



The Forestry Service Group

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FSC Group Certification Program Sri Lanka:

Prescoping Questionnaire & CAR report

Name	Elpitiya Plantation Ltd.	Forest Owner/region	Colombo	Membership No	
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Signature					
Name of Prescoping official	H. Mahinda Goonasekara			Signature /Date	16/05/2007
Name of Prescoping official	Chathuri Geeganaage			Signature/D ate	
REO				Signature/D ate	
Group Manager:				Signature Date	

Potential Member (name): **A.L.W. Goonawardena (CEO)** Date of visit: **16.05.2007**

A: Does organization understand the purpose of this visit?

Purpose of the visit explained CEO has attended some FSC awareness programs Seminar documents provided through DGM, Mr. Geeth Dayananda who attended all FSC workshops and CBI mini fair.

B: Ownership and organizational structure

1. Type of organization. Who is the owner, number of owners? Ownership documents!

Public voted company with limited liability incorporated in Sri Lanka on 22, June 1992 Please read **CAR 33**.

2. Is there a board, and what are their responsibilities? How are they elected? Is there commitment towards FSC?

Yes, Board of directors headed by a chairman, Managing Director and 3 other directors. Managing agents Aitken Spence Plantation Management division. Letter of commitment from CEO 17,05,2007 (*See Elpitiya Plantation file*) **CAR 1**

3. Profit?. What will be done with the profit? And who will decide and make decisions?

Board decides, profits declared in annual reports. Published in Newspapers.

4. Relation to forest management. Who is actually managing the forest: Forest expert, manager and rangers? What is the relation between the Organization and the forest management?

Estate Managers manage their forest at estate level. Consultations with specialists, the company is in the FSC certification program and CBI program. Deputy GM Plantations guide them

5. How many people are employed with a salary? Do they use safety and protection gear in daily practice? What is contracted / subcontracted?

Total number of employees at the end of 2006 is 8779. Many employees are from the surrounding villages, and they are at times given extra contract work also. No subcontracting. Company has provided some safety gear, but not all categories are covered. [CAR 2; CAR 3](#)

6. Who will deal with the contractors (giving orders, contract and control activities)? Do they use safety and protection gear in daily practice?

Estate managers deal with contractors at estate level and control their activities through assistant managers, field offices and watchers. Contractors provide some safety gear to their workers, but their daily use is not enforced. Inadequate safety measures at the sawmill, which use some out dated technology, and equipment. [CAR 2; CAR 3](#).

7. Is there a contract for the contractors, how long is it valid and what is in it?

Contract documents are available short term contracts only, maximum 6 months/ or job specific. Adequacy for FSC to be checked. [CAR 4](#)

At Life Style Solutions factory, the saw milling part only is given to an outside contractor who is held responsible for all operations and his workers there.

8. Who is doing the sales in the group?

General Managers at Head office direct the sales; there is a separate Marketing Manager at Head Office.

9. What is the relation to third parties: FSC, NGO's, Trade Unions and Government etc?

Working with IUCN in the FSC certification program. Many joint venture partnership programs. Good relations with Government and NGOs maintained. [CAR 36](#)

10. What data is available to the public? And how? Websites, leaflets? A summary of a forest management plan should be publicly available. Check if the information in place now is enough.

Published data mostly included in the annual reports. Approved (by the FD and Min. of Plantation Industries) forest Management plan is available. The plan however does not include Rubber Plantation areas. Web site available. (www.elpitiya.com). Adequacy to FSC requirements to be checked. [CAR 5](#)

D: Forest management

11. Data of the forest:

Number of ha FOR THIS PROJECT, if needed by type of ownership.
Percentages of forest by tree specie.
Number of m3 harvested last year

Forest area data available in FMP.

Rubber Plantations

Thalgaswala estate 200 ha
Devithura estate 265 ha
Lelwala estate 42 ha
Bulugahakanda estate 55 ha
Katandola estate 154 ha
Elpitiya estate 357 ha
Bentota estate 354 ha

Total 1427 ha

All Rubber Plantations are available for FSC Certification. Please read **Observation 1**.

12. Which part is protected, protective, park or else and what is the reason for protection. Give % of each type of protection.

