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**Keurhout**

The background of the lower half of the page is a photograph of a dense forest of tall, thin trees. A large, semi-transparent orange rectangle is overlaid on the entire forest image, serving as a background for the text.

# **Keurhout Audit Protocol for Chain-of-Control Certification**

**- Requirements and guidelines for EU participants –**

Revision 003 date 15 June 2009

## Contents

<b>INTRODUCTION .....</b>	<b>5</b>
<b>0. General section.....</b>	<b>7</b>
<b>Scope of the protocols .....</b>	<b>7</b>
0.1 General regulations.....	7
0.2 Application for Keurhout COC audit.....	7
0.3 Registration and inspection.....	7
0.4 Participation costs .....	8
0.5 Sanction policy .....	8
0.5.1 Assessment of the requirements.....	8
0.5.2 Quarterly account of timber consumption.....	8
0.6 Complaints procedure .....	9
0.7 Instructions for use.....	9
0.8 Implementation of Keurhout programme .....	10
<b>1. Administrative requirements.....</b>	<b>11</b>
1.1 Purchasing .....	11
1.1.1 Suppliers.....	11
1.1.2 Certificates.....	11
1.1.3 Transport documents.....	12
1.1.4 Purchasing invoice .....	12
1.1.5 Keurhout purchasing registration.....	12
1.1.6 (Semi) manufactures .....	12
1.1.7 Composite products.....	13
1.1.8 Measuring difference .....	13
1.2 Sales .....	13
1.2.1 Sales invoice.....	14
1.2.2 Keurhout sales registration.....	14
1.2.3 (Semi) manufactures .....	14
1.2.4 Composite products.....	15
1.2.5 Purchasers.....	15
1.2.6 Keurhout Statement.....	15
1.3 Stock .....	15
1.3.1 Keurhout stock registration.....	16
1.3.2 (Semi) manufactures .....	16
1.3.3 Composite products.....	16
<b>2. Physical requirements .....</b>	<b>17</b>
2.1 Goods flow control systems .....	17
2.1.1 Physical separation .....	17
2.1.2 Proportionality.....	17
2.1.3 Basic requirement proportionality system .....	17
2.1.4 Exchange of timber flows .....	18
2.2 Receipt.....	18
2.2.1 Keurhout .....	18
2.2.2 (Semi) manufactures .....	19
2.2.3 Composite products.....	19

2.3	<i>Physical separation during storage</i> .....	19
2.3.1	Keurhout .....	19
2.3.2	(Semi) manufactures .....	20
2.3.3	Composite products.....	20
2.4	<i>Production</i> .....	20
2.4.1	Keurhout .....	20
2.4.2	(Semi) manufactures .....	20
2.4.3	Composite products.....	20
2.4.4	Processing loss.....	22
<b>3.</b>	<b>Keurhout logos</b> .....	<b>23</b>
3.1	<i>Use of logo</i> .....	23
3.2	<i>Possibilities of the Keurhout system</i> .....	23
<b>4.</b>	<b>Multi-site certification</b> .....	<b>24</b>
4.1	<i>Multi-site organisation and management system</i> .....	24
4.1.1	Description of organisation .....	24
4.1.2	Description of management system .....	24
4.1.3	Multi-site manager .....	24
4.1.4	Multi-site products and production processes .....	24
4.2	<i>Responsibilities of the head office</i> .....	25
4.2.1	Contract with certifying body .....	25
4.2.2	Keurhout programme.....	25
4.2.3	Changes to Multi-site establishments.....	25
4.2.4	Data collection and reporting.....	25
4.2.5	Admission of new sites .....	25
4.2.6	Keurhout communications .....	25
4.2.7	Distribution of Keurhout documentation .....	26
4.2.8	Management capacity and support .....	26
4.2.9	Inspection and monitoring .....	26
4.3	<i>Responsibilities of site managers</i> .....	26
4.3.1	Statement of approval .....	26
4.4	<i>Document management</i> .....	26
4.4.1	Approval and issue .....	26
4.5	<i>Site documents</i> .....	27
4.5.1.	Contact data .....	27
4.5.2.	Statement of agreement register .....	27
4.5.3	Internal audit reports.....	27
4.5.4	Administrative accounts.....	27
4.5.5	Exclusion of sites.....	27
4.5.6	Multi-site sanction policy.....	27
4.6	<i>Visit frequency certifying body</i> .....	28
	<b>Handling of non-conformities - Explanation and assessment</b> .....	<b>29</b>
<b>1.</b>	<b>Administrative requirements</b> .....	<b>30</b>
1.1	<i>Purchasing</i> .....	29
1.1.1	Suppliers.....	29
1.1.2	Certificates.....	29
1.1.3	Transport documents.....	29
1.1.4	Purchasing invoice .....	29
1.1.5	Keurhout purchasing registration.....	29
1.1.6	(Semi) manufacture .....	29



1.1.7	Composite products.....	29
1.1.8	Measuring difference .....	29
1.2	<b>Sales.....</b>	<b>30</b>
1.2.1	Sales invoice.....	30
1.2.2	Keurhout sales registration.....	30
1.2.3	(Semi) manufacture .....	30
1.2.4	Composite products.....	30
1.2.5	Purchasers.....	30
1.2.6	Keurhout Statement.....	30
1.3	<b>Stock.....</b>	<b>30</b>
1.3.1	Keurhout stock registration.....	30
1.3.2	(Semi) manufacture .....	30
1.3.3	Compound product .....	30
2.	<b>Physical requirements .....</b>	<b>30</b>
2.1.1	Physical separation .....	30
2.1.2	Proportionality.....	30
2.1.3	Basic requirement proportionality system .....	31
2.1.4	Exchange of timber flows .....	31
2.2	<b>Receipt.....</b>	<b>31</b>
2.2.1	Keurhout .....	31
2.2.2	(Semi) manufactures .....	31
2.2.3	Composite products.....	31
2.3	<b>Physical separation during storage .....</b>	<b>31</b>
2.3.1	Keurhout .....	31
2.3.2	(Semi) manufactures .....	31
2.3.3	Composite products.....	31
2.4	<b>Production.....</b>	<b>31</b>
2.4.1	Keurhout .....	31
2.4.2	(Semi) manufactures .....	32
2.4.3	Composite products.....	32
2.4.4	Processing loss.....	32
3.	<b>Keurhout logos.....</b>	<b>32</b>
3.1	<i>Use of logo .....</i>	<i>32</i>
3.2	<i>Possibilities of the Keurhout system.....</i>	<i>32</i>
4.	<b>Multi-site certification .....</b>	<b>32</b>
4.1.1	Description of organisation .....	32
4.1.2	Description of management systeem .....	32
4.1.3	Multi-site manager .....	32
4.1.4	Multi-site products and production processes .....	32
4.2	<b>Head office responsibilities.....</b>	<b>33</b>
4.2.1	Contract with certifying body .....	33
4.2.2	Keurhout programme.....	33
4.2.3	Change to Multi-site establishments .....	33
4.2.4	Data collection and reporting.....	33
4.2.5	Admission of new sites .....	33
4.2.6	Keurhout communications .....	33
4.2.7	Distribution of Keurhout documentation .....	33
4.2.8	Management capacity and support .....	33
4.2.9	Inspection and monitoring .....	33

4.3	<i>Responsibilities of site managers</i> .....	33
4.3.1	Statement of agreement .....	33
4.4	<i>Document management</i> .....	33
4.4.1	Approval and version .....	33
4.5	<i>Site documents</i> .....	33
4.5.1	Contact data .....	34
4.5.2	Statement of agreement register .....	34
4.5.3	Internal audit reports .....	34
4.5.4	Administrative accounts .....	34
4.5.5	Exclusion of sites .....	34
4.5.6	Multi-site sanction policy .....	34
4.6	<i>Visit frequency certifying body</i> .....	34
<b>APPENDIX 1</b> .....		<b>35</b>
<b>APPENDIX 2</b> .....		<b>38</b>
<b>APPENDIX 3</b> .....		<b>44</b>
<b>APPENDIX 4</b> .....		<b>46</b>
<b>APPENDIX 5</b> .....		<b>47</b>
<b>APPENDIX 6</b> .....		<b>48</b>
<b>APPENDIX 7</b> .....		<b>49</b>

## INTRODUCTION

This protocol is intended for companies in the EU that are seeking to trade in timber admitted to the Keurhout system and/or process these into (semi) manufactures. To this end, these companies must be Keurhout participants and be part of the Keurhout certification system. The requirements and guidelines of this system, as well as the measures aimed at ensuring compliance are included in this document.

Keurhout assesses certificates or systems for sustainable forest management, as well as claims of legal original in terms of content and reliability, using requirements drawn up by Keurhout in advance. Keurhout also manages an own Chain-of-Custody system (CoC) for the EU, which is supervised by independent certifying bodies (CB). Keurhout's objective is to provide consumers with clarity on the origin of timber and timber products. The Keurhout system is owned and facilitated by the Netherlands Timber Trade Association (NTTA).

The Keurhout logo is filed with the Benelux Trade Marks Register.

This document contains the guidelines for the functioning and monitoring of the Keurhout system in general, as well as for Multi-site certification. Furthermore, this protocol describes the assessment and handling of non-conformities by the certifying body.

Through rigorous compliance with the requirements and guidelines set out in this document, the Keurhout participant will be able to:

- check and prove the origin of timber flows admitted to the Keurhout system,
- thanks to inspections by an independent certifying body, guarantee customers compliance with the Keurhout requirements, and
- promote the Keurhout system through the use of Keurhout texts and logos.

This document replaces the "Keurhout Manual – requirements and guidelines for participants - Revision 001 date 09/07/04 and the Audit Protocol for CoC Certification - Revision 2 date July 1<sup>st</sup> 2006.

## **0. GENERAL SECTION**

### **SCOPE OF THE PROTOCOLS**

These protocols apply only to timber flows of legal and/or sustainable origin, which have been generated within the EU and/or by means of Keurhout admitted suppliers in countries of origin, and by participants who have been admitted to the Keurhout Chain-of-Custody system. Moreover, the requirements and guidelines also apply to the (semi) manufactures produced from these timber flows.

This protocol describes the functioning, requirements, operation and auditing of the Keurhout Chain-of-Custody system. Wherever necessary, a distinction has been made between Keurhout-Sustainable (referring to sustainable forest management) and Keurhout-Legal (concerning claims tested for legal origin).

The requirements and guidelines of this protocol are dated May 15<sup>th</sup> 2009. As of June 15<sup>th</sup> 2009 all new applications for Keurhout COC will be tested on the basis of this protocol. Under certain circumstances companies that are Keurhout Participant already may choose to be verified against the previous version of the protocol until the end of 2009<sup>1</sup>. All Keurhout participants must comply with the new requirements and guidelines by no later than 01 January 2010.

### **0.1 General regulations**

These Keurhout regulations, together with the accompanying protocols, are an integral part of the Keurhout participation agreement. Keurhout documents are available for viewing or downloading on the Keurhout website: [www.keurhout.nl](http://www.keurhout.nl) If unavailable, contact the owner of the Keurhout System, the NTTA.

### **0.2 Application for Keurhout COC audit**

By signing the participation agreement, the candidate participant has accepted the obligation to apply to a certifying body recognised by the NTTA and to ensure that an audit is performed within the term set out in the participating agreement. The candidate participant may not exercise the Keurhout rights, as specified in the Keurhout Participants Agreement, until the audit has been performed and the results have been accepted by the Certifying Body.

To apply for a Keurhout COC audit, the candidate participant must complete and return the standard form of the certifying body and have paid the fee charged by the certifying body.

