

**CERTIFICATION EVALUATION OF THE FOREST MANAGEMENT
OF THE FORESTS PLANTATION OF
MADEPAR Indústria e Comércio de Madeiras LTDA.
IN THE LAGES REGION IN THE SANTA CATARINA STATE
BRAZIL**

**CONDUCTED UNDER THE AUSPICES OF THE FSC
AND SCS - FOREST CONSERVATION PROGRAM**

**Certification registration number
SCS-FM/COC-00048P**

**Submitted to
MADEPAR Indústria e Comércio de Madeiras LTDA.
Rua Heliodora Muniz, 1480 - Área Industrial
P.O.BOX Postal 2514
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BRAZIL**

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**FINAL VERSION
December, 2002**

**Updated: December 2004 (See Section 4.1)
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Certification Process of the forests plantations of MADEPAR Indústria e Comércio de Madeiras LTDA. in the Lages region in Santa Catarina State, Brazil in a total amount of 2.654 hectares, being composed of 1.664 hectares of pine plantation.

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PART I: PUBLIC SUMMARY

1.0 –GENERAL INFORMATION

1.1 – Name and Contact Information of the Certified Company

MADEPAR Indústria e Comércio de Madeiras LTDA.

Rua Heliadora Muniz, 1480 - Área Industrial

P.O Box 2514

88510-510 - Lages – Estado de Santa Catarina

BRAZIL

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1.2 – General Information

At the request of MADEPAR Indústria e Comércio de Madeiras LTDA a certification evaluation was carried out in its forests located in Lages in the state of Santa Catarina, Brazil. This forest management unit covers a total area of 2.654 hectares, of which 1.664 hectares are pine plantations in this way it is a small forest operation. The purpose of the certification was to evaluate the company's forest management practices according to the protocols of the SCS Forest Conservation Program and those of the Forest Stewardship Council (FSC) for well-managed plantations forest management, as defined in the standards for Plantation Forest Management of the FSC Working Group – Brazil, in the most recent version at the time of the field visit (version 7.0 of March 2001).

The Brazilian national standards were used in the field evaluation as the indicators and verifiers around which the team gathered information and made its field observations. This information was used to define the scores and the final certification decision, utilizing the methodology and scoring protocols of the SCS Forest Conservation Program for well-managed forests. This is based on the evaluation of three main program elements: Timber Resource Sustainability, Forest Ecosystem Maintenance, and Financial and Socio-economic Considerations.

1.3 - The forest and the Management System

MADEPAR Industry and Commerce of Timber Ltda., founded in 1977, is part of the Parizotto Enterprise. The company's activities were initially based on supplying the national market with araucaria timber and packaging products, which were gradually replaced by *Pinus* products. In 1983, its industrial facilities had to be expanded and the first industrial unity of the present industrial complex was set up. The company, then, started using only *Pinus* and developing its own technology. Nowadays, MADEPAR is a major manufacturer of *Pinus* doors for exportation.

In 1979, the company established its first reforested area with *Pinus* aiming at future supply of raw material. From this time on, the company has been continuously investing in reforestation, buying and planting areas every year in order to achieve self-sufficiency in raw material. The company's yearly minimum target as to *Pinus* reforestation in the highlands of Santa Catarina and northern Rio Grande do Sul is 200 ha, until the supply meets the demand.

The whole region presently involved with MADEPAR's activities is acknowledged suitable for the forestry activity, presenting rare cases of agricultural use.

The wood produced by MADEPAR's forests has been partially supplying the its door industry. The following table presents the name of management unites and their respective total areas:

ACTUAL PRODUCTIVE AREAS (YEAR BASE 2001)

MANAGEMENT UNITS	CITY	TOTAL AREA (ha)
TAQUARI	Bocaina do Sul	270,87
MANGUEIRINHA	Bocaina do Sul	106,74
CACHOEIRA	Bocaina do Sul	301,50
RIO DOIS IRMÃOS	Bocaina do Sul	106,30
DOIS IRMÃOS	Bocaina do Sul	73,17
CAMBARÁ	Bom Retiro	177,27
MORROS ALTOS	Campo Belo do Sul	300,90
BANDEIRINHAS	Correia Pinto	348,19
BARRA DOS INDIOS I	Correia Pinto	280,88
BARRA DOS INDIOS II	Correia Pinto	74,45
RANCHO DE TÁBUAS	Lages	27,93
SEGREDO	Lages	144,56
VILA VELHA	Otacílio Costa	90,20
SANTO ANTONIO DO CAVEIRAS	Painel	183,75
FAROFA	Painel	51,71
RIBEIRÃO DAS PEDRAS	Taio	116,17

TOTAL

2.654,59

RESUME OF THE PRODUCTIVE AREAS BY SPECIE BY MIDDLE AGED AND OCCUPATION PERCENTAGE.

SPECIES	AREAS (ha)	MEDIUM AGE	% (ha)
Pinus elliottii	624,60	9,8	37,05
Pinus taeda	1.039,24	3,3	62,95
TOTAL Average	-	5,7	-
Total	1.663,84	-	100

MADEPAR has been outsourcing its harvesting activities and silviculture operations for a long time. Nowadays, the company has 21 employees in the forestry area and 40 subcontracted workers, within a total of more than 500 jobs in the industrial area.

1.4 – The Environmental and Social-Economic Context

Environmental Aspects

The forests planted by MADEPAR are located in the Lages plateau to the southeast of Santa Catarina State, in the far-east portion of the Parana River basin in this State. This region shows varied pedogenic profile, comprehending litolic soils, cambisoils, latosoils and structured brunet soil, which can be found in different soils, ranging from plains to mountains or sharp-relief areas. Regarding to the agriculture, most of the region shows natural suitability for pasture and forestry uses, however it has limitations to the use of climatically unsuitable crops.

The region is located in the subtropical zone, being close to the climate transitional range between tropical and subtropical climates, presenting a practically constant rain regime with no draughts. The region's latitude and altitude are responsible for constant frosts and even snowfalls in certain places, decisively determining the regional vegetation profile. The region has no distinct vegetation characteristics, showing a gradual phyto-physiognomical and floristic change known as the contact zone between the Temperate Rain Forest (Araucaria Forest), with Grassy-ligneous Steppe as its main phyto-physiognomic characteristic, and the Rain Forest (Atlantic Forest). Such physiognomies occur in the landscape as a function of geomorphologic and pedologic outlines and, thus, characterize a biologically important inter-regional contact zone. The region doubtlessly limits several faunal and floristic occurrences, besides showing endemism cases represented by species adapted to specific environmental characteristics. The ecoregion as a whole is named Bosques de Araucaria (Araucaria Forests) and is considered critically endangered due to lumbering and agricultural expansion that have been taking place during

the last two decades, promoting alarming rates of fragmentation and loss of habitats.

