to, and is able to record and duplicate, documents, information and other materials necessary for the performance of its functions.

#### ARTICLE 12

##### **Irregularities**

The Parties shall notify each other in writing in accordance with Article 22 if they have reasonable suspicion or have evidence of any circumvention of the FLEGT licensing scheme, including the following:

- (a) circumvention of trade, including redirection 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 13

##### **Date of operation of the FLEGT licensing scheme**

1. The Parties shall notify each other through the JMRC when they consider that they have concluded the necessary preparations for the FLEGT licensing scheme to become fully operational.
2. The Parties shall, through the JMRC, commission an independent assessment of the FLEGT licensing scheme. The assessment shall determine whether the GTLAS fulfils its functions on the basis of the criteria set out in Annex VIII and whether the systems in the Union for receiving, verifying and accepting FLEGT licences are in place.
3. The JMRC shall, on the basis of the assessment referred to in paragraph 2, recommend the commencement or non-commencement of the FLEGT licensing scheme.
4. On the basis of a recommendation of the JMRC for the commencement of the FLEGT licensing scheme, the Parties shall notify each other in writing of the date on which the FLEGT licensing scheme shall become operational.
5. On the basis of a recommendation of the JMRC for the non-commencement of the FLEGT licensing scheme, the Parties shall agree through the JMRC on the measures necessary for commencement.

#### ARTICLE 14

##### **Schedule for implementation of this Agreement**

The JMRC 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. The provision of the resources referred to in paragraph 1 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.
3. 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.
4. The Parties shall ensure that activities associated with the implementation of this Agreement are coordinated with relevant existing and future development initiatives such as 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.

## 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 those from the private sector, civil society, and local and indigenous communities as well as 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 on the implementation of this Agreement with all relevant stakeholders, regardless of gender, age, location, religion or belief, ethnic origin, colour, language, disability or any other status, including those from the private sector, civil society, and local and indigenous communities as well as other people dependent on forests. In that regard, Guyana 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 Convention on Access to Information, Public Participation in Decision-making and Access to Justice in Environmental Matters, done at Aarhus on 25 June 1998 (Aarhus Convention).

## ARTICLE 17

**Social safeguards**

1. The Parties shall regularly assess the impact of this Agreement in order to minimise potential adverse effects on stakeholders within and outside the forestry sector, regardless of gender, age, location, religion or belief, ethnic origin, colour, language, disability or any other status.
2. The Parties shall monitor the impact of this Agreement on stakeholders and take reasonable and appropriate steps to mitigate any adverse effects and where necessary, the Parties shall agree on additional measures to address those adverse effects.

## ARTICLE 18

**Efforts to implement or ratify other agreements**

The Parties reaffirm their commitment to the effective implementation of international and regional agreements, treaties and conventions to which they are party, including multilateral environmental agreements and agreements on climate action, treaties on human rights and indigenous people's rights and labour and trade agreements. The Parties will make continued and sustained efforts towards ratifying and implementing international and regional agreements, treaties and conventions.

## ARTICLE 19

**Market incentives**

Taking into account this Agreement and other relevant international obligations, the Union shall strive to promote favourable access to its market for timber products. 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 licensed products on the Union market.

## ARTICLE 20

**Joint Monitoring and Review Committee**

1. The Parties shall establish within three months of the entry into force of this Agreement a Joint Monitoring and Review Committee (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. Each Party shall appoint its representatives on the JMRC, which shall take its decisions by consensus. The JMRC shall be co-chaired by two of its members, one designated by Guyana and the other designated by the Union.
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 IX.
7. The specific functions of the JMRC are described in Annex X.

## ARTICLE 21

**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 to this Agreement. Information shall be made available to the public, as provided in Annex IX, in order to improve stakeholder and consumer confidence and to ensure that the Parties are accountable.
2. Each Party shall take into account the most appropriate mechanisms, including media, documents, Internet, workshops and annual reports, through which to disseminate the information referred to in paragraph 1 of this Article 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 methods for implementation provided for in Annex IX.

## ARTICLE 22

**Communication on implementation of this Agreement**

1. The representatives of the Parties responsible for official communications concerning the implementation of this Agreement shall be:
  - (a) for Guyana: the Minister responsible for Finance;
  - (b) 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 referred to in paragraph 1.

## ARTICLE 23

**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 trade secrets or confidential commercial information exchanged under this Agreement.

## ARTICLE 24

**Territorial application**

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

## ARTICLE 25

**Consultations and mediation**

1. The Parties shall at all times endeavour to agree on the interpretation and application of this Agreement, and to resolve any dispute by first entering into consultations and, where necessary, mediation in good faith with the aim of reaching a mutually agreed solution.
2. A Party wishing to commence consultations shall notify the other Party and the JMRC in writing, including identification of the subject matter and summary arguments in support of the request.
3. Consultations shall be initiated within 40 days and be deemed concluded within 90 days of the date of the submission of the request, unless both Parties agree differently. Notwithstanding the foregoing consultations, either Party may in the case of urgent matters initiate consultations within 15 days. Such consultations shall be concluded within 30 days of the date of the submission of the request, unless both Parties agree differently.
4. If consultations fail to produce a mutually agreed solution, both Parties may agree to seek recourse to mediation. Nevertheless, either Party may submit the dispute to arbitration without recourse to mediation.
5. The Parties shall jointly select a mediator in accordance with the rules of procedure of the JMRC to seek recourse to mediation. The mediator shall receive submissions from both Parties and convene a mediation meeting. Unless both Parties agree differently, the mediator shall notify an opinion on how to resolve the dispute consistent with this Agreement no later than 60 days after having been selected.
6. The opinion of the mediator is non-binding.

## ARTICLE 26

**Arbitration**

1. Where the Parties have failed to resolve the dispute by recourse to consultations and, where applicable, mediation as provided for in Article 25, a request is made by either Party for the establishment of an arbitration panel by notifying the other Party and the International Bureau of the Permanent Court of Arbitration (hereinafter referred to as the "PCA") in writing. The request shall identify the specific measures at issue, and it shall explain how such measures constitute a breach of this Agreement.
2. The arbitration panel shall be composed of three arbitrators appointed in accordance with the PCA arbitration rules 2012, effective from 17 December 2012, including any subsequent amendments.
3. The arbitration panel ruling shall be binding on the Parties that shall take any measures necessary to comply in good faith with the arbitration panel ruling.
4. The Parties shall inform each other and the JMRC of the measures they have taken to comply with the arbitration panel ruling. The JMRC shall review measures taken by the Parties to comply with the arbitration panel ruling and where needed recommend additional or corrective measures to ensure full compliance with the arbitration panel ruling. Either Party may request the arbitration panel to rule on compliance with the original ruling.
5. The JMRC shall establish the working procedures for arbitration.

## ARTICLE 27

**Amendments**

1. A Party wishing to amend this Agreement shall submit a proposal to the other Party at least one month before the next meeting of the JMRC. The JMRC shall discuss the proposal and, if consensus is reached, shall make a recommendation on the proposed amendment. 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 28

**Suspension**

1. A Party wishing to suspend this Agreement shall notify the other Party in writing of its intention. The matter shall subsequently be discussed between the Parties within one month of receipt of such a notification.
2. Either Party may suspend the application of this Agreement in the event of a material breach of this Agreement by the other Party.
3. The decision on suspension and the reasons for that decision shall be notified to the other Party in writing.
4. This Agreement shall cease to apply 30 calendar days after a notification as referred to in paragraph 3 is made.
5. 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 29

**Termination**

Either Party may notify in writing the other Party of its intention to terminate this Agreement and the matter shall be subsequently discussed by the JMRC.

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

## ARTICLE 30

**Duration**

1. This Agreement shall remain in force for a period of 10 years unless the Parties suspend or terminate it in accordance with Article 28 or 29 respectively.

2. This Agreement shall be automatically extended for consecutive periods of five years, unless a Party renounces the extension by notifying the other Party in writing at least 12 months before this Agreement expires.

## ARTICLE 31

**Annexes**

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

## ARTICLE 32

**Authentic texts**

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

## ARTICLE 33

**Entry into force**

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 the completion of their respective procedures necessary for this purpose.

2. The notification referred to in paragraph 1 shall be sent to the Minister responsible for Finance in Guyana and to the Secretary-General of the Council of the European Union, who shall be the joint depositaries for this Agreement.

IN WITNESS WHEREOF, the undersigned Plenipotentiaries, duly authorised to this effect, have signed this Agreement.

Съставено в Монреал на петнадесети декември две хиляди двадесет и втора година.

Hecho en Montreal, el quince de diciembre de dos mil veintidós.

V Montrealu dne patnáctého prosince dva tisíce dvacet dva.

Udfærdiget i Montréal den femtende december to tusind og toogtyve.

Geschehen zu Montreal am fünfzehnten Dezember zweitausendzweiundzwanzig.

Kahe tuhande kahekümne teise aasta detsembrikuu viieteistkümnendal päeval Montréalis.

Έγινε στο Μόντρεαλ, στις δέκα πέντε Δεκεμβρίου δύο χιλιάδες εικοσι δύο.

Done at Montreal on the fifteenth day of December in the year two thousand and twenty two.

Fait à Montréal, le quinze décembre deux mille vingt-deux.

Arna dhéanamh in Montréal, an cúigiú lá déag de mhí na Nollag sa bhliain dhá mhíle fiche a dó.

Sastavljeno u Montrealu petnaestog prosinca godine dvije tisuće dvadeset druge.

Fatto a Montreal, addì quindici dicembre duemilaventidue.

Monreālā, divi tūkstoši divdesmit otrā gada piecpadsmitajā decembrī.

Priimta du tūkstančiai dvidešimt antrų metų gruodžio penkioliktą dieną Monrealyje.

Kelt Montrealban, a kétezer-huszonkettedik év december havának tizenötödik napján.

Magħmul f'Montreal, fil-ħmistax-il jum ta' Diċembru fis-sena elfejn u tnejn u għoxrin.

Gedaan te Montreal, vijftien december tweeduizend tweeëntwintig.

Sporządzono w Montrealu dnia piętnastego grudnia roku dwa tysiące dwudziestego drugiego.

Feito em Montreal, em quinze de dezembro de dois mil e vinte e dois.

Întocmit la Montreal la cincisprezece decembrie două mii douăzeci și doi.

V Montreale pätnásteho decembra dvetisícdvadsaťdva.

V Montrealu, dne petnajstega decembra leta dva tisoč dvaindvajset.

Tehty Montrealissa viidentenätoista päivänä joulukuuta vuonna kaksituhattakaksikymmentäkaksi.

Som skedde i Montreal den femtonde december år tjugohundraätjugotvå.

За Европейския съюз  
 Por la Unión Europea  
 Za Evropskou unii  
 For Den Europæiske Union  
 Für die Europäische Union  
 Euroopa Liidu nimel  
 Για την Ευρωπαϊκή Ένωση  
 For the European Union  
 Pour l'Union européenne  
 Thar ceann an Aontais Eorpaigh  
 Za Europejską uniję  
 Per l'Unione europea  
 Eiropas Savienības vārdā –  
 Europos Sąjungos vardu  
 Az Európai Unió részéről  
 Għall-Unjoni Ewropea  
 Voor de Europese Unie  
 W imieniu Unii Europejskiej  
 Pela União Europeia  
 Pentru Uniunea Europeană  
 Za Európsku úniu  
 Za Evropsko unijo  
 Euroopan unionin puolesta  
 För Europeiska unionen

За Кооперативна република Гвиана  
 Por la República Cooperativa de Guyana  
 Za Guyanskou kooperativní republiku  
 For Den Kooperative Republik Guyana  
 Für die Kooperative Republik Guyana  
 Guyana Kooperatiivvabariigi nimel  
 Για τη Συνεργατική Δημοκρατία της Γουιάνας  
 For the Co-operative Republic of Guyana  
 Pour la République coopérative du Guyana  
 Thar ceann Chomharphoblacht na Guáine  
 Za Kooperativnu Republiku Gvajanu  
 Per la Repubblica cooperativistica della Guyana  
 Gajānas Kooperatīvās Republikas vārdā —  
 Gajanos Kooperacinės Respublikos vardu  
 a Guyanai Szövetkezeti Köztársaság részéről  
 Għar-Repubblika Kooperattiva tal-Guyana  
 Voor de Coöperatieve Republiek Guyana  
 W imieniu Kooperacyjnej Republiki Gvajany  
 Pela República Cooperativa da Guiana  
 Pentru Republica Cooperatistă Guyana  
 Za Guyanskú kooperatívnu republiku  
 Za Kooperativno republiko Gvajano  
 Guyanan kooperatiivisen tasavallan puolesta  
 För Kooperativa republiken Guyana

## ANNEXES

- Annex I: Product coverage: the harmonised commodity codes for timber products covered under the FLEGT licensing scheme
- Annex II: Legality Definition
- Annex III: Conditions governing the release for free circulation in the Union of timber products exported from Guyana and covered by a FLEGT licence
- Annex IV: Requirements and technical specifications for FLEGT licences
- Annex V: The Guyana Timber Legality Assurance System (GTLAS)
- Annex VI: Terms of reference for the independent audit of the GTLAS
- Annex VII: Supporting measures and financing mechanisms
- Annex VIII: Criteria for assessing the operability of the Guyana Timber Legality Assurance System (GTLAS)
- Annex IX: Public access to information on the FLEGT licensing scheme
- 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 Harmonized Commodity Description and Coding System established by the International Convention on the Harmonized Commodity Description and Coding System of the World Customs Organization.

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.
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.
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.
4412	Plywood, veneered panels and similar laminated wood.
4418	Builders' joinery and carpentry of wood, including cellular wood panels, assembled flooring panels, shingles and shakes.

## ANNEX II

## LEGALITY DEFINITION

1. List of acronyms
  2. Introduction
  3. Definition of terms
  4. Legality matrices
    - 4.1 Legality matrix A for an FSO to legally conduct forest operations
    - 4.2 Legality matrix B for a State forest authorisation (large concession)
    - 4.3 Legality matrix C for a State forest authorisation (small concession)
    - 4.4 Legality matrix D for an Amerindian Village
    - 4.5 Legality matrix E for private land
    - 4.6 Legality matrix F for salvaged timber products from State land in conversion
    - 4.7 Legality matrix G for seized timber products
    - 4.8 Legality matrix H for the processing and sale of timber products
    - 4.9 Legality matrix I for the export and import of timber products
  5. Glossary
- Appendix: Applicable legal references

## 1. List of acronyms

AOP	Annual operations 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
MOL	Ministry of Labour
MAA	Ministry responsible for Amerindian Affairs

MPW	Ministry of Public Works
NAREI	National Agriculture Research and Extension Institute
NIB	National Insurance Board
NPPO	National Plant Protection Organisation
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 Article 27 of this 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 the Appendix to this Annex. The LD applies to all forest sector operators (FSOs) countrywide and for all timber products listed in Annex I and covers domestic and international trade.

