



SUMMARY REPORT
On results of the 3rd control audit
Of the FSC® Forest Management and the Chain of Custody Certification for
State Enterprise "Popilnia Forest Enterprise"
 (Single)
 /completed with the additional audit's result/

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Customer (certificate holder)	State enterprise "Popilnia Forest Enterprise"
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Location of forest sites subject to certification	Zhytomyr region: Korostyshiv district (Khodorkiv forestry), Brusyliv district (Khodorkiv and Kornyn forestries), Andrushivka district (Andrushivka, Khodorkiv, Popilnia forestries), Popilnia district (Kornyn and Popilnia forestries), Ruzhyn district (Ruzhyn forestry).
Certificate registration number	FC-FM/COC-804344
Certificate granting date	07.06.2016
Certificate expiration date	06.06.2021

INTRODUCTION

The FSC® forest certification is the evaluation of the forest management system and forest exploitation practices compliance with the approved FSC (Forest Stewardship Council®) Principles.

The Forest Management and Chain of Custody Certificate is a document that proves that the forest management system and forest exploitation practices comply with the FSC requirements.

The present report covers the procedure and results of the second surveillance audit of the FSC Forest Management /Chain-of-Custody of State Enterprise "Popilnia Forest Enterprise" (SE "Popilnia FE" as follows).

The report is supplemented by the results of a verified corrective action descriptive audit and evidence of the elimination of the open non-compliances identified in the 3rd audit.

Legallis LLC as a contractor of the "Forest Certification" Limited Liability Company as an accredited certification body holds the evaluation of forest enterprises activities compliance with the applied FSC standards.

1. DESCRIPTION OF FOREST MANAGEMENT

1.1 Description of certification scope

1.1.1 Type of certificate

Single		Group
Single FMU	Multiple FMU	
X	-	-

1.1.2 Type of SLIMF certificate (not applicable)

Small SLIMF forests	Low intensity SLIMF forests	SLIMF Group

1.1.3 Number of group members (for group certification)

Number of group members	Not applicable
	X

1.1.4 Number of FMUs within the certification scope

1

1.1.5 Number of FMUs with the area of:

<100 ha	100-1000 ha	1000-10 000 ha	More than 10 000 ha
			1

1.1.6 Geographical coordinates FMU

FMU	Latitude	Longitude
-	49°57'8"	29°27'9"

1.1.7 Forest zone

Boreal	Temperate	Subtropical	Tropical
	X		

1.1.8 Total area of the forest lands within the certification scope

<100 ha	100 - 1 000 ha	Low intensity SLIMF forests
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0	0	0
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1.1.9 Total area of the forest lands (by management type)

Private companies	State	Communities
	23 759.5 ha	0

1.1.10 Data on forest areas included in the area of certification

FMU no.	Region/district	Forest district	Forest compartment no.	Area, ha
SE „Popilnia FE“ (FMU 1)	Korostyshiv district/Zhytomyr region, Ukraine	Khodorkiv	1-108	5407,2
	Korostyshiv district forest areas			5407,2
	Brusyliv district/Zhytomyr region, Ukraine	Khodorkiv	109-111	177,3
		Kornyn	1-8	554,1
	Brusyliv district forest areas			731,4
	Andrushivka district/Zhytomyr region, Ukraine	Khodorkiv	112	43,9
		Andrushivka	all	5738,5
		Popilnia	1-7	375,9
	Andrushivka district forest areas			6158,3
	Popilnia district/Zhytomyr region, Ukraine	Popilnia	8-61	2821,3
		Kornyn	9-62	4319,3
	Popilnia district forest areas			7140,6
	Ruzhyn district/Zhytomyr region, Ukraine	Ruzhyn	all	4322,0
Popilnia district forest areas				4322,0
Total				23 759,5

1.1.11 Sociological information

Number of employees, including contractors operating in forest (taking into account gender differences)

Indicators	Audits									
	MA		1st		2nd		3rd		4th	
The total number of employees of (M/F)	247	51	243	53	226	39	194	35		
	298		296		265		229			
The number of employees working in forest (F/M).	76	8	76	8	57	8	33	0		
	84		84		65		33			
The number of employees that operate gasoline-powered saws (F/M).	8	0	12	0	11	0	14	0		
	8		12		11		14			

1.1.12 Forest areas included in the certification scope

Category	Area, ha
Forest area excluded from commercial harvesting	1609,21
• SPNA	563,11
• Protective forests	1046,1
• Designated forest areas	-
Forest area excluded from commercial harvesting (excluded from the calculation of final felling)	2709,2
Forest area excluded from commercial harvesting (excluded from the calculation of final felling); used for secondary harvesting and for providing services	2382,5

Category	Area, ha
HCVF area (in acc. with the FSC standards)	18022,2 / 3626,9
Area of commercial forests (ripe and overripe wood stands)	73
Plantation area	15262,3
Area of artificial forests (planted forests)	5921,3
Natural forest areas	2709,2

1.1.13 Forests with restricted use regime

Table 1

no.	Name of category	Area, ha	% of leased forest area
Determined categories			
1	Forest areas of environmental, scientific, historical and cultural significance	563,11	2,4
	including reserves	563,11	2,4
	Forest areas of scientific significance, including genetic reserves	-	-
2	Recreation forest areas	7080,6	29,8
	including green belts	22,2	1,1
	work circles of green zones	7052,9	29,7
	forest areas within inhabited localities	5,5	0
3	Protective forests	5411,4	26,4
Total		13055,11	54,94

HCVF – High Conservation Value Forests types

Table 2

FSC HCVF classification	HCVF types according to the requirements of the applied FM FSC Standard	Area, ha	% of the certified area
A	HCVF 1. Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values	563,11	2,4
	HCVF 1.1 Protected areas (SPNA)	563,11	2,4
	HCVF 1.2. Forest areas of concentration of threatened or endangered species	-	0,43
	HCVF 1.3. Concentrations of endemic species	-	0,55
	HCVF 1.4. Key seasonal fauna habitats	-	3,12
	HCVF 2. Globally, regionally or nationally significant large forest landscapes	-	5,62
B	HCVF 3. Forest areas including rare, threatened, or endangered ecosystems	-	0,18
C	HCVF 4. Forest areas that provide basic services of nature in critical situations	1046,1	4,39
	HCVF 4.1. Forests critical to water catchments	1046,1	1,52
	HCVF 4.2. Forests critical to erosion control	-	2,83
	HCVF 4.3. Forests providing barriers to destructive fire	-	0,04
D	HCVF 5. Forest areas assuring basic needs of local communities inhabitants	744,5	3.1
	HCVF 6. Forest areas critical to local communities' traditional cultural identity	28,8	0.002
TOTAL:		2382,51	10.03

