

ASI-ACCREDITATION SERVICES INTERNATIONAL GmbH

Charles-de-Gaulle-Str. 5 • 53113 Bonn, Germany • Tel.: +49 - 228 - 367 66 0 • info@accreditation-services.com

FSC Annual Surveillance of SGS Qualifor (SGS) for 2007

**Forest Management Audit to
C.I.B. Congolaise Industrielle des Bois – Kabo FMU
(SGS-FM/COC-2630)
Republic of Congo (COG)**

Date of audit: 04-07 June 2007

(Public Summary)

	NAME	DATE
Report drafted by:	Paolo Tranquillini / Martin Walter	14 September 2007
Reviewed by ASI:	Hubert de Bonafos	11 October 2007
Reviewed by CAB:	Gerrit Marais	19 November 2007
Finalized by ASI:	Paolo Tranquillini	10 December 2007

The authors would like to thank Mr Gerrit Marais and Alain Verney from SGS as well as Mr. Lucas van der Walt and all staff from CIB for preparing and making the arrangements that made this audit possible and efficient.

1 Background

The operation audited by SGS Qualifor

Name of operation	Congolaise Industrielle des Bois (CIB) – Kabo FMU
Total area	296,000 ha
Type of management	Tropical - semi-natural : Acajou Khaya anthotheca (MEL) Aniégré Aningeria robusta (SAPO) Ayous Triplochiton scleroxylon (STER) Azobé Lophira alata (OCH) Bilinga Nauclea diderrichii (RUB) Bosse clair Guarea cedrata (MEL) Doussié Afzelia bipindensis (CAES) Iroko Milicia excelsa (MOR) Koto Pterygota spp.(STER) Mukulungu Autranella congolensis (SAPO) Pao rosa Bobgunnia (=Swartzia) fistuloides (SAPO) Sapelli Entandrophragma cylindricum (MEL) Sipo Entandrophragma utile (MEL) Tiama Entandrophragma angolense (MEL) Wengué Millettia laurentii (PAP)
Name of contact person	Lucas van der Walt
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URL	
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The certification history

Pre-audit	27 November – 02 December 2004
Main audit:	25-29 October 2005; follow-up 04-07 April 2006
Date of certificate issue	22 May 2006
Date of 1st surveillance	04-07 June 2007 (this audit)
Date of 2nd surveillance	-

ASI Audit Details

Purpose of audit	Annual FM surveillance of SGS Qualifor
ASI lead auditor	Paolo Tranquillini (LA), Martin Walter
Local Expert/ translator	Marie Mbolo
Audit language	French / English
Sites audited	Kabo concession, facilities in Kabo and Pokola

Audit agenda

Tue 05 Jun	
0820-0900	Ministry of Forestry, Brazzaville
	Travel Brazzaville-Pokola
1415-1445	Opening meeting ASI/SGS
1500-1530	Opening meeting SGS/CIB and schedule review

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1530-1830	Review of CARs
1830-1930	Field trip planning and SGS team internal meeting
Wed 06 Jun	
	Travel to Kabo
0830-1030	Visit to CIB facilities in Kabo / Kabo village
1100-1230	Visit at WCS Congo (NGO PROGEPP partner)
1300-1630	Forest operation visit, post harvesting monitoring
1700-1900	Visit to CIB facilities in Kabo and document review
2000-2100	Adjourn ASI/SGS – Findings of the day
Thu 07 Jun	
0930-1000	Planning
1000-1030	Visit at WCS Congo
	Travel to Bomassa village and CIB facilities
1130	Research Center WCS- PROGEPP
1200-1320	Village meeting at Bomassa village
	Travel to Kabo
1430-1530	Stakeholder meeting in Kabo
1530-1800	Doc review / interviews / resume of findings
1800-2000	Adjourn ASI/SGS – Findings
Fri 08 Jun	
0900-1000	Team work
1000-1130	SGS closing meeting
1130-1200	ASI closing meeting