The LD was developed through a multi-stakeholder participative process, coordinated by the National Technical Working Group (NTWG), in which a vast majority of the key stakeholders within Guyana's forestry sector as well as 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/or Government Agencies.

### Structure and content of Legality Definition matrices

The LD is divided into nine matrices associated with the different types of operation. 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 measures that fulfil the criterion. Further, verifiers provide the evidence to prove the fulfilment of every indicator and are underpinned by the national legal framework (legal references) which prescribes 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 agencies in the matrices below are the Ministries and/or Government Agencies that will undertake the verification of an FSO's compliance with the indicators of the LD.

Verifiers are associated with every indicator. There are two kinds of verifier:

- Some verifiers are issued by Ministries and/or 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/or 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 with which the FSO has to comply. Compliance is assessed through the inspection and the inspection report contains 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 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 types of operation:

Types of operation	Matrix	Title
All FSOs	A	Legality matrix for an FSO to legally conduct forest operations
Large concession	B	Legality matrix for a State forest authorisation (large concession)
Small concession	C	Legality matrix for a State forest authorisation (small concession)
Amerindian Village	D	Legality matrix for an Amerindian Village
Private land	E	Legality matrix for private land
Salvaged timber products from State land in conversion	F	Legality matrix for salvaged timber products from State land in conversion
FSOs in breach of the Forests Act No 6 of 2009	G	Legality matrix for seized timber products
Processing and sale of timber products	H	Legality matrix for the processing and sale of timber products
Export and import of timber	I	Legality matrix for the export and import of timber products

All FSO categories shall comply with the relevant requirements outlined in legality matrix A for an FSO to legally conduct forest operations, and the other matrices that cover their operations. In case of seizure because of possible breaches of the Forests Act No 6 of 2009, the FSO must satisfy the relevant requirements outlined in legality matrix G for seized timber products.

### 3. Definition of terms

"FSO" means a natural person or body corporate registered with and approved by the Guyana Forestry Commission (GFC) to conduct forestry operations.

"Natural person or body corporate" may be defined as a sole trader or traders, and/or those registered under the Business Names (Registration) Act, Cap. 90:05, the Partnership Act, Cap. 89:02, the Companies Act, Cap. 89:01, the Friendly Societies Act, Cap. 36:04 or Co-operative Societies Act, Cap. 88:01.

The FSOs are categorised based on:

- Large concessions – as defined in section 8 of the Forests Act No 6 of 2009 as being an area larger than 8 097 hectares.

FSOs of large concessions must have a State forest authorisation (SFA) granted by the GFC. These SFAs can be either a forest concession agreement (FCA) or an exploratory permit. FCAs can either be timber sales agreements or wood cutting leases, which are granted for up to 40 years or subject to conditional renewal. An FCA is only issued after the FSO has obtained an exploratory permit.

- Small concessions – as defined in section 7 of the Forests Act No 6 of 2009 as being an area of 8 097 hectares or less.

FSOs of small concessions must have an SFA that can either be a State forest permission or a community forest management agreement. These SFAs are granted by the GFC for up to two years, subject to conditional renewal.

- Amerindian Village – Section 2 of the Amerindian Act, Cap 29:01 defines "Village or Amerindian Village" as a group of Amerindians occupying or using Village lands and defines "Village lands" as lands owned communally by a Village under title granted to a Village Council to hold for the benefit of the Village.

An absolute grant or a certificate of title is granted to a Village Council to demonstrate land ownership. 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 land – Section 2 of the Forests Act No 6 of 2009 defines "private land" as land that is neither public land nor Village land.

Private land is legally held by either an individual 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/or 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 Office of the President grants approval to construct hydropower plants while the Ministry of Public Works grants authorisations to conduct all other infrastructural works, such as works on 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 – 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 is responsible for ensuring that the third party complies with the requirements of the LD.

4. Legality matrices

4.1 Legality matrix A for an FSO to legally conduct forest operations

Principle 1	The natural person or body corporate is legal			
Criterion 1.1	The natural person or body corporate has a legal identity			
Indicator number	Indicator	Verifiers (responsible agency)	Legislative/Administrative references	Type of verifier
A.1.1.1 (mandatory) <sup>(1)</sup>	The natural person or body corporate has a tax identification number.	Valid tax identification number certificate (Revenue Authority)	Section 60A of the Income Tax Act, Cap 81:01	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 Names (Registration) Act, Cap 90:05.	Certificate of registration (Deeds and Commercial Registries Authority)	Sections 5 and 13 of the Business Names (Registration) Act, Cap 90:05, Sections 3 and 6 of the Partnership Act, Cap 89:02	Static
A.1.1.3 Optional (in addition to A.1.1.1)	In case of a local company: the body corporate has a certificate of incorporation  In case of a foreign company: the body corporate has a certificate of registration	(i) Certificate of incorporation (local company) (Deeds and Commercial Registries Authority)  (ii) Certificate of registration (foreign company) (Deeds and Commercial Registries Authority)	(i) Section 8 of the Companies Act, Cap 89:01  (ii) Section 321 of the Companies Act, Cap 89:01	Static
A.1.1.4 Optional (in addition to A.1.1.1)	The Village Council is lawfully appointed in accordance with the Amerindian Act, Cap 29:01.	Statement of elections results (Ministry of Amerindian Affairs)	Section 72(13) of the Amerindian Act, Cap 29:01	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, Cap 36:04	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 Co-operative Societies)	Sections 7 and 9 of the Co-operative Societies Act, Cap 88:01	Static

<sup>(1)</sup> 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.

4.2 Legality matrix B for a State forest authorisation (large concession)

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/Administrative references	Type of verifier
B.1.1.1	The FSO has an approval letter for the forest concession to be allocated.	Approval letter (GFC/FRMD)	Sections 6 and 8 of the Forests Act No 6 of 2009, The WTS Guidelines (!)	Static
B.1.1.2	The FSO is the holder of one of the following: (i) a valid exploratory permit (ii) 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 No 6 of 2009, Regulations 4 and 5 of the Forests Regulations 2018 (ii) Sections 6 and 8 of the Forests Act No 6 of 2009, Regulations 7, 8, 9 and 11 of the Forests Regulations 2018	Static
B.1.1.3 Optional	The FSO has a GFC-approved third-party rental agreement that permits harvesting and/or extraction within the FSO's concession.	GFC-approved third-party rental agreement (GFC/FMD)	Section 16 of the Forests Act No 6 of 2009	Static
Criterion 1.2	The FSO respects other parties' legal user rights			
Indicator number	Indicator	Verifiers (responsible agency)	Legislative/Administrative 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 No 6 of 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 No 6 of 2009, Sections 55 and 57 of the Amerindian Act, Cap 29:01, 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 No 6 of 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 WTS requirements			
Indicator number	Indicator	Verifiers (responsible agency)	Legislative/Administrative references	Type of verifier
B.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: Sections 11, 12, 13, 15, and 21 (1) (b) of the Environmental Protection Act, Cap 20:05, Regulations 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 No 6 of 2009, Paragraph 2.2.2 of Code of Practice No 1 of 2018	Dynamic
B.2.1.3	The FSO complies with the WTS requirements.	WTS verification report (?) (GFC/FMD)	Regulations 23, 24, 25, 26 and 27 of the Forests Regulations 2018, The Wood Tracking System Guidelines	Dynamic
B.2.1.4	The FSO has an approved FMP of at least five years in addition to an 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 No 6 of 2009, Paragraphs 2.2 and 2.3 of Code of Practice No 1 of 2018, The Guidelines for Forest Operations (Large Concession)	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 Forests regulations 2018, Paragraph 4 (4.4.1 and 4.4.2) of 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/Administrative 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/FD) (ii) receipts for full payments (GFC/FD)	For both verifiers: Regulations 38, 40, 41 and 53 of the Forests 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, Cap 81:03, Section 60A of the Income Tax Act, Cap 81:01	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/Administrative 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, Cap 36:01, 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 (MOL)	Section 41 of the Occupational Safety and Health Act, Cap 99:10, Sections 2 and 3 of the Employment of Young Persons and Children Act, Cap 99:01	Static
B.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection report (MOL)	Sections 8 and 11 of the Labour Act, Cap 98:01, Paragraph 4 and the Schedule to 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 (MOL)	Section 17 of Forests Act No 6 of 2009, Section 47 (1) (n) of the Occupational Safety and Health Act, Cap 99:10	Static
B.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection report (MOL)	Section 46 of the Occupational Safety and Health Act, Cap 99:10, Section 17 of the Forests Act No 6 of 2009	Static
B.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection report (MOL)	Section 69 of the Occupational Safety and Health Act, Cap 99:10	Static
B.3.2.7	The FSO complies with the non-discrimination legislation.	Inspection report (MOL)	Sections 4(2) and 5 of the Prevention of Discrimination Act, Cap 99:09	Static

(<sup>1</sup>) The WTS Guidelines will be updated during the implementation phase of this Agreement. This footnote applies everywhere the WTS Guidelines are mentioned in this matrix.

(<sup>2</sup>) 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.

#### 4.3 Legality matrix C for a State forest authorisation (small concession)

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/Administrative 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 No 6 of 2009, The WTS Guidelines ( <sup>1</sup> )	Static
C.1.1.2	The FSO has an FCA.	FCA (GFC/FRMD)	Sections 6, 7, 11(3) the Forests Act No 6 of 2009, Regulations 7, 8, 9 and 11 of the Forests Regulations 2018	Static
C.1.1.3 Optional	The FSO has a GFC-approved third-party rental agreement that permits harvesting and/or extraction within the FSO's concession.	GFC-approved third-party rental agreement (GFC/FMD)	Section 16 of the Forests Act No 6 of 2009	Static

Criterion 1.2	The FSO respects other parties' legal user rights			
Indicator number	Indicator	Verifiers (responsible agency)	Legislative/Administrative 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 No 6 of 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 No 6 of 2009, Regulation 8, paragraph 4.3 of Form C in the First Schedule to the Forests Regulations 2018, Sections 55 and 57 of the Amerindian Act, Cap 29:01	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 No 6 of 2009, Regulation 8, paragraph 4.3 of Form C in the First Schedule to 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/Administrative 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, Cap 20:05, Regulations 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 No 6 of 2009, Paragraph 2.4 of Code of Practice No1 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 Forests 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 Forests Regulations 2018, Paragraph 4 (4.4.1 and 4.4.2) of 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/Administrative 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 Forests Regulations 2018	Dynamic
C.3.1.2	The FSO complies with the tax requirements of the applicable tax schedule published by the RA. <sup>(2)</sup>	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, Cap 81:03, Section 60A of the Income Tax Act, Cap 81:01	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/Administrative 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 and Social Security Act, Cap 36:01, Regulations 4, 5, 14, 15 and 19 of the National Insurance and Social Security (Collection of Contributions) Regulations	Static
C.3.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection report (MOL)	Section 41 of the Occupational Safety and Health Act, Cap 99:10, Sections 2 and 3 of the Employment of Young Persons and Children Act, Cap 99:01	Static

C.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection report (MOL)	Section 8 and 11 of the Labour Act, Cap 98:01 Section 4 and the Schedule to 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 (MOL)	Section 17 of Forests Act No 6 of 2009, Section 47(1) (n) of the Occupational Safety and Health Act, Cap 99:10	Static
C.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection report (MOL)	Section 46 of the Occupational Safety and Health Act, Cap 99:10, Section 17 of the Forests Act No 6 of 2009	Static
C.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection report (MOL)	Section 69 of the Occupational Safety and Health Act, Cap 99:10	Static
C.3.2.7	The FSO complies with the non-discrimination legislation.	Inspection report (MOL)	Sections 4(2) and 5 of the Prevention of Discrimination Act, Cap 99:09	Static

(<sup>1</sup>) The WTS Guidelines will be updated during the implementation phase of this Agreement. This footnote applies everywhere the WTS Guidelines are mentioned in this matrix.

(<sup>2</sup>) CMFAs registered with Friendly Societies are exempted from complying with indicator C.3.1.2.

#### 4.4 Legality matrix D for an Amerindian Village

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/Administrative 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, Cap 5:02 (ii) Section 63 of the Amerindian Act, Cap 29:01, Section 3 of the State Lands Act, Cap 62:01	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, Cap 29:01	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, Cap 29:01	Static
Criterion 1.2	The FSO respects other parties' legal user rights			
Indicator number	Indicator	Verifiers (responsible agency)	Legislative/Administrative 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, Cap 29:01	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 No 6 of 2009, Sections 55 and 57 of the Amerindian Act, Cap 29:01	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/Administrative 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 Forests Regulations 2018, The WTS Guidelines <sup>(1)</sup>	Dynamic
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/Administrative 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, Cap 81:03, Section 60A of the Income Tax Act, Cap 81:01	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/Administrative 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, Cap 36:01, 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 (MOL)	Section 41 of the Occupational Safety and Health Act, Cap 99:10, Sections 2 and 3 of the Employment of Young Persons and Children Act, Cap 99:01	Static
D.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection report (MOL)	Sections 8 and 11 of the Labour Act, Cap 98:01, Section 4 and the Schedule to 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 (MOL)	Section 47 (1) (n) of the Occupational Safety and Health Act, Cap 99:10	Static
D.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection report (MOL)	Section 46 of the Occupational Safety and Health Act, Cap 99:10, Section 17 of the Forests Act No 6 of 2009	Static
D.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection report (MOL)	Section 69 of the Occupational Safety and Health Act, Cap 99:10	Static

D.3.2.7	The FSO complies with the non-discrimination legislation.	Inspection report (MOL)	Sections 4(2) and 5 of the Prevention of Discrimination Act, Cap 99:09	Static
---------	---	-------------------------	--	--------

(<sup>1</sup>) The WTS Guidelines will be updated during the implementation phase of this Agreement.

#### 4.5 Legality matrix E for private land

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/Administrative 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, Cap 5:02 (ii) Section 22 (1) of the Deeds Registry Act, Cap 5:01 (iii) Section 3(1)(a) of the State Lands Act, Cap 62:01	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 a third party (GFC/FMD)	Section 16 of the Forests Act The Wood Tracking System Guidelines ( <sup>1</sup> )	Static
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/Administrative 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 Forests 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, Cap 62:01, 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/Administrative 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, Cap 81:03, Section 60A of the Income Tax Act, Cap 81:01	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/Administrative 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, Cap 36:01, 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 (MOL)	Section 41 of the Occupational Safety and Health Act, Cap 99:10, Sections 2 and 3 of the Employment of Young Persons and Children Act, Cap 99:01	Static
E.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection report (MOL)	Section 8 and 11 of the Labour Act, Cap 98:01 Section 4 and the Schedule to 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 (MOL)	Section 47 (1) (n) of the Occupational Safety and Health Act, Cap 99:10	Static
E.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection report (MOL)	Section 46 of the Occupational Safety and Health Act, Cap 99:10, Section 17 of the Forests Act No 6 of 2009	Static
E.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection report (MOL)	Section 69 of the Occupational Safety and Health Act, Cap 99:10	Static

E.3.2.7	The FSO complies with the non-discrimination legislation.	Inspection report (MOL)	Sections 4(2) and 5 of the Prevention of Discrimination Act, Cap 99:09	Static
---------	---	-------------------------	--	--------

(<sup>1</sup>) The WTS Guidelines will be updated during the implementation phase of this Agreement. This footnote applies everywhere the WTS Guidelines are mentioned in this matrix.