Protected areas are identified but not demarcated or mapped. Percentage more than 10% (Reservations in high slopes, Rocky areas). **CAR 6**

13. Is there a dead wood policy? What is the maximum clear-cut size for each species? No dead wood policy, **CAR 7** or an established clear cut size for any species **CAR 8**

14. Log tracking. Any log yards or own sawmills with extra procedures?

They have an established system of record keeping To track logs coming from the estates to their own saw mills, (Elpitiya Life Styles Solutions Ltd.) both in the field and in office (computer). Established procedures are followed. Please check **CAR 17**

15. Game management. How is it organized?

No Game Management, hunting prohibited by law. No hunting permitted within their estate limits. Please read **CAR 27**.

16. Any border problems, or which area has some kind of dispute?

No border problems as such or disputes. But please check **CAR 9**.

17. Other sensitive sites; Water (stream, river, buffer zones), archaeological sites, other culture issues, special flora or fauna. How is this recorded, monitored and evaluated? Write down the list of such sites in this report!

Sensitive sites exist but not recorded not listed **CAR 10**. See also **CAR's 28,29 & 30** about how to handle Caves, Natural springs, water bodies and archaeological sites.

18. Is there a flora & fauna red-list (locally adapted) with every forester?

No red list available. No records kept. **CAR 11**

19. Is there a FMP? How long is it valid, is it made for more area's at the same time (part of bigger plan), who made it?

FMP approved by FD available. Adequacy to FSC requirements to be checked. **CAR 12**. Also read **observation 2** about future FSC issues.

20. Look at the maps. Look for special items. We need three types of maps. 1: Overall forest type map. 2: Map of compartments/blocks 3: Topographical map with sensitive sites and all other important issues like buffer zones etc. Which maps are in place?

Location and site maps available but need completion. **CAR 13**

21. Any pollution sites? Any old or active mining sites? Other calamities (fires)?

Few metal quarry sites available can cause a hazard. [CAR 14](#)

22. Any use of chemicals, if so, for what? Mention the types in detail!

Approved Agro chemicals used. List available. Stock records kept. Adequacy to FSC requirements to be checked. [CAR 15](#)

23. Is there an intrusion or squatters problem or other problems with local villagers, groups or else? Mention the type of problem.

No squatters' problem with local villagers recorded.

(Note: Many acquisitions of land for development work in the area, specially the roads and southern express highways in progress). Please check CAR 9.

24. Any illegal harvesting? Mention amount of stolen wood in last year.

No illegal harvesting recorded no stolen wood. Please check [CAR 27](#).

25. Any subsidies from state for forest work?

Rubber replanting subsidies from State obtained from 2005

26. Financial documents: orders, sales contract, invoices, transport and delivery papers. Contract for contractors. What is in place? Prescribe each document in short. Remember that it must be possible to follow the wood-flow on paper and in the field.

Financial documents sales invoices transport and delivery papers in place. Wood flow can be easily tract on paper and in the field. Please check [CAR 17](#).

27. How do you keep informed about new laws and regulations?

Through the responsible officer/lawyer at head office and other published documents, news papers and gazette notifications.

28. Yearly turnover over last year?

Total revenue 2005 – Rs. 214 279 784 (sale of produce)

Total revenue 2006– Rs. 1 042 838 937 (sale of produce)

29. Local economical situation. Unemployment rate, wages, access to skilled personal. Any special issues?

General scarcity of skilled personnel in the area. specially shortage of rubber tappers also due to large number of small holders and agricultural farming. Company also provides skills training to hired workers from the surrounding villages. Children of already employed workers are given preference at filling any new vacancies in office, factory or field.

30. Monitoring; short term and long term. Is there any monitoring going on about flora & fauna, environmental impact after harvesting, soil & erosion monitoring?

No Monitoring on/or about flora & fauna, environmental impact after harvesting, soil & erosion done [CAR 16](#)

31. Administration, taxes, bookkeeping etc in general. Explain in brief overall situation.

All taxes as required by law is paid. Documents available at estate level.

E: For Chain of custody and contractors only

32. Explain the current log-tracking and wood flow system. Explain that a clear FSC and non-FSC wood separation must be made. Both in the timber yards and on paper or in the computer. Explain all documents briefly.

Log tracking on wood flow system in place. No FSC wood as yet. Records on computer and in the timber yard are well maintained. Please check [CAR 17](#).

33. Environmental conditions. Discuss and assess potential environmental problems.

Environmental clearance for operations obtained from relevant authority and licenses obtained. [CAR 14](#).

34. Health and safety issues. Explain in detail what is in place at the moment and if the local law is followed. Are there any potential hazards in regards to fire, waste and sawdust control, sawdust extraction etc.