### **0.3 Registration and inspection**

After registering with the NTTA, the candidate Keurhout participant will receive a provisional participation number. Once the candidate participant has successfully completed the COC admission verification carried out by an authorised certifying body, Keurhout will register the candidate participant as an official Keurhout participant on its website and assign a definitive participation number.

The participant will be audited once a year after announcement by the certifying body. In addition 10% of the participants will be audited once a year without announcement, on a sampling basis. The certifying body is authorised, in consultation with Keurhout, to deviate from these rules in individual cases if proof can be provided of the reliability of the Chain-of-Custody system in question.

The Keurhout programme allows for multi-site certification, for which deviating regulations apply. These can be found in a separate procedure in Chapter 4.

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<sup>1</sup> KH-Participants that mix Keurhout with Verified Legal Timber (VLT; see par 4.2) or sell products that include VLT are verified per default against the new version of the protocol.

## 0.4 Participation costs

The costs of participating in the Keurhout system are:

- 1) Annual participation contribution to the NTTA: The amount is set periodically, communicated through the appropriate channels and is payable to the NTTA.
- 2) Inspection costs of the certifying body: all costs (e.g. admission, extra or re-inspections) are settled between the applicant and the certifying body without the intervention of Keurhout. For the precise costs of the audits we refer to the certifying bodies.

## 0.5 Sanction policy

The sanction policy has been laid down and can be found in part: Handling of non-conformities (page 30). The handling process is shown in the flowchart in APPENDIX 4.

### 0.5.1 Assessment of the requirements

When it can be demonstrated during the audit that the relative requirement is not applicable, this question is answered "N.A.".

When it can be demonstrated during the audit that the relative requirement has been met, this question is answered "OK".

When during the audit it cannot be demonstrated that the relative requirement has been met, this question is answered "NOK".

#### *Minor CAR*

If it appears during an audit that a non-essential item only meets part of the requirement, the auditor will issue a Minor CAR (small non-conformity). The non-conformity must be signed off to the certifying body within the set term (20 workdays). If the non-conformity is not signed off within this term, the non-conformity is escalated to a Major CAR. The participant then has 5 workdays to remedy the non-conformity, failing which suspension will follow.

#### *Major CAR*

If the audit shows full non-compliance with a requirement or that the Chain-of-Custody is under threat, the auditor will issue a Major CAR (large non-conformity). It is stated on the audit form whether non-conformities can be settled in writing or whether a re-inspection is required. In case a non-conformity is signed off in writing to the certifying body, this must take place within the set term. If the non-conformity is not signed off within the set period, the participant will be suspended by the certifying body. Suspension will automatically lead to re-inspection or a written sign-off. The suspension will remain in effect until the participant has undergone a re-inspection, resulting in an audit/inspection certificate showing that the non-conformity is resolved. If re-inspection does not show that the non-conformities, which have led to the Major CAR, have been solved, suspension or extension of the suspension will follow.

Another re-inspection may then follow. The participant is immediately suspended if the same item is rated a Major CAR in two consecutive audits.

#### *Suspension*

A suspension always lasts a minimum of 5 workdays and a maximum of 20 workdays. During the suspension, the participant will refrain from all activities in the framework of the Keurhout programme. If the suspension cannot be lifted within 20 workdays, the participant will be expelled. Suspensions will be stated on the website.

#### *Expulsion*

A participant will be expelled as Keurhout member after failing to remedy a non-conformity after two re-inspections.

### 0.5.2 Quarterly account of timber consumption

Participants that convert certified timber into Keurhout must submit these accounts 4 times a year. These accounts must be in the possession of the certifying body no later than 4 weeks after the end of the quarter. These accounts must be specified per quality mark (Keurhout-Sustainable and/or Keurhout-Legal) and per wood species. The certifying body must also be notified if no Keurhout has passed through the system during the reporting quarter. The certifying body will send the participant a reminder if the accounts are not submitted before the required date. The membership will be suspended until receipt of the accounts. If the certifying body



has not received the account from the participant by 8 weeks after the end of the reporting quarter, the participant will be suspended until the overdue accounts have been received.

## **0.6 Complaints procedure**

When the participant is of opinion that the decision is incorrect or an item of the protocol has not been applied correctly, the participant has the right to make use of the complaints/arbitration procedure of the certifying body. In the first place the complaint will be considered by the certifying body. This will, within four weeks, give a reasoned answer to the participant's complaint. The certifying bodies admitted by Keurhout have internal complaint regulations in which the possibilities of appeal are described. The procedure may be obtained from the certifying body concerned. If the participant, after following the full procedure, disagrees with the decision of the certifying body it may appeal to an independent Board of Appeal designated by the NTTA. The objection, stating reasons, must be submitted within 6 weeks of the final decision by the certifying body. The appeal procedure is included in the Keurhout participant regulations or can be requested from the Keurhout secretariat. The Board of Appeal shall, within four weeks, give a reasoned answer to the participant's complaint. The decision of this Board shall be binding.

## **0.7 Instructions for use**

In the preparation of this Audit Protocol we have sought to formulate the requirements as practically as possible. Within the prescribed requirements, the participant shall be free to find a suitable solution. This Audit Protocol contains an example for setting up the registration and a number of examples for the required calculations. It is important for the participant to find out which assessment points are applicable to his/her business. For this purpose, use can be made of the list of assessment points contained in this Audit Protocol. When a participant performs an action mentioned, the relative assessment point applies.

All evaluation points have been structured in the same manner.

### Number and name of the paragraph:

Each paragraph has a unique number and a matching name.  
The name may occur several times, the number is unique.

### When:

Here it is indicated when the relative paragraph applies.

### Requirement:

Here the requirement is indicated which the participant must comply with.

### Explanation:

Here the relative paragraph is explained where necessary.

### Assessment:

Here the measure of assessment is indicated.  
This could be a Minor or Major CAR or an OK.

### Registration and administration:

This Protocol refers to an account at a number of places. It is permissible to combine several accounts into an overall account.

Since the consumption of Keurhout varies from business to business, it is not possible to specify a fixed period for updating the administration. Consequently, this will not have to be done after each mutation. On the other hand, however, there must be no piling up of mutations before updating the administration. All registrations must be recorded at least each week, or in such manner that a maximum of 4 transactions are still unrecorded. Accordingly, the administration may be updated daily but at least weekly.

When Keurhout is processed by third parties, e.g. in the event of finger joints, a balanced administration must be kept. The participant itself shall remain responsible for, and be the owner of the Keurhout certified timber or timber product.

Unless indicated otherwise, the Keurhout administration shall, alongside the legally prescribed retention time, be kept for a minimum period of five years.

## **0.8 Implementation of Keurhout programme**

### Requirement:

The participant must be able to prove that the requirements and guidelines of the Keurhout programme are an integral part of the organisation's work practices.

### Explanation:

To ensure effective implementation, performance and control of the Keurhout programme, the participant must include the requirements and guidelines in its protocols, appoint persons who are responsible for the programme, instruct them and provide them with the required documentation, and make use of an effective control system. The manner in which the above is structured and laid down can differ from business to business. This document will state any special requirements that apply. Assessment is the responsibility of the certifying body.

## **1. ADMINISTRATIVE REQUIREMENTS**

### **1.1 Purchasing**

Only timber that originates from a Keurhout participant and that is accompanied by a certificate of sustainable forestry or legal origin, as approved by Keurhout and stated as such on the Keurhout website, may be marketed in the EU as "Keurhout-Sustainable" or "Keurhout-Legal", respectively. The purchaser is responsible for ascertaining whether the certificate concerned has been recognised by Keurhout and whether it has the status "Sustainable" or "Legal". If the certificate has not been recognised, the participant may present the certificate or system concerned for approval to the Board of Experts. The procedure is described on the Keurhout website. Application forms can be requested from the secretariat of the Board of Experts. The timber cannot be registered as Keurhout during the process of approval.

Besides from Keurhout admitted certified forests in the EU, timber can also be purchased from a stock-keeping importer registered with Keurhout. The timber acquired from such an importer has entered the EU as certified timber and been converted by this importer into "Keurhout-Sustainable" or "Keurhout-Legal". This timber is then marketed as Keurhout.

It is not permissible to convert this Keurhout again into another size, which would produce a measurement gain.

The persons charged with the performance of activities in connection with Keurhout must be conversant with the contents and explanation of the assessment points in order that they may organise, perform and administrate the activities in conformity with the Audit Protocol. If a specific point requires further explanation, this is given under the relevant assessment point, or further information can be requested from the certifying body.

#### **1.1.1 Suppliers**

##### When:

When Keurhout or certified timber is purchased.

##### Requirement:

There must be a list of the suppliers. This list must contain the suppliers' name, address, participation number, products, wood species and the status "Sustainable" or "Legal".

#### **1.1.2 Certificates**

##### When:

When timber is purchased from a Keurhout approved forest.

##### Requirement:

A copy of the Chain of Custody certificate of the supplier of the certified timber must be present and verified by the participant. Only timber covered by a valid certificate as stated on the website of Keurhout may be considered as "Keurhout-Sustainable" or "Keurhout-Legal".

##### Explanation:

In the case of Keurhout-Legal, if the Keurhout participant imports the timber and admits it to the Keurhout system under own management, not only the supplier's Chain of Custody certificate is required, but also a copy of the certificate showing that the forest of origin is Keurhout approved.

### **1.1.3 Transport documents**

When:

When certified timber is purchased or imported.

Requirement:

The purchased quantity of timber must be provided with the necessary transportation documents. These include the bill of lading or consignment note. These transport documents must state the wood species, quantity, specifications and end marks of the timber. Also, the documents must state the applicable quality mark (Keurhout-Sustainable, "Keurhout-Sustainable admitted timber" (import) or Keurhout-Legal, "Keurhout-Legal admitted timber only" (import)), the date of shipping, as well as the supplier's Chain-of-Custody certificate number.

Explanation:

A logo can be applied to the timber by a Keurhout logo user in the country of origin. This logo must correspond to the quality mark as stated in the consignment note. Also check the shipping date from the country of origin. This must be after the date of acceptance by Keurhout. Specification of certificate numbers of source area(s) may substitute the need to specify the quality mark level.

### **1.1.4 Purchasing invoice**

When:

When certified timber or Keurhout is purchased.

Requirement:

There must be an account together with the invoice of the purchased legal or certified timber and/or Keurhout.

Explanation:

The legal or certified imported quantity of timber or Keurhout must be covered by an invoice. This invoice must state the wood species, the quantity of timber and specifications, as well as the quality mark level concerned. Specification of certificate numbers of source area(s) may substitute the need to specify the quality mark level.

### **1.1.5 Keurhout purchasing registration**

When:

When certified timber is purchased and converted to Keurhout.

Requirement:

The participant who brings Keurhout into the system by purchasing certified timber and converting it into Keurhout, must maintain a quarterly account of the purchased quantity of certified timber. Specified per wood species and quality mark, this account must state the imported and/or purchased quantity of certified timber. This account must be drawn up in m<sup>3</sup>, using three decimals. The quarterly account must be in possession of the certifying body no later than 4 weeks after the end of the quarter.

Explanation:

In order to have information on the quantity of Keurhout processed in the EU, an account of the imported quantity of legal or certified timber must be kept up to date.

### **1.1.6 (Semi) manufactures**

When:

When certified (semi) manufactures are purchased and converted into Keurhout.

Requirement:

An account must be kept of the purchased (semi) manufactures that are purchased and converted into Keurhout. Specified per wood species and quality mark, this account must state the imported quantity of Keurhout (semi) manufactures. The account must be updated at least once a week or in such manner that a maximum of 4 transactions are still unrecorded. The quarterly account must be in possession of the certifying body no later than 4 weeks after the end of the quarter.

### **1.1.7 Composite products**

When:

When composite and certified Keurhout products are purchased.

