



Food and Agriculture Organization of the United Nations



Sweden Sverige



UKaid



Groupement de la Filière Bois du Cameroun

III.2. On the documentation and traceability of products.

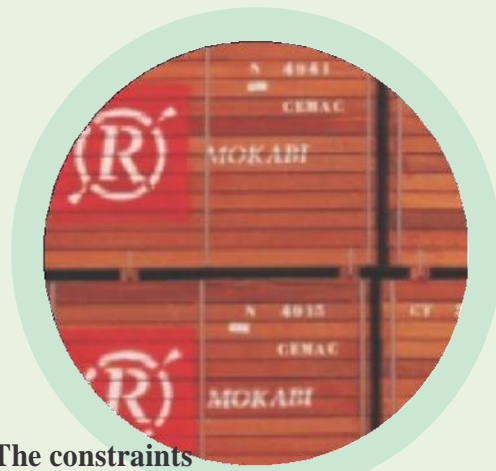
In order to guarantee the traceability of timber products purchased by customers (SMEs/SMIs and artisanal operators), the latter must keep and archive the purchase and transport documents. The important element of traceability in the wood processing process is the conversion factor (yield). The purchase documents must include at least the following information :

- ☞ The species
- ☞ The volume or weight at a specific moisture level
- ☞ These documents differ according to the types/categories of products.
- ☞ For logs, the transport document is the log waybill and the purchase document, the invoice. There is often another document called a specification slip that accompanies the timber.
- ☞ For sawn timbers, the transport document is the sawn timbers' waybill and the purchase document is the invoice. There is often another document called a specification slip that accompanies the timber.
- ☞ For recovery and waste wood, companies regularly issue invoices or receipts and/or vouchers to customers.
- ☞ NB: Note that recoveries can be sold to customers with the documents indicated for sawn timbers.

III.3. Requirements to follow during the purchase process

When a stranger/visitor enters the production site of a company or within the company compound, he (she) has an obligation to comply with their environmental, social and safety policy. It is therefore advisable to find out from the outset.

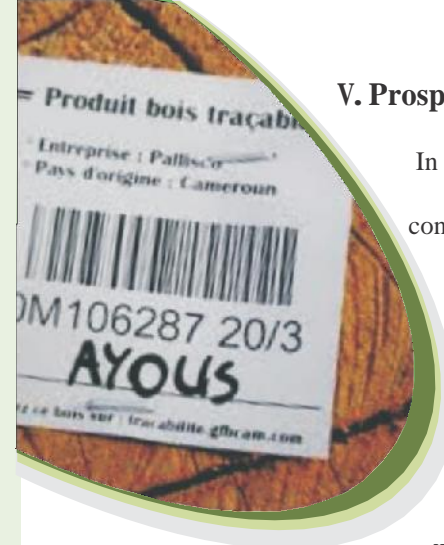
If the customer is to operate at a producer or seller site (in situ waste recovery for instance), the customer must comply with the producer's work procedures and the seller's environmental, social and safety policy. It is important to take them into account when negotiating and ordering.



IV. The constraints

Two main constraints exist and pose problems for the linkage of SMEs/SMIs and artisanal operators to an acceptable level of legality.

- ☞ The commercial constraint: A large part of the Domestic Timber Market does not require the legality and traceability of products made available by suppliers who are most often SMEs/SMIs.
- ☞ The technical constraint: Certain categories of products sold to SMEs/SMIs and artisanal operators are not quantified precisely. These are the cases of recoveries and waste wood that are often sold in parcels. Since the parcel is not a specific unit of measure, it cannot be used to determine the conversion factor from volume.



V. Prospects

In order to enable SMIs/SMEs and artisanal operators to continue their change and legal compliance, several aspects need to be reviewed and addressed :

- ☞ The increase of the standard of the Domestic Timber Market by the consumption of wood from legal and known source. This will require SMEs/SMIs to finalize their legal compliance to access this type of market.