Addressed at factory level. Saw dust extracted from saw mill and wood processing used in their own boiler furnace. Health and safety at sawmill run by a contractor inadequate, [CAR 3, 14 & 18](#).

F: General issues

Policies and procedures regarding the following are needed for FSC, please indicate what is in place now:

35. Fire protection procedure and policy.

No documented Fire protection procedure or company policy. [CAR 18](#)

36. First aid procedure.

No documented First aid procedure or company policy. [CAR 3 & 19](#)

37. “How to deal with complains” procedure.

No documented complaints procedure. Workers complain collectively through the supervisors and then to the top management. No active trade union at the factory. [CAR 9 & 16](#)

38. Develop list with names of surrounding communities and approximate number of villagers.

No list available, majority of workers are employed from surrounding villagers. [CAR 20](#)

39. Procedure on how “boundaries are marked and maintained”.

No documented procedure fencing of boundaries in place in vulnerable areas [CAR 9](#)

40. Procedure on how “repairs to infrastructure/ houses etc” are made.

No documented procedure on “repairs to infrastructure/ houses” however annual workers housing development program is in progress through Plantation housing development authority assisted program. [CAR 9](#)

41. In case of accidents “procedure on compensation of losses/ injuries”.

No documented procedure as such but insurance and compensation schemes available for all categories of workers. [CAR 3](#)

42. Put on paper the Summary of an Annual budget for forestry work; divided in monitoring, training, forest operations, chemicals and marketing budgets.

Summary of an Annual budget plans not conforming to FSC requirements [CAR 21](#)

43. Inventory of silvicultural activities. What activities are scheduled annually?

Silvicultural activities including nursery activities are recorded separately and included in annual plan. Adequacy to FSC requirements to be checked. [CAR 22](#)

44. Management goals and targets for regeneration of the forest; set figures. Check the if this is stated clearly enough.

FMP do not clearly define the management goals and targets. [CAR 22](#)

45. Make sure that all Governmental Forestry documents are in place (logging manuals; road and bridge building documents; water crossings etc). Compare these documents with FSC requirements.

No documents on record, Adequacy to FSC requirements to be checked. [CAR 12](#)

46. Check if there is no use of genetically modified organisms by the forest management enterprise.

No use of GM organism used. Use of genetically modified organisms prohibited by law

47. Check if all use of exotic species are documented and justified. Procedure about "how to deal with exotic species must be in place".

No use of exotic species No documented procedure on how to deal with exotic species (Note: oil palm has been introduced in certain estates after carrying out field trials). Please check [CAR 23](#).

48. Procedure stating that forest conversion will and cannot take place. Was there any natural forest converted to plantation? How long ago (state the year).

Converted 248 ha to oil palm after 1994, justified in their product diversion programs However no documented procedure exists for such conversions [CAR 24](#)

49. Marking trees for harvest, boundaries for compartment etc; as far as this is not in the FMP this have to be stated in a separate document (which colours are used for what?).

Adequacy to FSC requirements in the FMPs to be checked. Some guidelines from the ministry of Plantation Industries and FD are followed. [CAR 9 & 12](#)

50. The High Conservation Valued Forest issue need to be discussed and a work plan for the coming years need to be made.

No High Conservation Valued Forest areas identified in work plan [CAR 25](#)

51. Non Timber Forest Products (NTFP). Which are available? Any commercial extraction of NTFPs (also mention Rubber latex, as that is also a NTFP).

Non Timber Forest Products are mainly rubber latex. Please check [CAR 26](#)

52. Road building. How is that organised? Who is doing what and who is responsible for design construction etc?

Any new construction or Road building done only with the written approval of the estate Manager and at GM levels. See **CAR 12**.

53. Any intercropping with new plantations?

NO intercropping in new plantations

54. Training for own employees. Which training courses are followed and updated (annually) by which employees?

Training needs identified but no annual training program as such plan for forest workers. Specially rubber tapping. **CAR 32**

Corrective Action Requests

Car 1: commitment letter for long-term sustainable forestry and FSC

There should be a commitment letter for long-term sustainable forestry and FSC in the organisation. Long-term sustainable forestry and FSC should be mentioned in the letter.

Car 2: Subcontracting.