Chemical Use

The table below presents the agrochemical utilized by MADEPAR in its plantation forests. It was verified that none of these fall within the World Health Organization classifications IA or IB, nor are they based on chlorinated hydrocarbons. The chemicals are not classified as being highly persistent, highly toxic or having biologically active derivatives, nor accumulate in the food chain. The chemicals are not banned by international accords. The chemicals are all used in controlled applications. Workers are trained for the activity and use the corresponding safety equipment. All applications are carried out in a way to reduce risk for workers health and the environment.

Agrochemical used in phytosanitary control in the MADEPAR forests

Class	Product	Permitted	Pest	Active ingredient	DL50 Oral (mg/Kg)	DL50 Dermal (mg/Kg)
Insecticide	Ant pesticide Blitz (bit or mip)	yes	Cutter ants	Fipronil	>2.000 (rats)	>2000 (rats)

High Conservation Value Forests

All MADEPAR's Management Units are small. The largest inspected Unit has only 345 ha, while the largest area of remaining vegetation has 213 ha. Although the areas are located in an important region due to its biological characteristics, aspects thoroughly justifying the definition of such areas as High Conservation Value Forests (HCVF) have not been found so far. Yet, considering that most of the projects for the analysis and characterization of fauna and flora are still in progress along with this certification process, it is possible that, in the future, some important biological elements of some areas, even those considered relatively small, may justify the implantation of HCVF. Therefore, it is MADEPAR's technical personnel's responsibility, in view of the new information to be made available by these projects, to be aware of the presence of such elements and to evaluate the presence of characteristics consonant with High Conservation Value Forests, in case they are found in any specific area.

Socioeconomic Aspects

The MADEPAR's Forest Management Units are located between Planalto Serrano and Alto Vale do Itajai-açu, with encompass the municipalities of Lages, Correia Pinto, Campo Belo do Sul, Bom Retiro, Otacilio Costa,

Painel, Bocaina do Sul and Taio. On the whole, the region's colonization started in the 18th Century by people who left the Sao Paulo State and used the region as a route to the South, especially the west part of the Rio Grande do Sul State, when looking for lands for cattle-raising activities. Southern migrants, as well as those from Santa Catarina, also joined this migratory movement later on. With the construction of the railway which joined Sao Paulo to Rio Grande do Sul in the 20th Century, the colonization by European immigrants was intensified due to the concession of a 15-kilometer stripe along both sides of the railway to the building company, which later was to become the Brazil Development & Colonization Enterprise. This company divided the area in small lots, which were sold to German, Italian and, in smaller proportions, Polish immigrants. Such process led to the Contestado War, which took place west of Lages at the beginning of the last century. It is considered to be one of the most important military messianic movements of the Brazilian history.

The municipalities were the MADEPAR's Units are located generally consist of small rural properties owned by European descendents, due to the historical and socioeconomic processes originating such towns. Except for Lages, which has a population of 157,682 inhabitants, they are all considered to be small towns. Nothing less than 4 municipalities, Bocaina do Sul, Bom Retiro, Campo Belo do Sul and Painel, have fewer than 10,000 inhabitants, with populations varying from 2,384 and 3,980 inhabitants, in Painel and Bocaina do Sul, to 7,967 and 8,051, in Bom Retiro and Campo Belo do Sul, respectively. The remaining towns have populations no greater than 20 thousand inhabitants, with 13,993 people in Otacilio Costa, 16,257 in Taio and 17,026 in Correia Pinto.

The social indicators for such places do not differ much from one another or from the Santa Catarina ones. The illiteracy rate for the State is 23.03%, while the municipalities' rates are 17.24% in Painel, 22.42% in Taio, 24.79% in Lages, 27.23% in Otacilio Costa, 29.45% in Correia Pinto, 31.14% in Bom Retiro and 33.71% in Campo Belo do Sul. No relevant statistical differences among the municipalities can be established from these figures, as some municipalities with lower rates have smaller populations and such differences can also be due to chance. As to infant mortality rate, the only municipality presenting a similar figure to the country's one (36.10 deaths per thousand children born alive, considering children under 1 year old) and, apparently, the only municipality presenting a greater rate than Santa Catarina (23.09) is Lages (35.19). The other municipalities show an average infant mortality rate of 17.04. Taio shows infant mortality rate of 19.16, which is better than the State's or the country's rates. The higher rate verified in Lages may be due to social problems typical of towns with larger populations, despite the greater availability of resources, notably for the public health system.

As a whole, when more complex social indicators, such as the ICV (Life Standard Index) from PNUD/IPEA (based on 1991 data) are analyzed, it can be concluded that these municipalities present average indexes (between 0.5 and 0.8) similar to the Santa Catarina state's one (0.796), which is close to the limit to be considered high (above 0.8) according to the PNUD classification. The only municipality in a slightly inferior position in relation to the others as to ICV was Campo Belo do Sul (0.598), while the remaining municipalities showed to have similar indexes.

1.5 – Products Produced

The planted forests of Pinus supply the MADEPAR's sawmill and factory in Lages, which can turn out 20,000 doors/month. A new sawmill that will allow the use of thinner logs aiming at the use almost complete of the forest is being installed nowadays. Only crooked or defective logs will be sold to the paper industry. It is expected that within a five-year period the company becomes self-sufficient in raw material, as shown in the table below.

SUMMARY OF THE RAW MATERIAL DISPONIBILITY TO HARVEST IN THE NEXT 10 YEARS.

YEAR OF INTERVENTION	TYPE OF INTERVENTION					VOLUME /year (m³)
	1° THINNING.	2° THINNING	3° THINNING	4° THINNING	CLEAR CUT	
2002	19.000	-	-	14.000	-	33.000
2003	5.100	10.100	8.300	16.000	-	39.500
2004	16.900	2.100	-	-	-	19.000
2005	14.000	-	-	-	-	14.000
2006	11.500	20.400	-	-	-	31.900
2007	8.000	-	-	31.000	-	39.000
2008	-	5.000	10.000	3.000	23.000	41.000
2009	91.000	900	2.500	5.300	-	99.700
2010	55.700	36.700	-	-	-	92.400
2011	22.000	12.800	15.400	-	-	50.200
2012	22.000	20.500	9.500	-	-	52.000

1.6 – Existing Chain of Custody Certificates

Actually, MADEPAR holds a chain of custody certificate that covers the door production in it's mill in Lages-SC - **SCS/COC-00397** with a minimum of 70% FSC wood (as stated on on-product labels, invoices, and product descriptions) on product or use to produce the products FSC certified

2.0 – THE CERTIFICATION ASSESSMENT PROCESS

2.1 - Assessment dates

Field Assessment from May 20-23, 2002

Second field visit to verify accomplish of pre-conditions from July 31 to August 1st, 2002

2.2 - Assessment Team

The evaluation was carried out on May 20-23 by an interdisciplinary team with experience in natural resource management under the direction of team leader Roberto Bauch, specialist in planning and management of forest resources. The other team members were Jose Salatiel Rodrigues Pires, specialist in Planning and Conservation of Natural Resources, and Mario Yasuo Kikuchi, specialist in Sociology of Development. The team was selected on the basis of their professional experience and credibility in the field of sustainable forest management in Brazil.

