

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 SmartWood for 2008

Forest Management Audit to Mil Madeireira Itacoatiara Ltda,
Brazil
(SW-FM/COC-019)

Date of audit: 23-27 March 2008

Public summary

	NAME	DATE
Report drafted by:	Guntars Laguns	6 April 2008
Reviewed by ASI:	Carlos Ruiz-Garvia	12 April 2008
Reviewed by CB:	SW	26 May 2008
Finalized by ASI:	Guntars Laguns	01 July 2008
Report last updated:		

Table of Content

1	BACKGROUND	3
	THE OPERATION AUDITED BY SW	3
	BRIEF DESCRIPTION OF THE COMPANY	3
	THE CERTIFICATION HISTORY	3
	ASI AUDIT DETAILS	3
	AUDIT AGENDA	3
	PEOPLE INVOLVED AND MET DURING THE AUDIT	4
	MAIN DOCUMENTS AND RECORDS REVIEWED	4
2	AUDIT OBJECTIVES AND PLANNING	4
3	ASI STAKEHOLDER CONSULTATION PROCESS	5
4	AUDIT FINDINGS RELATED TO CB PERFORMANCE	5
4.1	STRUCTURE AND CONTENT OF CB STANDARD AND ITS APPLICATION	5
4.2	LOCAL ADAPTATION OF CB STANDARD	5
4.3	AUDIT TEAM	5
4.4	PRE-EVALUATION	6
4.5	STAKEHOLDER CONSULTATION PROCESS	6
4.6	FM EVALUATION	6
4.7	THE CERTIFICATION REPORTS (MAIN REPORT AND PUBLIC SUMMARY)	6
5	CB EVALUATION OF CERTIFICATE HOLDER'S COMPLIANCE.	7
5.1	PRINCIPLE 1	7
5.2	PRINCIPLE 2	7
5.3	PRINCIPLE 3	7
5.4	PRINCIPLE 4	7
5.5	PRINCIPLE 5	8
5.6	PRINCIPLE 6	8
5.7	PRINCIPLE 7	9
5.8	PRINCIPLE 8	9
5.9	PRINCIPLE 9	9
5.10	PRINCIPLE 10	10
5.11	CHAIN OF CUSTODY	10
5.12	USE OF FSC TRADEMARK	10
5.13	DECISION MAKING	10
	SUMMARY OF NONCONFORMITIES AND OBSERVATIONS	12
	CONCLUSION AND RECOMMENDATION	12
	CREDITS	12
	OTHER	12
	TERMS AND DEFINITIONS	12
	ATTACHMENTS	13
	CARS REMOVED OR CLOSED	20

1 Background

The operation audited by SW

Name of operation	Mil Madeireira Itacoatiara Ltda
Type of company	Single FMU with processing unit
Total area	122.729 ha
Type of management	natural forests
Name of contact person	Tim van Eldik
Country	Brazil
Phone number	+559132695528
E-mail address	Tim@ecoflorestal.com

Brief description of the company

More information about the company can be obtained from SW Public reports, available on SW website and company website.

The certification history

Company has been certified already for two certification periods, starting from 1997 and has been first certified company in Amazon, Brazil. This is its third certification period.

Date of recertification audit	15-20 October 2007
Date of certificate issue	01 December 2007
CAR follow up audit (this audit)	24-28 March 2008

ASI Audit Details

Purpose of audit	Annual SW FM surveillance audit
ASI lead auditor	Guntars Laguns
Local Expert	Dr. Jochen Schöngart
Audit language	Portuguese, English
other	Carlos Ruiz (observer, ASI APM in training)

Audit agenda

23 March (Sunday)	
AM	Travel from Sao Paulo to Itacoatiara
PM	Meeting with SW team
24 March (Monday)	
AM	Opening meeting in company office, follow up on CARs
PM	Operational site visits in forest
25 March (Tuesday) - two teams	
AM	Visit to the saw-mill / visit to local community

PM	Operational site visits / visit to local communities
----	--

26 March (Wednesday) - two teams

AM	Operational site visits / visit to local communities
PM	SW and Company Closing meeting in Itacoatiara office
PM	ASI and SW closing meeting

