

INDONESIA

Assignment Name: Development and Pilot Testing of a Third-Party Wood Legality Verification and Tracking Program		Country: Indonesia
Location within Country: East Kalimantan Province. Also delivery yards of companies importing timber from Indonesia.		Professional Staff Provided by SGS: Project Director, Log Tracking Specialist, Forest Product Tracking Specialist, Forest Certification Auditor.
Name of Client: The Nature Conservancy (with financial assistance from USAid, UK DFID and Home Depot plus support from WWF and the Indonesian Ministry of Forests)		Nº of Staff: 13 part time including SGS, URS Forestry and sub-contractors. Total 40 man-months.
Address: Jakarta, Indonesia		Duration of Assignment: 2 years
Start Date (Month/Year): June 2003	Completion Date (Month/Year): May 2005	Approx. Value of Services (in Current US\$): US\$ 0.4 million
Names of Associated Consultants: URS Forestry Tropical Forest Trust Forestech Research & Development Ltd		Professional Staff Provided by Associated Consultants URS Forestry: Project Manager, Training Specialist, GIS Specialist Tropical Forest Trust: Forest Auditor Forestech: IT Specialist
Names of Senior Staff Involved and Functions Performed: Bruce Telfer: Project Director & Wood Tracking Specialist; Dr. Kevin Grace: Log & Forest Product Tracking Specialist; Salahudin Yaacob: Forest Certification Auditor		
Narrative Description of Project: <p>It is widely accepted that illegal logging is threatening the future of Indonesia's forests. Governments (e.g. Indonesia, UK and other EU countries plus Japan and USA), importers, consumers and NGOs are seeking to eliminate the trade in illegal forest products. The threat to the Indonesian forest industry is clear. The difficulty for industry is a strong market perception that Indonesian forest products are often illegal. This is exacerbated by the fact that there is currently no agreed system for differentiating legal from illegal forest products. Foreign buyers are becoming more and more nervous about any purchases from Indonesian sources.</p> <p>On the initiative of the Alliance partners, including institutional, civil society and market stakeholders, this project seeks to address the problem by developing a cost-effective method for certifying the legal origin of wood right through the supply chain, from forest to customer. This market-driven response to the illegal logging problem can also be seen as a first step to ultimate certification to a standard such as the FSC.</p> <p>The key project components are: to develop a working definition of legality; to design a wood verification and tracking system; to implement the system in two forest concessions and two factories; to report on the outcomes and to make recommendations for expanding the system throughout Indonesia.</p>		
Description of Services Provided by SGS Staff: SGS is the lead contractor and is thus responsible for all the project outcomes. Specific services being provided by SGS are:		
<ul style="list-style-type: none"> • develop a working definition of legal wood origin and production • design and implement a system for the verification of legality (involving both forest and factory audits) • design and implement a wood tracking system from tree stump to foreign buyer • draw up plans for scaling up the project to an operational level. 		