

ICILA S.r.l.
Via Braille, 5 – 20035 LISSONE (MI), Italy

Public Certification Report
FSC – Forest Management Certification

PUBLIC CERTIFICATION REPORT FOR:

BARANIVKA STATE HUNTING FOREST

Jan. 2004

- **Certification number:** Baranivka State Hunting Forest ICILA-FM/COC-1003
- **Certification body:** ICILA Srl – via Braille, 5 – 20035 Lissone (MI), Italy
- **Date of summary:** July, 2003
- **Short description of enterprise management:**

The forest of Baranivka, boreal and deciduous temperate, is situated in the area northwest from Kyiv (Ukraine).
The forest land belongs to the people of Ukraine (noted in Constitution of Ukraine), which the State government represents. The forest lands are managed by the State Committee of Forestry. The FMU has a Forest Manager (FMU's Director), responsible for all the matters (both technical and administrative) concerning the management of the forest.
The certification is sponsored by ILMEST d.o.o. a company of the Italian ILCAM Group.
An exhaustive documentation has been prepared and finalised according to standards required by FSC in terms of technical, legal, administrative, socio-economical and environmental aspects.

Reason of the awarding of the certification:
ICILA verified the substantial conformance of the audited Organisation with FSC Principle and Criteria therefore is proud to confer them the FSC Forest Management Certification.

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FSC FOREST MANAGEMENT
FOR THE UKRAINIAN STATE FOREST OF
Baranivka State Hunting Forest

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1. GENERAL INFORMATION

1.1 Name and contact information for the certified operations:

BARANIVKA STATE HUNTING FORESTRY

Certification registration code: **ICILA-FM/COC-1003 - certified since 03/02/2004**

Address: 50 rokiv Zhiovtnya str. 3 - 12701 Baranjvka town - Zhitomyr area
Contact: Mr. Ivan Evtushyn (head of foreign trade department)
Tel: +(38 04144) 4-21-77
Fax: + (38 04144) 4-20-48
Email: les@br.zt.ukrtel.net
Web site: www.timber.ukrbiz.net
Location: Natural zone - Central Polissya of Ukraine. Administrative division: Zhitomyr area.
Sponsored by: ILMEST d.o.o. – Slovenia
Size: 43777 ha
Country: UKRAINE
Type: Semi-natural – Public.

The audit was finalised to verify that each requirement of the “ICILA FM standard for Ukrainian Poles'ye region” was respected in the Forest Management Unit. Moreover, the FMU had been FSC certified under a Group Certification (IMO-FM/COC-20106 expired in 2002) and thus still maintain the same approach against FSC Principle and Criteria. The following findings and observation are therefore to be considered referred to Baranivka state hunting forestry

1.2 General background about the operation

A scoping visit has been carried out in September 1999 by IMO (FSC accredited CB) and a certification audit has been carried out in 2000 by IMO (20-31 March 2000), during which the FMU has been fully sensitised on certification major issues, such as silvicultural approach, labour safety issues, biodiversity conservation. Last monitoring control was carried out by IMO on 28 August – 04 September 2001.

Report number 2410/01 517 03 of IMO (given to the audit team by the sponsor of the certification, not by IMO that didn't answered to ICILA messages), audit 28 august – 04 September 2001 was deeply analysed. All the conditions were analysed and most of them closed.

The IMO's certification has been suspended after one year and reactivated when it was verified that all the major weaknesses had been faced.

The forest of Baranivka represents a State Forest Management Unit (FMU). The forest land of Ukraine belongs to the people of Ukraine (noted in Constitution of Ukraine), which is represented by the government that promulgates the laws regards to forests by name of Ukrainian people.

The Ukrainian State delegates the State Committee of Forestry to manage the 68.3% of the national forests, the Ministry of Agricultural Policy the 24%, the Ministry of Defense the 2.2%, Ministry of Emergencies and Affairs of Population Protection from the Consequences of Chernobyl Catastrophe the 1.6%, Ministry of Ecology and Natural Resources the 0.8%, others the 3.1%, through local structures called FMUs.

Each FMU has a Forest Manager (FMU's Director), responsible for all the matters concerning the management of the forest, and the forest land belongs to the Ukrainian Government.

