

CHAIN OF CUSTODY CONSULTATION & AUDITING



Ensuring
TABMA Queensland
Members can access
Helpful,
Quality Service,
When they Need,
Competitively Priced

DO YOU NEED HELP IMPLEMENTING A CHAIN OF CUSTODY PROGRAM? DO YOU NEED HELP FINDING AN AUDITOR?

Certification of timber supply is becoming more important as Government departments, architects and specifiers, and large contractors - such as those working on GBCA projects - increasingly demand that timber products used are from environmentally accountable sources. Is it compulsory? No. But as customer demand picks up, the experts predict that you will NEED it to hold your market share. It is an international phenomenon so unlikely to just fade away.

TABMA Queensland wants to make sure you can access the information, auditing and certification services that you need, at competitive prices, when you need it. The whole process can seem daunting, but we are here to help.

How? We have information kits to help you get started. We can help with consultation beforehand to explain what you need to do. We have a qualified Chain of Custody auditor to provide third party auditing, and a service agreement with EWPA for certification services.

TABMA members can be assured of PREFERENCE and PRIORITY to ensure your certification process is completed as quickly as possible.

Contact **Karen Johnston**
for more information.

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AFS4708

CHAIN OF CUSTODY SYSTEM REQUIREMENTS CHECKLIST

- ❑ **Training**
Of staff regarding their responsibilities.
- ❑ **Verification of Origin**
Internal systems recognising certified & non-certified material in your yard.
- ❑ **Illegal Operations & Sources**
Must ensure no illegal timber enters the supply chain. Perform risk assessments to verify this.
- ❑ **Chosen System Set-up**
The Separation & Marking or Inventory Control Systems
- ❑ **Procedures & Methods for Chain of Custody Certificates**
- ❑ **Quality Management System Requirements**
 - *Internal Audits*
 - *Management Review*
 - *Final Inspections*
 - *Identification of Training Needs*
 - *Document Control*
 - *Handling of Complaints*
 - *Preventative & Corrective Actions*
 - *Records*
- ❑ **Chain of Custody Manual & Documentation**

INFORMATION PACK

TABMA Queensland's 'Chain of Custody Starter Pack' includes:

- This basic information summary and checklist
- TABMA Queensland Fee Structure
- Chain of Custody Consultation Application Form
- Chain of Custody Auditing Application Form
- AFS Chain of Custody Scheme Rules
- Australian Standard - AS4707 Chain of Custody for Certified Wood & Forest Products
- EWPAAs Supplementary Provisions for Chain of Custody Certification to AS4707
- PEFC Logo Use Rules Manual

BACKGROUND

Certification has two parts. First, the forests must be certified under an appropriate 'Forest Management' scheme. All Queensland native and plantation forests are certified under AS4707. The second part is Chain of Custody. Chain of Custody is a management system that tracks wood from the forest to the end user through all phases of ownership. It ensures traceability of product (through documentation) back to its' source with no break in the chain. No illegal wood is to enter the chain. Remember this concept of a CHAIN; product must travel from certified forests through an unbroken link of certified organisations to the end user. So your suppliers need to be certified as well to support the claim.

COST OF CERTIFICATION

- **Developing & documenting inventory control procedures.** This can be done in house and your current systems can probably be used as a platform. Our consultation service assists with this step.
- **Third Party Auditing.** This must be done annually to ensure continuing conformity to CoC Systems. Smaller operations &/or using our consultation service can potentially combine Stage 1 and Stage 2 Audits to further reduce costs.
- **Licence fee.** This is charged by the certification service provider. We are working jointly with the JAS-ANZ accredited Engineered Wood Products Association of Australasia (EWPAAs), a fellow not-for-profit industry Association.
- **Scheme Logo Usage fee.** This is charged by the certification body on an annual basis. This fee is dependent on turnover of these certified products. Breakdown below includes GST:

| TURNOVER | ISSUANCE FEE | ANNUAL FEE |
|-------------------------|--------------|------------|
| < 300,000 | \$55 | \$275 |
| 300,000 - 1,000,000 | \$55 | \$550 |
| 1,000,000 - 3,000,000 | \$55 | \$1,100 |
| 3,000,000 - 10,000,000 | \$55 | \$2,750 |
| 10,000,000 - 50,000,000 | \$55 | \$6,875 |
| 50,000,000 + | \$55 | \$13,750 |

CHAIN OF CUSTODY SERVICE

TABMA QUEENSLAND MEMBERS

| | |
|-------------------------|------------------|
| Consultation Fee | \$110 per hour |
| Audit Fees | \$880 per day |
| Application Fee | Nil |
| Annual Licence Fee | \$1,100 per site |
| Travel & Other Expenses | |
| ▪ In Brisbane | Nil |
| ▪ Outside Brisbane | At Cost |

NON-TABMA MEMBERS

| | |
|-----------------------------------|------------------|
| Consultation Fee | \$190 per hour |
| Audit Fees | \$150 per hour |
| Application Fee | \$550 |
| Annual Licence Fee | \$1,100 per site |
| Travel Time | \$85 per hour |
| Accommodation & Other Expenses | At Cost |

*All prices are inclusive of GST

Fee Structure for Chain of Custody Certification Under AS4707

As at 1st December
2009

ADDITIONAL INFORMATION:

- Consultation includes assistance with creating your Chain of Custody Manual & associated procedures. This preparation can combine your first & second audits into one, thus reducing costs.
- The Audit Fee charged will cover all tasks including on site auditing, audit preparation and report writing. For TABMA members, travelling time (in Brisbane) is also included.
- All reasonable travel, accommodation and out of pocket expenses incurred while performing audits outside of the Brisbane area will be paid by the client.
- As a guide, a typical merchant's audit for one site will take one day.
- Auditing costs will vary with the size of the business and the number of sites being certified.
- The only other cost of certification is a fee made payable to the respective schemes (AFS or FSC) for logo usage. This is dependant on the volume of certified product turnover and will be invoiced to you direct.

