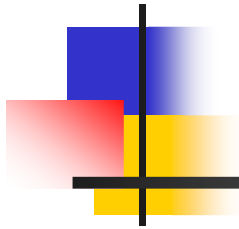




**PP-A/43-194**

# Trade Promotion in Tropical Timber from Sustainably Managed and Legally Harvested Sources



## Timber Tracking System for John Bitar & Company Limited (JBCL) - Ghana

**SAMUEL TSEGANU (MGIFor)**



## Background

- An **activity** was approved under the provisions of ITTC Decision 2(XLV) for strategic policy Activity 46(a), aimed at:
  - “promoting trade in tropical timber and its products from sustainably managed and legally harvested sources’ and
  - developing an innovative computerized timber tracking system and contribute to the dissemination of information on volumes of tropical timber and timber products tracked under the innovative system.



# Profile of JBCL

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- JBCL is a privately owned company in Ghana
  - Operating in Ghana's Western and Eastern Regions.
  - JBCL commenced operations in 1955.
- Company consists of three factories in Sekondi, Sefwi-Wiawso and Takoradi
  - currently has a total workforce of about 3,150 employees.

## Profile of JBCL Cont'd



- The company's mission is "to be the leading timber company in Ghana, delivering premium quality wood products from sustainably managed and legally acquired forests to the local and international markets."
- JBCL's products include:
  - Lumber; Sliced Veneers; Rotary Veneers and Layons, Plywood, Platforms and Block boards; Flooring; Mouldings and Profiled Sections; Finger-jointed; and Laminated products.



# **JBCL's Main Markets**

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- JBCL's main markets comprise the following:
  - Domestic (5%);
  - Economic Community of West African States (20%);
  - Europe (50%);
  - USA (10%); and
  - Other European markets (mostly the Euro zone) (15%).



# Activity Objective

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- To:
  - demonstrate to the company's major markets and customers that JBCL's timber product exports are legal; and
  - meet the forestry law and policy requirements of the Government of Ghana.



# Activity Tasks

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- With the help of a consultant to:
  - evaluate JBCL's existing tracking framework;
  - evaluate commercially available hardware and software for tracking wood products;
  - purchase hardware and software;
  - develop the tracking system including software configuration;
  - test and commission the new system; and
  - prepare a final report for the ITTO.



# The Activity's Intended Outputs

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- The Activity's intended outputs included:
  - a short report on the assessment of JBCL's existing tracking system and the additional work required to convert it to a computer-based system;
  - a computer-based timber tracking system integrating all aspects of the company's operations from the forest to the customer; and
  - a final report to the ITTO on the activity including lessons learnt.





# Review of JBCL's Existing Inventory/Tracking System

- The review was conducted by Helveta
  - Same company initially implemented a national legality monitoring system for Ghana under VPA with the EU;
  - Review indicated JBCL's existing tracking system adequately tracks the company's log inputs and processed wood products; and
  - would conveniently interface with Ghana's national wood products tracking system when completed.



# FSC Controlled Wood Certification

- With the desire to showcase the legality of JBCL's export products; the company therefore sought and received approval from the ITTO to apply the funds towards FSC Controlled Wood Certification.
- The company also considered certification under PEFC but was not possible as certain requirements could not be met by the Ghanaian forest management standards at the time.





# Key Elements of FSC Controlled Wood Certification

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- FSC Controlled Wood certification enables forest management enterprises to demonstrate to a third party certification body (Rainforest Alliance) that wood supplied is controlled.
- It allows forest management enterprises to provide evidence that the wood they supply has been controlled to avoid wood that is:
  - illegally harvested;
  - harvested in violation of traditional and civil rights;
  - harvested in forest management units in which high conservation values are threatened by management activities;
  - harvested in areas in which forests are being converted to plantations or non-forest use; and
  - harvested from forests in which genetically modified trees are planted.