Each FMU, operates in full autonomy concerning the implementation of forest management plans, according to local conditions, but the logical frame, the internal organization, the management in its whole, the monitoring system and the administrative procedures are common to all the FMUs in the country and controlled by the regional and central offices of the State Committee of Forestry.

Each FMU reports to the State Committee of Forestry and to the Ukrainian State as regards strategies, policies, comprehensive technical plans and programmes, taxation, fiscal aspects, hunting permits, etc. etc.

At local level, in each region, there is a regional office of the State Committee of Forestry to which the FMU makes reference: Baranivka FMU reports to the State Committee local office of Zhythomir.

1.3 Forest and management system

The total area of Baranivka FMU amounts to 43.777 ha

Then, the FMU is divided into different sections and each section into different compartments and finally each compartment is divided into plots, that represent the smallest surface unit.

The sections correspond to administrative units given by the concerned villages, that generally give the name to the section itself.

In detail:

Baranivka FMU: total area 43.777 ha, divided into 7 sections, as follows:

Section 1 – Baranivske:	8.138 ha
Section 2 – Bikivske:	7.090 ha
Section 3 – Dovdbske:	5.075 ha
Section 4 – Kamayanobridske:	5.755 ha
Section 5 – Nervonoarmiske:	4.407 ha
Section 6 – Zeremlyanske:	6.887 ha
Section 7 – Yavnenske:	6.432 ha

As regards forest composition, pine (*Pinus silvestris*) covers around 50%, oak (*Quercus robur*) 25%, other broadleaves 25% [birch (*Betula pendula*), alder (*Alnus glutinosa*), aspen (*Populus tremula*)].

The 80% of the forest is considered productive and the 20% as protection forest; nevertheless, there are 1.500 ha of totally protected areas, where phytosanitary cuts only are allowed, then about 600 ha of high ecological value territory, classified as Natural Reserve Fund and about a 9% of the forest area excluded from exploitation.

The average wood increment of the forest reaches around 4,4 mc/ha/year

Concerning **areas of high ecological value**, these include portions of still existing original natural forest (*plain forests*), where great attention is paid in conserving and protecting them.

The high conservation value of this forest mainly consists in its high **ecological** value as representative stands of indigenous *plain forests* in the country and as a source for biodiversity conservation in the territory.

In these areas no forest activity is allowed, except some phytosanitary cuts for their maintenance and protection.

This protected forest belongs to Natural Reserve Fund of Ukraine.

Forest management approach and objectives: assumed that the forest is a **productive high forest**, however the management plan is based on a **multipurpose management approach**, as follows:

- ⇒ **productive** management approach
- ⇒ **protective** management approach
- ⇒ **sanitary-recreational** management approach

The main objective of the Forest Management Plan **consists in wood production**, but in full respect of protective purposes of the forest itself, considering that the productive tree cover is actually strongly under exploited.

Ukrainian forests exploitation is limited by the other functions performed by the tree cover, different from wood, such as: water conservation, soil and wildlife protection, radioactivity (derived from Chernobyl disaster) limitations, and others.

The conservation and enhancement of biodiversity, without renouncing to economical aspects, has concretely started in last years and many efforts are made in order to take care of these important aspects.

The silvicultural approach fully takes into account this issue: the surface of clear cuts are getting more and more reduced, even if local forest law allows clear cuts up to 15-20 ha. Actually, the clear cut surfaces may reach 2 ÷ 5 ha and it should be mentioned that at national level the clear cutting is prohibited in 40% of forest covered territories. On this respect it is interesting to note that in state forest enterprises (FMUs) the share of first-group forests (= forests in which exploitation is limited) passed from 34% to 50% since 1961.

- 8% *Picea abies*
- 7% *Fagus silvatica*
- 6% *Betula pendula*
- 6% *Alnus glutinosa*
- 3% *Fraxinus excelsior*
- 2% *Carpinus betulus*
- 1% *Abies alba*

Coniferous forests occupy 42% of the total territory, while hardwood forests cover the 43% and they are State Forests.

The State Committee of Forestry is a State Institution responsible for regeneration, protection and productivity of forests, so that they could satisfy social demand.