1.1.14 Chemical pesticides

Pesticides applied	Pesticides not applied
	X

1.1.15 List of the main tree species

Latin name	Commercial name
<i>Pinus silvestris</i> (Scotch pine)	Pine
<i>Quercus robur</i> (English oak)	Oak
<i>Larix decidua</i> (European larch)	Larch
<i>Alnus glutinosa</i> (Black alder)	Alder
<i>Betula pendula</i> (European white birch)	Birch
<i>Carpinus betulis</i> (European hornbeam)	Hornbeam
<i>Picea abies</i> (Norway spruce)	Spruce
<i>Cerasus avium</i> (European bird cherry tree)	Cherry
<i>Phellodendron amurense</i> (Cork tree)	Cork tree
<i>Fraxinus excelsior</i> (European ash)	Ash
<i>Ulmus laevis</i> (European white elm)	Elm
<i>Salix alba</i> (White willow)	Willow
<i>Tilia cordata</i> (Small-leaved linden)	Tillet
<i>Populus tremula</i> (European aspen)	Aspen
<i>Robinia pseudoacacia</i> (Robinia)	Robinia
<i>Acer platanoides</i> (Bosnian maple)	Maple
<i>Pyrus communis</i> L. (Pear)	Pear
<i>Juglans nigra</i> (Black walnut)	Walnut

1.1.16 Annual allowable cut (FMUs)

FMU	AAC, m ³
Order no.668 of Ministry of environment and mineral resources dated 18 December 2009	60 340
Shaping cutting and sanitation cutting/merchantable wood/Project of organization and development of the State Enterprise "Popilnia Forest Enterprise" dd. 2019	18 090
Total	78 430

1.1.17 Information about non-timber forest production

NTFP type	Production volume
-	-

1.1.18 List of FSC product groups within the certification scope

FSC product groups	Tree species	FSC claim
Timber production		
W1.1. Logs of coniferous wood	Scotch pine (<i>Pinus sylvestris</i>); Norway spruce (<i>Picea abies</i>); European larch (<i>Larix decidua</i>).	FSC 100%
W1.2. Firewood		
W1.1. Logs of hardwood	English oak (<i>Quercus robur</i>); Red Oak (<i>Quercus rubra</i>); European hornbeam (<i>Carpinus betulus</i>); European ash (<i>Fraxinus excelsior</i>); Bosnian maple (<i>Acer platanoides</i>); European white elm (<i>Ulmus laevis</i>); Robinia (<i>Robinia pseudoacacia</i>); European white birch (<i>Betula pendula</i>); European aspen (<i>Populus tremula</i>);	
W1.2. Firewood		

FSC product groups	Tree species	FSC claim
	Black Alder (<i>Alnus glutinosa</i>); Small-leaved linden (<i>Tilia cordata</i>); White willow (<i>Salix alba</i>); Cork tree (<i>Phellodendron amurense</i>); Bird cherry tree (<i>Cerasus avium</i>)	
NTFP type		
-	-	-

1.2 Brief description of external conditions of the enterprise operation

The state policies and normative and legal regulations regarding forest relations (except special protection forest areas) are elaborated by the State Forest Resources Agency of Ukraine. Twenty four regional departments of forestry and hunting and special enterprises of line organization are subordinate to the Agency. 73% of forest resources of the country are managed by State Forest Resources Agency of Ukraine.

State enterprises of forest management are responsible for all forest management activities, from planting to harvest cutting. Research and education organizations, national reserves and natural parks, other enterprises, institutions, organizations of immediate supervision are subordinate to the State Forest Resources Agency of Ukraine.

1.3 Forest resources use rights

1.3.1 Rights of the enterprise to use forest resources

The state act for land use, forest management plan and felling permits issued for each cutting site confirm the rights of the forest enterprise for realizing forest management and forest exploitation. The forest enterprise has rights only for realizing forest management and forest exploitation. Forest resources are not used for other purpose (recreation, agriculture, minerals extractions, researching etc.).

1.3.2 Review of rights for using forest areas by other persons/organizations besides the certificate applicant/certificate holder

The hunt "Kamia Plus" LLC (5738 ha) and KMK (Korostyshiv hunting club; 5411 ha) occupy 45% of forest lands.

Forest resources use for other purpose

Forest resources are not used for other purpose (agriculture, minerals extractions, researching etc.).

1.4 Description of areas, excluded from the scope of certification

Certification of the whole area FMU	Partial certification (is applied)	
	The certification includes not all FMUs, which are leased or managed /the certification does not include leased or managed FMUs previously	Some leased or managed areas of FMUs are excluded from the certification
X		

1.5 Forest management plan summary

1.5.1 Brief description of forest management objectives

Long-term objectives of forest management are:

- Providing conditions of sustainable exploitation of forest reserves.
- Introducing the most efficient methods of planning and stimulating personnel oriented to significant improvement of forest management indices.
- Providing conditions of keeping regulations and rules of labour protection and safety practice.
- Support of natural forms of flora and fauna species evolution and their distribution on leased areas of forest reserves of SE "Popilnia FE".
- Introducing advanced technologies of harvesting for waste minimization and disposal.
- Providing conditions of monitoring gain, reforestation and harvesting volumes.

- Preparation of measures for minimization of harvesting impact on the environment within the forest areas of the enterprise.
- Designing projects of detecting and saving threatened and endangered species of flora and fauna on leased areas.
- Taking measures for improving identification and values of HC VF areas.

Mid-term objectives of forest management are:

- Development of justifications of advanced technologies application in harvesting, reproduction and fire protection activities of the forest enterprise.
- Providing conditions of timely payments for forest use, salaries and taxes.

1.5.2 Brief description of forest resources

1.5.2.1 Status of land use and land (forest resources) property rights:

State Enterprise “Popilnia FE” was founded in 1936 in conformity with the resolution of Central Executive Committee and Council of People’s Commissars dated 2 July 1936.

The forest enterprise was dissolved because of the administration staff reduction in 1979. Three forest departments (Popilnia forestry, Kornyn forestry and Andrushivka forestry) were subordinated to Korostyshiv forest enterprise and Ruzhyn forestry was included into Berdychiv forest enterprise.

State Enterprise “Popilnia FE” was organized within the forest management improvement plan in 1991 according to the order of Ministry of Forestry of USSR dated 6 June 1991.

Nowadays forest management regulations are established by Combined expedition of Ukrainian state forest management project industrial association (VO “Ukrderzhlisproekt”) on the first class in compliance with the effective forest management instructions; the decisions of the first forest management meeting protocol, protocol of the technical meeting upon the results of the state enterprise field process and protocol of the technical meeting upon the results of the state enterprises of Zhytomyr regional department of forest management and hunts field process.

State Enterprise “Popilnia FE” is a state-owned enterprise. It carries out management in the forest areas of state ownership. These forest lands are transferred to the enterprise on sustainable use basic by the decisions of local villages and settlements councils. The right of the enterprise for sustainable use is duly documented and indicated precisely on the maps of the enterprise. The limits of sustainable use forest lands are represented on the maps and in kind.