Requirement:

An account must be kept of the purchased quantity of composite Keurhout products. The account must be updated at least once a week in such manner that a maximum of 4 transactions are still unrecorded. Specified per wood species and quality mark, this account must state the quantity of compound Keurhout products purchased. The account must, as standard, be drawn up in m<sup>3</sup>, in connection with a possible percentage calculation afterwards, unless the certifying body has in advance agreed to another unit. The quarterly account must be in possession of the certifying body no later than 4 weeks after the end of the quarter.

### **1.1.8 Measuring difference**

When:

When certified timber is purchased or imported in non-metric sizes.

Requirement:

The calculation of the metric measure (mm) must be made in the correct unambiguous manner.

Explanation:

The conversion of purchased or imported timber may produce a positive or negative measuring difference. This is considered a measuring gain or measuring loss. The measuring gain or loss must be specified and recorded in the administration. Measuring gains must be written off in a transparent manner. The statement of the imported quantity of timber is based on the metric system.

For the conversion of English tons into English measures (inch) the factor 1.416 must be used.

In converting the English measure to the metric measure, numbers may be rounded up as well as down, whereby 1 inch equals 25.4 mm.

The calculation of the measurement gain can only be made by the importer.

Calculation example: measurement gain

Imported measurement 3" x 5"

This may be converted into the metric measurement of 80 x 130 mm, which produces a measurement gain of 7.47%.

Calculation example: measurement loss

Imported size 3" x 5". This may be converted into 75 x 125 mm metric measurement, which produces a measurement loss of 1.57%.

## **1.2 Sales**

Keurhout timber and Keurhout products may be sold to traders, producers and end users. In order to gain insight into the chain of Keurhout users and buyers, an administration is required from which the course of events can be derived. This administration concerns the moment from which Keurhout enters the 'gate' until the time it exits the 'gate'.

The persons charged with the performance of activities in connection with this administration must be conversant with the contents and explanation of the assessment points in order that they may organise, perform and administrate the activities in conformity with the Audit Protocol.

If a specific point of this protocol requires further explanation, this is given under the relevant assessment point, or further information can be requested from the certifying body.

### 1.2.1 Sales invoice

When:

When Keurhout and/of Keurhout products are sold.

Requirement:

The invoice must state the date, the name of the purchaser, the kind of wood, the number of m<sup>3</sup> and the following text:

**“We are affiliated to Keurhout for the supply of sustainable and/or legal timber and products. Our participation number is KH0000<sup>2</sup>”** (example of a participation number: KH0001)

Furthermore, the invoice must state what products have been made of Keurhout, the relevant quality mark, and in case of compound products, what percentage of Keurhout-Sustainable or Keurhout-Legal has been used in these products.

These invoices must be kept for the period referred to in Paragraph 0.7.

Explanation:

When Keurhout is delivered to a participant, the participation number of the buyer must be stated. As must the quality mark and level.

The invoice must show the number of cubic metres of Keurhout. In case of a composite product, the percentage of Keurhout-Sustainable, Keurhout-Legal and Verified Legal Timber must be stated. The rules are set out in Paragraph 3.2.

The prescribed text is meant to distinguish between Keurhout participants and non-Keurhout participants. This text may also be stated on the invoice when no Keurhout is supplied.

### 1.2.2 Keurhout sales registration

When:

When Keurhout is sold.

Requirement:

The participant must keep separate quarterly accounts of the quantities of Keurhout sold. Specified per wood species and quality mark, this account must state the sold quantity of Keurhout. The account must be updated at least once a week or in such manner that a maximum of 4 transactions are still unrecorded. Depending on the number of mutations, the account must be updated daily or weekly.

Explanation:

To gain insight into the quantity of Keurhout processed, an account must be kept of the quantities of certified timber sold.

### 1.2.3 (Semi) manufactures

When:

When (semi) manufactures are sold.

Requirement:

The participant must keep a quarterly account of the sold quantities of (semi) manufactures. Specified per wood species and quality mark, this account must state the imported quantity of Keurhout (semi) manufactures. This account must be drawn up in m<sup>3</sup>, using three decimals.

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<sup>2</sup> 0000 will be replaced by a number issued by Keurhout.



#### **1.2.4 Composite products**

When:

When composite products are sold.

Requirement:

The participant must keep a quarterly account of the quantities of compound products sold. This account must show, per wood species and quality mark, the quantity of compound products sold and the percentage. This account must be drawn up in m<sup>3</sup>, using three decimals.

Explanation:

Composite products must consist of either Keurhout-Sustainable, Keurhout-Legal, or a combination of the two. A temporary provision has been installed (until 31/12/2010) which enables a limited amount to consist of Verified Legal Timber (VLT). The rules are set out in Paragraph 3.2.

#### **1.2.5 Purchasers**

When:

When Keurhout and/of Keurhout products are sold.

Requirement:

The purchasers of Keurhout and/or the Keurhout product must be registered.

Explanation:

When the Keurhout and/or the Keurhout product are sold to a Keurhout participant, this purchaser's name and participation number must be entered in an account. It will be sufficient to enter a non-participant in the account under a name or as "non-participant".

#### **1.2.6 Keurhout Statement**

When:

When the Keurhout product is delivered to an end user.

Requirement:

The participant may only issue a Keurhout Statement on delivery of a Keurhout product to an end user. An account must be kept of the statements issued showing the number of the Keurhout Statement, the name and address of the purchaser of the Keurhout product and a description of the Keurhout product delivered. The percentage of Keurhout-Sustainable, Keurhout-Legal and Verified Legal Timber in the product must also be stated. Copies must be kept of all statements issued.

Explanation:

To prevent misuse of Keurhout within the EU, the Keurhout user is permitted to issue a Keurhout Statement only to the end user of a Keurhout product. A Keurhout Statement may not be issued to a trader on delivery of the Keurhout and/or (semi) manufacture. Separate statements must be issued for Keurhout-Sustainable and Keurhout-Legal. The statement number consists of the participant's number, followed by a serial number. The serial number is preceded by a capital D (Keurhout-Sustainable) or an L (Keurhout-Legal); e.g., Statement Keurhout-Legal: Statement No.: 0988- L 002. Subsequent numbers, specified per quality mark, are then applied and recorded by the participant. "Invoice" refers to the sales invoice. Statements drawn up in accordance with Keurhout requirements can be requested from the certifying body. See Appendices 6 and 7 for the format of the Keurhout Statements. The invoice serves as legal proof of delivery.

### **1.3 Stock**

Stock records must be kept during the trading in, or processing of Keurhout. The persons in charge of the performance of these activities must be conversant with the contents and explanation of the protocol in order that they may organise and administrate the activities in conformity with the protocol. If a specific point of this protocol requires further explanation, this is given under the relevant assessment point, or further information can be requested from the certifying body.

### **1.3.1 Keurhout stock registration**

When:

When Keurhout is traded or processed.

Requirement:

The participating trader or processor must keep an account of the stocks of Keurhout.

Specified per wood species and quality mark, this account must state the date of receipt, the supplier, the number of cubic metres received (in three decimals), the date of delivery, the destination and the number (in three decimals) of cubic metres delivered.

Explanation:

To control the flow of goods it is necessary to keep a balanced administration with regard to the volume of Keurhout in circulation. Depending on the quantity of Keurhout being traded or processed, this account may be updated daily or weekly.

### **1.3.2 (Semi) manufactures**

When:

When (semi) manufactures are traded or processed.

Requirement:

An account must be kept of the quantity of (semi) manufactures sold or processed. Specified per wood species and quality mark, this account must state the date of receipt, the supplier, the number (in three decimals) of cubic metres received, the date of delivery, the destination and the number (in three decimals) of cubic metres of sold or processed (semi) manufactures sold.

### **1.3.3 Composite products**

When:

When compound products are traded or processed.

Requirement:

An account must be kept of the quantity of compound products sold or processed. Specified per wood species and quality mark, this account must state the date of receipt, the supplier, the number (in three decimals) of cubic metres received, the date of delivery, the destination and the number (in three decimals) of cubic metres of sold or processed composite products.

## **2. PHYSICAL REQUIREMENTS**

### **2.1 Goods flow control systems**

Control of the goods flow is vital for giving purchasers adequate proof of delivery of Sustainable or Legal timber. Keurhout applies two different systems within its Chain-of-Custody system (COC):

- Physical separation:  
A system whereby all flows are kept separated and identifiable during transport and storage.
- Proportionality:  
An input = output or credit system whereby the total volume of certified timber that enters the system is equal to the volume of certified wood that exits the system, whereby within set conditions no physical relationship exists between incoming and outgoing flows.

A condition for effective functioning of both systems is that all batches of timber and timber products, before being included in the Keurhout system for the first time as Keurhout-Sustainable or Keurhout-Legal, must have been physically separated from other certified, non-certified or non-Keurhout timber flows admitted to the system.

#### **2.1.1 Physical separation**

##### When:

When Keurhout-Sustainable and Keurhout-Legal and non-Keurhout timber is purchased and kept in stock.

##### Requirement:

All flows will remain physically separated and identifiable from other certified and/or non-certified and/or non-Keurhout flows during transport, processing and storage. Physical separation is compulsory for Keurhout-Legal and optional for Keurhout-Sustainable.

##### Explanation:

The system for the assurance of Legal Origin of timber flows does not allow mixing with non-legal timber flows. A temporary provision has been installed (until 31/12/2010) which enables a limited amount to consist of Verified Legal Timber (VLT). The rules are set out in Paragraph 3.2.

#### **2.1.2 Proportionality**

##### When:

When exclusively legal and/or sustainable timber is purchased.

##### Requirement:

The proportionality rule prescribes that the sold quantity (m3) of timber and/or timber products may not be larger than the quantity (m3) of certified timber brought into the system. Batches may be exchanged within the system on the condition that certain requirements are met. These requirements differ for the various categories: softwood, hardwood and plywood. See also 2.1.3.

#### **2.1.3 Basic requirement proportionality system**

##### When:

The business may apply the proportionality system.

##### Requirement:

If the proportionality system is applied, all the timber physically and administratively present in the business must be of demonstrable legal origin.

##### Explanation:

Timber or timber products with a sustainability claim (Keurhout-Sustainable) may never be mixed with timber and/or timber products without a demonstrable legal origin. In this case, a system based on physical separation applies.

#### 2.1.4 Exchange of timber flows

##### When:

If the business may use the proportionality system (see 2.1.3).

##### Requirement:

The following exchange of timber flows is permitted:

**Softwood:** wood species and quality

**Hardwood:** wood species, quality and thickness

**Plywood:** wood species, quality, thickness and dimensions.

##### Explanation:

##### Example 1:

Under the proportionality principle, a batch of pinewood, volume 5 m<sup>3</sup>, quality class C, end size 50 x 75 mm purchased as Keurhout-Sustainable Level 1, may be set off against the sale of 5 m<sup>3</sup> pinewood, Keurhout-Sustainable Level 1, quality class C, end size 75 x 150 mm or the sale of 7,142 m<sup>3</sup> pinewood, Keurhout-Sustainable Level 2, quality class C, end size 50 x 100 mm.

##### Example 2

A purchased volume of hardwood (Azobé) planks, Keurhout Level 1 of 12 m<sup>3</sup>, quality class B, end size 32 x 125 mm, may be set off against the sale of 12 m<sup>3</sup> Azobé planks, quality class B, end size 32 x 90 mm Keurhout Level 1 or against 17,142 m<sup>3</sup> Azobé planks, quality class B, end size 32 x 90 mm Keurhout-Level 2.

##### Example 3:

Batch A, birch plywood, Keurhout-Sustainable Level 2, volume 2 m<sup>3</sup>, quality class X, thickness 18 mm, 1250 x 2500 mm, may only be set off against a batch B, birch plywood, Keurhout-Sustainable Level 2 with the same specifications.