In Ukraine, forests are managed in terms of the State Programme, adopted by the Cabinet of Ministers of Ukraine (State Programme Forest of Ukraine 2002-2015, resolution n. 581, 2002), that determines main guidelines of forest management development.

As regards socio-economic aspects (employment, workers' training and safety/working conditions,...) it may be said that all the FMU workers come locally from villages surrounding the forest or placed inside the forest itself. The FMU at national level represents one of the best opportunity, if not the only possible one, of employment for local communities. FMU provide training and social assistance to the worker with the full respect of national legislation on safety labour conditions.

They receive training on technical issues as well as on safety working conditions. The working team is generally formed by 5-7 workers and the local manager. The workers receive an initial training course of 96 hours, then a 10 hour course on yearly basis. Annually they make a global medical check. The local manager receives a special training course every 5 year and he is also the person in charge for continuous on job training for the workers. An FMU shuttle/duty car is in charge for bringing to and getting back workers from the forest for working time and at same time provide support if spare parts are needed in the forest yard for chain saws, tractors, other.

The worker's rights are assured by national laws and The Forest Workers Trade Union gives assistance to workers about contract conditions, safety measures ,etc.

The FMU provides employment for around 700 to 980 employees, out of which between 100 and 200 work in the forest. It may be said that this represents, in the local socio-economic conditions, the most relevant social impact.

1.5 Products produced

The FMU provides essentially saw timber, partly used for domestic market and partly for export, especially to Italy, Turkey, Poland, Hungaria, Austria; the main product is pine round wood, followed by oak and birch wood.

Firewood is one of the main assortment coming out from the thinnings, but is generally used for local consumption, and is not important as incomes generating activity.

As regards rotation, this may vary by ± 20 years according to the main purpose of the forest, as follows:

- commercial/productive purpose

TREE SPECIES	ROTATION (years)
Pine – <i>Pinus silvestris</i>	81
Oak – <i>Quercus robur</i>	111
Birch – <i>Betula pendula</i>	71
Alder – <i>Alnus glutinosa</i>	71
Aspen – <i>Populus tremula</i>	71
Ash – <i>Fraxinus excelsior</i>	111

- environmental/social purpose:

TREE SPECIES	ROTATION (years)
Pine – <i>Pinus silvestris</i>	101
Oak – <i>Quercus robur</i>	131
Birch – <i>Betula pendula</i>	91
Alder – <i>Alnus glutinosa</i>	91
Aspen – <i>Populus tremula</i>	91
Ash – <i>Fraxinus excelsior</i>	131

The wood increment may vary between 3,6 mc/ha/year and 5 mc/ha/year, with an average of 4,2 mc/ha/year, while the intensity of harvesting may vary between 60% and 40%, with an average of 50 % intensity of annual wood increment.

The forest surface annually harvested, if compared with the total FMU surface, looks to be quite low.

As regards other forest products and activities, it may be mentioned mushroom collection, small fruits collection, fishing, hunting and recreational activities.
It should be noted that the forest has free access without any restriction.

The non wood products (especially mushrooms and berries) are generally collected, without restrictions by local people for domestic use and local markets.
Non wood products contribute to generate incomes for local communities and often berries are also produced in local nurseries for sale.
The forest management does not interfere with non wood production that is naturally well developed along all visited forests.

There is also a State Committee on Fishery, in charge of controlling and giving permits for fishing activities within the FMU forest land.

1.6 Chain of custody:

Identification of products did not present any particular problem as the saw mills are directly annexed to the central office of the FMU and they work exclusively timber coming from FMU forest.

For this reason, there is no possibility of mixing up lots of wood coming from different forests or from abroad.

Anyway, if in the future there will be wood coming from non-certified forests or from other certified forests, suitable measures (mainly a system of separation) will be adopted in order to respect tracing and identification of certified products.

The saw mill's yards are generally quite large and timber is easily divided for dimensions, tree species, final destination or other, as needed.

All the timber coming from the forest is regularly recorded in quantity and quality and the same for the processed timber sold and delivered out of the saw mill; regular vouchers are issued and recorded.

A person shall be designated from the FMU for the correct use of FSC logo on the certified wood.