According to the law, the enterprise may not only harvest forest timber resources, but realize hunting activities and harvest non-timber production besides. The forest lands of the enterprise are not subject to purchase and sale, but the local authorities may transfer them to other holders on tenancy basic by means of taking decisions. In conformity with the law, local people have free access to the forest area for recreation and collecting non-timber production for the satisfaction of their own needs.

State Enterprise “Popilnia FE” is subordinated to Zhytomyr regional department of forest management and hunts. Zhytomyr regional department of forest management and hunts implements the supervision over the enterprise activity. The enterprise is one of the forest enterprises within State Forest Resources Agency of Ukraine which is the most significant holder of Ukrainian forest lands.

Rights of enterprise for use of forest resources

Representative of State Authorities	Authorization documents		Volume of annual timber removal by use types, thnd m ³			Area, ha	Total commercial stock, thnd m ³	Average species composition	Lease Periods, years
	no.	Registration date	Total	final	advance thinning				
State Forest Resources Agency of Ukraine	#34	2009	76,5	60,3	16,2	23759	15688	7Eo3Sp	Not applicable

1.5.2.2 Socio-economic conditions

SE "Popilnia FE" is situated in the south-east of Zhytomyr region on the territory of Popilnia, Ruzhyn, Korostyshiv, Brusyliv, Andrushivka districts. The enterprise office is located in the urban-type settlement Popilnia, Popilnia district, Zhytomyr region.

Districts covered by the forest enterprise are within agricultural areas of raising crops and plants used in industry, also livestock breeding. Agriculture is the main domain of economy. The enterprise operation area forest cover is 14%.

The industry of Andrushivka district is represented by 8 enterprises: State Enterprise "Chervone food products factory", Public Joint Stock Company "Chervonskyi tsukrovyk", LLC "Andrushivka creamery", Public Joint Stock Company factory "Voskhod", Andrushivka processing area of SE "Korostyshiv distillery", Private Leased Aviculture Enterprise "Nadiia", SE Zhytomyr radio equipment overhaul factory "Luch", LLC "Novobud-YP". Agriculture sector of the district uses 70000 ha of farming lands, including 65.8 thousand ha of plough lands. 200 ha of lands are tilled additionally during 2015.

Brusyliv district is subject to agriculture area. Main sectors are livestock breeding and plants growing. 54 agricultural enterprises, including 15 limited liability companies, 9 private enterprises, 1 allotment, 28 farms and 1 agricultural cooperation realize active managing activities on the district territory.

Resources of turfs, argil and clays, sands are discovered in the district area. Total resources of turf moor count 1871 thousand tonnes; argil and clays: 778 thousands m³; sands: 1418 thousands m³.

Motor way infrastructure of the district is also well developed. International highway Kyiv-Chop passes through the district area. The trunk of South-Western railroad passes through the district area. National highways spread over 9,4 km, local roads reach to 464 km, including hard-surface pavement ones with the distance of 348,7 km.

There are 19 agricultural and 119 private peasant-farm enterprises within Ruzhyn district. Total area of farming lands is 82,9 thousand ha. 51,6 thousand ha of these lands are used by agricultural societies and farms; 5,8 thousand ha are used by private peasant economies. Two industrial enterprises realize economical activities within Ruzhyn district: State Enterprise "Ruzhyn-milk" and State Enterprise "Farming company "Yan"" of Private Enterprise "Yan". 6 localities of the district have railroad connection: Zarudyntsi, Chornorudka, Derganivka, Bilylivka, Zhovtneve, Cheremukha. Length in use of local motor ways is 256,5 km, 254,2 km of them are with hard-surface pavement and 39,9 km of them are national highways with hard-surface pavement.

Important social challenges in the enterprise operation area are a significant unemployment degree, people migration out of district, mainly in big cities or abroad.

298 persons work at the enterprise, inhabitants of adjacent villages and settlements. The enterprise activity has social consequences for the population of localities where the enterprise divisions are situated and near which the enterprise carries out management activities.

The enterprise influences the next indices:

- employment of the population,
- payments to local and district budgets,
- support of social structure.

The enterprise supplies local people and social services with firewood.

1.5.2.3 Species composition

According to forest growth siting, the forest enterprise is situated in the zone of Forest-Steppe, except Khodorkiv forestry related to Central Polissya

Dominant species of the enterprise are: English oak (*Quercus robur*), European hornbeam (*Carpinus betulus*), European ash (*Fraxinus excelsior*), Small-leaved linden (*Tilia cordata*), European white birch (*Betula pendula*), Sycamore maple (*Acer pseudoplatanum*), Bosnian maple (*Acer platanoide*s), European aspen (*Populus tremula*). Hard-wooded broadleaved forest stands represent 56.9% of species composition (including oakery: 51.8%), coniferous: 33.0%, soft-wooded broadleaved stands: 9.0% and others: 1.1%. Total of stands: 14.9 million m³.

Average inventory indices of FMU (LAT)

Category of wood stands	Composition of wood stands	Age, years	Qual.of stand, class	Av.rel.density	Stock of ripe and overripe ws m ³ /ha	Mean Annual Increment m ³ /ha
Forests of environ-	7Qr1Ps 1Fe1Tc	80	1,7	0,65	258	3,1

Category of wood stands	Composition of wood stands	Age, years	Qual. of stand, class	Av. rel. density	Stock of ripe and overripe ws m ³ /ha	Mean Annual Increment m ³ /ha
mental, scientific, historical, and cultural significance						
Recreational forests	7Qr3Ps	78	1,1	0,7	346	3,9
Protective forests	5Qr3Ps1Pa1Ag	71	1,0	0,7	332	4,1
Merchantable forests	5Ps3Qr1Bp1Ag	59	1A,7	0,7	348	4,5
Average indices	7Qr3Ps	69	1A,9	0,7	341	4,1

1.5.3 Description of the enterprise and organizational structure

State enterprise "Popilnia Forest Enterprise" (SE "Popilnia FE") of Zhytomyr regional department of forest management and hunts is situated in the south-east of Zhytomyr region on the territory of Popilnia, Ruzhyn, Korostyshiv, Brusyliv, Andrushivka districts.

The enterprise includes five forestry's, vehicle transport column and three low landings (Popilnia, Brovky and Kornyn). Forest lands are situated tight by separate natural boundaries. The management of the enterprise is oriented to the implementation of relevant and efficient forest management, reproduction, harvesting activities full range based on science and technologies progress. These activities assure sustainable use and regeneration of forest resources, environmental protection, prevention from water and wind erosion.

The forest enterprise lacks in technical support and logistics. The supply of the enterprise with means of transportation is 90%. The degree of the enterprise facilities provision is 100%, dwelling stock: 95%. The enterprise staffs is completed with regular workers on 100%.

Forest service is not engaged in forest management activities during the fire season. The forest enterprise is on the top ranks of the district economy. The main direction of the enterprise development is a comprehensive forest management oriented to rational use and regeneration of the forest resources.

