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Evaluation Report
FSC – Forest Management
First Monitoring

Report No.: 07 2117 03

Certification Registration Code: IMO-FM/COC-026594

NEW AMBADI ESTATES

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Inspection:	17 - 19 April 2007
Auditor:	Umesh Chandrasekhar
Contact person IMO:	Thomas Papp-Váry
First certification:	06 February 2007
Date of report:	25 January 2008
Validity of certificate:	31 December 2008

Client

This report was compiled for the New Ambadi Estates.

The content of the report is partly public, a use for advertising purposes is permitted only with the consent of the client. All following information was checked and accepted by the client.

Purpose of Inspection

The task was to carry out the evaluation of the forest management and latex processing done under the responsibility of New Ambadi Estates in accordance with the IMO standard control program accredited by FSC. This report is the basis of the decision on the continuation of the certification by the Institute for Marketecology.

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A: PUBLIC PART

1 Information about the monitoring

The annual monitoring is evaluating the compliance of the company with FSC standards on a sampling basis. It is shorter than the main audit and checking only parts of the standard and the company. Mainly the compliance with prior correction action requests (conditions) are controlled and changes within the company. These results are presented in this report, full details about the company are presented in the first years public report.

1.1 Overview of audit

type of audit	date	regions
pre-evaluation	August 2006	All fields, store rooms, Factory
main audit	November 2006	All fields, store rooms, factory, subcontracted activities
evaluation of pre-conditions	December 2006	All activities related to the storage, mixing and use of chemicals and implements, such as the weed cutting machine to evaluate the compliance to safety requirements

Mr. Rm. Subramanian-DGM, Avinash P. Goswami – Sr. Asst. manager, Gopal-Field Officer, S. Lazarus- Field Officer, Mr. Bhagavathi – Felling contractor.

The actual procedures during tree felling were the focus of this inspection, as decided in certification 2006. All the the fields where rubber trees and coconut trees were being felled were visited.

April 17, 2007

- 15:00: Arrival and initial discussions
- 16:00 to 18:30: Inspection of safety procedures during tree felling

April 18, 2007

- 7:30 to 10:00 Inspection of safety procedures prior to and during tree felling
- 10:00 to 11:30 Inspection of latex handling procedures
- 11:30 to 19:00 Check of facilities, equipment and documentation. Check of natural reserve areas

April 19, 2007

- 7:30 to 10:00 Verification of on the spot training to workers in the use of safety equipment abd procedures
- 10. 00 to 13. 00 Final check of documents, discussions with management and completion of inspection report

1.2 Standards

The adopted generic standard of IMO for India was used as checklist the audit. The FSC Standards and the Pesticides Policy Guidance document (version 2006) that were available on the FSC website during the audit were also used.

1.3 Stakeholder

There was no contact with any of the stakeholders in this audit. There were no new comments from any stakeholder.

2 Information about the company

2.1 Changes in the company

There are no changes -the sites, staff and activities are as described in 2006.

2.2 Comparison of harvest with allowance and point of sale

Rubber latex and the timber from the old rubber trees are the main harvested products.

About 870 Metric tonnes of latex was harvested which is well under the 1000 MT that was estimated for certification. However, the volume of rubber timber is expected to be about 1500 m³ that is about 5 times more than the estimated quantity. The underestimation was due to a very low figure for usable timber per tree that was approximated in 2006. The actual measurements during tree felling taken indicate a possible quantity of more than 2000 m³. A conservative figure of 1500 m³ has therefore been taken. However, the timber is all sold on site without any reference to FSC.

Till the date of the audit, no latex had been sold with reference to FSC certification.

3 Required actions and improvements

The determination of the conditions is the essential result of the audit. The situation in the company is compared with the FSC Principles & Criteria and any deviation from the standard is described in the internal report. Any identified weak points will result in a “corrective action request (CAR)”.

In case of major violations from the guidelines this CAR will be a pre-condition which must be fulfilled before the certificate can be issued.

In case of minor deviations CARs become conditions which are to be fulfilled in a specific period of time.

In the case of insignificant possibilities for improvement which are not directly connected to the guideline, recommendations are expressed which are not binding.

