

**ASSESSMENT OF A. W. FABER-CASTELL PLANTED FOREST MANAGEMENT
IN PRATA, UBERLÂNDIA, AND COROMANDEL REGION,
STATE OF MINAS GERAIS - BRAZIL**

**CONDUCTED ACCORDING TO THE PRECEPTS OF SCS FOREST CONSERVATION
PROGRAM**

Certification Program Accredited by FSC

**Certificate registered under number
SCS-FM/COC-0081P**

**SUBMITTED TO
A. W. FABER-CASTELL S.A.**
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13560-911 – São Carlos – Estado de São Paulo
BRASIL

Coordinated by Vanilda Rosângela de Souza
Date of field audit: August 17th to 20th, 2009

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**BY
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Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and the results of the evaluation. Section A will be posted on the SCS website (www.scs-certified.com) no less than 30 days after issue of the certificate. Section B contains more detailed results and information for the use of A. W. Faber-Castell S.A.

Recertification process

Recertification process of the forest management conducted by A. W. Faber-Castell in the municipalities of Prata, Uberlândia, and Coromandel, State of Minas Gerais, Brasil, over an area of **9,538.99 ha**, of which 6,092.36 ha are pine plantations and 2,858.85 ha in native vegetation conservation areas.

FOREWORD

Scientific Certification Systems, a certification body accredited by the Forest Stewardship Council (FSC), was retained by A. W. Faber-Castell S.A. to conduct a certification evaluation of its planted forest estate. Under the FSC/SCS certification system, forest management operations meeting international standards of forest stewardship can be certified as “well managed”, thereby enabling use of the FSC endorsement and logo in the marketplace.

In August, 2009, an interdisciplinary team of natural resource specialists was empanelled by SCS to conduct the evaluation. The team collected and analyzed written materials, conducted interviews and completed a four-day field and office audit of the subject property as part of the certification evaluation. Upon completion of the fact-finding phase of the evaluation, the team determined conformance to the 56 FSC Criteria in order to determine whether award of certification was warranted.

This report is issued in support of a recommendation to award FSC-endorsed certification to A. W. Faber-Castell S.A. for the management of its planted forest estate. As detailed below, certain pre-conditions (also known as Major Corrective Action Requests) that were stipulated by the audit team upon completion of the field audit were addressed by A. W. Faber-Castell S.A. and cleared by SCS prior to finalization of this report. In the event that a certificate is awarded, Scientific Certification Systems will post this public summary of the report on its web site (www.scs-certified.com).

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SECTION A - PUBLIC SUMMARY AND BASIC INFORMATION

1 GENERAL INFORMATION

1.1 FSC Data Request

Applicant entity	A. W. FABER-CASTELL S. A.
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WEB	www.Faber-Castell.com
Certificate number	SCS-FM/COC-0081P
Certificate Type	Two blocks, a single management plan (FMU)
Number of FMU	1
Number of farms for assessment with less than 100 ha	0
From 100 to 1,000 ha	7
From 1,000 to 10,000 ha	3
More than 10,000 ha	0
Location of the forests to be certified	Municipalities of Prata, Uberlândia, and Coromandel, MG
Latitude	18° 30' and 20° 30' S
Longitude	47° 00' and 51° 00' W
Forest zone	Cerrado and transition areas
Total forest area in scope of certificate which is included in FMUs that are:	9,538.99 ha
less than 100 ha	0 ha
from 100 to 1,000 ha	4,915.84 ha
from 1,000 to 10,000 ha	4,623.10 ha
more than 10,000 ha	0 ha
Land tenure	Privately owned (65 %) and leased (35%)
Number of forest workers (including contractors) working in forest within scope of certificate	One worker hired by the company and 85 by contractors
List of pesticides used in the FMU	Glyphosate, Isoxaflutol and Sulphluramide*.
Area of forest and non-forest land protected from commercial harvesting of timber and managed primarily for conservation objectives	2,858.85 ha
Areas defined as High Conservation Value Forest	Faber-Castell sent documents to IEF (Instituto Estadual de Florestas – Minas Gerais State Forest Institute) to legalize its RPPN (Private Reserve of the Natural Heritage) corresponding to Fazenda Bonito de Cima, with 506.77 ha, located in the municipality of Coromandel. The process is under way. Moreover, the company defined as HCVF the conservation area at Parque Florestal Jussara de Minas, with approximately 270 ha.
List of high conservation values present	<ul style="list-style-type: none"> • Animal species threatened to extinction;

	<ul style="list-style-type: none"> • Plant diversity.
Total area of production forest	6,092.36 ha
Area of production forest classified as 'plantation' for the purpose of calculating the Annual Accreditation Fee (AAF)	6,092.36 ha
List of main commercial timber and non-timber species included in scope of certificate (botanical name and common trade name)	<i>Pinus caribaea</i> var <i>hondurensis</i> (pine)
Approximate annual allowable cut (AAC) of commercial timber	Approximately 60,000 st/year
List of product categories included in scope of joint FM/COC certificate and therefore available for sale as FSC-certified products	Pine logs

* Used under derogation process

1.2 Forest Management Context

Faber-Castell is one of the oldest industrial groups in the world. It was created prior to the French Revolution and the formation of the United States of America. The company was founded in 1761 at Stein, near the city of Nuremberg, Germany. It is a family property in its 8th generation of management and hires more than five thousand workers worldwide.

In Brazil, **A. W. Faber-Castell S.A.** is established since 1931 as the main subsidiary of the group, with nearly 2,700 workers. It is formed by two production units (one in São Carlos, State of São Paulo and the other in Prata, State of Minas Gerais) and a seedling production unit and forest operations in Prata. The group maintains a permanent preservation area in Morretes, State of Paraná, and one unit for production of plastics in Manaus, State of Amazonas. Its commercial and marketing areas are located in São Paulo, with a wide sales network which ensures distribution of its products to the whole country. While other industrial groups in the pencil manufacturing sector must resort to timber from natural forests, **A. W. Faber-Castell S.A.** Forest Project in Prata, MG, is the only one in the sector to own planted forests to supply its industrial needs. The company forest project started in 1989 by planting *Pinus caribaea* var. *hondurensis* in the Triângulo Mineiro region. In 1999, the company was awarded the FSC (Forest Stewardship Council) certificate. In 2009, it celebrated the 10th anniversary of certification of its forest management located in the municipalities of Prata and Uberlândia, MG.

The forest management practiced by A. W. Faber-Castell S.A. abides by the national and state norms and laws pertaining to the activity. The following regulations must be complied with:

At federal level:

- a. The Brazilian Forest Code (Law 4771/65, altered by the Law 7803/89) – Permanent Preservation Areas (APP), Legal Reserve (RL), mandatory forest reposition.
- b. Provisional Measure n° 2166-67, of Aug/24/2001, which alters the Law 4771/65 (Forest Code).
- c. CONAMA Resolution 0004/85 – Permanent Preservation.

- d. Federal Law 6938/81 - Permanent Preservation.
- e. Federal Law 7754/89 - Permanent Preservation.
- f. Federal Law 8171/91 – Legal Reserve.
- g. Provisional Measure nº 1956-53, of 2000 – restoration of Permanent Preservation Areas and Legal Reserves.
- h. Federal Decree 50877/61 – CONAMA Resolution 357/05 (revokes the Decree 20/86) – establishment of the maximum pollution load for each class of use.
- i. Federal Law 7802/89 (regulated by the Federal Decree 98816/90) - IBAMA Ordinance 84/96 – pesticide use.
- j. Federal Law 6938/81 regulated by the Federal Decree 99274/90 – Environmental Impact.
- k. Federal Law 6938/81 (regulated by the Federal Decree 99274/90) – CONAMA Resolution 237/97 – Licensing of road infrastructure and gravel quarries.
- l. Federal Law 9605/98 – Environmental Crime Law.
- m. IBAMA Ordinance 162/97 – Federal Law 9393/96 – Rural Estate Tax and Environmental Declaration Act.
- n. Law 10267/01 – new National Rural Estate Register.

At state level:

- a. IEF (State Forest Institute) Ordinance 02 – DAIA (Authorization Document for Intervention in the Environmental)
- b. IEF Law 18365 – Forest Policy and Biodiversity Protection Policy in the State of Minas Gerais.
- c. IEF Ordinance 06 – Registry of the forest base of companies in the State of Minas Gerais.
- d. IEF Ordinance 09 – Definition and annotation of legal reserves; procedures for compensation.
- e. IEF Ordinance 140 – Interference in areas considered as of permanent preservation.
- f. IEF Ordinance 141 – Prohibition of controlled burns.
- g. IEF Ordinance 174 – Log transport from planted forests in the State of Minas Gerais.
- h. IEF Standard 74 – Environmental Authorization for Operation (AAF).

At municipal level:

- a. Payment of ISSQN (tax on services of any nature), when utilizing services from third parties.

In addition, payment of all labor taxes is mandatory in the federal and state levels; these include:

- a. Social security.

- b. FGTS (severance fund).
- c. Corporate fees (Union fees).

1.2.1 Environmental context

A. W. Faber-Castell S.A. forest management unit is located in the center of Triângulo Mineiro (Minas Gerais Triangle) region, in the western section of the State, between 47° 00' and 51°00' W and 18° 30' and 20° 30' S (Figure 1).

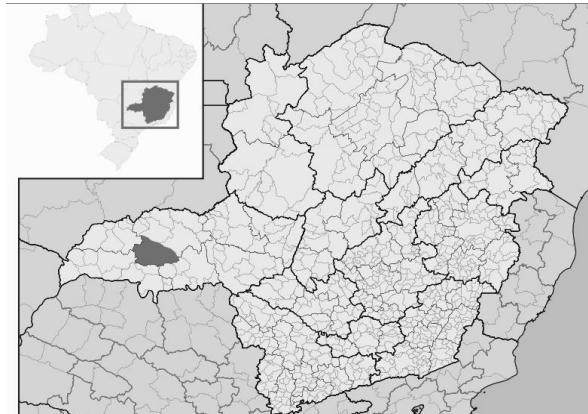


Figure 1. Location of the municipality of Prata (SOURCE: Wikipedia Brasil).

The Forest Parks are grouped into eight regions in the municipalities of Prata and Uberlândia: Salto e Ponte, Buriti dos Bois, Samambaia, Jussara de Minas, Cocal, Vale, Buriti do Prata, and Ipê (Figure 2). The total area covers 9,538.99 ha where 6,092.36 ha are pine plantations and 2,858.85 ha are areas set aside for conservation of the natural vegetation, according to the Forest Management Plan edited in August 2009. Besides, there is an area of approximately 506 ha in the municipality of Coromandel, which is in evaluation process be turned into a RPPN (Private Reserve of the Natural Heritage). This will be formalized at IEF/MG (Minas Gerais State Forest Institute).