#### 4.6 Legality matrix F for salvaged timber products from State land 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	Verifiers (responsible agency)	Legislative/Administrative 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 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.	One of the following verifiers: (i) lease (GLSC) (ii) mining permit or licence (GGMC) (iii) written permission from the MPW (iv) Hydro licence (Office of the President)	(i) Section 3(1)(b) of the State Lands Act, Cap 62:01 (ii) Section 7 of the Mining Act, Cap 65:01 (iii) Sections 3 and 4 of the Public Lands (Private Roads) Act, Cap 62:03, Regulation 2 of the Public Lands Private Roads (Wood Cutting) Regulations (iv) Sections 5, 6 and 7 of the Hydroelectric Power Act, Cap 56:03	Static
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 16 of the Forests Act The Wood Tracking System Guidelines ( <sup>1</sup> )	Static

Criterion 1.2	The FSO respects other parties' legal user rights			
Indicator number	Indicator	Verifiers (responsible agency)	Legislative/Administrative references	Type of verifier
F.1.2.1	The FSO harvests within the boundaries of one of the following: (i) lease (ii) mining permit or licence (iii) within an area where MPW and/or Guyana Energy Agency have been duly authorised to carry out projects.	FMD inspection report (GFC/FMD)	(i) Section 3 of the State Lands Act, Cap 62:01 (ii) Section 7 and 135(2)(zc) of the Mining Act, Cap 65:01 (iii) Sections 3 and 4 of the Public Lands (Private Roads) Act, Cap 62:03, Section 6 (2) of the Hydroelectric Power Act, Cap 56:03	Static
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 No 6 of 2009, Sections 55 and 57 of the Amerindian Act, Cap 29:01	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 No 6 of 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	Verifiers (responsible agency)	Legislative/Administrative 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 Forests Regulations 2018, The Wood Tracking System Guidelines	Dynamic
F.2.1.2 (applicable to an FSO that is required to comply with point (iv) of F.1.1.1)	The FSO has an environmental authorisation to construct and maintain a hydropower plant.	Construction permit (EPA)	Section 21 (1) (a) of the Environmental Protection Act, Cap 20:05, Regulations 18 and 19 of the Environmental Protection (Authorisations) Regulations	Static

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/Administrative 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 WTS Guidelines (2)	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 of 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, Cap 81:03, Section 60A of the Income Tax Act, Cap 81:01	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/Administrative 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 Act, Cap 36:01, Regulations 4, 5, 14, 15 and 19 of the National Insurance and Social Security (Collection of Contributions) Regulations	Static
F.3.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection report (MOL)	Section 41 of the Occupational Safety and Health Act, Cap 99:10, Sections 2 and 3 of the Employment of Young Persons and Children Act, Cap 99:01	Static
F.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection report (MOL)	Sections 8 and 11 of the Labour Act, Cap 98:01, Section 4 and the Schedule to 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 (MOL)	Section 47(1) (n) of the Occupational Safety and Health Act, Cap 99:10	Static
F.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection report (MOL)	Section 46 of the Occupational Safety and Health Act, Cap 99:10, Section 17 of the Forests Act No 6 of 2009	Static
F.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection report (MOL)	Section 69 of the Occupational Safety and Health Act, Cap 99:10	Static
F.3.2.7	The FSO complies with the non-discrimination legislation.	Inspection report (MOL)	Sections 4(2) and 5 of the Prevention of Discrimination Act, Cap 99:09	Static

(<sup>1</sup>) The WTS Guidelines will be updated during the implementation phase of this Agreement. This footnote applies everywhere the WTS Guidelines are mentioned in this matrix.

(<sup>2</sup>) The WTS Guidelines will be updated during the implementation phase of this Agreement.

#### 4.7 Legality matrix G for seized timber products (<sup>1</sup>)

Principle 1	Seized timber products are 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	Verifiers (responsible agency)	Legislative/Administrative 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 No 6 of 2009, The WTS Guidelines ( <sup>1</sup> )	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.	GFC clearances pass (GFC/FMD)	Sections 58(5), 58(7), 60, 70(5) and 71 of the Forests Act No 6 of 2009, The WTS Guidelines	Dynamic

(<sup>1</sup>) The WTS Guidelines will be updated during the implementation phase of this Agreement. This footnote applies everywhere the WTS Guidelines are mentioned in this matrix.

(<sup>1</sup>) Compliance with the indicators in this matrix demonstrates the legal re-entry of seized timber products into the supply chain.

4.8 Legality matrix H for the 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/Administrative 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 No 6 of 2009, Regulations 29, 30 and 31 of the Forests Regulations 2018, The WTS Guidelines (!)	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 No 6 of 2009, Regulations 32, 33 and 34 of the Forests Regulations 2018, The WTS Guidelines	Static
H.1.1.3 optional	The FSO has a valid lumber yard licence.	Lumber yard licence (GFC/FMD)	Section 40 of the Forests Act No 6 of 2009, The WTS Guidelines	Static
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/Administrative 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, 15 and 21(1) (b) of the Environmental Protection Act, Cap 20:05, Regulations 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 WTS 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/Administrative references	Type of verifier
H.3.1.1	The FSO complies with the requirements for the payments of management fees.	One of the following two verifiers: (i) receipts on the payment schedules (GFC/FD) (ii) receipts for full payments (GFC/FD)	For both verifiers: Regulations 53 of the Forests Regulations 2018, The WTS Guidelines	Dynamic
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, Cap 81:03, Section 60A of the Income Tax Act, Cap 81:01	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/Administrative 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, Cap 36:01, Regulations 4, 5, 14, 15 and 19 of the National Insurance and Social Security (Collection of Contributions) Regulations	Static
H.3.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection report (MOL)	Section 41 of the Occupational Safety and Health Act, Cap 99:10, Sections 2 and 3 of the Employment of Young Persons and Children Act, Cap 99:01	Static
H.3.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection report (MOL)	Sections 8 and 11 of the Labour Act, Cap 98:01, Section 4 and the Schedule to 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 (MOL)	Section 47(1) (n) of the Occupational Safety and Health Act, Cap 99:10	Static
H.3.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection report (MOL)	Section 46 of the Occupational Safety and Health Act, Cap 99:10, Section 17 of the Forests Act No 6 of 2009	Static
H.3.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection report (MOL)	Section 69 of the Occupational Safety and Health Act, Cap 99:10	Static
H.3.2.7	The FSO complies with the non-discrimination legislation.	Inspection report (MOL)	Sections 4(2) and 5 of the Prevention of Discrimination Act, Cap 99:09	Static

(<sup>1</sup>) The WTS Guidelines will be updated during the implementation phase of this Agreement. This footnote applies everywhere the WTS Guidelines are mentioned in this matrix.

#### 4.9 Legality matrix I for the 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/Administrative 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) (ii) annual operating licence (GFC/FMD) (iii) lumber yard licence (GFC/FMD)	(i) Section 41 of the Forests Act No 6 of 2009, Regulations 32, 33, and 34 of the Forests Regulations 2018. (ii) Regulation 31 (a) (iii) of the Forests Regulations 2018, Section 39 of the Forests Act No 6 of 2009 (iii) Sections 40(2) of the Forests Act No 6 of 2009	Static

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 No 6 of 2009 The WTS Guidelines <sup>(1)</sup> (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 Forests Regulations 2018, The WTS Guidelines	Dynamic
I.1.1.4	The FSO complies with the requirements for the payments of export levies.	Receipts (GFC/FD)	Regulation 41 of the Forests Regulations 2018, The WTS Guidelines	Dynamic
Criterion 1.2	The FSO complies with import requirements and with the WTS			
Indicator number	Indicator	Verifiers (responsible agency)	Legislative/Administrative references	Type of verifier
I.1.2.1	The FSO has an import licence.	Import licence (GFC/FMD)	Section 37 of the Forests Act No 6 of 2009, Regulation 36 of the Forests Regulations 2018	Static
I.1.2.2	The FSO has an import permit.	Import permit (NPPO)	Section 8 of the Plant Protection Act, No 9 of 2011	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, Cap, No 22 of 2016	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 Forests Regulations 2018, The Wood Tracking System Guidelines	Dynamic

Principle 2	The FSO complies with its fiscal and social obligations (applies only to FSOs that 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/Administrative 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 of 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, Cap 81:03, Section 60A of the Income Tax Act, Cap 81:01	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/Administrative 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, Cap 36:01, Regulations 4, 5, 14, 15 and 19 of the National Insurance and Social Security (Collection of Contributions) Regulations	Static
I.2.2.2	The FSO employs persons above the relevant statutory ages in accordance with the operations being conducted.	Inspection report (MOL)	Section 41 of the Occupational Safety and Health Act, Cap 99:10, Sections 2 and 3 of the Employment of Young Persons and Children Act, Cap 99:01	Static
I.2.2.3	The FSO pays employees at or above the statutory minimum wage.	Inspection report (MOL)	Section 8 and 11 of the Labour Act, Cap 98:01, Section 4 and the Schedule to 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 (MOL)	Section 47 (1) (n) of the Occupational Safety and Health Act, Cap 99:10	Static

I.2.2.5	The FSO ensures that workers are provided with the applicable PPE.	Inspection report (MOL)	Section 46 of the Occupational Safety and Health Act, Cap 99:10, Section 17 of the Forests Act No 6 of 2009	Static
I.2.2.6	The FSO reports and records all incidents of workplace accidents and injuries.	Inspection report (MOL)	Section 69 of the Occupational Safety and Health Act, Cap 99:10	Static
I.2.2.7	The FSO complies with the non-discrimination legislation.	Inspection report (MOL)	Sections 4(2) and 5 of the Prevention of Discrimination Act, Cap 99:09	Static

(<sup>1</sup>) The WTS Guidelines will be updated during the implementation phase of this Agreement. This footnote applies everywhere the WTS Guidelines are mentioned in this matrix.

## 5. Glossary

Amerindian	An "Amerindian" is defined in section 2 of the Amerindian Act, Cap 29:01, 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, Cap 29:01, as a Village Council 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 operating licence", as listed in section 39 of the Forests Act No 6 of 2009, granted by the GFC for a sawmill used to break down and convert logs and cants into boards, planks, scantlings or wood products suitable for further processing.
Annual operations 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 signed in 1973 that regulates or prohibits the international trade of plant and animal species that are believed to be harmed by or that may be 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 to take or cause to be taken out of Guyana.
Exporter	Section 2 of the Customs Act, Cap 82:01 defines "exporter" to include any person by whom any 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 of the Forests Act No 6 of 2009 defines "forest"  (a) as meaning 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) as including:  (i) mangrove forests and any wetlands or open lands within a forest which form an integral part of the ecosystem;  (ii) forest produce in the ecosystem; and  (iii) biological, soil, and water resources of the ecosystem.

Forest concession agreement	Section 2 of the Forests Act No 6 of 2009 defines "forest concession agreement" as an agreement of that designation by which the GFC grants a concession under section 6 of the Forests Act No 6 of 2009.
Forest management plan	The Forest Management Plan Guidelines (2018) indicate that a forest management plan is based upon a detailed social, economic and environmental appraisal, setting out the order and extent of all activities to be carried out in a concession.
Forest operations	Section 2 of the Forests Act No 6 of 2009 defines "forest operations" as including: the cutting or taking of forest produce; the removal or conveyance of forest produce 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 No 6 of 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" to include 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 No 6 of 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 No 6 of 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 forest produce 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 No 6 of 2009 requires an FSO to have a valid removal permit issued by the GFC to remove timber products and/or convey within Guyana timber products from any State forest, public land, Village lands, private land or any entry point into Guyana.
Sawmill	Section 2 of the Forests Act No 6 of 2009 defines "sawmill" as 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 includes a sawpit.
Sawpit	Section 2 of the Forests Act No 6 of 2009 defines "sawpit" as an area or pit made to facilitate the operation of a pit-saw by manual labour.
State forest	In accordance with section 3 of the Forests Act No 6 of 2009, a State forest is any area which the Minister may by order declare to be a State forest. However, Amerindian Village lands, Iwokrama Rainforest and the Kaieteur National Park cannot be declared as State forest.
State forest authorisation	Section 2 of the Forests Act No 6 of 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 No 6 of 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 right	"Traditional right" is defined in section 2 of the Amerindian Act, Cap 29:01 as any subsistence right or privilege, in existence at the date of the commencement of that 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.

## Applicable legal references

	Acts, Regulations	Description
Forestry	Forests Act No 6 of 2009	An Act to consolidate and amend the law relating to forests.
	Forests Regulations, Regulations No 2 of 2018	These Regulations support the implementation of the Forests Act No 6 of 2009.
	State Lands Act 1903, 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 utilisation, reduce environmental impacts, help ensure that forests are sustained for future generations, and improve the economic and social contributions of 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 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 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.
	Hydro-Electric 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 matters connected therewith.

	Acts, Regulations	Description
	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 implement 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 99:09	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 99:10	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.

	Acts, Regulations	Description
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 of 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.

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

- Constitution, Cap 1:01
- Access to Information Act 2011, Act No 21 of 2011
- Customs Act, Cap 82:01
- Equal Rights Act, Cap. 38:01
- Guyana Forestry Commission Act No 20 of 2007
- relevant international treaties, conventions, declarations and bilateral agreements to which Guyana is a party.

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. FD 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**

- I. Lodging of the FLEGT licence (hereinafter referred to as the "licence")
  1. The licence shall be lodged with the competent authorities of the Member State of the Union in which the shipment covered by that licence is declared for release for free circulation <sup>(1)</sup>. 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.
- II. Checks on validity of licence 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.
  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 a replacement licence shall not be accepted unless it has been issued and validated by the licensing authority.
- III. Requests for additional information
  1. Where there are doubts 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.
- IV. 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.

---

<sup>(1)</sup> Release for free circulation is an EU customs procedure. Under Article 201(2) and (3) of Regulation (EU) No 952/2013 of the European Parliament and of the Council of 9 October 2013 laying down the Union Customs Code, release for free circulation entails: (a) the collection of any import duty 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 do not have to be 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 import of the goods. Release for free circulation confers on non-Union goods the customs status of Union goods.

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 10 % 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. Where there are doubts about whether the shipment conforms with the 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 licence 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 21 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 section III or a further investigation in accordance with this section, that the licence does not conform to the shipment.