Subcontracting is in theory not possible with FSC. Subcontracting will occur as your contractor is hiring somebody else to do the work. Only in the case that the relation between the 3 organisations involved is completely covered with written documents about responsibilities, insurances etc it is possible to discuss sub-contracting with FSC. But it's much easier to avoid it.

Car 3: Health and Safety (H&S) in the forest and responsibility for forest workers.

The Forest Owner is always, under all circumstances, responsible for all activities in their forests. That means that H&S issues are to be controlled by, preferable, own staff at all times. If any contractor is not working to an agreed set of H&S rules (to be defined) the Forest Owner should stop the work till everything is properly arranged. This means offcourse that contractors need to be instructed accordingly. Besides this, the Forest Owner is also responsible for any local people hired to do a day job in the Forest Owners' forest. If a farmer is using a motor-saw to clear a harvested area for planting, he too should wear safety equipment and follow the H&S rules.

What is an H&S set of rules? In this set we will discuss:

- All workers should wear boots with steel noses and helmets.
- Chokers (chain-assistants) need to wear gloves.
- Chainsaw operators should wear ear protection and safety trousers and preferable a face-screen.
- All machine (skidder, tractors and dozers) operators should be well protected by a roof and wire netting/gauze.
- Exhaust pipes should be ok, to prevent smoke poisoning.
- Professional climbing equipment is needed when climbing (Mahogany) trees.

Contractors should have this in their contract and should be forced to comply. Workers should be compelled to wear their safety gear as well. A system with penalties or a black list could/should be used.

Records of H&S training courses for employees need to be kept.

Records about accidents should be kept, as well as solutions to prevent similar accidents.

A procedure for compensation of losses/ injuries need to be written.

First aid procedure. Write current procedures in plan. Sawmills, depots and field crews need full first aid kits and proper training courses how to handle. On every location there should be:

- A full first aid box.
- Transport possibilities (car).
- Radio/ GSM communication.

Working circumstances in general: If you have any permanent sawmills, depots or sales outlets you have to make sure that: The operation is clean: collect & pile timber waste, wood, plastic and metal. The light is often not sufficient in buildings. Dust is not always controlled.

Working circumstances for day-labourers (often Rubber tappers). Rubber tappers are working in your forest, and are therefore your responsibility. Day labourers often work without any contract and are paid cash. There is only an informal agreement. This can be sufficient as long as the forest owner keeps records with names, payments and working times. All normal facilities for regular employees should count for day-labourers as well; Health & Safety etc. Please read appendix D of the FSC manual.

In regards to H&S you have to follow the LAW anyway. That's also the first FSC principle; you have to comply with the law.

Car 4: Contracts for contractors

Contracts between THE FOREST OWNER and any contractor should be stating the following:

- Details of contractor and contact persons.
- Job to do and places (blocks).
- Timeframe.
- FSC information (contractor knows what it means)
- Hunting and wildlife policies.
- Health & Safety rules and regulations (see CAR 3).
- Waste control (CAR 14).
- Before and after harvesting risk assessments (new to THE FOREST OWNER, see further on in this document).
- Agreed price for the work.

As most of these subjects are usually not in place a new type of contract need to be drafted.

Car 5: Public available information.

Organizational information, forests in hectares and by type, annual harvested volumes and major changes to forest management practises (if there are any made in the last year; based on monitoring, see the separate monitoring CAR) should be available to the public. This can easily be done throughout a website. THE FOREST OWNER need to make, or update, such a site.

Car 6: Protected forest

At least a part of a forest should be somehow protected. This will be the source for seed-trees, original forest composition, hiding place for fauna etc. In most cases FSC will demand 10% of the area or follow the National Standard (NS). The 10% should represent the local ecosystem or forest type. We have to ask the NSC to set a figure but for the moment we will assign 10% of the area as protected. This area can be found in pieces of natural forests, buffer zones around water bodies, un-used area's or steep hills. But remember that this area will be your sample ecosystem. If the area is really degraded then you have to help nature a bit by planting native species in a natural mix. If you really have a problem to find this 10% then you can decide to plant corridors around your plantations. These corridors needs to make up 10% of your total forests and must contain native species in natural mixes.

See also observation 1.

Car 7: Dead wood policy.

A clear deadwood policy should exist, preferable following National Standard guidelines. For the moment we can issue a procedure that at least 1 m³/ha of deadwood should be available standing or lying down (in big pieces, no small branches) and that no deadwood should be removed. However, we are not going to CREATE deadwood. But from now on the management should leave 1 m³/ha when it's available.