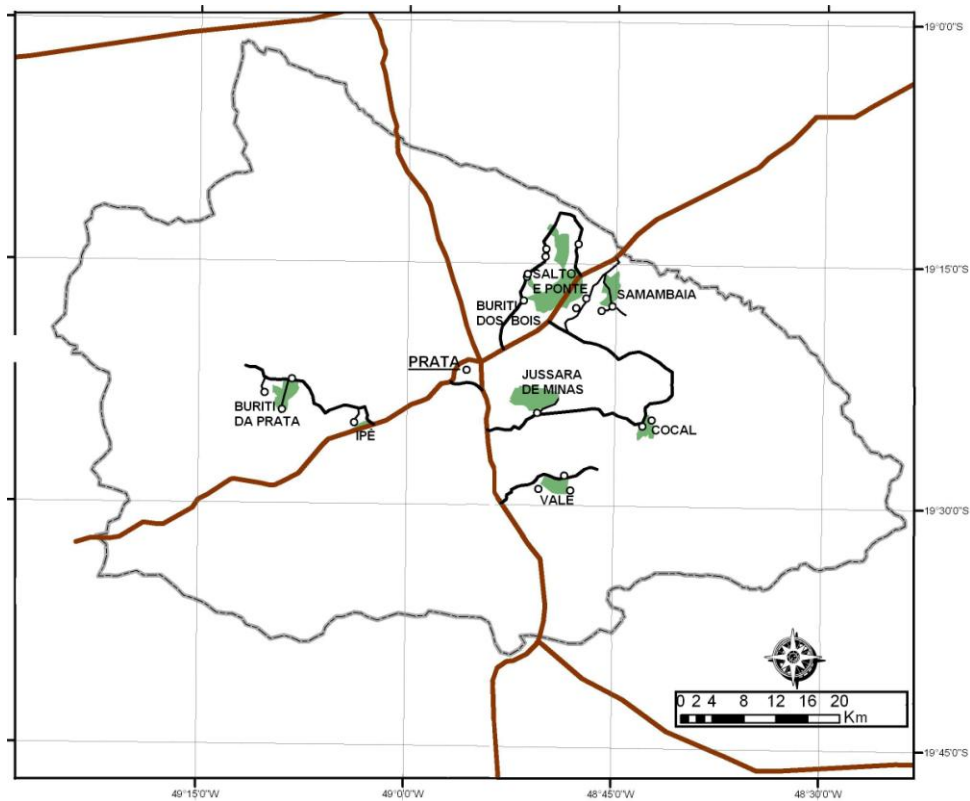


Figure 2. Location of A. W. Faber-Castel S.A. farms in the municipality of Prata, MG

1.2.1.1 Climate

The climate at Prata is characterized by two distinct types as identified in Köppen's climate classification system: *Aw* (semi-humid tropical with alternating dry (May to September), and wet (October to April) seasons, under the influence of air masses, with annual mean temperatures between 19° C and 28° C and mean annual rainfall of 1,500 mm at elevations over 800 m above sea level. In regional terms, the mean annual rainfall is around 1,400 mm, from mid October to mid May but most intensely from December to February. The regional annual mean temperature is 24° C but can escalate to 40° and the minimum can be as low as 7° C. The consequences of this type of climate to the landscape are visible in the form of soil erosions and formation of gullies because of the concentration of the year's rainfall in a short period of time over the sandy soil.

1.2.1.2 Water resources

The A. W. Faber-Castel S.A. forest management unit is located along the ridges between Tejuco and Prata rivers that are part of Rio Parnaíba and Rio Grande basins, respectively. These rivers meet further south at the boundaries between States (Minas Gerais, São Paulo, and Mato Grosso do Sul) and form the Paraná River. The region contains important microwatersheds such as those of Rio Verde, Rio Douradinho, and Rio do Peixe. The FMU is crossed by small streams flowing into Rio Tejuco and Rio da Prata.

1.2.1.3 Geology and relief

In geological aspects, the western part of Minas Gerais State is characterized into two distinct areas set apart by Rio Araguari: the first, made up of the sedimentary layer and basic magmatites (basalts) from the Mesozoic and Cenozoic eras; the second has a predominance of metamorphic and magmatic rocks from the Pre-Cambrian. Almost all Triângulo Mineiro is located in this area of sedimentary-magmatic layer that forms part of Paraná Sedimentary Basin. Its lithology is characterized by rocks from the Baurú Group (Cretaceous) (Figure 3), represented by Uberaba, Marília, and Adamantina formations underneath the basaltic rocks from Serra Geral formation, that is part of São Bento Group (Mesozoic), and the sedimentary rocks from Botucatu formation.



Figure 3. Rock outcrops at Jussara de Minas Forest Park. (Belentani, S. 2007)

1.2.1.4 Soil

At A. W. Faber-Castell areas, the predominant types of soil are Red-Yellow Latosol (Oxisol) and the Argisols (Ultisol; Spodosol). These are well drained, with variable texture. The clay fraction is made up of kaolinite and gibbsite, together with iron oxides and hydroxides. They are acidic (pH around 5.0) with low cation exchange capacity, very poor in bases (distrophic) and highly saturated with exchangeable aluminium (alic) at the foothills. Gleisols and Organosols (hydromorphic soils), also distrophic, can be found at valleybottoms and marshlands. The topography varies from flat to rolling, with abrupt valleys and plateaus with sharp edges.

1.2.1.5 Wildlife and vegetation

The FMU is inserted into the “Cerrado Natural Domain” in the Brazilian Central Plateau, where the most extensive physiognomic type of plant community is the Cerrado (in the broad sense). This phytocoenosis is divided into: Cerradão (xeromorphic woods), Cerrado (in the strict sense), Campo-cerrado (open Cerrado), and Campo-sujo (grassland with sparse shrubs). Cerradão and Cerrado were the dominant formations on the plateau, mainly at Triângulo Mineiro. The Cerrado domain covers nearly 2.000.000 km² and is characterized by two strata: a

herbaceous layer covering the soil, with grasses and woody plants reaching up to 50 cm in height; and a shrubby-arboreous layer with variable density of woody plants of small to medium sizes and crooked stems and branches.

The wooded savana, or Cerradão, occupies areas between rivers, with patches of Cerrado and even Campo-cerrado on soils with severe water and nutrient restrictions. At lowlands, on soils with higher fertility and water availability, the vegetation is characterized as Semi-deciduous seasonal forest along water streams, as well as on marsh forests, on hydromorphic soils. The main tree species found, most of them in the company Forest Parks, are: ipê (*Tabebuia vellosi*), paineira (*Chorisia speciosa*), aroeira (*Myracrodruon* sp.), pau-d'óleo (*Copaifera langsdorfii*), gameleira (*Ficus* sp.), and buriti (*Mauritia vinifera*).

The remnants of the natural forest became severely degraded all over the region, due to intense exploiting and frequent burning. Most of the remanant forest fragments are small and isolated from one another. These are prone to recurrent wild fires.

The Cerrado region is of great environmental importance due to prevalence of savana formations (Cerrados) which, because of the lack of effective protection by the Brazilian law, they are being severely impacted, mainly through land clearings for agriculture. Its conservation becomes even more important since cerrados are considered to be biodiversity hot-spots.

Among wildlife species found in the Cerrado in Minas Gerais, there is a certain degree of endemism in vertebrate groups (16 % of birds and 23 % of mammals). The mammals in the Cerrado are represented by 199 species of which 19 are endemic and nearly 12 % are considered to be threatened to extinction.

1.2.2 Socioeconomic context and a brief history of the region

Faber-Castell FMU extends through three municipalities (Uberlândia, Coromandel, and Prata), in a region known as Triângulo Mineiro. The company office and sawmill are established in Prata. Sawn wood pieces are sent to São Carlos, State of São Paulo, to produce pencil.

The municipality of Prata, where 76.2 % of A. W. Faber-Castell rural properties are located, covers an area of 4,856.626 km² and is home to 26,857 inhabitants (IBGE, 2009). It is the largest municipality in the Triângulo Mineiro region. The economy is based on agriculture (sugar-cane, soybean, and orange) and cattle (milk and beef), as well as an increasing number of swine, chicken, and turkey farms. There are, also, some large companies other than Faber-Castell such as Atta Capiguara S.A. and Cooprata.

The socioenvironmental survey done by the company in 2009 showed that the average *per capita* income in the municipality is equivalent to twice the minimum wage. Illiteracy is relatively high (15.4 %). According to IBGE survey in 2006, the average size of rural properties is 218 ha. Approximately 48 % of these are in the medium size class (50 ha to 500 ha). The analysis of economic indicators such as the participation in added value and the gross internal production (GIP) indicate predominance of the primary sector. The GIP in the municipality is US\$149 million and the educational level is relatively low.

Uberlândia has a population of 750.000 inhabitants and covers an area of 4,115.09 km². The urban area alone covers 135 km² and has an important consumer market. Its economy is based on agroindustry and services. Large wholesale companies are established in the city, including the five largest in the country (Martins, Arcom, Peixoto, União, and Aliança).

There are rural properties of all sizes adjacent to the areas to be recertified. These are dedicated to agriculture and cattle raising. The majority has Legal Reserves (RL) and Permanent

Preservation Areas (APP) registered, although some of them are not in the same watershed. In general, deforestation and use of fire for site preparation are no longer practiced. Fire outbreaks in the rural areas are, normally, of accidental or criminal nature. Pesticide use is at minimum, except in properties dedicated to soybean and seed production. In many properties, permanent residents are employees that tend the cattle and other activities. Usually, the owners reside in other municipalities in the region or, even in other States. There are, also, small landholders that work in other properties or companies in the region to supplement their income.

In general, there is no school in the communities adjacent to the company areas. The students attend school in the city of Prata. To that effect, the city halls provide school transportation, as informed by the residents in the region. The teaching offered in the schools is, in general, considered to be of regular to good quality, with sufficient number of seats to meet the demand of the resident population. The teaching program includes youths and adult education. Although the majority of the population wishes to have good education, school dropouts are common and, consequently, the educational level is low, with lack of stimulus and motivation.

Management activities at A. W. Faber-Castell forests with high potential risks of environmental degradation are monitored and their significant environmental impacts are controlled through preventive and corrective measures. These activities can, eventually, affect local populations, especially the small communities near the company areas. However, so far, no incident of that nature has occurred. Because of potential problems, the conclusion is that these municipalities may have social problems.

1.3 Forest Management

1.3.1 Use of soil

The A. W. FABER-CASTELL S.A. rural estates extend through three municipalities in the State of Minas Gerais, covering 9,885.19 ha (Table 1). Of these, 65 % are owned by the company and 35 % are leased.

Table 1. Faber-Castell forest management areas in the Triângulo Mineiro region.

