



APPROVED
Director
LLC Forest Certification
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STANDARD

Generic standard of LLC Forest Certification for certification of the forest management system for compliance with the FSC Principles and Criteria

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Contents

| | |
|---|----|
| Introduction | 3 |
| 1 The scope | 3 |
| 2 References to standards | 3 |
| 3 Terms and definitions. Designations and abbreviations..... | 3 |
| 4 Abbreviations | 3 |
| 5 General | 4 |
| 5.1 Objective | 4 |
| 5.2 General information..... | 4 |
| 5.3 Generic standard structure..... | 5 |
| 5.4 A list of national legislative and regulatory acts that have legal effect in the territory of the country where the work under the present Standard is performed..... | 5 |
| 5.5 A list of international conventions and agreements..... | 5 |
| 5.6 References to official lists of rare, threatened, and endangered species of plants and animals in the country when the current Standard is applied..... | 6 |
| 6. Requirements for the forest management system for FSC certificate applicants or FSC certificate holders..... | 7 |
| 7. Responsibilities | 23 |
| Appendix 1 - Minimum list of applicable laws, regulations and nationally-ratified international treaties, conventions and agreements..... | 22 |

Introduction

The present standard has been developed in compliance with the requirements of FSC-STD-20-001, FSC-STD-20-002, and requirements of the corresponding FSC policies and guidelines.

LLC Forest Certification (hereinafter referred to as the Company) is a certifying body accredited by the FSC to provide FSC certification for forest owners and forest managers, forest users, manufacturers, and wood and wood product harvesting companies, retailers of forest products, the scope of the accreditation being Russia and the CIS countries, except for SLIMF.

The certification system of the Company provides for FSC certification according to the following schemes, including SLIMF certification:

- Individual FM certification;
- Multiple-site FM certification;
- Group FM certification.

FM certificate owners can use (under supervision) the FSC labeling for the purpose of marketing and promotion of their products and services.

1 The scope

1.1 The present standard sets the Company's requirements for the enterprises that would like to obtain an FM certificate.

1.2 The present standard is used by the Company to evaluate a Certificate applicant; the location is determined by the accreditation scope of the Company (para.2 of the Introduction) where national or regional FM certification standards haven't been adopted and which are covered by the Company's accreditation.

1.3 The present standard is mandatory for the applicants for an FM & FM/COC FSC certificates and FM & FM/COC FSC certificates holders.

1.4 If there is an official national or regional FSC standard, approved by FSC, which covers territory of an applicant for a certificate of certificate holder this standard has to be implemented.

2 References to standards

This standard refers to the following regulatory documents:

FSC-STD-20-001 General Requirements for FSC Accredited Certification Bodies: Application of ISO/IEC Guide 65:1996;

FSC-STD-20-002 Structure, content and local Adaptation of generic Forest Stewardship Standards

3 Terms and definitions. Designations and abbreviations

In this standard the following terms and definitions are used:

Company is the certification body (LLC Forest Certification)

Evaluation is part of the audit, i.e. auditor's understanding of qualitative and quantitative characteristics of the subject of the audit in question.

Certificate applicant (client) is a legal person or an individual prior to the moment when the certificate is issued to him.

Certificate holder (client) is a legal person or an individual, which obtained the certificate.

4 Abbreviations

FSC - Forest Stewardship Council®

ILO – International Labor Organization
 HCVF – High Conservation Value Forests
 GMO – genetically modified organism
 WHO - World Health Organization

5 General

5.1 Objective

This standard is a criterion of evaluation of harvesting and other forest management operations for voluntary FSC forest certification of enterprises and organizations that possess or lease forest areas.

The criteria and indicators in this standard are applicable for evaluation of any forest management or timber processing company regardless of their field of business activity.

The Company using the FSC system adheres to the opinion and shall insist that certificate owners should meet the following requirements:

- Forest management enterprises shall conduct sustainable and environmentally substantiated forest management, for example, as concerns the environment, forest biological resources, and wild flora and fauna;
- The concepts of the economic activity of the forest management enterprises shall include the principles of careful harvesting and use of all forest products proceeding from the principle of conservation and enhancement of forest ecology, which should be properly documented;
- All types of activity shall on the long-term basis provide and have a positive effect on the socio-economic wellbeing of local people;
- Within the certificate validity period the forest enterprises shall conduct a consistent policy of uninterrupted improvement of their economic activity as regards social, economic, and environmental aspects.

5.2 General information

This standard was developed by the Company based on the work experience regarding the forest management of enterprises in the Russian Federation, and a number of other countries of the world. During the standard development a number of documents were examined and used, including:

- FSC Principles and Criteria, policies, procedures, recommendations and guidelines of the Forest Stewardship Council (FSC);
- Regulatory, normative and other documents regarding forestry, forest use, environmental protection, labor safety, and forest certification in Russia, Belarus, Ukraine, a number of countries of Asian-Pacific region.

Currently, the Company actively interacts with the working groups developing national and regional FSC standards in the countries and the regions where the Company plans its large-scale operations.

The Company is interested in the availability of the national and regional standards, which shall be an important move to support the FSC initiative all over the world, shall positively influence the unification of the processes of certification of the forestry industry and shall create the necessary conditions for wide participation of the general public in the forest certification process.

One of the Company's activities includes dynamic cooperation with FSC working groups and national initiatives to improve the present generic standard and make a feasible contribution in the activity of such groups taking into account the available and constantly acquired experience in certification audits.

The Company's generic standard prior to the evaluation of the certification applicants is adapted in strict compliance with the FSC requirements stipulated in its normative documents, namely: FSC-STD-20-002.

This generic standard is drawn up in Russian and English. In case of discrepancies, the English version, English being the official FSC language, shall prevail.

5.3 Generic standard structure

The present generic standard has the following structure:

Principle 1: compliance with national and international laws and FSC principles

Principle 2: Tenure and use rights and responsibilities

Principle 3: Indigenous peoples' rights

Principle 4: Community relations and worker's rights

Principle 5: Benefits from the forest

Principle 6: Environmental impact

Principle 7: Forest Management

Principle 8: Monitoring and assessment

Principle 9: Maintenance of high conservation value forests

Principle 10: Plantation

This standard contains the name of each Principle followed by the criteria based on the hierarchy and sequence provided in the FSC documents. The Principles and Criteria are given as in the FSC document named Principles and Criteria of Forest Stewardship Council. Further, for each Criterion a list of indicators is given. The indicators are the elements that make it possible to determine the area and essence of the forest management system evaluation in compliance with the Criterion they refer to, and indices that determine the quantitative and qualitative source of information that may be evaluated against the indicator. All criteria, indicators and indices for each principle shall be evaluated for each particular case, except for cases when the principle isn't applied. For instance, if within the forest areas in possession or lease of the Company no plantations or local communities of indigenous people are available, neither Principle 3 'Indigenous Peoples' rights', nor Principle 10 'Plantations' are applied.

5.4 A list of national legislative and regulatory acts that have legal effect in the territory of the country where the work under the present Standard is performed

During the adaptation of this Standard to national and/or regional conditions (where National FSC Standards haven't been developed and approved), the Lead Auditor in cooperation with local experts forms a list of legislative and regulatory acts (Appendix 1) The list is approved by the Company Director before the audit and, if applicable, should be agreed with the National Office or FSC National Initiative.