27 March (Thursday)

AM / PM	Travel to Sao Paulo
---------	---------------------

People involved and met during the audit

CB	Mauricio de Almeida Voivodic – Imaflora/SmartWood lead auditor Westphalen Nuñes – Social expert Jon Jickling – Smart Wood HQ
Operation	Company staff members

Main documents and records reviewed

CB documents	SW Certification Reassessment Report SW Public summary 2007 SW CAR Follow up audit report 2007
Company's documents	Management planning, operational and monitoring documents
Other documents	National regulations and different stakeholders' provided documents

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 surveillance assessments are conducted according to the methodology of “*witness audits*” following the recommendations of the ISO/ IAF Accreditation Auditing Practice Group (APPG) published in 2005. ASI assessments are based on a sample of the valid certificates of the assessed CAB within the scope of accreditation. The number of assessments 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, assessment evidence is only based on a sample of the information available and therefore there is always an element of uncertainty in the assessment 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 week 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.

ASI did not receive any comments from consulted international or national stakeholders in regards to this certain audits.

4 Audit findings related to CB performance

4.1 Structure and content of CB standard and its application

CB audit team in compliance with FSC-STD-20-002	Certification Standards of the FSC Forest Stewardship Council For Forest Management On “Terra Firme” In the Brazilian Amazon were used for this evaluation. No nonconformity with FSC accreditation requirements was identified.
--	---

4.2 Local adaptation of CB standard

CB audit team in compliance with FSC-STD-20-003	See as above. No nonconformity with FSC accreditation requirements was identified.
--	---

4.3 Audit team

CB audit team in	SW audit team consists of two persons (lead auditor and social
-------------------------	--

compliance with FSC-STD-20-004 and ISO19011: 2002	expert) who have the required qualification and experience to conduct FSC forest management audits. No nonconformity with FSC accreditation requirements was identified.
--	---

4.4 Pre-evaluation

CB audit team in compliance with FSC-STD-20-005	Not applicable
--	----------------

4.5 Stakeholder consultation process

Compliance with FSC-STD-20-006	No nonconformity with FSC accreditation requirements was identified.
---------------------------------------	--

4.6 FM evaluation

CB audit team in compliance with FSC-STD-20-007	<p>The scope of this SW audit was to evaluate 3 CARs resulting from main reassessment with deadline March 2008 and also evaluate aspects of environmental impact assessment and mitigation measures implemented by the company.</p> <p>Audit scope, setup as well as schedule seem to be appropriate to ensure evaluation of implementation of company's system and performance in compliance with FSC requirements.</p> <p>Company operates sawmill included in the scope of the FM/COC certificate. During the document review it appears that SW audit team for the reassessment did not prepare separate CoC report as requested by FSC standards. This non-compliance was identified during a SW quality management audit a week before to this field audit. Thus, SW audit team will prepare additional CoC audit report for this evaluation.</p> <p>It seems to be necessary for SW to review it portfolio, analyzing the amount of FM/COC certificates having processing units included in their scope and to reviewing relevant reports to ensure that in all cases separate audit reports are prepared if processing unit is included in the scope if FM/COC certificate.</p> <p>REC.SW.FM.2008.01.Br</p>
--	--

4.7 The certification reports (main report and public summary)

CB audit team in compliance with FSC-STD-20-008	ASI auditor reviewed SW report and consider that SW reports comply with FSC accreditation requirements.
--	---

and FSC-STD-20-009	SW public summary reports are available on SW website both in Portuguese and Spanish.
---------------------------	---

5 CB evaluation of certificate holder's compliance.

5.1 Principle 1

Certificate holder compliance with FSC Principle 1	At the time of the ASI audit, SW audit team had adequately evaluated compliance with FSC Principle 1 and no nonconformity with accreditation requirements was identified.
---	---

5.2 Principle 2

Certificate holder compliance with FSC Principle 2	At the time of the ASI audit, SW audit team had adequately evaluated compliance with FSC Principle 2 and no nonconformity with accreditation requirements was identified.
---	---