Car 8: Clear-cut sizes

Maximum clear-cut sizes need to be set for every type of wood, and perhaps they should be even different for each ecosystem. The figures need to be set, based on research. Research should result in the optimal balance between minimal environmental impact and maximal economical feasibility.

The agreed maximum size need to be approved by the NSC and put in the National Standard. A student under the project team is already working on this subject.

Figures still to come, but THE FOREST OWNER can also come with a proposal.

Car 9; Border markers & disputes and complains

For FSC it must be absolutely clear were the borders of the forests are. Only forest with border markers and without disputes can go for FSC. Ofcourse we still have time to solve some problems and plant more markers, the final main assessment is scheduled for the end of 2007, or early 2008. By that time all must be clear, or left out of the certificate. Besides this the following procedures must be clearly explained on paper:

- A procedure must be written of how "boundaries are marked and maintained".
- "How to deal with complains" procedure. Need to write down the current system. Complains coming in need to be summarized and forwarded to headquarters for further conclusions.
- Procedure of how "repairs to infrastructure/ houses etc" are made.
- Procedure of how to deal with encroachments. Who is responsible for recording these issues and what will happen if an encroachment site is recorded. What will be the procedure to remove the intruder?

Car 10: Sensitive sites.

We need to make an inventory about all sensitive sites: streams, rivers, buffer zones (and mention why), archaeological sites, natural springs, other cultural issues, special flora or fauna in all forests.

We need to put these on a list with a small explanation and make a map out of the data. On the map these sensitive sites should be well marked. Both local communities and the Forest Owner need to work on this. In this case the field officers can collect the data, together with input of the local communities or neighbours. Input of local communities is important because they often have other ideas of what is important or not. Copies of all data should be available at HQ and with the field officers during FSC inspections. See also CAR's 28,29 & 30 about how to handle Caves, Natural springs, water bodies and archaeological sites.

Car 11: A local red list.

A local red-list needs to be made; drawn preferable together with a wildlife organisation, State or NGO. This list must be given to the forest managers, and field employees. They should carry this with them when they are in the forest. They should be able to recognize the red list species.

Car 12 About Forest Management Plans.

The current plans are not compatible with FSC requirements. In a separate phase of this project we will help the Forest Owner to create an FSC-FMP. This can either be a new plan or an add-on to the existing ones. This exercise will be done in close cooperation with the Forest Owner, as they have to work with this plan and update it when it's outdated. See the FSC manual for all details and subjects for a FMP.

Car 13: The following maps should be available:

1. National Forest type map, and the forests indicated on it.
2. A national topographical map, the forests indicated on it. This can be the same as 1, depending on the set-up.
3. A District/unit/plantation map, based on a topographical map (for each bigger management unit).
4. A range map for each range, based on a topographical map (indicating the blocks).
5. A 5-year working plan map for each range (based on the FMP). This could be the same as 4.
6. A sensitive sites map, based on a topographical map. These can also be indicated at map 4.

Car 14: Waste control and machine oil management.

1. There must be clear procedure for oil spoilage. In this procedure it must be clearly stated what to do in case of oil spoilage and where to go with old oil. Oil spoiled on the ground must be covered with special absorbing gravel. This gravel must be available at every bigger machine in the forest. Old and useless oil must be collected in special cans and brought to a chemical collecting point in the nearby city.
2. Abandoned plastic in the forest must be collected and burned regularly. All forest employees (THE FOREST OWNER and contractors) need to be instructed accordingly.
3. If contractors are using the machines and their employees/contractors are working in the forest, this oil & waste policy should form a part of the contract between THE FOREST OWNER and the contractor.

4. If there are any mining sites; a special discussion with the FSC project team is needed. Usually this result in either cleaning the site or come with a short 'management plan' specially for this site. This will probably results in an extra CAR, only about this site.
5. Latex-tappers have to be careful that they are not polluting any streams or other water bodies.
6. Municipal waste and unauthorized dumping should be addressed. Every forest owner should clean these sites as often as possible and will need to explain what they do to prevent further dumping (placing signs, more often patrolling the area etc). Certainly before the FSC main-assessment all these sites should be cleaned!
7. All sawmills and depots should be cleaned of plastics. Metal parts should be at least piled. Timber waste should be collected (and removed when possible) to avoid workers accidents.

Car 15; Chemical bookkeeping.