5.5 A list of international conventions and agreements

1. Convention on wetlands of International Importance especially as Wildlife Habitat (Ramsar, February 2, 1971).
2. CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora). (Washington D.C., March 3, 1973)
3. Convention on Biological Diversity (Rio de Janeiro, June 3-14, 1992).
4. Convention 29 – Forced Labor Convention (entered into force on May 1, 1932).
5. Convention 110 – Plantations Convention (entered into force on January 22, 1960).
6. Convention 111 – Discrimination (Employment and Occupation) Convention. (entered into force on June 15, 1960).
7. Convention 138 - Minimum Age Convention (entered into force on June 19, 1976).

8. Convention 105 – Abolition of Forced Labour Convention (entered into force on January 17, 1959).
9. Convention 87 - Freedom of Association and Protection of the Right to Organise Convention (entered into force on July 4, 1950).
10. Convention 98 - Right to Organise and Collective Bargaining Convention (entered into force on July 18, 1951).

5.6 References to official lists of rare, threatened, and endangered species of plants and animals in the country when the current Standard is applied

During the adaptation of this Standard to national and/or regional conditions (where National FSC Standards haven't been developed and approved), the Lead Auditor in cooperation with local experts forms a list of legislative and regulatory acts. The list is approved by the Company Director before the audit and, if applicable, should be agreed with the National Office or FSC National Initiative.

6. Requirements for the forest management system for FSC certificate applicants or FSC certificate holders

| Principle 1: Compliance with national and international laws and FSC principles¹ | |
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| Forest management shall respect all applicable laws of the country in which they occur, and international treaties and agreements to which the country is a signatory, and comply with all FSC Principles and Criteria. | |
| Criteria | Indicators |
| 1.1. Forest management shall respect all national and local laws and administrative requirements | 1.1.1. The Enterprise was registered in compliance with the existing legislation. |
| | 1.1.2. The Enterprise has the texts of the existing basic laws and administrative regulations available, based on which it conducts its forest management activity (see the list of documents in para.5 of the generic standards). |
| | 1.1.3. The Enterprise keeps its legislative and regulatory database up-to-date. |
| | 1.1.4. The Enterprise has a procedure of informing its staff about changes in legislation, regulatory acts and instructions relevant to the Company's activity |
| | 1.1.5. The procedure of informing the staff about actual changes in legislation, regulatory acts and instructions is observed. |
| | 1.1.6. Harvesting and other forest management operations comply with the existing forest and environment protection legislation. |
| 1.2. All applicable and legally prescribed fees, royalties, taxes and other charges shall be paid. | 1.2.1. The Enterprise doesn't have any fees, royalties, taxes, and other charges to be paid. |
| | 1.2.2. The Enterprise doesn't have any salaries and wages to be paid. |
| | 1.2.3. The Enterprise doesn't have any pending forest lease payments. |
| 1.3. In signatory countries, the provisions of all binding international agreements such as CITES, ILO Conventions, ITTA, and Convention on Biological Diversity, shall be respected | 1.3.1. The Enterprise has the texts of international conventions available. |
| | 1.3.2. The Enterprise has the text of the Montreal (and Helsinki) process. |
| | 1.3.3. The managers and experts of the Enterprise know about the main content of the listed conventions and the process. |
| | 1.3.4. The Enterprise observes in its activity the provisions of the listed conventions and the process. |
| 1.4. Conflicts between laws, regulations and the FSC Principles and Criteria shall be evaluated for the purposes of certification, on a case by case basis, by the certifiers and the involved or affected parties. | 1.4.1. A number of conflicts between the requirements of the national and local legislation and the FSC P&C were identified. |
| | 1.4.2. The Enterprise holds talks with the stakeholders concerning the resolution of the indentified conflicts. |
| | 1.4.3. The Enterprise informs the certifying body about the identified conflicts and joint decisions. |
| | 1.4.4. The Enterprise undertakes measures to resolve the identified conflicts. |
| 1.5. Forest management areas | 1.5.1. The Enterprise registers identified cases of illegal |

¹ In accordance with Advise FSC-DIR-20-007-17 Forest management evaluations (see Appendix 1 below)

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| <p>should be protected from illegal harvesting, settlement and other unauthorized activities.</p> | <p>harvesting and other unauthorized activities. 1.5.2. The Company undertakes measures to prevent illegal harvesting and other unauthorized activities.</p> |
| <p>1.6. Forest managers shall demonstrate a long-term commitment to adhere to the FSC Principles and Criteria.</p> | <p>1.6.1. The Enterprise has a responsible for the FSC forest certification.</p> |
| | <p>1.6.2. The Enterprise has a policy (written statements) reflecting its long-term commitment to adhere to the FSC Principles and Criteria.</p> |
| | <p>1.6.3. The staff of the Enterprise is informed about the goals, tasks, and requirements of the FSC certification system.</p> |
| | <p>1.6.4. The general public is informed about the policy and about the fact that the Enterprise is being certified in compliance with the FSC system.</p> |
| | <p>1.6.5. The staff of the Enterprise has the information available about the FSC certification.</p> |
| | <p>1.6.6. Within its scope of activity the Enterprise monitors the activity of contractors for compliance with the FSC P&Cs.</p> |
| | <p>1.6.7. In case when the Partial Certification Policy is applied (FSC-POL-20-002), the Enterprise strives to meet the FSC P&C requirements at all areas, including those not covered by the scope of the certificate.</p> |
| | <p>1.6.8. In case when the Policy on the Excision of Areas From the Scope of Certification is applied (FSC-POL-20-003), the Company strives to meet the FSC P&C requirements at all areas, including those not covered by the scope of the certificate.</p> |

Principle 2: Tenure and use rights and responsibilities

Long-term tenure and use rights to the land and forest resources shall be clearly defined, documented and legally established.

| Criteria | Indicators |
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| <p>2.1. Clear evidence of long-term forest use rights to the land (e.g. land title, customary rights, or lease agreements) shall be demonstrated.</p> | <p>2.1.1. Documents (contracts etc.) confirming long-term forest ownership or management rights are available.</p> |
| | <p>2.1.2. These documents are drawn up and registered in accordance with the established legal procedures.</p> |
| | <p>2.1.3. The boundaries of the leased or owned areas are marked on maps.</p> |
| <p>2.2. Local communities with legal or customary tenure or use rights shall maintain control, to the extent necessary to protect their rights or resources, over forest operations unless they delegate control with free and informed consent to other agencies.</p> | <p>2.2.1. Local communities with legal or customary (including traditional) rights to use forest resources have been identified within the lease area of the Enterprise.</p> |
| | <p>2.2.2. Local communities delegated control over forest management with free and informed consent to other agencies.</p> |
| | <p>2.2.3. Representatives of local communities with legal or customary (including traditional) tenure or use rights or organizations to which the right of control was delegated take part in controlling the forest management activity of the Enterprise.</p> |
| <p>2.3. Appropriate mechanisms shall be employed to resolve disputes over tenure claims and use rights. The circumstances and status of any outstanding disputes will be explicitly</p> | <p>2.3.1. The Enterprise has a documented procedure for resolution of disputes over tenure claims (lease) and use rights to the forest resources</p> |
| | <p>2.3.2. The disputes over tenure claims (lease) and use rights to forest resources are resolved by the Company in</p> |