## 2.2 Receipt

When certified and/or legal timber, or Keurhout (Keurhout-Legal or Keurhout-Sustainable) is received it is important to verify that the timber received is in actual fact certified and/or legal. When this is not clear on receipt, the consignment may either not be discharged or the timber must be kept separately. The timber may not be stored and processed until it can be demonstrated that the timber is covered by a valid certificate and/or until it can be proved that the timber received is Keurhout-Legal or Keurhout-Sustainable.

The persons in charge of performing these activities must be conversant with the protocol and the explanation, in order that they may set up and administrate the activities in conformity with the protocol.

When a specific item of the protocol requires further explanation this has been included under the relative item.

### 2.2.1 Keurhout

##### When:

When certified timber and/or Keurhout timber is received.

Requirement: On receipt it must be checked that the timber originates from a registered Keurhout supplier, which quality mark is applicable, and that the quantity (m<sup>3</sup>) delivered corresponds with the order.

##### Explanation:

The quality mark and the quantity stated on the invoice (m<sup>3</sup> in three decimals) determine where and how many number of cubic metres are to be entered in the administration. Any difference between the invoice and the quantity delivered must be corrected by means of a correction invoice from the supplier. The receiving party is not authorised to apply this correction itself. Also check the level, if applicable.

### **2.2.2 (Semi) manufactures**

#### When:

When certified (semi) manufactures or Keurhout (semi) manufactures are received.

#### Requirement:

On receipt it must be checked that the (semi) manufactures originate from a Keurhout participant and/or the quantities delivered correspond with the order. Also check the quality mark under which the (semi) manufacture is delivered.

#### Explanation:

The quantities stated on the invoice determine the quantities to be entered in the administration. Any difference between the invoice and the quantity delivered must be corrected by means of a correction invoice from the supplier. The receiving party is not authorised to apply this correction itself. Also check the level, if applicable.

### **2.2.3 Composite products**

#### When:

When certified compound products or compound products of Keurhout are received.

#### Requirement:

On receipt it must be checked that the composite products originate from a Keurhout participant or a recognised supplier and that the delivered product specifications correspond with the order. Also check the quality mark under which the (semi) manufacture is delivered.

#### Explanation:

The product specification (m3) stated on the invoice determines the number of cubic metres to be entered in the administration. Any difference between the invoice and the quantity delivered must be corrected by means of a correction invoice from the supplier. The receiving party is not authorised to apply this correction itself. Also check the level, if applicable.

## **2.3 Physical separation during storage**

#### When:

When the business may not use the proportionality system (see 2.1.3).

#### Explanation:

To prevent a mixing of Keurhout-Legal and Keurhout-Sustainable or non-Keurhout, it is important that the Keurhout-Legal is physically separated from Keurhout-Sustainable as well as from non-Keurhout. The participant will be free in choosing a suitable procedure. However, the Keurhout must at all times be recognisable as such. Also there is a location duty for the Keurhout. For example, if timber is stored at a (kiln) dryer, this must be shown in the administration and the certifying body will have the right of inspection. The persons in charge of performing these activities must be conversant with the protocol and the explanation, in order that they may set up and administrate the activities in conformity with the protocol. When a specific item of the protocol requires further explanation this has been included under the relative item.

### **2.3.1 Keurhout**

#### When:

When certified timber and/or timber with a Keurhout quality mark is received.

#### Requirement:

It must be guaranteed that Keurhout-Legal and Keurhout-Sustainable is at all times distinguishable from each other and from non-Keurhout during storage. Recognisability must be guaranteed in such manner that no uncontrolled mixing can occur.

### **2.3.2 (Semi) manufactures**

When:

When certified (semi) manufactures or Keurhout (semi) manufactures are stored.

Requirement:

It must be guaranteed that Keurhout-Legal and Keurhout-Sustainable (semi) manufactures are distinguishable from each other and from non-Keurhout (semi) manufactures during storage. Recognisability must be guaranteed in such manner that no uncontrolled mixing can occur.

### **2.3.3 Composite products**

When:

When certified compound products or compound products composed of Keurhout are stored.

Requirement:

It must be guaranteed that the compound products composed of Keurhout-Legal and Keurhout-Sustainable are at all times distinguishable from each other and from other composite products not composed of Keurhout during storage. Recognisability must be guaranteed in such manner that no uncontrolled mixing can occur.

## **2.4 Production**

Physical separation is applicable to the production of Keurhout and non-Keurhout products.

Explanation:

To prevent a mixing between Keurhout-Sustainable and Keurhout-Legal and/or non-Keurhout during production it is important to separate these. The participant will be free in choosing a suitable procedure.

However, the Keurhout-Legal and Keurhout-Sustainable must at all times be recognisable as such.

The persons in charge of performing these activities must be conversant with the protocol and the explanation, in order that they may set up and administrate the activities in conformity with the protocol.

When a specific item of the protocol requires further explanation this has been included under the relative item.

### **2.4.1 Keurhout**

When:

When products of Keurhout are produced.

Requirement:

The recognisability of Keurhout-Legal and Keurhout-Sustainable must be guaranteed during production, and the quantities of Keurhout-Legal and/or Keurhout Sustainable used must be registered.

### **2.4.2 (Semi) manufactures**

When:

When Keurhout (semi) manufactures are processed and/or produced.

Requirement:

The recognisability of the (semi) manufactures must be guaranteed during production, and the quantity of processed (semi) manufactures must be registered.

### **2.4.3 Composite products**

When:

When composite products are processed and/or produced

Requirement:

The recognisability of the composite products must be guaranteed during production, and the quantity of processed and/or produced composite products must be registered.

Explanation:

When composite products are used, it is of importance that the percentage of Keurhout-Sustainable and Keurhout-Legal used is registered. A composite product may bear the name of Keurhout-Sustainable Level 2 only if it consists for at least 70% of Keurhout-Sustainable and for the remainder of Keurhout-Legal and/or



Verified Legal Timber. A composite product may bear the name of Keurhout-Legal Level 2 only if it consists for at least 70% of Keurhout-Legal and for the remainder of Keurhout-Sustainable and/or Verified Legal Timber. The rules for awarding the Keurhout quality marks are set out in Paragraph 3.2.

It is important to register the amount of Keurhout-Sustainable and Keurhout-Legal processed in the product. The percentage of Keurhout must be calculated in advance and can be verified after production, which verification will be based on the net number of cubic metres used. **It is irrelevant for the calculation if the various parts form one whole or will be delivered separately and assembled later.** Also see examples.

Example 1:

The participant has received an order for making a Keurhout frame with cavity cleats.

The client requires at least Keurhout-Sustainable Level 2.

In the work preparation a sawing list is made which produces the following requirements. Total 10 m<sup>1</sup> Keurhout-Sustainable timber for frames 80 x 130 mm and total 10 m<sup>1</sup> Keurhout-Legal cavity cleats 44 x 77 mm

Calculation:

Order: Keurhout frame with Keurhout cavity cleats

net 10 m <sup>1</sup> KH-Sustainable 80 x 130 mm	0.104 m <sup>3</sup>	77.2 % KH-Sustainable
net 10 m <sup>1</sup> cavity cleat 44 x 70 mm	<u>0.031 m<sup>3</sup></u>	<u>22.8 % KH-Legal</u>
net total timber used	0.135 m <sup>3</sup>	100 %

The participant has met the requirement and used sufficient Keurhout-Sustainable to guarantee Level 2.

Example 2:

The participant has received an order for making a Keurhout frame with the same specifications as in example 1. Now he is asked also to supply a Keurhout door.

The client requires at least Keurhout-Sustainable Level 2.

This Keurhout door was purchased as a composite product and according to the supplier's declaration contains 71% Keurhout-Sustainable. The door measures 930 x 2115 x 54 mm.

Keurhout-Sustainable is used for the frame.

Calculation:

Door 930 x 2115 x 54 mm	0.106 m <sup>3</sup>
of which 71% KH-Sustainable	0.075 m <sup>3</sup>
and 29% KH-Legal	0.031 m <sup>3</sup>
These quantities are used in the calculation.	

net 10 m <sup>1</sup> timber for frames 80 x 130 mm	0.104 m <sup>3</sup>
KH-Sustainable quantity of the door	<u>0.075 m3</u>
Total KH-Sustainable	<u>0.179 m3</u>

net 10 m1 cavity cleat KH-Legal 44 x 70 mm	0.031 m <sup>3</sup>
KH-Legal quantity of the door	<u>0.031 m3</u>
Total Keurhout-Legal	<u>0.062 m3</u>

Quantity of timber	<u>0.241 m3</u>	100 %
Of which KH-Sustainable	<u>0.179 m3</u>	74.3 %
Of which KH-Legal	<u>0.062 m3</u>	25.7 %

The participant has met the requirement and used sufficient Keurhout-Sustainable to guarantee Level 2.

Example 3:

The participant has been instructed to perform a project in 100% KH-Legal.

It appears during preparation that not all the required timber can be purchased as Keurhout-Legal. Timber for cavity cleats, for example, is only available as Keurhout-Sustainable. Glazing beads can only be purchased as non-Keurhout.

As a result, the project cannot be sold as Keurhout. Nor as Keurhout-Legal or Keurhout-Sustainable.

Example 4:

The participant has received an order for making a Keurhout-Sustainable frame with cavity cleats. The client requires at least Keurhout-Sustainable Level 2. Calculation produces the following requirements: Total 15 m<sup>1</sup> Keurhout-Sustainable timber for frames 80 x 130 mm and total 15 m<sup>1</sup> Keurhout-Legal cavity cleats 44 x 77 mm.

However, the timber for frames is only available as Keurhout-Legal, the cavity cleats only as Keurhout-Sustainable.

Calculation:

Order: Keurhout frame with Keurhout cavity cleats

net 15 m <sup>1</sup> KH-Legal 80 x 130 mm	0.104 m <sup>3</sup> 77.2 % KH-Legal
net 15 m <sup>1</sup> cavity cleat 44 x 70 mm	<u>0.031 m<sup>3</sup> 22.8 % KH-Sustainable</u>
net total timber used	0.135 m <sup>3</sup> 100 %

The participant cannot meet the requirement for Keurhout-Sustainable Level 2. But he does meet the requirement for Keurhout-Legal. The participant informs the client of this before starting the work.

Example 5:

The participant has received an order for making a Keurhout frame with cavity cleats.

The client requires at least Keurhout-Legal Level 2.

In the work preparation a sawing list is made which produces the following requirements. Total 10 m<sup>1</sup> Keurhout-Legal timber for frames 80 x 130 mm and total 10 m<sup>1</sup> Verified Legal Timber cavity cleats 44 x 77 mm

Calculation:

Order: Keurhout frame with Keurhout cavity cleats

net 10 m <sup>1</sup> KH-Legal 80 x 130 mm	0.104 m <sup>3</sup> 77.2 % KH-Legal
net 10 m <sup>1</sup> cavity cleat 44 x 70 mm	<u>0.031 m<sup>3</sup> 22.8 % VLT</u>
net total timber used	0.135 m <sup>3</sup> 100 %

The participant has met the requirement and used sufficient Keurhout-Legal to guarantee Level 2.

#### **2.4.4 Processing loss**

When:

When there is a processing loss.

Requirement:

Processing loss must be recorded and written off in a transparent manner.

Explanation:

The processing of timber will cause a loss, for instance due to the shortening of timber. This loss must be entered in the Keurhout stock administration or clearly written off. When this loss is minimised, e.g. by finger joints, this must be reflected in the administration.

The processing loss caused in the production process may be expressed in linear metres, which must be converted into m<sup>3</sup> for the quarterly account.