A special book will be kept which states all the used fertilizers, chemicals & oils, with their branch and scientific names. A simple in-out book will do. A procedure will be issued about what to do with empty cans (where to bring it). In this book the following will be stated:

- Name of the product,
- Location of the site treated;
- Area of the site treated;
- Method of application;
- Date chemical use started;
- Date chemical use finished;
- Total quantity of the chemical used.

The use or storage of seed and seedling dressings based on mercurial, organophosphate and organochlorine compounds (including Gamma HCH, Lindane and BHC), or other long-lasting chemicals which can accumulate in food chains or the ecosystem is prohibited.

Car 16 Monitoring & Evaluation of forest management

Concerning this issue, the following must be implemented:

1. Permanent Sample Plots (PSP) records are to be kept and updated. If the THE FOREST OWNER is not doing this then the company has to ask students or something like that to monitor the PSP's regularly. These students must also draw conclusions out of the data. Based on these conclusions decisions about future forest work can be made. Plots are needed in plantations and in natural or protected forests (when under FSC).
2. A pre-harvesting form must be implemented (environmental impact study). On this form all potential risks for the forests (mainly environmental) must be recorded. This could partly be done in the office while using the maps, but it must be finished in the forest itself.

3. After harvest checks must be carried out and necessary forms completed and endorsed by the THE FOREST OWNER. All objects identified in pre-harvest forms will be checked for damage or other. If something is damaged it must be explained how and why it happened.
4. Both pre- and after harvest forms will be evaluated at least once a year (a summary will be made by the HQ). After this conclusions will be drawn and the forest operations will be reviewed/changed to minimize the damage. A report will be written to the higher management/owner. A summary of this report must be available to the public (on the website).
5. General monitoring need to be undertaken about the following issues; relations with communities, water quality issues, seasonal water flow, fish populations, wildlife populations (red lists and hunting), FSC awareness and sustainable forestry awareness, illegal harvesting issues and guarding the forests, sensitive sites in forests, other NFTP issues etc.

Therefore at least once a year a meeting with the neighbouring local communities is organised to discuss these issues. A report of each meeting needs to be written. All range reports will be combined on Forest Owner level. When needed, conclusions are drawn. When needed, changes are made in the management systems.

6. Complains about management. Most complains are coming in and solved with the Field officers. However, for FSC it will be needed that these complain (plus complains coming in at headquarters) are summarized and send to headquarters. The HQ will then need to draw conclusions and make management decisions. If, based on this, management changes are made, these must be made public available (preferable at a website).
7. If there is any accident, problem, unexpected meeting of any importance, in the forest in the sawmill or elsewhere the company can use Corrective Action Forms (CAR forms). These forms can be used to report any un-expected circumstance. These forms are to be collected by the responsible manager with the head office of the company. At the end of the year these forms will be summarized and conclusions will be drawn. A summary of made changes to the management must be public available.
8. A procedure will be written which explains the system mentioned above. The final system need to be developed by the Forest Owner. The system above is only a proposal (but accepted by FSC).

Car 17 Separation of FSC and non FSC wood.

A procedure must be written to separate the wood flow when needed. This procedure should include a system to separate the wood on paper, in the computer (when used) and physically in the field (by colour for example). Procedures need to be developed in close cooperation with the Forest Owner. See also FSC manual.

This procedure will cover all possible wood flows within the organisation. That includes raw material transport from forest to depot, sawmill or customers. And products to any direction.

Car 18. Fire protection procedure.

Fire protection procedure and policy. Write current procedures in plan. Are fire belts made in the forests? Are there fireguards appointed? Etc.

Sawmills need to have fire extinguishers in key locations and proper training courses how to handle. The extinguishers need to be tested once a year. Training records (names, dates) should be kept in training book.

Car 19. First aid procedure.

First aid procedure. Write current procedures in plan. See CAR 3.

Car 20. Names of surrounding communities and villagers.

Develop list with names of surrounding communities and approx number of villagers.

Car 21. Annual budget for forest work.

Put on paper the Summary of an Annual budget for forestry work; divided in monitoring, training, forest operations, chemicals and marketing budgets.

Car 22. Management goals and targets for regeneration.

Management goals and targets for regeneration of the forest; set figures. Check the FMP if this is stated clearly enough. Need to develop a written policy about regeneration for each specie. FSC likes to see as much natural regeneration as possible and preferable a growing figure of Natural regeneration in the years.

Car 23. Exotic species & genetically modified organisms.