V. 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 sections III and IV of this Annex is deemed necessary.

VI. Other matters

1. Costs incurred while the verification in accordance with sections III and IV 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 licences, the matter may be referred to the JMRC.

VII. 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**

## 1. General requirements relating to FLEGT licences

- 1.1. 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.
- 1.2. In accordance with Article 2, point (c), 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.
- 1.3. FLEGT licences may be issued in paper or electronic form.
- 1.4. 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 shall not be declared to more than one customs office in the Union.
- 1.5. 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.
- 1.6. The applicant shall submit the FLEGT licence and export certificate for export to the Union, or only the export certificate for export to other destinations, and shall attach 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, shall be finalised during the implementation phase of the GTLAS.
- 1.7. For complex shipments, including different types of timber product, for which it may not be possible to include all the information specified in Template 1 in Appendix 1, an authorised attachment (additional goods description attached to the FLEGT licence) shall be added to the FLEGT 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 FLEGT licence shall not include information on the shipment but shall include a reference to the authorised attachment.
- 1.8. The detailed requirements and procedures to extend the validity and define the cancellation and the management of FLEGT licences shall be finalised during the implementation phase of the GTLAS. The procedures for applying for and issuing FLEGT licences shall be made public.
- 1.9. Guyana shall provide the Union with an authenticated copy of the FLEGT licence, specimen examples of the stamps of the licensing authority, and specimen signatures of authorised personnel.
- 1.10. For all approved FLEGT licences, the original and its copies shall be issued to the licensee in accordance with this Agreement.
- 1.11. Timber products protected under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) are subject to the legality verification under the GTLAS and shall be covered by a FLEGT licence.

1.12. The CITES Management Authority of Guyana, before exporting, shall ensure that timber subject to the provision of CITES or products containing 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 timber.

## 2. Responsibility of the FLEGT licensing authority

2.1. The FLEGT licensing authority (hereinafter referred to as the "licensing authority") in Guyana shall be the Timber Legality and Trade Unit (TLTU) of the Guyana Forestry Commission.

2.2. Competence requirements for the personnel, management structures and internal controls of the licensing authority shall be defined and established before the FLEGT licensing regime is operational.

2.3. The licensing authority shall inform the Management Information System Unit (MISU) of the export request forms received and rejected, and of the FLEGT licences issued.

2.4. The licensing authority shall develop a numbering system for FLEGT licences that enables differentiation between FLEGT licences destined for the Union market and all other export documents required by statute.

2.5. The licensing authority shall only issue a single extension, which will be for a period not exceeding three months, at the request of the licensee. The licensing authority shall introduce and validate the new expiration date.

2.6. 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 Member State of the Union.

2.7. The licensing authority shall endeavour to guarantee the authenticity of FLEGT licences and to prevent erasures or alterations.

2.8. The FLEGT licensing system shall be progressively linked to the Guyana Single Window System established under the Customs and Trade Single Window System Act, No 15 of 2019, for export from Guyana, when conditions allow.

2.9. The 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 authorities of Guyana that are competent on issues related to FLEGT licences.

## 3. Procedure for issuing FLEGT licences

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

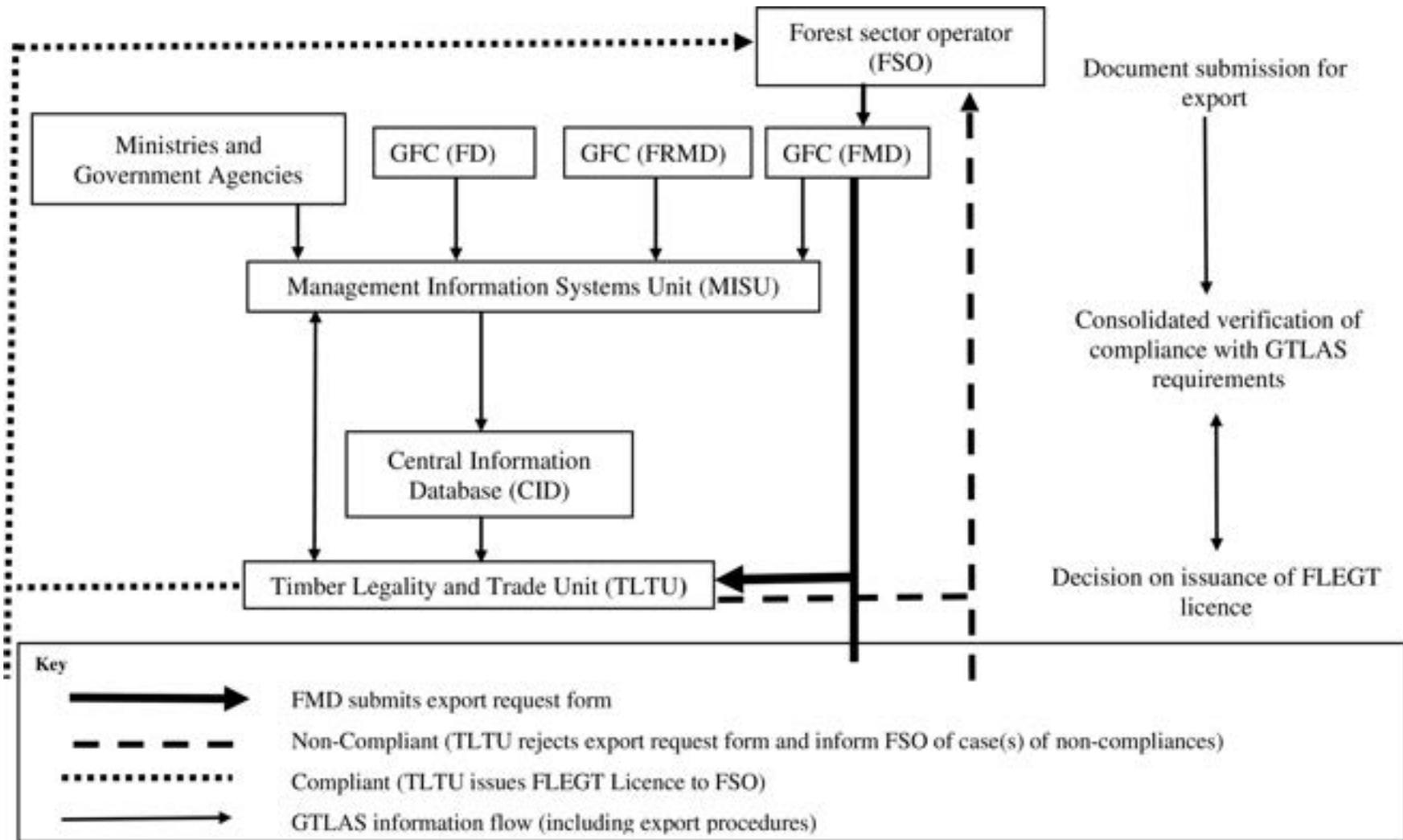
3.1. For each shipment, the Forest Monitoring Division (FMD) shall submit an export request form to the licensing authority, notifying the licensing authority that the FSO has made a request for export of timber product and has met the FMD export requirements.

3.2. Upon receiving the export request form, the licensing authority shall check the Central Information Database (CID) to ensure the FSO's compliance with the GTLAS requirements.

3.3. After reviewing the export request form and checking the CID, and once it is confirmed that the FSO is compliant with the GTLAS requirements, the licensing authority shall issue the FLEGT licence for the corresponding shipment.

- 3.4. If the FSO is non-compliant with the GTLAS, the 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 form for the corresponding shipment.
- 3.5. A FLEGT licence shall be issued before customs clearance of the shipment by CETO.
- 3.6. Any timber products listed in Annex I for samples and demonstration purposes is also subject to the FLEGT licensing scheme when exported into the Union market.
- 3.7. For all approved FLEGT licences, the licensing authority shall provide electronic copies to the relevant Union customs authority and competent authority.
- 3.8. All records relating to the issuance of FLEGT licences shall be kept in the CID, including those that were rejected.
- 3.9. Relevant forms and procedures for applying for a FLEGT licence shall be developed and made public before the FLEGT licensing scheme is operational.

Diagram of information flow



4. Technical specifications with regard to paper FLEGT licences
  - 4.1. Paper licences shall conform to the format set out in Appendix 1.
  - 4.2. The paper size shall be standard A4 and shall have watermarks showing the logo and seal of the Guyana Forestry Commission (GFC).
  - 4.3. The licences shall be completed using a typewriter or computer, and if necessary, can be completed by hand.
  - 4.4. The licensing authority shall use a metal stamp made of steel.
  - 4.5. 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.
  - 4.6. 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.
  - 4.7. The licences shall be printed and completed in English.
5. Technical specifications with regard to electronic FLEGT licences
  - 5.1. FLEGT licences may be issued and processed using electronic systems developed in the context of the GTLAS.
  - 5.2. In Member States of the Union that are not linked to an electronic system, a paper licence shall be made available.
6. Copies of FLEGT licences
  - 6.1. A FLEGT licence shall be drawn up in one original licence and four copies, as follows:
    - (i) "Original" for the competent authority;
    - (ii) "Copy for customs at destination";
    - (iii) "Copy for the importer";
    - (iv) "Copy for the licensing authority";
    - (v) "Copy for the licensee".
  - 6.2. The FLEGT licences marked "Original" for the 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.
  - 6.3. 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.
  - 6.4. 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.
  - 6.5. The copy marked "Copy for the licensee" shall be given to the licensee for the licensee's records.
  - 6.6. Electronic copies of the FLEGT licence shall also be provided to the relevant Union customs authority and the competent authority.

6.7. The licensing authority shall archive a copy of the FLEGT licence and an electronic copy shall be stored by the MISU in the CID.

## 7. Validity, withdrawal and replacement of FLEGT licences

### 7.1. Validity and loss of the validity of FLEGT licences

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

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 Union or where the export has not been carried out and the licensee has not requested an extension.

### 7.2. Withdrawal of the FLEGT licence

The FLEGT licence will be withdrawn in the following situations:

- where there is any infraction committed by the licensee related to the shipment that is identified after the issuance of the FLEGT licence; and
- where the licensee returns the licence voluntarily after deciding not to use it.

### 7.3. Replacement of the FLEGT licence

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 for the loss, theft or destruction of the original and/or copy.

Once the licensing authority is satisfied with the justification for replacing the licence, it shall issue a replacement following receipt of the request from the licensee.

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

In the event that the lost or stolen licence is retrieved, it shall not be reused and shall be returned to the licensing authority.

### 7.4. FLEGT licence reapplication

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, or any deviation in the weight or volume of the shipment by more than 10 % in comparison with the FLEGT licence.

## 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 licence regulations, the licensing authority shall apply penalties as prescribed by the laws of Guyana.

## 9. Treatment of doubts regarding the validity of a licence

9.1. Where there are doubts as to the validity or authenticity of a licence, a duplicate or a replacement licence, the competent authority of a Member State of the Union may request additional information from the licensing authority.

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

9.3. 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.

- 9.4. 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".
- 9.5. 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 (Templates 1 and 2)
2. Notes for guidance

## Appendix 1

## Template 1: Format of the FLEGT licence

European Union		FLEGT		
ORIGINAL	1. Licensing Authority Name Address	2. Importer Name Address		
	3. FLEGT licence number	4. Date of expiry (DD/MM/YY) 		
	5. Country of export	7. Means of transport		
	6. ISO code			
	8. Licensee (name and address)			
	9. Commercial description of timber products	10. HS heading		
	11. Common and scientific names	12. Countries of harvest	13. ISO codes of countries of harvest	
	14. Volume (m <sup>3</sup> )	15. Net weight (kg)	16. Number of units	
17. Distinguishing marks (if any)				
18 Signature and stamp of licensing authority  Name Place and date				

**Template 2: Additional information for complex shipment**

THE FOLLOWING INFORMATION IS RELATED TO THE FLEGT LICENCE:

Licence # .....

Date of expiry:.....

Name of licensee:.....

Name of importer:.....

Item #	Commer- cial descrip- tion of the timber products	HS heading	Common and scientific names	Countries of harvest	ISO code of country of harvest	Volume (m <sup>3</sup> ) *	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 licensing authority			
----------------	--------------------	---	--	--	--

## Appendix 2

**Notes for guidance**

## General:

- Complete in capital letters.
- ISO codes refer to the international standard two-letter country code.
- The mentioning of "ORIGINAL" in Template 1 will need to be replaced by one of the following in accordance with the recipient of the licence copy: "COPY FOR CUSTOMS AT DESTINATION", "COPY FOR THE IMPORTER", "COPY FOR THE LICENSING AUTHORITY", "COPY FOR THE LICENSEE"

Box 1	Licensing authority	Indicate the full name and address of the licensing authority.
Box 2	Importer	Indicate the full name and address of the importer.
Box 3	FLEGT licence number	Indicate clearly the licence number in the required format.
Box 4	Date of expiry	Indicate clearly the expiry date 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 point of export.
Box 8	Licensee	Indicate the name and address of the exporter.
Box 9	Commercial description of timber products	Indicate the commercial description of the timber product(s).
Box 10	HS heading	The four- or six-digit commodity code established pursuant to the Harmonized Commodity Description and Coding System and described in Annex I to this Agreement.
Box 11	Common and scientific names	Indicate the common and scientific names 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 species of timber referred to in box 10 was harvested. For a composite product, include for all sources of wood used. May be omitted for a composite product or component that contains multiple species whose identity has been lost (e.g. particle board).
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 (e.g. particle board).
Box 14	Volume (m <sup>3</sup> )	Give the overall volume in m <sup>3</sup> . May be omitted unless the information referred to in box 15 has been omitted.

Box 15	Net weight (kg)	Give the overall 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 licensing 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 (GTLAS)**

## 1 INTRODUCTION

## 2 SCOPE OF THE GTLAS

2.1 Timber products covered by the GTLAS

2.2 Sources of timber

2.3 Forest sector operators covered by the GTLAS

2.4 Applicable legislation and procedures

2.5 Roles and responsibilities of entities involved in GTLAS implementation

2.6 Implementing structures to ensure effective coordination

## 3 DESCRIPTION OF THE GTLAS

3.1 Forest allocation and harvesting rights

3.2 Legality Definition

3.3 WTS requirements

3.4 Verification of compliance with the allocation process, the Legality Definition and the WTS requirements

3.5 Management of non-compliance

3.6 Consolidated verification

3.7 Data and information collection and management

3.8 FLEGT licensing scheme

3.9 Independent audit

3.10 Complaint mechanism for the GTLAS

3.11 Monitoring of GTLAS implementation

## 4 ENHANCING SYSTEMS SUPPORTING GTLAS IMPLEMENTATION

## APPENDIX

## 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. This Agreement complements Guyana's Low Carbon Development Strategy 2030. In implementing this Agreement, 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.

The Guyana Timber Legality Assurance System (GTLAS) is based on the national legal framework 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 and 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 the national legal framework, 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 forestry 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 being in need of 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 Annex were agreed by consensus with these stakeholders.