People involved in the audit

CAB	Alain Verney (LA) Michal Brink (SGS supervisor) Nicholas Perthuisot (SGS auditor) Patrice Bigombé (local expert)
Operation	Lucas van der Walt (FSC certification manager), Mr. Paget (Forest management) and other CIB managers (see SGS report)

2 Audit objectives and planning

The objectives of this forest management surveillance audit are:

1. Evaluation of certification body's performance in implementing the accredited certification system in accordance with FSC accreditation requirements.
2. Witness an audit team to determine whether or not the team:
 - a) adequately applies the procedures and instructions of the certification body;
 - b) members exhibit the characteristics of an auditor as detailed in ISO 19011;
 - c) has the required expertise of the sector in which the audit is being undertaken;
 - d) applies appropriate expertise in the correct sense;
 - e) undertakes the audit effectively and draws correct conclusions.
3. Evaluation of the conformity of the certificate holder with FSC and certification body's certification requirements in so far as this is necessary to verify the performance of the certification body.
4. Evaluation of stakeholder comments or complaints ASI received in relation to this operation.

ASI annual surveillance audits are conducted as “*witness audits*” and are based on a sample of the valid certificates of the audited CB within the scope of accreditation. The number of audits per year is determined by ASI surveillance policy; sampling is based on the ASI sampling procedure. Due to the nature of the ASI surveillance procedure, the audit evidence is only based on a sample of the information available and therefore there is always an element of uncertainty in the audit findings.

3 ASI stakeholder consultation process

The stakeholder consultation process employed by ASI consists of 2 parts:

1. public announcement of the audit on the FSC electronic fora and on the ASI website about one month prior to the audit to solicit stakeholder comments;
2. direct interviews with selected key-stakeholders mainly conducted by the contracted local expert prior, during and after the audit.

Stakeholder comments	ASI response
The sawmill waste-wood is now recuperated and should now be available to local population at reduced prizes. This is not always the case.	SGS raised the issue with interviews and site visits, then addressed the NC with a CAR to the client.

Please note that some stakeholders provided their comments in confidence. ASI and FSC are respecting these requests.

4 Audit findings

CAB AUDIT PERFORMANCE	
FSC requirements	Findings and conclusions
Standard adaptation (20-003)	NA
Auditor qualification (20-004)	<p>The ASI audit team did not check formal auditor qualification records but concentrated on auditor performance in assessing forest management against FSC P&C.</p> <p>The conclusion can be drawn that auditors were knowledgeable and familiar with the complex social and environmental context of forest management in Northern Republic of Congo. The SGS audit team was well organised and motivated to finalise the audit within the time frame set in audit planning.</p> <p>No non-conformances could be found on auditor qualification.</p>
Stakeholder consultation (20-006)	<p>On 04 June, prior to the field visit, SGS arranged a stakeholder meeting in Brazzaville. ASI local expert was present.</p> <p>During the audit, SGS had meetings with WCS Wildlife Conservation Society (John Poulsen, Project Manager) PROGEPP (Project for the management of the ecosystems surrounding the Nouabalé-Ndoki National Park). Local meetings in Bomassa and Kabo were also arranged and attended during the audit.</p> <p>ASI did not find NC in the stakeholder consultation that SGS performed prior and during the audit.</p>
Evaluation process (20-007; ISO 19011)	<p>General findings: The main aspects related to auditor behaviour and organisational aspects as included in FSC STD 20-07 and ISO 19011 were followed. The ASI audit team came to the conclusion that the process was carried out properly and included the main aspects as set forth in FSC standard procedure.</p> <p>Audit time: The timely finalisation of the SGS audit was only made possible because compilation of audit findings and the discussions on conclusions took place in the night before the last audit day which was entirely spent by the SGS audit team with these activities. This indicates that the audit schedule was not realistically set, given the high number of non-compliances still open and the complex setting. Taking into account ASI Advice Note on Audit Time (ASI-ADV-20-007-Audit and auditor time) the allocated audit time is at the lower minimum level of what should have been planned for the audit. No corrective action request is raised, however the audit time for forest management surveillance will be carefully monitored by ASI. In addition, the SGS procedures explicitly require that team meetings should be rescheduled if they last too long into the night (SGS Procedure 03-B-01, 10.02) (REC.SGS.FM.COG.2007.01)</p> <p>It was observed that the efficiency of the audit team was</p>

