

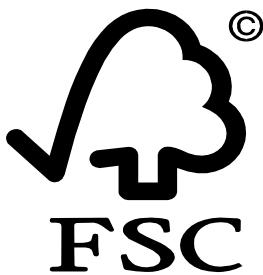
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SmartWood

Practical conservation through certified forestry

Forest Management Certification Assessment Report for:

Gramatikovo State Game
Breeding Station
In
Gramatikovo, Bulgaria

Certificate code:	SW-FM/CoC-003003
Auditors:	Justinas Janulaitis, Zhivko Bogdanov
Audit Dates:	27-28 September 2007
Report Finalized:	16 February 2008
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INTRODUCTION

This report presents the findings of an independent certification assessment conducted by a team of specialists representing the SmartWood Program of the Rainforest Alliance. The purpose of the assessment was to evaluate the ecological, economic and social performance of Gramatikovo State Game Breeding Station forest management as defined by the Forest Stewardship Council.

This report contains four main sections of information and findings and several appendixes. The whole report plus appendixes I and II will become public information about the forest management operation that may be distributed by SmartWood or the Forest Stewardship Council (FSC) to interested parties. The remainder of the appendixes are confidential, to be reviewed only by authorized SmartWood and FSC staff and reviewers bound by confidentiality agreements.

The purpose of the SmartWood program is to recognize conscientious land stewardship through independent evaluation and certification of forestry practices. Forestry operations that attain SmartWood certification may use the SmartWood and FSC labels for public marketing and advertising.

1. SCOPE OF THE CERTIFICATE

1.1. Scope of the certificate

- The scope covers the forest area managed by Gramatikovo State Game Breeding Station and all forest products harvested and produced by the enterprise. Forest covers 18319,2 hectares. Only state owned forest is included in the scope of the certificate.

1.2. Exclusion of areas from the scope of certificate

X	Applicability of FSC partial certification and excision policy		
<input checked="" type="checkbox"/>	All forest land owned or managed by the FME is included in the scope of this evaluation.		
<input type="checkbox"/>	FME owns and/or has management involvement in other forest land/properties (forest management units) not being evaluated. Provide description of other forests below:		
<input type="checkbox"/>	Is any portion of the forest management unit (s) under evaluation for certification being excluded? If yes, complete all sections below.		
Comments / Explanation for exclusion:	All state owned forests in the area of State Game Breeding Station are included in the scope of the certificate.		
Control measures	NA		
Other Forest area		Location	Size (ha)
NA			

2. ASSESSMENT PROCESS

2.1. Certification Standard Used

SmartWood Interim Standard for Bulgaria (SW-STD-BUL-2007-05) was used during the assessment. This Bulgaria specific standard was used for the assessment process and this report. This standard has been a subject of stakeholder consultation in order to ensure its applicability and feasibility. It had been sent to the SGBS seven months prior to the assessment. It is available on NEPCon and SmartWood homepages (www.nepcon.net and www.smartwood.org).

Local adaptation: The process of adaptation of the SW generic standards to the region is based on a stakeholder consultation process 4.5 months in advance of certification with comments from Bulgarian FSC working group (Contact Person), 2 NGOs and 2 academics.

2.2. Assessment team and qualifications

Justinas Janulaitis – Nature, Ecology and People Consult (NEPCon). Lithuanian citizen. Lead auditor. Mr. Janulaitis has got a Bachelor degree in biology and is studying Business Economy for Masters Degree in Vilnius University at the moment. He is working as a forest management and chain of custody lead auditor in Lithuania. Justinas has been involved in several projects in the Ministry of Environment of Lithuania related with nature management and international conventions. Moreover, he has worked in the Vilnius University Ecology Institute. J. Janulaitis has passed FSC FM/COC/CW and ISO auditor training courses. Furthermore, he has participated in more than 60 FSC FM/COC/CW audits in Lithuania, Latvia, Estonia, Belarus. In addition, he has worked as trainer in FSC FM training in Turkey and Bulgaria. Work experience with FSC certification covers last two years.

Zhivko Bogdanov – Bulgarian citizen, Forestry graduated, WWF expert and WWF DCP Bulgaria Forest Program Coordinator. He has been involved in the development of Bulgarian FSC Working Group and the national standard setting process since 2003, now he is FSC Contact Person in the country. Zhivko Bogdanov has participated in 5 preassessment audits in Russia, Italy and Bulgaria and 4 main forest management and chain of custody certification assessments in Bulgaria. He has been through SmartWood's CoC assessor training course in 2006, SGS Forest Certification Course in 2004, WoodMark Forest Management Certification Auditing training in 2004.