Livestock grazing within the forest lands is limited.

Haymaking, New Year coniferous tree farming, gathering wild berries and mushrooms, also extracting birch sap represents the secondary use of the forest lands.

Next species of fauna for hunting inhabit the forest areas of the enterprise: elk, roe deer, wild hog, hare, fox and wolf.

The branch of hunting is the area of state social production. Its main task is the protection, regeneration and use of hunting animals' populations; providing hunting services relating to the sport hunting development. The hunting on the lands of the enterprise has an amateur nature.

The types of cutting are designed at the enterprise are designed according to Regulation of felling approved by the Government of Ukraine. The main kind is clear cutting, held almost in 100% of final felling. Great bulk of clear cuts is conditioned by low degree of main species natural regeneration and flat relief.

1.5.4 Description of the harvesting technology

The forest management system of the enterprise involves various types of tending felling, including cleaning, weeding, isolation, late thinning, also selective and clear salvage cutting, regeneration, reconstruction and other types of cutting.

The stands is allotted for shaping and sanitation felling basing on the data of inventory and monitoring of the stands actual condition, performed by the specialists of the forestry.

The trees having no conservation value are periodically removed from the stands composition during sanitation felling. The stands are allotted for cleaning and weeding by means of dedicated sampling areas (3% of pure stands area and 5% of mixed stands area). Sampling indices are used for total area of the block. One sampling area is allocated if the block total area is less than 3 ha, two sampling areas are used if the block total area is more than 3 ha.

The species are allotted for isolation and late thinning considering uniform location of valuable trees. If the relative density of a stand is 0.7 and less, the isolation felling is not applied. If the relative density of a stand is 0.8 and less, the late thinning is not performed.

Improvement cutting combines crop-tree thinning and thinning from below.

Brush cutters and gasoline-powered chainsaws Husqvarna and Stihl are used to perform improvement felling.

The planning of forest harvesting is based on the forest inventory data basing on the indices of the calculated allowable cut. The allowable cut is calculated for a 10-year period considering the maturity and wood stock data. The annual harvesting volumes are determined resulting from the calculated allowable cut and shall not exceed its volume within the 10-year period.

The main logging is conducted, when the species attain the age of stand maturity. The stand age of main logging for the main species within the enterprise area in Ukraine is set as follows: birch – 61 years, pine – 81+ years, spruce – 71+years, oak – over 120 years.

The forest management implies the clear cutting, selective cutting, and gradual felling during the main logging operations. However, clear cuttings predominate. The clear cutting area is restricted to 3 ha for coniferous woods and 5 ha for broadleaved woods. The clear cuttings on the area of over 3 ha is allowed only in case of the windfall clear salvage cuttings.

The contractors carried out harvesting works by means of gasoline-powered chainsaws "Husqvarna" or "Stihl", as a rule. Rubber-tired skidders like MTZ-82 are used for trailing. Mainly, trailing is performed by the technique of the enterprise and partially by the means of the contractors. The production of cleaning cuts is represented by assortments and by tree-length logs of final felling. Timber is hauled by the transport of the enterprise, particularly by the timber trucks on base of ZIL-131, Ural.

Mainly, the contractors perform final felling and thinning activities. The contractors' number varies depending on the volume of performed activities.

According to the designed project, the soil cultivation is realized by tractors MTZ-80, MTZ-82 in assembly with the plow PKL-70 or by the disc cultivator KLB-1.7. The soil cultivation is performed either in autumn or in spring before planting.

Yearlings or biennials are planted by hand using Kolesov's planting iron according to the scheme of planting and mixing approved within the project. Technical reception of forest plantations takes place in spring of current year. Mechanical and hand weeding practices previewed by the project are implemented. The inventory is performed in November of current year; the survival capacity is assessed and the grade of plantations is determined.

Plantations are completed during next years by necessity.

1.5.5 Description of environmental protection measures

All forest management activities are realized in compliance with current regulations. They are intended to forest quality and productivity improvement, saving and increasing their protective capacities. Certain forest areas are affected by harmful human influence (forest fires and soil puddling), which results in complete or partial drying out, retarded growth and depression of stands, significant damage of certain trees, deterioration of forest general sanitary state. Nuclear contamination resulted by Chornobyl accident was not detected in the enterprise area. Besides the satisfaction of national economy needs in timber and non-timber products, forest plantations possess environmental and recreational significance decreasing a harmful effect on the environment. The enterprise environmental activities are regulated by laws of Ukraine and other subordinate acts.

Industrial environmental control is carried out by the service headed by chief engineer or by master mechanic if chief engineer is absent. Industrial environmental control includes:

- a) availability of officially issued regulatory and methodical material and methods of discharge and emission control, as well as environmental component control in compliance with the conducted activity;
- b) control over the availability of atmospheric emission quota; permission for special water use, setting limits for waste disposal, execution of orders to eliminate the identified violations of the environmental protection legislation, providing documents confirming ecological safety of raw materials, transportation, sales and recycling in cases stipulated in the legislation;
- c) record keeping and accountancy stipulated in the existing legislation and other regulatory acts concerning issues related to the industrial environmental control;
- d) timely provision of information to the population, local authorities and regional subdivision of the Ministry of Emergency Situations about emergency situations, that can be harmful to the environment and the human health;

e) visual control by specially authorized officers of the enterprise over fulfilment of environmental (preventive) measures, observation of requirements of the environmental legislation, development and execution of measures aimed at elimination of the identified violations.

1.5.6 Strategy on identification and conservation of rare, threatened and endangered species of flora and fauna

The strategy on identification and conservation of rare, threatened or endangered species of flora and fauna:

1. The enterprise experts examine the Red Data Book of Ukraine and the list of flora and fauna to be included in the Red Data Book.
2. Consultations with a wide range of the stakeholders, including research institutes and forest inventory bodies.
3. Compilation of a list of sub compartments for every compartment where species from the Red Data Book are encountered; determination of their protection regime; relevant mapping during uninterrupted forestry.
4. Fulfilment of requirements for preserving the Red Data Book species within the enterprise area.

1.5.7 Description of monitoring procedure

The monitoring procedure provides for collecting information about the following indices:

- 1) Yield of all forest products harvested;
- 2) Growth rates, regeneration and condition of the forest;
- 3) Composition and observed changes in the flora and fauna;
- 4) Environmental and social impacts of harvesting and other operations;
- 5) Costs, productivity, and efficiency of forest management.

Documentation confirming the information collection:

- Data about the actual yield of harvested wood by types and cutting methods;
- Data about areas by types and cutting methods;
- Data about types and volumes of harvested forest resources, except wood;
- Data about reforestation rates by methods;
- Data about volumes and types of forest protection practices;
- Data about volumes of illegally harvested wood and illegal activities within the managed area;
- Data about forest management expenses;
- Data about economic efficiency of harvesting;
- Data about areas and plantations stock destroyed or damaged by forest fires, pests, diseases and other reasons;
- Data about dynamics of social characteristics at the enterprise;
- Data about forest management effect on social position of the local people;
- Data about HCVF and protected areas;
- Data about forest management impact on environment.