### 3. KEURHOUT LOGOS

The Keurhout quality mark, applied to a Keurhout product, offers end users the assurance that the product has a sustainable and/or legal origin in accordance with the Keurhout guidelines. It is essential that the integrity and credibility of the Keurhout quality mark be guaranteed and that the logos are correctly used.

The Keurhout quality mark is a collective logo, filed with the Benelux Trade Marks Register.

The Keurhout quality mark may only be used by Keurhout participants with a valid Chain-of-Custody system.

The Keurhout logos have been given in licence to the certifying bodies, where they can be applied for.

For on-product labelling, producers or suppliers in the country of origin can put an official request to Keurhout for the right to use the logo in delivery to Keurhout participants in the EU.

#### 3.1 Use of logo

##### Explanation:

Keurhout and Keurhout products can be marked in two different ways:

- by applying markings such as stickers or labels with the Keurhout indication for the purpose of own storage or during own production. This type of use is not covered by this paragraph.
- by placing a Keurhout logo on the finished product for end users.

The persons in charge of the performance of these activities must be conversant with the contents and explanation of the protocol enabling them to organise/administrate the activities in conformity with the protocol. When a specific item of the protocol requires further explanation this has been included under the relative item. For more details on logo use, please refer to the Keurhout Logo Use Guide.

#### 3.2 Possibilities of the Keurhout system

##### When:

When a Keurhout product is delivered to an end user.

##### Requirement:

A Keurhout product delivered to an end user must be provided with the Keurhout logo. This logo must state the participant's number in the circles in the top right corner and state the level in the two circles in the top left corner. The top circle is for Level 1, the bottom for Level 2. Other instructions for use of the logo are set out in the Participation Agreement. In case of doubt or questions, additional information can be obtained from the certifying body or the Keurhout secretariat.

##### Explanation:

In view of future admission to KH-Legal a temporary provision has been installed (until 31/12/2010) which enables a limited amount to consist of Verified Legal Timber (VLT), timber from certificates/systems which at least guarantee Legal Origin and which have been tested and accepted as VLT by the Keurhout Board of Experts, based on a pre-scan. An overview is provided at the Keurhout website. The rules for awarding Keurhout quality marks are summarised below:

Input		Result	
a.	100%	KH-Sustainable	KH-Sustainable; Level 1
b.	70-99%	KH-Sustainable; rest KH-Legal or VLT	KH-Sustainable; Level 2
c.	1-69%	KH-Sustainable; rest KH-Legal	KH-Legal; Level 1
d.	100%	KH-Legal	KH-Legal; Level 1
e.	70-99%	KH-Legal and/or KH-Sustainable; rest VLT	KH-Legal; Level 2
f.	ALL other options		no KH

## **4. MULTI-SITE CERTIFICATION**

Multi-site certification is a form of Chain-of-Custody certification applicable to companies and organisations with multiple establishments, which fall under the responsibility of a central entity and make use of the same Chain of Custody system, covering comparable processes and products. The various sites can be registered under a single Keurhout participant number.

### **4.1 Multi-site organisation and management system**

#### **4.1.1 Description of organisation**

Requirement:

The organisation, legal entity and structure of the Multi-site must be laid down in writing.

Explanation:

In order to make use of this type of certification, the organisation must be part of one and the same legal entity. The organisation and management structures must be described (head office, list of sites, responsibilities, etc.). If the sites do not operate under a single entity, proof must be provided that the sites nevertheless form part of one and the same business that works according to one system, under one name. This explicitly does not include a holding structure.

#### **4.1.2 Description of management system**

Requirement:

The Multi-site management system must be described in writing.

Explanation:

In case of a Multi-site, the establishments must be managed according to a uniform system. This (management, quality and Chain-of-Custody) system is laid down in writing and managed by the head office according to a stipulated central control plan. The head office is also responsible for compliance with this document. This means that the head office has the right and obligation to impose sanctions on participating sites in the case of violations.

#### **4.1.3 Multi-site manager**

Requirement:

The tasks and responsibilities of the Multi-site manager must be documented.

Explanation:

The Multi-site manager is responsible for investigating, controlling and ensuring compliance with the Chain-of-Custody requirements by the various organisation establishments, as well as the reporting to the certifying body and the instruction and training of the personnel responsible for the system. These tasks, responsibilities and the deployed resources (means of communication, training programmes, work plans, corrective actions, etc.) are described in detail and effectively managed.

#### **4.1.4 Multi-site products and production processes**

Requirement:

The products traded or produced by all participating sites must be predominantly of the same type. They must be produced and traded according to the same systems, methods and procedures.

Explanation:

Product packages and production systems, methods and procedures of the various sites are laid down in writing.

## **4.2 Responsibilities of the head office**

### **4.2.1 Contract with certifying body**

Requirement:

The head office must have a valid contract with the certifying body.

Explanation:

The head office is accountable to the certifying body for the implementation of the Keurhout Chain-of-Custody requirements by all participating sites.

### **4.2.2 Keurhout programme**

Requirement:

The procedures for managing the Keurhout programme must be documented.

Explanation:

The procedures for managing the Keurhout Chain-of-Custody system must be laid down in writing and integrated in the internal procedures. They contain guidelines and working instructions for the participating sites.

### **4.2.3 Changes to Multi-site establishments**

Requirement:

The head office must be authorised to remove sites from the Keurhout programme.

Explanation:

The head office has the responsibility and right to remove sites from the Keurhout programme in case of non-conformities or if, for any other reason, they are no longer part of the programme. The certifying body must be informed of such a measure within 2 weeks.

### **4.2.4 Data collection and reporting**

Requirement:

The head office must have access to all relevant purchasing and sales documents and report to the certifying body by means of quarterly accounts.

Explanation:

The head office must have all relevant documents of the participating sites at its disposal. The head office ensures an accurate collection of data on the purchasing of certified timber. If the sites convert certified timber into Keurhout, the head office is responsible for reporting in the form of quarterly accounts to the certifying body.

### **4.2.5 Admission of new sites**

Requirement:

Clear procedures must exist for the admission of new sites.

Explanation:

These procedures for admission of new sites to the existing Multi-site are laid down in writing. The head office must inform the certifying body within 2 weeks of the admission of new sites.

### **4.2.6 Keurhout communications**

Requirement:

A control system must exist to ensure the correct use of Keurhout communications and logos.

Explanation:

The head office has a system that ensures that all communications and use of the Keurhout logos take place in accordance with the Keurhout rules. This concerns the use of on- and off-product Keurhout communications as well as the use of the Keurhout-Sustainable and Keurhout-Legal quality marks. These rules are known to the responsible site personnel. The head office is responsible for correct implementation.

#### **4.2.7 Distribution of Keurhout documentation**

Requirement:

All sites must have the correct Keurhout documentation at their disposal.

Explanation:

The head office ensures that all sites are provided with the correct documentation on the Keurhout programme, that this is explained to the responsible personnel and made operational.

#### **4.2.8 Management capacity and support**

Requirement:

Sufficient management capacity and technical support must be guaranteed.

Explanation:

The head office is responsible for ensuring that sufficient capacity and technical support is available within the entire Multi-site organisation to meet the requirements of the Keurhout programme.

#### **4.2.9 Inspection and monitoring**

Requirement:

A clear system must exist for the inspection and monitoring of all sites.

Explanation:

An operational system must be in place for inspection, monitoring and reporting. The site managers of all sites must be visited at least once a year. These visits must be documented. The reports must be stored centrally and be made available to the certifying body at its request. Use of the Keurhout Multi-site checklist is recommended (see APPENDIX 2).

### **4.3 Responsibilities of site managers**

#### **4.3.1 Statement of approval**

Requirement:

A statement of approval by the site managers with regard to the obligations, term of certification and implementation of the Keurhout programme must be available.

Explanation:

The managers of the participating sites must sign a statement attesting at least to the following: 1) concurrence with and acceptance of the obligations and responsibilities of the Keurhout certification, 2) confirmation of the intention to participate for the full term of certification and 3) endorsement of the correct implementation of the Keurhout procedures at the site.

### **4.4 Document management**

#### **4.4.1 Approval and issue**

Requirement:

An updated list of relevant documents is available.

Explanation:

An updated list stating all the relevant documents, with the correct version code, must be available.



## **4.5 Site documents**

### Requirement:

All relevant site documents must be available during the audit.

### Explanation:

All relevant documents must be updated and available at the head office.

### **4.5.1 Contact data**

#### Requirement:

A list of site information must be available.

#### Explanation:

There must be an updated list of contact data for all sites, stating the date of admission to the Keurhout Multi-site programme.

### **4.5.2 Statement of agreement register**

#### Requirement:

A register must be kept of the statements of agreement of all the sites.

#### Explanation:

The register must contain all statements of agreement, in accordance with § 4.3.1.

### **4.5.3 Internal audit reports**

#### Requirement:

Internal audit documentation must be available.

#### Explanation:

All reports on the internal audits of sites must be updated and available. These contain the non-conformities found during the audit, and the resulting measures.

### **4.5.4 Administrative accounts**

#### Requirement:

Updated trade and production accounts must be available.

#### Explanation:

For all sites, updated accounts must be available on the purchasing, sales and production of certified timber.

### **4.5.5 Exclusion of sites**

#### Requirement:

An account stating exclusion data must be available.

#### Explanation:

If sites are excluded from the Keurhout Multi-site programme, the date and reasons for exclusion must be recorded.

### **4.5.6 Multi-site sanction policy**

#### Requirement:

All sites must meet all requirements and guidelines for Chain-of-Custody certification as stated in the Keurhout Protocol.

#### Explanation:

Supplementary to the sanction policy as stated in this protocol, in case of a Multi-site programme, a suspension or sanction by the certifying body applies to the entire Multi-site organisation. Unlike the head office, the certifying body cannot suspend an individual site. The certifying body will visit one or more sites, depending on the non-conformities found.

#### **4.6 Visit frequency certifying body**

Requirement:

The certifying body must carry out inspections by means of representative sampling.

Explanation:

To continue being part of the Keurhout programme, the certifying body must perform an annual audit. The visit frequency and the sample size is determined by the certifying body and laid down in a contract. The certifying body reserves the right to increase the sample size in the interim. For further information, see APPENDIX 3.

## **Handling of non-conformities - Explanation and assessment**

To ensure uniformity in the operation of certifying bodies, this chapter contains sanctions that follow when during an inspection it cannot be demonstrated that a requirement is complied with and that consequently the question must be answered: "NOK".

When a question is answered "NOK", there are two possibilities:

- 1) Written sign-offs: the business need not be revisited in order to clear the non-conformity.
- 2) Re-inspection: to clear the non-conformity it is of importance to visit the business.

The number of written sign-offs is limited to a maximum of 3. If more written sign-offs are found, it is assumed that the participant has organised its affairs in such manner that re-inspection will be necessary.

Any business misusing the Keurhout system will be suspended with immediate effect.

### **1. ADMINISTRATIVE REQUIREMENTS**

#### **1.1 Purchasing**

##### **1.1.1 Suppliers**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.  
If the relevant account is incomplete, a Minor CAR is issued.

##### **1.1.2 Certificates**

If the relevant certificate is not present, or is incomplete, a Minor CAR is issued.

##### **1.1.3 Transport documents**

If the transport documents are not present, or are incomplete, a Minor CAR is issued.

##### **1.1.4 Purchasing invoice**

If the relevant invoice is not present, or is incomplete, a Major CAR is issued, whether or not followed by a re-inspection.

##### **1.1.5 Keurhout purchasing registration**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.  
If the account is incomplete, a Minor CAR is issued.

##### **1.1.6 (Semi) manufacture**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.  
If the account is incomplete, a Minor CAR is issued.