5.3 Principle 3

Certificate holder compliance with FSC Principle 3	At the time of the ASI audit, SW audit team had adequately evaluated compliance with FSC Principle 3 and no nonconformity with accreditation requirements was identified.
---	---

5.4 Principle 4

Certificate holder compliance with FSC Principle 4	<p>Community relations</p> <p>During of review of the SW reassessment report it is clear that company's activities faces a number of problems related to social aspects. The company articulated partnership with public agencies and local stakeholders in order to define the regulation process of land tenure ship of the local communities inside and adjunct to the Forest Management Area. The company demonstrate efforts to address social aspects issues (community relations), and is working in the implementation of a communication program (ouviduria) with the surrounding communities in the frame of it social responsibility policy but still this program lacks of a Grievances Resolution Mechanism. However, from ASI audit team perspective the company's current procedures for evaluating, monitoring and addressing social impacts are not appropriate to deal with the scale and impacts of the operation.</p> <p>This non-compliance was addressed by SW corrective action requests.</p> <p>Health and safety</p> <p>ASI audit team considers that in several occasions company has not implemented appropriately health and safety requirements. ASI</p>
---	---

	<p>audit team evidenced the following situations:</p> <ul style="list-style-type: none"> • Drivers and passenger without using seat belts. • Speed control measures were far not applied. (although speed limit signs were in place) • Tires types, speed limit or driver skills were not appropriate for road conditions. Pickups rotate in its own axes three times during the audit. • Accident Evacuation Plan - No ambulance and radio or communication equipment were available at the Camp during the audit. These concerns were communicated to SW auditors by workers during the interviews. • Accidents and incidents are not systematically reported and reviewed (although there is a procedure in place for investigation of accidents), and corrective & preventive actions were not available and recorded by the time of the audit. • No first aid training records of personnel were available by the time of the audit. • Workers and auditor travelling in boats were not provided with life jackets, and the boats are not equipped with life belt, screw for replacement and tools. • In forest operations not all chainsaw operators wear appropriate helmets (with face and ears protection). • During the site visits auditors went in the area where active use of chainsaws, skidding and winch extraction took place. From ASI audit team perspective, safety measures were not appropriate for the audit team. No safety orientation was offered before site visits. <p>ASI proposes the following minor corrective action request to address the lack of appropriate evaluation of compliance with FSC criteria 4.2: CAR.SW.FM.2008.01.Br</p>
--	--

5.5 Principle 5

Certificate holder compliance with FSC Principle 5	Not evaluated during this surveillance audit.
---	---

5.6 Principle 6

Certificate holder compliance with FSC Principle 6	ASI witnessed a number of nonconformities against indicators 6.1.1, 6.3.4, 6.5.3, 6.5.1 and 6.5.9 during this audit. The ASI audit team considers that the company's current procedures for evaluating, monitoring and addressing environmental impacts are
---	---

	<p>not appropriate to deal with the scale and impacts of the operation in wet season, such as erosion, soil damage and sedimentation of water bodies. Clear cuts of natural forest on plateaus to obtain sand as substrate for road construction are not appropriate causing erosion and have severe impacts on the hydrological cycle and forest dynamics.</p> <p>These nonconformities were not addressed by SW before a certificate was issued. During the closing meeting SW proposed to raise a minor CAR to the company so as to address the issue.</p> <p>During the audit ASI audit team noted that the company's lacks of Spills and Accidental Discharge Procedures and clean-up equipments and disposal facility were absent. ASI proposes the following minor corrective action request to address the lack of appropriate evaluation of compliance with FSC criteria 6.7:</p> <p>CAR.SW.FM.2008.02.Br</p> <p>In the SW report it is stated that company do not use exotic species; however, it was evident that company plants bamboo to control erosion and sedimentation of watercourses. According the ASI audit team there is some indication that shows that bamboo do not occur naturally in the management unit and therefore shall not be used and other diverse group of native species should be preferred for erosion control and restoration purposes.</p> <p>ASI proposes the following minor corrective action request to address the lack of appropriate evaluation of compliance with FSC criteria 6.9:</p> <p>CAR.SW.FM.2008.03.Br</p>
--	--