Questions or commentaries about this re-certification process or SCS should be directed to Dr. Robert Hrubes, Vice President of Natural Resources of SCS, Emerville, California, USA

2.3 – Assessment Process

The evaluation process began in December 2001, when the company contacted the SCS. In March 2002, a formal agreement for the operational evaluation of the pinus plantations was settled and accepted by both parties. Then, the working teams were formed and, before the field operations started, each member was given a dossier containing reference terms and information about the SCS. The fieldwork was carried out between the 20th and the 23rd of May 2002. During this time, the working team interviewed the employees involved with the management and the field operations in general, examined additional documents, conducted field inspections and interviewed several people involved in the forestry management of the company. The afternoon of the last day was used for data evaluation, which included criteria scoring, discussion about the documents examined and definition of the pre-conditioning requirements. After the data evaluation, a closing meeting with the MADEPAR's Management was held in the morning of the 24th of May. Several contacts with local leadership and NGOs were made before, during and after the field evaluation visits.

A second field visit was carried out by Roberto Bauch, on the 31st of July and on the 1st of August, in order to verify the compliance with the pre-conditioning requirements. The company, then, handed in the final documents of the complete Management Plan, as it had been required in May 2002. An evaluation of the harvesting operations was carried out during the second field visit, as such operations were not under progress during the first visit. Several other working projects were also presented during the second visit, such as recovery plan for the eroded points in the road network, yearly plan of fauna monitoring, processes involving legal rectification of the company's Areas, detailing of the project along with the Vianei Institute and the Environmental Police and inclusion of areas presenting 100% or more of declivity in procedures and maps as Permanent Preservation Areas, among others.

The report was finished in September and sent to the company for a technical review. The technical changes suggested by the company were incorporated in October and this version was sent to two peer-reviewers, one environmental and other social specialist during October/November. The final version of the report including the peer reviewer's commentaries was received by SCS - Forest Conservation Program at the Central Office in Oakland in December, after it was translated into English, for analysis by the SCS certification committee.

2.3 Participation of the Stakeholders in the Certification Process

The Forest Certification process required by MADEPAR for the company's areas, or leased ones, in the highlands of Santa Catarina State comprehends 2,654 ha. This area is considered small and non-controversial. The *stakeholders* consult was carried out through mail contact and further personal contact with some public and civil organization representatives, consultation in informative material about the Social Certification, as well as through Public Questionnaire (refer to model below) through which the evaluation team was informed of public concerns about environmental and social aspects that should be the main focus during the field audit. Some public concerns are listed in item 1.2.3.1.2, below.

2.3.1 - Regarding Principle 9 – Maintenance of High Conservation Value Forests.

Principle 9 (HCVF) does not apply since no high conservation value areas occur near MADEPAR's properties, no such characteristics were verified and no involved parties knew anything that validated such observation.

QUESTIONNAIRE FOR PUBLIC CONSULTATION ABOUT THE FOREST CERTIFICATION.
MADEPAR Indústria e Comércio de Madeiras Ltda.



Name		
institution		
Contact address		
CEP:		E-mail

1. Do you know Madepar?

yes

No

2. Do you have any commentary to do about Madepar?

yes

No

3. Which are the commentaries you have to?

4. Is there any environmental aspect that you consider important to know at the field evaluation?

yes

No

Which are these environmental aspects?

4.1. _____

4.2. _____

4.3. _____

4.4. _____

5. Is there any aspect at the social area that you considers important for the field evaluation

yes

No

Which are these social aspects?

5.1. _____

5.2. _____

5.3. _____

5.4. _____

O presente questionário tem por objetivo permitir aos cidadãos das mais variadas formações e interesses, ou representantes de instituições representativas da sociedade civil, participar de forma ativa do processo de Certificação Florestal do FSC. Desta forma, solicita-se que este questionário seja enviado, após o seu preenchimento, a um dos seguintes E-mails: **robertobauch@uol.com.br** ou **mariokikuchi@terra.com.br**. Caso assim o prefira, o questionário pode ser enviado ao seguinte número de fax: (0xx11) **3784-7856**. Solicita-se, igualmente, que o questionário seja divulgado para aqueles que, no seu entendimento, sejam pessoas que possam contribuir para o processo.

OBS.: a) Aqueles que responderem este questionário terão suas identidades mantidas em absoluto sigilo nos documentos atinentes ao Processo de Certificação.

b) A participação dos interessados na consulta pública não implicará co-responsabilidade no Processo de Certificação.

2.3.2. - General preoccupations presented about MADEPAR Certification Process:

How is the management of native remnants carried out in MADEPAR's areas?

This issue can be approached according to two aspects. The management of planted forests (silviculture), in what concerns soil preparation, planting and harvesting phases, has respected the native remnant areas, avoiding possible damages due to silviculture activities. As to the management of the native remnant areas in the FMU's of the company, the standard procedure is to harvest only the exotic species of Pinus and to protect the vegetation against disturbances that may be brought about by forest management procedures. More recently, the company has been developing specific programs and projects to be implemented, whose purpose is to study the disturbances undergone by such fragments, as well as to research the most adequate management for the enrichment and maintenance of biodiversity in these areas.

What is the situation of MADEPAR's areas in relation to Permanent Preservation Areas and Legal Reserves?

Quantitatively, the company owns more Legal Reserve areas of native vegetation than required by law and they are going to be officially recorded in the near future. The Permanent Preservation Areas, still quantitatively speaking, are going to be recuperated and restored in case they were used in the past, especially those areas presenting more than 45o declivity and surrounding water bodies. As to the qualitative aspect, both areas are to be the object of matter of researches aimed at evaluating their biological, structural and functional situations, as underlined in the items above.

How is the situation of the fauna management in MADEPAR's areas? Are there fauna corridors? Are there any corridors of indigenous species linking native remnants maintained and established by the company? Which landscape concerns are included in the forest management, especially during clear-cuttings?

Most MADEPAR's Forest Management Units under certification process are individually very small and comprise native vegetation areas larger than the requirements of the environmental legislation. Thus, everything leads to conclude that there are no serious isolation problems when considering human activities surrounding these areas. Even so, one of the company's objectives is to study forest fragments management schemes in order to evaluate problems concerning the maintenance of biodiversity in such fragments and to define management programs mainly related with harvesting.

Which Environmental Education activities are carried out by MADEPAR?

MADEPAR's environmental education works are carried out by means of specific actions. The main projects for 2002 are the "Junior Environment

Protector 2002”, carried out in association with the Environmental Police of Lages, and the “Participative Environmental Assessment of Communities Surrounding MADEPAR’s Forests”, a partnership with the Vianei Center of Popular Education. These projects involve differentiated educational and institutional activities. The association with the Environmental Police will be effected through the sponsoring of the whole project, which comprises the selection of thirty students from Lages, between 12 and 14 years old, whom will receive training for five months in environmental and first aid issues. These children are considered multipliers of knowledge about the environment, as well as assistants for issues concerning environmental education and environment surveillance. The work developed with the Vianei Center equally consists in sponsoring the assessment of the communities surrounding the MADEPAR’s areas as to their perception of environmental issues so as to promote, along with the population, the establishment of more appropriate public policies to the rural reality of the region. Both projects may be considered important contributions from the company, not only to education itself, but also to the promotion of citizenship notions among the youth and residents of areas surrounding the company’s properties, which may serve as an evaluation tool of the social impacts brought about by the company’s enterprises.