Legend of the tables:	No. /Year	current number and date
	Deadline	Deadline to which the condition must be fulfilled, otherwise it will be intensified (for example to a pre-condition from this moment on).
	Status	Field for internal control

3.1 Old Conditions

3.1.1 Conditions regarding Principle 10

No. / Year	Conditions 2006 for New Ambadi	Dead line	Status
01/06 c	The existing regional forest ecosystems must be identified; a representative protection and restoration concept for native forests must be set up based on this information.	08/2007	Open
02/06 c	Interconnections between existing nature reserve areas must be established to create representative samples for each regional forest type with a sufficient size.	08/2007	Open
03/06 c	In order to improve the poor genetic diversity within rubber fields some trials with normal seedlings must be started.	08/2007	Open
04/06 c	Trials/experiments to assess the possibilities of reducing chemicals must be conducted.	08/2007	Open
	Conditions 1 to 4 - As the audit took place more than 4 months before the deadline, the time available was not sufficient for fulfilling the conditions. So the conditions are to be maintained		

3.2 Conditions regarding principle 4

No. / Year	Conditions 2006 for New Ambadi	Dead line	Status
06/06 c	Implementation of the new safety regulations must be controlled systematically. A regular control system including the definition of sanctions for non-compliances must be introduced. All controls and results must be documented.	02/2007	Fulfilled
07/06 c	The next surveillance audit must be done when tree harvesting is performed. IMO must be informed about the working program as soon as possible.	02/2007	Fulfilled
08/06 c	Reports of all accidents at the work spots – field and processing – must be maintained. Specific actions taken must be recorded separately from other illnesses. The accidents must be analysed and serve as the basis for any preventive and remedial measures.	08/2007	Fulfilled
	Condition 6 to 8 – The monitoring took place during the tree harvesting. Safety gear was made available for all the workers, including the tree harvesting workers, and the use was controlled by restricting entry to the work-spots only to workers with the prescribed safety gear. The requirements are described in FSC-SPM, version 30/4/07. The documentation of accidents through accident reports were started during the monitoring visit.		
09/06 c	Information for and contact with local stakeholders must be organised more systematically with at least one fixed date per year. Special attention must be paid to discuss any critical points that may arise.	08/2007	Fulfilled

10/06 c	Neighbour smallholders must have the opportunity to be trained on work.	08/ 2007	Fulfilled
	Conditions 9 and 10 – Contacts with local stakeholders and training of the neighbour smallholders have started and are planned every quarter		
11/06 c	The procedure of resolving complaints must be clearly defined and communicated: - The procedure must be available as a written document - Contact details for any requests and complaints must be displayed at every division - Each complaint and the response of the Company must be documented.	08/ 2007	Open
	Condition 11 - As the audit took place more than 4 months before the deadline, the time available was not sufficient for fulfilling the condition. So the condition is to be maintained		

3.3 Conditions regarding principle 6

No. / Year	Conditions 2006 for New Ambadi	Dead line	Status
12/06 c	Rare, endangered and threatened fauna must be identified and a concept for the protection of endangered species must be formulated.	08/ 2007	Open
13/06 c	Information about rare and endangered species (plants and animals) must be available for all workers and field staff. Training on the identification and protection is needed.	08/ 2007	Open
	Conditions 12 and 13 - As the audit took place more than 4 months before the deadline, the time available was not sufficient for fulfilling the conditions. So the conditions are to be maintained.		
14/06 c	The diversity of each stand must be increased. A clear concept how to reach this goal and the percentages of native species must be developed.	04/ 2007	open
	Condition 14 - Started in practice by allowing more species to regenerate naturally in the areas where the trees were felled in 2007. Documents have to be developed. So, the condition is to be maintained with a new deadline in April 2008		
15/06 c	Protection zones along watercourses must be developed.	08/ 2007	Process has started.
	Condition 15 - As the audit took place more than 4 months before the deadline, the time available was not sufficient for fulfilling the condition. So the condition is to be maintained		
16/06 c	Natural regeneration of native species must be protected in order to increase the biodiversity and ecological functions. Clear instructions to protect such species must be given to the workers.	04/ 2007	Fulfilled
	Condition 16 - More species are allowed to regenerate naturally in the areas where the trees were felled in 2007. Workers aware of the requirements.		

17/06 c	All used chemicals must comply with the FSC standard. The chemicals used by third parties must be authorised by Ambadi prior to the application.	04/ 2007	Fulfilled
	Condition 17 – The chemicals used by the banana cultivators in between the rubber trees are now controlled by Ambadi and are in compliance with the FSC standard.		

