



## Fort St. John Pilot Project – 2012 Surveillance Audit

August 2012

In August 2012, an audit team from KPMG Performance Registrar Inc. (KPMG PRI) carried out a CSA Z809 surveillance audit of the Fort St. John Pilot Project (FSJPP) Participants' woodlands operations against the requirements of the 2008 version of the CSA Z809 sustainable forest management (SFM) standard. This Certification Summary Report provides an overview of the process and KPMG's audit findings.

### Description of the FSJPP Participants' Defined Forest Area

The FSJPP area encompasses the Fort St. John Timber Supply Area (TSA) in the Peace region of northeast BC. The combined assessment on the FSJPP area applies to a defined forest area (DFA) of approximately 4.1 million hectares with an allowable annual harvest of over 2.06 million m<sup>3</sup>.

### Scope of Certification

The FSJPP was implemented across the Fort St. John TSA in 2001 as a pilot project for an improved regulatory framework for forest practices. The main components of the project include regulatory flexibility to facilitate adaptive approaches to forest management, landscape level planning through an SFM plan, ongoing public involvement through a Public Advisory Group (PAG) and the adoption and implementation of certification systems as surrogates for the existing administrative process.

The FSJPP Participants include BC Timber Sales (BCTS), Cameron River Logging Ltd., Canadian Forest Products Ltd. (Canfor), Peace Valley OSB, Dunne-Za Ventures LP, Louisiana-Pacific Canada Ltd. and Tembec Inc. However, all field operations along with planning are carried out by Canfor and BCTS. All of the participants have consented in writing to take part in the pilot project and be subject to the terms and conditions of the FSJPP Regulation.

The FSFPP Participants were originally certified to the 2002 version of the CSA Z809 standard for the entire DFA on October 17, 2003 and have maintained their CSA Z809-02 certification ever since. A replacement CSA Z809-08 certificate was granted to the FSJPP Participants on December 14, 2011 following completion in September 2011 re- of a certification audit conducted against the 2008 version of the standard, which is valid until December 13, 2014. The CSA Z809 surveillance audit conducted in August 2012 assessed the FSJPP Participants' continuing conformance with the requirements of the 2008 version of the standard.

### Audit Scope

The audit was conducted against selected requirements of the CSA Z809-08 standard, including those related to:

- The public participation process;
- Development and maintenance of the SFM plan;
- Monitoring of SFM performance, and;



## Findings: FSJPP Participants' Woodlands Operation — August 2012

- Implementation of the various management system components (e.g., operational controls, monitoring and inspections, compliance evaluations, internal audits, management reviews, etc.) that are required under the CSA Z809 standard.

### The Audit

- Audit Team** – The audit was conducted by Craig Roessler, RPF, EP(EMSLA) and Michael Alexander, RPF, EP(EMSLA). Craig Roessler, who acted as the lead auditor on this engagement, is an employee of KPMG PRI and has conducted numerous forest management audits under a variety of standards including ISO 14001, CSA Z809, SFI and FSC. Michael Alexander is an independent consultant who also has experience in conducting forest management certification audits against ISO 14001, CSA Z809 and SFI.
- CSA Z809 Re-certification Audit** – The audit included an on-site assessment of the FSJPP Participants' implementation of their SFM systems. Conclusions regarding conformance with the requirements of the standard were based on the collection of sufficient and appropriate audit evidence drawn from the following sources: (1) review of various SFM system procedures and records, (2) interviews with a sample of Participant staff and contractors and (3) visits to several field sites to evaluate conformance with the applicable requirements of the CSA Z809 standard.
- Surveillance Audits** – Annual surveillance audits are conducted by the audit team to ensure that CSA Z809 requirements continue to be met.
- FSJPP Participants' Certification Program Representatives** – Andrew Tyrrell, RPF, Forestry Supervisor at Canfor and Jason Pederson, RFT, Certification Standards Officer at BCTS served as the FSJPP Participants' representatives during the audit.

### Audit Objectives

The following audit objectives were included within the scope of the audit:

- A CSA Z809 surveillance audit to evaluate the FSJPP Participants' continuing conformance with the requirements of the 2008 version of the CSA Z809 standard.
- Evaluation of the extent to which the FSJPP Participants have addressed the open findings from previous CSA Z809 audits.

