



# VRIKSH

## Vriksh Star Exporter Scheme

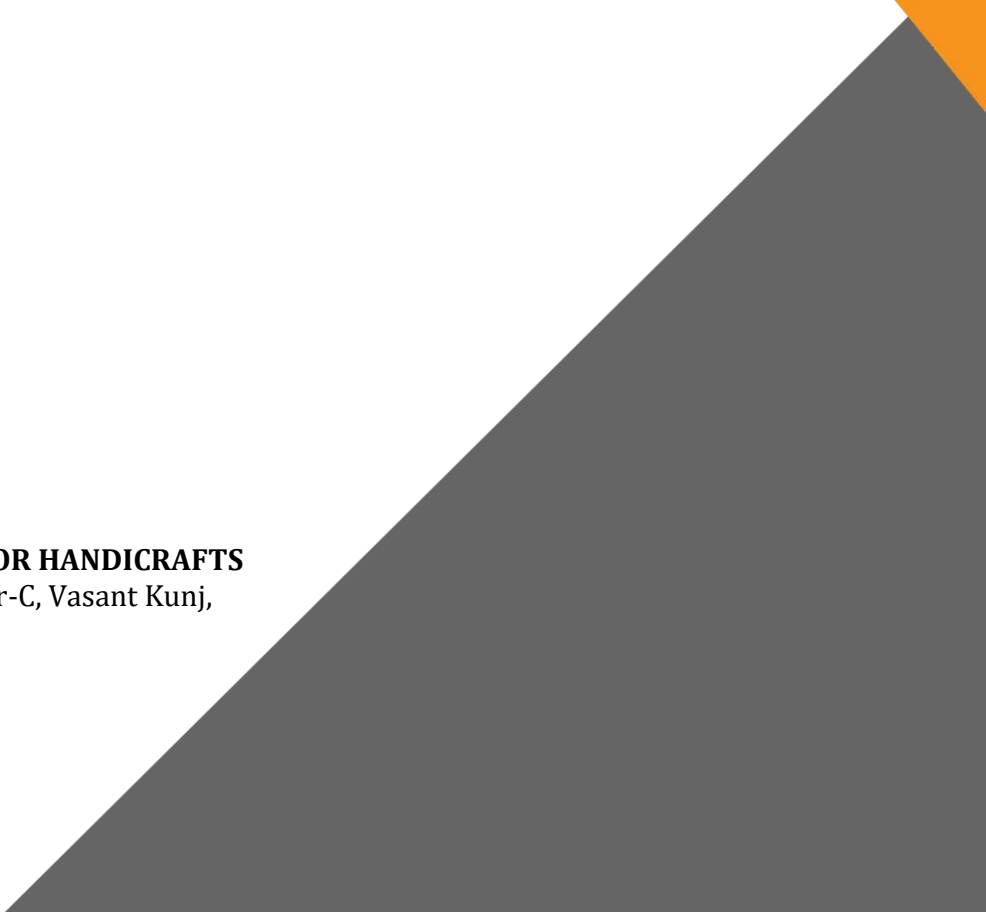
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## Vriksh Star Exporter Scheme (Rules and Regulations)

The Vriksh programme aims to support sustainable trade in wood based handicraft industry. The Vriksh certification programme has been formulated keeping in mind the social and environmental obligations and growing instance of such buyer requirements. The programme is intended for entities that want to accurately track and make claims about the legal origin and transport of their products. The clientele of the Vriksh extends to all parts of India, but at present it is predominant in Rajasthan, Punjab, Uttar Pradesh, where the majority of the handicraft business is flourishing.

The Vriksh shipment certification take into consideration the due diligence followed by the exporter justified by the series of document pertaining to sell and purchase known as “Chain of Custody”. The shipment certificate provided under this programme is regarded as “CITES Comparable Document” as it suffices the requirement of CITES that allows the permit of export of *Dalbergia spp*, if and only they have legal origin.

### 1. Scheme for self-issuance of Vriksh Shipment Certificate by Selected (Star) Exporters

The idea of Vriksh star exporter scheme was adopted during the 07 technical and governing council of Vriksh programme. The idea of implementing the Star exporters scheme is to promote, encourage and build the trust between exporters and EPCH by ensuring the fast processing and timely delivery of the shipment certificates thereby, reducing the time gap of issuing the certificates by tracing the past track record of the exporters.

### 2. Salient features of the Scheme:

**2.1.1 Essential qualifications:** To be eligible for the Star Vriksh scheme the exporter must have:

1. Annual membership with EPCH
2. A valid Vriksh company certificate

#### 2.1.2 Genesis

At present, the release of shipment certificate takes a substantial time and effort to audit the existing system by having a desk review and physical verification at the premises of the exporter. With the bulk of exporter applying for the certification and that too in a limited period, sometime put a lot of constraint on the wooden handicraft business, which is still in a very nascent stage.

**2.1.3 Need of Star Exporter Scheme:** The star exporter scheme aims for quick processing of shipment certificates for the exporters having an accreditation under star exporter scheme. Normally the processing of certificates takes 07days in normal mode and 04 days in express mode, subjected to availability of necessary documents. With star accreditation in place, the processing of releasing the certificate will be quick, which in turn will encourage other exporter to get certification under Vriksh programme.