| <p>considered in the certification evaluation. Disputes of substantial magnitude involving a significant number of interests will normally disqualify an operation from being certified</p> | <p>accordance with a set procedure.</p> |
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| <p>Principle 3: Indigenous peoples' rights</p> | |
| <p>The legal and customary rights of indigenous peoples to own, use and manage their lands, territories, and resources shall be recognized and respected.</p> | |
| Criteria | Indicators |
| <p>3.1. Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.</p> | <p>3.1.1. Indigenous people who have customary or legal title to land and resources are identified and their entitlements recognised in management plans and the areas concerned demarcated on maps.</p> |
| | <p>3.1.2. There is a written agreement with communities of indigenous people on procedures to control silvicultural operations on sites where said local indigenous community owns or uses natural resources.</p> |
| | <p>3.1.3. Rights and obligations of the parties as given in the agreement are observed.</p> |
| | <p>3.1.4. Communities of indigenous peoples or organizations with the right to control, take part in controlling harvesting and other forest management operations of the Company.</p> |
| | <p>3.1.5. The rights to control harvesting and other forest management operations were transferred to the other organizations by the indigenous people communities with free and informed consent.</p> |
| | <p>3.1.6. The organization has a written procedure mutually agreed with indigenous people for resolving disputes and addressing grievances of indigenous peoples consistent with 3.1.2.</p> |
| | <p>3.1.7. Disputes and grievances regarding implementation of the agreements consistent with 3.1.2 resolved through communication, negotiation or mediation. Legal procedures shall be used only if negotiations fail</p> |
| | <p>3.1.8. The organization maintains a record of disputes and grievances of indigenous peoples consistent with 3.1.2 and the status of their resolution.</p> |
| | <p>3.1.9. There no outstanding disputes of substantial magnitude affecting the interests of indigenous peoples.</p> |
| <p>3.2. Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of indigenous peoples.</p> | <p>3.2.1. Planning and project documentation concerning harvesting and other forest management operations is agreed with representatives of local communities.</p> |
| | <p>3.2.2. A procedure evaluating the risk of impacts of forestry operations on the traditional livelihoods of indigenous peoples is available.</p> |
| | <p>3.2.3. The procedure provides for determining the volume of damage on the livelihoods and the procedure of compensations for damage (lost profit).</p> |
| | <p>3.2.4. The procedure of impact evaluation is observed and compensations are paid, if required.</p> |
| | <p>3.2.5. The Enterprise's activity doesn't threaten or diminish the natural resources or tenure rights of indigenous people.</p> |

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| | 3.2.6. Indigenous peoples have a guaranteed access to practice the traditional use of natural resources. |
| 3.3. Sites of special cultural, ecological, economic or religious significance to indigenous peoples shall be clearly identified in cooperation with such peoples, and recognized and protected by forest managers. | 3.3.1. There's a list of sites of special cultural, ecological, economic or religious significance to indigenous peoples. |
| | 3.3.2. The list was compiled with the participation of representatives of indigenous peoples or was agreed with them. |
| | 3.3.3. The sites of special cultural, ecological, economic or religious significance to indigenous peoples are mapped. |
| | 3.3.4. The regime of harvesting and other forest operations of the Company within the sites of special cultural, ecological, economic or religious significance were agreed upon with representatives of the indigenous peoples. |
| | 3.3.5. The regime of harvesting and other forest operations of the Company within the sites of special cultural, ecological, economic or religious significance is observed. |
| 3.4. Indigenous peoples shall be compensated for the application of their traditional knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence. | 3.4.1. The representatives of the indigenous people communities and the Company formally agreed upon commercial use of the traditional knowledge and skills of the indigenous people regarding the use of forest species or management systems in forest. |
| | 3.4.2. The indigenous people are compensated by the Company for the use of their traditional knowledge. |
| Principle 4: Community relations and worker's rights | |
| Forest management operations shall maintain or enhance the long-term social and economic well-being of forest workers and local communities. | |
| Criteria | Indicators |
| 4.1. The communities within, or adjacent to, the forest management area should be given opportunities for employment, training, and other services. | 4.1.1. A major part of the employees of the Enterprise and its contractors are workers from local communities. |
| | 4.1.2. Workers are employed in compliance with the existing legislation. |
| | 4.1.3. The information about the vacancies at the Enterprise and its contractors is available for the local communities. |
| | 4.1.4. The Enterprise provides professional training and extension of professional knowledge and skills for staff from local communities that work or apply for work with the Enterprise. |
| | 4.1.5. No restrictions have been imposed for the local people to visit the Enterprise's forest areas to collect wild-growing fruits, berries, mushrooms, medicinal herbs, tourism and recreation. |
| | 4.1.6. The Enterprise renders services and social assistance to local communities and budgetary organizations in accordance with the assumed obligations. |
| 4.2. Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families | 4.2.1. The Enterprise has a health and safety department or a respective specialist. |
| | 4.2.2. The Enterprise managers and health and safety specialists were trained in consistence to requirements of work safety. |
| | 4.2.3. The Enterprise holds introductory, primary, and recurring instructions concerning work safety. |

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| | 4.2.4. The staff is regularly trained in work safety measures based on a 10-hour program. |
| | 4.2.5. The Enterprise trains the staff in terms of administering the first-aid. |
| | 4.2.6. All subdivisions and logging units are provided with first-aid kits. |
| | 4.2.7. The Enterprise conducts medical examination of specific categories of workers, as determined by the legislation. |
| | 4.2.8. The staff is vaccinated/revaccinated against tick-borne encephalitis in case of operation in an encephalitis struck region. |
| | 4.2.9. The staff is provided with safety equipment, protective outfits, individual safety equipment. |
| | 4.2.10. All safety equipment, protective outfits and individual safety equipment are properly certified. |
| | 4.2.11. The staff uses the distributed protective outfits and individual safety equipment at their working places. |
| | 4.2.12. The Enterprise provides for its staff the necessary amenities and recreational facilities when working in shifts. |
| | 4.2.13. All production facilities have fire-extinguishing equipment. |
| | 4.2.14. The workers operating gasoline-powered saws are provided with safety outfits and individual safety equipment (protective outfits and shoes, helmets with visors (net) and earflaps). |
| | 4.2.15. The Enterprise has certified working places. |
| | 4.2.16. The Enterprise keeps accident statistics. |
| | 4.2.17. The Enterprise undertakes preventive measures to decrease occupational injuries and occupational diseases. |
| | 4.2.18. The Enterprise timely pays its staff temporarily disability sick benefits as a result of occupational injuries or occupational diseases. |
| 4.3. The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labor Organization (ILO) | 4.3.1. The Enterprise has the texts of the indicated conventions available. |
| | 4.3.2. The staff is familiar with the main provisions of ILO Conventions 87 and 98. |
| | 4.3.3. The Administration of the Enterprise observes the rights of workers to be free to establish organizations with other workers as to negotiate with their employers |
| | 4.3.4. The documentation determining the social guarantees of the staff of the Enterprise is available. |
| | 4.3.5. An efficient mechanism of the staff participation in the decision-making process concerning their working conditions is available. |
| 4.4. Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups (both men and women) directly affected by management operations. | 4.4.1. The Enterprise evaluates possible social impact of the planned and conducted management activities. |
| | 4.4.2. There's an updated list of the stakeholders to agree upon possible social impact of the planned and conducted management activities. |
| | 4.4.3. The Enterprise regularly consults with the stakeholders (both men and women) concerning possible social impact of the planned and conducted management activities. |
| | 4.4.4. The Enterprise corrects the management plan based |