##### **1.1.7 Composite products**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.  
If the account is incomplete, a Minor CAR is issued.

##### **1.1.8 Measuring difference**

If the measuring difference is not calculated and/or administrated in the correct manner, a Minor CAR is issued.

## **1.2 Sales**

### **1.2.1 Sales invoice**

If the relevant invoice is not present, or is incomplete, a Minor CAR is issued.

### **1.2.2 Keurhout sales registration**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.

If the relevant account is incomplete, a Minor CAR is issued.

### **1.2.3 (Semi) manufacture**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.

If the relevant account is incomplete, a Minor CAR is issued.

sign-off.

### **1.2.4 Composite products**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.

If the relevant account is incomplete, a Minor CAR is issued.

sign-off.

### **1.2.5 Purchasers**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.

If the relevant account is incomplete, a Minor CAR is issued.

### **1.2.6 Keurhout Statement**

If incorrect or injudicious use of the Keurhout Statement is ascertained, a re-inspection takes place. This is subject to suspension with immediate effect.

## **1.3 Stock**

### **1.3.1 Keurhout stock registration**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.

If the relevant account is incomplete, a Minor CAR is issued.

### **1.3.2 (Semi) manufacture**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.

If the relevant account is incomplete, a Minor CAR is issued.

### **1.3.3 Compound product**

If the relevant account is not present, a Major CAR is issued, whether or not followed by a re-inspection.

If the relevant account is incomplete, a Minor CAR is issued.

## **2. PHYSICAL REQUIREMENTS**

### **2.1.1 Physical separation**

If the timber physically and administratively present at the business is of demonstrable legal origin and/or physically separated from the source, a Major CAR is issued, whether or not followed by a re-inspection.

### **2.1.2 Proportionality**

If the timber physically and administratively present at the business is not of demonstrable legal origin and/or physically separated from the source, while the business applies the proportionality principle, a Major CAR is issued, whether or not followed by a re-inspection.

### **2.1.3 Basic requirement proportionality system**

If the timber physically and administratively present at the business is not of demonstrable legal origin and/or physically separated from the source, while the business applies the proportionality principle, a Major CAR is issued, whether or not followed by a re-inspection.

### **2.1.4 Exchange of timber flows**

If the exchange of timber flows has not taken place within:

- **Softwood:** wood species and quality
  - **Hardwood:** wood species, quality and thickness
  - **Plywood:** wood species, quality, thickness and dimensions.
- a Major CAR is issued, whether or not followed by a re-inspection.

## **2.2 Receipt**

### **2.2.1 Keurhout**

If, on receipt, no check takes place on whether the timber is from a registered Keurhout supplier, which quality mark and level is applicable, and whether the quantity received ( $m^3$ ) corresponds with the quantity ordered ( $m^3$ ), a Major CAR is issued, whether or not followed by a re-inspection.

### **2.2.2 (Semi) manufactures**

If, on receipt, no check takes place on whether the (semi) manufactures are from a registered Keurhout supplier, which quality mark and level is applicable, and whether the quantity received corresponds with the quantity ordered, a Major CAR is issued, whether or not followed by a re-inspection.

### **2.2.3 Composite products**

If, on receipt, no check takes place on whether the composite products are from a Keurhout participant or recognised supplier, which quality mark and level is applicable, and whether the product specifications ( $m^3$ ) received correspond with the quantity ordered, a Major CAR is issued, whether or not followed by a re-inspection.

## **2.3 Physical separation during storage**

### **2.3.1 Keurhout**

If the recognisability of Keurhout-Legal or Keurhout-Sustainable is not guaranteed to exclude mixing with each other or with non-Keurhout, a Major CAR is issued, whether or not followed by a re-inspection.

### **2.3.2 (Semi)manufactures**

If the recognisability of Keurhout-Legal or Keurhout-Sustainable (semi) manufactures is not guaranteed to exclude mixing with each other or with non-Keurhout (semi) manufactures, a Major CAR is issued, whether or not followed by a re-inspection.

### **2.3.3 Composite products**

If the recognisability of Keurhout-Legal or Keurhout-Sustainable composite products is not guaranteed to exclude mixing with each other or with non-Keurhout composite products, a Major CAR is issued, whether or not followed by a re-inspection.

## **2.4 Production**

### **2.4.1 Keurhout**

If the recognisability of Keurhout-Legal and/or Keurhout-Sustainable is not guaranteed during production, and the quantity of Keurhout-Legal or Keurhout-Sustainable used is not registered, a Major CAR is issued, whether or not followed by a re-inspection.

#### **2.4.2 (Semi)manufactures**

If the recognisability of (semi) manufactures is not guaranteed during production, and the quantity of Keurhout-Legal or Keurhout-Sustainable used is not registered, a Major CAR is issued, whether or not followed by a re-inspection.

#### **2.4.3 Composite products**

If the recognisability of Keurhout-Legal or Keurhout-Sustainable composite products is not guaranteed during production, and the quantity of composite products used is not registered, a Major CAR is issued, whether or not followed by a re-inspection.

#### **2.4.4 Processing loss**

If no records are kept of the processing loss or clearly recognizable write-offs are missing or incorrect, a Minor CAR is issued.

### **3. KEURHOUT LOGOS**

#### **3.1 Use of logo**

If Keurhout products are delivered to an end user whereby incorrect or injudicious use is made of the logo, a Major CAR is issued, whether or not followed by a re-inspection. Expulsion may be possible, see 0.5.1.

#### **3.2 Possibilities of the Keurhout system**

If incorrect or injudicious use is made of the Keurhout system, a Major CAR is issued, whether or not followed by a re-inspection. Expulsion may be possible, see 0.5.1.

### **4. MULTI-SITE CERTIFICATION**

#### **4.1.1 Description of organisation**

If the organisation, legal entity and structures of the Multi-site have not been laid down in writing, a Major CAR is issued, whether or not followed by a re-inspection.

#### **4.1.2 Description of management system**

If the Multi-site management system is not described, a Major CAR is issued, whether or not followed by a re-inspection.

#### **4.1.3 Multi-site manager**

If the tasks and responsibilities of the Multi-site manager are not documented, a Major CAR is issued, whether or not followed by a re-inspection.

#### **4.1.4 Multi-site products and production processes**

If all the products traded or produced by the participating sites are not substantially of the same type and/or are not produced and traded according to the same systems, methods and procedures, a Major CAR is issued, whether or not followed by a re-inspection.



## **4.2 Head office responsibilities**

### **4.2.1 Contract with certifying body**

If the head office does not have a valid contract with a certifying body, a Major CAR is issued, whether or not followed by a re-inspection.

### **4.2.2 Keurhout programme**

If the procedures for managing the Keurhout programme are not documented, a Major CAR is issued, whether or not followed by a re-inspection.

### **4.2.3 Change to Multi-site establishments**

If the head office is not authorised to remove sites from the Keurhout programme, a Major CAR is issued, whether or not followed by a re-inspection.

### **4.2.4 Data collection and reporting**

If the head office does not have all relevant purchasing and sales documents and, if prescribed, does not report to the certifying body by means of quarterly accounts, a Major CAR is issued, whether or not followed by a re-inspection.

### **4.2.5 Admission of new sites**

If there are no clear procedures for the admission of new sites, a Major CAR is issued, whether or not followed by a re-inspection.

### **4.2.6 Keurhout communications**

If no control system is used for the correct use of Keurhout expressions and logos, a Major CAR is issued, whether or not followed by a re-inspection.

### **4.2.7 Distribution of Keurhout documentation**

If not all sites have the correct Keurhout documentation, a Major CAR is issued, whether or not followed by a re-inspection.

### **4.2.8 Management capacity and support**

If not enough management capacity and technical support is guaranteed, a Major CAR is issued, whether or not followed by a re-inspection.

### **4.2.9 Inspection and monitoring**

If no clear system is present for the inspection and monitoring of all sites, a Major CAR is issued, whether or not followed by a re-inspection.

## **4.3 Responsibilities of site managers**

### **4.3.1 Statement of agreement**

If there is no statement of agreement from the site manager with regard to obligations, term of certification and implementation of the Keurhout programme, a Major CAR is issued, whether or not followed by a re-inspection.

## **4.4 Document management**

### **4.4.1 Approval and version**

If no list of active documents is available, a Major CAR is issued, whether or not followed by a re-inspection.

## **4.5 Site documents**

If not all relevant site documents are available during the audit, a Major CAR is issued, whether or not followed by a re-inspection.

#### **4.5.1 Contact data**

If no account of site information is available, a Major CAR is issued, whether or not followed by a re-inspection.

#### **4.5.2 Statement of agreement register**

If no register of statements of agreement of all the sites is available, a Major CAR is issued, whether or not followed by a re-inspection.

#### **4.5.3 Internal audit reports**

If internal audit documentation is not available, a Major CAR is issued, whether or not followed by a re-inspection.

#### **4.5.4 Administrative accounts**

If no updated trade and production accounts are available, a Major CAR is issued, whether or not followed by a re-inspection.

#### **4.5.5 Exclusion of sites**

If no exclusion account is available, a Major CAR is issued, whether or not followed by a re-inspection.

#### **4.5.6 Multi-site sanction policy**

If not all sites comply with the requirements and guidelines as stated in the Keurhout Protocol for Chain-of-Custody certification, a Major CAR is issued, whether or not followed by a re-inspection.

### **4.6 Visit frequency certifying body**

If no annual inspection, on the basis of the sampling requirements, has been performed by the certifying body, a Major CAR is issued, whether or not followed by a re-inspection.

## APPENDIX 1

### TERMS AND DEFINITIONS

<b>Term</b>	<b>Definition</b>
Admission audit	First COC audit, performed at a candidate Keurhout participant, which is a condition for becoming a full participant.
Admitted supplier	Supplier who furnishes timber (products) with certificates approved by Keurhout. See under 'certificates' on Keurhout's website <a href="http://www.keurhout.nl">www.keurhout.nl</a>
Audit	Inspection procedure by an authorised certifying body.
CAR	Corrective Action Request, issued in response to a non-conformity.
Certified timber	Timber and timber products originating from forests approved by Keurhout.
Chain-of-Custody (CoC) certificate	Written confirmation that an audit carried out by a certifying body has been successfully concluded on the basis of the applicable requirements and guidelines. In case of the Keurhout system, instead of issuing a certificate, the certifying body provides written notification to the (candidate) participant and Keurhout. The participant may issue a Keurhout Statement on delivery of a Keurhout product to an end user.
Composite product	A product whether or not imported which consists for at least 70 % of Keurhout-Sustainable or Keurhout Legal
Credit system	An administration system through which the percentage certified input is strictly registered and conditioning the (corrected) volume certified output, in whatever mix.
Demonstrably legal	Timber that complies with all (inter)national rules and regulations for legal origin. This must be demonstrated by verification of the documentary proof by an independent body; testing by the Board of Experts, for example, takes place on the basis of the Keurhout Protocol.
End user	Receiving party who does not make material changes to, or trade in, the Keurhout (finished) product. The end user therefore need not be a Keurhout participant. Example: A contractor who fits Keurhout frames supplied by a participant.
Extra audit	This audit can ensue from the 10%-scheme under which extra audits are performed among the participant on a random basis.
Manufacture	A product manufactured from certified timber.
Keurhout (quality mark)	Term used for both Keurhout-Sustainable and Keurhout-Legal. The Keurhout quality mark, which is owned by the NTTA, is filed with the Benelux Trade Marks Register.
Keurhout-Legal	Timber or timber products originating from forests admitted to the Keurhout-Legal system, traded and processed by businesses working according to the Keurhout-Legal Chain of Custody system. These timber flows are referred to as "Keurhout-Legal admitted timber only" and may be included in the EU chain of custody through conversion into Keurhout-Legal by Keurhout participants. Keurhout-Legal products may be partially supplemented with Keurhout-Sustainable and/or Verified Legal Timber. For the regulations, see: § 3.2
Keurhout-Legal quality mark	Keurhout quality mark that may be applied to the timber or