2. THE CERTIFICATION ASSESSMENT PROCESS

2.1 Assessment dates: from 2003.06.30 to 2003.07.5

2.2 Evaluation team:

Name	Qualification
Francesca CAMBIAGGI (Forester)	ICILA lead auditor with 21 years work experience as follows: 11 years national work experience, 9 years international work experience in Developing Countries (Africa) with United Nations Organisation (F.A.O.), 2 FSC certification works done. (updated CV available from ICILA)
Riccardo GIORDANO (Environmental engineer)	ICILA staff member since 1998, responsible for Environmental and Ethical Certification and Manager for FSC Certification with 7 years work experience
A. Emiliano BOTTA (Forester)	ICILA auditor, with 9 years work experience at national level (updated CV available from ICILA)
Petro I. Lakyda	Director of Institute of Forestry and Landscape Architecture, National Agricultural University (Kiev, Ukraine). Local expert consultant of ICILA.
Georgiy Bondaruk	forester PhD in ecology, Ukrainian Research Institute of Forestry and Forest Melioration (Kharkiv, Ukraine). Senior scientist since 1998. Local expert consultant of ICILA.
Ivan Gorb	Assistant in the Institute of Forestry and Landscape Architecture, National Agricultural University (Kiev, Ukraine). Expert as "stakeholder consultation delegate".
2 interpreters	2 professional interpreters in English and Italian languages

2.3 Assessment process:

Special efforts have been done to visit as much as possible in the field and to have on site technical discussions on the following main issues, such as: local nursery productions, natural/artificial regeneration, clear cuts extension, biodiversity conservation, labour safety

conditions, haul techniques, working conditions, silvicultural approach. By consequence, site selection has been done according to the interest of verifying these major issues, that have been monitored, randomly, on the FMU.

Furthermore, as regards safety/working conditions and haul techniques, site selection has been decided always at the moment so that it was possible to verify real working conditions and techniques in the field. Also in this case, the field visits have been carried out on the FMU, so that the considered major issues have been evaluated at any single FMU's level.

Given the important extension of forest surface to be controlled by the mission the audit mission was split into two units so that it was possible to visit the FMU and at the same time to carried out stakeholder consultation.

Field visits, site evaluation and specific meetings have been scheduled as follows:

- 30.6.2003** **KIEV:** arrival. Meeting at the University of Kiev with FSC contact person, the University staff in charge for certification process, the person in charge for stakeholders interviews, ILCAM spa representatives. General technical discussions and preparation of the work plan.
- 1.7.2003** **KIEV:** stakeholders meetings and discussions
- 2.7.2003** Office work on the FSC P&C and checklist appraisal.
BARANIVKA FMU: technical discussions and field visit have been extensively carried out in section n. 1 – compartment 40, considering several plots.
- 3.7.2003** **ZHYTOMIR:** courtesy visit to the regional State Committee of Forestry Office in Zhytomir, responsible for FMU.
- 4.7.2003** **KIEV:** meeting with Ministry of Environment and Natural Resources of Ukraine. Final Stakeholders meeting
- 5.7.2003** **KIEV:** final discussions and audit conclusions. Departure.

The **stakeholder consultation** has been articulated in three main phases, trying to involve as much as possible third part representatives, coming also from different roles/institutions from central institutions:

1. local interviews in the FMU area with local communities and common people;
2. direct involvement of some specific offices, some how related to certification process;
3. final stakeholder consultation.

1. Local interviews: a graduate from Kiev University (Mr. Ivan GORB, attending his doctorate) has been recruited for carrying out local interviews at each FMU level. (pls. See annexed report). Different people have been interviewed (before the certification mission arrival) in Baranivka and interviews' results clearly show that:

- there is a good two-ways communication system between local communities ⇔ FMU;
- that FMU provide locally the best opportunity of employment;
- that customary use of the forests is respected (local people may collect mushroom, berries and other NWFP, without any restriction);
- that FMU contribute significantly to Ukrainian economy.

Furthermore, local communities look to be well informed about FMU forest management approach, local/national legislation and wildlife protection. No conflict or controversial issue has been raised during interviews against forest management nor certification process.

The list of people interviewed, their answers (in Ukrainian and translation in English), the videos of the interviews and a transcription of it is available from ICILA on request.