2.3. Report peer reviewers

Peer reviewer possess master of science in forestry, employee of association of national parks in Bulgaria, member of many environmental NGOs,

2.4. Assessment schedule (including pre-assessment and stakeholder consultation)

Date	Location /main sites	Main activities
Pre-assessment		
27.05.2007	Gramatikovo SGBS office	Review of documents, interview with staff
27.05.2007	Gramatikovo SGBS forest areas	Field audit, interview with field

		personnel
28.05.2007	Gramatikovo SGBS forest areas	Field audit, interview with field personnel
28.05.2007	Gramatikovo SGBS office	Review of documents, interview with staff, presentation of audit results.
Main Assessment		
26.09.2007	Gramatikovo SGBS office	Introducing audit team. Planning meeting with the SFU management.
27.09.2007	Gramatikovo SGBS office	Review of documents, interview with staff
27.09.2007	Gramatikovo SGBS office	Consultations stakeholders
28.09.2007	Gramatikovo SGBS forest area,	Field audit, interview with field personnel
28.09.2007	Gramatikovo SGBS office	Review of documents, interview with staff, and presentation of audit results.
Total number of person days used for the audit: 8+ pre-assessment = number of auditors participating 2 times total number of days spent for the audit 4		

2.5. Evaluation strategy

The assessment team could draw on the documented pre-assessment carried out by NEPCo on 30-31.05.2007. The evaluation strategy took previous findings into consideration. Due to extensive size of FMU's forests the team relied on representative sampling of sites across the forest area. The team developed a sampling design so as to obtain an overview of all different types of activities and sites. Sampling methodology used stratification of all FMU's forestry activities to ensure that the team assessed a representative cross section of FMU's management and forest conditions. The assessors generally selected the sites; however, special emphasis was put on potential problem areas such as ongoing logging activities, slopes, proximity of sensitive areas, key biotopes and watercourses etc. The selection technique essentially reduced the possibility for FMU to present sites that would reflect better-than-actual practice of forest management in FMU under assessment. The assessment teams illustrating 50 aspects of forest management visited a total of 11 sites. A description of the sites visited is presented in table below.

List of management aspects reviewed by assessment team:

Type of site	Sites visited	Type of site	Sites visited
Road construction	1	Illegal settlement	1
Soil drainage	-	Bridges/stream crossing	3
Workshop	-	Chemical storage	-
Tree nursery	1	Wetland	-
Planned Harvest site	-	Steep slope/erosion	-
Ongoing Harvest site	2	Riparian zone	1
Completed logging	7	Planting	-
Soil scarification	-	Direct seeding	-
Planting site	-	Weed control	-
Felling by harvester	-	Natural regeneration	7

Felling by forest worker	2	Endangered species	2
Skidding/Forwarding	1	Wildlife management	2
Clearfelling	1	Nature Reserve	-
Shelterwood management	7	Key Biotope	1
Selective felling	1	Special management area	-
Sanitation cutting	1	Historical site	1
Pre-commercial thinning	-	Recreational site	1
Commercial thinning	3	Buffer zone	1
Logging camp	1	Local community	2

2.6. Stakeholder consultation process

The purpose of the stakeholder consultation strategy for this assessment was threefold:

- 1) To ensure that the public is aware of and informed about the assessment process and its objectives;
- 2) To assist the field assessment team in identifying potential issues; and,
- 3) To provide diverse opportunities for the public to discuss and act upon the findings of the assessment.

This process is not just stakeholder notification, but wherever possible, detailed and meaningful stakeholder interaction. The process of stakeholder interaction does not stop after the field visits, or for that matter, after even a certification decision is made. SmartWood welcomes, at any time, comments on certified operations and such comments often provide a basis for field assessment.

In the case of Gramatikovo SGBS prior to the actual assessment process, a public consultation stakeholder document was developed and distributed by email, FAX and mail. Through input from FSC Contact Person, WWF DCP Bulgaria, National Forestry Board, Mayor of Gramatikovo, Strandja Nature Park Directorate, Gramatikovo SGBS Deputy Director, Local expert team member an initial list of stakeholders was developed and public announcements were distributed to them. This list also provided a basis for the assessment team to select people for interviews (in person or by telephone or through email). Public meetings were also held and written surveys were distributed to gather stakeholder input.

Stakeholder Type (NGO, government bodies, local inhabitant, contractor etc.)	Stakeholders Notified (#)	Stakeholders consulted directly or provided input (#)
NGOs	3	3
Local Community members	3	4
Government agency	6	5
Union	1	1
Scientific Institute/University	1	1
Forest Management Planning company	1	1
Forest operation companies	4	2

3. ASSESSMENT FINDINGS AND OBSERVATIONS

3.1. Stakeholder comments received

The stakeholder consultation activities were organized to give participants the opportunity to provide comments according to general categories of interest based upon the assessment criteria. The table below summarizes the issues identified by the assessment team with a brief discussion of each based upon specific interview and/or public meeting comments.