What are MADEPAR’s working safety measures?

MADEPAR workers use IPE (Individual Protection Equipment), which are of compulsory use and chosen according to the employee’s function, although many of them started been used recently. As a whole, the IPE is being used without any complaints from the employees in relation to adaptation problems. If the IPE is not used because the company does not provide it the worker gets paid for the working day as usual. There is a part-time safety technician who supervises the fieldwork teams according to a schedule including at least one weekly visit to each team. In order to consolidate the company’s Working Safety Policy, it was defined that the safety technician would perform periodic visits to all fieldwork teams, with further elaboration of reports of the non conformities observed, as well as of the corrective actions taken, including systematic inspections to vehicles used for the transport of workers and monitoring of work-related accidents involving company’s and subcontracted workers.

What are the works conditions within MADEPAR’s areas?

There is a local habit among employees to remain in the work fronts from Monday to Saturday and go home for the weekends. In view of this fact, the company offers the employees houses/shelters, which are provided by subcontracted companies. Such houses consist of some bedrooms, a kitchen and restrooms, all in good repair. Additionally, the subcontracted company gives the workers good-quality meals. The company is also concerned about the quality of the water drunk by the employees. A recent drink ability analysis of the water has assured its quality.

Which are the agrochemicals used by MADEPAR? How is the packaging control carried out?

Virtually no agrochemical is used by MADEPAR. The only product used is a granulate ant-killer, BLITZ, applied in self-contained packets called MIP (Micro Bait Holder). Moreover, a complete packaging return system has been set up through which all used packaging are sent back to the company's main warehouse to be returned to the manufacturer.

How is fire used in the areas to be reformed?

Among all soil preparation techniques used, including the demarcation of areas to be planted and delimitation of clearings, only the mounding and the manual gathering in lines of residues comprise burning. Such activities are only ones in which fire is used, locally and controlled, during the whole forest cycle.

2.3.3. – List of the contacted stakeholders:

Secretaria Municipal da Agricultura de Bocaína do Sul – Ademar Melo – R. Ludgero Bussoni, 675 - Centro - Bocaína do Sul/SC - 88538-000

Secretaria Municipal da Educação de Bocaína do Sul – Vilmar da Costa Martins - R. João Assink, 38 - Centro - Bocaína do Sul/SC - 88538-000

Secretaria Municipal da Agricultura de Taió – Albertina Salette Andrioni – R. Luís Bertolí, 44 - Centro - Taió/SC - 89190-000

Secretaria Municipal da Educação de Taió – Rose Novotni – R. Luís Bertolí, 44 - Centro - Taió/SC - 89190-000

Secretaria Municipal da Agricultura de Painel – Derci Melo Vieira – R. Basílio Pessoa, s/nº - Centro - Painel/SC - 88543-000

Secretaria Municipal da Educação de Painel – Sônia Maria Schuvarts – R. Basílio Pessoa, s/nº - Centro - Painel/SC - 88543-000

Secretaria Municipal da Agricultura de Campo Belo do Sul – Odair Pessáro – R. Major Teodósio Furtado, 30 - Centro - Campo Belo do Sul/SC - 88580-000

Secretaria Municipal da Educação de Campo Belo do Sul - Luzia Pereiara A. Varela – R. Major Teodósio Furtado, 30 - Centro - Campo Belo do Sul/SC - 88580-000

Secretaria Municipal da Agricultura de Bom Retiro – Albino Padilha – R. Frontino Vieira de Souza, s/nº - Centro - Bom Retiro/SC - 88608-000

Secretaria Municipal da Educação de Bom Retiro – João Valdir de Abreu - Av. 24 de Outubro, 145 - Centro - Bom Retiro/SC - 88608-000

Secretaria Municipal da Agricultura de Otacílio Costa – Aloísio Costa Oliveira - Av. Vidal Ramos Jr., 228 - Centro - Otacílio Costa/SC - 88540-000

Secretaria Municipal da Educação de Otacílio Costa – Eliane Koelher - Av. Vidal Ramos Jr., 228 - Centro - Otacílio Costa/SC - 88540-000

Secretaria Municipal da Agricultura de Correia Pinto – Julio Diniz Alves – R. Juscelino Kubtschek, 1874 - São João - Correia Pinto/SC - 88535-000

Secretaria Municipal da Educação de Correia Pinto – Ieda Couto de Souza – R. México, 756 - São João - Correia Pinto/SC - 88535-000

Secretaria Municipal do Meio Ambiente de Lages – João Alberto Duarte – R. Martinho Nerbass, 29 - Centro - Lages/SC - 88502-180

Secretaria Municipal da Educação de Lages – Aidamar Seminotti Hoffer – R. Beijamim Constant, 178 - Ed. Leida - Centro - Lages/SC - 88501-110

EPAGRI – Lages – Eng. Constâncio Bernardi dos Santos – R. João José Godinho, s/nº - Frei Rogério - Lages/SC - 88502-970

FATMA - Lages – Eng. Andrei Venturi – R. Caetano Vieira da Costa, 575 - Centro - Lages/SC - 88502-070

IBAMA - Rio do Sul – Jurandir da Silva Filho – Rua Ademar Hof, 138 - Progresso - Rio do Sul/SC - 89160-000

Polícia de Proteção Ambiental – Ten. Adair Alexandre Pimentel – cppa9pcmt@pm.sc.gov.br – R. Mato Grosso, 297 - São Cristóvão - Lages/SC

Polícia Rodoviária Estadual – Sgto. Cmte. Estanislau Paes – Rod. 438 Km 18 - Painel/SC - 88543-000

Polícia Rodoviária Federal – Inspetor Nilton Rogério de Oliveira – R. Getúlio Vargas, 515 - Conta Dinheiro - Lages/SC - 88508-620

ACR - Associação Catarinense de Reflorestadores – Marcílio Caron Neto / José Carlos Mendes - Rua João de Castro, 68 - 8º andar / sala 801 - Lages/SC - 88501-160

Sindicato dos Trabalhadores na Indústria da Construção e do Mobiliário de Lages – Milton Luís Arruda Maliverni – Av. Papa João XXIII, 210 - Ipiranga - Lages/SC - 88505-200

SEIVA - Indústria e Florestas S/A – Eng. Evandro Cozer – Rod. BR 116 Km 161 - Ponte Alta do Norte/SC - 88535-000 - Cx. Postal: 03

AMURES - Associação dos Municípios da Região Serrana – João Raimundo Colombo – R. Otacílio Vieira da Costa, 112 - Centro - Lages/SC

ABS - Associação Bombinense de Surf – Edson Roberto Mendes Baierle – R. Salema, 486, Centro, Bombinhas - sc CEP: 88.215-000