3.4 Conditions regarding principle 7

No. / Year	Conditions 2006 for New Ambadi	Dead line	Status
18/06 c	A formal management plan must be compiled from all the various individual documents.	08/ 2007	Open
19/06 c	An annual public summary about the management plan of the plantation must be made available on demand.	08/ 2007	Open
20/06 c	An internal training concept for workers must define which qualification and training is required for which work.	04/ 2007	Open
	Condition 18 to 20 - As the audit took place more than 4 months before the deadline, the time available was not sufficient for fulfilling the conditions. So the conditions are to be maintained		

3.5 Conditions regarding principle 8

No. / Year	Conditions 2006 for New Ambadi	Dead line	Status
21/06 c	A public report must inform about the activities of the company including information about: - any complaints and conflicts - statistics of accidents - growth and yield of forest products - composition of forests and species used allowed to regenerate naturally	08/ 2007	Open
	Condition 21 - As the audit took place more than 4 months before the deadline, the time available was not sufficient for fulfilling the condition. So the condition is to be maintained		
22/06 c	Felling and intercropping contracts to be made with reference to FSC.	04/ 2007	Fulfilled
	Appropriate contacts have been made in local language covering the requirements of FSC		

3.6 Recommendations regarding all principles

The following comments are recommendations for the companies in order to improve their situation. They are not essential for certification and not binding for the company.

No. /Year Principle	Recommendations 2006 for New Ambadi	Status
A/06 P 7	The management plan should be developed to a more standardised document with mid- and long term goals.	Open

3.7. Conditions regarding processing

No. /Year	Conditions 2006– New Ambadi Estates Factory	Deadline	Status
COC 2/06 c	Invoices and delivery notes for certified products should clearly indicate the registration number of the company and the category “FSC-pure”. Specimen documents must be sent to IMO before use.	02/ 2007	Fulfilled
COC 3/06 c	All labels (including internal) and publicity materials using the FSC reference should be in accordance with the FSC Logo guide and must be approved by IMO before printing.	02/ 2007	Fulfilled
	Specimen copies were submitted after the inspection and are attached		
COC 5/06 c	The Quality Management documents must be updated to include the requirements of FSC processing	02/ 2007	Open
	This requirement is not yet fulfilled and is to be maintained		

No. /Year	Conditions 2006 – New Ambadi Estates Factory	Deadline	Status
COC 1/06 a	Changes in the FSC trading procedures or in the FSC assortment must be communicated to IMO beforehand.	when required	

3.8 Current Conditions

3.8.1 Conditions regarding principle 10

No. / Year	Conditions 2007 for New Ambadi	Dead line	Status
01/06 c	The existing regional forest ecosystems must be identified; a representative protection and restoration concept for native forests must be set up based on this information.	Ext. 04/ 2008	
02/06 c	Interconnections between existing nature reserve areas must be established to create representative samples for each regional forest type with a sufficient size.	Ext. 04/ 2008	
03/06 c	In order to improve the poor genetic diversity within rubber fields some trials with normal seedlings must be started.	Ext. 04/ 2008	
04/06 c	Trials/experiments to assess the possibilities of reducing chemicals must be conducted.	Ext. 04/ 2008	

3.9 Conditions regarding principle 4

No. / Year	Conditions 2007 for New Ambadi	Dead line	Status
11/06 c	The procedure of resolving complaints must be clearly defined and communicated: - The procedure must be available as a written document - Contact details for any requests and complaints must be displayed at every division - Each complaint and the response of the Company must be documented.	Ext. 04/ 2008	

3.10 Conditions regarding principle 6

No. / Year	Conditions 2007 for New Ambadi	Dead line	Status
12/06 c	Rare, endangered and threatened fauna must be identified and a concept for the protection of endangered species must be formulated.	Ext. 04/ 2008	
13/06 c	Information about rare and endangered species (plants and animals) must be available for all workers and field staff. Training on the identification and protection is needed.	Ext. 04/ 2008	
14/06 c	The diversity of each stand must be increased. A clear concept how to reach this goal and the percentages of native species must be developed.	Ext. 04/ 2008	
15/06 c	Protection zones along watercourses must be developed.	Ext. 04/ 2008	

3.11 Conditions regarding principle 7

No. / Year	Conditions 2007 for New Ambadi	Dead line	Status
18/06 c	A formal management plan must be compiled from all the various individual documents.	Ext. 04/ 2008	
19/06 c	An annual public summary about the management plan of the plantation must be made available on demand.	Ext. 04/ 2008	
20/06 c	An internal training concept for workers must define which qualification and training is required for which work.	Ext. 04/ 2008	

3.12 Conditions regarding principle 8

No. / Year	Conditions 2007 for New Ambadi	Dead line	Status
21/06 c	A public report must inform about the activities of the company including information about: <ul style="list-style-type: none"> - any complaints and conflicts - statistics of accidents - growth and yield of forest products - composition of forests and species used allowed to regenerate naturally 	Ext. 04/ 2008	

3.13 Recommendations regarding all principles

The following comments are recommendations for the companies in order to improve their situation. They are not essential for certification and not binding for the company.