Municipality	Company area (ha)
Prata	6,885.19
Uberlândia	2,147.03
Coromandel	506.77

1.3.2 Areas outside the scope of certification

All areas, owned and leased by the company (Table 1), are within the scope of certification.

1.3.3 System to control tracking, tracing and identification of forest products

The forest product origin control system refers to procedures adopted by the company to keep track of the products from the wood harvesting site to the delivery in the factory.

1.3.3.1 Evaluation of risks of mixing certified and uncertified product

There is no possibility to have contamination of wood coming from the company certified areas with those from other origins because all wood used in its industrial processes are from its own FMU, where all areas are included in the scope of certification.

1.3.3.2 Description of the log control system

The company uses a detailed procedure for wood identification and control. These are based on forest records and identification of stands (smallest unit of area) of origin. All log output from the management unit goes with a bill of sales with information on the origin, the FSC certificate number, the volume of the load, the identification of the carrier and of the vehicle.

1.3.3.3 End point of chain of custody

The chain of custody system of the wood harvested in the company FMU ends at the exit from the farm to the factory, when the bill of sales (or transfer) is issued.

1.4 Management Plan

1.4.1 Management objectives

The main objective of the forest management by A. W. Faber-Castell S.A. is to **“supply, in a sustainable manner, wood for the production of pencils within technical specifications in quality and economics, based on environmental, social, and economic equilibrium”**

The company's work philosophy is geared toward the sustainable use of natural resources through the following actions:

- Planting only on areas previously occupied with pasture or planted forests;
- Planting discontinuous areas, thereby avoiding excessively extensive plantations in order to achieve a better integration of planted areas with the native vegetation;
- Maintaining and expanding areas with native vegetation in the Forest Parks in order to provide wildlife and plant conditions for normal and continuous evolution;
- Avoiding the use of fire in forest operations;
- Using high genetic quality seeds and seedlings to maximize the use of forest production potential and to minimize the need to occupy further areas with planted forests;
- Using modern forest techniques to promote soil and water conservation;
- Using, in controlled manner, high quality products recommended for forest environment;
- Developing and adopting strategies to constantly improve wood quality and productivity;
- Continually improving relations between men and plantations and the environment;
- Respecting local conditions to ensure success and continuity of forest operations;

The environmental management at A. W. Faber-Castell S.A. is based on the following objectives:

- To achieve an optimum level of knowledge on the environment and its physical, biological, socioeconomical, and cultural components;
- To elaborate the land base plan;
- To organize and improve management through Forest Park management projects and acquiring knowledge on the ecological dynamics;
- To evaluate reactions and impacts possible to be managed;
- To use the Forest Parks for research purposes;
- To monitor the implementation of proposals and the effectiveness of actions by identifying eventual deviations and updating decisions;
- To formally record the level of knowledge and the decisions (standardization) on the use of natural resources and spaces to ensure constancy and coherence in park management.

The social management at A. W. Faber-Castell S.A. is based on respect to the individuals and to the environment by valuing its collaborators and the communities adjacent to the operational areas. In order to achieve these objectives, the company maintains:

- The “Ecomunidade” Program with the objective to maintain, create, stimulate, and disseminate actions to transmit its traditions as a company that is geared by a set of socioenvironmental policies and principles to generate values for all stakeholders (consumers, clients, suppliers, collaborators, society, and stockholders);
- Health and labor safety services;
- Continuing professional training;
- Support to education.

1.4.2 Composition of the Management Unit

The area considered within the scope of certification is made up of 11 real estates covering 9,538.99 ha of which 6,218.04 ha are its own areas and 3,320.95 ha are leased (Table 2).

Table 2. A. W. FABER-CASTELL S.A. forest farms

Farms	Areas (ha)	Municipalities	Type of land tenure
Salto e Ponte	1,742.08	Prata	Own
Samambaia	763.10	Prata	Leased
Buriti do Prata	777.77	Prata	Leased
Douradinho	610.20	Uberlândia	Leased
Cocal	539.72	Prata	Leased
Vertente Grande	1,536.83	Uberlândia	Own
Vale	630.14	Prata	Leased
Buriti dos Bois	951.42	Prata	Own

Jussara de Minas	1,344.19	Prata	Own
Ipê	136.72	Prata	Own
Bonito de Cima	506.77	Coromandel	Own
TOTAL	9,538.99		

Source: Adapted from Faber-Castell, 2004.

The 506.77 ha area located in the municipality of Coromandel is in evaluation process by IEF/MG (Minas Gerais State Forest Institute) to be transformed into an RPPN (Private Reserve of the Natural Heritage).

1.4.3 Silvicultural System

The sustainable forest management deals with the study, the development, and the application of modern techniques in managing planted forests to achieve high wood quality and productivity in balance with the economic development and the maintenance of natural resources. To that effect, the company has identified factors that affect production, mainly those related to water, light, and nutrient availability for tree growth and forest production.

The application of silvicultural techniques, together with the development of research projects has provided significant improvements in forest activities (operational and productivity). These improvements can be observed in monitorings performed by the company.

The company silvicultural and management systems are focused on planting and tending *Pinus caribaea* var. *hondurensis* in monoculture regime. The spacings used are 3 m x 2 m and 3 m x 3 m at planting and sloping terrains are observed to minimize soil erosion. The basic management units are the stands. These are separated from one another and from natural forests with fire breaks, roads, or hauling trails. Areas for successive annual plantings were defined in ways to take into account the future wood supply and demand by the pencil factory.

New plantings are established on pasture lands or on areas previously occupied with forest plantings. Plantings over extensive areas are avoided; the project was divided into 10 Forest Parks distributed over the landscape and staggered with permanent preservation areas and legal reserves. When the company acquires or leases areas, it takes over the environmental liabilities, with commitment to adequate them to the current legal requirements and to restore biodiversity. Therefore, the company started to develop enrichment plantings with native tree seedlings.

Selective thinning is applied instead of the systematic thinning that was usual until 2001 in forest management. In selective thinning, the stand density is adjusted as trees start to compete for space, light, and nutrients and the initial spacing becomes inadequate. In this process, trees with bad form and poor sizes are removed. Thus, value is added by improving quality and yield in remaining trees. The wood removed in this operation is used on the farm in the form of firewood, or sold as wood chips and raw-material for particle board industries.

1.4.4 Management system

Silviculture

The work procedures in forest management operations are drafted, approved, revised, and controlled by the Forest Department of the Timber Division. These procedures are references in planning and execution of management activities, as well as in monitoring and auditing

operations. Therefore, they are also part of the Environmental Management Plan (PGA) of Faber-Castell.

Services contracts for forest operations are based on work procedures. Contractors must abide by the updated and current versions of these procedures. This is made possible through distribution of controlled copies of the documents.

Faber-Castell adopts well defined operational procedures for all silvicultural activities, always aiming at the reduction of costs and the respect to social and environmental aspects, as the basis for the company forest development. Field operations are divided into three large stages: establishment, maintenance, and harvesting (Table 3).

Table 3. Silvicultural activities at Faber-Castell in the Triângulo Mineiro region

ESTABLISHMENT	MAINTENANCE	HARVESTING
Seedling production	Control of leaf-cutting ants	Clear-cutting
Control of leaf-cutting ants	Weed control	Delimiting
Land clearing	Road maintenance	Planning of fire-breaks
Site preparation/subsoiling	Pruning	Hauling
Fertilizing	Selective thinning	Stacking
Control of termites	Soil conservation	Loading
Planting		Final transportation
Replanting		
Soil conservation		

Seedling production: the seedling nursery was built to meet the demand for the company plantations. The best technology available is used to achieve high production capacity and minimum environmental, phytosanitary, and ergonomic risks. The equipments were internally projected and developed. Its nominal capacity is 2.5 million pine or eucalypt seedlings a year.

The bark remaining after wood processing in the mill is used as substrate. It is mixed with other components such as ash and fertilizers. The use of soil is avoided because it would involve its removal from the environment. After seeding in plug-tubes, if there is no germination, the substrate is removed for reuse. When there is no demand of seedling by the company, the nursery is leased to other producers so that the structure is kept in use and maintained operational, thus avoiding idleness.

Soil preparation: local conditions are respected for soil preparation by taking into consideration soil type, slope and fragility. Conservation techniques such as minimum cultivation, contour-line planting, and water run-off barriers are used. Fire is not used in soil preparation. Subsoiling and decompaction are performed only along the planting lines to provide growth conditions for the seedlings. Fertilization along planting lines is done simultaneously with subsoiling. The type of fertilizers to be applied is defined after soil fertility analysis.

Planting: the seedlings are planted in spacings defined in the work procedures and by using the best seedlings that are available.

Pest monitoring and control:

Leaf-cutting-ants: leaf-cutting-ants are controlled with poison baits containing sulphuramide as the active ingredient.

Wood-wasp: an agreement was established with UNESP-Botucatu, in 2006, to set up a preventive monitoring system to detect presence of forest pests in the region, especially wood-wasp (*Sirex noctilio*). So far, this pest has not been detected.

Weed control: weed control is performed both mechanically and chemically. The mechanical method consists of either using tractor powered mechanical slashers or manual slashing. The chemical control involves either mechanical or manual spraying with herbicides with glyphosate as the active ingredient.

Forest fire prevention and control: to prevent forest fires, the company determines the daily estimate of forest fire likelihood. In addition, it builds and maintains fire breaks and access roads to the stands to contain the spread of fires. Also, water loading spots are maintained. The fire control strategy effectively starts with the spotting of fire outbreaks. The fire surveillance system is equipped with two watchtowers established in strategic places that provide a good visibility of the company's main forest stands. In addition, land surveillance with motorcycles was established. This broadens the surveillance coverage area by including all of the company's Forest Parks. If a sign of smoke is spotted, the watchman relays the instrument readings to the communication center for verification on the map. After determining the exact location of the fire, surveillance motorcycles are deployed for the first assessment. The forest fire prevention crew includes 44 internal collaborators that undergo periodic trainings in fire prevention, control, and first-aid. Other equipments include a tanker truck with 8,000 liter capacity with all necessary resources to control forest fires such as foam generator, monitor cannon, hose, etc. and a tool carrying vehicle. The tools include shoulder pumps, hoes, rakes and others. Moreover, the company invests in awareness and in good relations with neighbor residents. In order to keep close relations and to broaden the communication, the company, periodically, updates the record on neighbors and announces the toll-free telephone number (0800-34-9505) for contact.

Wood harvesting: wood harvesting is semi-mechanized and has the objective to supply pine logs to the company's pencil factory in Brazil. This operation is performed in three stages: 1) first thinning; 2) second thinning; and 3) clearcutting. The first thinning (selective) is done at ages between seven and eight years by removing around 20 % of the trees planted at the density of 1,583/ha. The second thinning is done at ages between ten and eleven years by removing additional 16 % (203 trees/ha) of the remaining trees. The clearcutting is projected for the age of 25 years.