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	<p>hampered by failures to implement accreditation requirements during of the main evaluation and by the poor presentation of findings in the main assessment report. As the SGS audit team relied on the text of the corrective action requests issued in the main audit, it proved difficult to relate the findings to the indicators in the SGS standard, due to the fact that various indicators are appearing as reference under one single corrective action request (see also CAR.SGS.FM.COG.2007.02). On the basis of this structure it proved to be difficult for the team to assess compliance of the operation with all the indicators on which corrective action requests were based (CAR.SGS.FM.COG.2007.01)</p>
Audit report (20-008)	SGS used its accredited audit report format
Public summary (20-009)	<p>SGS public summary available from the SGS web-site (9104-cg_- cib_ma2005-10_- ad36a_gm-psummary.pdf) does not report the dates of the main evaluation. However, other SGS public summaries report the dates correctly See REC.SGS.FM.COG.2007.02</p>
Decision making (20-002, Part 2)	<p>The SGS audit team corrected errors from the main audit related to grading of corrective actions (see above evaluation process). The classification of non-conformances applied by the SGS audit team can be deemed adequate and followed the documented SGS procedures.</p> <p>However, for various reasons the classification applied during main assessment is not in line with FSC standards and the SGS procedures:</p> <ul style="list-style-type: none"> ○ In the SGS main assessment report corrective action requests (ex.: DAC M1, m2, m3, m6..) are raised in relation to a group of indicators often referring to more than one criterion or even to various principles. This grouping of indicators under one corrective action request does not allow to apply the SGS procedures for decision making under SGS procedure 04-01, point 1.01, FSC standard 20-002, 8.3.2. (grading of non-compliances). ○ The definition of non-compliances and subsequent corrective action as failures to achieve compliance at the indicator level has not been considered (FSC standard 20-002, annex 1 definition of non-compliances) ○ The corrective action described does not necessarily lead to compliance with all indicators listed under the relevant corrective action request. In such a situation, it is difficult to collect appropriate evidence to close out the corrective action request (s. also CAR.SGS.FM.2007.01 COG). <p>CAR.SGS.FM.COG.2007.02 is raised.</p>

	<p>These conclusions from the assessment of the main evaluation report were communicated to the SGS audit team after the second day of the audit. Either through this intervention, or based on the SGS audit team's own evaluation this lapse was corrected by the SGS audit team during the surveillance visit.</p> <p>As a result of the main assessment, SGS issued two major corrective action requests. In both cases It is not clear from the report, why these two instances of non-compliances were graded major. On the other hand for some non-compliances identified in the SGS evaluation, major corrective action requests should have been issued:</p> <ul style="list-style-type: none"> ○ 7.4, 8.5: No public summary of management plan (7.4) or of monitoring results (8.5) available; the one indicator under this criterion is not complied with; this should lead to a major corrective action request according to SGS procedures 04-01, point 1.01. ○ 9.3: two out of three indicators are not complied with, the evidence given for the first indicator does not cover the substance of the requirement (p. 95 SGS main assessment report, section A). These non-compliances should have been graded major taking into account the 'uniqueness and fragility of the ecosystem (SGS Procedure 04-01 point 1 notes) ○ 3.2: No indicator is fully complied with. A major CAR should have been issued. ○ Observation 1/2005 indicates that potential negative impacts of forest management on pygmy population are not taken into account. At least a minor CAR should have been issued. <p>CAR.SGS.FM.COG.2007.03</p>
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5 Nonconformities and observations

Major CAR(s)	Minor CAR(s)	Observations
-	4	2

See nonconformity reports (attached) for details.

6 Conclusion and recommendation

SGS conducted a systematic and professional audit and addressed all issues in a professional manner.