	timber products originating from forests admitted to the Keurhout-Legal system and traded within a closed chain of businesses admitted to Keurhout-Legal. 100% physical separation applies. This timber is marked as "Keurhout-Legal admitted timber only" in the country of origin. For Level 2 the non-Keurhout-Legal part shall consist of Keurhout-Sustainable or Verified Legal Timber.
Keurhout logo	An official Keurhout logo that may be used on finished products. See Keurhout quality mark.
Keurhout marking	Marking that distinguishes Keurhout from non-Keurhout.
Keurhout product	A product manufactured by a participant or a composite batch for a specific described work, consisting of sustainable and/or legal timber in accordance with the Keurhout guidelines. For the regulations, see: § 3.2
Keurhout programme	The entirety of requirements and guidelines making up the Keurhout system. This includes the Keurhout Chain-of-Custody system.
Keurhout Statement	Written statement that may be issued by the Keurhout participant to an end user as confirmation on delivery of a Keurhout end product.
Keurhout-Sustainable	Timber or timber products originating from sustainably managed forests admitted to the Keurhout-Sustainable system, traded and processed by businesses working according to the Keurhout-Sustainable Chain-of-Custody system. These timber flows are referred to as "Keurhout-Sustainable admitted timber" and may be included in the EU chain of custody through conversion into Keurhout-Sustainable by Keurhout participants. Keurhout-Sustainable products may be partially supplemented with Keurhout-Legal and/or Verified Legal Timber. For the regulations, see: § 3.2
Keurhout-Sustainable quality mark	Keurhout quality mark that may be applied to timber and timber products that, depending on the level, consist for 100% (Level 1) or at least 70% (Level 2) of timber originating from sustainably managed forests, provided with a certificate that has been admitted to the Keurhout-Sustainable system. For Level 2, the non-Keurhout fraction must consist of Keurhout-Legal or or Verified Legal Timber.
Legal origin	This refers to a traceable origin for which requirements of the applicable legislation and regulations in the country of origin have been met. In the context of this protocol: timber that is rightfully acquired from nature, local population, land owner and government and complies with the relevant KH standards.
Major CAR	Large non-conformity that constitutes a direct risk to the system.
Measuring difference	The quantity of timber that is arithmetically lost or obtained in the conversion of the imported measuring unit into the metrical measuring unit.
Minor CAR	Small non-conformity.
Nominal measure	The measurement to which the actual measurement of timber must conform within a specified margin of tolerance.
NTTA	Netherlands Timber Trade Association, owner of the Keurhout System and Quality Mark.
Multi-site audit	Audit of a collection of sites with a head office, combined in a single legal entity with consolidated financial results.
NOK	If a set requirement is not met, the question is answered with NOK (not OK).
Participant	Businesses physically trading and/or processing timber and/or timber products, which have been accepted by

	Keurhout, which operate in accordance with the conditions of the participation agreement and have been accepted into the Keurhout Chain of Custody system: see under 'participants' on Keurhout's website <a href="http://www.keurhout.nl">www.keurhout.nl</a> . Only participants can make use of the rights under the Keurhout system.
Percentage Keurhout	The calculated fraction of Keurhout-Legal and/or Keurhout-Sustainable in a Keurhout product (half and composite) expressed as a percentage (%), rounded in three decimals. Only the level need be stated on the Keurhout-Sustainable label. The percentage(s) needs to be stated in the related paperwork.
Physical separation	A system whereby all flows are kept separated and identifiable during transport and storage. Obligation for Keurhout-Legal.
Proportionality	An input = output system or credit system whereby the total volume of certified timber that enters the system is equal to the volume of certified wood that exits the system, whereby within set conditions no physical relationship exists between incoming and outgoing flows. The proportionality system can only be applied for Keurhout-Sustainable and when all the timber physically and administratively present in the business is of <u>demonstrable</u> legal origin.
Proportionality principle for traded hardwood	Keurhout-Sustainable hardwood may, within the wood species, quality and thickness, be mixed with other hardwood flows on condition that these are demonstrably legal (KH-Legal or VLT).
Proportionality principle for traded softwood	Keurhout-Sustainable softwood may, within the wood species and quality, be mixed with other softwood flows on condition that these are demonstrably legal (KH-Legal or VLT).
Proportionality principle for traded wood based panels	Keurhout-Sustainable plywood may, within the quality, thickness and dimensions, be mixed with demonstrably legal wood based panels.
Processing loss	All that does not end as finished product. Must be written off or set off and included in quarterly account if applicable.
Re-inspection	An audit resulting from a suspension.
(Semi) manufacture	A product manufactured from certified timber to undergo machining.
Suspension	Measure within the sanction policy, during which the suspended party must refrain from all activities in the context of the Keurhout programme.
Quality Class	Classification of timber and/or timber products in terms of visual appearance and quality. For solid pinewood, e.g., quality class C (NEN 5466), for solid meranti, e.g., quality class B (NEN 5483) and for plywood, e.g., the requirements as set in the NEN 636 standard and finishing classes according to the NEN-ENV 635 standard.
Verified Legal Timber	Timber(-products) which are covered by a certificate/ system of which the Board of Experts has established that the requirements of the pre-scan for Verified Legal Timber (VLT) have been complied with. VLT admitted certificates and/or systems are mentioned on the Keurhout website.
Wood based panels	Composite timber product generally made of wood fibre, chips or veneer.
Written sign-off	Used when the participant can show the certifying body that the problem has been resolved. The date of e-mail or postage applies. Sign-off with certifying body.

## APPENDIX 2

### KEURHOUT MULTI-SITE CERTIFICATION

#### CHECKLIST

Company:	
Project Number	
Address:	
Location:	
Country:	
Date:	
Auditor:	

*Text in italics is not part of the format, but is included for assistance purposes only. It must be removed when completing the checklist.*

## The Multi-site Manager

<b>Multi-site Manager (or representative):</b>	
<b>Location of the business sites:</b>	
Comment: not permitted across the border.	

### Short description Multi-site management system

<i>E.g. head office in Amsterdam, 20 sites. A central computer system, etc.</i>

### Tasks and responsibilities of the Multi-site manager

<i>E.g. intranet, training of inspection personnel, contact person for certification body, overall responsibility site visits, including ensuing measures.</i>

### List of sites

To be eligible for Multi-site certification, the following conditions must be complied with:

i. All participating sites must be part of a single legal entity and be managed according to a uniform Chain-of-Custody system. The system must be laid down in writing and be managed by the head office. The head office is also responsible for compliance with this document. This means that the head office has the right and obligation to impose sanctions on participating sites in the case of violations. If the sites do not operate under a single entity, proof must be provided that the sites nevertheless form part of one and the same business that works according to one system, under one name. This explicitly does not include a holding structure.

The business complies: Yes / No

ii. The products traded or produced by all participating sites must be predominantly of the same type. They must be produced and traded according to the same systems, methods and procedures.

The business complies: Yes / No

iii. The chain of custody system must be organised centrally subject to a centrally controlled plan.

The business complies: Yes / No

iv. All the establishments that participate in the Multi-site certification must report to the same head office.

The business complies: Yes / No

No	Site name	Location	Number of employees	Contact person
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				

### Detailed Multi-site Manager responsibilities

## 2. Responsibilities and obligations of the organisation and the head office

### 2.1 Responsibilities of the head office

<p>2.1.1. Contractually responsible to the certifying body for the implementation of Keurhout among all participating sites.</p> <p>2.1.2. The procedures for managing the Keurhout programme are documented. They contain guidelines and working instructions for the participating sites.</p> <p>2.1.3. Authority to remove sites from the Keurhout programme.</p> <p>Comment: The certifying body must be informed of such a measure within 2 weeks.</p> <p>2.1.4. Have possession of all relevant documents from all participating sites. Ensure the accurate collection of data on the purchasing and sale of certified timber. Quarterly accounts are sent to the certifying body.</p> <p>2.1.5. Existence of clear procedures for the acceptance of new sites.</p> <p>Comment: The head office must inform the certifying body within 2 weeks of the acceptance of new sites.</p> <p>2.1.6. Implement a system that ensures that all communications with the Keurhout logo are used according to the rules.</p>	<p><i>Contract signed?</i></p> <p><i>Is this documented in internal procedures?</i></p> <p><i>E.g. Use of Keurhout-Legal and Keurhout-Sustainable logo.</i></p>
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<p>2.1.7. Provide every site with information about the Keurhout programme. The documentation must in any event include:</p> <ul style="list-style-type: none"> <li>i. the Keurhout Audit Protocol for CoC</li> <li>ii. the relevant certification procedures</li> </ul> <p>2.1.8. Ensure sufficient management capacity and technical support to fulfil the obligations of Keurhout implementation.</p>	
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## 2.2 Inspection and monitoring of responsibilities by head office

<p>2.2.1. An initial check must be performed at all participating sites. During this check, the implementation of the Keurhout Audit Protocol for CoC and the internal procedures must be assessed.</p>	
<p>2.2.2. Every site must be visited.</p> <p>It must be assessed for every site whether business operations are in compliance with the Keurhout Audit Protocol for CoC and internal procedures.</p> <p>The results of these visits must be recorded.</p>	<p><i>Comment: Use of the Keurhout checklist is recommended.</i></p>
<p>2.2.3. A clear system must be maintained for reporting the annual visits to the site managers.</p> <p>The results of these annual visits must be stored at a central location.</p>	

## 3. Site - Requirements and responsibilities

### 3.1 Responsibilities of the sites

<p>3.1.1. The manager of the participating site must sign a statement. This statement must include at least the following:</p> <ul style="list-style-type: none"> <li>i. Concurrence with and acceptance of the obligations and responsibilities of the Keurhout certification</li> <li>ii. Confirmation of the intention to participate for the full term of certification</li> </ul>	
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iii. Endorsement of the correct implementation of the Keurhout procedures at the site	
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## **4. Document management**

### **4.1 Document approval and version**

4.1.1. There must be an updated list stating all the active documents, with the correct version code.	
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### **4.2 Site documents**

<p>4.2.1. The head office must have the following documents updated and available at all times:</p> <ul style="list-style-type: none"> <li>i. An updated list of contact data for all sites, stating the date of admission to the Keurhout Multi-site programme.</li> <li>ii. A register of statements of agreement of all the sites in the group (see 3.1.1)</li> <li>iii. Internal audit documentation. These contain the non-conformities found during the audit, and the resulting measures.</li> <li>iv. Relevant production and sales accounts</li> <li>v. Date of exclusion of sites from the Keurhout programme, stating the reason for exclusion</li> </ul>	
4.2.2. The site documents must be available for the audit.	

## **5. Sanction policy**

### **5.1 Participant sanction policy**

<p>5.1.1. Supplement to the sanction policy as stated in the Keurhout Audit Protocol for CoC . A suspension or sanction applies to the entire Multi-site. Unlike the head office, the certifying body cannot suspend an individual site.</p> <p>One or more sites will be visited, depending on the non-conformities found.</p>	
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## **6 Visit frequency**

### **6.1 Site visit frequency**

<p>6.1.1 Visit frequency and sample size as laid down by the certifying body. See Appendix 2.</p> <p>Intake</p> <p>Audit</p>	
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<p>The sampling method used</p> <p>Comment: The certifying body reserves the right to increase the sample size in the interim.</p>	<p><i>E.g. simple ratified sampling.</i></p>
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## APPENDIX 3

### KEURHOUT MULTI-SITE CERTIFICATION – GUIDELINES FOR SAMPLING

#### Explanation:

The purpose of sampling is to visit only part of the sites, while ensuring that the sample is sufficiently large and representative to provide a reliable indication of the sites not visited. A sample should in principle give the same result as visiting all sites, but at significantly lower cost and in less time.