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

## 2 SCOPE OF THE GTLAS

### 2.1 Timber products covered by the GTLAS

Timber products covered by the GTLAS and their corresponding Harmonized Commodity Description and Coding System are included in Annex I. The Parties shall consider including more products in Annex I two years after the commencement of FLEGT licensing.

## 2.2 Sources of timber

The sources of timber are divided into six main categories:

- (a) Small concessions are areas of 8 097 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 Code of Practice No 1 of 2018 and the Guidelines for Forest Operations (Small Concession). Pre-harvest inventory is not a requirement for small concessions.
- (b) Large concessions are areas larger than 8 097 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 be either 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 Code of Practice No 1 of 2018 and the Guidelines for Forest Operations (Large Concession). The Code will include provisions on the preparation of a forest management plan, an annual operations plan, and the conduct of a pre-harvest inventory by the FSO, as specified in the Forest Management Plan Guidelines.
- (c) Amerindian Village – the Amerindian Act, Cap 29:01 defines "Village or Amerindian Village" as a group of Amerindians occupying or using Village lands and defines "Village lands" as lands owned communally by a Village under title granted to a Village Council to hold for the benefit of the Village. An absolute grant or a certificate of title is granted to a Village Council to demonstrate land ownership. 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 No 6 of 2009 defines "private land" as "land that is neither public land nor Village land". Private land is legally held by either an individual 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 <sup>(1)</sup> in conversion – timber products can be salvaged from State lands that are approved by the relevant Ministries and/or 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 Office of the President to construct hydropower plants. The Ministry of Public Works 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.

---

<sup>(1)</sup> State lands are inclusive of State forest areas.

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. 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).

- (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 No 6 of 2009. Seized timber products can re-enter the supply chain following the procedures outlined in section 3.3.10.

### 2.3 FSOs 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 the Appendix to Annex II). These pieces of legislation form the framework applicable to Guyana's forestry 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 national legal framework 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 GTLAS implementation

The Ministries and/or Government 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 Amerindian Affairs
- Ministry of Labour
- 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 Co-operative Societies

- Deeds Registry
- Land Registry
- National Plant Protection Organisation
- Wildlife Conservation and Management Commission
- Ministry of Public Works
- Office of the President

All the Ministries and/or 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/or Government Agencies in conducting GTLAS verification will be further developed and compiled in a GTLAS Manual of Procedures for verification.

Summary descriptions of the Ministries and/or Government Agencies involved in the GTLAS, which 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 forest. The GFC will be responsible for implementing this Agreement on behalf of Guyana, including the management of the GTLAS in coordination with other Ministries and/or 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 FRMD also reviews and approves relevant FSOs' management and operational plans, where applicable. Additionally, the FRMD advises the Forest Monitoring Division (FMD) of FSOs' approval to commence harvesting. The FMD then issues GFC tracking tags and the relevant transport documents (see section 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 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/or Government Agencies, and FSOs for inclusion in the FSOs' electronic data-files in the CID. In the event 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/or 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/or 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 the FMD. The TLTU will check the CID to determine whether the FSO has met the legal requirements of the GTLAS. Once the requirements of the GTLAS have been met, the TLTU will issue export certificates for all markets and additionally FLEGT licences for products listed in Annex I destined for the 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 Operations (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 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 Amerindian Affairs is responsible for verifying Village Councils' elections of Amerindian Villages involved in timber harvesting for commercial purposes.
  4. The Ministry of Labour 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/or 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 corporates.
  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 Co-operative 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 Works is responsible for the planning, construction and maintenance of major public infrastructure in Guyana, and for the issuance and management of the approval (authorisation) of infrastructural work.
17. The Office of the President 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 the implementation of this Agreement, 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 for 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/or Government Agencies involved in the development and implementation of this Agreement. A joint memorandum of understanding (MoU) will be developed and signed by all Ministries and/or Government Agencies outlining their commitment to participate in the Government Coordination Body. The Government Coordination Body will ensure effective implementation of this 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/or 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; and
- 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/or Government Agencies.

The Ministries and/or 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/or 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/or Government Agencies to nominate a VPA focal point and an alternate.

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

- Agreement for verifiers and compliance assessment 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/or Government Agencies with regard 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 (NIWG) 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/or Government Agencies and, on the other, representatives of other stakeholders from the private sector, civil society and Indigenous peoples. The NIWG will act as focal point for effective communication and information exchange on progress in implementation and 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 NIWG will provide strategic guidance to Guyana's representatives on the JMRC, and will also be able to propose items to be added to the agendas of the JMRC's meetings. It 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, which has been agreed on by a vast majority of stakeholders in Guyana, 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. Independent audit

### 7. Complaint mechanism for the GTLAS

### 8. Monitoring of GTLAS implementation.

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 Villages 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/or Government Agencies involved in the GTLAS and will be strengthened in relevant areas suggested by stakeholders. The roles and responsibilities of the Ministries and/or 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 Union and Guyana agree for the TLTU to issue FLEGT licences to cover such timber products exported to the Union. FLEGT licensing scheme procedures are further detailed in Annex IV.

The independent audit, in line with its objectives as outlined in Annex VI, 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/or Government Agencies, the Independent Auditor or the JMRC.

The eighth element is the monitoring of GTLAS implementation. Guyana and the 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 No 6 of 2009 and the Forests Regulations 2018 set 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; and
- afforestation agreements.

The Forests Act No 6 of 2009 and the Forests Regulations 2018 also set out the conditions for contracts between the GFC and the following types of stakeholder:

- holder of private land;
- Village Council from Amerindian land; and
- 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 Amerindian 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 sections 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 national legal framework. 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 forest areas 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 forest 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 coexist with different land-use activities.

The process to allocate State forest 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 No 6 of 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 State lands in conversion, Amerindian Villages and private land

For harvesting on Amerindian Village, private land and State lands in conversion, the applicant submits the required documents to the GFC. The GFC then verifies the authenticity of the source documents with the relevant Ministries and/or Government Agencies. The required source documents for harvesting on Amerindian Village and private land include: absolute title, transport, absolute grant, or certificate of title. The documents required for harvesting on State lands in conversion include: agricultural 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 ongoing 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 relevant 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 No 6 of 2009. The purposes of use permits are to conduct research and 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 No 6 of 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 FSO mentioned in section 2.3 of this Annex 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 FSO with differing legality requirements.

The verification of FSOs' compliance with a principle considers all applicable criteria and corresponding indicators, as described in sections 3.4 and 3.6 below. Compliance with each indicator is based on the availability and validity of corresponding official documents (verifiers) issued by the GFC and various Ministries and/or 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/or 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 Co-operative Societies, Friendly Societies Registry, Ministry of Amerindian Affairs, Revenue Authority
------------------------	---

#### B. Legality matrix for State forest authorisation (large concession)

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	Ministry of Labour, National Insurance Board
C. Legality matrix for State forest authorisation (small concession)	
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	Ministry of Labour, National Insurance Board
D. Legality matrix for an Amerindian Village	
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	Ministry of Labour, National Insurance Board
E. Legality matrix for private land	
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	Ministry of Labour, National Insurance Board
F. Legality matrix for salvaged timber products from State land 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 Works, Office of the President
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	Ministry of Labour, 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 the 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	Ministry of Labour, National Insurance Board
I. Legality matrix for the 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	Ministry of Labour, 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 Code of Practice No 1 of 2018, the Guidelines for Forest Operations (Small Concession) and the Guidelines for Forest Operations (Large Concession).

This section outlines the WTS requirements with which the FSO has to comply, while section 3.4.4 outlines the steps followed by the Ministries and/or Government Agencies to verify compliance with these requirements.

The Appendix provides a summary of the critical control points within the supply chain, as well as the documents and 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 Code of Practice No 1 of 2018, the Guidelines for Forest Operations (Large Concession) and the tracking requirements of the WTS Guidelines.

FSOs of small concessions, State lands in conversion <sup>(2)</sup>, Amerindian Villages or private lands are not subject to pre-harvesting requirements.

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

1. Obligation to conduct a pre-harvest inventory for all blocks that are proposed to be harvested in the operational year in order to know the maximum allowable cut within a given cycle <sup>(3)</sup>
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 operations 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 forest 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 forest 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.

<sup>(2)</sup> In State lands in conversion, the GFC conducts a pre-harvest inspection to establish the location and species of trees designated for commercial harvesting.

<sup>(3)</sup> 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 Code of Practice No 1 of 2018, the 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 Code of Practice No 1 of 2018, the 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 is no pre-harvest inventory or 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), in compliance with the annual operations plan <sup>(1)</sup>	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 <sup>(2)</sup>	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 the Appendix) 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		

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

(<sup>1</sup>) 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 operations 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.

(<sup>2</sup>) 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 Code of Practice No 1 of 2018, the 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 Code of Practice No 1 of 2018, the 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.	Obligation to comply with environmental requirements	X	X		

### 3.3.4 Transportation

Large concessions: FSOs of large concessions must comply with the transport requirements of Code of Practice No 1 of 2018, the 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 Code of Practice No 1 of 2018, the 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 forest areas, there are four different documents used to control transport:

- (i) A removal permit <sup>(4)</sup> is used to transport timber products from State forest 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 transshipment 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 transshipment permit, can then go through the point at which the removal permit was surrendered to a final destination thereafter.
- (iv) A bill of sale <sup>(5)</sup> is used to transport timber products (for which the removal permit has been surrendered to the GFC) sold from State forest areas.

For timber products coming from private lands and Amerindian Villages, the FSO shall use a private property removal declaration <sup>(6)</sup> to transport timber products. Such timber products, accompanied by 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 seized timber products, the following documents are used to control transport:

- (a) Custody or seizure forms are used to transport timber products when the timber products are suspected to be in breach of the Forests Act No 6 of 2009. They are both issued by the GFC.
  - (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.

---

<sup>(4)</sup> A 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.

<sup>(5)</sup> 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/lumberyard) and quantity (volume or length).

<sup>(6)</sup> A 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.

- (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 following the procedures outlined in section 3.3.10.
3. 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 transshipment 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 products 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 forest 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 forest 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 forest areas or private forests areas on a bill of sale (!) before transport and declare this document to the GFC forest station during transit or upon request during GFC field verification.	X	X	X	X	
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 along the supply chain on a bill of sale, if applicable, and present this document upon request during GFC field verification.					X

Transportation rules		FSO categories				
		Large concessions	Small concessions	State lands in conversion	Amerindian Villages and private lands	Processing and sale
6.	Obligation to use a custody 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 <sup>(?)</sup> and declare this document to the GFC forest station during transit or upon request during GFC field verification.	X	X	X	X	X
8.	Obligation 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 the point of GFC grading inspection to the point of export.	X	X	X	X	X
10.	Obligation to use a transshipment permit for all timber products coming from State forest areas and the removal permit surrendered to the GFC.	X	X	X		

(<sup>1</sup>) 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 areas or private forest areas.

(<sup>2</sup>) 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.

### 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 wood 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 on a 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 sale of timber products

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

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

Domestic sale of timber products rules		FSO categories				
		Large concessions	Small concessions	State lands in conversion	Amerindian Villages and private lands	Processing and sale <sup>(1)</sup>
1.	Obligation to be licenced to sell timber products locally <sup>(2)</sup> .					X
2.	Obligation to specify the relevant information on all sale of timber products recorded on a wood products sales form	X	X	X	X	X
3.	Obligation to submit the wood products 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 products sales form.	X	X	X	X	X

<sup>(1)</sup> Refers to sawmills, lumberyards or a natural person, body corporate or entity that does not operate a sawmill or lumberyard but is only licenced to buy and sell timber products.

<sup>(2)</sup> 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).

### 3.3.7 Export of timber products

Currently, as per the Forests Act No 6 of 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 No 6 of 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
- Application for export certification
- Application for export of forestry produce
- Electronic single administrative document (ESAD) in the Automated System for Customs Data (ASYCUDA)
- 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, they are returned to the FSO, and the TLTU will issue to the FSO an export certificate for all markets and additionally a FLEGT licence for products listed in Annex I destined for the Union. The FSO then submits the FLEGT licence and export certificate for the Union market, or export certificate only for non-Union markets, along with the other documents mentioned above.

Export of timber products rules		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 <sup>(1)</sup> 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
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

<sup>(1)</sup> Includes application for export of forestry produce, application for timber marketing certificate, application for export certification and ESAD in ASYCUDA.

### 3.3.8 Import of timber products

As per the Forests Act No 6 of 2009, any FSO that imports timber product has to hold an import licence. In addition, the Forests Act No 6 of 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 No 6 of 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;
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 licenced 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 permit 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 permit.	X
5.	Obligation to submit a FLEGT licence or CITES permit or due diligence assessment report (where applicable) with the application for import permit.	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.

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 CETO. They are under the supervision of Guyana's customs authority 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

#### 3.3.10.1 Seized timber products

Timber products suspected to be in breach of the Forests Act No 6 of 2009 are seized and removed from the supply chain. In certain cases described below, and following procedures for managing seized timber, such timber can re-enter Guyana's supply chain.

After re-entry into the supply chain, FLEGT licences shall only be issued for seized timber in case no prosecution is started within three months for the offence for which the timber was seized (Forests Act, Section 60.1.a), or if all those who were prosecuted have been acquitted (Forests Act, Section 60.1.b).

Two years after the entry into force of this Agreement, this approach will be re-evaluated by both Parties through the JMRC.

The procedures for managing seized timber are described below:

1. Seizure and investigation by GFC: 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. For breaches or suspicion of breach of the Forests Act (within the boundaries of Amerindian Villages), the Village Council (VC) and/or GFC (when invited by the VC) <sup>(7)</sup> conducts the investigation, and the VC may summon the FSO or non-FSO to appear before the VC.

In all cases of non-compliance, by FSOs or non-FSOs, the FMD prepares a seizure or custody form and a 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 No 6 of 2009 and the penalties listed in Schedule 1 of that Act.

3. Sale, return and disposal of seized timber

Sale of seized timber subject to decay: When seized timber is subject to speedy and natural decay the GFC may sell that timber and hold the proceeds of the sale in trust pending completion of any proceedings for an offence against the Forests Act No 6 of 2009.

Return of seized timber to the FSO: A designation as seized timber may be lifted, the seized timber products returned to the FSO and re-entry into the supply chain permitted when:

---

<sup>(7)</sup> 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.

- (a) no proceedings for an offence against the Forests Act No 6 of 2009 in respect of which that thing was seized have been commenced within three months of the seizure. This includes cases where 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;
- (b) proceedings have been brought and completed but:
  - (i) every person charged has been acquitted; or
  - (ii) no Court order to forfeit seized timber has been made under the Forests Act No 6 of 2009 or any other written law.

Forfeiture of seized timber and disposal by GFC: Where the Court ordered seized timber to be forfeited to the state, GFC may retain or dispose of it in such manner as it sees fit. This includes the possibility for GFC to publicly auction such forfeited timber.