Based on the findings of this audit, the ASI auditor recommends to FSC AC the continuation of the FSC forest management accreditation for SGS, subject to the timely closing of the nonconformities identified during the audit and specified in the nonconformity reports (attached).

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NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	CAR.SGS.FM.COG.2007.01	Date	08 th June 2007	
Nonconformity detected by (name of auditor)		Martin Walter / Paolo Tranquillini		
Through (e.g. office audit, document review)		FM audit		
Nonconformity	Status	<input type="checkbox"/> MAJOR <input checked="" type="checkbox"/> MINOR <input type="checkbox"/> OBSERVATION		
<p>The SGS audit team could not accurately assess compliance with the still open requirements as these were not related to specific indicators of the applicable standard. Audit efficiency and accuracy was negatively impacted by the way corrective action requests were recorded during SGS main assessment process (see also CAR.SGS.FM.COG.2007.02). SGS shall ensure that evaluation of compliance with outstanding conditions is carried out on the level of each indicator in the applicable standard.</p>				
Normative Reference(s)	SGS Procedure 04-01, point 7.6.03			
Corrective Action Request: SGS shall implement appropriate measures to correct the nonconformity detected in this audit and described above within the given timeline. The measures shall be adequate to correct the current problems and to eliminating causes of nonconformities in order to avoid recurrence.				
Timeline for implementation		12 months from finalization of this report.		
Corrective Action implemented by Certification Body				
Corrective Action evaluated by ASI				
Here: describe conclusion in detail				
<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED <input type="checkbox"/> OTHER DECISION*		Name auditor:		Date:
Comments:				

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NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	CAR.SGS.FM.COG.2007.02	Date	08th June 2007
Nonconformity detected by (name of auditor)		Martin Walter / Paolo Tranquillini	
Through (e.g. office audit, document review)		FM audit	
Nonconformity	Status	<input type="checkbox"/> MAJOR <input checked="" type="checkbox"/> MINOR <input type="checkbox"/> OBSERVATION	
<p>SGS raised corrective action requests which are related to more than one indicator (up to 5) and these indicators refer, in various instances to more than one criterion or even to more than one principle. The grouping of indicators from various criteria or principles under one corrective action request as laid down in the SGS main evaluation report does not allow to apply various SGS procedures relevant for certification decision making:</p> <ul style="list-style-type: none"> ○ identification of non-compliances at criterion level ○ grading of non-compliances in minor and major ○ collect appropriate close-out evidence 			
Normative Reference(s)	SGS procedure 04-01, point 7.1.01, FSC standard 20-002, 8.3.2. (grading of non-compliances) FSC standard 20-002, annex 1 definition of non-compliances		
Corrective Action Request: SGS shall implement appropriate measures to correct the nonconformity detected in this audit and described above within the given timeline. The measures shall be adequate to correct the current problems and to eliminating causes of nonconformities in order to avoid recurrence.			
Timeline for implementation		12 months from finalization of this report.	
Corrective Action implemented by Certification Body			
Corrective Action evaluated by ASI			
Here: describe conclusion in detail			
<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED <input type="checkbox"/> OTHER DECISION*	Name auditor:	Date:	
Comments:			

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REF. No.	CAR.SGS.FM.COG.2007.03	Date	08th June 2007	
Nonconformity detected by (name of auditor)		Martin Walter / Paolo Tranquillini		
Through (e.g. office audit, document review)		FM audit		
Nonconformity	Status	<input type="checkbox"/> MAJOR <input checked="" type="checkbox"/> MINOR <input type="checkbox"/> OBSERVATION		
<p>SGS downgraded identified non-compliances. Had the main evaluation completely followed SGS procedures for various instances of non-conformance, major CARs should have been issued instead of minor CARs. For some instances non-compliance at indicator level had been addressed by observations and not by minor corrective action requests.</p> <p>SGS shall provide evidence that all instances of major non-compliances are correctly graded and closed out during the surveillance audit. The same procedure shall be carried out for the observations identified a main report.</p>				
Normative Reference(s)	SGS procedure 04-01, 7.1.01, FSC standard 20-002, 8.3.2. (grading of non-compliances) SGS procedure 04-01, 7.9.01 FSC standard 20-002, annex 1 definition of non-compliances			
Corrective Action Request: SGS shall implement appropriate measures to correct the nonconformity detected in this audit and described above within the given timeline. The measures shall be adequate to correct the current problems and to eliminating causes of nonconformities in order to avoid recurrence.				
Timeline for implementation		12 months from finalization of this report.		
Corrective Action implemented by Certification Body				
Corrective Action evaluated by ASI				
Here: describe conclusion in detail				
<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED <input type="checkbox"/> OTHER DECISION*	Name auditor:		Date:	
Comments:				