ACEPSJ – Associação Comunitária Espiritualista Patriarca São José – Jorge André - ecooperar@ecooperar.com.br - Vargem Grande, Florianópolis-sc

APA - Anhatomirim - Emílio Mori - emiliomori@uol.com.br - Rua João pio Duarte Silva, 508, Corrego Grande, Florianópolis - sc CEP: 88.037-001

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Apremag - Associação de Preservação do Meio Ambiente Governador Celso Ramos - Uri Mafrá Machado - Rod. SC. 410, km 3,5 , 3147, Fordão, Gov. Celso Ramos - SC CEP: 88.190-000

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Capa – Centro de apoio ao pequeno agricultor de Erechim – Marcelo Nunes - capaerexim@uol.com.br – Rua Silveira Martins, 483, Centro, Erechim – RS - CEP: 99.700-000

CE - Centro Ecológico Ipê serra – César Volpato - centro.ecologico@nol.com.br - Cx. Postal 21, Ipê - RS CEP: 95.240-000

CE Centro Ecológico Litoral Norte – Nelson Bellé - centro.ecologico@zaz.com.br - Rua Pe. Jorge, S/C, Dom Pedro de Alcântara - RS CEP: 95.568-000

Cemear – Centro de Monitoramento Ecológico e Alternativas Rurais – Darclé Kruinvald - avati@bol.com.br - Rua José Pagliolli, S/N, Centro, Atalanta - SC CEP: 88.410-000

Cepagri – Centro de assessoria e apoio aos trabalhadores rurais - Valdemar Arl - cepagri@provinet.com.br - Rua Santa Catarina (pátio da Catedral), Caçador - SC CEP: 89.500-000

Cepagro – Centro de estudos e promoção de agricultura em grupo - Luiz Carlos Robellato dos Santos - guarapuvu@ig.com.br - Rua Souza Dutra, 714 / 304, Estreito Florianópolis - SC CEP: 88.070-600

Cetap - Centro de tecnologias e alternativas populares – Alvir Longhi - cetap@pro.via-rs.com.br - Rua Prestes Guimarães, 366, Cx. Postal 616, Passo Fundo - RS CEP:99.001-970

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Cooper Família - Vanessa Ferreira dos Santos – Rua Clevelândia, 309D, Prédio do Sindicato dos Trabalhadores Rurais, Centro, Chapecó - SC CEP: 89.807-000

Curicaca – Alexandre - curicaca@portoweb.com.br

Eco - Citrus – André – ecocitrus@terra.com.br

Fepagro Litoral Norte – Fundação Nacional de Pesquisa Agropecuaria Litoral Norte Maria Gertrudes do Amaral – Centro de Pesquisa Litoral Norte, 484-km 05, CEP: 95530-000 - Maquiné – RS

Fepagro de Porto Alegre – Fundação Nacional de Pesquisa Agropecuaria de Porto Alegre Rosa Neli de Andadre - rsf2020@via-rs.net - Rua Pedro Boticário, 39, Bairro Glória, Porto Alegre - RS CEP: 90.660-070

Fepagro Fundação Nacional de Pesquisa Agropecuaria de Santa Maria – Roberto Trevisan – Caixa postal 346 - CEP: 97001 - 970 - Santa Maria – RS

FZB – Fundação Zoobotânica - Cristina Leonhardt - leonhardt@fzb.org.br - Av. Salvador França, 1427, Jardim Botânico, Porto Alegre - RS CEP: 90.690-000

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- FURB - departamento de Eng. Florestal, Blumenau – SC

Grupo Pau - Campeche - Marisa Prudencio - paucampeche@yahoo.com.br –
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88.040-970

IAF – Instituto de Agricultores Hakoork - Gabriela Schmitz Gomes -
iaf@almix.com.br - Av. 12 de Maio, 610, Cx. Postal 28, Turvo - PR
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Mater - Natura - Paulo Pizzi - maternatura@softone.com.br - Rua
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Pellicam - Lindalva Dutra Pinho - lpinho@mp.sc.gov.br

Rureco - Fundação para o Desenvolvimento Econômico Rural da Região do
Centro Oeste de Paraná - Silvana Bastos - silvureco@almix.com.br - BR 277,
km 348, Cx. Postal 258, Guanabara - PR CEP: 85.030-230

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Amaral - eduardo@sdm.sc.gov.br – Rua Osmar Cunha, 183 - Bloco b, 5º
andar - Ceisa Center Centro, Florianópolis - SC - CEP: 88.015-900

Sintraf – Geovani - sindicatoipe@nol.com.br

Unesc - Roberto Recart dos Santos - rrs@unesc.rct-sc.br

Unicentro - Denny Wiliam da Silva - deny@gol.psi.br - Rua do Triunfo, 53, Bairro
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Vianeí - Centro Vianeí de Educação Popular - Natal João Magnanti -
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FSC Brasil / WWF – Walter Suiter Filho - walter@wwf.org.br

FSC Brasil / WWF – Garo Batmanian - garo@wwf.org.br

FSC Brasil / FASE – Sandra Faillace – sandra@alternex.com.br

André Marx - andremarx@uol.com.br

1.2.3.3 – List of the received answers:

Polícia Rodoviária Estadual – Sgto. Cmte. Estanislau Paes – Rod. 438 Km 18 -
Painel/SC - 88543-000 – p10pre@der.sc.gov.br

FATMA – Andrei Venturi – tdevas@zipmail.com.br

Secretaria Municipal de Educação de Campo Belo do Sul – Luzia Pereira dos
Anjos Varela – Rua Teodósio Furtado, 30 – luzia.pav@zipmail.com.br

2.3.4 - List of stakeholders interviewed during the certification assessment:

INCRA – National Institute for Colonization and agrar reform – Jany Pucci Pereira –do INCRA´s Coordinator of the Region of MURES (Municipality Association of Planalto) –Lages

Objective: Investigate the land situation of the MADEPAR areas included at the certification process

FATMA – Environmental Foundation of the state of Santa Catarina – Coordinator of the Planalto Serrano (CERPS) – Lages – Eng. Luiz Gonzaga Padilha

Objective: Investigate pending issues at the state environmental department.

–Vianeí Popular Education Center Guilherme Floriani, Natal Magnanti e Selênio Sartori –forest technicians.

Objective: Investigate the institutional partnership between the entity and MADEPAR and to know other works developed by this NGO

The building and furnish industry workers Union of Lages – Milton Luis Arruda Malinverni – president

Objective: Investigate the relations between the workers representation entity and MADEPAR

IBAMA – Brazilian Environmental Institute and Renewal Resources – POCOF of Rio do Sul – Gerson Ferreira –administrative agent

Objective: Investigate the existence of pending issues at the environmental agency

Municipality of Paineis – Manoel Redi Guizoni (Vice-mayor) and Célio Luiz Botelho (Municipal Secretarial for buildings and services)

Objective: Investigate the institutional partnership MADEPAR and the Paineis municipality

Environmental Policy – 9º platoon of the Environmental Protection Police at Lages – Ten. Adair Alexandre Pimentel; Sub-Tenente Ângelo João Zampoli; Sgt. Gilberto Carlos Braga; Soldado Amarildo Luiz de Jesus;

Objective: Investigate the progress of the project “Protetor Ambiental Mirim 2002”, supported through an institutional partnership between MADEPAR and the Environment policy

2.4 – Standards Used in the Evaluation Process

The standards used on MADEPAR's certification process were the principles, criteria and indicators defined by the Brazil Work Group of FSC for the Plantation Forest Management on the most actualized version at the time of the field visit (version 7.0 from March 2001).