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. FLEGT licences shall however only be issued for seized timber that has been returned to the FSO because no prosecution has been initiated within three months, or because all those who were prosecuted have been acquitted.

If it is found that a breach was committed by a non-FSO, the seized and forfeited timber products can only be used by the Government in Government-approved projects <sup>(8)</sup>.

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, procedures for documenting and segregating which of the re-entered timber is eligible for FLEGT licensing, 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.

---

<sup>(8)</sup> In the case when there are no current Government-approved 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.

Any individual who is not an FSO, but the GFC suspects to be in breach of the Forests Act No 6 of 2009, will also be subjected to the rules for seized timber products.

Two years after the entry into force of this Agreement, the limitation of FLEGT licensing to seized timber returned to the FSO because no prosecution has been initiated within three months, or because all those who were prosecuted have been acquitted, will be re-evaluated by both Parties through the JMRC.

Seized timber products rules		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

#### 3.3.10.2 Abandoned timber products

The Forests Act No 6 of 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 WTS 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/or 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/or 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/or Government Agencies: under the framework of section 2.5, 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 in accordance with 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; and
- 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 No 6 of 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, information related to the allocation process and its results will be made public.

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/or 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/or 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/or Government Agencies will have three types of responsibility:

#### — Routine functions

Ministries and/or 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/or 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 with which the FSO has to comply. Compliance is assessed through the inspection and the inspection report mentions the result of the assessment.

#### — Random announced or unannounced inspections

Ministries and/or 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/or 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/or 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 GTLAS 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/or 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.

The Appendix 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 the Appendix. 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 in accordance with the administrative process referred to in 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/or 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 <sup>(9)</sup>. The GFC has developed a table (set out in the Appendix) 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

<sup>(9)</sup> 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.

- 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 forestry sector, thereby contributing to improving its image on the national and international markets.

#### 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. Field inspections

###### A.1 Monitoring of pre-harvesting activities

FRMD field staff assesses the FSO's compliance with pre-harvesting 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. Desk verification

###### B.1 Validation of forest management documents

FRMD headquarters assess the FSO's compliance with pre-harvesting rules 2, 4 and 5 listed in section 3.3.1 through the desk review of the FSO's forest management plan and annual operations 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 pre-harvesting rules 1, 2 and 3 listed in section 3.3.1.

Based on verifications above, FRMD headquarters provides the GFC verification report and the 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. Field inspections and verifications:

##### 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 declared information for harvested logs

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. Data verification:

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 obligations:
  - The 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
  - The GFC Internal Audit Unit compares data from the FMD Tag Issuance Register and removal permit with that from the FMD Tags Returned Register and the production register to verify that the FSO complies with rule 3 of section 3.3.3.

Based on the 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. Field inspections and verifications:

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 declared information for harvested logs

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.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, 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. Data verification:

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:

— The 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.

- The 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 the 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:

- The GFC Finance Division compares data from the agricultural 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
- The 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 the 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. Field inspections:

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 declared information for harvested logs

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. Data verification:

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:

— The 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 the 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 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. Field inspections:

###### A.1 Monitoring of transport activities

The 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) mentioned in section 3.3.4 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. Data verification:

###### 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) mentioned in section 3.3.4.

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. Field inspections and verification:

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. Data verification:

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 forms <sup>(10)</sup> 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 <sup>(11)</sup>

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 performs 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 <sup>(12)</sup> 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.

<sup>(10)</sup> Return of lumber sawn and lumber produced form or return of logs sawn lumber produced form or monthly lumberyard return.

<sup>(11)</sup> See section 3 of Annex II for definition of a FSO.

<sup>(12)</sup> 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 licenced 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 of forestry produce with all the associated forms and documents, 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 before it is returned

to the FSO. The FSO resubmits the application for timber marketing certificate to the FMD headquarters for further verification through data comparison (see point B.1).

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 with the application for export of forestry produce, the application for export certification and the ESAD in ASYCUDA 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 the 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 with 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:

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

Based on the above verifications, FMD headquarters provides all forms mentioned 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 the event of discrepancies between the content of the ESAD in the ASYCUDA 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;
- valid FLEGT licence; or
- valid CITES permit.

The FMD, in collaboration with the NPPO and the CETO, will verify compliance with requirements outlined in section 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 Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber products on the market (EU Timber Regulation).

#### A. Data verification of the import application

##### 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 (see point 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. Field inspection and verification:

##### 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 for import permit. The CETO then fills in a verification report listing all possible cases of non-compliance.

### C. Data verification

#### 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 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 regard 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 national legal framework, the GTLAS shall define these complementary steps, which may include administrative and 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.

### 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 FMD, and other Ministries and/or 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/or Government Agencies, will be established in a GTLAS Manual of Procedures for verification during the implementation phase of the GTLAS.

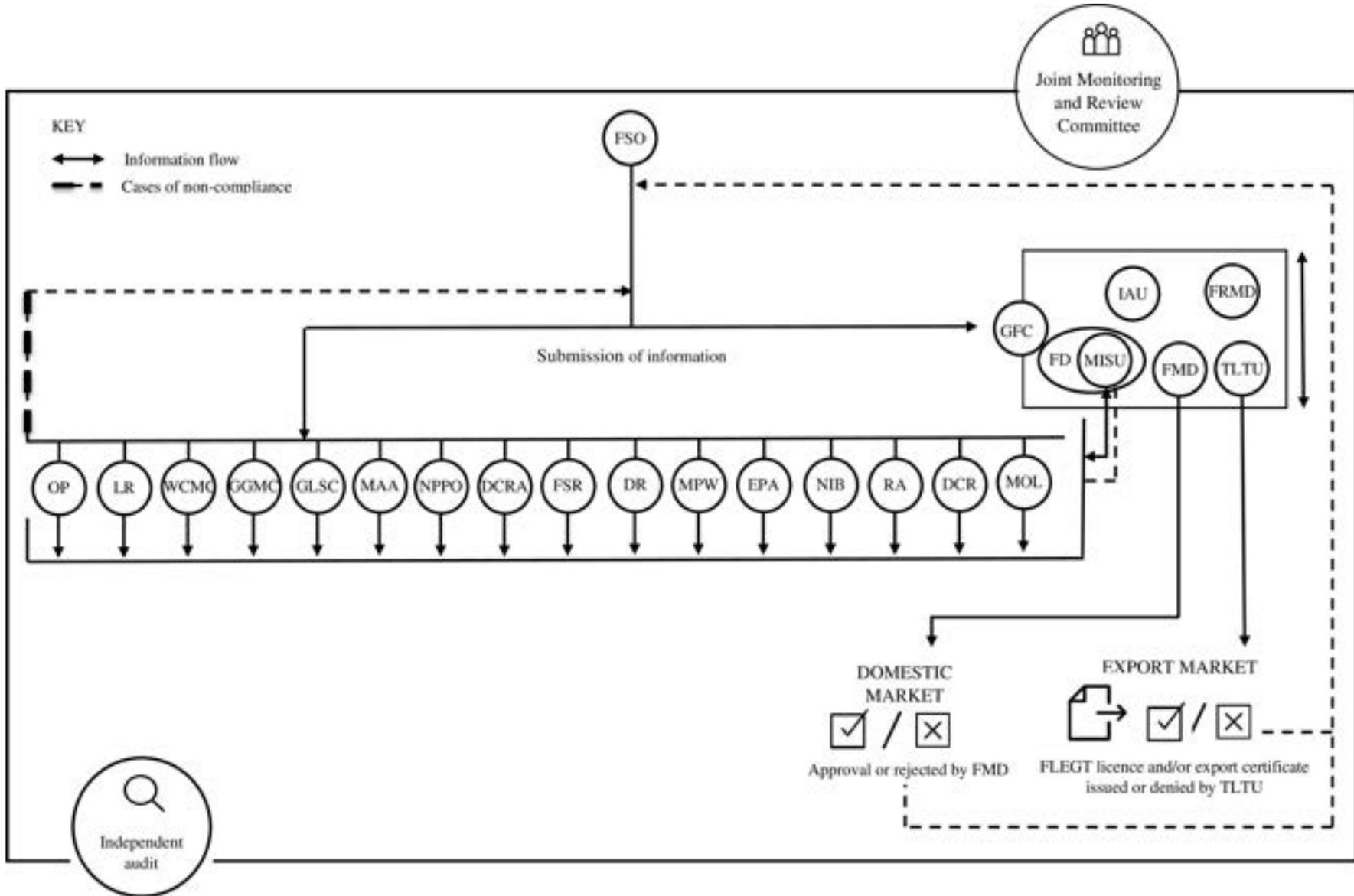
Based on the information provided to the MISU by the Ministries and/or Government Agencies involved in GTLAS verification, the MISU will update the non-compliance section of the CID in the FSO's electronic data-file. The MISU also follows up on all non-compliance cases related to the indicators identified and recorded in the non-compliance section of the CID by the Ministries and/or 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 are collected, using the procedures in the WTS, to regulate the activities and operations of FSOs, and to ensure compliance with existing national legal framework.

Figure 1: Data and information flow within the GTLAS



## KEY

- The forest sector operator (FSO) submits the relevant documents to the Ministries and/or Government Agencies to comply with the relevant indicators in the Legality Definition.
- The Guyana Forestry Commission (GFC) and other Ministries and/or Government Agencies verify the FSO's compliance with the indicators using data and information submitted by the FSO, and were collected during inspections. This data and information are 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 the 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/or 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 also has 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/or 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/or 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, efficiency and credibility of the GTLAS according to 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 as well as that held by other Ministries and/or 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-the Union) that will oversee the implementation phase of the GTLAS and the licensing phase of this Agreement. The JMRC 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 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.

A detailed management and licence issuance procedure for FLEGT licensing, 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:

#### (a) 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 ESAD in the ASYCUDA and the FLEGT licence will be described.

#### (b) Verification

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

#### (c) Grading

- Grading requirements prior to timber export will be outlined.

#### (d) 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.

## (e) CETO

- The role and function of the CETO in the export process will be clearly defined.
- The steps to undertake in the event of discrepancies between the ESAD in the ASYCUDA 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, together with the format and mandatory information included on the FLEGT licence.

## 3.9 Independent audit

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.

## 3.10 Complaint mechanism for the GTLAS

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/or 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/or 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 complaint 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 Article 20 of this Agreement. 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 Union will establish relevant subcommittees to the JMRC, as appropriate, to deal with specific areas related to the implementation of the Agreement. Subcommittees 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 this Agreement after its entry into force. 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/or 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/or 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 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 this Agreement
  - Establishing a JMRC for the Parties to implement this Agreement
- (i) Other key enhancements
- Enhancement of public access to, and sharing of, information on the forestry sector, in particular as it relates to the GTLAS, as required by Annex IX
  - Development of Information and Communication Technologies to enable near-real-time sharing of data and information among FSOs, Ministries and/or Government Agencies
  - Capacity building programmes for staff from Ministries and/or Government Agencies on the GTLAS
  - Gradual implementation of the new GFC's revenue structure, including implementation of stumpage value
  - Gradual transition from paper-based to an electronic support system

*Appendix*

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?

1. 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 operations plan to the GFC headquarters.	<p>Before harvesting, relevant information in relation to the timber product is specified in a Pre-harvest inventory report, which includes a stock map.</p> <p>The information specified includes:</p> <ul style="list-style-type: none"> <li>— Identification number</li> <li>— Species</li> <li>— Diameter</li> <li>— Location (Grid/GPS)</li> <li>— Block number</li> </ul>	<p>Verification of the accuracy of the inventory data declared in FSO pre-harvest inventory report by comparison with the GFC verification report (physical inspection).</p> <p>For State lands in conversion, location and tree species is identified by the FRMD in a pre-harvest inspection report.</p>	<p>Does not apply as pre-harvest inventory identifies commercial tree stock that may enter the supply chain.</p> <p>No reconciliation as data directly gathered by the GFC.</p>
--	---	---	--	---

Remarks: Entry point in the supply chain for large concessions and State lands in conversion only.  
Can be waived if 25 % or more of the block is impacted by active mining.  
No pre-harvest inventory is required for small concessions, Amerindian Villages or private lands.

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?

2. 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.	<p>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:</p> <ul style="list-style-type: none"> <li>— Date and time issued</li> <li>— Name of FSO</li> <li>— Destination</li> <li>— Registration number for the mode of transportation</li> <li>— GFC tracking tag number</li> <li>— Species and product type</li> <li>— Volume</li> <li>— Tree stump GPS reading</li> <li>— Number of pieces</li> <li>— Diameters (x4)</li> <li>— Length</li> </ul>	<p>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 physical inspection of the timber product</p> <p>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.</p>	<p>Verification of log origin through:</p> <ol style="list-style-type: none"> <li>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 field datasheet from GFC (from physical inspection).</li> <li>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 inspection).</li> <li>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).</li> </ol>
--	---	--	---	---

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?

Remarks: The entry points in the supply chain for small concessions, Amerindian and private lands 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.

### 3. Post-harvesting – see sections 3.3.3 and 3.4.4.3

No standard identification	<p>For large concessions only: The FSO obtains a block closure letter from the FRMD.</p> <p>For all FSOs: The FSO signs the FMD Tags Returned register when returning unused tags.</p> <p>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 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).</p>	<p>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:</p> <ul style="list-style-type: none"> <li>— Block number</li> <li>— Date open and date closed</li> <li>— MAC/AAC</li> <li>— Total extracted volume</li> <li>— Geographic location of block</li> </ul> <p>When returning unused tags, the following information is specified in the FMD Tags Returned Register:</p> <ul style="list-style-type: none"> <li>— Date</li> <li>— Concession name</li> <li>— Folio number</li> <li>— Number of tags returned</li> </ul>	<p>For large concessions only: Verification of the closure of block declared in the block closure letter by comparison with physical inspection of the block.</p> <p>Verification of tags returned by comparison between the FMD Tag Issuance Register and the physical inspection of the tags.</p> <p>For large concessions, small concessions and State lands in conversion only: Verification of payments made by comparison between receipts with the actual monies paid.</p>	<p>No reconciliation required.</p> <p>Verification of tags declared in the FMD Tag Issuance Register by comparison with the FMD Tags Returned Register and production data.</p> <p>For large concessions, small concessions and State lands in conversion only: Verification of payments made by comparison 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)</p>
----------------------------	--	---	---	---

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?
		<ul style="list-style-type: none"> <li>— Start and end sequence(s)</li> <li>— Returned by</li> </ul> <p>For large concessions, small concessions and State lands in conversion only: When making payments, the following information is specified:</p> <ul style="list-style-type: none"> <li>— Date</li> <li>— Concession name</li> <li>— Folio number</li> <li>— Amount paid</li> <li>— Payment type (!)</li> </ul>		

4. 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.	<p>During transport, the relevant information in relation to the timber product is declared in writing to the GFC on the transport document (!) (this information may vary depending on the type of transport document) and production register (where applicable) which includes:</p> <ul style="list-style-type: none"> <li>— Date and time issued</li> <li>— Name of FSO</li> </ul>	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
---	---	--	---	---

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?
		<ul style="list-style-type: none"> <li>— Destination</li> <li>— Registration number for the mode of transportation</li> <li>— GFC tracking tag number</li> <li>— Species and product type</li> <li>— Volume</li> <li>— Number of pieces</li> <li>— Tree stump GPS reading</li> <li>— Diameters (x4)</li> <li>— Length</li> </ul>		

Remarks: Same documents are used for road or river transportation. The same verification applies.

