

Forest UPDATE Certification



Canadian Forest Products – Prince George Region Woodlands Operations

August 2007

As part of Canfor’s commitment to sustainable forest management and independent forest certification, an audit team from KPMG Performance Registrar Inc. completed the following assessments of Canfor’s Prince George Region woodlands operations in May – June 2006:

- Re-registration assessment of Tree Farm Licence (TFL) 30 against the requirements of the Canadian Standards Association’s standard for Sustainable Forest Management Systems (CSA-SFM).
- Periodic assessment of Canfor operations within the Prince George Defined Forest Area (DFA) against the CSA-SFM.
- Periodic assessment of Canfor operations within the Canfor DFA in the area under the Fort St. James Sustainable Forest Management Plan against the CSA-SFM.
- Field assessment of Canfor Prince George woodlands as part of a corporate-wide periodic assessment to the ISO 14001 standard for Environmental Management Systems (EMS).



The assessments determined that the Sustainable Forest Management (SFM) systems and EMS established and implemented by the operation continue to meet the requirements of the CSA-SFM and ISO 14001 standards.

The CSA-SFM registrations on the three DFAs combined with the corporate ISO 14001 registration demonstrate a strong commitment to sustainable forest management by the Prince George operation and is a significant achievement for Canfor. The assessments apply to the following approximate DFA areas and allowable annual harvests applicable to Canfor operations:

Defined Forest Areas (Canfor operations only)	DFA Areas (hectares)	Allowable Annual Cut (m ³)
TFL 30	182,000	180,000
Prince George	1,297,000	2,547,000
Fort. St. James	676,000	475,000



The Audit

- **Background** – The CSA Z809 and ISO 14001 standards require regular assessment by an accredited Registrar to assess the operation’s continuing conformance with the requirements of the standards and the implementation of action plans designed to address findings from previous assessments.
- **Audit Team** – The audits were conducted by a five person audit team (four BC Registered Professional Foresters and a BC Registered Professional Biologist), all of whom are accredited SFM auditors.
- **Document Review** – An off-site document review was completed prior to the initiation of the re-registration audit of TFL 30 in order to assess the SFM plan



and associated SFM values, objectives, indicators and targets, as well as documentation pertaining to the Public Advisory Group process. No document reviews were required for the CSA-SFM audits of the remaining two DFAs or the corporate ISO 14001 audit as they were limited scope surveillance audits against selected elements of the standards.

- **Field Audit** – The on-site field audit included interviews with a sample of staff, contractors and Public Advisory Group (PAG) members and examination of EMS and SFM system records, monitoring information and public involvement information. The team conducted field assessments of 75 sites to assess the operation’s planning, harvesting, silviculture, camps and road construction, maintenance and deactivation practices.

Good Practices

- Our assessments determined that the SFM and EMS systems continue to be effectively implemented at the operation.
- Timely reforestation was observed on several of the recently harvested blocks observed in the field.
- Splash guards are being installed on all new and upgraded bridges and bridge decks are regularly cleared of road surface material to minimize the risk of future sediment entry from bridge surfaces into streams.
- Substantial progress has been made in developing meaningful indicators related to First Nations’ involvement and in incorporating First Nations’ issues into the planning process (TFL 30).
- TFL 30 Public Advisory Group documentation and records were comprehensive and well organized.
- There is regular evaluation of Public Advisory Group members’ satisfaction with the SFM planning and involvement processes (TFL 30).
- A continuous improvement matrix has been established to capture and facilitate the resolution of improvement opportunities identified by the PAG (TFL 30).
- An effectiveness monitoring element has been added the TFL 30 SFM plan.

Key Areas of Nonconformity

- A lack of a field review in the TFL during the internal audit prohibited a full assessment of the implementation of a number of ISO 14001 and CSA-SFM elements that were to be within scope (TFL 30).
- The final audit report from the internal audit was provided to the operation over a month beyond the required submission date (all operations).
- Although external communication, the organization’s environmental performance and recommendations for improvement were discussed outside the management review process, they were not formerly rolled up, presented as an input to and thoroughly reviewed by the management team during the annual management review (all operations).

CSA-SFM and ISO 14001 Assessment Findings

Major nonconformities	0
Minor nonconformities	5
Opportunities for improvement	9

Types of audit findings

Major nonconformities:

Are pervasive or critical to the achievement of the SFM Objectives.

Major nonconformities must be addressed immediately or certification cannot be achieved / maintained.

Minor nonconformities:

Are isolated incidents that are non-critical to the achievement of SFM Objectives.

All nonconformities require the development of a corrective action plan within 30 days of the audit, which must be fully implemented by the operation within 3 months.

Opportunities for Improvement:

Are not nonconformities but are comments on specific areas of the SFM System where improvements can be made.