No. /Year Principle	Recommendations 2007 for New Ambadi	Status
A/06 P 7	The management plan should be developed to a more standardised document with mid- and long term goals.	

3.14. Conditions regarding processing

No. /Year	Conditions – New Ambadi Estates Factory	Deadline	Status
COC 1/06 a	Changes in the FSC trading procedures or in the FSC assortment must be communicated to IMO beforehand.	when required	
COC 5/06 c	The Quality Management documents must be updated to include the requirements of FSC processing	Ext. 04/ 2008	

4 Decision for Certification

4.1 Recommendation for certification (inspection team)

Considering the entire situation and the listed conditions the certification of the company according to the FSC principles and criteria is recommended for forest management and chain of custody.

October 2007

Umesh Chandrasekhar

4.2 Positive certification decision

The recommendation was followed by the IMO control panel.



The certificate is issued for the following companies and assortments.

FSC Certificate holders			
Forest company/ area	Assortment	Annual production	Certification
New Ambadi Estates Private Limited, Kulasekharam, India	Liquid latex products – Cenex, SS Latex, PV Latex, Block - Superior Processed Rubber -PA 80 Coagulated rubber products – Skim, EBC IX and SUPER IX	1000 metric tons	FSC
New Ambadi Estates, India	Rubber wood	1500 m ³	FSC

4.3 Authorisation

By authorisation of this report the client accepts the correctness of this report (public and internal part) and obliges himself to follow the relevant FSC standard, to the punctual fulfilment of the conditions and to the consideration of the recommendations.

Any report published or given to the public was authorised before by the client.

Contents checked and approved by	
Institute for Marketecology  Institut für Marktökologie Weststr. 51 CH-8570 Weinfelden Tel. +41-(0)71 626 0 626 Fax +41-(0)71 626 0 623 Weinfelden, 25 Jan 2008	client place, date
 (Wolfram Kotzurek)	signature

I. REGISTRATION FORM: PUBLIC PART

SUMMARY and BASIC INFORMATION TO BE SUBMITTED TO FSC

Part I: Certification details - to be completed by IMO	
Template version:	<i>M-templates-en-Jun06</i>
1. Registration code	IMO-FM/COC-26594
2. FSC Standard	IMO generic standard India downloadable via www.imo.ch
3. Scope of certificate	Forest Management (FM/COC): Plantations and rubber treatment plant
4. Type of certificate	individual FMU
5. Report No.	07 2117 03 (17 - 19 April 2007)
6. Previous reports with audit dates	06 2117 02 a,b,c (Nov 13. -16and Dec 2&3, 2006)
7. Auditor(s)	Umesh Chandrasekhar
8. Qualification	IMO organic auditor since 1996, FSC auditor since 2006
Part II: Company details - to be checked by client	
1. Company name	New Ambadi Estates Private Ltd.
2. Forest workers (incl. contractors)	140
3. Latitude/Longitude	E 76° 57' , N 8° 30'
4. Total <u>number</u> of FMUs in scope of certificate (individual company)	one
5. Number of members (groups)	none
6. Total managed area of company / group [ha]	676, 4
7. Tenure	all private owned
8. Total forested area [ha]	644, 5
9. thereof for groups	not applicable
10. thereof managed as plantation [ha]	608, 3
11. thereof managed by natural regeneration [ha]	nothing
12. thereof protected from commercial timber harvesting	nothing
13. Chemicals and pesticides used	Fertiliser: Urea, MRP, MOP (potash) Disease: Copper Oxy-Chloride, sulphur dust, Dithane M-45 Weedicide spray: Glycel, Fernaxone
14. Forest Zone	subtropical
15. Species composition	<u>Main commercial</u> timber species: Rubber tree (<i>heavea braziliensis</i>)
16. Forest products - timber:	Logs and firewood from Rubber tree (<i>heavea braziliensis</i>)
17. Approximate annual allowable cut by main commercial species	1500 [m ³] rubber tree (<i>Hevea brasiliensis</i>)