2. Involvement of specific offices: an important meeting has been requested from the beginning of the certification audit with the Forest Workers Union Trade, in Kiev. The Union provided important information about salaries trend, major risks for forest workers, national legislation on employment conditions and contracts.

A meeting was held with the State Committee of Forestry Industries, that designated a responsible person in charge of certification aspects. The Committee showed great interest, approval and support to the FM certification process.

A meeting was held with the President of the Forestry Association, a social organization involving around 26.000 members dealing with training in the schools, professional training, public competitions, etc. No significant observation.

A courtesy visit was organized at the regional State Committee of Forestry Office in Zhytomir.

A general presentation of the certification process was done and audit's objectives explained. A technical discussion followed, emphasizing the importance of protected natural forests in the area under certification.

Finally, a meeting was held with the Ministry of Environment and Natural Resources in Kiev. Technical discussions were carried out and particular attention was drawn on radioactivity levels in wood products. They showed interest in conducting some more comprehensive analysis on wood lots: not only on Cesium 137 but also on other components, such as Strontium.

3. Final stakeholder consultation: a final consultation has been held in Kiev. The consultation has been advertised through the local news paper "Derevoobrobnyk" (Ukrainian forest and furniture branch newspaper). Five persons participated coming from University staff, State Committee of Forestry and FMU. No relevant issue was raised and interest was showed from other FMU in extending certification process also to other FMUs. It should be noted that in Zhytomir region there are other 17 FMUs.

The list of people who participate at this meeting is available from ICILA on request.

It may be said that during stakeholders consultation, no significant observation was raised; it looks that the current FMUs' forest management approach already respects FSC P&C, as well as it appears that all involved parts were sufficiently well informed about FSC certification and related procedures.

⇒ Three main issues have been taken into account by the audit team: the need in more comprehensive analysis of radioactive contents on wood lots (see point 2), the need in adjusting forest workers' salaries in those cases in which they are below the minimum indicated by the Union and the need of improving safety working conditions for forest workers (see point 1).

It should be noted that yet no environmental organization or local NGO dealing with environmental topics and with an administrative frame/structure exist in Ukraine, that only recently achieved democracy.

2.4 Guidelines

The reference standard used was the ICILA check list 2003 rev. 1 (20.10.2003), adapted to Polissia Ukrainian Region.

Particular attention has been drawn on radioactivity issue, due to Chernobyl disaster (1986), through the Criterion 6.9.

The checklist has been adapted to regional characteristics through a participatory consultation of the concerned parties before and during the certification audit.

Special attention has been paid to the adherence of the evaluated FMU management to the FSC Principles and Criteria (P&C).

3. RESULTS, CONCLUSIONS AND RECOMMENDATIONS

3.1 General discussion of findings

3.2 Certification decision

3.3 Conditions and recommendations

At general level, the more relevant **"strong point"** of the Forest Management Unite (FMU) mainly consist in the logical frame of the FMU organization, in the socio-economical sustainability of the silvicultural approach, in the correct implementation of the forestry works and in the good monitoring and evaluation system of the forests' management in its whole.

In detail, as regards certification process, the notable strengths of the forest management enterprise is represented by its local management system that doesn't present any serious non-compliance with FSC standards.

Primary and secondary non-compliances as assessed during the audit may be solved by completing the required documents' integration.

Finally it should be considered the strong willingness and motivation in adopting and respecting FSC Principles & Criteria, and the great commitment not only at local level (FMU) but also at national level in maintaining and enhance forestry resources through appropriate silvicultural approaches.

As **weak point**, at general level, it may be noted that the silvicultural approach is highly oriented on the productive aspects: if on one hand this approach allows a socio-economical sustainability of the management system, on the other hand may generate negative impacts on the environment, if mitigation measures are not implemented.

As before mentioned, there are the conditions for changing and diversifying the silvicultural approaches.

Biodiversity conservation and enhancement appears to be one of the critical point, given the artificial origin of most of the visited forests and the high level of human interventions on the forest lands, generally finalized to productive purposes.

Maximum effort should be done in diversifying species composition.

Labour safety conditions should improve for forest workers as well as basic salary should be increased according to local standards.