FSC Principle	Stakeholder comment	SmartWood response
P1: FSC Commitment and Legal Compliance	SFU respect the law and work transparently and legally.	Not needed
P2: Tenure & Use Rights & Responsibilities	SFU staff and operations respect always other owners rights.	Not needed
P3 – Indigenous Peoples’ Rights	NA	NA
P4: Community Relations & Workers’ Rights	SFU support communities for their need of grazing and firewood.	Not needed
P5: Benefits from the Forest	Not provided	Not needed
P6: Environmental Impact	Not provided	Not needed
P7: Management Plan	Not provided	Not needed
P8: Monitoring & Assessment	Not provided	Not needed
P9: Maintenance of High Conservation Value Forest	Not provided	Not needed
P10 - Plantations	Not provided	Not needed

3.2. Main strengths and weaknesses

Principle	Strengths	Weaknesses
P1: FSC Commitment and Legal Compliance	<ul style="list-style-type: none"> - High level of respect of laws - Correct payment of fees and taxes - Long term commitment to FSC P&C 	No weaknesses were identified.
P2: Tenure & Use Rights & Responsibilities	<ul style="list-style-type: none"> - Local communities are ensured to have access to forest products - Dispute resolution process in place 	No weaknesses were identified.

P3 – Indigenous Peoples’ Rights	Principle considered not applicable in Bulgaria	Principle considered not applicable in Bulgaria
P4: Community Relations & Workers’ Rights	<ul style="list-style-type: none"> - Strong consultation process with local stakeholders - Stable provider of employment - No evidence of discrimination 	<ul style="list-style-type: none"> - Low workers health/safety practice (CAR 01/07-04/07) - No good conditions for workers staying in forest overnight (CAR 05/07).
P5: Benefits from the Forest	<ul style="list-style-type: none"> - Harvesting rates clearly sustainable - Operation clearly economic viable - Traditional recognition of benefits from broadleaved trees 	<ul style="list-style-type: none"> - Damage to remaining trees in some cases (CAR 06/07) - Timber in some cases used no efficiently (OBS 01.07)
P6: Environmental Impact	<ul style="list-style-type: none"> - Only natural regeneration is used - Efforts are taken to cultivate only native noble hardwoods - Areas with high biodiversity value are selected independently - Little use of exotic species, no GMO 	<ul style="list-style-type: none"> - Dead wood and biodiversity tree selection not according to standard (CAR 07/07-08/07) - No sufficient guidance to the staff (CAR 09/07) - No registration of chemical use (10/07) - Disposal of waste is not in appropriate way, some litter in the forest (CAR 11/07-12/07) - Oil absorbent kits are lacking in machinery and machinery is with oil leakage (CAR 12/07) -No biodegradable oil is used (CAR-14/07)
P7: Management Plan	- Intensive public consultation for the new management plan	No weaknesses were identified.
P8: Monitoring & Assessment	- Frequent field inspections by own staff including prevention of illegal activities	- Summary of monitoring not sufficient enough (OBS 02/07)
P9: Maintenance of High Conservation Value Forest	- HCVF selected independently	No weaknesses were identified.
P10 - Plantations	Although some of the stands are planted this principle is considered not applicable.	Although some of the stands are planted this principle is considered not applicable.
Chain of custody	<ul style="list-style-type: none"> - Strict control and precise recording of product flow from the harvesting site to the point of sale and handing over of the product. - Detailed procedures for FSC COC 	No weaknesses were identified.
Group Certification Requirements	N/A	N/A

3.3. Identified non-conformances and corrective actions

A non-conformance is a discrepancy or gap identified during the assessment between some aspect of the FME’s management system and one or more of the requirements of the forest

stewardship standard. Depending on the severity of the non-conformance the assessment team differentiates between major and minor non conformances.

- **Major non-conformance** results where there is a fundamental failure to achieve the objective of the relevant FSC criterion. A number of minor non-conformances against one requirement may be considered to have a cumulative effect, and therefore be considered a major nonconformance.
- **Minor non-conformance** is a temporary, unusual or non-systematic non-conformance, for which the effects are limited.

Major non conformances must be corrected **before** the certificate can be issued. While minor non-conformances do not prohibit issuing the certificate, they must be addressed within the given timeframe to maintain the certificate.

Each non-conformance is addressed by the audit team by issuing a corrective action request (CAR) CARs are requirements that candidate operations must agree to, and which must be addressed, within the given timeframe of a maximum of one year period.