| | <p>on the consultations with representatives of the stakeholders (both men and women).</p> <p>4.4.5. There's a list of sites of special cultural, ecological, economic or religious significance to the local communities at the Enterprise.</p> <p>4.4.6. The list of sites of special cultural, ecological, economic or religious significance to the local communities was agreed with the local people and other stakeholders.</p> <p>4.4.7 A specific regime of use was determined and agreed upon with the local people and other stakeholders and was established for the sites of special cultural, ecological, economic or religious significance.</p> <p>4.4.8. The agreed regime of use in the sites of special significance for the local people is observed.</p> |
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| <p>4.5. Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage.</p> | <p>4.5.1. The Enterprise has in place a procedure of review of disputes and grievances of the local people and compensation payment.</p> <p>4.5.2. The Enterprise assigned a responsible person to consider the grievances of the local people.</p> <p>4.5.3. The procedure of review of disputes and grievances was brought to the notice of the local people.</p> <p>4.5.4. The procedure of review of disputes and grievances and compensation payment is observed.</p> <p>4.5.5. To prevent such loss and damage, the Enterprise undertakes the necessary measures.</p> |
| <p>Principle 5: Benefits from the forest</p> | |
| <p>Forest management operations shall encourage the efficient use of the forest's multiple products and services to ensure economic viability and a wide range of environmental and social benefits.</p> | |
| Criteria | Indicators |
| <p>5.1. Forest management should strive toward economic viability, while taking into account the full environmental, social, and operational costs of production, and ensuring the investments necessary to maintain the ecological productivity of the forest.</p> | <p>5.1.1. Forest management of the Enterprise is economically viable and stable.</p> |
| | <p>5.1.2. The Enterprise provides for expenses for silvicultural, social and ecological activities in compliance with the forest management plans and forest lease contracts.</p> |
| | <p>5.1.3. Silvicultural, social and ecological activities provided by the Enterprise are observed.</p> |
| | <p>5.1.4. The Enterprise plans and provides a level of investment to enhance economical viability.</p> |
| <p>5.2. FM and marketing operations should encourage the optimal use and local processing of the forest's diversity of products.</p> | <p>5.2.1. The Enterprise analyzed possible economic use of various forest resources.</p> |
| | <p>5.2.2. The Enterprise uses the analysis results in its activity.</p> |
| | <p>5.2.3. The forest products, if possible, are processed at the local wood processing enterprises.</p> |
| <p>5.3. Forest management should minimize waste associated with harvesting and on-site processing operations and avoid damage to other forest resources.</p> | <p>5.3.1. Technological maps of the harvesting on-site processing contain the following information: Technology of harvesting on-site processing; Periods of the harvesting operations; Technology of utilization of slash residues; Location scheme of hauling roads, loading bays, warehouses, parking places for cars and mechanisms, service objects; Location of groups and strips of seed trees, composition and</p> |

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| | <p>quantity of seed trees; Area where young trees and undergrowth should remain; % of their preservation; Location of non-operational areas (including biodiversity areas and objects); Erosion-protection activity; Production and domestic waste storage places; Signatures of officers and members of logging units.</p> |
| | 5.3.2. Harvesting is conducted in compliance with the existing legislation and technological maps. |
| | 5.3.3. All harvesting machinery (forwarders, harvesters, felling and milling machines, hauling tractors etc.) only move along the mapped technological corridors. |
| | 5.3.4. The Enterprise hauls wood and other wood products before their technical condition is deteriorated. |
| | 5.3.5. The Enterprise utilizes wood processing waste and other forest products in an environmentally friendly way. |
| 5.4. Forest Management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product. | 5.4.1. The products and services offered by the Enterprise are diverse, if possible. |
| 5.5. Forest management operations shall recognize, maintain, and, where appropriate, enhance the value of forest services and resources such as watersheds and fisheries. | 5.5.1. Water protective zones are established within the forest areas. |
| | 5.5.2. The water protective zones are mapped. |
| | 5.5.3. Water protective zones along water objects are established within the lease forest areas. |
| | 5.5.4. The water protective zones along water objects are mapped. |
| | 5.5.5. Harvesting and forest management operations within the water protective zones and protective strips along water objects comply with Forest and Water Codes. |
| 5.6. The rate of harvest of forest products shall not exceed levels which can be permanently sustained. | 5.6.1. The rate of annual allowable cut in accordance with an approved procedure was calculated for the forest areas leased by the Enterprise. |
| | 5.6.2. The harvesting volumes depending on the forest types and categories of protective forests, types and methods of logging, by management units and management groups do not exceed the annual allowable cut. |
| | 5.6.3. The annual allowable cut of non-timber forest products does not exceed the regeneration rate of such resources. |
| Principle 6: Environmental impact | |
| Forest management shall conserve biological diversity and its associated values, water resources, soils, and unique and fragile ecosystems and landscapes, and, by so doing, maintain the ecological functions and the integrity of the forest. | |
| Criteria | Indicators |
| 6.1. Assessment of environmental impacts shall be completed – appropriate to the scale, intensity of forest management and the uniqueness of the affected resources – and adequately integrated into management systems. Assessments | 6.1.1. The assessment of environmental impacts of forest management as provided in the forest management plan was completed. |
| | 6.1.2. The Enterprise provides preliminary assessment of environmental impacts for areas subject for harvesting, artificial reforestation, road construction, earth deposit |

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| <p>shall include landscape level considerations as well as the impacts of on-site processing facilities. Environmental impacts shall be assessed prior to commencement of site-disturbing operations.</p> | <p>establishment and other types of nature management.</p> |
| <p>6.2. Safeguards shall exist which protect rare, threatened and endangered species and their habitats (e.g. nesting and feeding areas). Conservation zones and protection areas shall be established, appropriate to the scale and intensity of forest management and the uniqueness of the affected resources. Inappropriate hunting, fishing, trapping and collecting shall be controlled.</p> | <p>6.2.1. There's a list of rare, threatened and endangered species and their habitats encountered within the forest area managed by the Enterprise.</p> <p>6.2.2. Consultations with stakeholders are held to detect rare, threatened and endangered species of flora and fauna and their habitats.</p> <p>6.2.3. Protection regimes of rare, threatened and endangered species of flora and fauna and their habitats were determined and agreed with the stakeholders.</p> <p>6.2.4. The protection regimes of rare, threatened and endangered species of flora and fauna and their habitats is observed.</p> <p>6.2.5. Identified key habitats of rare, threatened, and endangered species are mapped.</p> <p>6.2.6. When planning and conducting forest management, the Enterprise doesn't harvest wood and shrubs prohibited for harvesting at the federal, regional, and local levels.</p> <p>6.2.7. The borders of forest reserves, conservation zones, and other protected areas and their protected sites, as well as the borders of the allocated territories were mapped.</p> <p>6.2.8. The regime of harvesting and forest management operations in protected areas, in their protected sites and in the relevant allocated territories complies with the set one.</p> <p>6.2.9. The Enterprise controls fishing and hunting, setting traps and gathering at the area.</p> |
| <p>6.3. Ecological functions and values shall be maintained intact, enhanced, or restored, including:</p> <ul style="list-style-type: none"> a) Forest regeneration and succession; b) Genetic, species, and ecosystem diversity; c) Natural cycles that affect the productivity of the forest ecosystem. | <p>6.3.1. Forest is mainly regenerated by the Enterprise by leaving young growth intact; the natural reforestation is promoted taking into account local forest conditions.</p> <p>6.3.2. The Enterprise conducts artificial regeneration at the areas where natural regeneration was proved to be unsuccessful.</p> <p>6.3.3. The Enterprise implements measures to restore environmentally degraded forest areas.</p> <p>6.3.4. The Enterprise analyzed the possibility of increasing a share of non-clear cuts taking into account silvicultural and economical conditions.</p> <p>6.3.5. Provided that silvicultural and economical conditions are favorable, the Enterprise increases a share of non-clear cuts.</p> <p>6.3.6. The Enterprise compiled a list and description of key habitats and biodiversity elements of forest ecosystems and determined measures on their preservation during clear-cuts.</p> <p>6.3.7. During clearcuts key habitats and biodiversity elements of forest ecosystems are preserved.</p> <p>6.3.8. Harvested areas should not exceed the area set by the Timber Harvesting Regulations.</p> <p>6.3.9. The Enterprise has fire, disease and pest outbreak</p> |