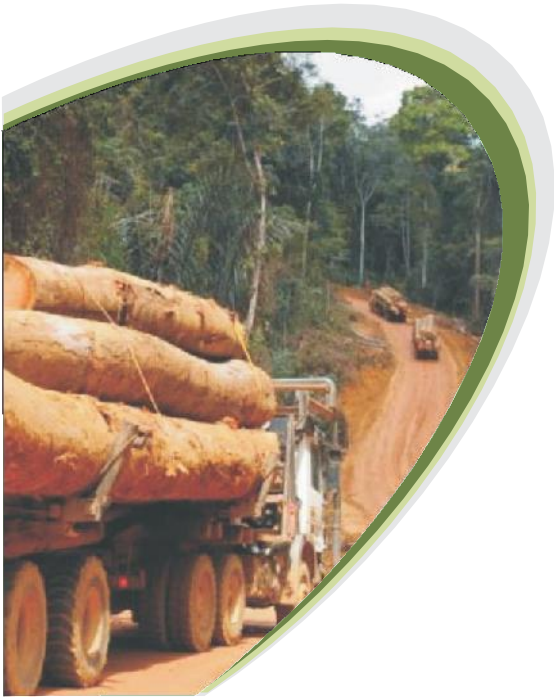
- ☞ The establishment or updating of legal existence documents.
- ☞ Obtaining authorizations to practise the profession
- ☞ Control of the legal source and traceability of purchased timber
- ☞ Compliance with tax and legal requirements

VI. Location of some sawmills of some GFBC's members

Name of the company	Division	Localities
ALPICAM	Wouri	Douala
CAFECO (Wijma Cameroun)	Kupemaneguba	Nguti
CFC (Groupe VICWOOD THANRY)	Boumba et Ngoko	Ngolla 35
CFK (Wijma Cameroun)	Océan	Bidou
CIFM (Pallisco)	Haut Nyong	Mindourou
CUF	Mvila	Ebolowa
FIPCAM	Mefou et Afamba	Mfou
PANAGIOTIS MARELIS	Lom et Djerem	Bélabo
SEEF	Wouri	Douala
SEFAC	Boumba et Ngoko	Libongo
SEFECCAM	Wouri	Douala
SFID	Kadey /Dja et Lobo	Mbang /Sangmélima
SFIL	Boumba et Ngoko	Ndeng
SIM	Haut Nyong/Mfoundi	Lomié/Yaoundé
SMK	Mbam et Kim	Ngambe Tikar

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POLICY AND PROCEDURES OF INDUSTRIAL COMPANIES FOR LEGAL TIMBER SUPPLY OF SME/SMI



I. Background and rationale

1- The customer: He is king. He sets the terms and conditions for the purchase of the products. In this case, the customer is looking for timber products from a logging that complies with legal requirements

2- The supplier: He is a servant. He works for the satisfaction of the customer. The supplier will retain its customer as soon as it is satisfied and thereby secure its market. He must therefore work to comply with the latter’s requirements.

In this chain, who is a customer and who is a supplier? In the wood supply chain, a stakeholder can be both a customer of one and a supplier of the other and must comply with requirements 1 and 2 to ensure the sustainability of its business..

As a general rule, the customer and the supplier agree on the requirements to be met: It is the VPA-FLEGT in our context.

Article 9 (3) of the VPA-FLEGT provides that « Cameroon shall verify the legality of the timber and derived products exported to markets outside the Union and sold on the internal markets, and of imported timber and derived products».

The legal compliance of the internal market in wood is no longer optional in this case, but a reality in the coming days for all companies, including SMEs/SMIs and artisanal operators in the wood sector.

From the moment that he following requirements will be met by compliant companies, therefore their products will be accessible to the relevant markets:

- ☞ The European Union Timber Regulation
- ☞ The US Lacey Act
- ☞ The Australian Illegal Logging Prohibition Act 2012
- ☞ Etc.

In order meet these requirements, two complementary approaches are possible:

☞ Supply-side: the implementation of Voluntary Partnership Agreements (VPA-FLEGT). Specifically, the FLEGT licensing regime. There is a bridge between private legality certificates and the FLEGT authorisation scheme.

☞ The demand-side : The European Union Timber Regulation (EUTR) must be scrupulously applied. The supplier in this case must be assessed as a negligible risk for its timber to be marketed in the EU area.