1.6. AAC use for the previous years and the current year by tree stands

Forest type	2018		March 2019	
	Actual yield, m ³	% of AAC development	Actual yield, m ³	% of AAC development
Coniferous	41800	96,6	5061	17,3
Deciduous	12573	87,2	3247	25,6
including hardwood	12573	87,2	3247	25,6
softwood	0	0	0	0
Total	54373	82,7	8308	19,8

1.7. Number of occupational accidents

Accidents	MA	1 st SA	2 nd SA	3 rd SA	4 th SA
Accidents	-	-	-	-	
Lethal	-	-	-	-	

2. DESCRIPTION OF THE FSC STANDARD

Audit	The applied standard	Code / Version	Date
3rd CA	Forest Certification LLC Standard of Forest Management certification on compliance with FSC Principles and Criteria FC-STD-02 adapted for Ukraine	version 1.2	01/02/2015
D-A	Forest Certification LLC Standard of Forest Management certification on compliance with FSC Principles and Criteria FC-STD-02 adapted for Ukraine	version 1.2	01/02/2015

Link to the Standard: http://fcert.ru/services/about_fm/fm_docs/

Brief description of the adaptation of the Standard to regional specifications:

In order to comply with the FSC norms and regulations on the rights of indigenous people (Criteria 3.1) and in order to apply the Criteria 6.10 and 10.9, the Forest Certification LLC included the updated indicators of these FSC Criteria into the General Standard of the Forest Certification LLC to be able to certify the compliance of forestry management with the FSC Principles and Criteria. Furthermore, the Forest Certification LLC introduced the appropriate changes into the FSC General Standard of the Forest Certification LLC, adapted to the Ukrainian conditions. The FC LLC sent this document to Ukrainian parties/stakeholders interested in the FSC forestry management certification and asked them to provide their comments.

After a 2-month waiting period (starting from December 1, 2014) FC LLC received no comments from the Ukrainian interested parties; therefore, no additional adaptation of the General Standard of the FC LLC was necessary. The General Standard of the Forest Certification LLC V1.2, adapted to the Ukrainian conditions, was introduced starting from 01.02.2015. It is generally available on the FC LLC website in the following languages: Ukrainian, Russian and English.

3. EVALUATION PROCEDURE

3.1. Forest management system approach

During FM/COC certification auditors visit various subdivisions of the enterprise office where they analyze and evaluate the documentation, and interview experts of various departments. The auditors visit the production sites: upper and intermediate log yards, fuel and oil and pesticide warehouses, repair shops and garages, the lower landing and places of timber shipment. At the above sites the auditors evaluate the labor and fire safety status, ways of treatment of solid and liquid waste, compliance with the FSC requirements concerning social issues and timber tracking in the chain-of-custody.

The auditors visit FMUs where forest management activities are held, which represent forests areas reserved for felling and current plots where logging operations using different technologies (tree-length and CTL harvesting, manual mechanized felling and felling with power-driven instruments) are conducted, where they assess the compliance with forest management requirements, measures for labor protection, fire and ecological safety (storage, use and disposal of fuel and oil), and preservation of biodiversity. In case of a sanitary felling the reason of assigning a forest area to conduct a sanitary felling and correct selection of trees are evaluated. In case of a selection felling the correctness of assigned measures and possible silvicultural influence are evaluated. The areas bordering on water protected areas, watercourses, roads, crossings, bridges and other objects of the forest infrastructure are visited.

Auditors visit forest seed bases (forest seed plantations and areas, elite plantations) and forest nurseries, including areas where pesticides are applied.

The auditors visit cutting sites of the previous years (1, 5 and 10 years old), and assess in general the conservation of the elements (patchiness) of forest environment depending on the area and quality of reforestation activities (sowing and planting of forest cultures, like seedlings, young plants, planting material with closed root system (CRS), thinning, promotion of natural forest regeneration like undergrowth conservation and leaving seed trees in mineralized soils).

Visits to the representative areas, HCVF (including places of social significance for local people and indigenous peoples), key seasonal habitats are of monitoring nature, i.e. it is checked if the organization conducts any forest management there and if the protection regime is observed. If the forest management is conducted, it is evaluated to what extent it may cause the destruction of the attributes consistent with high conservation value forests.

The auditors' complex analysis of the enterprise capacity to realize the forest management system successively and efficiently taking into account the presence (sufficiency) of technical and personnel resources is the summary of the forest management system evaluation.

3.2. Sampling of sites for field inspection

The sample is not applicable because the company has 1 FMU

Having planned the third audit program lead auditor has taken the decision to visit the forest areas where different felling types had been applied, including the current harvesting areas. It was also planned to review forest plantations of different age, natural reforestation areas and HCVF lands during field evaluation.

At the moment of the third control audit conduction at the enterprise starting from the beginning of the year have been signed seven contracts with contractors which conduct harvesting activities. According to the calculation formula $y = \sqrt{x}$, auditors have made a decision to verify three contractors ($y = \sqrt{7} = 3$) which have been working at the moment of the audit conduction.

Definition of audit duration

Managed forest areas selected for assessment	No FMU	Labor costs, man / days
	1	2.0
Factors that increase the audit time		
<p>1. In determining the duration of the audit, the requirements of the limited infrastructure, the highly fragmented managed areas and the seasonal conditions are not taken into account. Managed plots of FC clients have a developed infrastructure, no audits are planned during the period of slough, and no managed plots with winter forest fund are planned for evaluation in the summer.</p> <p>If the sites are significantly removed from the organization's office, the auditor should, with the help of the enterprise, organize overnight stays at an insignificant distance from the managed sites in order to reduce the time for moving to forest sites (hotels, production bases, field camps)..</p> <p style="text-align: center;"><u>For contractor Legallis:</u></p> <p>Consider the following indicators</p> <ul style="list-style-type: none"> - the presence of fragmentation of the forest fund (the number of forest areas). From 10 – 50 (0,5 man / days); From 51 – 100 (1,0 man / day); From 101 – 500 (1,5 man / days); From 501 – and more (2,0 man / days). - the presence of mountain conditions or difficult-terrain (ravine-beam forests) (2,0 man / days). 		1,5
<p>2. When planning an audit, the auditor should add to the total cost of the audit to 0.5 man / days, while removing stakeholders from 50–150 km from the organization's office, 1 man / day from 150 to 300 km and 2 man / days over a distance of 300 km.</p> <p>Note: labor costs include travel time.</p> <p style="text-align: center;"><u>For contractor Legallis:</u></p> <p>When planning an audit, the auditor should add to the total labor costs for conducting the audit 0.5 man / days when removing interested parties at a distance of 15-25 km, 0.75 man / days when removing interested parties at a distance of 26-50 km, 1 man / day for removing stakeholders from 50-150 km, 1.5 man / days at a distance of 150 to 300 km and 2 man / days for a distance over 300 km from the organization's office.</p> <p>Note: labor costs include travel time.</p>		1,5
<p>3. In the event of acute disputes between the organization and interested parties, when planning an audit, the auditor should add 1 man / day to the total cost of the audit to handle acute disputes.</p>		-