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| | <p>protection plans.</p> <p>6.3.10. Forest protection plans are observed by the Enterprise.</p> |
| <p>6.4. Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.</p> | <p>6.4.1. Within the lease area, representative samples of forest ecosystems were established.</p> |
| | <p>6.4.2. The established representative samples of forest ecosystems were mapped.</p> |
| | <p>6.4.3. For the established representative samples a protection regime was established.</p> |
| | <p>6.4.4. For the established representative samples a protection regime is observed.</p> |
| <p>6.5. Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.</p> | <p>6.5.1. The Enterprise developed a procedure of minimization of impact on forest environment during harvesting, construction and operation of roads.</p> |
| | <p>6.5.2. The procedure of minimization of impact on forest environment during harvesting, construction and operation of roads is observed.</p> |
| | <p>6.5.3. The Enterprise doesn't haul wood along streams and small rivers (as well as ephemeral streams).</p> |
| | <p>6.5.4. Fuel and oil isn't stored in water protective zones and on the ice of streams and pools.</p> |
| | <p>6.5.5. Machinery is not repaired or parked in water protective zones and on the ice of streams and pools.</p> |
| | <p>6.5.6. During the construction and operation of forest roads no obstacles to water streams in the beds of rivers and streams are created.</p> |
| | <p>6.5.7. The Enterprise doesn't apply chemical control methods of pest management in water protective zones.</p> |
| | <p>6.5.8. Harvesting doesn't result in the pollution of water objects.</p> |
| <p>6.6. Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides. World Health Organization Type 1A and 1B and chlorinated hydrocarbon pesticides; pesticides that are persistent, toxic or whose derivatives remain biologically active and accumulate in the food chain beyond their intended use; as well as any pesticides banned by international agreement, shall be prohibited. If chemicals are used, proper equipment and training shall be provided to minimize health and environmental risks.</p> | <p>6.6.1. The Enterprise doesn't use (if possible) chemicals during harvesting and in forest management.</p> |
| | <p>6.6.2. The Enterprise doesn't use any pesticides, herbicides, fungicides, and insecticides prohibited by WHO and FSC.</p> |
| | <p>6.6.3. The staff that applies chemicals (including their processing, storage, transportation, elimination of emergency leakages of chemicals) passed a special training.</p> |
| | <p>6.6.4. During the application of the chemicals, protection and safety equipment are used.</p> |
| <p>6.7. Chemicals, containers, liquid and solid non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.</p> | <p>6.7.1. The Enterprise has a procedure of use and disposal of fuel and oil that can be disposed in an environmentally friendly manner.</p> |
| | <p>6.7.2. The Enterprise has a procedure of use and disposal of chemicals and solid non-organic waste utilization and they can be disposed in an environmentally friendly manner.</p> |
| | <p>6.7.3. The procedure of using and disposing of fuel and oil</p> |

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| | at the enterprise is observed. |
| | 6.7.4. The procedure of using and disposing of chemicals and solid non-organic waste at the enterprise is observed. |
| | 6.7.5. The responsible persons for fulfilling the procedure of use and disposal of fuel and oil were appointed. |
| | 6.7.6. The responsible persons for fulfilling the procedure of using and disposing of chemicals and solid non-organic waste were appointed. |
| | 6.7.7. Waste from machinery and equipment is removed from the management area after completion of works to allotted places. |
| 6.8. Use of biological control agents shall be documented, minimized, monitored and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited. | 6.8.1. Biological control agents are applied in the minimum amounts; this application is strictly controlled and complies with the existing legislation. |
| | 6.8.2. No genetically modified organisms (GMO) are used. |
| 6.9. The use of exotic species shall be carefully controlled and actively monitored to avoid adverse ecological impacts. | 6.9.1. The use of exotic species in the activity of the Enterprise is justified. |
| | 6.9.2. There's a procedure available on the monitoring of exotic species. |
| | 6.9.3. This procedure is applied at the Enterprise. |
| | 6.9.4. The use of exotic species doesn't result in adverse silvicultural and ecological impacts. |
| | 6.9.5. There's a responsible person at the Enterprise who monitors the areas where exotic species are used. |
| 6.10. Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion: a) entails a very limited portion of the forest management unit; and b) does not occur on high conservation value forest areas; and c) will enable clear, substantial, additional, secure, long term conservation benefits across the forest management unit. | 6.10.1. Conversion of forests to plantations shall only be permitted when it occurs at less than 0,5% of forests within the forest management unit being certified. |
| | 6.10.2. Conversion of forest lands to other land categories, whose function cannot guarantee conservation of forest cover in the long term shall only be permitted when it affects a very limited portion of the forest management unit (nor affect a total of more than 5% of the area of the Management Unit), and is acceptable to stakeholders. |
| | 6.10.3. Conversion and afforestation do not occur in conservation zones, protection areas (see 6.2) or areas retained as representative of existing ecosystems (see 6.4). |
| | 6.10.4. The high conservation value forests not convert to plantations. |
| | 6.10.5. Conservation benefits of conversion to non-forest land use or afforestation or compensatory conservation activities planned have been identified and assessed in cooperation with stakeholders; in the case of compensatory conservation activities, their extent is acceptable to stakeholders. |
| | 6.10.6. Conservation benefits are substantial, additional, secure, and long term. |
| Principle 7: Management Plan | |
| A management plan -- appropriate to the scale and intensity of the operations - shall be written, implemented, and kept up to date. The long term objectives of management, and the means of achieving them, shall be clearly stated. | |