- The field audit identified the following instances where completed operations had not been implemented in accordance with operational control requirements:
 - Harvesting operations had encroached on a machine free zone (MFZ) along an S4 (small fish-bearing) stream. The MFZ had not been ribboned according to the Canfor ribboning standard. Harvesting inspections had not identified the encroachment issue (PG DFA).
 - A reserve on an L1 lake had not been laid out or mapped in accordance with the Site Plan (SP) requirements (i.e., although the laid out reserve was more than the legislated minimum along its entire length, the buffer indicated on the map, laid out in the field and harvested was significantly less along portions of it than the 50m minimum prescribed in the SP) (FSJ DFA).
 - The natural drainage pattern of a non-classified drainage (NCD) was disrupted by a road that had not been properly deactivated post-harvesting, resulting in scouring of the road surface and deposition of sediment into the NCD (FSJ DFA).
- The audit identified isolated lapses in the implementation of the operation's monitoring procedures on some harvest blocks (i.e., final inspections that had not been done and recorded or inspection records that could not be located for inspections that had been done) (PG and FSJ DFAs).



Field example of an effectively deactivated (pulled) bridge that promoted the maintenance of stream bank integrity and the minimization of sedimentation.

Key Opportunities for Improvement

- The Memorandum of Understanding drafted by Canfor and BC Timber Sales (BCTS) to describe their respective roles, responsibilities and authorities on the TFL (a requirement of the CSA-SFM standard) had yet to be finalized (TFL 30).
- While a communication strategy had been developed for TFL 30 and implementation of the PAG communication process was determined to be acceptable for the TFL, there is an opportunity to improve communication to the broader public as follows:
 - The Canfor website has an out of date version of the SFM Plan and the BCTS website does not have a version of the SFM Plan.
 - Direct public communication of SFM Plan development has been limited to existing interested parties.
 - There is a lack of linkage between PAG-related communication and Canfor's public communication tracking system (i.e. Creating Opportunities).
- Field review of harvest activities on one harvest block identified an opportunity to improve the efficacy of piling (TFL 30).
- While the TFL 30 SFM Plan was determined to be appropriate overall, the following opportunities for improvement were identified in relation to individual indicators within the plan:
 - *Indicator 3.12 (Species at risk and sites of biological significance management strategies)* – The current status information for this indicator is based on conformance with SPs which is inconsistent with the indicator itself which is based on management strategies.



- *Indicator 3.15 (Effectiveness monitoring plans for selected wildlife species and ecosystem resilience)* – While an effectiveness monitoring program is under development for ecosystem resilience there is an opportunity to expand the effectiveness monitoring program to other strategies under the SFM Plan.
- *Indicator 3.18 (Wildlife biodiversity corridors)* – Although the target for this indicator is based on current status, the adequacy of the current network is unknown and increases in the amount of area included in the corridors are expected. There is currently no clear process describing how the necessary improvements are to be achieved.
- *Indicator 3.23 (Reportable spills)* – The reporting requirement for antifreeze under this indicator is not consistent with the legal requirement. In addition, the text refers to the BC Waste Management Act which has been repealed.
- *Indicator 3.27 (Sediment occurrence mitigation)* – The reporting utility of this indicator could be improved upon as the number of instances where mitigating actions were taken is not currently being reported.
- *Indicator 3.31 (Volume of timber harvested)* – The text under this indicator fails to disclose the basis for BCTS' allowable cut levels within TFL 30.
- *Indicator 3.44 (Loss time accidents)* – The scope of this indicator is inconsistent with the scope of the DFA as it is limited to Canfor employees only (i.e., contractors are not included).
- The 2006 audit schedule indicated which operation was receiving an internal audit over the year without reference to the elements of the FMS to be audited (NB: The audit scope and criteria were however clearly stated in the audit plan for the operation) (all operations).
- The audit identified the following inconsistencies between operational controls for harvested blocks visited in the field (in all cases, the stream or wetland was appropriately treated) (PG DFA):
 - The SP text and map inconsistently identified a particular stream as being located outside and inside the block respectively. The field audit confirmed that the stream was located inside the block in agreement with the map.
 - An S4 stream identified on the SP map was not mentioned in the SP.
 - The identification labels of two wetlands were not consistent between the SP and logging plan maps.
- The following weaknesses were observed in the implementation of operational controls on completed blocks and roads field visited:
 - A bridge adjacent to a harvest block did not have splash guards installed. Consequently, sediment from the road and bridge was being deposited into the stream (PG DFA).
 - One harvest block had a non-functioning culvert and blocked ditch sections while another block also had a non-functioning culvert (blocks in the PG DFA where operations had been suspended).



Field example of a well planned and implemented riparian buffer maintained along an L1 lake.



- A pre-work form for a harvest block was not completely filled in (i.e., issues respecting the bridge SP and stream crossings respecting the bridge installation were not noted as having been discussed) (PG DFA).
- The actions currently being taken by the Prince George Licensee Steering Committee to communicate with the broader public are fairly limited in scope (i.e., posting the SFMP and annual report on participants’ websites; maintaining these documents at participants’ place of business to provide to the public and to make available to affected aboriginal groups; etc.). As such, there is an opportunity to explore and implement opportunities for more proactive approaches to public communication on progress towards SFM on the Prince George DFA.



The operation was doing a good job of retaining on-block trees where feasible in an effort of maintaining biodiversity or (as in this case observed in the field) maintaining wildlife features (i.e., stick nest).



There were numerous examples of culturally modified trees observed in the field that were appropriately assessed, mapped, marked and in some cases protected (e.g., incorporated into wildlife tree patches) or stubbed (as in the photo) by the operation.

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