4. If there are complaints from interested parties regarding the organization, when planning an audit, the auditor should add to the total cost of 0.5 audit days for each complaint. Note: in the event that the interested party cannot be contacted by means of communication or the interested party requests a personal meeting, the interested party is removed from 50-150 km from the organization's office, 1 man / day from 150 to 300 km and 2 man / days over a distance of over 300 km. Note: labor costs include travel time.	-
5. In determining the labor costs, this requirement is not taken into account, the certification body always conducts preliminary audits.	-
6. When planning an audit, the auditor should add to the total there-cost of the audit for 1 hour for each open discrepancy. The total amount of time for open inconsistencies is rounded up to 0.5 man / days, if the number of inconsistencies is up to 4 inclusive and 1 man / day, if the number of inconsistencies is from 5 to 8, etc.	1.0
7. In the case of application to the field of organization's assessment of principle 3, when planning an audit, the auditor should add 1 man / day to the total cost of the audit.	-
8. If, as a result of the sampling, principle 9 is included in the assessment, the auditor should add 1 man / day to the total cost of conducting an audit, with HCVF up to 30% of the total area of the managed sites and 1.5 man / days for HCVF over 30 % of the total area of managed sites..	-
Factors that reduce audit time	
9. In the case of group and multiple managed forest plots, the time for assessment can be reduced to 30% in the following cases: 1) Group association refers to type II; 2) The number of managed sites in the organization does not exceed 10. 3) The number of managed sites is more than 10, but the organization has a department responsible for certification. The number of personnel in the department for less than 2 people who are not burdened with additional duties. 4) The number of plots is more than 10, but there are structural divisions that manage several managed plots (forestry enterprises, forest industry enterprises). 5) During the certification period, there is no suspension of the certificate.	-
10. In the absence of significant inconsistencies and the number of minor inconsistencies does not exceed 15, in each of the previous assessments of two control audits, the total number of audit duration can be reduced to 20%.	-
Total audit duration, man / days	6,0

3.3 Evaluation program

The FSC FM/COC third control audit of Popilnia forestry State Enterprise was conducted on March 18-20, 2019 by the audit group with the following membership: Ivanchenko V. (Team leader) – auditor, Rybak D. – auditor.

The auditors checked the enterprise forest management compliance with the FSC Principles 6 and 8 (in full) of the Forest Certification LLC Standard of the forest management certification for Ukraine (FC-STD-02, version 1.2), as well as with the mandatory FSC Standard FSC-STD-20-007 Criteria 1.5; 4.2; 4.4; 5.6; 9.4, as well as indicators with non-conformities detected in the previous (second control) audit.

Implemented audit program

Date	Events/activities	Location	Auditors
18.03.2019	09-00 Opening meeting 09-30 Interviews with the enterprise management and experts. 10-30 Analysis of company documents 14-00 Consultations with the stakeholders/ interested parties Visits to the enterprise forest stands 16-00 Planning of the next day audit itinerary 16-30 Filling of the check list 17-00 Summary of the results of the 1 st day of the audit with the participation of the enterprise representatives	Office, Forest areas	Ivanchenko V. Rybak D.
19.03.2019	Visits to 2 forest districts of the enterprise 09-00 Interviews with the enterprise management and experts 10-00 Visits to the forest areas. Control of the sub-contractors	Office, forest areas, production sites of the enterprise	Ivanchenko V. Rybak D.

Date	Events/activities	Location	Auditors
	15-00 Consultations with the stakeholders 16-30 Filling of the check list 17-00 Summary of the results of the 2 nd day of the audit with the participation of the enterprise representatives		
20.03.2019	9-00 Control of the documentation of the enterprise 11-00 Interviews with the enterprise management and experts 12-00 Consultations with the stakeholders 14-00 Filling of the check list 16-00 Internal discussion of the audit results 17-00 Final meeting on the audit results	Office	Ivanchenko V. Rybak D.

Desk audit was carried out remotely by the leading auditor V.V. Ivanchenko dd.13.06.2019. with use of information and documented evidences of elimination of conditions identified during the 3d control auditor. Documented evidences have been submitted by the certificate holder to the auditing company «Legallis» LLC in accordance with a form for provision of evidences of corrective measure as to elimination of non-conformities. This form is approved by the certification body LLC «Forestry certification».

Implemented program of desk audit

Date	Activities content	Venue	Auditors
13.06.19	1. Analyses of corrective measures of certificate holder as to the non-conformities identified during the 3d control audit as well as analyzing of evidences for closure of conditions. 2. Formulization of conclusions in accordance with the results of verification of corrective measures and evidences for elimination of non-conformities. 3. Filling the check-list in.	Remotely - location of the auditor - office of «Legallis» LLC, Kyiv.	V.V. Ivanchenko

3.4 Time spent (person-days)

No.	Audit phase	Audit							
		MA	1 st CA	AD	2 nd CA	D-A	3 rd CA	D-A	4 th CA
1	Audit preparations	1	1	0,5	1	0	1	0,5	
2	Interview with the stakeholders (by correspondence) Collecting information in media	0	0	0	0	0	0	0	
	Total: audit preparations	1	1	0,5	1	0	1	0,5	
3	Interview with the stakeholders (in person)	2	2	0	2	0	1	0	
4	Document review	4	1	0,5	1	1,5	1	1	
5	Field Audit	6	3	0,5	3	0	3	0	
	Total: Field audit	12	6	1	6	1,5	6	1	
6	Drafting the report	10	10	1	10	1	10	1	
	Total with the Report:	23	17	2,5	17	2,5	17	2,5	

3.5 Auditors

Audits	Status in the audit group	Name	Qualification (education)	Place of work and position
3 rd CA	Auditor (Team leader)	Ivanchenko V. V	Forestry Engineer	Lead auditor Legallis LLC
	Auditor	Rybak D.	Forestry Engineer	Auditor Legallis LLC

D-A	Auditor	Ivanchenko V. V	Forestry Engineer	Lead auditor Legallis LLC
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Contractor Legallis LLC, Kyiv Ukraine, has resumes of specialists represented above.

3.6 Reviewers

Not relevant for KA

3.7 Consultations with stakeholders

Third control audit

«Legallis» LLC placed relevant notification on its web page in the Facebook https://www.facebook.com/lis.expert/?ref=aymt_homepage_panel, and also on a web site of National representative body of FSC in Ukraine <https://ua.fsc.org/ua-ua/newsroom/page/8> in order to receive feedbacks and proposals as to the economic activity of State Enterprise "Popilnia Forest Enterprise" from the indefinite range of stakeholders.