| Criteria | Indicators |
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| <p>7.1. The management plan and supporting documents shall provide:</p> <ul style="list-style-type: none"> a) Management objectives; b) Description of the forest resources to be managed, environmental limitations, land use and ownership status, socio-economic conditions, and a profile of adjacent lands. c) Description of silvicultural and/or other management system, based on the ecology of the forest in question and information gathered through resource inventories. d) Rationale for rate of annual harvest and species selection; e) Provisions for monitoring of forest growth and dynamics; f) Environmental safeguards based on environmental assessments; g) Plans for the identification and protection of rare, threatened and endangered species; h) Maps describing the forest resource base including protected areas, planned management activities and land ownership; i) Description and justification of harvesting techniques and equipment to be used. | 7.1.1. Availability of forest management plans that have passed the State Environmental Expertise or municipal expertise. |
| | 7.1.2. The Enterprise has formulated long-term objectives of harvesting and forest management. |
| | 7.1.3. The forest management plans contain: Description of forest resources, environmental limitations, land use and ownership status, socio-economic conditions, and a profile of adjacent lands. |
| | 7.1.4. The forest management plans contain descriptions of silvicultural and/or other management systems, based on the ecology of the forest and information gathered through resource inventories. |
| | 7.1.5. The forest management plans contain the rate of annual harvest and species selection, categories of protective forests, management units and harvesting techniques. |
| | 7.1.6. Forest management plans (forestry regulations) contain information about average forest growth and dynamics in the woodstands of various forest types, categories of protective forests, tree species. |
| | 7.1.7. Forest management plans contain types and volumes of protection measures, reproduction of forests (reforestation and clearing), and environmental protection. |
| | 7.1.8. The Enterprise has a plan (work schedule) to identify and protect rare, threatened and endangered species and their habitats. |
| | 7.1.9. The Enterprise has a plan (work schedule) to identify and manage High Conservation Value Forests. |
| | 7.1.10. Forest management plans contain maps where lease forest areas and forest inventory vydel's are mapped, planned measures to use, protect, and reproduce (including reforestation and clearing) forests are listed, and the location and borders of protected areas, protective forests, OZUs, HCVFs are indicated. |
| | 7.1.11. Forest management plans contain the description and justification of the harvesting technologies used by the Enterprise and applied machinery and equipment. |
| 7.2. The management plan shall be periodically revised to incorporate the results of monitoring or new scientific information, as well as to respond to changing environmental, social and economic circumstances. | 7.2.1. Forest management plans are revised to incorporate the provisions of the updated forestry regulations, but not later than every 10 years. |
| | 7.2.2. Forest management plans take into account the changing environmental and social circumstances and scientific innovations. |
| 7.3. Forest workers shall receive adequate training and supervision to ensure proper implementation of the management plan. | 7.3.1. The staff has proper education and qualification that meet the requirements of the Enterprise and/or forestry norms and regulations. |
| | 7.3.2. The staff regularly passes the advance training. |

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| | 7.3.3. All forest operations are controlled by the management and experts of the Enterprise. |
| 7.4. While respecting the confidentiality of information, forest managers shall make publicly available a summary of the primary elements of the management plan, including those listed in Criterion 7.1 | 7.4.1. The Enterprise made up a publicly available summary of forest management plans including requirements listed in Criterion 7.1. |
| | 7.4.2. This summary is publicly available. |
| Principle 8: Monitoring and assessment | |
| Monitoring shall be conducted -- appropriate to the scale and intensity of forest management - to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impacts | |
| Criteria | Indicators |
| 8.1. The frequency and intensity of monitoring should be determined by the scale and intensity of forest management operations as well as the relative complexity and fragility of the affected environment. Monitoring procedures should be consistent and replicable over time to allow comparison of results and assessment of change. | 8.1.1. The Enterprise has a monitoring procedure over the forest fund parameters, scale and intensity of forest management operations, ecological, social, and economic consequences. |
| | 8.1.2. The Company has a responsible for the monitoring. |
| | 8.1.3. Monitoring procedures are replicable over time for each parameter. |
| 8.2. Forest management should include the research and data collection needed to monitor, at a minimum, the following indicators: a) Yield of all forest products harvested; b) Growth rates, regeneration and condition of the forest; c) Composition and observed changes in the flora and fauna; d) Environmental and social impacts of harvesting and other operations; e) Costs, productivity, and efficiency of forest management. | 8.2.1. The Enterprise collects data about the yield of forest products harvested by forest types, categories of protective forests, management units (species) and harvesting techniques. |
| | 8.2.2. The Enterprise collects data about the harvested areas, by forest types, categories of protective forests, management units and harvesting techniques. |
| | 8.2.3. The Enterprise collects data by types and volumes of yield of forest resources, except for wood. |
| | 8.2.4. The Enterprise collects data about the average growth rate, (current changes in stock), woodstands by forest types, categories of protective forests, management units and harvesting techniques (species). |
| | 8.2.5. The Enterprise collects data about types and volumes of reforestation measures (reforestation and thinning). |
| | 8.2.6. The Enterprise collects information about species, age and quality of woodstand. |
| | 8.2.7. The Enterprise collects information about the areas of protected territories (protected areas, protective forests, OZU, HCVF). |
| | 8.2.8. The Enterprise collects data about types and volumes of forest protection. |
| | 8.2.9. The Enterprise collects data about volumes of illegally harvested wood and types of illegal activity in the managed area. |
| | 8.2.10. The Enterprise collects data about expenses for protection, conservation, reproduction of forests and ecological measures. |
| | 8.2.11. The Enterprise collects data on economic efficiency of harvesting. |
| | 8.2.12. The Enterprise collects data on areas and |

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| | <p>woodstock destroyed or damaged by forest fires, pests, diseases and other reasons.</p> <p>8.2.13. The Enterprise collects data on dynamics of social characteristics at the Enterprise.</p> <p>8.2.14. The Enterprise collects data on impact of forest management on social position of the local people.</p> <p>8.2.15. The Enterprise collects data on impact of forest management on environment.</p> |
| <p>8.3. Documentation shall be provided by the forest manager to enable monitoring and certifying organizations to trace each forest product from its origin, a process known as the "chain of custody."</p> | <p>8.3.1. The Enterprise has a documentary procedure making it possible to trace each forest product from its origin to the point of sale or processing.</p> |
| | <p>8.3.2. The Enterprise has responsible persons for the observation of the procedure.</p> |
| | <p>8.3.3. The procedure is observed at all stages of the forest product flow.</p> |
| | <p>8.3.4. The accompanying documentation for all sold certified products of the Enterprise include the following information:</p> <ul style="list-style-type: none"> Product type; Product volume; Place of harvesting/manufacture of the products; Date of harvesting/manufacture of the products; FSC certificate number of FSC product category; Information about the customer; Information about the dispatch. |
| | <p>8.3.5. The invoices and shipping documents that relate to the certified products include the FSC certificate number in the correct format (FC-FM/COC-XXXXXX).</p> |
| | <p>8.3.6. A track of records of the total forest product sold and the total products sold as certified (to CoC certificate holders) is kept.</p> <p>8.3.7. The FSC on-product trade mark also used for promotion is applied in strict compliance with the FSC Guidelines and is approved by LLC Forest Certification.</p> <p>8.3.8. The Enterprise doesn't purchase any illegally harvested wood.</p> <p>8.3.9. The Enterprise controls the fulfillment by its contractors of wood track of records requirements.</p> |
| <p>8.4. The results of monitoring shall be incorporated into the implementation and revision of the management plan.</p> | <p>8.4.1. The monitoring procedure provides for regular analysis of the forest management plan results (taking into account the dynamics of changes) to develop and correct forest management plans of the company.</p> |
| | <p>8.4.2. The monitoring results are analyzed.</p> |
| | <p>8.4.3. Monitoring results are taken into account during the development and correction of forest management plans of the Enterprise.</p> |
| <p>8.5. While respecting the confidentiality of information, forest managers shall make publicly available a summary of the primary elements of the management plan, including those listed in Criterion 8.2</p> | <p>8.5.1. The Enterprise draw us a summary of the monitoring results for the general public every year.</p> |
| | <p>8.5.2. The Summary contains the data stipulated in para.8.2.</p> |
| | <p>8.5.3. The Summary of monitoring results is publicly available.</p> |
| <p>Principle 9: Maintenance of high conservation value forests</p> | |