The main activities in harvesting operations are tree felling, hauling, stacking, and transport. The operations are semi-mechanized. Tree felling and delimiting are done with chainsaw and the removal of logs from the stands is by mechanical hauling. All operations are performed in ways to minimize impact on the soil, water, and conservation areas. Log loading is done with cranes and transportation with trucks and trailers.

The pencil factory uses logs with diameters in the range of 16 cm to 40 cm over bark. Logs outside that range are sold on the market for energy (firewood and wood chips) and for particle board. Thus, it promotes the multiple use of the forest and maximizes the use of resources. Branches, tops, and needles are left on the ground for soil protection and nutrient cycling.

Environmental planning: the planning of the company's environmental management (PGA) was structured to meet the following objectives:

- Reach an optimum level of knowledge about the environment and its physical, biological, socioeconomic, and cultural components;
- Elaborate the land planning;
- Organize and improve Forest Park management on the basis of the knowledge about their ecologic dynamics and assess the reactions and impacts that can be managed by using the forest parks for research purposes;
- Monitor the effectiveness of actions, deviations, and decision updates on the implementation of the proposals;
- Formally record the level of knowledge and the decisions (regulation) about the use of natural resources and spaces so that constancy and coherence in park management are ensured.

By taking into consideration the formal objectives of the PGA, the company has further adopted the following strategic guidelines:

A – Characterization of the physical and biological environments

- Survey of wildlife and vegetation in the Parks and their monitoring;
- Mapping of soils in the Forest Parks;
- Landscape framework;
- Identification and characterization of degraded areas;
- Park water resource management plan.

B – Conservation and management of the physical and biological environments

- Protections and conservation of legal reserves and permanent preservation areas;
- Management and conservation of natural habitat and populations of wild species found in the Parks or that could potentially exist (rare and endemics), through environmental, wildlife and vegetation projects;
- Reclamation of degraded areas, including control of advanced erosion processes;
- Customizing forest management in different Parks and stands, based on environmental characteristics such as natural formations in the surroundings.

C – Land planning

- Mapping of all Parks;
- Survey of planted areas as well as legal reserves and permanent preservation areas;
- Establishment of the ecologic corridor network in the Forest Parks;
- Establishment of the Forest Management Unit Adjustment Plan with definition of legal reserves, permanent preservation areas, planted areas, and the road system;
- Wildlife and vegetation zoning with emphasis on refuge, feeding, and reproduction areas for species that are threatened, rare, and endemic.
- Studies on potentialities and fragilities of the Forest Parks.

1.4.5 Monitoring system

The company monitors the following processes:

- Rational use of pesticides;
- Pests and disease outbreaks:
 - ❖ Leaf-curring-ants (*Acromyrmex* spp).
 - ❖ Wood-wasp (*Sirex noctilio*). The occurrence of this pest is being monitored with help from UNESP-Botucatu.
 - ❖ Invasive plants competing with commercial plantations for water, nutrients, and light.
- Labor accidents and incidents;
- Compliance with the labor and tax laws by the company and by service contractors;
- Vegetation (Arboris Project);
- Wildlife in the Forest Parks (Animalis Project);
- Environmental education;
- Reclamation of degraded areas;
- Forest fires
- Forst productivity
- Microwatersheds;
- Water potability;
- Residues;
- Operational yield;
- Product yield;
- Social impacts;
- Environmental impacts;
- Erosion processes (gullies);
- Maintenance of Forest Parks.

Wildlife and vegetation monitoring project

The environmental projects (Arboris and Animalis) developed by the company are in quest of knowledge about the effect of activities performed during the forest cycle.

- Arboris Project has the objective to maintain the natural vegetation in the Forest Parks by means of conservation practices and care with legal reserves and permanent preservation areas; moreover, recomposition and valuing of Cerrado native vegetation are sought.
- Animalis Project addresses the knowledge and monitoring of wildlife species found in Forest Parks, both in native environments and in pine plantations in different stages of development to create conditions to maintain and attract wildlife into these environments. In addition, understanding of the native wildlife population dynamics is sought through short-, medium-, and long-term studies involving inventory and monitoring of groups such as birds, mammals, amphibians, reptiles, and insects.

Water potability analysis

The water for human consumption is periodically analyzed for potability as a means to check the quality of its treatment, in compliance with the current law.

Control and monitoring of invasive species

Biologic invasion occurs when an animal or plant species, introduced into a given environment, adapts and establishes itself. By propagating and dominating native species and driving them away, it causes loss of biodiversity and changes in ecologic cycles. Not all exotic species become invasive; reciprocally, not all invasive species are exotics. Native species also can become invasive, depending on how the environment is managed. The real problem is not in regard to the number of invasive species present in an area but their aggressivity and domination over the native species.

From the knowledge of negative impacts on the environment that an invasive species can cause, the company committed itself to prevent, control, and eradicate such species, with priority in Legal Reserves and Permanent Preservation Areas. The invasive species presently under control are pines (exotic) and bamboo (native).

Waste management

Waste monitoring is fundamental for its management, especially of that generated in the operational and administrative areas. The focus is on records, handling, temporary storage, and adequate disposal of these wastes.

Erosion control plan for areas in the initial process

The Erosion Control Program has the objective to implement erosion process control measures at chosen spots within the company areas. The method involves fixing wood stakes at a set distance from the gully edge and variations in this distance are measured periodically. The Plan serves as the guideline for actions to contain the erosion process so that sedimentation of water streams is minimized.

Soil conservation

Run-off water containment ponds were dug along ditches next to the roads and to legal reserves and permanent preservation areas as a soil conservation measure. These ponds are built with the purpose to contain the water and sediments it carries. This favors seepage through the soil, especially in areas planted to pines where the terrain has steeper slopes. The maintenance of the ponds is done throughout the year, especially after rainy periods. The other important measure adopted in the Forest Parks is the maintenance of litter on harvested areas.

1.4.6 Estimate of forest production sustainability

Faber-Castell established the Wood Research and Development (PDM) section in the Wood Division, which provides support to forestry and industrial activity developments. This demonstrates the evolution in technical and operational procedures. Research and development

works are based on genetic improvement, silviculture, and management projects. They are aimed at improving forest quality and productivity and, consequently, improving the final product (wood). The other objective is to reduce costs and demand for resources, as well as to minimize environmental and social impacts (forest sustainability).

Management experiments involve studies on spacing, fertilizing, pruning, and management techniques, mainly in stand reformation areas. A summarized description of these experiments is presented on the Management Experiment Guide, which is an annually updated document available for internal consultation.

The genetic improvement program has the objective to develop superior genetic material in yield and wood quality in the soil and climatic conditions prevalent in the region. The commitment of the genetic improvement program involves maintenance of genetic diversity, safety, and provision of high quality seeds and seedlings for establishment and reformation of forest stands. In tree improvement experiments, performance of different provenances of high potential *Pinus caribaea* var. *hondurensis* and *P. tecunumanii* are being evaluated. Some selected families are in field test since 2001. There is, also, a plantation project including native species with identified silvicultural potential (for example, *Schefflera morototoni*). The objective of this line of research is to develop silvicultural techniques for these species for future use in mosaic plantations interspersed with pines, as well as for enrichment plantings within the legal reserves when necessary.

1.4.7 Estimate of planned and present production

Production planning is based on the prognosis from the forest inventory data and the control data on log entry. This planning is drafted and controlled by the forest manager. From 2000 to 2004, the planning and the execution of annual inventories were performed by SIF/UFV (Sociedade de Investigações Florestais, Universidade Federal de Viçosa). From 2005 on, these works were commissioned to FUPEF (Fundação de Pesquisas Florestais).

In 2003, the prognosis and form models were adjusted. This enabled estimation of stocks of wood in different sortings, with the following information:

- Annual estimates of volume, number of trees, and basal area per project;
- Growth rate (mean annual increment and current annual increment) in volume;
- Percentages of failure, dead trees, and *fox-tail*;
- Data for mapping of productivity classes;
- Phytosanitary status of the forests;
- Flowering and fruiting;
- Data to draw growth curves and predictions of wood availability;
- Data to build a simulation model for thinning regimes.

Up until 13 years of age, the forests have produced higher volumes than expected (Figure 4); from then on, the trend is for approximation of the actual and the planned volumes for business.

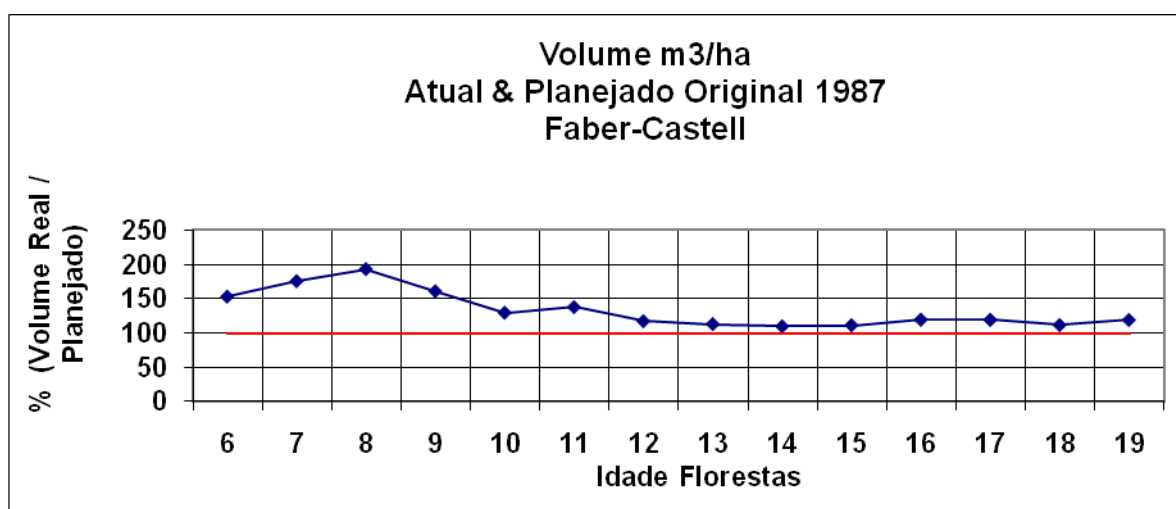
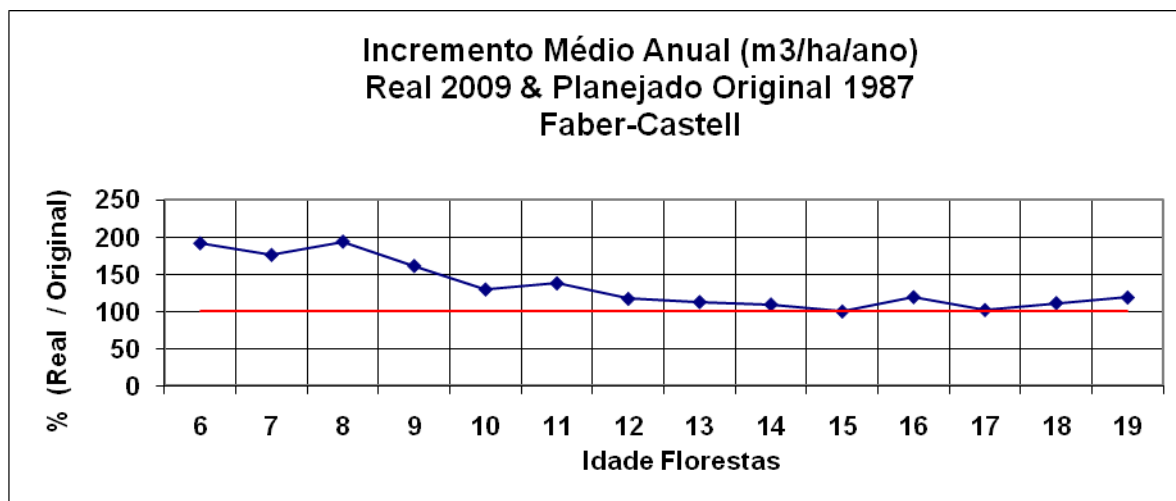


Figure 4. Indicators of productivity and forest management efficiency at Faber-Castell.