#### **1. Risk analysis for intake checks and audits**

#### Explanation:

On the basis of guidelines set in advance, the certifying body determines how many sites are to be visited during the intake check and announced audit. This requires a specification of the range, scope and complexity of the activities subject to Multi-site certification. This serves as the basis for determining a sample that will yield a representative conclusion. The certifying body is under obligation:

- To determine whether the Multi-site is suitable for Multi-site certification.
- To determine the sampling method.
- To determine the sample size.

The risk analysis serves to identify the risks that can occur while the head office instructs the sites to work according to the Keurhout Audit Protocol for CoC. The following factors play a role:

- The homogeneity of the sites in terms of the relevant processes.
- The type of product and processes involved.
- The relationship between the sites and the head office.

The level of risk is classified as high, medium or low. The level can be determined by answering the questions below

Is the group heterogeneous? E.g., does it include various operation and process types?      Yes / No

Is the relationship between the head office and site such that objectivity is under threat?      Yes / No

Low risk =                      2x No

Medium risk =                      1x Yes

High risk =                      2x Yes

On the basis of this risk analysis, the sampling method and sample are determined as follows.

High risk                              No sampling on Intake check, all sites must be visited.

Medium risk                              Use of grouped sampling

Low risk                              Use of random sampling

For sample size in the “medium” and “low” risk businesses: see below.

The certifying body will document the results of the risk analysis and the sample size. A choice for a smaller sample size must be explained in the checklist. The internal quality procedure of the group could be a reason.

## 2. Sampling method and sample size

### Explanation:

The sampling method, sample size and the companies selected must be known before commencement of the audits.

### 2.1 Sampling method

#### Explanation:

The sampling method must be determined on the basis of the risk analysis. Three options are available:

**1) Random sample** If the group is homogeneous, a random sample can be taken of the sites.

**2) Grouped sample** If the sites can be grouped on the basis of characteristic properties (e.g., size, production systems, products, etc.), these groups are called strata. A random sample can be carried out within these strata. While this method requires more knowledge of the sites, it does lead to more effective sampling. The more homogeneous the sites within the strata, the smaller the risk.

**3) Targeted sample** If a site carries out special, uncommon processes, or in the event of a complaint against an individual site, the site in question must be subjected to targeted sampling.

### 2.2 Sample size

#### Explanation:

In case of random sampling, the minimum sample size must be calculated in the manner described below. The sample can be enlarged by adding a targeted sample.

In case of grouped sampling, the minimum sample size must be calculated in the manner described below. The sample can be enlarged by adding a targeted sample.

Reasons for adding a targeted sample include complex activity on the part of the participants, variation in working methods between the sites, complaints and/or other relevant aspects with regard to non-conformities.

### 2.3 Intake sampling

#### Explanation:

The minimum number of sites to be visited is determined as follows:

The sample size must be the square root of the number of sites: ( $y = \sqrt{vx}$ ), rounded up. If sites are grouped, the sample size must be determined on the basis of the strata and not the total number of sites.

### 2.4 Audit sampling

#### Explanation:

The minimum number of sites to be visited in case of a low-risk certificate is:

The size of the annual sample ( $y$ ) is the square root of the old sites ( $c$ ) multiplied by 0.6 ( $y = 0.6\sqrt{c}$ ), rounded up, plus ( $y = \sqrt{x}$ ) of the new sites ( $x$ ).

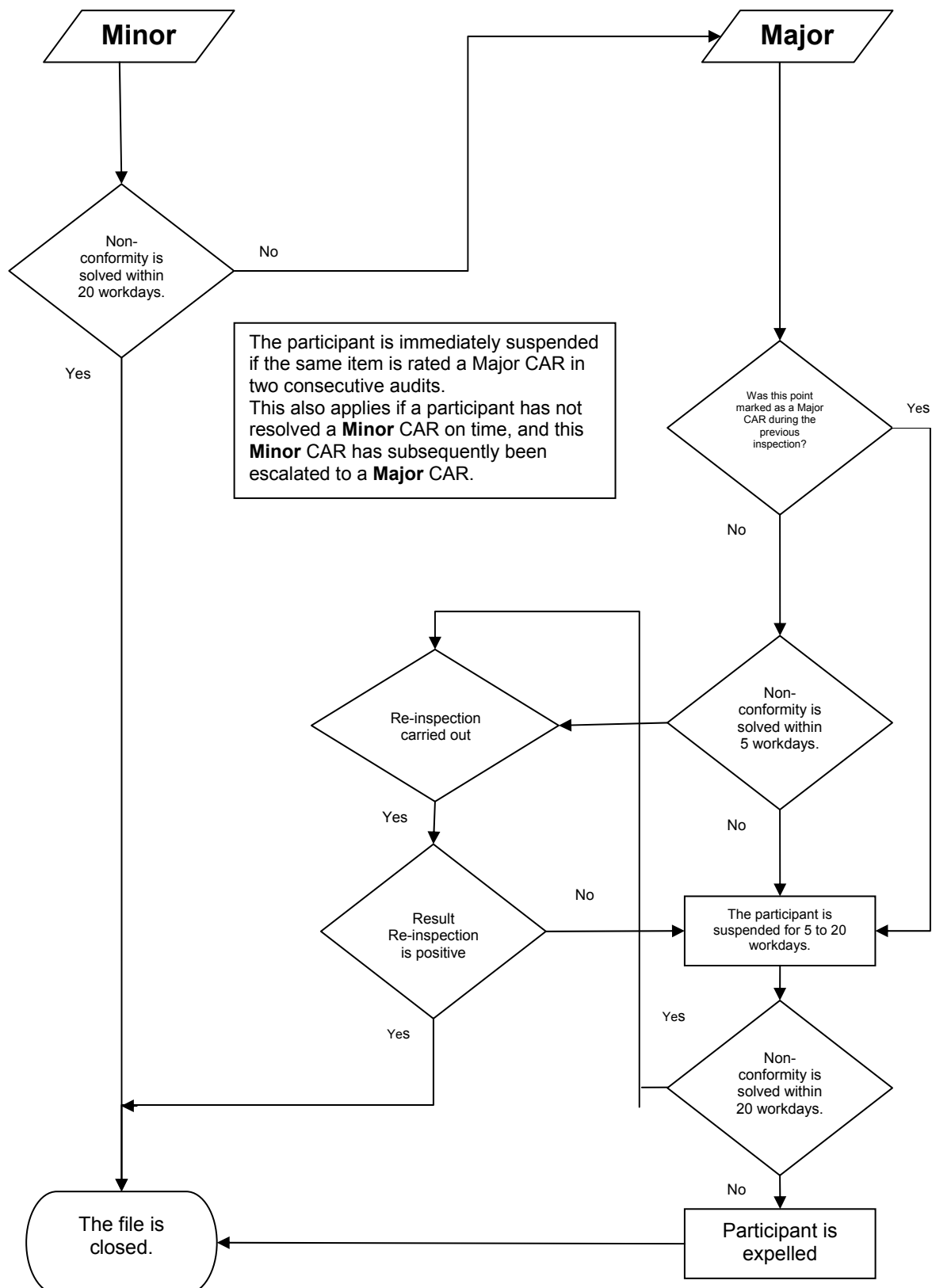
### 2.5 New site sampling

#### Explanation:

New sites that are to be included in the Multi-site certification will be treated as a separate strata in determining the audit sampling. The minimum sample size is ( $y = \sqrt{x}$ ), rounded up. The sample size can be increased by adding a targeted sample. In subsequent years, these sites will be added to the total of sites for sampling.

## APPENDIX 4

### HANDLING NON-CONFORMITIES



**EXAMPLE OF KEURHOUT REGISTRATION FORM FOR INTERNAL USE**

Comment: Separate registration is required for Keurhout-Sustainable and Keurhout-Legal.  
(The complete spreadsheet can be downloaded from: [www.keurhout.nl/documenten](http://www.keurhout.nl/documenten))

[illegible]

## APPENDIX 6

### STATEMENT KEURHOUT-SUSTAINABLE



No.: 0988-D 0015

The undersigned, *Frame Joinery Works*, hereby confirms that the Keurhout certified timber, as specified in the invoice referred to below, has been delivered with the **Keurhout-Sustainable quality mark** (see indicated level).

Timber with a Keurhout-Sustainable quality mark consists for 100% (Level 1) or at least 70% (Level 2) of timber originating from Keurhout-Sustainable admitted forests (see: [www.keurhout.nl](http://www.keurhout.nl)), In case of Level 2, the non-Keurhout-Sustainable fraction consists of Keurhout-Legal and/or Verified Legal Timber. The timber (-product) is supplied through a controlled Chain of Custody of Keurhout-Sustainable admitted companies.

As a Keurhout participant, *Frame Joinery Works* is included in the Keurhout Chain of Custody system and has concluded a contract with Keurhout to facilitate strict compliance with all set requirements.

**Certifying body:** *SGS in Spijkenisse*

**Company:** *Frame Joinery Works*

**Keurhout participant No.** *KH 0988*

**Delivery of:**

Project	:	350 houses Sliedrecht
Client	:	WBC Sustainable Housing
Product	:	Duzabo combination frame
Types of wood	:	Meranti, softwood and Okoume plywood
Volume per wood species	:	373, 213 m3, 125,944 m3 and 8, 345 m3
Keurhout-Sustainable level	:	2
Confirmation of order	:	TF3490832
Invoice	:	3678123-1

Date: 18 July 2009

Signature of Keurhout participant

#### **Keurhout Statement**

The participant is entitled to issue the above Statement on grounds of the Keurhout Audit Protocol - requirements and guidelines for EU participants (Revision 003 date 15/05/09). This Statement is part of the participant's Chain-of-Custody administration, which is audited at least once a year by the certifying body.

A.I. de Boer

Director of Keurhout



## APPENDIX 7

### STATEMENT KEURHOUT-LEGAL



No.: 0721-L 001

The undersigned, *Houtens Woodworks*, hereby confirms that the Keurhout certified timber, as specified in the invoice referred to below, has been delivered with the **Keurhout-Legal quality mark**.

Timber with a Keurhout-Legal quality mark originates for 100% (Level 1) or for at least 70 % (Level 2) from Keurhout-Legal admitted forests (see: [www.keurhout.nl](http://www.keurhout.nl)). In case of Level 2, the non-Keurhout-Legal fraction consists of Keurhout-Sustainable and/or Verified Legal Timber. The timber (product) is supplied through a controlled Chain of Custody consisting of Keurhout-Legal admitted companies.

As a Keurhout participant, *Houtens Woodworks* is included in the Keurhout Chain of Custody system and has concluded a contract with Keurhout to facilitate strict compliance with all set requirements.

*Certifying body:* SKH  
*Company:* Houtens Woodworks  
*Keurhout participant No.* KH 0721  
*Delivery of:*

Project	:	RGD Wildervanck office
Client	:	RGD The Hague
Product	:	Curtain walls
Types of wood	:	Meranti
Volume per wood species	:	135,220 m3
Confirmation of order	:	1702200623
Invoice	:	30042006-19

Date: 01 August 2009

Signature of Keurhout participant

#### **Keurhout Statement**

The participant is entitled to issue the above Statement on grounds of the Keurhout Audit Protocol - requirements and guidelines for EU participants (Revision 003 date 15/05/09). This Statement is part of the participant's Chain-of-Custody administration, which is audited at least once a year by the certifying body.

A.I. de Boer  
Director of Keurhout