5. 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: <ul style="list-style-type: none"> <li>— Month</li> </ul>	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).
---	--	---	--	---

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?
		<ul style="list-style-type: none"> <li>— Name and address of facility</li> <li>— Licence number</li> <li>— Date of receipt</li> <li>— Date and number of transport document</li> <li>— Species</li> <li>— Quantity of timber product</li> <li>— Origin of timber product</li> <li>— Licence number of delivery vehicle</li> <li>— Name of supplier</li> </ul>		

6. Processing operation – see sections 3.3.5 and 3.4.4.5

No standard identification	<p>Sawmill: FSO completes the return of lumber sawn and lumber produced form or return of log sawn and lumber produce form for all timber products processed at the sawmill. The FSO submits this to the GFC forest station.</p> <p>Lumberyard: FSO completes the monthly lumberyard return for all timber products processed at the lumberyard. The FSO submits this to the GFC forest station.</p>	<p>When timber products are processed, relevant information in relation to the timber product are specified on the return of lumber sawn and lumber produced form or on the return of log sawn and lumber produce form, which includes:</p> <ul style="list-style-type: none"> <li>— Month</li> <li>— Name and address of facility</li> <li>— Species</li> <li>— Balance of logs from previous month</li> </ul>	<p>No validation required as the timber product (now processed) would have been validated upon entering the sawmill/lumberyard in the previous step.</p>	<p>Verification of the recovery of timber products:</p> <p>Verification of the species and volume recovered declared in the FSO's return of lumber sawn and lumber produced form or in the return of log 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).</p>
----------------------------	--	---	--	---

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?
		<ul style="list-style-type: none"> <li>— Log received (pieces and volume)</li> <li>— Total logs in stock</li> <li>— Input of logs processed (pieces and volume)</li> <li>— Output of lumber (pieces and volume)</li> <li>— Balance of logs remaining</li> </ul> <p>When timber products are processed, relevant information in relation to the timber product are specified on the monthly lumberyard return which includes:</p> <ul style="list-style-type: none"> <li>— Name and location of lumberyard</li> <li>— Species</li> <li>— Balance (volume) brought forward</li> <li>— Input volumes</li> <li>— Total volumes in stock</li> <li>— Output volumes</li> <li>— Balance volumes in stock</li> </ul>		

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?

7. Sale on the domestic market –see sections 3.3.6 and 3.4.4.6

Each timber product is identified from documentation from origin site	FSO (?) completes the wood products sales form for all timber products sold. The FSO submits this to the GFC forest station.	<p>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:</p> <ul style="list-style-type: none"> <li>— Month</li> <li>— Name and address of facility</li> <li>— Licence number</li> <li>— Date of sale</li> <li>— Product</li> <li>— Species</li> <li>— Quantity if timber product</li> <li>— Invoice number</li> <li>— GFC tracking number (when applicable)</li> </ul>	<p>For sawmill or lumberyard: timber product being sold from these facilities are validated before entering sawmill or lumberyard. See Processing (entering) in point 5.</p> <p>For large or small concessions, 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 in point 2.</p>	<p>Sawmill or lumberyard: Verification of the output of the timber product:</p> <p>Verification of volume and species declared in the wood product sales form by comparison with the return of lumber sawn and lumber produced form or the return of log sawn and lumber produce form or monthly lumberyard return and the sawmill/lumberyard record of produce received/purchased/supply register.</p> <p>Large or small concession, State lands in conversion, Amerindian Villages and private lands or a natural person, body corporate or entity only licenced 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.</p>
---	--	--	---	--

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?

8. Export of timber products – see sections 3.3.7 and 3.4.4.7

<p>Each timber product is identified from documentation from origin site and GFC export marking (hammer marking or stamp depends on the product).</p>	<p>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). The FSO then submits this certificate and the licence, if applicable, together with the approved documents to the CETO. CETO</p> <p>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.</p>	<p>When timber products are to be exported, relevant information in relation to the product are specified in the following documents:</p> <p>Application for export of forestry produce:</p> <ul style="list-style-type: none"> <li>— Name and address of applicant</li> <li>— Transport document number</li> <li>— Suppliers invoice/ receipt number</li> <li>— Inspection site and licence number</li> <li>— Proposed place of loading for export</li> <li>— Export certificate</li> </ul> <p>Application for timber marketing certificate:</p> <ul style="list-style-type: none"> <li>— Location of the timber product</li> <li>— Exporter</li> <li>— Species</li> <li>— Description</li> <li>— Number of pieces</li> </ul>	<p>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).</p> <p>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).</p>	<p>Verification of the source of the timber product declared on the application for export certification by comparison with the application of export of forestry produce or the transport document.</p> <p>No reconciliation required.</p>
---	---	--	--	---

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?
		<ul style="list-style-type: none"> <li>— Volume measurements</li> </ul> <p>Application for export certification:</p> <ul style="list-style-type: none"> <li>— Timber marketing certificate reference number</li> <li>— Destination</li> <li>— Number of pieces</li> <li>— Size</li> <li>— Species</li> <li>— Description of timber product</li> <li>— Volume</li> <li>— Consignee</li> </ul> <p>ESAD in ASYCUDA:</p> <ul style="list-style-type: none"> <li>— Exporter</li> <li>— Consignee</li> <li>— Quantity (weight)</li> </ul> <p>In addition to the above documents, information declared on the export certificate include:</p> <ul style="list-style-type: none"> <li>— Exporter</li> <li>— Timber marketing certificate reference number</li> <li>— Destination</li> <li>— Number of pieces</li> </ul>		

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?
		<ul style="list-style-type: none"> <li>— Size</li> <li>— Species</li> <li>— Description of timber product</li> <li>— Volume</li> <li>— Consignee</li> <li>— GFC stamp and signature</li> </ul>		

Remarks: Exit point.

9. Seizure of timber product – see section 3.3.10

Each timber product is identified from documentation from origin site and a detention hammer brand	<p>A clearance pass is issued by the GFC in order for the timber to re-enter the supply chain when:</p> <ul style="list-style-type: none"> <li>— Timber is returned to the FSO after lifting of seizure; or</li> <li>— Timber is sold by the GFC because it is subject to speedy decay or after forfeiture.</li> </ul>	<p>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:</p> <ul style="list-style-type: none"> <li>— Date of clearance</li> <li>— Name of FSO</li> <li>— Species</li> <li>— Volume</li> <li>— Number of pieces and/or size</li> <li>— Transport document number (where applicable)</li> </ul>	<p>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.</p>	<p>Verification of volume, number of pieces, and/or size, and species declared in the clearance pass by comparison with the seizure form and the detention report.</p>
--	--	---	--	--

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?

Remarks: Seized timber products only enter the supply chain after a clearance is issued by the GFC.

#### 10. 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.  Timber products are under the control of the customs authorities while in transit.	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/transshipment 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.

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?

#### 11. 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 permit to National Plant Protection Organisation (NPPO) for approval.	<p>When timber products are to be imported, relevant information in relation to the timber product are specified in the application for import permit:</p> <ul style="list-style-type: none"> <li>— Information on timber product origin</li> <li>— Product description (type/quantity/weight/volume)</li> <li>— Information on the importer (where applicable)</li> <li>— FLEGT licence or CITES permit or due diligence assessment report</li> </ul>	<p>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).</p> <p>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).</p>	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.

<sup>(1)</sup> Payment type include fees, charges and levies.

<sup>(2)</sup> See section 3 of Annex II for the definition of an FSO.

## ANNEX VI

**TERMS OF REFERENCE FOR THE INDEPENDENT AUDIT OF THE GTLAS**

## 1. Introduction

The independent audit is carried out in accordance with Article 11 of this Agreement. The independent audit will address operators and 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 seized and forfeited timber, processing, sale, import, and export.

These terms of reference (ToR) describe the operations and functions of the independent audit to assess the system of legality assurance established in this Agreement. The independent audit provides assurance that timber harvested, transported, processed, exported, imported or sold on the domestic market complies with Annex II. It also verifies that such timber 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

The tasks of the Independent Auditor shall include the following:

- (a) Preparing a manual of procedures for the independent audit, describing the Independent Auditor's operations, including methods for gathering information, assessing evidence and reporting.
- (b) Assessing whether the GTLAS is functioning credibly and efficiently and whether timber harvested, processed, transported and traded (domestically and internationally) complies with the legal requirements of the GTLAS.
- (c) Assessing whether the components of the GTLAS, including forest allocation and harvesting rights, Legality Definition, complaint mechanism, WTS requirements, verification of compliance with the GTLAS, FLEGT licensing, are in place and functioning in an efficient and credible way.
- (d) Assessing the performance and effectiveness of all of the departments in the Guyana Forestry Commission (GFC) involved in the operation of the GTLAS.
- (e) Assessing the performance and effectiveness of verification activities of Ministries and/or Government Agencies involved in the operation of GTLAS.
- (f) Assessing the process for issuing FLEGT licences in order to ensure that licence issuance and the verification system are functioning credibly and efficiently.
- (g) Assessing how reported cases of non-compliance by the different Ministries and/or Government Agencies involved in the verification of the GTLAS are recorded, addressed and archived by the relevant authorities.
- (h) Identifying gaps and weaknesses in the design and implementation of the GTLAS and suggesting recommendations to the JMRC.
- (i) Assessing the implementation of corrective measures decided upon by the JMRC to address gaps and weaknesses identified in audit reports.
- (j) Reporting findings and recommendations to the JMRC, who will publish the summary of these audit reports regularly.
- (k) 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 in accordance with ISO 19011, ISO 17021 or equivalent. The work of the Independent Auditor must be factual and evidence-based and must include field investigations and documentary checks. The manual of procedures for the independent audit referred to in paragraph 3, point (a) will be reviewed and approved by the JMRC before the Independent Auditor starts the auditing activities in conformity with that approved manual.

Work schedule - In the first year of operation of the FLEGT licensing scheme, the Independent Auditor shall develop and submit a manual of procedures for the independent audit and conduct one audit. In subsequent years, the Independent Auditor shall conduct at least annual audits of the GTLAS for a period of two years, after which this frequency will be reviewed by the JMRC. The Independent Auditor may conduct impromptu audits and spot checks as approved by the JMRC.

Scope of work - The activities of the independent audit shall cover at a minimum all tasks listed in paragraph 3. The Independent Auditor shall audit the pertinent activities of relevant Ministries and/or Government Agencies responsible for different aspects of the GTLAS, in accordance with the approved manual.

Evidence gathering - The manual of procedures for the independent audit 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.

Audit systems - In documenting audit evidence, diagnosing failures and cases of non-compliance in any part of the GTLAS and following up on corrective action taken, the Independent Auditor shall:

- ensure that 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;
- 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; and
- record and assess the effectiveness of all corrective measures to address cases of non-compliance implemented by the GFC and other relevant Ministries and/or Government Agencies involved in the GTLAS.

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.

Management system - the Independent Auditor will have an adequate documented management system to ensure that 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 and the Independent Auditor shall:

- report on activities in line with the work schedule agreed by the JMRC;
- prepare its reports in accordance with internationally accepted auditing principles and as specified in the manual by the JMRC;
- present a preliminary report to the JMRC for comments;
- present to the JMRC a final and complete report (based on the comments received on the preliminary report and on the evidence gathered) which contains all relevant information on the audit programme and on the operation of the GTLAS; and
- 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 or meetings with relevant stakeholders. In respect of 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 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/or 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 event that the Independent Auditor requires information from other Ministries and/or Government Agencies involved in the GTLAS, the Independent Auditor shall have access to these entities through the GFC.

### (b) Non-State Actors

- Indigenous stakeholders
- Indigenous People's Commission
- National Toshias Council
- Guyana Manufacturing and Service Association
- Small Loggers Association
- Forest Products Association
- Civil society organisations
- Any other private organisation or individual that could provide information on the functioning of the GTLAS.

Other sources of information may include:

- Body corporates involved in commercial forestry
- Academic institutions such as the University of Guyana, the Guyana School of Agriculture and the National Agricultural Research and Extension Institute
- Local authorities
- Competent authorities of the Member States of the Union
- Companies and local community associations involved in commercial forestry
- Any other stakeholders that the Independent Auditor considers relevant.

## 7. Qualifications required

### (a) The Independent Auditor should bring:

- expertise with at least an advanced degree in Forestry/Forest Management/Forest Policy, Forest/Environmental Law, Natural Resources Management or a related field;
- extensive experience in the monitoring and assessment of legal compliance;
- proven track record in auditing forest management, timber processing, timber traceability, customs and chain of custody systems;

- good knowledge of regional and international trade in timber products and the commercial forestry sector;
- excellent oral and written English communication skills;
- demonstrated ability to work with a range of stakeholders and in relating monitoring activities to the appropriateness of different country environments.

Familiarity with issues related or relevant to forestry in Guyana as well as the GTLAS would be an added advantage.

(b) The Independent Auditor shall comply with the following requirements:

- no conflict of interest arising from any organisational or commercial relationship, as required by ISO 17021, ISO 17065 or equivalent;
- no direct involvement in forest management, timber processing, timber trade or regulation in the forestry sector in Guyana;
- its own quality control system, as required by ISO 17021, ISO 17065 or equivalent.

(c) In addition, the Independent Auditor shall also:

- have a documented internal quality management system;
- 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 to 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:

- engaging with civil society, Indigenous stakeholders, the private sector and Ministries and/or Government Agencies in ways that enable stakeholders in Guyana to acquire a fair understanding of the work of the Independent Auditor; and
- hiring, through a transparent process, a contact point person to be based in Guyana.