# Certification Process

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- Involved:
  - **pre-assessment** of the company's forest management activities and Chain of Custody (CoC) system against the requirements of the FSC Standard - FSC Controlled Wood Standard For Forest Management Enterprises FSC-STD-30-010 (Version 2-0) EN, to identify any gaps;
  - **preparation of procedures** and work instructions to ensure that the company can consistently meet the requirements relating to the five FSC Controlled Wood categories ; and
  - **training all relevant staff** and personnel to be involved with the implementation of the company's FSC Controlled Wood Forest Management and CoC Certification system.



# Certification Process Cont'd

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- The final audit by Rainforest Alliance (thirty party verifier) occurred in December 2010 and comprised the following:
  - **an opening meeting** with key managers of JBCL where the objectives and scope of the assessments and the audit were discussed, as well as the assessments and audit schedule;
  - **review of documents** (procedures and work instructions relating to the FSC Standard - FSC Controlled Wood Standard For Forest Management Enterprises FSC-STD-30-010 (Version 2-0) EN;
  - **review of CoC systems** requirements;
  - **inspection tour** of the company's processing facilities and interview with relevant workers at their posts;
  - **field inspection** of forest management practices; and
  - **a closing meeting** with key managers of the company.



# Wood Products' Tracking Under FSC Controlled Wood Certification

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- Each truck load of logs transported from the FSC CW certified forests is covered by a Log Measurement and Conveyance Certificate (LMCC) of Ghana Forestry Commission and contains the following information:
  - details of the forest and the compartment from which the trees were harvested;
  - description of the species harvested;
  - stock number;
  - tree volume dimensions and volume of each log;
  - the name of driver, and the registration number of the vehicle;
  - name of the Ghana Forestry Commission officer issuing the LMCC;
  - the date on which the LMCC was issued;
  - these information are captured in the company's computerized database system on arrival at the factory premises where material inputs can be traced

# Wood Products Tracking Under FSC Controlled Wood Certification

- In addition to the LMCC, all invoices issued for sales of the company's FSC Controlled Wood products, are used for tracking purposes.
- Such sales invoices contain, as a minimum, the following information:
  - the name and address of the buyer;
  - the date on which the invoice was issued;
  - description of the product;
  - the quantity of the products sold;
  - reference to the product's batch and/or to related shipping documentation sufficient to link the invoice to the goods received by the customer; and
  - the certification code issued by the Rainforest Alliance, an FSC accredited Certification Body.





# Current Status

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- JBCL is recognized as FSC certified company able to supply FSC Controlled wood products to its major markets.
- It is listed on FSC's official website: **[www.fsc.org](http://www.fsc.org)**
- The wood products, including approved species, are also listed on the FSC website as part of JBCL's approved product schedule.
- This has enabled JBCL to expand the reach of its current market, as it is now able to offer legal wood to markets such as the USA and the European Union that have legislation requiring wood merchants to demonstrate the legal status of the wood products they import.
- The certificate is for five years, and the company is due for an annual surveillance audit in June, 2012 by its certification body, the Rainforest Alliance, to ensure that we are continually meeting the requirements of the FSC certificate.





# Issues and Lessons Learnt

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- Successful implementation of JBCL's FSC Controlled wood certification has:
  - provided valuable learning experience towards full forest management certification which the company has applied to FSC for an independent assessment by Rainforest Alliance;
  - created access to new markets that require legality verification, particularly as the FSC brand is recognized internationally; and
  - continually improve the company's processes, practices and systems in support of the sustainable management of its on-reserve forest concessions or TUCs; and
  - a positive influence on other wood processing companies in Ghana wanting to increase market access through a positive promotion of the legal status of their wood products.
- Tracking of wood products and legality assurance can be demonstrated through internationally recognized third party CoC certification systems such as the FSC and PEFC.



# Evidence: FSC Certificates





THANK YOU FOR YOUR  
ATTENTION!