5.7 Principle 7

Certificate holder compliance with FSC Principle 7	At the time of the ASI audit, SW audit team had adequately evaluated compliance with FSC Principle 7 and no nonconformity with accreditation requirements was identified.
---	---

5.8 Principle 8

Certificate holder compliance with FSC Principle 8	At the time of the ASI audit, SW audit team had adequately evaluated compliance with FSC Principle 8 and no nonconformity with accreditation requirements was identified.
---	---

5.9 Principle 9

Certificate holder compliance with	At the time of the ASI audit, SW audit team had adequately evaluated compliance with FSC Principle 9 and no nonconformity
---	---

FSC Principle 9	with accreditation requirements was identified.
------------------------	---

5.10 Principle 10

Certificate holder compliance with FSC Principle 10	NA
--	----

5.11 Chain of custody

Certificate holder compliance with FSC chain of custody requirements	<p>The company operates sawmill included in the scope of the FM FCS certificate. During this audit, SW performed CoC evaluation of sawmill against FSC-STD-40-004, v2 requirements for its first time. It was evident that the company has several non-compliances against relevant standards requirements, as for example, lack of list of product groups.</p> <p>During the closing meeting, SW presented several minor CARs to address non-compliance. However, ASI audit team considers that company was not ready to implemented new FSC CoC standard and therefore a Major CAR shall be issued by SW to the company.</p> <p>ASI raises a minor corrective action request to SW to address the lack of appropriate evaluation decisions of compliance with FSC CoC requirements.</p> <p>CAR.SW.FM.2008.04.Br</p>
---	--

5.12 Use of FSC trademark

Certificate holder compliance with FSC Logo use requirements	Company uses the FSC trademark on their products, which is inline with FSC requirements (FSC-STD-40-201-V2-0).
---	--

5.13 Decision making

Certificate holder compliance with FSC decision making requirements	<p>During the report review it appears that SW CAR 16/2007 address criterion level noncompliance (there are no indicators for FSC Criteria 9.2, 9.3 and 9.4 in the Brazilian Amazon standards). From ASI audit team perspective, the wording of noncompliance in SW CAR 16/2007 may be considered as major non-compliance and this CAR could be therefore defined as Major. ASI recommends SW to review its wording of CARs to ensure that it always clearly demonstrate level of company's compliance.</p> <p>REC.SW.FM.2008.02.BR</p> <p>Since there are only one indicator in all FSC Principle 9 in Brazilian standards for Forest Management on "Terra Firme", ASI audit team</p>
--	---

	recommends for FSC Brazil to review this standard to put more clear and explicit requirements for FSC principle 9.
--	--

Summary of nonconformities and observations

Major CAR(s)	Minor CAR(s)	Observations
0	4	2

See nonconformity reports (attached) for details.

Conclusion and recommendation

SW audit team conducted a systematic and well organized audit and identified covered almost 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 SW, subject to the timely closing of the nonconformities identified during the audit and specified in the nonconformity reports (attached).

Credits

The author would like to thank Jon Jickling, Mauricio de Almeida Voivodic and other SW staff members, as well as staff from Mil Madeireira Itacoatiara Ltda. for their cooperation and help in organizing this ASI surveillance forest management audit.

Other

All information in this report is confidential and may not be disclosed to third parties, with the exception of the information which is to be included in the FSC Audit Public Summary Report.

Terms and definitions

Nonconformity: The absence of, or the failure to implement and maintain, one or more management system requirements of the reference standards, or a situation which would, on the basis of available objective evidence raise significant doubt as to the credibility of the certificates issued by the applicant body. ASI procedures for nonconformity and corrective action requests are included in ASI QMS, procedure ASI-PRO-20-116 Corrective action procedure.

Note:

A “nonconformance” is a product that does not meet specifications;

A “nonconformity” is a process that does not meet specifications.