### Audit Conclusions

The audit found that the FSJPP Participants' SFM systems:

- Were in full conformance with the requirements of CSA Z809-08 included in the scope of the audit, except where noted otherwise in this report;
- Continue to be effectively implemented, and;
- Are sufficient to systematically meet the commitments included in the Participants' environmental and SFM policies, provided that the systems continue to be implemented and maintained as required.

As a result, a decision has been made that the FSJPP Participants continue to be certified to the 2008 version of the CSA Z809 standard.

### FSJPP Participants' 2012 CSA Z809-08 Audit Findings

Open nonconformities from prior audits	0
New major non	0
New minor non-conformities	1
New opportunities for improvement	1

#### Types of audit findings

##### **Major nonconformities:**

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

##### **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.

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

##### **Opportunities for Improvement:**

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

### Good Practices

A number of good practices were identified during the course of the audit. Examples included:

- CSA Z809 elements' 6.3.1, 6.3.3 and 7.4.6: The field audit observed excellent examples of stream and habitat features protected within wildlife tree patches, including a moose lick, fish-bearing streams, Goshawk nests and a bear den (Canfor).
- CSA Z809 elements' 6.3.3 and 7.4.6: Low disturbance levels were observed in the harvest blocks field reviewed (Canfor and BCTS).
- CSA Z809 elements' 6.3.3 and 7.4.6: Non-classified drainages in addition to streams are being well protected through the stubbing of trees on either side of them to make it readily apparent to operators where they are located so caution can be exercised near them (Canfor).

### Follow-up on Findings from Previous Audits

At the time of this assessment there were a total of 4 open nonconformities from previous audits. The audit team reviewed the implementation of the action plans developed by the FSJPP Participants to address these issues, and found that they had been effectively implemented. As a result, all nonconformities identified during previous audits have now been closed.

### New Areas of Nonconformance

1 minor nonconformity was identified during the CSA Z809 surveillance audit of the FSJPP Participants' woodlands operations, as follows:

- CSA Z809 elements' 7.4.6 and 7.4.7: The field audit observed one instance where an operator's pickup truck with a small diesel tidy tank did not have the legally required TDG '1202' diesel label affixed to it and did not include the required spill kit, fire extinguisher or shovel (Canfor).

Corrective action plans have been developed by the Participants to address the nonconformity identified during the surveillance audit.

### New Opportunities for Improvement

1 new opportunity for improvement was also identified during the audit, as follows:

- CSA Z809 element 7.4.7: Canfor's Emergency Preparedness and Response Plan does not provide specific requirements for having available on active sites antifreeze spill pads (as it does with fuel spill pads) and the one active harvest block field reviewed did not have on site spill pads designed to respond to antifreeze spills (Canfor).

### Corrective Action Plans

Corrective action plans designed to address the root causes of the nonconformity identified during the audit have been developed by the FSJPP Participants and



Retention of stub trees along streams and non-classified drainages made the stream and drainage locations stand out to operators so that they could exercise caution around them.



Low levels of site disturbance were observed in the harvest blocks field reviewed. These pictures also depict good examples of biodiversity being maintained on blocks in wildlife tree patches (top photo) and in retained dispersed aspen trees (bottom).

reviewed and approved by KPMG PRI. The next surveillance audit will include a follow-up assessment of these issues to confirm that the corrective action plans developed to address the issues associated with the nonconformity have been implemented as required.

### Focus Areas for the Next Audit

The following issues/topics have been identified as focus areas for the next audit:

- The FSJPP compliance audit.
- Follow-up on the results of the 2012 aerial spray program.
- Incorporation of the results of Canfor's Biodiversity Strategy into the FSJPP SFM Plan indicators and targets.
- Implementation of action plans developed by the FSJPP Participants to address the nonconformity identified during this audit and follow-up on the status of identified opportunities for improvement also identified during this audit.
- Any areas of increasing public debate or elevated environmental risk identified at the audit planning stage.
- Any changes to the FSJPP Participants' activities, operations, forest practices and management systems (including any changes to the SFM Plan).
- Any significant changes in regulatory requirements.



The field audit observed noteworthy examples of habitat features and resources protected within wildlife tree patches, including a Goshawk nest (above) and fish stream (at left).

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