| Management activities in high conservation value forests shall maintain or enhance the attributes which define such forests. Decisions regarding high conservation value forests shall always be considered in the context of a precautionary approach. | |
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| Criteria | Indicators |
| 9.1. Assessment to determine the presence of the attributes consistent with High Conservation Value Forests will be completed, appropriate to scale and intensity of forest management. | 9.1.1. The Enterprise, consulting with shareholders determines the presence of the biological, socio-economical, and cultural attributes consistent with High Conservation Value Forests. |
| | 9.1.2. The Enterprise applies generally accepted and regional methods to determine High Conservation Value Forests. |
| | 9.1.3. The determined HCVF are mapped. |
| 9.2. The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof. | 9.2.1. The stakeholders were identified to hold consultations concerning maintenance and improvement of attributes of identified HCVF. |
| | 9.2.2. During the consultations with the stakeholders the Enterprise develops a system of measures aimed at the maintenance and improvement of the HCVF attributes. |
| 9.3. The management plan shall include and implement specific measures that ensure the maintenance and/or enhancement of the applicable conservation attributes consistent with the precautionary approach. These measures shall be specifically included in the publicly available management plan summary. | 9.3.1. The management plan includes specific measures that ensure the maintenance and/or enhancement of the HCVF attributes. |
| | 9.3.2. The planned measures to ensure the maintenance and/or enhancement of HCVF are fulfilled. |
| | 9.3.3. The planned or conducted measures to ensure the maintenance and/or enhancement of HCVF are included in the public summary. |
| 9.4. Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes. | 9.4.1. The Enterprise developed an HCVF monitoring procedure with the participation of the stakeholders, if required. |
| | 9.4.2. The Enterprise conducts annual HCVF monitoring. |
| | 9.4.3. HCVF monitoring results are taken into account during the development and correction of planning documents of the Enterprise. |
| | 9.4.4. HCVF monitoring results are given in the annual public summary. |
| Principle 10: Plantations | |
| Plantations shall be planned and managed in accordance with Principles and Criteria 1 - 9, and Principle 10 and its Criteria. While plantations can provide an array of social and economic benefits, and can contribute to satisfying the world's needs for forest products, they should complement the management of, reduce pressures on, and promote the restoration and conservation of natural forests. | |
| Criteria | Indicators |
| 10.1. The management objectives of the plantation, including natural forest conservation and restoration objectives, shall be explicitly stated in the management plan, and clearly demonstrated in the implementation of the plan. | 10.1.1. In the forest management plan for establishing plantations or in any other document, the objectives of plantations are given. |
| | 10.1.2. The objectives of plantation establishment provide for preservation and regeneration of natural forests. |
| | 10.1.3. In the forest management plan for establishing plantations the objectives of plantations are taken into account. |
| 10.2. The design and layout of | 10.2.1. In the design and layout of plantations, green |

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| <p>plantations should promote the protection, restoration and conservation of natural forests, and not increase pressures on natural forests. Wildlife corridors, streamside zones and a mosaic of stands of different ages and rotation periods, shall be used in the layout of the plantation, consistent with the scale of the operation. The scale and layout of plantation blocks shall be consistent with the patterns of forest stands found within the natural landscape.</p> | <p>corridors are provided to for wildlife migration.</p> |
| | <p>10.2.2. The plantation design and layout provides for streamside forest strips.</p> |
| | <p>10.2.3. In the layout of the plantation, a mosaic of stands of different ages and rotation periods is observed.</p> |
| | <p>10.2.4. The actual layout of plantations is consistent with the plan.</p> |
| | <p>10.2.5. The scale and layout of plantations are consistent with the patterns of natural forest stands.</p> |
| <p>10.3. Diversity in the composition of plantations is preferred, so as to enhance economic, ecological and social stability. Such diversity may include the size and spatial distribution of management units within the landscape, number and genetic composition of species, age classes and structures.</p> | <p>10.3.1. Plantations are diverse in their species composition.</p> |
| | <p>10.3.2. Plantations are diverse in their age classes and structures.</p> |
| | <p>10.3.3. Plantations are diverse in size and spatial distribution across the landscape.</p> |
| | <p>10.3.4. Plantations are diverse in number and genetic composition of species.</p> |
| <p>10.4. The selection of species for planting shall be based on their overall suitability for the site and their appropriateness to the management objectives. In order to enhance the conservation of biological diversity, native species are preferred over exotic species in the establishment of plantations and the restoration of degraded ecosystems. Exotic species, which shall be used only when their performance is greater than that of native species, shall be carefully monitored to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.</p> | <p>10.4.1. Plantations comply with the requirements of the regulatory documents related to their establishment and growing.</p> |
| | <p>10.4.2. The choice of a plantation type corresponds to the area in question.</p> |
| | <p>10.4.3. The use of exotic species is justified.</p> |
| | <p>10.4.4. Exotic species are carefully monitored.</p> |
| | <p>10.4.5. Adverse environmental impact is monitored at the plantations with exotic species.</p> |
| <p>10.5. A proportion of the overall forest management area, appropriate to the scale of the plantation and to be determined in regional standards, shall be managed so as to restore the site to a natural forest cover.</p> | <p>10.5.1. The Enterprise has the requirements or recommendations regarding the share of plantations in the total forested area.</p> |
| | <p>10.5.2. The share of plantations within the forest management unit being certified doesn't exceed the size determined by the national working group.</p> |
| | <p>10.5.3. Forest management on plantations provides for restoration of the natural forest cover.</p> |
| <p>10.6. Measures shall be taken to maintain or improve soil structure, fertility, and biological activity. The techniques and rate of harvesting, road and trail construction and maintenance, and the choice of species shall not result in long term</p> | <p>10.6.1. Measures are taken on plantations to maintain or improve soil structure.</p> |
| | <p>10.6.2. The economic activity of the Enterprise doesn't lead to soil degradation.</p> |
| | <p>10.6.3. Establishment of forest plantations doesn't result in water regime of the adjacent areas that affects soil, flora and fauna.</p> |

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| <p>soil degradation or adverse impacts on water quality, quantity or substantial deviation from stream course drainage patterns.</p> | <p>10.6.4. No plantations were established in water protective zones.</p> |
| <p>10.7. Measures shall be taken to prevent and minimize outbreaks of pests, diseases, fire and invasive plant introductions. Integrated pest management shall form an essential part of the management plan, with primary reliance on prevention and biological control methods rather than chemical pesticides and fertilizers. Plantation management should make every effort to move away from chemical pesticides and fertilizers, including their use in nurseries. The use of chemicals is also covered in Criteria 6.6 and 6.7.</p> | <p>10.7.1. The Enterprise has a plan of fire management activities for plantations.</p> |
| | <p>10.7.2. The plan of fire management activities is observed.</p> |
| | <p>10.7.3. The forest management plan for plantations includes measure to control pest outbreaks.</p> |
| | <p>10.7.4. The measures to control pest outbreaks as provided by the forest management plan are observed.</p> |
| | <p>10.7.5. The Enterprise uses preventive and biological control methods for pest management.</p> |
| | <p>10.7.6. The Enterprise doesn't use chemical pesticides and fertilizers for plantation management.</p> |
| | <p>10.7.7. The forest management plan for plantations includes measure to prevent, identify, and control tree diseases on plantations.</p> |
| | <p>10.7.8. The measures to prevent, identify, and control tree diseases on plantations as provided by the forest management plan are observed.</p> |
| | <p>10.7.9. The Enterprise controls spread of exotic species on plantations.</p> |
| <p>10.8. Appropriate to the scale and diversity of the operation, monitoring of plantations shall include regular assessment of potential on-site and off-site ecological and social impacts, (e.g. natural regeneration, effects on water resources and soil fertility, and impacts on local welfare and social well-being), in addition to those elements addressed in principles 8, 6 and 4. No species should be planted on a large scale until local trials and/or experience have shown that they are ecologically well-adapted to the site, are not invasive, and do not have significant negative ecological impacts on other ecosystems. Special attention will be paid to social issues of land acquisition for plantations, especially the protection of local rights of ownership, use or access.</p> | <p>10.8.1. Plantation monitoring procedure in addition to the general parameters includes the following ones:</p> <ul style="list-style-type: none"> • Natural regeneration type; • Impact on water resources and soil fertility; • Impact on local welfare and social well-being. |
| | <p>10.8.2. The Enterprise monitors plantations.</p> |
| | <p>10.8.3. During the establishment of plantations no species were used unless they were well-adapted to the site.</p> |
| | <p>10.8.4. During the establishment of plantations no species were used that could have negative impacts on local ecosystems.</p> |
| | <p>10.8.5. Public hearings were held for plantation management plans.</p> |
| <p>10.9. Plantations established in areas converted from natural forests after November 1994 normally shall not qualify for certification. Certification may be allowed in circumstances where sufficient evidence is submitted to the certification body that the manager/owner is not responsible directly or indirectly of such</p> | <p>10.9.1. The plantation does not occupy land converted from natural forest since November 1994.</p> |
| | <p>10.9.2. If the plantation was converted since November 1994, there is adequate evidence that the current manager/owner was not responsible.</p> |