—

## ANNEX VII

**SUPPORTING MEASURES AND FINANCING MECHANISMS**

The forestry sector in Guyana remains an important contributor to the national economy, generating employment and contributing to poverty reduction. The forestry 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 complementing 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 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 this Agreement;
7. monitor the impacts of this Agreement;
8. create a dedicated space for dialogue on land tenure, land use and conflicts;
9. carry out market improvements and industry development; and
10. establish finance mechanisms for implementing this 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) reviewing and improving the efficiency of the regulatory framework;
- (b) reviewing and improving the coherence of the legal framework;
- (c) developing and implementing regulations related to due diligence;
- (d) developing and implementing regulations related to the WTS;
- (e) developing and implementing codes of practice related to the forestry sector; and
- (f) developing and encouraging the implementation of codes of practice 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/or Government Agencies and on the introduction of the 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) upgrading the GFC's internal databases;
- (b) developing and deploying the Central Information Database (CID) for securely archiving compliance data and information related to each FSO;
- (c) improving Information and Communication Technologies systems for reliable and secure transmission and exchange of data and information (especially from hinterland areas) between all Ministries and/or Government Agencies involved in the GTLAS verification activities, and among the various GFC divisions and units involved in implementing this Agreement;
- (d) upgrading the WTS to allow for the online submission of supply-chain-related information by FSOs; and
- (e) upgrading 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) expanding the roles and responsibilities, including by developing detailed procedures, of the GFC's current Internal Audit Unit to include the auditing of the elements of the GTLAS under the GFC;
- (b) supporting active monitoring of the GTLAS through audits conducted by the Internal Audit Unit; and
- (c) developing and implementing procedures for the control and verification of 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) creating and setting 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) creating and setting up the Timber Legality and Trade Unit (TLTU) in charge of issuing FLEGT licences and export certificates;
- (c) developing the FLEGT licensing system; and
- (d) creating and developing procedures with other agencies involved in the GTLAS, in particular the customs authority, to ensure the good functioning and efficiency of the licensing process for export.

#### 3.4. Independent audit

Upon the provision of non-objection by the JMRC, Guyana will contract an Independent Auditor to evaluate the functioning of the system, identify potential gaps and determine 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 with the 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/or 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 its functions adequately and thus whether 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/or Government Agencies and their staff, including the Forestry Training Centre Inc. (FTCI), the FLEGT VPA Secretariat, the GFC, the Revenue Authority and the Ministry of Labour; 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 this Agreement by means of encouraging the involvement of all concerned stakeholders, ensuring public access to information, promoting the image of the Guyanese timber and forestry 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 this 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 this Agreement

The Joint Monitoring and Review Committee (JMRC) shall have overall responsibility for monitoring the implementation of this Agreement. In addition, other stakeholders, including from the private sector, civil society and indigenous peoples, will monitor the implementation of this Agreement and, in so doing, contribute to the effective implementation of the GTLAS. To this end, key measures may include support for the National Implementation Working Group (NIWG) and stakeholders, including from the private sector, civil society and indigenous peoples, to effectively monitor this Agreement and GTLAS implementation.

### 7. Monitor the impacts of this Agreement

Monitoring the social, environmental and economic impacts of this 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, and market performance; and
- establishing and implementing synergies between this 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 Ministries and/or Government 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 forestry 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 implementation of this Agreement. 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, in particular by small and medium enterprises.

10. Establish finance mechanisms for the implementation of this Agreement

Financial resources will need to be mobilised for the implementation of this Agreement. Detailed measures and budgets for the areas described in this Annex will be developed. With support from the Union, Guyana will work jointly 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 Finance 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 THE GUYANA TIMBER LEGALITY ASSURANCE SYSTEM (GTLAS)**

## BACKGROUND

A joint independent technical evaluation of the GTLAS will be carried out before the FLEGT licensing of timber exports to the 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 amendments made to this Agreement after its entry into force. The terms of reference (ToR) for the independent technical evaluation will be jointly agreed between the Parties, within the Joint Monitoring and Review Committee (JMRC).

The independent 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 Legality Definition and control of the supply chain;
- the procedures for issuing export certificates and for issuing FLEGT licences; and
- the independent audit to ensure that the system is functioning as intended.

Based on experience with other agreements, the assessment of the GTLAS may be carried out using a stepwise and iterative approach whereby any weaknesses and cases of non-compliance with the GTLAS identified during the assessment can be progressively addressed through the planned implementation of corrective measures.

**1. LEGALITY DEFINITION**

Legally produced timber is defined on the basis of the legal framework applicable in Guyana that covers:

- 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. Are the legal requirements clearly identified in the Legality Definition?
- 1.2. Are principles, criteria and indicators that can be used to test compliance with each element of the Legality Definition specified?

- 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 describe how the verifier ensures compliance with the indicator?
- 1.4. Are the verifiers clear, objective and operationally workable? Is there any possible confusion with regard to the nature of the verifier? Does the verifier cover all iterations 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 for confirming compliance with the intent of the indicator? Is the verifier currently used by operators and responsible authorities?
- 1.5. Are the roles and responsibilities of all relevant stakeholders and regulatory agencies identified clearly for each criterion and indicator?
- 1.6. Does the Legality Definition cover the relevant sections of the related current national legal framework? If not, why are some of these relevant sections not reflected in the Legality Definition?
- 1.7. Has there been stakeholder engagement in developing the Legality Definition?
- 1.8. Have the legal requirements that were identified during stakeholder discussions been included in the GTLAS?
- 1.9. Has the Legality Definition been adjusted after the entry into force of this 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 describe how the verifier ensures compliance with the indicator?
- 1.10. In the event of amendments to the Legality Definition, key questions will include:
  - (a) 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?
  - (b) do all revisions fulfil the requirements referred to in questions 1.1 to 1.10, point (a)?

## 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, publicly available?

## 2.2. Methods for controlling the supply chain

There are effective mechanisms for tracing timber products 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;
- seized, forfeited, 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 operation 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 been defined, documented, and implemented, and are they functioning in a credible way, along the following stages of the supply chain:
  - 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 seized and/or forfeited timber is authorised to re-enter the supply chain, is it managed by the system to ensure that all necessary steps for regularisation 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 questions:

- 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. Seized and forfeited timber products

There are adequate procedures and controls in place to ensure seized timber products suspected to be in breach of Guyana's forest legislation regulations are dealt with appropriately before they enter the supply chain after restitution, forfeiture, and/or sale.

Key questions:

- 2.7.1. Is there a clear definition of what constitutes seized and forfeited timber?
- 2.7.2. Are procedures and controls for clearing seized and/or forfeited timber for re-entry into the supply chain and the exclusion of FLEGT licensing 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. Does the verification body have adequate resources for carrying out the verification of the legality? Resources include human, financial, logistics, information technology (IT), energy supply and connectivity.
- 3.1.3. Is the verification body operational and able to carry out the 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 or supervision?
  - includes mechanisms to control conflicts of interest?
  - ensures transparency of the system?
  - defines and applies verification methodology?

### 3.2. Verification with respect to the Legality Definition

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, is carried out at a defined frequency and covers everything included within the definition.

Key questions:

- 3.2.1. Does the verification methodology used by the verification bodies cover all elements of the Legality Definition and describe clearly how indicators are complied with?
- 3.2.2. Is the risk-based approach documented through comprehensive and practical procedures?
- 3.2.3. Is the risk-based approach contributing effectively to the Legality Definition-based verification?
- 3.2.4. Does the verification body:
- check documentation, operating records and on-site operations (including through spot checks)?
  - collect information from external interested parties?
  - record their verification activities?
- 3.2.5. Are the verification results made publicly available? How can stakeholders access this information?
- 3.2.6. Are verification results clearly and unambiguously informing on the level of compliance of the indicator (Yes/No)?

### 3.3. 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 and evidence-based, is 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:

- 3.3.1. Does the verification methodology fully cover each stage of the supply chain controls? Is this clearly spelt out in the verification methodology?
- 3.3.2. What evidence is there to demonstrate application of verification of supply chain controls?

- 3.3.3. Which organisation is responsible for data reconciliation and verification? Do they have adequate resources for carrying out the data management activities? Resources include human, financial, logistics, information technology (IT), energy supply and connectivity.
- 3.3.4. 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?
- 3.3.5. 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?
- 3.3.6. Are the information systems and technologies applied for storing, verifying and recording data sufficient to ensure adequate verification?
- 3.3.7. 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?

#### 3.4 Mechanisms for handling complaints

There are adequate mechanisms for handling complaints and disputes that arise from the verification process.

Key questions:

- 3.4.1. Do the verification bodies have a complaints mechanism that is available to all stakeholders?
- 3.4.2. Do the verification bodies have mechanisms in place to receive and respond to objections from stakeholders?
- 3.4.3. Do the verification bodies have mechanisms in place to receive and respond to infringements/breaches detected by Government officials?
- 3.4.4. Is it clear how complaints are received, documented, escalated (where necessary) and responded to?

#### 3.5. 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:

- 3.5.1. 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?
- 3.5.2. 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?
- 3.5.3. 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?
- 3.5.4. 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 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 human, financial, logistics, information technology (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/or 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 a FLEGT licence in the event that the document is lost?

4.2.12. Does the licensing system allow for modification of the FLEGT licence in 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 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 of the Member States of 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 of the Member States of the Union and other parties?
- 4.3.2. Have clear communication procedures been established between the licensing authority and the competent authorities of the Member States of the Union?
- 4.3.3. Are there communication channels for Guyanese or international stakeholders to enquire 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 coordinating agency for implementing this Agreement. It does this in collaboration with Ministries and/or 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/or Government Agencies in relation to the implementation of this Agreement?
- 5.1.2. Are these other Ministries and/or Government Agencies informed of their statutory responsibilities and do they understand them?
- 5.1.3. Do Ministries and/or Government Agencies have adequate resources to carry out their tasks outlined in this Agreement? Resources include human, financial, logistics, information technology (IT), energy supply and connectivity.
- 5.1.4. Is there a verification system in place to verify that these other Ministries and/or 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 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/or 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/or Government Agencies involved in implementing this Agreement?
- 6.1.3. Do the other Ministries and/or 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 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 terms of reference (ToR) set out in Annex VI?
- 7.1.2. Has the Government developed guidelines for the independent audit, are these guidelines in line with the ToR set out in Annex VI, and has the Government made these guidelines publicly available?
- 7.1.3. Do the guidelines provide clear requirements on the eligibility (see Annex VI) 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 this 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 in accordance with ISO 19011, ISO 17021 or equivalent?
- 7.1.9. Has Guyana engaged the services of an Independent Auditor following the non-objection by the JMRC? Has the JMRC provided a no-objection for the selection of the Independent Auditor, and has Guyana contracted the Independent Auditor 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/or Government Agencies as identified in the GTLAS clearly defined and applied?

- 7.1.11. Does the Independent Auditor 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 Auditor have a fully documented management system that:
- ensures its personnel have the necessary competence and experience to carry out effective verification?
  - applies internal control or 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 availability of information is essential for the successful implementation of this Agreement. The Parties therefore commit to ensuring that there is continuing access to information to facilitate the implementation and monitoring of this Agreement. The Parties also undertake to ensure that the information acquired under the Guyana Timber Legality Assurance System (GTLAS) established under this 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 the independent audit:

- (a) terms of reference for the independent audit of the GTLAS;
- (b) manual of procedures for the independent audit;
- (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 this Agreement;
- (b) progress made in achieving the objectives of this Agreement, as well as actions to be taken within a deadline specified in this 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 being placed 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 of the Member States of 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 this Agreement, its Annexes and any amendments;

- (b) the national legal framework 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 Annex 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 Union);
- (d) annual volumes of timber exported by type of product (total and to the Union);
- (e) annual volumes of timber traded by type of product on the domestic market;
- (f) annual volumes of seized and forfeited timber.

### 3.3. Allocation information:

- (a) list of the names of the FSOs that have been allocated forest concession agreements, agricultural 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 and 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/or 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/or Government Agencies under this 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 the national legal framework 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 licensing 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 of the Member States of the Union;
- (c) annual quantities and values of 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 law related to timber trade, and financial and technical support related to the implementation of this Agreement in Guyana;
- (g) list and contact details of the competent authorities of the Member States of the Union responsible for FLEGT and Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010 laying down the obligations of operators who place timber and timber products on the market (EU Timber Regulation).

## 5. INFORMATION ON FINANCIAL TRANSACTIONS

The GFC will make available financial information on the forestry sector through annual reports that will include:

- forestry revenue on annual payments, such as forestry fees and acreage fees; and
- where there has been a dispute, settlements and payment or non-payment of penalties.

## 6. OTHER INFORMATION TO BE MADE PUBLIC

Beyond the list provided in paragraphs 2 to 5, 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 publicly 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 the laws of Guyana relating to public access to information, namely the Access to Information Act, No 21 of 2011, and the Forests Act No 6 of 2009.

The information listed in this Annex will be made available through the following means:

- (a) official reports;
- (b) websites of the GFC and the Forest Products Development and Marketing Council Inc., as well as the websites of the Ministry of Natural Resources, the Government Information Agency and other Government Agencies;
- (c) multi-stakeholder implementation platform;
- (d) public meetings;
- (e) press conferences;
- (f) films;
- (g) radio and television.

Procedures will also be developed for the future management and for the updating 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**

1. In accordance with Article 20 of this Agreement, the Joint Monitoring and Review Committee (JMRC) is established.
2. The Parties shall appoint their representatives to the JMRC.
3. The JMRC shall function in accordance with rules of procedure that it shall develop and adopt.
4. The functions and tasks of the JMRC shall relate to:
  - (a) the management, monitoring and review of the implementation of this Agreement, including the management of the independent audit;
  - (b) the promoting of dialogue and the exchanging of information between the Parties.
5. 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 the criteria described in Annex VIII. The assessment shall determine whether the GTLAS, which underpins the FLEGT licensing scheme described in Annex V, adequately fulfils its functions;
- (b) propose the date on which the FLEGT licensing scheme should be fully operational;
- (c) receive notification from either Party if they have reasonable suspicion or have evidence of any circumvention or irregularity in the implementation of the FLEGT licensing scheme in accordance with Article 12 of this Agreement, and identify any required follow-up;
- (d) develop and adopt a schedule for the implementation of this Agreement as well as a monitoring and evaluation framework to track progress of that 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 track all changes made to the Annexes to this Agreement and minutes of relevant meetings with stakeholder groups. These records shall be maintained from the entry into force of, and for the entire lifetime of, this Agreement;
- (h) make recommendations, in order to help attain the objectives of this 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 this Agreement;
- (j) prepare and publish annual reports on the implementation of this Agreement in accordance with Annex IX, based on the information from the Parties;
- (k) receive and discuss proposals from a Party seeking to amend this Agreement or its Annexes, submit recommendations to the Parties on any proposed amendment to this Agreement and adopt any amendment to the Annexes to this Agreement, in accordance with Article 27 of this Agreement;

- (l) deal with any other question associated with implementation of this Agreement, following a proposal by one or both of the Parties;
- (m) in accordance with Article 25 of this Agreement, seek an acceptable solution, in the event of a difference of opinion between the Parties, in relation to the application or interpretation of this Agreement.

6. Monitoring and review of this 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 this Agreement, is in accordance with good practice and the 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 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 be taken on the basis of the market analysis reports.

7. 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, in accordance with the terms of reference for the independent audit contained in Annex VI;
  - (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 for the independent audit 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's schedule of work and recommend additional audits as appropriate;
  - (h) examine, comment on and approve the Independent Auditor's provisional reports and the Independent Auditor's summary report;
  - (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.
-