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NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	CAR.SGS.FM.COG.2007.04	Date	08th June 2007
Nonconformity detected by (name of auditor)		Martin Walter / Paolo Tranquillini	
Through (e.g. office audit, document review)		FM audit	
Nonconformity	Status	<input type="checkbox"/> MAJOR <input checked="" type="checkbox"/> MINOR <input type="checkbox"/> OBSERVATION	
Under 4.2.11, there is no evidence that SGS assessed lodgings and first aid equipments for workers in the forest during the main assessment or during this first surveillance audit. SGS shall provide evidence thereof.			
Normative Reference(s)	SGS procedure 04-01; SGS adapted standard 4.2.11		
Corrective Action Request: SGS shall implement appropriate measures to correct the nonconformity detected in this audit and described above within the given timeline. The measures shall be adequate to correct the current problems and to eliminating causes of nonconformities in order to avoid recurrence.			
Timeline for implementation	12 months from finalization of this report.		
Corrective Action implemented by Certification Body			
Corrective Action evaluated by ASI			
Here: describe conclusion in detail			
<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED <input type="checkbox"/> OTHER DECISION*	Name auditor:		Date:
Comments:			

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NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	REC.SGS.FM.COG.2007.01	Date	08 th June 2007	
Nonconformity detected by (name of auditor)		Martin Walter / Paolo Tranquillini		
Through (e.g. office audit, document review)		FM audit		
Nonconformity		Status	<input type="checkbox"/> MAJOR <input type="checkbox"/> MINOR <input checked="" type="checkbox"/> OBSERVATION	
<p>The audit team spent the night before the closing meeting with discussions on findings and conclusions. Although the ASI team was impressed by the endurance of SGS staff it has to be concluded that a more realistic audit planning could have avoided a situation which bears the risk of inaccuracy in drawing conclusions.</p>				
Normative Reference(s)	SGS Procedure 03-B-01, 10.02			
Corrective Action Request:				
Timeline for implementation				
Corrective Action implemented by Certification Body				
Corrective Action evaluated by ASI				
<p>Here: describe conclusion in detail</p>				
<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED <input type="checkbox"/> OTHER DECISION*		Name auditor:		Date:
Comments:				

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NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	REC.SGS.FM.COG.2007.02	Date	08th June 2007	
Nonconformity detected by (name of auditor)		Martin Walter / Paolo Tranquillini		
Through (e.g. office audit, document review)		FM audit		
Nonconformity	Status	<input type="checkbox"/> MAJOR <input type="checkbox"/> MINOR <input checked="" type="checkbox"/> OBSERVATION		
<p>The SGS public summary for CIB certification available from SGS web-site does not report the dates of the main evaluation. Other SGS public summaries report the dates correctly, hence this occurrence is considered occasional.</p> <p>However, it is recommended that SGS be sure to present all the required information in the publicly available summaries.</p>				
Normative Reference(s)	FSC-STD-20-009, public summary			
Corrective Action Request:				
Timeline for implementation				
Corrective Action implemented by Certification Body				
Corrective Action evaluated by ASI				
Here: describe conclusion in detail				
<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED <input type="checkbox"/> OTHER DECISION*	Name auditor:		Date:	
Comments:				