How these requirements apply to SMEs/SMIs and local artisanal operators ? In reality, when big companies have customer requirements at different levels, they apply the highest customer requirements. This automatically makes it possible to meet the lowest requirements. SMEs/SMIs and artisanal operators sourcing from big companies that apply the EUTR or are certified for the legality of their supply sources and traceability system, have therefore supplies that comply with these requirements.. To be able to

have compliant products at the end of their processing process, SMEs/SMIs and artisanal operators must:

- ☞ Have a legal existence
- ☞ Have authorizations to practice/exercise the activity, if they exist
- ☞ Be up-to-date and have paid their tax obligations
- ☞ Master and demonstrate the traceability of their production system

At the time of purchase, the customer (SME/PMI or a artisanal operators) may require from his supplier a

mention on the document of ownership’s transfer (the invoice) like «legal and known source wood» and ensure that the supplier sources from known and legal titles/permits. Generally, companies that market their products in the European Union apply the EUTR.

II. Types of products encountered

At the processing plant: Large companies typically make four types of products that are differently valued;

- ☞ Products under order
- ☞ Products without order
- ☞ Recoveries
- ☞ Wood waste

On the logging site: They do only two:

- ☞ Logs
- ☞ Wood scrap/wood waste

II.1. At the plant

a) Products under order

The production is made to meet the requirements of a customer (known in advance) and under a precise or not certification label. In this case, surplus production can be sold to a third party or registered as products without prior order.

b) Products without prior orders.

The company produces wood in different forms and makes available to potential customers on request. These are generally standard products.

c) Recoveries

These are timbers from the production process of one or more contracts and which do not meet the requirements of those contracts. They may be stored for later use or marketed as such.

They can be classified into several categories or grades depending on the value of the pieces of wood that make up it.

d) Wood waste (sawdust, piece of wood, etc.)

These are categories of wood that can no longer enter into a timber product’ production process of the producer. They can be classified into several categories or grades depending on the value of the pieces of wood that make up it. These categories are valued in the production of other types of products such as charcoal, heat (combustion) for

dryers or made available to riparian populations.

II.2. On the logging site ;

a) Logs

These are products deriving immediately from logging by chain saw and stored on forest yards, temporary log yards or sawmill yards. They are of various dimensions.

b) Wood waste

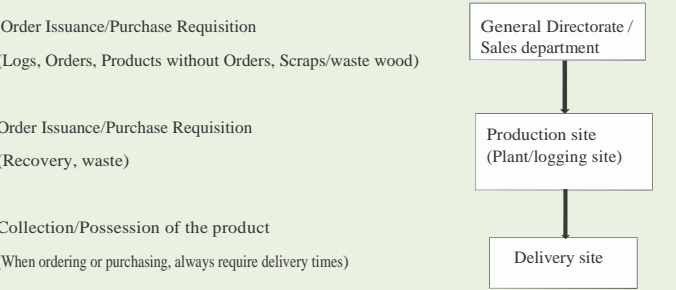
These are remnants of timber on site and presenting unacceptable defects, resulting from the felling and/or shaping of trees authorized for exploitation, felled and registered on DF10. They are coursons, logs, branches, etc.

III. On the marketing of products.

III.1. On the purchase procedure.

The marketing of forest products is the responsibility of the sales department and the General Directorate as regarding high-value products (Logs, Orders, products without orders). Recovery products and wood waste are the responsibility of the person(s) in charge of the production sites.

As for scrap products from logging, taking into account the particularities and operating conditions, they are the responsibility of the General Directorate.



Timber purchase (order) requirements are addressed directly to the Sales Manager where he (she) is in place or to the Business Manager. If agreed, the order is integrated into the production portfolio, planned and sent to the production site.

The purchase requirements for waste wood and recoveries are addressed directly to the production sites. The customer speaks to the site manager or directly to the marketing office when he (she) is in place. If the product is available, it is sold or otherwise its production is planned. The delivery site may be the production site in some cases (logging site, processing plant, temporary log yards, etc.). It must be clarified, specified during the order and the delivery deadlines set. It may happen that the delivery site is the customer’s site, the terms of transfer of the product from the production site to the delivery site must be defined at the time of order or purchase.