CAR 01/07		Reference Standard & Criteria: 4.2.1; 4.2.2; 4.2.3
Non-conformance		There is directorial order No. RD16-205 dated 25 09 2007 in the FMU that defines health and safety requirements. It is stated that defined requirements shall be used for tender documents and contracts with contractors. However, in sites where harvesting was conducted safe working practices were not implemented. Interviews showed that workers are informed about the safety requirements but observations confirm that these requirements are not fulfilled in the field. Loggers from the contractor companies were lacking safety trousers, steel toed boots. In addition, there was no first aid kit available in the logging site. Finally, the whole FMU staff while entering the ongoing logging site did not have high visibility clothes and helmets.
Major	Minor X	
Corrective Action Request: The FMU shall ensure that employees, including contractors, shall be aware of and shall implement safe working practices in their everyday work. This shall include requirements for appropriate health and safety equipment (helmet, high visibility vest/jacket, safety boots, safety trousers and first aid kit) to be used in the field by chain saw operators, harvesting companies and contractors. In addition, FMU shall ensure that any person entering an ongoing logging site wears a helmet and high visibility vest.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN.
Follow-up Actions (if applicable):		

CAR 02/07	Reference Standard & Criteria: 4.2.6.
Non-conformance	There is directorial order No. RD16- 206 dated 25 09 2007 in the FMU

Major	Minor X	that defines that contracts with contractors shall include a requirement to make instructions to their workers regarding critical situations. The company shall maintain record of trainings about health and safety and fire prevention requirements. It requires forest guards and chiefs of districts to control implementation of these requirements. No oil spill as a critical situation is mentioned in the order. During the field visit forest workers were interviewed about this requirement, but answers given by contactors indicate they are not aware of procedures in case of emergency situations.
Corrective Action Request: FMU shall ensure that all workers in the field are instructed about procedures in case of emergency situation such as accident, fire and oil spill. Furthermore, not only the training has to be performed but also knowledge of workers shall be appropriate enough to ensure that they can control emergency situations listed above.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN
Follow-up Actions (if app.):		

CAR 03/07		Reference Standard & Criteria: 4.2.8
Non-conformance		There is directorial order No. RD16-205 dated 25 09 2007, requiring to conduct regular checks to ensure that all safety procedures are observed in the field. So far no regular checks are conducted to ensure that all safety procedures are followed in the field. This was confirmed during document review. The field observations indicate that loggers do not follow all required health and safety requirements.
Major	Minor X	
Corrective Action Request: FMU shall ensure that regular checks are conducted. These checks shall ensure that all safety procedures are observed in the field.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN
Follow-up Actions (if app.):		

CAR 04/07		Reference Standard & Criteria: 4.2.9.
Non-conformance		No warning signs were observed during field visit to the sites with ongoing logging operations. Only information signs about contractor that is working in the logging site have been observed but they have nothing common with warning.
Major	Minor X	
Corrective Action Request: FMU shall ensure that warning signs are posted at access roads to sites with ongoing logging operation.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN

Follow-up Actions (if app.):	
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CAR 05/07		Reference Standard & Criteria: 4.2.13
Non-conformance		<p>There is directorial order No. RD16-207 dated 25 09 2007, requiring that contracts with contractor companies shall include requirements for appropriate sleeping facilities, sufficient supply of clean water and toilet facilities to all workers that are staying overnight in the forest.</p> <p>During field visit one loggers' camp was visited. Usually these camps are settled for a long period (whole summer or the time while they work in the FMU). Although it was not possible to have interviews with loggers in their camps (all of them were not present in the camp during the inspection). While inspecting the camp it was indicated that loggers are not provided with appropriate sleeping and toilet facilities. Usually they sleep in self made tents with some heating system which was not safe enough. Furthermore, there were no appropriate toilet facilities around. The supply of clean water is solved in the way that these camps are situated close to villages where loggers can use tap water for their needs. In addition there are several catchments in villages where loggers can get some fresh water for their needs.</p>
Major	Minor X	
Corrective Action Request:		
FMU shall ensure that workers who are staying overnight in the forest shall have appropriate sleeping facilities, sufficient supply of clean water and toilet facilities.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN
Follow-up Actions (if app.):		

CAR 06/07		Reference Standard & Criteria: 5.3.2
Non-conformance		<p>The forest management observed in the field showed that most of wood in the felling sites is used efficiently; however, some findings in the field indicate that some trees are damaged during forest management operations. In a new road construction area it was observed that trees, which are close to the newly built road, are damaged by the bulldozer, which is the main machinery used for new road building. At the edges of the newly built road some live trees were bulldozed and left untouched. Furthermore, in one of the felling sites visited during field visit in the assessment it was observed that some of remaining trees in the felling site are damaged during timber extraction operations. Finally, during field observations in felling sites it was observed that in some cases firewood is braced to trees in the felling site what makes a big pressure to alive tree.</p>
Major	Minor X	
Corrective Action Request:		
FMU shall ensure that harvesting techniques shall be designed to avoid losses of merchantable volumes and damage to remaining trees. FMU shall clearly identify procedures for new road building and these procedures shall cover not only the environmental impact assessment for new road construction, but also procedures regarding decreasing the damage to trees that are left along the newly built road.		