According to their severity, nonconformity is graded into three categories:

Major Nonconformity - CAR

“A systematic failure or significant deficiency -either as a single incident or a combination of a number of similar incidents- in a significant part of the quality system, or the lack of implementation of such a part, governed by applicable standards. A number of minor

nonconformities against one requirement of the reference standards can represent a total breakdown of the system and thus be considered a major nonconformity.“

Minor Nonconformity – CAR

“An isolated or sporadic lapse in the content or implementation of procedures or records which could reasonable lead to failure of the system if not corrected. If a pattern of minor nonconformities occurs over successive assessments, it may represent a total breakdown of the system and a major non-conformance shall be issued.”

Observation or recommendation - REC ¹

“An area of concern, a process, document, or activity that is currently conforming that may if not improved, result in a nonconforming system, product or service. Observations shall be recorded in the audit report for the benefit of the customer.”

Attachments

Nonconformity reports (NCRs)

¹ **Note:** Observations are related to an area of concern, a process, document, or activity that is currently conforming that may if not improved, result in a nonconforming system, product or service. Thus, observations which are not considered by the CB may be upgraded to conditions in the following audit.

ACCREDITATION SERVICES INTERNATIONAL GmbH

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

NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	REC.SW.FM.2008.01.BR	Date	06 April 2008
Nonconformity detected by (name of auditor)		Guntars Laguns	
Through (e.g. office audit, document review)		FM surveillance Audit 2008	
Observation	Status	<input type="checkbox"/> MAJOR <input type="checkbox"/> MINOR <input checked="" type="checkbox"/> OBSERVATION	
<p>It seems to be necessary for SW to review its portfolio, analyzing the amount of FM/COC certificates having processing units included in their scope and to reviewing relevant reports to ensure that in all cases separate audit reports are prepared if processing unit is included in the scope if FM/COC certificate.</p>			
Normative Reference(s)	NA		
Comments:			

ACCREDITATION SERVICES INTERNATIONAL GmbH

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

NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	REC.SW.FM.2008.02.BR	Date	06 April 2008
Nonconformity detected by (name of auditor)		Guntars Laguns	
Through (e.g. office audit, document review)		FM surveillance Audit 2008	
Observation	Status	<input type="checkbox"/> MAJOR <input type="checkbox"/> MINOR <input checked="" type="checkbox"/> OBSERVATION	
<p>During the report review it appears that SW CAR 16/2007 address criterion level noncompliance (there are no indicators for FSC Criteria 9.2, 9.3 and 9.4 in the Brazilian Amazon standards). From ASI audit team perspective, the wording of noncompliance in SW CAR 16/2007 may be considered as major non-compliance and this CAR could be therefore defined as Major. ASI recommends SW to review its wording of CARs to ensure that it always clearly demonstrate level of company's compliance.</p>			
Normative Reference(s)	NA		
Comments:			

ACCREDITATION SERVICES INTERNATIONAL GmbH

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

NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	CAR.SW.FM.2008.01. Br	Date	06 April 2008	
Nonconformity detected by (name of auditor)		Guntars Laguns		
Through (e.g. office audit, document review)		FM surveillance Audit 2008		
Nonconformity		Status	<input type="checkbox"/> MAJOR <input checked="" type="checkbox"/> MINOR <input type="checkbox"/> OBSERVATION	
ASI audit team considers that in several occasions company has not implemented appropriately health and safety requirements. For example, people travelling in boats were not provided with life jackets. Also, in forest operations not all workers wear appropriate helmets (with face and ears protection). During the site visits auditors went in the area where active use of chainsaws, skidding and winch extraction took place. From ASI audit team perspective this does not appropriate safety for audit teams.				
Normative Reference(s)		FSC criteria 4.2.		
Corrective Action Request: SW 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		Next office audit		
Corrective Action implemented by Certification Body				
Here: describe action taken in detail				
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:				