No comments were received from stakeholders as to the audit activity of the enterprise.

In addition, during the audit, the auditors held on site and absentia consultations with representatives of stakeholders:

Popilnia Village Council regional territorial community.

Yagnyatyn Village Council.

Kvitneve Village Council.

Vchoraishe Village Council regional territorial community.

Ruzhyn'k Ukrainian Society of Hunters and Fishermen.

Stakeholder interview results

FSC Principles	Stakeholder Comments	How the stakeholder comments were taken into account by the certification body.
Principle 1 Compliance with laws and FSC Principles	1. Acts of law violations are unknown	Mentioned in card index (1.1.6)
	2. The enterprise pays all necessary taxes and duties to the local budget timely	Mentioned in card index (1.2.1)
	3. The enterprise takes efficient measures to prevent illegal cutting and other violations of the forestry legislation	Mentioned in card index (1.5.2)
Principle 2. Tenure and use rights and responsibilities	-	-
Principle 3. Indigenous peoples' rights	-	-
Principle 4. Community relations and worker's rights	1. HR policy of the enterprise considers the employment of local people as the priority	Mentioned in card index (4.1.1)
	2. The enterprise supports regularly local people, public bodies and school forestry units providing firewood, construction timber, planting material etc.	Mentioned in card index (4.1.6)
	3. The enterprise maintains social infrastructures of localities (repair of roads), provides construction materials, seedlings and plants	Mentioned in card index (4.1.6)
	4. The enterprise constantly carries out informing and consultations with stakeholders as to the possible social consequences of scheduled activities.	Mentioned in card index (4.4.3)
	5. Stakeholders are informed about the	Mentioned in card index (4.5.3).

FSC Principles	Stakeholder Comments	How the stakeholder comments were taken into account by the certification body.
	availability of procedures for considering appeals from citizens and payment of compensations for damages caused by the enterprise.	
	6. There were no claims from the local people as to the consequences of economic activity of the enterprise.	Mentioned in card index (4.5.4).
	7. The enterprise has coordinated location of places with social significance and regimes of use for them.	Mentioned in card index (4.4.7)
	8. Stakeholder informs that regimes of forest use for places of special significance for the local people are being fulfilled.	Mentioned in card index (4.4.8).
Principle 5. Benefits from the forest	-	-
Principle 6. Environmental impact	1. The enterprise cooperates with stakeholders on the issue of forest protection against fires (coordinates mobilization plans for fire suppression, assists with fire extinguishing).	Mentioned in card index (6.3.9).
Principle 7. Management Plan	1. The local public is aware of the Summary of forestry inventory plan at the enterprise.	Resume of the enterprise management plan is placed on the enterprise Facebook page for familiarization https://poplg.com.ua/informacija/informacija-dlja-gromadkosti.html .
Principle 8. Monitoring and assessment	1. The local public is aware of the Report on monitoring of economic activities and HCVF at the enterprise.	The enterprise report on forest management activities and HCVF monitoring is placed on the enterprise Facebook page for familiarization https://poplg.com.ua/informacija/informacija-dlja-gromadkosti.html .
Principle 9. High Conservation Value Forests	-	-
Principle 10. Plantations	-	-

3.8. Changes in certification

Audit	Description of the changes
MA	not identified
1 st CA	not identified
2 nd CA	not identified
3 rd CA	not identified
4 th CA	-

3.9 Additional data collection techniques

No additional data collection techniques (helicopter survey for example) were used during the audit.

4. EXECUTIVE SUMMARY

4.1 Weak and strong aspects of the enterprise

According to the results of the FSC FM/COC third control audit of SE "Popilnia FE", the non-compliances with FSC Principles and Criteria were detected in the enterprise activity and qualified as Major Conditions, Minor Conditions and Observations. The present results are represented by the report hereunder.

4.1.1 The main strong points of the enterprise:

- High level of professional competence of management and specialists of the enterprise.
- Striving for ecologically grounded, economically effective and socially oriented use of forest resources.
- Dynamically developing, investing in modernization and updating of production facilities.
- Qualified approach of personnel to the selection and preservation of key biotopes and biodiversity elements in forestry.
- High level of qualification of contractors in relation to fulfillment of certification requirements of the enterprise.

4.1.2 The main weak points of the enterprise:

- The enterprise does not fully carry out a preliminary environmental impact assessment (Current non-compliance was eliminated under the closure of MC-23 in the process of the desk audit conduction).
- The enterprise does not fully provide a conduction of procedure of use and disposing of chemicals and solid non-organic waste.
 - The enterprise does not apply sufficient efforts to control a condition of invasive plants in plantations.

4.2 General description of observations

Based on the evaluation of the compliance with all applied FSC Principles of Standard, stakeholders' interview, field inspection of areas for holding business events, analysis of produced documentation, check of the personnel's necessary qualification and competence (including contractors' personnel) and also check the required number of all necessary technical and human resources of the enterprise, the audit group has observed that the forest management system elaborated by the State Enterprise "Popilnia Forestry Enterprise" is put successively into operation and is efficient in general.

5. CONCLUSIONS AND DECISIONS

5.1 Conclusion of auditors

5.1.1 According to the results of the third control audit.

The next conclusion was made, following the third control audit results.

Major conditions (1), Minor conditions (2) and potential non-compliances/Observations (1) were detected.

All non-compliances are requested for corrective measures. The results of corrective actions for closing Major conditions shall be checked before the certificate granting, Minor conditions: within 12 months from the audit ending date.

Based on the above mentioned, the leading auditor recommends that the FSC certificate of forest management and the internal supply chain of the State Enterprise "Popilnia Forest Enterprise" can be extended, taking into account elimination of the identified Major Conditions and Conditions within the required timeframe.

5.1.2. By the results of the of the desk-audit

During the desk audit the enterprise has provided evidences of closure of (1) major conditions and (0) conditions.

Detected: Major conditions (0), Minor conditions (0), as well as potential discrepancies - observation (0).

Closed: Major conditions (1), Minor conditions (0).

Stayed open: Major conditions (0), Minor conditions (2), as well as potential discrepancies - observation (1).

5.2 Certification Committee decision

According to the results of the second audit, published in the report in correspondence with the results of the evaluation of SE "Popilnia FE", the Certification Committee has taken next decision.

Taking into account that management system of the State Enterprise "Popilnia Forest Enterprise" is able to meet all requirements of the applied standard over entire forest area within the evaluation scope,

as well as that the certificate applicant has demonstrated that the described management system is being implemented consistently over all area of the certification, provided presence of open major non-conformities in the State Enterprise "Popilnia Forest Enterprise", the validity of FSC certificate and internal chain of custody may be extended, providing the timely elimination of 1 (one) Major Condition and 2 (two) conditions identified during the previous audit within the established period (Protocol No ref. dd. 04.04.2019).