Timeline for conformance:	By the next annual audit.
Evidence to close CAR:	Pending
CAR Status:	OPEN
Follow-up Actions (if app.):	

CAR 07/07		Reference Standard & Criteria: 6.3.5.
Non-conformance		Written recommended practices for protection and maintenance of biodiversity in the FMU exist. It is mentioned that dead wood shall be protected in managed forest. However, during field visit in one of the logging sites it was found out that hollow standing dead trees of huge dimensions were cut. Only branches were taken for firewood and the rest of the trunk was left on the ground. Auditors were explained that foresters check cutting sites every day. None of them new about this situation in the felling site.
Major	Minor X	
Corrective Action Request: SFE shall ensure that not only guidance of protection of dead wood are prepared but also these are implemented in practice. Old and hollow trees and dead wood shall be preserved in the forest, with consideration of national requirements on work safety.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN
Follow-up Actions (if app.):		

CAR 08/07		Reference Standard & Criteria: 6.3.6.; 6.3.7.
Non-conformance		Recommended practices for protection and maintenance of biodiversity in FMU exist. It defines requirement for leaving single or grouped biodiversity trees during final felling. It does not deal with any numbers of the trees that shall be left. There is some guidance for identifying such trees. They shall be hollowed, containing bird nests or food remainings, bird excrements under it. In addition, trees with broken tops, without bark or with fungies shall be preferred. However, during field visit no such trees were indicated in felling sites. These were not marked or indicated in any other means. Interviews with representatives of FMU indicate that there is a tradition to leave "Grandmother Trees" untouched, but this practice is not described in any documents.
Major	Minor X	
Corrective Action Request: FMU shall leave at least 5 living biodiversity trees per hectare in final felling. These trees shall be left uncut forever. Furthermore, FMU shall ensure that biodiversity trees are chosen from wide variety of species with largest diameter among the most biologically valuable and wind stable trees.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN

Follow-up Actions (if app.):	
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CAR 09/07		Reference Standard & Criteria: 6.5.3.
Non-conformance		Guidance for road design is clearly defined in legislation and is implemented during road construction. Findings in the field support that. So far no guidance regarding technical specification for skid trail (location, width and density) were prepared and given to field staff. In addition, there are no clear and well understandable specifications for log landing and maintenance of buffer zones.
Major	Minor X	
Corrective Action Request: FMU shall ensure that guidance to field staff cover technical specifications for skid trail (location, width and density), log landing and maintenance of buffer zones.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN
Follow-up Actions (if app.):		

CAR 10/07		Reference Standard & Criteria: 6.6.2.
Non-conformance		FMU uses only Roundup for herb control in the plant nursery. The usage of the chemical is very minor and it consists of only 5-6 liters of Roundup per year used for herb control in the nursery. FMU does not have to get any approvals for use of this chemical. The FMU every 6 month reports about used chemicals to Forest Health Protection Station in Varna. Such report was reviewed during the assessment. However, FMU hasn't got a system in place to record: <ul style="list-style-type: none"> - Name of the product and expiry date, - Location of the treated surface / area; - Size of the treated area, - Method employed; - Date of beginning and date of ending of the treatment; - The overall used quantity.
Major	Minor X	
Corrective Action Request: FMU shall ensure that employed chemicals are registered. Registrations content shall be at least: <ul style="list-style-type: none"> - Name of the product and expiry date, - Location of the treated surface / area; - Size of the treated area, - Method employed; - Date of beginning and date of ending of the treatment; - The overall used quantity. 		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN

Follow-up Actions (if app.):	
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CAR 11/07		Reference Standard & Criteria: 6.7.1.
Non-conformance		FMU has got no workshop or garage so no chemical, container, liquid and solid waste is generated in processing facilities, but interviews with forest workers indicate that absorbents (sand) used in the felling site and polluted with oil are usually thrown away to the ordinary rubbish dumpsters.
Major	Minor X	
Corrective Action Request: FMU shall ensure that chemical, container, liquid and solid waste shall be disposed of in an environmentally sound and legal manner, whether from forest operations or processing facilities.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN
Follow-up Actions (if app.):		