Planted pine forests are used, basically, to supply logs to the company sawmill. The production forecast for the period of 2010 to 2017 is presented on Table 4.

Table 4. Estimates of wood volumes (st) for harvest at the A. W. FABER-CASTELL S.A. FMU from 2010 to 2017 by management phase

Management phases	Stock in 2009 (st)	Estimates of volumes (st) for harvest in each year								Total
		2010	2011	2012	2013	2014	2015	2016	2017	
1 st thinning	37,512	4,889	-	-	-	-	-	-	-	272,618
2 nd thinning	37,512	32,695	42,564	9,366	9,766	32,621	3,667	-	-	90,770
Clearcutting	8,987	23,397	20,191	22,028	36,175	51,840	145,377	244,898	-	149,000
Cutting in APP	2,469	1,395	20,191	18,668	4,481	-	1,195	-	-	42,067
TOTAL	2,337,585	62,977	62,376	68,920	50,062	50,422	84,461	151,800	244,898	775,916

1.4.8 Pesticide use

The pesticides used by A. W. FABER-CASTELL S.A. to establish its forests are, basically, ant poisons and herbicides (Table 5). None of them is characterized as of Classes Ia and Ib of the WHO (World Health Organization), nor are they based on chlorinated hydrocarbon. These are not classified as of high persistence, nor do they generate derivatives that remain biologically active or that are cumulative in the food chain. Thus, these products are not banned by international treaties. The application is done in a controlled manner. All workers involved in their application are trained for the activity and use the appropriate PPE (personal protection equipment). The applications are done in ways to minimize risks to the workers' health as well as to the environment.

Table 5. Pesticides used in phytosanitary control at A. W. FABER-CASTELL S.A. forests

Class	Product	License	Target pest	Active ingredient	LD50 Oral (mg/kg)	LD50 Dermal (mg/kg)
Insecticide	Mirex S	yes	Leaf-curring-ants	Sulphluramide	>2.000 (rats)	>2000 (rats)
Herbicide	Glifosato Nortox N.A. (liquid)	yes	Weed	Glyphosate	>2.000 (rats)	>4.000 (rats)

“Mirex-S” has sulphluramide as the active ingredient, which is presently banned by FSC. However, this product continues in use by the company under derogation process.

2 STANDARD USED IN THE ASSESSMENT PROCESS

The SCS Interim Standard for the Certification of Forest Plantations in Brazil, under the Forest Stewardship Council (FSC), version 02 of November 2008 was used for the assessment of Faber-Castell S.A. forest management. This standard is, in most part, based on the FSC Standard for Forest Plantations in Brazil (version 9.0), which was approved by FSC Brasil, but still with pending approval by FSC International. This standard can be accessed at SCS website: http://www.scs-certified.com/forestry/forest_programmat_fm.html.

3 ASSESSMENT PROCESS

3.1 Assessment Dates

Field audit: August 17th to 20th, 2009

3.2 Assessment Team

Dr. Vanilda Rosângela de Souza is a forestry graduate from USP (University of São Paulo) with doctor degree from UFPR (Federal University of Paraná) in Wood Technology. She has over twenty year experience in the career. She held the position of researcher, consultant, and service provider for private companies in Brazil. For the forest departments in companies, she has developed, established, and carried out forest quality control programs. She has also developed research to improve forest productivity and wood quality. She has worked in timber harvesting for more than seven years. In the environmental sector, she has carried out studies and developed programs to minimize environmental impacts caused by forest activities. She has developed management programs to deal with waste generated by forest operations. She has also developed requirements handle chemical products and introduced new products. She has coordinated natural forest fragment studies and projects on reclamation of degraded areas. In the social sector, she has developed human resources qualification programs (training and recycling), involving subjects such as productivity, quality, labor safety, and environment. She has developed projects, established, and carried out environmental education programs for the northern region in the State of Paraná. In the industrial sector, she has developed and carried out programs to integrate Forest x Industry aiming to improve the final product cost and to reduce the production costs; she has also carried out studies and programs for a better use of raw material. She coordinates the SCS certification program in Brazil through Sysflor and has acted as auditor in several processes of preliminary evaluations, certification and recertification of forest management units, including both planted and natural forests, as well as chains of custody of a variety of wood products.

Dr. Jarbas Yukio Shimizu is a forestry graduate from the Universidade Federal de Viçosa with M.Sc. in Forest Sciences from the University of Florida (USA), Ph.D. in Forest Genetics from North Carolina State University (USA), and post-doctor in Population Genetics from Oregon State University (USA). Other trainings include Forest Gene Resources Conservation and Forest Tree Species Micro-propagation in Japan; Conservation and Use of Phythogenetic Resources in Spain and Environmental Management System Lead Auditor intensive course in Brazil. He has more than 30 years experience in activities such as development of forest research projects in cooperation with IBDF/PNUD-FAO, and subsequently as a researcher for Embrapa Florestas, where he worked in silvicultural area, tree improvement, forest genetics, and conservation of forest gene resources. He was also the leader of several conservation and genetic improvement projects and held the position of Technical Director of the National Forest Research Center. He has also worked as a consultant in silviculture and improvement of fast growing tree species for official forest research institutions and forest companies in Chile, Mexico, Mozambique, Uruguay and Brazil. He has offered intensive tree improvement courses at Universidad Nacional de Colombia and at Universidade Estadual do Centro-Oeste (UNICENTRO-Campus de Irati), PR. He has also acted as advisor and co-advisor to forestry graduate students at both master and doctor levels in Agronomy and Forestry at the Universidade Estadual de Maringá and Universidade Federal do Paraná. Since early 2008, he has worked as auditor in FSC forest management and carbon offset in Brazil for SCS through Sysflor.

Dr. Rosemeri Segecin Moro is a graduate and M.Sc. in Biological Sciences from UFPR and doctor in Biology from UNESP (Universidade Estadual de São Paulo) Rio Claro campus. She has been an Associate Professor at Universidade Estadual de Ponta Grossa (UEPG) since 1987 in

General Biology Department. She has also been teaching a course in Land Management since 2005 (UEPG) covering subjects such as Landscape Ecology and Environmental Planning. She has also held the teaching position on Environmental Management since 1998. She has advised a number of undergraduate and graduate students. She has developed projects in environmental issues sponsored by Fundação Araucaria and has a research partnership, through FAUEPG, in Nature Conservation with ICMBio, COPEL, and others. She has taken part of several research teams to elaborate Management Plans for Preservation Units and municipal Master Plans. She has been a member of the Board of Directors of Parque Estadual de Vila Velha and of the State Advisory Committee on Riparian Forests in the State of Paraná.

3.3 Assessment Process

The assessment of Faber-Castell planted forest management for the recertification process started with a public consultation in July, 2009. FSC Brazil and a number of environmental, social, and economic institutions with local, regional, and national coverage were notified through e-mail and regular mail services.

The multidisciplinary team of auditors, specialized in forestry, economics, environmental, and social areas performed the main audit in the period of August 17th to 20th, 2009 by verifying documents and the formal procedures in management. In field work, all auditors verified the operational procedures in harvesting, planning, tree felling, log transportation, and labor safety. Environmental and social aspects were also verified (itinerary on item 3.3.1).

On the last day of assessment, the auditors convened to analyze the information gathered during the field work. These were compared with the Principles, Criteria, and Indicators of the SCS Interim Standard for the Certification of Forest Plantations in Brazil. Finally, corrective actions request were determined with deadlines for compliance and recommendations. These were presented to the manager and the company technical staff during the closing session.

3.3.1 Itinerary and sites visited

Each auditor, independently, visited several sites to verify aspects of particular interest in his/her specialty (Table 6). Thus, in some cases, the same farm was visited on different days by different auditor to assess the operations under varying perspectives.