To define the punctuation and the final decision of certifying the operation, the methodology and proceedings of the SCS Forest Conservation Program were used, that indicate a good forest management program. These principles are based on the evaluation of three basic elements: Sustainability of the forest resources, Maintenance of the forest ecosystem and financial and social-economic considerations.

2.5 - The Peer Reviewers Team

The revisers called "Peer reviewers" are an integrand part of the evaluation process described on the SCS Forest Conservation Program and have the objective of possibiliting a critical analysis of neutral specialists about the executed report. The list showed bellow was chosen in common agreement between SCS and MADEPAR. None of the revisers have financial interests with MADEPAR and signed a confidentiality term when making his analysis and suggestions as in the appendices.

Dr. Paulo de Tarso de Lara Pires, forest engineer with M.Sc. in Forests Sciences, Economy and Forests Politic, UFPR, Brazil, 1998, actually doing B.Sc. in the Law University in Curitiba, Brazil with a work about Forests Sciences, Forests Legislation, UFPR, Brazil. Actually professor in the Rural Economy and Extension Department of the Federal University of Parana (UFPR), in the Environmental/Agrarian Legislation Curse and assistant professor of the Environmental Legislation Curse for the Public Ministry Foundation School of the Parana State

Dr. Ricardo Shiota is agronomy engineer with Master of Science in Agriculture Economy in ESALQ – USP and Ph.D. in Agriculture Economy by the University of Ohio, Columbus, USA. Actually is assistant professor of the Economy, Management and Sociology Department in ESALQ since 1988 and previously researcher of the FEALQ.

3.0 - RESULTS, CONCLUSIONS AND RECOMMENDATIONS

3.1 – General Discussion

According to the obtained information and to the judgements made by the evaluation team about MADEPAR's forest management, in the region of Lages in the State of Santa Catarina, the company received the following grading, using a scale from 0 to 100 points, in which the highest numbers represent the best notes. Theoretically the grades 0 and 100 represent extremes being less probable to be find this grades be found in any actually existing forest plantations.

Evaluated elements	Grade
Sustainability of the forest resources	81
Maintenance of the forest ecosystem	82
Financial and Social-economic considerations	82

The obtained grading on the evaluation of the three evaluated elements, exceed or fulfill the minimum certification limit of 80 points. These infer that the result is positive in the management of the three elements evaluated at MADEPAR for the pinus plantations and deserve the designation of "well managed" forests.

In the same way MADEPAR's performance was evaluated in relation to the fulfillment of the FSC Principles, as shown on the table bellow:

Principle	Strong points	Weak points	Condition	Grade
P01: Obedience to the Laws and FSC Principles	Conformity with the federal, state and municipal legislation and its regulation Payment of all the charges and taxes foreseen Respect all the international agreements and treating, ratified by the Brazilian National Congress There is a long-term formal compromise of adhering to the FSC Principles and Criteria . The permanent preservation areas and legal reserve are maintained and there is a long-term compromise is maintaining them. .			83
P 02: Rights and responsibilities of the Land Use and ownership	Exists clear documentation and evidences of right to use of the forest resources in the properties. There are no local communities that use, with legal or customary rights of land ownership or use, the forest area. The MADEPAR's forests management units are nor characterized as stages of land ownership conflicts.			81

P 03: Rights of the Indigenous Communities and Traditional Communities	Since neither Indigenous communities nor traditional communities were found in the area or in the neighborhood, this principle isn't applied.			N/A
P 04: Community Relations and Rights of the Workers of the Forest Management Unit.	<p>Large use of local labor, being own employees or the job lender's or by the indirect generation of employs in the region's timber sector.</p> <p>Good relationship between the company and the local population, having a good institutional image with the local civil society.</p> <p>Institutional support to representative entities of the civil society and public institutions, notably in social and educational matter.</p> <p>Preoccupation with the qualification and education of the workers in conformity with the company's Management Plan.</p> <p>Accessible management and administrative structure, without barriers, between the diverse hierarchy levels.</p>	<p>Absence of a formalized Training Program in Environmental issues for the management level</p> <p>Absence of a formalized systematic entrances of third part companies</p>	<p>Condition 2002/04</p> <p>Condition 2002/05</p>	81
P 05 : Benefits of the Forest (Forest Plantations)	<p>The forest activity has economic viability and takes in account the environmental, social and operational costs and assures investments for the maintenance of ecological productivity</p> <p>The executed management stimulate the forest use and minimizes the waste associated with the harvest operations</p> <p>The equipment id technically adequate and economically viable</p> <p>Promotes the use of goods and services of local suppliers</p> <p>The FMU environmental services are identified</p> <p>The level of harvest of forest products does not exceed the platform of sustainable production.</p>			82
P 06 : Environmental Impact	<p>There are several important environmental programs explained at the Management Plan</p> <p>They conducted some not systematic set ups in respect to flora and fauna ;that exists at the FMU, which evidences the preoccupation with this aspect</p> <p>There are fishing and hunting control actions</p> <p>Existences of formal operational rules to control erosion protect the hydric resources and minimize the damage during the harvest and road construction.</p> <p>Considering the management scale</p>	<p>Necessity to implant an embraced programs to recuperate degraded areas and restore the natural areas</p> <p>Need to implement a Wildlife Survey and Monitoring Program, turned to subsidy the Fauna Management Plan,</p>	Condition 2002/02	82

	<p>Representative samples of the existing ecosystems in the landscape are being protected in their natural state and their areas are plotted in maps</p> <p>Exists a fire prevention and control plan</p> <p>No agrochemical classified by World Health Organization (WHO) as types 1A and 1B and agrochemical based on chlorinated hydrocarbons, the persistent, toxic, or that remain biologically active and are cumulative in the food chain</p> <p>The chemical products, casks, liquid and solid non organic residues, including fuel and lubricant oils are disposed in an environmentally appropriate form, in an adequate place</p> <p>No use of genetically modified organisms</p> <p>No existence of conversion of forest areas to other non-forest land uses.</p>	with emphasis in rare and endangered species		
P 07: Management plan	<p>Exists an appropriate Management Plan to the scale and intensity of the proposed operations, which is being implemented and actualized. The long term objectives of the forest management and ways to archive it are clearly described</p> <p>Exists a forest fire prevention and control plan, including the vigilance structure (observation posts, equipment and communication ways) and silvicultural practices (maintenance of roads, grazing, etc.), definition of points of water capture and theirs respective accesses, and ready access to materials and well trained teams and with responsibilities defined to combat fire focus</p> <p>The maps presented are detailed and present the classification of the conservation areas</p>	The Public Summary of the Management Plan is in elaboration	Condition 2002/01	81
P 8 –Monitoring and Evaluation	<p>A The company researches and monitors among other the following indicators:</p> <ul style="list-style-type: none"> -Efficiency of all the harvested forest products -Growing, regeneration and phitosanitary conditions of the forest taxes -Environmental impacts of the harvest and agrochemical apply -Economic viability, productivity and efficiency of the forest management -Frequency of fires and reached area - Soil fertility <p>The way of working permits the monitoring and tracing of each forest product since its origin</p>	The fauna survey and monitoring program didn't began until now	Condition 2002/02	80
P 09 – Maintenance of the High Conservation Value Forests	Until the present, no HCVF area was identified at the proprieties, in functions of an absent of local environmental specificity.			N/A