CAR 12/07		Reference Standard & Criteria: 6.7.2.
Non-conformance		There is directorial order No. RD16-210 dated 25 09 2007, requiring that tender procedures as well as contracts with contractor shall include the requirement to protect environment inside and outside logging site. During the time of the contract implementation no non-timber waste can be left in the felling area. It has to be taken to officially registered dumps at the end of the day. However, during field visit some sites with rubbish were observed in the forest. Mostly these were plastic bottles or cigarette packages left by forest workers or other forest visitors. The FMU did not take proper action to remove the garbage from the forest. Finally, during inspections of camp where loggers live it was found out that quite a lot of rubbish is left in the surroundings. FMU did not take any action to solve this problem.
Major	Minor X	
Corrective Action Request: FMU shall ensure that efforts are taken to control and minimize disposal of all types of waste in the forest including garbage left from visitors.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN
Follow-up Actions (if app.):		

CAR 13/07		Reference Standard & Criteria: 6.7.3.; 6.7.5.
Non-conformance		There is directorial order No. RD16-210 dated 25 09 2007, requiring that

Major	Minor X	appropriate oil absorbent kits shall be available in forest machinery. However, forest machineries that were inspected during field visit did not contain any proper oil absorbent kits. Moreover, during the field visit two forest machineries were inspected and both of them had minor oil leakage.
Corrective Action Request: FMU shall ensure that appropriate oil absorbent kits are available in forest machinery. In addition, FMU shall ensure that forest machinery is without oil/fuel leakage.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN
Follow-up Actions (if app.):		

CAR 14/07		Reference Standard & Criteria: 6.7.6.
Non-conformance		There is directorial order No. RD16-210 dated 25 09 2007, requiring contractors to use biodegradable oil in chainsaws and hydraulic oil in forest machinery. However, during the field visit loggers in the logging site were interviewed and set of questions was addressed to them. During the interview it was found out that chain saw operators do not use biodegradable oil for their chainsaws.
Major	Minor X	
Corrective Action Request: FMU shall ensure that biodegradable oil is used for chainsaws and hydraulic oil in forest machinery.		
Timeline for conformance:		By the next annual audit.
Evidence to close CAR:		Pending
CAR Status:		OPEN
Follow-up Actions (if app.):		

3.4. Observations

Observations are very minor problems or the early stages of a problem which does not of itself constitute a non-conformance, but which the auditor considers may lead to a future non-conformance if not addressed by the client. An observation may be a warning signal on a particular issue that, if not addressed, could turn into a CAR in the future (or a pre-condition or condition during a 5 year re-assessment).

OBS #	Observation	Standard Reference
01/07	During field visit to the forest it was found out that waste during harvesting operations is minimized as much as possible, however, in a site with a new construction of road it was observed that trees in the place where a new road is to be built are cut in the height of 1 meter and later they are bulldozed so that the remaining part of the tree (about 1 meter) and all roots of the tree are removed during bulldozing process. Later these remainings are left on site. FMU is recommended to ensure that waste generated through harvesting operations and on-site processing is minimized.	5.3.3.

02/07	FMU has prepared a public summary of the FMP that includes some of the monitoring results. The printed version of the summary can be found in printed version in the main office of the FMU upon request. In addition, it is placed in the website. Although some parts of monitoring results are publicly available, it is still recommended for the FMU to include additional summary information regarding long term changes in aspects that are listed in 8.2.1.	8.5.1.
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3.5. Certification Recommendation

Based on a thorough review of FME performance in the field, consultation with stakeholders, analysis of management documentation or other audit evidence the SmartWood assessment team recommends the following:

Certification requirements met, certificate should be issued	<input checked="" type="checkbox"/>
Certification requirements not met, major CARs must be met prior to certificate issuance.	<input type="checkbox"/>
FME has demonstrated that their described system of management is being implemented consistently over the whole forest areas covered by the scope of the evaluation	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: All FMU area is managed according to the same rules, legislation and directorial orders that define the way of management and main activities.	
FME's management system, if implemented as described, is capable of ensuring that all the requirements of the certification standards are met across the scope of the certificate	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments:	
Issues identified as controversial or hard to evaluate.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: No controversial issues were identified during the assessment.	
Certificate type recommended:	<input checked="" type="checkbox"/> Forest management and Chain of custody <input type="checkbox"/> Forest management only (no CoC)

In order to maintain certification, the FME will be audited annually on-site and required to remain in conformance with the FSC principles and criteria as further defined by regional guidelines developed by SmartWood or the FSC. The FME will also be required to fulfil the corrective actions as described below. Experts from SmartWood will review continued forest management performance and conformance with the corrective action requests described in this report, annually during scheduled and/or random audits

4. CLIENT SPECIFIC BACKGROUND INFORMATION

4.1. Ownership and land tenure description

The FMU's forest area is 20355.1 ha. The ownership is divided by different types as following: state 18319.2 ha (90%), municipality owned forest 1894.1 ha (9.3%) and private forests of 141.8 ha (0.7%). The FMO is responsible and manage only the forestland owned by the Bulgarian state.

