

Forest DATE Certification



Canadian Forest Products Grande Prairie FMA #9900037 December 2007

Background

As part of Canfor's commitment to sustainable forest management and independent forest certification, an auditor from KPMG Performance Registrar Inc. completed the following assessments of Canfor's Grande Prairie Forest Management Agreement #9900037 (FMA) in October 2007:

- Periodic assessment of Canfor Grande Prairie's operations within the FMA against the requirements of the Canadian Standards Association's standard for Sustainable Forest Management Systems (CSA-SFM); and
- Field assessment of the operation as part of a corporate-wide periodic assessment against the requirements of the ISO 14001 standard for Environmental Management Systems (EMS).

The combination of ISO 14001 and CSA-SFM registration demonstrates a strong commitment to sustainable forest management on the FMA and is a significant achievement for Canfor. The combined registration on the FMA applies to a defined forest area (DFA) of 649,000 hectares with an allowable annual harvest of approximately 1,093,700 cubic meters (640,000 m³ coniferous and 453,700 m³ deciduous).



The Audit

- **Background** – The ISO 14001 and CSA Z809 standards require regular surveillance audits conducted 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. Surveillance audits are limited scope in nature and assess performance against a sub-set of the elements in each standard.
- **Audit Team** – The audit was conducted by an accredited SFM/EMS auditor.
- **Field Audit** – The on-site field audit included interviews with a sample of staff and contractors and the examination of selected EMS and SFM system records, monitoring information and public involvement information. The auditor also conducted field assessments on 5 harvest sites, 3 road sections, 6 reforestation sites and one logging camp.
- **Audit conclusion**– The surveillance audits concluded that the Sustainable Forest Management (SFM) systems and EMS continue to meet the requirements of the CSA-SFM and ISO 14001 standards and have been effectively implemented.





Good Practices

The following good practices were noted during the audit:

- The operation continues to make progress towards the development of management strategies for the Little Smoky caribou herd and has extended its voluntary moratorium on road construction and harvesting until the strategies are completed.
- Interviews with equipment operators indicated good levels of awareness of FMS and site specific requirements.
- Good retention of non-merchantable trees and brush in the machine free zones were observed on one block where machine free zones were noted on the harvesting map.

Follow-up on open non-conformities from previous audit

At the time of the audit there were a total of 2 open non-conformities from previous audits. The audit team reviewed the implementation of the action plans developed by Canfor - Alberta Region to address these issues, and found that good progress had been made towards addressing the underlying issues that gave rise to these audit findings. The current status of the open non-conformity from previous audits is outlined below:

- Although several of the action plan items developed by the Operation to address the previous finding related to the management of caribou habitat have now been completed, some are still in progress (e.g., the extension to the moratorium on road construction and harvesting that was put in place in 2005 to address the absence of approved management strategies necessary to implement the Caribou Recovery Plan). As a result, this minor non-conformity remains open.

New Areas of Nonconformity

The following new non-conformity was identified during the audit:

- Inspection of a pick up truck with a truck box tank identified a number of deficiencies in relation to the company’s fuel handling procedures. The truck box tank was missing a TDG label identifying the tank contents, and the vehicle was missing a spill kit and fire extinguisher even though it was being used to transport and dispense fuel.

CSA-SFM and ISO 14001 Periodic Assessment

Minor non-conformities from previous audits that remain open	1
New major nonconformities	0
New minor nonconformities	1
New opportunities for improvement	4

Types of audit findings

Major nonconformities:

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

Major non-conformities must be addressed immediately or registration cannot be achieved / maintained.

Minor nonconformities:

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

All non-conformities (major and minor) require an action plan within 30 days and must be addressed by the operation.

Opportunities for Improvement:

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



New Opportunities for Improvement

The following new opportunities for improvement were identified during the audit:

- Review of the 2007 internal audit report identified a weakness in the field sampling. The audit sample did not include active operations and, as a result, the implementation of operational controls could not be fully assessed.
- The audit identified an opportunity to improve the layout and mapping of harvesting blocks to ensure that they are achievable. The harvesting map for one block inspected indicated two areas for understory retention, however, the field inspection indicated that this was not operationally feasible due to the narrowness of the area between the block boundary and the on-block road.
- The audit identified an opportunity to improve the implementation and documentation of monitoring activities on low risk sites. While monitoring activities are carried out on a regular basis, these activities are noted in the comments section of the inspection form and a formal inspection is not completed until completion of the project. As a result, there is no clear means to capture an assessment of the implementation of operational controls (e.g. fuel management standard, spill kits).
- The audit identified an opportunity to improve the emergency response procedures and testing. The operation has shifted the responsibility for emergency response planning and testing to its contractors. While safety audits for certification will assess the implementation of emergency procedures related to health and safety, they will not assess emergency procedures related to environmental aspects, e.g. spill response.

Corrective Action Plans

Corrective action plans designed to address the root cause(s) of the non-conformity identified during the audit have been developed by the Operation and 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 them have been implemented as required.

Contacts:

Mike Alexander, RPF, CEA (604) 691-3401
David Bebb, RPF, CEA (604) 691-3451
Chris Ridley-Thomas, RPBio, CEA (604) 691-3088

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