P 10 – Forest Plantations	<p>Good dimension percentage and representatively of the natural protected ecosystems and presentation on the respective maps.</p> <p>The species selection is based on the general adequacy to the place and its conformity to the objectives of the management plan. Use of diversified proceedings and species of pinus</p> <p>Definition of good technical parameters for the implantation and/ or re-location of the forest roads at the new areas</p> <p>Existence of hydric resources protection strategies, including erosion control and adoption of soil conservation techniques</p> <p>Use of high technical level silviculture techniques</p> <p>Implantation of measures to prevent and minimize the appearance of plagues, diseases and fire occurrence</p>	<p>Frequent occurrence of exotic trees in the conservation areas</p> <p>Some permanent preservation and conservation areas are degraded</p> <p>The environmental education plan only cover the first 12 month</p>	Condition 2002/02	Condition 2002/03	81
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3.2. – Certification Decision Process

In all the extensive of the evaluated subject the SCS team had a good impression, by the efficient management and good technical and operational capacity in the implantation and management of homogeneous forest systems. Since in this case the received grading exceed the certification limit, the result of the evaluation is positive in the process of MADEPAR's pinus forest plantation management in the region of Lages in the State of Santa Catarina, and, therefore these plantations from MADEPAR deserve the designation of "well managed" forests.

The technical report written by the evaluation team was submitted to the company and SCS' directory. A technical review was done by two professionals with renamed knowing in Brazilian forest plantation management (, ecology and social- Changes were made in the final report as an answer to the commentaries of these professionals. Following is presented an abstract of the evaluation team's opinions, divided in three parts: conditions, recommendations and commentaries.

3.3. – Conditions and Recommendations

Conditions

Based on the evaluation made and on the result of the grading received by the team, which reflects the observed level of performance, it was concluded that the fourteen conditions are necessary to be attached to MADEPAR s certification. The acceptance of the specified conditions is a requirement to maintain the forest certification.

Condition 2002/01 – Finish, in a term of 6 months after receiving the

certificate, the public Summary of the management plan to be used at the environmental education actions

Condition 2002/02 - The recuperation of the degraded areas program, the restoration of natural areas program, the fauna monitoring program, the management project for restoring the natural forest fragments and the araucaria inventory program, like it is foreseen at the management plan of MADEPAR, begins at the time of award of certification and a work plan describing the past year's recuperation activities as well as future recuperation actions/strategies must be delivered 12 months from award of the certification.

Condition 2002/03 – Present until June 2003 the environmental education plan to be carried out in the next 12 month. In the following years the same must be done.

Condition 2002/04: With the objective to consolidate the work security politic, MADEPAR begins at the time of award of certification with the following activities:

- Periodical visits of the work security technician to all the work fronts of the Certificate Management units of MADEPAR, elaborating reports of the non conformities observed and the adopted correction steps

- Definition and adequacy of the IPE at the different functions

- Implant a systematic inspection of the workers transport vehicles

- Give weekly orientation to the workers about the importance of work security

- Include at the work accident monitoring system, the accidents with and without work absence occurred with the third part workers

- Evaluate the necessity of creating a forest CIPA

A work plan describing the past year's activities as well as future actions/strategies must be delivered 12 months from award of the certification.

Condition 2002/05: Define, until 6 month after receiving the certification, a systematic of entrances of third part services companies, defining clearly the aspects related to work security, like the utilization of determinate IPE's and the environmental care that should be followed.

Recommendations

Recommendation 2002/01 MADEPAR should have as a long-term preoccupation, more investment in genetic improvement of its pinus plantation, with the objective to produce seeds better adapted to the company's condition

Recommendation 2002/02: The company should implement a management systematic of the management plan, where at least yearly the plane X effective done operation should be analyzed, in the way to avoid delays at the foreseen siculture practices.

Recommendation 2002/03: Search the alternatives to eliminate completely the use of fire for soil preparation, evidencing the incoming in fertility and in soil structure

Recommendation 2002/04: Implement and improve the conservation of the old roads in the way to control punctual erosion processes.

Recommendation 2002/05: Implement and rescue information for a data bank about different treatments, forest cycles and ensued costs that could came to introduce forest cycle alterations and or siculture practices.

Recommendation 2002/06: Encourage the implementation of researches at the company mainly in relation to items of genetic improvement and developing of new siculture practices

Recommendation 2002/07: Prepare yearly training programs for the management level than for the operational, own e and third part employee

Recommendation 2002/08: Work to lower the dispersion and increase the size of the MADEPAR's forest areas allowing the reduction of direct costs and management.

Recommendation 2002/09: Encourage studies and searches to define management regional landscape ways that adopts rural systems that permit the connectivity maintenance between the native forest areas and evaluate the situations of the fragmentation in its FMU's areas.

Recommendation 2002/10: Assemble an information plan about occurrence of pinus in conservation areas inside the geographic information systems to help at the related plans to the elimination of exotic species in these areas.

Recommendation 2002/11: Encourage studies and researches to define parameters related to the water and biodiversity components, that could be monitored and mapped along the time, and permit to represent the quality and quantity variety of this resources, indicating if the environmental activity are being conduced in the way to maintain the ecosystem integrity and the sustentability of the use of natural resources.

Recommendation 2002/12: Accomplish studies and fast ecological

analyses in other existed native areas in the FMU's, to evaluate their importance for the conservation of the present natural elements, having in mind the different types of fitofisionomy were the MADEPAR's forest are implanted.

Recommendation 2002/13: Demarcate in maps the permanent or periodically wet areas (humid areas) that are not directly associated to streams or lagoons and include them like Permanent Protected Areas (APP) in all the Forest's Management units to protect this important water springs for wild fauna and flora and also for local/regional human activities.

Recommendation 2002/14: Define an strategy to implement an environmental monitoring net, that permits to evaluate and compare the quality and quantity situation of water, between different planted areas and the neighbor activities of the company's FMU's.

Recommendation 2002/15 Define and implant a reception and resolution of conflict system, with the objective of structure a action strategic, in case that the company should be involved in polemic questions with the neighbor population or institutions or other localities, taking in care the respect to the laws and maintaining the good institutional name of MADEPAR

Recommendation 2002/16: Stimulate employees for local community activities or movements, to intern citizenship notions between MADEPAR's employees.