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7. Responsibilities

7.1 The certificate applicants and certificate holders are responsible for complete compliance of their forest management system to the requirements of this standard to the Company.

7.2 The Company is responsible for complete compliance of the forest management system of the certificate applicants and certificate holders to the requirements of this standard.

Appendix 1 - Minimum list of applicable laws, regulations and nationally-ratified international treaties, conventions and agreements²

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| 1. Legal rights to harvest | |
| 1.1 Land tenure and management rights | Legislation covering land tenure rights, including customary rights as well as management rights that includes the use of legal methods to obtain tenure rights and management rights. It also covers legal business registration and tax registration, including relevant legal required licenses. |
| 1.2 Concession licenses | Legislation regulating procedures for the issuing of forest concession licenses, including use of legal methods to obtain concession license. Especially bribery, corruption and nepotism are well-known issues in connection with concession licenses. |
| 1.3 Management and harvesting planning | Any legal requirements for management planning, including conducting forest inventories, having a forest management plan and related planning and monitoring, as well as approval of these by competent authorities. |
| 1.4 Harvesting permits | Legislation regulating the issuing of harvesting permits, licenses or other legal document required for specific harvesting operations. It includes the use of legal methods to obtain the permit. Corruption is a well-known issue in connection with the issuing of harvesting permits. |

² Advice 17 FSC-DIR-20-007 Forest Management Evaluations

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| 2. Taxes and fees | |
| 2.1 Payment of royalties and harvesting fees | Legislation covering payment of all legally required forest harvesting specific fees such as royalties, stumpage fees and other volume based fees. It also includes payments of the fees based on correct classification of quantities, qualities and species. Incorrect classification of forest products is a well-known issue often combined with bribery of officials in charge of controlling the classification. |
| 2.2 Value added taxes and other sales taxes | Legislation covering different types of sales taxes which apply to the material being sold, including selling material as growing forest (standing stock sales). |
| 2.3 Income and profit taxes | Legislation covering income and profit taxes related to the profit derived from sale of forest products and harvesting activities. This category is also related to income from the sale of timber and does not include other taxes generally applicable for companies or related to salary payments. |
| 3. Timber harvesting activities | |
| 3.1 Timber harvesting regulations | Any legal requirements for harvesting techniques and technology including selective cutting, shelter wood regenerations, clear felling, transport of timber from felling site and seasonal limitations etc. Typically this includes regulations on the size of felling areas, minimum age and/or diameter for felling activities and elements that shall be preserved during felling etc. Establishment of skidding or hauling trails, road construction, drainage systems and bridges etc. shall also be considered as well as planning and monitoring of harvesting activities. Any legally binding codes for harvesting practices shall be considered. |
| 3.2 Protected sites and species | Covers legislation related to protected areas as well as protected, rare or endangered species, including their habitats and potential habitats. |
| 3.3 Environmental requirements | Covers legislation related to environmental impact assessment in connection with harvesting, acceptable level for soil damage, establishment of buffer zones (e.g. along water courses, open areas, breeding sites), maintenance of retention trees on felling site, seasonal limitation of harvesting time, and environmental requirements for forest machineries. |
| 3.4 Health and safety | Legally required personal protection equipment for persons involved in harvesting activities, use of safe felling and transport practice, establishment of protection zones around harvesting sites, and safety requirements to machinery used. Legally required safety requirements in relation to chemical usage. The health and safety requirements that shall be considered relate to operations in the forest (not office work, or other activities less related to actual forest operations). |
| 3.5 Legal employment | Legal requirements for employment of personnel involved in harvesting activities including requirement for contracts and working permits, requirements for obligatory insurances, requirements for competence certificates and other training requirements, and payment of social and income taxes withhold by employer. Furthermore, the points cover observance of minimum working age and minimum age for personal involved in hazardous work, legislation against forced and compulsory labour, and discrimination and freedom of association. |
| 4. Third parties' rights | |
| 4.1 Customary rights | Legislation covering customary rights relevant to forest harvesting activities including requirements covering sharing of benefits and |

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| | indigenous rights. |
| 4.2 Free prior and informed consent | Legislation covering “free prior and informed consent” in connection with transfer of forest management rights and customary rights to the organisation in charge of the harvesting operation. |
| 4.3 Indigenous peoples rights | Legislation that regulates the rights of indigenous people as far as it's related to forestry activities. Possible aspects to consider are land tenure, right to use certain forest related resources or practice traditional activities, which may involve forest lands. |
| 5. Trade and transport | |
| NOTE: This section covers requirements for forest management operations as well as processing and trade. | |
| 5.1 Classification of species, quantities, qualities | Legislation regulating how harvested material is classified in terms of species, volumes and qualities in connection with trade and transport. Incorrect classification of harvested material is a well-known method to reduce/avoid payment of legality prescribed taxes and fees. |
| 5.2 Trade and transport | All required trading permits shall exist as well as legally required transport document which accompany transport of wood from forest operation. |
| 5.2 Offshore trading and transfer pricing | Legislation regulating offshore trading. Offshore trading with related companies placed in tax havens combined with artificial transfer prices is a well-known way to avoid payment of legally prescribed taxes and fees to the country of harvest and considered as an important generator of funds that can be used for payment of bribery and black money to the forest operation and personal involved in the harvesting operation. Many countries have established legislation covering transfer pricing and offshore trading. It should be noted that only transfer pricing and offshore trading as far as it is legally prohibited in the country, can be included here. |
| 5.4 Custom regulations | Custom legislation covering areas such as export/import licenses, product classification (codes, quantities, qualities and species). |
| 5.5 CITES | CITES permits (the Convention on International Trade in Endangered Species of Wild Fauna |
| 6. Due diligence/due care | |
| 6.1 Due diligence/due care procedures | Legislation requiring due diligence/due care procedures, including e.g. due diligence/due care systems, declaration obligations, and/or the keeping of trade related documents etc. |