Table 6. Sites visited by the auditors to assess Faber-Castell forest management in 2009

Dates	Purposes/Activities	Farms/places	Auditors
Aug. 17 th , 2009	Audit opening meeting.		
	Analysis of documents (programs, maps, projects, controls etc.).	Office	All
	Visit to IEF (environmental agency) to verify odds, licensing, etc.	IEF Office in Prata	Rosemeri
	Verification of leaf-cutting-ants control operation, adjustments to APP, road conservation, and	Fazenda Samanbaia; Fazenda Buriti	Jarbas

	erosion control.	dos Bois; Fazenda Salto e Ponte	
	Interview with local and institutional leaderships and with representatives of the local society.	Municipality of Prata	Vanilda
Aug. 18 th , 2009	Assessment of performance in experiments on restoration of degraded areas in pasture lands. Assessment of erosion control program. Inspection of road conservation. Checking of map fidelity. Assessment of APP and RL.	Buriti dos Bois Forest Park	Rosemeri
	Inspection of attributes of the indicated HCVF. Checking of map fidelity. Assessment of APP and RL. Inspection of road conservation.	Jussara de Minas Forest Park	Rosemeri
	Verification of forest fire and labor accident monitoring programs and the forest activity cost control.	Office	
	Inspection of manual thinning and pruning operations, and interview with workers (chainsaw operators and helpers). Verification of workers transportation. Checking of mature stands, conditions of APP, signaling of the property, and pesticide storage.	Fazenda Vale; Fazenda Cocal	Jarbas
	Visit to environmental agencies (IEF/SUPRAM and IBAMA)	Uberlândia	Vanilda
Aug. 19 th , 2009	Verification of adjustment and restoration of APP. Verification of map fidelity and Road conservation.	Fazenda Samambaia; Fazenda Douradinho	Rosemeri
	Verification of harvesting operation and visit to fertilizer experiments and clonal tests.	Fazenda Salto e Ponte II	Jarbas

	Assessment of the maintenance and the state of conservation of forest roads; harvesting and log transport, general conditions of labor (safety, transport, meals); workers documents; conservation of natural vegetation samples; and maintenance of planted stands.	Fazenda Vale	Vanilda
	General documents and records on workers training and on tax payment.	Company office	
	Visit to IEF (environmental agency) to verify odds, licensing, and other aspects.	IEF Office in Prata	Rosemeri
Aug. 20 th , 2009	Meeting with the company administration. Analysis of documents (programs, maps, projects etc.). Consolidation of collected information and comparison with FSC Principles and Criteria, and determination of conditions. Presentation of conditions to the company.	Office	All

3.3.2 Assessment of the management system

The social aspects were assessed by Vanilda and Jarbas by surveying primary and secondary data regarding the several levels of representation of the local and regional civil societies, as well as public agencies dealing with environmental and forest activity issues. Attention was called to labor conditions including safety, training, transport, meals, wage, tax payment, and compliance with the law. To that effect, company employees as well as workers hired by service contractors were interviewed. Particular attention was paid to interviews with local leaderships and to the visits to adjacent communities. Representatives from institutions were also interviewed during the auditing process.

In order to analyze environmental aspects, Rosemeri and Jarbas visited operations sites and offices. Map material and field procedures were analyzed. Field visits included verification of map fidelity and any environmental mismanagement. Special attention was given to areas protected by law, such as the Permanent Preservation Areas and those defined as Legal Reserves. Sample verification was performed on the remnants of the natural vegetation in order to evaluate the degree of human influence and the efficiency of actions for their protection and conservation. The maintenance of internal roads was assessed by verifying procedures and their impacts on water streams and on the remnants of the natural vegetation. Locations set aside for

the monitoring of wildlife and natural vegetation, as well as for environmental education activities were also visited.

For the analysis of forest aspects, Vanilda and Jarbas went on guided visits to inspect activities such as site preparation, planting, harvesting, log hauling, and transport operations. Sites where operations had already been finished were also visited in order to evaluate environmental impacts. Other aspects verified were the control of invasive exotic species, planning system, forest production control, production records, map base, and all pertaining documents.

3.3.3 Consultation to local leaderships (stakeholders)

According to SCS procedures, the consultation to the most relevant local leaderships is an important component of the management assessment process. The consultations were performed prior to the field work by sending correspondences to several institutions. During the audit, the consultation took place in several locations, including interviews with representatives of several segments of the civil society and the population. Among those interviewed were union leaders, representatives of public agencies, private organizations, local and political leaderships, as well as residents in the neighborhood of the company properties and in the municipality. The main purpose of the consultation was to:

- collect information from the affected parties about the strong and weak points of the planted forest management practiced by A. W. Faber-Castell S.A. and, also, to evaluate the nature of the interactions between the company and the neighboring population;
- verify whether the person in charge of the forest management had consulted the stakeholders to identify any area with high conservation value.

The main stakeholders in this assessment were identified on the basis of a listing presented by the company and by searching other sources. The following groups were defined as the main stakeholders:

- company employees, including management personnel and field workers;
- contract workers;
- neighbor landholders;
- residents of neighboring villages;
- FSC-Brazil members;
- Local and regional members of environmental NGOs;
- Local and regional members of social NGOs;
- Company product buyers;
- Federal, state, and municipal environmental agency representatives (licensing, control);
- Other relevant groups.

3.3.3.1 Model – Public Consultation

Public Consultation of A. W. FABER-CASTELL S. A.

Certification of the Planted Forest Management Unit in the region of Prata and Uberlândia, State of Minas Gerais

A. W. FABER-CASTELL S. A.

SCS (Scientific Certification Systems) (www.scs-certified.com), an FSC (*Forest Stewardship Council*) accredited certification body, invites you to participate in the **Public Consultation** that sets the beginning of the Forest Recertification process requested by A. W. Faber-Castell S.A. for its areas in the State of Minas Gerais. Its own and leased areas are located in the municipalities of Prata and Uberlândia, where the company develops management of planted forests with *Pinus*, over an area of 8,987 hectares with 6,700 ha of effective plantations and 2,300 ha with permanent preservation areas and legal reserves.

Faber-Castell produces and trades high quality pencils used for writing, drawing, and to produce creative forms such as painting. It was founded in 1761, in Stein, near the city of Nuremberg, Germany. This is a family company in its 8th generation and employs more than 5,000 collaborators worldwide. It is the oldest German company, the third oldest in the world in activity, and the world's largest manufacturer of coloring pencils in wood. It produces nearly 1.8 billion units annually. In Brazil, this company is settled since 1931, with two factories: one in São Carlos, SP, and the other in Prata, MG. The Forest Project is established in Prata, while the commercial and marketing units are in São Paulo. It has a wide sales network that ensures distribution of its products to the whole country. The company forest project started in 1989 with plantings of *Pinus caribaea* var. *hondurensis* in the Triângulo Mineiro region. From the start, forest operations were geared by a conservationist working philosophy, translated into low environmental impact practices, in line with the most modern techniques on the utilization of natural resources. Presently, the company generates more than a hundred jobs, directly related to forest management.

The company is certified since July, 1999, by SCS (Scientific Certification Systems), which is an FSC (Forest Stewardship Council) accredited certification body and develops several institutional activities. Among those, Projeto Ecomunidade is noteworthy. Its objectives are to maintain, create, stimulate, and disseminate actions to relay its tradition as a company, geared by a set of socioenvironmental policies and principles in quest for the generation of values for all stakeholders (consumers, clients, suppliers, collaborators, society, and stockholders). Environmental actions consider ecoefficiency in production and in ecologically correct products. Social actions have the objective to provide a creative development to children in socially unequal situation on the basis of volunteership. The company believes that constant investment in professional development and preparation of its collaborators to undertake different jobs are part of its social function. Over 3,000 collaborators were assisted through its educational programs.

The FSC Certification process considers the participation of the *public* and the *civil society* in public consultations. It is emphasized that participation of the most diverse representative instances of the civil society is fundamental, since Forest Certification presumes exercise of full

citizenship of individuals and institutions, directly or indirectly interested in the matter. Likewise, the applicant must develop its forest management in conformance with the FSC Principles and Criteria, which presumes that the company promotes a *socially fair, environmentally adequate, and economically viable* management. Therefore, your participation is important so that we can identify your concerns, comments, suggestions, and criticisms in regard to the forest management developed by the company, or to present new evidences that could be useful in the assessment process, which will be fully recorded.

You can participate by filling out the attached Questionnaire. It must be sent by e-mail to sysflor@sysflor.com.br or, if you prefer, by fax to: (0xx41) 3344-5061. If, by any chance, you want more information about the Certification Standards to be used in the assessment of the management, the document can be downloaded in Word format, free of charge, from the SCS website (http://www.scs-certified.com/forestry/forest_programmat_fm.html).

We ask your kindness to **publicize** the attached Questionnaire to institutions and persons of your knowledge that may have interest in participating in the process.

Curitiba, July 18th, 2009

Sincerely.

Vanilda Rosangela de Souza

Rossynara Marques

Sysflor/SCS auditors

3.3.3.2 Model – Public Consultation Questionnaire

PUBLIC CONSULTATION QUESTIONNAIRE

CERTIFICATION OF FOREST PLANTATIONS

(in Prata and Uberlândia, State of Minas Gerais)

A. W. FABER-CASTELL S. A.

Name														
Institution														
Address for contact														
ZIP:						-					E-mail			
1. Do you know FABER-CASTELL?														
<input type="checkbox"/> yes <input type="checkbox"/> No														
2. Would you have any comment to make about FABER-CASTELL?														
<input type="checkbox"/> yes <input type="checkbox"/> No														
3. What comments would they be?														
4. Would you have any comment to make about FABER-CASTELL areas in the municipalities of Prata and Uberlândia?														
<input type="checkbox"/> Yes <input type="checkbox"/> No														
5. What comments would they be?														
6. Is there any environmental aspect that you consider worthy of attention during field assessment?														

Yes

No

What would be these environmental aspects?

6.1 _____

6.2 _____

7. Is there any social aspect that you consider worthy of attention during the field assessment?

Yes

No

What would be these social aspects?

7.1 _____

7.2 _____

The present questionnaire has the objective to allow citizens from the most varied backgrounds and interests or representatives from civil society institutions to actively participate in the process of FSC Forest Certification. Therefore, we request that this questionnaire be sent by e-mail to sysflor@sysflor.com.br. If you prefer, it can be sent by fax to: (0xx41) 3344-5061. We further ask you to publicize the questionnaire to those who, in your understanding, can contribute to the process.

OBS.: a) The issues raised in this questionnaire will not have the author's identity in the documents used in the Certification Process.

b) The participation of the interested persons in the consultation does not imply co-responsibility in the Certification Process.

3.3.3.3 Summary of public concerns and responses given by the team

Social concerns

Q: What would be of the municipality if Faber-Castell closed its activities due to market economy instability, considering that this is the company that generates most jobs in the municipality?

A: This possibility is totally disconsidered. The company had to reduce its personnel for a period. However, it has already resumed hiring to increase its personnel and rebuild the teams.

Economic concerns

(none)

Environmental concerns

(none)

3.3.4 Other assessment techniques

No other assessment technique was used than those normally used, such as field visits, interviews, public consultations, and verification of documents.

3.4 Total Time Spent in Audits

For the assessment of the forest management developed by A. W. FABER-CASTELL S.A., a team of auditors was formed. It reviewed the company documents and visited activities performed in the Forest Management Unit. Interviews involved employees and stakeholders in quest of elements and evidences of conformance (or not) with the FSC Principles and Criteria. All together, 145 hours were spent in on site assessments, which correspond to 18.1 days (Table 8).

Table 8. Time dedicated by the auditors in different phases of auditing of A. W. FABER-CASTELL S.A. forest management

Activities	Auditors		
	Vanilda	Rosemeri	Jarbas
Public consultation/stakeholders	20	4	4
Documents	12	14	14
Field	4	21	20
Assessment meeting	8	8	8
Closing meeting	3	3	3
Totals	47	50	49

3.5 Process of Determining Conformance

FSC accredited forest stewardship standards consist of a three-level hierarchy: principle, then the criteria that make up that principle, then the indicators that make up each criterion. Consistent with SCS Forest Conservation Program evaluation protocols, the team collectively determines whether or not the subject forest management operation is in conformance with every applicable indicator of the relevant forest stewardship standard. Each non-conformance must be evaluated to determine whether it constitutes a major or minor non-conformance at the level of the associated criterion or sub-criterion. Not all indicators are equally important, and there is no simple numerical formula to determine whether an operation is in non-conformance. The team must use their collective judgement to assess each criterion and determine if it is in conformance. If the forest management operation is determined to be in non-conformance at the criterion level, then at least one of the indicators must be in major non-conformance.