4.2. Legislative and government regulatory context

FMO is managed by Gramatikovo State Game-Breeding station, p.o.box 8166, Gramatikovo 8370, Bulgaria, which is an organizational unit of National Forestry Board, Burgas Regional Forest Directorate. The FMU is divided into 4 Forest Management Departments with total 11 Forest guarding sub-departments.

The National Forestry Board by the Ministry of Agriculture and Forests is responsible for the development of legislative instruments affecting the management of forests and is responsible in the same time for regulating the forestry management and monitoring compliance with legal requirements. The National Forestry Board, which unit is Gramatikovo SGBS, is responsible also for management and protection of the forest in the following category of Protected Areas: Nature Parks, Protected Sites, Nature Monuments, Historical Monuments. Private licensed companies are responsible for undertaking detail field surveys and preparing overall background papers for all management plans, including digital forest site type maps and forest road network maps as well as prepare the forest management plans for 10 years period. The forest management plan includes detail inventory and planning in every stand. The National Forestry Board approves forest management plans.

4.3. Environmental Context

The forest cover of the territory of Gramatikovo SGBS is more than 70%, which is far more than the average for the country about 30%. The SGBS is located in the most Southeast part of the country in Strandja Mountain, 30 km far from the costs of Black Sea. The territory of SGBS covers areas from sea level to 467 m altitude. The forests are spread as continuous massive in the landscape from the top to the valleys with connection between different forest stands. The former fields, now abundant, are really spread around the roads, settlements and some valleys. The Forest Management Plan of the unit tolerates Natural regeneration of all forests. When support for natural regeneration is needed then only native trees species are used in accordance with the Management Plan of Strandja Nature Park, which part is Gramatikovo SGBS in whole its territory.

The current species composition is as follows: oak 68.1%, oriental beech 25.7 %, different deciduous species 3.4%, coniferous 2.8%. The dominant mean of management of dominantly oak and beech stands on the FMU is shelter-wood management methods with elements also of selection cutting systems – all with natural regeneration.

Gramatikovo SGBS contains 2 types of forest categories: protective forest (special purpose forest – ecological, recreational functions) and protected forest (forests in Protected Areas).

It is because all the territory of the SGBS is in the borders of Strandja Nature Park, which is the biggest Protected Area in country. There are also other two Protected Areas inside the territory of the SGBS. One of them is Nature Reserve "Tisovitsa" and the second one is Protected Site "Paroria". Excluding Nature reserve, which are under the responsibility and management of the regional structures of Ministry of Environment and Water, the rest territories of Protected Areas are managed by Gramatikovo SGBS according to the biodiversity and forestry law in the country and in correspondence with the Strandja Nature Park Management Plan. The park territory is also

proposed as Natura 2000 zone approval by the government according to Biodiversity protection Law.

The SGBS has conducted HCVF study for the territory of the unit according to National Toolkit for identification, management and monitoring of HCVF. The Toolkit is based on the FSC requirements for HCVF and is describing 6 category of important forest by their functions covered all aspects of the concept – biodiversity, ecological and social values of forest. Appropriate forest management and monitoring practices have been developed and adopted by the SFU in special report for HCVF for the territory of the unit.

As part of the one of the most important for biodiversity and endemism regions in the country, there have been identified on the territory of Gramatikovo about 45 plant and 33 animal important species and 5 endangered forest ecosystems according to EUNIS and NATURA 2000 specifications.

4.4. Socioeconomic Context

The territorial scope of Gramatikovo SGBS includes part of 2 municipalities with only 6 settlements in total, which are with very low populations.

The high forest coverage of 77% compared to the average of 30% for the country is showing that the forestry there have big social and economical value. The forest in the territory is using as timber resource for constructions, wood-processing and as firewood for local people. But because of the closed to the sea location, the recreational functions of forests and tourism development in the region is growing also.

Most part of the forestland in the SGBS is state owned – only 10% of all forestland has municipality or private ownership. Thus why Gramatikovo SGBS have to ensure many of the needed firewood resources from its territory. But according to the statistics the use of firewood in the region is only 1/6 of the SFU's production of such products. There are not conflicts with the consumers of firewood in the region.

There are only 2 wood-processing small companies operated on the territory of the unit, as well as several local logging companies. All of them are the main wood consumers from the SFU and usually work as contractors for different forest activities of Gramatikovo SGBS.

All usage of non-timber forest resources on the territory of SFU, including hunting, is organized. Local hunting associations organize the hunting them self's but permissions for game based on the annual plan and control of the activities are by SFU staff. The local people allowed to collect for free for their own needs NTFP on whole territory of the SFU and the grazing is organized according to annual plans developed together with interested local people. There are also many bee-farmers who received permissions for using of forestland for bee-boxes setting.