FSC likes to see as much endemic species as possible. If other, exotic, species are used good reasons must be given. The FSC team has several students working on related subjects. But one thing is for sure; an official policy must be developed about exotic species. This statement could also be drafted and made/developed from/by the NSC and the National Standard. Something has to be said in the FMP as well (Car 12).

Genetically modified organisms are prohibited under all circumstances.

Car 24. Conversion from forests

For FSC it is not allowed to convert any natural forests to plantations. The question is offcourse what is still a natural forest and what is a shrub jungle? That is a grey area and will cause discussions with FSC. Therefore it is suggested that, when shrub jungles or other degraded forests are converted to plantations, all BIG trees above 25 cm DBH will stay. This figure can be discussed and set in the National Standard, but 25cm is usually accepted. These conversion rules need to be written down in a policy. Any natural forest converted to plantation after 1994 can NOT go for certification.

Car 25; High Conservation Valued Forest

The High Conservation Valued Forest issue need to be discussed and a work plan for the coming years need to be made. The HCVF issue need to be addressed on national level or in the NSC.

Some definition about HCVF

Management activities in high conservation value forests shall maintain or enhance the attributes that define such forests. Decisions regarding high conservation value forests shall always be considered in the context of a precautionary approach.

High Conservation Value Forests are those that possess one or more of the following attributes:

- a) forest areas containing globally, regionally or nationally significant :
 - concentrations of biodiversity values (e.g. endemism, endangered species, refugia); and/or
 - large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance
- b) forest areas that are in or contain rare, threatened or endangered ecosystems
- c) forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control)
- d) forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health) and/or critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in co-operation with such local communities)

Car 26. NTFP and Rubber tapping.

Rubber tapping in rubberwood plantations is a commercial operation. As soon as NTFP's are commercially exploited these must be managed. The project team has invited some students to work on a set of standards for rubber tapping practises. These standards should be discussed in the NSC and then forwarded to FSC for approval. If approved, these standards will then form a part of every FMP with Rubber Wood plantations.

Other NTFP's are: Pinus resin, medicinal plants, thin and large bamboo, cane for rattan, intercropping between young stands, Mushrooms, Nuts, Herbs, Spices, Cane, Berries, Leafs etc. If these NTFP's are commercially exploited these must be managed. That means a small (one page) management plan is needed. This should contain the following:

- What is exploited?
- Reason for harvesting (private, commercial).
- Maximum quantities extracted:
- Background study/research of this maximum figure.

The last point is of course the most important!

Car 27 Illegal harvesting, hunting, theft and vandalism.

THE FOREST OWNER should have a good system to record these issues. For FSC it's important that the current system is followed properly. It can be necessary to address this issue in the yearly monitoring exercise, when it becomes too severe. See CAR 16.

About guarding your forests:

You should have implemented a system to guard your forests. This system should be written down in a procedure. See FSC manual.

Car 28 Natural Cave

It is suggested that every natural cave is well protected by a forest cover. Such a cave area will be part of the 10% of protected area in your forest. If any special birds, bats or animals are living in this cave please mention them in your list of sensitive sites.

Car 29 Natural Springs

Springs need to be protected by a buffer zone of forest. This to prevent drying up and erosion. Such a spring area will be part of the 10% of protected area in your forest. If

any special flora is growing near the spring please mention them in your list of sensitive sites. Some figures: with a small spring of one litre of water per 5 minutes a buffer zone of around 5 meters of dense vegetation is good enough. Bigger springs, with one litre/minute can use up to 10 meters of dense buffer zone.

Car 30 Water bodies

Water bodies need buffer zones to prevent from drying up, erosion, land slides down the river and water supply problems to local people. Buffer zone's are fully protected. Therefore we need to set figures for the width of buffer zones. First of all we will only do that for permanent streams.

The following figures are notified in Forest Department notification 9048:

- ⊕ Below 15 feet; one chain on both sides.
- ⊕ Between 15-50 feet; 2 chains on both sides.
- ⊕ Above 50 feet; 3 chains on both sides.

The figures set below are commonly accepted in other countries. The final figures have to be set by the National FSC Standard.

- Big river from 40 meters and up in width; buffer zone 50 meters.
- Medium river between 10-40 meters; buffer zone 20 meters.
- Small river between 5-10 meters; buffer zone 15 meters.
- Small stream below 5 meters; buffer zone 10 meters.