The FMU reached the level of compliance required from the FSC certification, provided that the primary non-compliance **n.4 (4 NCP)** be timely solved.

During the certification audit, a global and attentive evaluation has been done. Results are described in the Evaluation Report and Work Sheet (July 2003), as follows:

Primary Non-Compliance (NCP) Table

1 NCP	FSC P&C 6.6a.1 6.6a.2	In each FMU, the use of chemicals products in the nurseries (seed treatment, root treatment, ...) and the use of biological products for parasites fighting (<i>Thaumatopoea pythiocampa</i> and others) should be duly recorded, monitored and approved according to FSC policies. Chemical composition of all recently used products should be sent to ICILA for clearance.	Deadline soonest
3 NCP	FSC P&C 2.1.3	Each FMU should draw up a comprehensive organization chart; furthermore a contractual agreements between FMU and the "contact person" in charge of the certification process follow up should be formalized and signed before the certification.	deadline Soonest
4 NCP	FSC P&C 8.3.2	A person should be designated for the correct use of FSC logo.	deadline soonest

Secondary Non-Compliance (NCS) Table

5 NCS	FSC P&C 6.3.2 6.3.3 6.3.3.a	<p>In each FMU, considering the artificial origin of the visited forest, the biodiversity has to be increased through the design and implementation of a specific plan. This plan should specify the present status of biodiversity according to different ecological sites' conditions, as well as it should specify means, timing and duties to achieve the target.</p> <p>In each FMU, the use of local provenances of broadleaves and shrubs should be improved and a limit of at least 20% of these species should be respected, with maximum effort in diversifying species composition. To this purpose, nursery production should be planned in order to provide a more diversify stock of seedlings (<i>Fraxinus excelsior</i>, <i>Acer platanoides</i>, <i>Prunus avium</i>, ...).</p> <p>To this purpose, the so called "complicated cut" should be implemented in all FMUs' forests, in order to allow natural regeneration after harvesting.</p>	deadline soonest
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6 NCS	FSC P&C 4.2.3	A plan should be designed and implemented in order to improve labour safety conditions. This plan should report priorities for each FMU in needed safety measures; measurable indicators should be clearly identified (budget, training, record of incidents, number of people correctly equipped, ...).	deadline soonest
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Resolution of Non Conformities:

In the last column are indicated the numbers by which the incoming documents are recorded by ICILA and related dates of arrival. The documents arrived by fax in original and translated in Italian.

1 NCP	Baranivka	Closed	17 – 23/10/03
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Used products: SHTEFESIN (Deltametrin). VIRNI DIPRION (biological compound – *virus' polyhedrons*). To be improved: often the admissibility by FSC is confused with admissibility by Ukrainian legislation.

Environmental radioactivity: Baranivka – tap water and rivers don't overtake the admissible levels. The information on dangerous levels of radioactivity of berries, forest fruits and mushrooms is provided to workers and local population (verified during the audit)

4 NCP	Baranivka	Closed	17 – 23/10/03 18 – 23/10/03 19 – 23/10/03
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For the logo use are appointed:
 Baranivka: IVAN IVANOVICH sales director.

5 NCS	Baranivka	Closed	16 – 23/10/03 8 – 14/01/04
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Baranivka: new forest areas: 180 hectares (71 % pine, 11% oak, 6% alder, etc.) – introduction of "complicated cut" (strip cut – see above certification report) not larger than 50 m by 2005 on all the territory.

6 NCS	Baranivka,	Closed	20 – 23/10/03
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Baranivka: 105.000 "grivne" on budget for worker's health & safety, with a detailed plan of expenses and time for accomplishment. To be improved the definition of specific indexes.
 To be better verified during next audit.

ICILA verified the substantial conformance of the audited Organisations with FSC Principle and Criteria therefore is proud to confer them the FSC Forest Management Certification. The first surveillance audit is planned to be realised within 6 months from the certification and the followings at least yearly.

4. AUDIT: NA**5. PUBLIC INFORMATION ABOUT FOREST MANAGEMENT PLAN AND MONITORING**

Forest Management Plan, Monitoring Procedures and all the documentation related to the certification process are available in FMU offices through the contact person (Kiev, Ukraine) and in ICILA's offices (Italy) on request.