Recommendation 2002/17: Divulge environmental education, participating in a pro active form in events or educational activities in the Lages region through talks to local population and community movements in general.

Recommendation 2002/18: Define the procedures and a communication systematic for the external public, in an eventual occurrence of environmental problems, coming or not directly from its activities, to all the employees, independent of their qualification or function. Could be conscious through the inclusion of this procedures in the qualification processes they are submitted

Recommendation 2002/19: Elaborate a diagnostic describing the main causes of desmission, to subsidize eventual analysis to control rotativity at the forest sector.

Recommendation 2002/20: Implement a posts and salary plan, including the forest area.

Recommendation 2002/21: Include at the employees demission procedures explanations to the employee of the pertinent labor legislation,

including his rights, the agreements adopted by the company, and the procedures that should be taken in relation to the hour bank.

Recommendation 2002/22: Verify the possibility to offer to all the company's employees a Medical Assistance Plan, and not only for the supervisor and the higher posts.

Commentaries

MADEPAR is a middle sized company at the industrial activity of manufacturing doors, and its forest operation is classified like a small activity .It began the reforestation activity at more than 20 years ago, incorporating in its patrimony a serial of farms and plantings. The company has a good plantation forest management system to produce logs for sawmills and veneer with a good productivity. MADEPAR has systematically invested in the improve of its forest plantations and has a qualificated technical body, doing a lot of its field activities with third part team, and in a state level has institutional partnerships.

MADEPAR has an efficient administration, advantaging the evolution and improvement of the productive standards, and the technical quality of the activity. The length of areas with natural vegetation is adequate. The company is beginning with the control and planing of the cut cycle, including inventory. MADEPAR uses the best existent and consolidated techniques in the silviculture, harvesting and forest management. The use, monitoring and final arrangement of the utilized chemical packing is a complete and structured system. MADEPAR is known as having a good relation with the neighborhood communities, helping in several social programs with works and donations.

4.0 AUDITS

4.1 2004 Annual Audit

4.1.1 Assessment Dates

December 8-11, 2004

4.1.2 Assessment Personnel

Mário Y. Kikuchi

4.1.3 Assessment Process

The activities of the 2004 annual audit commenced on December 8, with a visit to the harvest units in the Lages region, including some stands that were being thinned. There were some operational non-conformities observed regarding soil damage during skidding – this resulted in a new CAR that is described later on. Also inspected were several lodgings in order to assess their condition of habitability in relation to workplace safety.

The next day the auditor visited 2003 and 2004 planting units in the Vacaria region, Rio Grande do Sul. The Santana, Socorro, and Batalha UMFs were evaluated for lodging habitability as well. A number of inaccuracies were noticed in the maps, which could lead to inappropriate planting particularly with respect to APPs. From there it is necessary to review and update the maps as requested in the new CAR described later.

On December 10 the auditor basically spent the day with Chain-of-Custody. At the end of the day there was a meeting with senior members of ONG, a group that does work in Madepar in the social and environmental realm.

On December 11 Madepar’s control system was reviewed, notably the monitoring of contract labor companies. At the end a final meeting was held with the company managers where the audit results were presented, as well as the new CARs to be fulfilled by Madepar.

4.1.4 Status of Current CARs and Recommendations

CAR 2003-02
By October 2003, implement a chlorination system for potable water to be served in all the logging camps.
Company Actions/Auditor Comments
In the first 2004 audit it was verified that 15 water filters (solid particulates to 5 micrometers) had been installed in the UMFs. The objective of this installation was to decrease the case incidence of protozoan contamination, and to improve odor and taste of the water. Madepar had also tested another method of chlorination but it proved to be impractical for the time being. In December 2004 a system was started that protects the springs, alleviating them from the deposition of organic matter and consequently fecal coliform and others harmful to human health. However, the proper level of water chlorination still needs to be implemented and will have to continue into 2005. The auditor has granted an extension until the 2005 audit.
Position at the end of audit
CAR in progress, with an extension until the 2005 audit

CAR 2003-03
Immediately implement a soil conservation program that addresses road surfaces, by means of water bars, culverts, drainages, etc., as well as soil conservation in older roads and at erosion points.
Company Actions/Auditor Comments
Madepar acquired proper machinery for permanent maintenance of the roads and erosion points to tend to this CAR. Since April 2004 they have patrolled all of the Management Units in the Vacaria region and the Caraguatá UMF. However, the recovery was only partly realized, which could lead to

more erosion problems. In December 2004 it was noted that the construction of culverts led to excessive earth removal in many areas. Madepar is conscious of the problem and will directly monitor future earthworks.
Position at the end of audit
CAR complete

4.1.5 Observations, Additional CARs and Recommendations

In addition to the CARs described above from certification, the auditor found a series of weak points with which the company still has problems, particularly in environmental aspects.

New CARs:

Based on the results of this audit, two new CARs are being issued.

Stand harvesting and thinning operations performed after the rains led to soil damages, with many ravines of greater than 50 cm depth.	
CAR 2004-01	By January 2005, present Technical Standards and Procedures that prohibit the removal of felled trees after the occurrence of rains and in the rainy season, as well as when machines create furrows greater than 20 cm in depth. Sites where these impacts occur should be recovered immediately.
Reference	FSC Principles P6 c5, P7 c1, and P10 c6
Time Frame	By January 2005.
Company Actions/Auditor Comments	
Madepar, in completing this CAR, presented Document PO.074.100 from 11/2001, revised 2/2/05, containing the updated operational procedures, in conformance with this CAR.	
Position at the end of audit	
CAR complete	

The UMF maps contain many errors, and there were many cases where APPs were not delineated. Also, several roads and stands were not plotted on the maps. This complicates operational planning and can lead to serious errors in the field.	
CAR 2004-02	By the 2005 audit, update the UMF maps, revising and correctly identifying the roads, stands, and restoration sites in the conservation areas (APPs and RLs). The APPs where non-conformances in planting were observed need to be remediated immediately.
Reference	FSC P1 c1, P6 c5 e P7 c1
Timeframe	2005 Audit

Recommendation

Recommendation 2004-01 – The auditor recommends that Madepar carry out a survey of the installation of a radio communication system instead of the current system of cell phones.

4.1.6 General Conclusion of the 2004 Audit

Based on the observations made during the December 2004 audit, the auditor concluded that **Madepar Indústria e Comércio de Madeiras LTDA.**, of the Lages region, has made significant progress in order to complete the CARs and recommendations it has been issued. Although more work needs to be done, the general performance of forest management was improved during the last period. In light of this, the auditor recommends that **Madepar Indústria e Comércio de Madeiras LTDA.** Continue to be certified as a “well-managed forest” for its pine plantations in the Lages region, state of Santa Catarina.

5.0 – PUBLIC INFORMATION ABOUT THE MANAGEMENT PLAN AND ITS MONITORING

MADEPAR is elaborating a public summary of its management plan as required by Principle 7 from FSC, and asked for at the condition 2002/01 being available in 6 month and may be required directly to MADEPAR or to SCS. This public summary will contain the available results of the monitoring programs already implemented by the company.