ACCREDITATION SERVICES INTERNATIONAL GmbH

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

NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	CAR.SW.FM.2008.02. Br	Date	06 April 2008	
Nonconformity detected by (name of auditor)		Guntars Laguns		
Through (e.g. office audit, document review)		FM surveillance Audit 2008		
Nonconformity	Status	<input type="checkbox"/> MAJOR <input checked="" type="checkbox"/> MINOR <input type="checkbox"/> OBSERVATION		
During the audit ASI audit team noted several non-compliance with companies fuel and oil handling and spills and accidental discharges procedures (such as pollution control, use of absorbents)				
Normative Reference(s)	FSC criteria 6.7			
Corrective Action Request: SW 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		Next office audit		
Corrective Action implemented by Certification Body				
Here: describe action taken in detail				
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:				

ACCREDITATION SERVICES INTERNATIONAL GmbH

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

NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	CAR.SW.FM.2008.03. Br	Date	06 April 2008	
Nonconformity detected by (name of auditor)		Guntars Laguns		
Through (e.g. office audit, document review)		FM surveillance Audit 2008		
Nonconformity	Status	<input type="checkbox"/> MAJOR <input checked="" type="checkbox"/> MINOR <input type="checkbox"/> OBSERVATION		
In the SW report it is stated that company do not use exotic species; however, it was evident that company plants bamboo to control erosion and sedimentation of watercourses. According the ASI audit team expertise this bamboo do not occur naturally in the management unit and therefore shall not be used.				
Normative Reference(s)	FSC criteria 6.9			
Corrective Action Request: SW 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		Next office audit		
Corrective Action implemented by Certification Body				
Here: describe action taken in detail				
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:				

ACCREDITATION SERVICES INTERNATIONAL GmbH

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

NONCONFORMITY / CORRECTIVE ACTION REQUEST

REF. No.	CAR.SW.FM.2008.04. Br	Date	06 April 2008	
Nonconformity detected by (name of auditor)		Guntars Laguns		
Through (e.g. office audit, document review)		FM surveillance Audit 2008		
Nonconformity	Status	<input type="checkbox"/> MAJOR <input checked="" type="checkbox"/> MINOR <input type="checkbox"/> OBSERVATION		
<p>Company operates sawmill which is included in the scope of FMU certificate. During this audit, SW performed CoC evaluation of sawmill against FSC-STD-40-004, v2 requirements. It was evident that company has several non-compliances against relevant standards requirements, as for example, lack of list of product groups.</p> <p>During the closing meeting, SW presented several minor CARs to address non-compliance, however, ASI audit team considers that company has not implemented new FSC CoC standard and therefore it is major non-compliance with the standard and Major CAR shall be issued by SW team.</p>				
Normative Reference(s)	FSC-STD-40-004, v2			
Corrective Action Request: SW 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		Next office audit		
Corrective Action implemented by Certification Body				
Here: describe action taken in detail				
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:				

CARs removed or closed

ACCREDITATION SERVICES INTERNATIONAL GmbH				
Charles-de-Gaulle-Str. 5 • 53113 Bonn, Germany • Tel.: +49 - 228 - 367 66 0 • info@accreditation-services.com				
NONCONFORMITY / CORRECTIVE ACTION REQUEST				
REF. No.	CAR.SW.FM.2008.05. Br	Date	06 April 2008	
Nonconformity detected by (name of auditor)		Guntars Laguns		
Through (e.g. office audit, document review)		FM surveillance Audit 2008		
Nonconformity		Status	<input type="checkbox"/> MAJOR <input checked="" type="checkbox"/> MINOR <input type="checkbox"/> OBSERVATION	
During the report review it appears that SW CAR 16/2007 address criterion level noncompliance (there are no indicators for FSC Criteria 9.2, 9.3 and 9.4 in the Brazilian Amazon standards). From ASI audit team perspective, wording of noncompliance in SW CAR 16/2007 clearly identifies major non-compliance and should be therefore defined as Major.				
Normative Reference(s)		FSC-STD-20-002, part 8.3.2		
Corrective Action Request: SW 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		Next office audit		
Corrective Action implemented by Certification Body				
Here: describe action taken in detail				
Corrective Action evaluated by ASI				
Here: describe conclusion in detail				
<input type="checkbox"/> CLOSED <input type="checkbox"/> UPGRADED <input checked="" type="checkbox"/> OTHER DECISION*	Name auditor:	Guntars Laguns	Date:	01 July 2008
Comments:				