Corrective action requests (CAR's) are issued for every instance of non-conformance. Major non-conformances trigger major CAR's and minor non-conformances trigger minor CAR's

Interpretations of Major CAR's (Preconditions), Minor CARs and Recommendations

Major CARs/Preconditions: Major non-conformances, either alone or in combination with non-conformances of other indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant FSC Criterion given the uniqueness and fragility of each forest resource. These are corrective actions that must be resolved or closed out prior to award of the certificate. If major CAR's arise after an operation is certified, the timeframe for correcting these non-conformances is typically shorter than for minor CAR's. Certification is contingent on the certified operations response to the CAR within the stipulated time frame.

Minor CARs: These are corrective action requests in response to minor non-conformances, which are typically limited in scale or can be characterized as an unusual lapse in the system. Corrective actions must be closed out within a specified time period of award of the certificate.

Recommendations: These are suggestions that the audit team concludes would help the company move even further towards exemplary status. Action on the recommendations is voluntary and does not affect the maintenance of the certificate. Recommendations can be changed to CARs if performance with respect to the criterion triggering the recommendation falls into non-conformance.

4 RESULT OF THE ASSESSMENT

The conclusions of the assessment team, regarding the strong and the weak points in the forest operation in relation to the FSC certification standards are presented on Table 9, together with the numbers of corrective actions requests (CARs) in each principle.

Table 9. Main strong and weak points in performance of A. W. FABER-CASTELL S.A. in relation to FSC P&C

Principle	Strong points	Weak points	Measures
P1: Compliance with laws and FSC principles	<ul style="list-style-type: none"> • The management has ensured the commitment to maintain vegetation cover as required by law. • All taxes and fees pertaining to the property and the Law were duly paid. • The requirements for the functioning of the company are registered. • Faber-Castell monitors the payments due by service contractors as established in the contract. • Faber-Castell signed and abides by the long term commitment with the FSC standards. • The company established a program to register its legal reserves based on 		

	<p>technical criteria.</p> <ul style="list-style-type: none"> • The Faber-Castell Environmental Policy demonstrates its commitment with the promotion of good management and reclamation of degraded areas. 		
P 2: Tenure and use rights and responsibilities	<ul style="list-style-type: none"> • Clear documents of both its own and leased areas. • All documents are registered at the real estate registry. • There is no administrative or judiciary odds in regard to the areas. • All neighbors are known, identified and registered. • Company areas are characterized as of peaceful tenure without involvement with any dispute for land. 		
P 3: Indigenous peoples' rights	<ul style="list-style-type: none"> • The Forest management at Faber-Castell does not threaten of diminish land tenure rights of any indigenous or traditional population. • The management developed by the company uses techniques that are specific to the forest sector, based on research and studies and not on indigenous or traditional population knowledge. • Faber-Castell has knowledge and contact with all neighbors to the FMU. 		
P 4: Community relations and worker's rights	<ul style="list-style-type: none"> • Employees and collaborators are hired among residents in the region. • There is no discrimination on basis of race, religion, sex, or political position for hiring. • Seats are offered to the community in trainings programs on forest operations. • The company provides telecourses to collaborators. • The company participates in social campaigns in the municipality of Prata. • The work conditions in regard to environmental and social aspects are adequate. • Labor accidents are monitored. 	<ul style="list-style-type: none"> • Outdated social impact survey. 	Major CAR 2009-01

	<ul style="list-style-type: none"> • There are visual signs for all forest activities. • Social impact of little relevance due to characteristics such as medium size operation and the fact that adjacent neighbors are pasture lands. • Faber-Castell knows and maintains good relationships with the surrounding population. • Wide Environmental Education Program that works as a dialogue channel with the surrounding population. • The dispersion of management areas minimizes the impacts to the neighbors. • Inexistence of labor suits. • Wages higher than the normally paid to rural workers in the region. • The women working in forest activities develop labors that are compatible with their conditions. 		
<p>P 5: Benefits from the forest (planted man made forests)</p>	<ul style="list-style-type: none"> • Water production is favored by the adjustments to APP and Legal Reserves. There is a program to monitor water quality and quantity in the Forest Parks. • The forest management is carried out aiming at the multiple use of the wood. • Silvicultural procedures and treatments are all performed according to the Management Plan. • Wood processing is done locally and generates income and jobs. Moreover, Faber-Castell is the company that offers the most jobs in town. • Wood harvesting is semi-mechanized with chainsaw (for felling, delimiting, and bucking) and agricultural tractors hitched to transporters to haul logs. • The disposal of forest residues is adequate. • The procedures and practices ensure that conservation areas are not affected by operational activities. 		

	<ul style="list-style-type: none"> • Faber-Castell preferentially uses local and regional goods and services. • The company endeavors to minimize erosion problems in the region. • There is a program to reclaim conservation areas (APP and RL). • The annually harvested volume is compatible with the forest growth. 		
P 6: Environmental impact	<ul style="list-style-type: none"> • The company maintains updated maps of farms and conservation areas. There are soil maps and slope contour lines. Erosion points that are registered and monitored are in the process of georeferencing and plotting on maps. • There are fragments of the native vegetation in sizes compatible with the scale of the company's forest operations. The APPs serve as ecologic corridors. The mapped conservation areas are adequate for refuge, feeding, nesting, and reproduction of threatened and rare species. • Wildlife and vegetation survey reports indicate rare, endemic, and threatened species with clear records of the surveys. • The Management Plan takes into consideration the surveys on wildlife, vegetation, soils, and water analyses. • There are studies on the control of exotic species invasion and enrichment planting in APPs with native species. • There is a contracted service to monitor and control the estate which works preventively by discouraging illegal activities such as hunting, fishing, and exploiting, as well as the entry of unauthorized persons and animals (cattle) in the parks. 	<ul style="list-style-type: none"> • Lack of survey on the historical/archaeological relevance of the region and reference to the important paleontological site in the municipality. • Lack of an appropriate place to store pesticides • Although there is a clear consciousness of potentially impacting processes to the environment, preventive and mitigating measures to the identified impacts are not detailed in the environmental monitoring, nor are the operational procedures for their correction and/or mitigation sufficiently detailed. • Presence of exotic species in areas set aside for conservation of natural ecosystem (APP and RL). • Vegetation typology is missing on the maps. 	<p>CAR 2009-11</p> <p>CAR 2009-08</p> <p>Major CAR 2009-06</p> <p>CAR 2009-10</p> <p>CAR 2009-12</p>
P 7: Management Plan	<ul style="list-style-type: none"> • There is a report with detailed characterization of farms in aspects of soil, slopes, topography, and definition of impacts due to the road system, with soil conservation measures. • There is an Environmental Management 	<ul style="list-style-type: none"> • The Management Plan does not contemplate socioeconomic characterization of the company's area of influence. 	<p>Major CAR 2009-04</p>

	<p>Plan (PGA) with procedures and monitoring, as well as a <i>Plan of forest emergency prevention and control</i> which includes forest fire fighting procedures.</p> <ul style="list-style-type: none"> • The management objectives are clear in the Management Plan. • The protected areas are mapped with hidrography, topography (contour lines), soil survey, and road system. • There are research and survey reports on wildlife and vegetation in the Forest Parks. • The Management Plan is revised and updated, periodically, and includes monitoring results. 	<p>There is no plan to assess and mitigate social and environmental impacts of activities considered to be impacting (for example: log transport, water resources, road and fire-break construction, changes in landscape, soil preparation, etc.).</p>	<p>CAR 2009-06</p>
<p>P 8: Monitoring and assessment</p>	<ul style="list-style-type: none"> • There are reports with results of wildlife (Animalis Project), vegetation (Arboris Project), soil (Soil Project), and water (Acqua Project) projects carried out in the Forest Parks. • There are maps indicating the fragments and their connectivity. 	<ul style="list-style-type: none"> • Social impact monitoring is lacking. The survey of impacts is outdated. • The Management Plan does not consider results from monitoring. • Monitoring programs were not yet established. Although there are records and reports on forest emergencies (including forest fires), there is no information on areas affected. • Although there is a clear consciousness of potentially impacting processes to the environment, no preventive and mitigating measures to the indicated impacts or operational procedures are detailed. 	<p>Major CAR 2009-01</p> <p>Major CAR 2009-02</p> <p>CAR 2009-07</p> <p>CAR 2009-09</p>

<p>P 9: Maintenance of high conservation value forests</p>	<ul style="list-style-type: none"> • There are reports with details on high values of wildlife and vegetation diversity, as well as water resources in the indicated area; The Management Plan addresses specific measures to ensure maintenance and increase in attributes for conservation. • There are projects to monitor some attributes such as the presence of Chiroptera and water, which are monitored since 2006. These monitoring will be included in the HCVF Management Plan. 	<ul style="list-style-type: none"> • The HCVF was defined based on the knowledge of the company's personnel, without consultation to the local, regional or scientific communities, or regulating agencies. • The attributes indicated at the public consultation on HCVF were the same as those defined by the company, although the locations are different. 	<p>Major CAR 2009-03</p> <p>REC 2009-02</p>
<p>P 10: Plantation</p>	<ul style="list-style-type: none"> • The company abides by the commitment to maintain areas with natural forests and to reclaim degraded areas. • The objectives of the planted forests are clear. • There are conservation areas that maintain the regional ecosystem (Cerrado) in good status. • Existence of conservation areas in good shape that represent the regional ecosystem, especially the Cerrados. • Development of techniques to control and monitor large erosion processes (gullies) that occur in the region. • The history of land occupation demonstrates that the company has not practiced deforestation to establish pine plantations since before 1994. 		

5 DECISION ON RECERTIFICATION

5.1 Recommendation for Recertification

As determined by the protocol of SCS Forest Conservation Program, the assessment team recommends that A. W. Faber-Castell S.A. be contemplated with the 10-year FSC recertification with the respective certificate of "well managed forest" for a period of five years (2009 – 2014), subject to compliance with corrective actions request as described on item 5.2. This company has demonstrated that its management system is capable of ensuring compliance with all requirements of the SCS Interim Standard for certification of planted forest management in Brazil, version 02, November 2008, in forest areas subjected to this assessment. The company

has demonstrated, also, that the described management system is being carried out correctly in all areas covered by this assessment.