5.3. Results of current (2nd control) audit

5.3.1. Major conditions

Closed during the D-A, within the 2nd CA

5.3.2. Minor conditions

Closed during the D-A, within the 2nd CA

5.4. The results of the current second control audit. (based on the results of the desk audit).

5.4.1. Major Condition

Major Condition 23 (3Y-23)				
Standard	FC-STD-02 v1-2 i. 6.1.3			
Requirement	The Enterprise provides preliminary assessment of environmental impacts for areas subject for harvesting, artificial reforestation, road construction, earth deposit establishment and other types of nature management.			
Non-compliance	The enterprise carries out insufficient preliminary environmental impact assessment.			
Objective evidence	A survey of management and employees of the enterprise showed that the enterprise carries out a preliminary environmental impact assessment for areas that are allocated for continuous final felling. During further survey of employees of the enterprise was revealed that the enterprise does not conduct environmental impact assessment for areas of forest crops and other economic activities. As a result of the fact that current non-conformity with the same main reason had been indicated in certification cycle a decision has been taken to record a major non- conformity.			
Corrective action fulfilment period for a Major CAR and its current status	Identification date	Fulfilment period	Status	Closure date
	20.03.2019	Before 19.06.2019 (3 months from date of discovery)	Closed	13.06.2019
Conclusions of the certification authority				
Rationale for closing/not closing of the condition	<p>During a remote survey of employee responsible for certification was revealed that the management of the enterprise upon the completion of control audit has carried out a meeting of senior employees. Based on the results of the meeting has been issued the Order № 187-A dd. 26.04.2019 "On the results of the 3d control audit as to the conduction of the forestry and chain of custody certification (FSC)". This order foresees conduction of measures aimed at elimination of non-conformities of the 3d control audit and conduction of unschedule training for engineering and technical personnel.</p> <p>Further survey of employee responsible for certification of the enterprise showed that in the beginning of May 2019 the unscheduled training has been carried out for engineering and technical personnel. The aim of this training was more detailed reviewing of issue as to the conduction of preliminary environmental impact assessment for areas that are used for economic activities of the enterprise.</p> <p>In addition, the auditor has been provided with random certificate of inspections of areas that are allocated for economic activities. These certificates of inspection confirm the conduction of preliminary environmental impact assessment for other economic activities excepting continuous final areas.</p> <p>Conclusion: the enterprise has provided evidences of corrective measures that are sufficient for closure of Major condition.</p>			

5.4.2. Minor condition

Minor condition 25 (Mn-25)				
Standard	FC-STD-02 V1-2 I. 6.7.4			
Requirement	The procedure of using and disposing of chemicals and solid non-organic waste at the enterprise is observed.			
Non-compliance	The procedure of using and disposing of chemicals and solid non-organic waste is insufficiently carried out at the enterprise.			
Objective evidence	<p>During survey of management was revealed that disposing of waste at the enterprise is conducted in compliance with approved Procedure № 8 "Storage and disposing of solid chemicals and fuel and lubricants in the State enterprise "Popilnia Forest Enterprise" dd. 25.02.2106.</p> <p>Further survey showed that industrial waste has not been forwarded for disposing yet and they are accumulating at the stock on the territory of vehicle shop.</p> <p>In the process of the field audit on the territory of storage warehouse of waste was revealed that the enterprise is accumulated scrap metals and scrap tires in order to transfer them for disposing.</p> <p>There are no violations revealed as to the handling the current category of waste.</p> <p>The auditor has also been provided with act of transferring for disposing of accumulator batteries. However, the enterprise did not provide the evidences of accumulation or transferring for disposing of waste of oil filters, fluorescent lamps and household waste.</p>			
Corrective action fulfilment period for a Minor CAR and its current status	Identification date	Fulfilment period	Status	Closure date
	20.03.2019	Before 19.03.2020	Open	

Minor condition 26 (Mn-26)				
Standard	FC-STD-02 V1-2 I. 6.9.3			
Requirement	This procedure is applied at the Enterprise.			
Non-compliance	The procedure of monitoring for invasive plants is insufficiently carried out.			
Objective evidence	<p>A survey of employee responsible for monitoring of invasive plant showed that the monitoring of plantings conditions involved invasive plants is constantly conducted at the enterprise. All monitoring results for invasive plants are documented by employees of forestry divisions and forwarded to the reforestation engineer of the forestry enterprise for their analyzing. The monitoring results of invasive plants for 2018 in the State enterprise "Popilnia Forest Enterprise" have been submitted.</p> <p>Also, in the process of further survey of employees of the enterprise and conduction of the field audit was determined that there is a significant quantity of acacia in the planting.</p> <p>However, the results of monitoring of invasive plants lack information as to the condition of current invasive plant and its effect to parent species and economic activities that are being carried out regarding this invasive plant.</p>			
Corrective action fulfilment period for a Minor CAR and its current status	Identification date	Fulfilment period	Status	Closure date
	20.03.2019	Before 19.03.2020	Open	

6. INTERNAL CHAIN OF CUSTODY

6.1 Risks of timber mixing	The third audit of SE "Popilnia FE" detected that only units of the enterprise provide timber on lower landing. Other production is not purchased.		
6.2 Control systems	The timber harvested in the forest stands of the enterprise is not been mixed with the not certified third-parties' timber on any stage. The Criteria 8.3. section describes the procedure of wood records in more detail.		
6.3 Points of transfer of ownership for timber	Standing timber: The enterprise sells standing timber products, three-length "at stump".		

products	Harvested wood: Timber is sold from the upper landing (loading site) or from the intermediate storage.	X
	Lower landing of the enterprise: The transfer of ownership on the lower landing is under the control of the enterprise..	X
	Production/warehouse outside the enterprise: The transfer of ownership takes place when unloading at the buyer's warehouse.	
	Other: The scope of the internal CoC finishes when short logs are stacked at the rafting grounds or at the lower landing. Then a scope of a separate CoC certificate issued to the enterprise shall become valid.	
	Commentary:	
6.4 Documents description	<p>The system of electronic record of timber production is applied on the enterprise. All assortments are marked by tags with individual number. Tag numbers and parameters of assortments are entered and stored in the computer memory. By the delivery of timber, TTN forest is created. All necessary information about the client and provider, volume of delivered production, parameters of timber is collected here. In quality of TTN forest annex the specification is formed with the data about all assortments.</p> <p>Timber is shipped either on upper landing, on transport of the enterprise, or on low landing where the shipment is carried out on the transport of client.</p> <p>TTN forest is created when the production is delivered from low landing by vehicle. If timber is delivered by railway, rail consignment is provided. Tags are saved on assortments for both cases.</p>	

6.5 FSC logo use

Used, agreed with Forest Certification LLC	
Used, not agreed with Forest Certification LLC	X
All uses of the FSC Trademark comply with FSC-STD-50-001	X
Not used.	
If used, it is used as follows:	
Separation / Marking of wood (on product)	
- in shipping documents	
- stationary	
- business cards	
- Web site	X
- Other	