**2.1.4 Roles and responsibilities of the Star Exporters:** The accredited exporters shall have to demonstrate their due eligibility for the star exporter scheme. The exporter shall be sole responsible for maintaining a fair track record and other major compliances to hold the accreditation.



### 3. Procedure for assessment for Star status

**3.1 Parameters of Assessment:** The broad parameters of assessment shall be done based on technical expertise and financial strength as explained below-

a) **Technical expertise:** The scheme shall assess the eligibility of the exporters via considering-

1. Number of shipment applications per year
2. Past track record
3. Vriksh system certification

b) **Financial strength:** The financial strength would be measured based on the turn over attained by exports done via Vriksh shipment certification programme

**3.2 Process of assessment:** The process of assessment shall be done as follows

3.2.1. A point system criteria shall be used to categorize the exporters. **The maximum mark for this purpose shall be 200.**

3.2.2 Technical evaluation shall be done and marks will be allotted based on criteria's mentioned in Table-1.

3.2.3 An exporter must score minimum 120 marks to be technically qualified for Vriksh star scheme and 30 marks to qualify financial criteria. Exporters failing to qualify in the technical evaluation shall be deemed "disqualified". Without qualifying the technical criteria, financial evaluation shall not be performed.

3.2.4 The total scores shall be the aggregate of technical and financial marks.

3.2.5. To qualify for the star exporter scheme an exporter the aggregate of financial and technical marks should be equal or more than 150.

3.2.6 Criteria for marking shall be as per the particulars mentioned in Table-1

**3.3 Criteria for assigning marks:** The assessment shall be done on total marks obtained by exporter based on technical expertise and financial strength considering following parameters as indicated below in Table 1:

#### Technical strength (Total marks 150)

S. No	Particulars	Marks (150)
<b><i>Necessary compliances in place</i></b>		
1.	<b>Exporter with Valid Vriksh company certificate for a duration of more than 4 years</b>	<b>25</b>
	Certificate has been maintained without discontinuity	25

	Certificate has been maintained with discontinuity	10
<b>Total Vriksh Certificate issued per year</b>		
2.	<b>Total number of application per year</b>	<b>50</b>
	Total number of applications > 300	50
	Total number of applications between 250-300	30
	Total number of applications between 200-250	20
	Total number of applications <200	10
<b>Track Record</b>		
3.	<b>Any reported case of providing fake invoice/wrong information etc.</b>	-40
4.	<b>Whether factory stuffing is allowed</b>	<b>25</b>
<b>National and International Recognition</b>		
5.	<b>Whether self-sealing permission is allowed by customs</b>	<b>25</b>
6.	<b>Whether exporter possess any other national and international certification (FSC CoC etc.)</b>	<b>10</b>
7.	<b>Government recognized export house</b>	<b>15</b>

#### Financial strength (Total Marks 50)

S. No	Particulars	Marks (50)
<b>Turn Over</b>		
1.	Annual cost of shipment under Vriksh Shipment	<b>50</b>
	Total turn-over > 01 Cr	50
	Total turn-over between 0.5-1.0 Cr	30
	Total turn-over < 50 Lakh	20

**Table-1**

**3.4 Qualifying Threshold:** Based on the aggregate marks star rating shall be awarded to exporter having aggregate score of 150 and above.

**3.5 Final evaluation:** Final evaluation for the eligibility for the scheme shall be done by following rule as tabularized below

Parameter	Total Marks	Minimum qualification marks
Technical Evaluation	150	120
Financial strength	50	30
	<b>Minimum qualification marks</b>	<b>150</b>



#### 4. Benefits:

1. Express processing of shipment certificate
2. Paperless processing
3. Separate certificate of appreciation from EPCH

#### 4.1 Commercial standing:

Normal Exporter	Star Exporter
<p>1. Normal charges are applied. For express delivery charges existing charges will be applied</p> <p>2.No additional benefits to the exporters</p> <p>3. None</p>	<p>1. Express delivery of shipment certificate shall be done to exporter within normal charges</p> <p>2. The top three-star exporters shall be awarded in annual exporters awards conducted by EPCH. Their names will be displayed in EPCH website</p> <p>3. Star exporters shall be invited regularly by EPCH in different events</p>

**5. Validity of Star Certificate:** The validity of each certificate shall be of 1 year subjected to compliances followed by exporters.

**6. Monitoring and Suspension of Star status:** Each year audit shall be conducted by EPCH to check the internal quality management system. Any observed ambiguity may lead to the suspension of star status.

Each Star Exporter shall be monitored closely by EPCH and each conformity and non-conformities shall be strictly regulated and credited to exporter profile. An exporter shall be solely responsible for maintaining a good track record by following all the compliances applied by EPCH time to time.

Any ambiguities observed in due course will result results in demotion of star exporter to normal exporter. In addition following rules will be applied to the demoted exporters: -

1. The exporter will no longer be able to access the benefits of star exporter category
2. The exporter shall not be considered for star category for duration of next 1 year
3. Strict checks shall be implemented on exporter
4. The exporter will not be allowed to avail express service for at least 1 year

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