5.2 Corrective Actions Request (CARs)

Non-conformance: The results presented by the company in regard to social impacts generated by its presence in the region are outdated and do not reflect an evaluation of these impacts, given the changes in job positions in the company, nor the development of different socioenvironmental programs.	
Major CAR 2009-01	Update the internal and external (rural and urban) surveys of social impacts generated by the forest management activities. For cases of negative impacts, provide mitigating measures.
Reference	P4.c4; P4.c4.i1; P4.c11; P8.c2.i6
Deadline	90 days
Company actions	
The company updated the assessment of social impacts generated by the presence of its venture in the region. To that effect, in 2009, it performed a socioenvironmental diagnostics in the rural and urban areas in the municipality of Prata, where its forest management could have influence. In order to update the survey, information on socioenvironmental characterization, together with studies on perception through interviews were used. The assessment results were presented on maps, graphs, and tables describing the positive and negative impacts generated by the company's forest management. An action plan was also presented, in line with the company's socioenvironmental management policy and values for the maintenance of positive impacts and mitigation of negative impacts.	
Position at the end of this audit	
CAR complied with.	

Non-conformance: The summary of the Management Plan, which was made available to the public, does not contain the results from the monitoring, as mentioned in item 8.2.	
Major CAR 2009-02	Incorporate into the Management Plan, and mainly into its summary, the results of indicators from the monitoring, including those listed in the criterion P8.c2 (productivity of harvested products, growth rates, composition and changes in wildlife and vegetation, and efficiency of forest management).
Reference	P8.c4; P8.c5; P8.c5.i1
Deadline	90 days
Company actions	
An updated version of the Management Plan was presented, with inclusion of the following information: a) productivity indicators and forest management efficiency; b) wildlife and vegetation monitoring; c) updates on environmental licensing; d) readjustment plan for the management unit in regard to the road system and APPs.	
Position at the end of this audit	

CAR complied with.

Non-conformance: The company defined a HCVF based on research work and on the worker's knowledge. A public consultation was under way and no result had yet been presented.

Major CAR 2009-03	Present results of the public consultation about the existence (or not) of attributes that characterize a HCVF.
Reference	P9.c2.i1
Deadline	90 days

Company actions

In the Socioenvironmental Diagnostics done in 2009, the company presented the results of the public consultation held in the urban zone of Prata. It involved research entities and neighbors to identify areas of relevant importance to constitute a HCVF. The Salto e Ponte Forest Park was cited by 50 % of the consulted stakeholders, followed by Buriti do Prata Forest Park, cited by 22.2 %. The remaining 27.8 % of the consulted parties cited other forest parks. The most important element in the parks cited by the stakeholders was the water (cited by 38.7 % of them while 29 % cited wildlife, 16.2 % the vegetation, 12.9 % the pines, and 3.2 % the soil). Among the animals sighted in the Forest Parks, those considered to be the most important were, in decreasing order: jaguar, "lobo-guará", deer, "mutum", "ema", "tamanduá", armadillo, "siriema", and teiú (lizard). Another element cited as of great relevance was the Environmental Protection Areas (APA) of water streams in the region. The consulted stakeholders did not mention the same attributes already defined for the HCVF.

Position at the end of this audit

CAR complied with.

Non-conformance: There is no socioeconomic characterization of the population present in the regions of Faber-Castell operations.

Major CAR 2009-04	Present a report of the socioeconomic characterization of the area of influence of Faber-Castell, and include the results in the Management Plan.
Reference	P7.c1B; P7.c2.
Deadline	90 days

Company actions

Faber-Castell presented the socioeconomic characterization of the area of its influence. To that effect, a socioeconomic diagnostics was performed in both the urban and rural zones in the municipality of Prata. The results were included in the Management Plan, as determined in the CAR.

Position at the end of this audit

CAR complied with.

Non-conformance: Although the company uses the "Arcview" geographic information system, the data bank with environmental information is not yet available in the company's system.

Major CAR 2009-05	Make the geographic information system operational by incorporating and making available environmental information in the data bank of the company's computerized system.
Reference	P6.c1.i2; P6.c2.i1; P6.c2.i3
Deadline	90 days
Company actions	
The environmental data from the studies carried out by Faber-Castell were incorporated into the geographic information system. This made possible to draw maps of each Forest Park with information about APPs to be reclaimed, the erosion spots, and many other variables pinpointed in the monitoring. Thus, monitoring and control of environmental aspects in each Forest Park became easier.	
Position at the end of this audit	
CAR complied with.	

Minor CARs

Non-conformance: The company presented a general survey of impacts caused by the development of forest management activities. However, it does not adequately monitor even the activities thought to cause impact.	
CAR 2009-06	Develop a plan to evaluate and mitigate social and environmental impacts of activities considered to cause impact. For example, log transport, water resources, road and fire-break construction, changes in the landscape, soil preparation, etc.
Reference	P7.c1.i1
Deadline	2010 annual audit.

Non-conformance: There are data on wildlife and vegetation collected in several surveys. However, these were collected by following varying methods and intensities, on a different location in each survey. Therefore, they do not provide a view of changes through time or among locations in the aspects of wildlife and vegetation.	
CAR 2009-07	Establish systems to monitor changes in wildlife and vegetation throughout the years in remnants of the natural forest and in areas in the process of natural ecosystem restoration.
Reference	P8.c2.i4
Deadline	2010 annual audit.

Non-conformance: Lack of an appropriate location to store pesticides in the Forest Parks.	
CAR 2009-08	Set up an adequate location to store pesticides in the Forest Parks that is protected against rain and access of unauthorized persons, as required by the current law.
Reference	P6.c6.i2

Deadline	2010 annual audit
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Non-conformance: In the company's Environmental Management Plan (PGA), there is no detailed information about preventive and mitigating measures in regard to impacts indicated in the environmental monitoring. Likewise, there is no definition of operational procedures to be performed to correct and/or mitigate the impacts.

CAR 2009-09	Specify in detail in the PGA preventive and mitigating measures corresponding to impacts indicated in the environmental monitoring. For example, presence of changes in water quality reports.
Reference	P8.c2.i6; P6.c5.i1
Deadline	2010 annual audit

Non-conformance: Presence of exotic species was verified in conservation areas (APP and RL).

CAR 2009-10	Eliminate specimens of exotic species from the conservation areas (APP, RL, HCVF, RPPN). For example, at Parque Buriti dos Bois: "jambolão" (<i>Syzygium cumini</i>), "pau-de-balsa" (<i>Ochroma pyramidale</i>), "mangueira" (<i>Mangifera indica</i>), "tulipeira" (<i>Spathodea campanulata</i>), "flamboyant" (<i>Delonix regia</i>), "jaqueira" (<i>Artocarpus heterophyllus</i>) and others.
Reference	P6.c9.i1
Deadline	2010 annual audit

Non-conformance: There are reports written in different occasions for the majority of farms about wildlife, vegetation, water resources, and soil. However, there is no survey on historic/archaeologic relevance of the region, nor any reference to the important paleontologic site in the municipality.

CAR 2009-11	Insert the results of surveys on the historic, archaeologic, and paleontologic relevance of the region in the Management Plan.
Reference	P6.c1.i1
Deadline	2010 annual audit

Non-conformance: The FMU maps do not show the vegetation typology in the remnants of the natural ecosystems.

CAR 2009-12	Characterize the typology of the vegetation in the remnants of the natural ecosystems in the region and indicate their locations on the FMU maps.
Reference	P6.c4.i4; P7.c1.i7
Deadline	2010 annual audit

RECOMMENDATIONS

Justification: The company maintains records of the number of forest fires in the FMU and surroundings. Other information such as affected areas and costs involved in prevention and control are also recorded. However, that information is not linked to the control system of the safety teams.	
REC 2009-01	Consolidate the information pertaining to the occurrence of forest fires in the FMU and generate graphs showing the relation among variables such as location, number of fires, areas affected, prevention and control costs, etc.
Reference	P8.c2.i5

Justification: The attributes indicated in the public consultation about HCVF were the same as those defined by the company, except that those were in different locations.	
REC 2009-02	Present a comparative study about relevant attributes for conservation, as pointed at the public consultation, for each Park, in support of the indication of HCVF by the company, or indication of other area.
Reference	P9.c2.i1

6 Surveillance Evaluations

If certification is awarded, surveillance evaluations will take place at least annually to monitor the status of any open corrective action requests and review the continued conformance of A. W. Faber-Castell S.A. to the SCS Interim Standard for the Certification of Forest Plantations in Brazil. Public summaries of surveillance evaluations will be posted separately on the SCS website (www.scs-certified.com).

7 Summary of SCS Complaint and Appeal Investigation Procedures

The following is a summary of the SCS Complaint and Appeal Investigation Procedures. The full versions of the procedures are available from SCS upon request. The SCS Complaint and Appeal Investigation Procedures are designed for and available to any individual or organization that perceives a stake in the affairs of the SCS Forest Conservation Program and that/who has reason to question either the actions of SCS itself or the actions of a SCS certificate holder. A **complaint** is a written expression of dissatisfaction, other than **appeal**, by any person or organization, to a certification body, relating to the activities of staff of the SCS Forest Conservation Program and/or representatives of a company or entity holding either a forest management (FM) or chain-of-custody (CoC) certificate issued by SCS and duly endorsed by FSC, where a response is expected (ISO/IEC 17011:2004 (E)). The SCS Complaint Investigation Procedure functions as a first-stage mechanism for resolving complaints and avoiding the need to involve FSC.

An “**appeal**” is a request by a certificate holder or a certification applicant for formal reconsideration of any adverse decision made by the certification body related to its desired certification status. A certificate holder or applicant may formally lodge an appeal with SCS

against any adverse certification decision taken by SCS, within thirty (30) days after notification of the decision.

The written Complaint or Appeal must:

- Identify and provide contact information for the complainant or appellant
- Clearly identify the basis of the aggrieved action (date, place, nature of action) and which parties or individuals are associated with the action
- Explain how the action is alleged to violate an SCS or FSC requirement, being as specific as possible with respect to the applicable SCS or FSC requirement
- In the case of complaints against the actions of a certificate holder, rather than SCS itself, the complainant must also describe efforts taken to resolve the matter directly with the certificate holder
- Propose what actions would, in the opinion of the complainant or appellant, rectify the matter.

Written complaints and appeals should be submitted to:

Dr. Robert J. Hrubes
Senior Vice-President
Scientific Certification Systems
2200 Powell Street, Suite 725
Emeryville, California, USA94608
Email: rhrubes@scscertified.com

As detailed in the *SCS-FCP Certification Manual*, investigation of the complaint or appeal will be confidentially conducted in a timely manner. As appropriate, corrective and preventive action and resolution of any deficiencies found in products or services shall be taken and documented.