Car 31 Archaeological, religious and culture sites

These sites have to be protected. Please note the exact purpose/use of this site in your list with sensitive sites.

Car 32 Training

There should be annual planning for the training, skills development and upgrading of own employees, incorporated in the annual work plans and budgets. New technologies, and equipment handling, and even modern communication, record keeping, documentation, all these require at least some basic training at the beginning.

The selection of employees for any training should be done on annual performance assessments, and identified training needs of forest owner. A documented procedure should be adopted to address the need an annual training.

CAR 33 Ownership document

The first question of any FSC inspector will be: please show me your ownership document. You must be the legal owner of your forest for a longer term (at least 20 years). When shorter, you must be able to make clear that your ownership rights will be prolonged without many problems.

Car 34 n.a. (only with STC)

Car 35 n.a. (about forestry knowledge)

Car 36 Trade Unions and social issues

Trade Unions are important for FSC. FSC inspectors often talk to trade-unions or ask their opinion about general labour issues. For FSC it's important that at least one manager in every company is responsible for the labour issues in the company. This person has to have some records about meetings with Trade Unions and meetings

with employees. All meetings will have social issues as subjects. For example discussions about complains about working hours, illness, strikes, holidays, health & Safety, pension, salary etc need to be recorded. A FSC inspector will like to see these records to check if there are any important issues raised. There should be some records each year otherwise the FSC inspector will not believe you!

Also make sure that you have a copy of the ILO conventions 87 & 98 in your files (about workers rights). See FSC manual for more guidelines.

Observation 1; Forest data. What area will go for FSC.

Some forest owners like to exclude the following area's from their FSC certificate:

- Natural forest; because the boundaries are not well marked, and they are fully protected anyway.
- Damaged plantation; some plantations are damaged and inhabited by elephants. The elephants will continue to live there, so no harvesting will take place.
- Research areas; these are closed for any harvesting.
- Areas with a protected working cycle; caused by degenerated forest or other reasons.

It's up to decide by THE FOREST OWNER to include what they think it's best. But there are three issues of importance to the final decision.

1: Around 10% of the certified area must be protected as a 'gene sources or species buffer'. This 10% must be representing the local ecosystem or forest type. The question is where to find this area. If current protected areas are excluded from FSC, then we need to find this area in other locations, or even around each block. See also CAR 6.

2: It is now easy to include more forest to FSC. For the FSC team and this project it doesn't really make a difference which areas to include or not. The team is now available for help with difficult questions like management of natural forest and elephant habitat. If more forest needs to be added to the certificate after the project is finished, it will be more difficult. Then the work has to be done by THE FOREST OWNER alone.

3: If, in the future, wood will be extracted from areas not under FSC it needs to be separated from FSC wood. Physically, on paper and in the computer. This is not impossible, but it will bring the forest owner more paperwork.

It's the advise of the consultant to add natural forest WITH properly marked boundaries to this project to achieve the 10% goal. And even research plots, degenerated forest and elephant habitat can be added. It's also worthwhile to mention that the purpose of FSC is not only economical. To include only economical important parts of the forests will result in critical questions by FSC later on. Non-economical areas are also forming part of the sustainable operations of forests in general. They will often be important for the environmental part of the certification.

Observation 2

In November 2006 FSC did review their principle 10, about plantations. Although the review results are not yet implemented in the international standards it is estimated that this will happen during 2007. Therefore we need to be aware of the fact that some extra CAR's will be set during 2007, depending on the speed of the process within FSC. Below are the most important issues/ changes in the latest recommendations:

- There must be a clear social objective of forest management (beside offcourse economical and environmental).
- There will be a stricter system about setting aside 10% protected area and HCVF. The manager will be asked to actively working on restoring ecosystems.
- Landscape protection will become an issue.
- The forest manager needs to assess the needs of local communities for natural forests.
- The manager needs to assess the needs for conservation/protection of forests.
- The manager must actively work on tests with mixed plantations (with endemic species or even protected species to create a semi protected plantation, with a more natural ecosystem).
- The manager should actively work on replacements for chemicals. The use of chemicals should be explained to workers and local communities when nearby.

The consultants advises to keep this observation in mind till either the training phase or the pre-assessment phase of this project, and then correct it or implement additional CAR's.

Things to discuss/see in coming audits by FSC Team:

Question 21; Metal quarry sites; management or cleaning?

Question 48; Forest converted to oil palm after 1994. Was this real forest?