There are well developed infrastructure, trade and tourism in the region.

APPENDIX I: Public summary of the management plan

(NOTE: To be prepared by the client prior to assessment, Information verified by assessment team)

<p>Main objectives of the forest management are: Primary priority: income from harvesting and sales of roundwood Secondary priority: Providing hunting possibilities Other priorities: biodiversity and increasing of nature values; prod. of firewood and other material for sales; recreation and outdoor activities</p>	
<p>Forest composition: Species composition: oak 68.1%, oriental beech 25.7%, other broadleaves 3.4%, coniferous 2.8%; natural and seminatural forests</p>	
<p>Description of Silvicultural system(s) used: shelterwood and group-selection systems</p>	
Silvicultural system	% of forest under this management
Even aged management	52 ha
Clearfelling (clearcut size range less than 1 ha)	2 ha
Shelterwood	50 ha
Uneven aged management	1156 ha
Individual tree selection	925 ha
Group selection (group harvested of less than 1 ha in size)	231 ha
Other types of management (explain)sanitary	27 ha
<p>Harvest methods and equipment used: Chainsaws and tractors equipped with gig. All forest work done by contractors. Chain saw operator fell marked by forest ranger tree, then cut the branches and cut the log onto several assortments. Then skidder or horses haul sortments in stockpile at road</p>	
<p>Estimate of maximum sustainable yield for main commercial species: 45000 m3</p>	
<p>Explanation of the assumptions (e.g. silvicultural) upon which estimates are based and reference to the source of data (e.g. inventory data, permanent sample plots, yield tables) upon which estimates are based upon. Estimates made on the base of Forest Management Plan and national laws. FMP is evaluating every 10 years based on inventory of the forest resources and calculated by yield tables</p>	
<p>FME organizational structure and management responsibilities from senior management to operational level (how is management organized, who controls and takes decisions etc.) FMO is an organizational unit of State Forestry Agency. FMU structure: director provide general administration of unit, main specializts responsible for detailed operations (silviculture, use etc.). FMO devided in several subdivisions with forest ranger in each. Forest rangers responsible for site-preparation for logging, forest guarding, silviculture practice, control of forst operations.</p>	
<p>Structure of forest management units (division of forest area into manageable units etc.) The FMU is divided into 4 Forest Management Departments (Zabernovo, Vizitsa, Kondolovo,</p>	

Gramatikovo) with total 11 Forest guarding subdepartments

Monitoring procedures (including yield of all forest products harvested, growth rates, regeneration, and forest condition, composition/changes in flora and fauna, environmental and social impacts of forest management, costs, productivity and efficiency of forest management)

Once per 6 month FMU make revisions of subdistrict operation. FMU regularly provide assessment of health conditions of forest.

There are procedures for monitoring of biodiversity and ecological functions of forest such as "Program for monitoring of HCVF and biodiversity in Gramatikovo SGBS".

Social Impact Assessment of the forest operation has made by external organization. It is attached to the Forest Management Plan. The SIA include system for analysis of the social and economical impacts of the operations.

The system for monitoring of social and economical aspects is implemented. There is system for monitoring of the use, forest growth rate and conditions, which is necessary and based on legislative requirements and instructions.

Environmental protection measures, e.g. buffer zones for streams, riparian areas, etc., protection measures for Rare Threatened and Endangered Species and habitat

The SGBS is located in the most South-East part of the country in Strandja mountain, 30 km far from the costs of Black Sea. The territory of SGBS covers areas from sea level to 467 m altitude. The forests are spread as continuous massive in the landscape.

Gramatikovo SGBS contains 2 types of forest categories: protective forest (special purpose forest – ecological, recreational functions) and protected forest (forests in Protected Areas).

It is because all the territory of the SGBS is in the borders of Strandja Nature Park, which is the biggest Protected Area in country. There are also other two Protected Areas inside the territory of the SGBS.

One of them is Nature Reserve "Tisovitsa" and the second one is Protected Site "Paroria".

The Strandja Nature Park territory is also Natura 2000 zone designated by the government according to Biodiversity protection Law.

The Protected Areas and zones are managed by Gramatikovo SGBS according to the biodiversity and forestry law in the country and in correspondence with the Strandja Nature Park Management Plan.

The SGBS has conducted High Conservation Value Forests (HCVF) study for the territory of the unit according to National Toolkit for identification, management and monitoring of HCVF.

The Toolkit is based on the FSC requirements for HCVF and is describing 6 category of important forest by their functions, covered all aspects of the concept – biodiversity, ecological and social values of forest.

Appropriate forest management and monitoring practices have been developed and adopted by the SGBS in special report for HCVF for the territory of the unit.

Other Sections may be added by the FME