



RISK ASSESSMENT
As required by Standard FSC-STD-40-005 (version 2-1)

Certificate holder:	Canadian Forest Products Ltd.	Certification Body (CB):	Rainforest Alliance
FSC CW certificate code:	RA-CW-005906	Date of CB approval:	
FSC CoC certificate code:	RA-COC-005906	Address of CB:	665 Broadway, Suite 500 New York, NY 10012 USA
Date of risk assessment:			
Certificate holder address:	1700 West 75 th Avenue. Vancouver, BC, V6P 6G2		

Districts covered by this risk assessment by ecoregions:	North Central Rockies forests (NA0518), Alberta Mountain forests (NA0501), Canadian Aspen Forest and Parklands (NA0802), Okanagan Dry Forest (NA0522) and Alberta-British Columbia foothills forests (NA0502) as defined by World Wildlife Fund
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Controlled Wood Category	FSC Indicator	Information Sources Used	Brief Justification	Risk Designation
1.0 Illegally harvested wood The District of origin may be considered low risk in relation to illegal harvesting when all of the following indicators related to forest governance are present :	1.1 Evidence of enforcement of logging related laws in a district	FSC National Initiative(www.fsc.org) : No information for Canada	Illegal logging is a rare occurrence in Southeastern BC and Alberta. Laws and judicial system provide recourse and penalties in the event of timber theft. Contracts are in place between purchaser and supplier to ensure legality. Compliance and Enforcement agencies in both Alberta and BC enforce forestry laws and take action if there is non-compliance. Instances of non-compliance are reported annually. Strong legislation in place in BC and Alberta regarding the granting and regulation of harvesting rights and the marking, scaling and transportation of timber.	Low Risk
	1.2 There is evidence in the district demonstrating the legality of harvests and wood purchases that includes robust and effective systems for granting licenses and harvest permits.	Royal Institute of International Affairs (https://www.chathamhouse.org/) Environmental Investigation Agency (www.eia-international.org): Concerns Indonesia and species at risk that are not present here. Global Witness (www.globalwitness.org): Refers to regions in Asia and Africa. See document: O.K. No issue in Canada		
	1.3 There is little or no evidence or reporting of illegal harvesting in the district of origin.	Compliance and Enforcement Branch BC http://www.for.gov.bc.ca/hen/ Compliance and Enforcement Alberta https://www.agric.gov.ab.ca/app21/forestrypage?cat1=Forest%20Management&cat2=Compliance%20%26%20Enforcement		



	1.4 There is a low perception of corruption related to granting or issuing of harvesting permits and other areas of law enforcement related to harvesting and wood trade.	Transparency International Index (Corruption perceptions) Concerns with developing countries (Corruption issues) (http://www.transparency.org/) and http://www.transparency.ca/ There is no report for Canada	Canada scores highly with regard to perception of low risk for corruption. Canada is currently ranked 9 th out of 168 countries.	
2.0 Wood harvested in violation of traditional and civil rights The district of origin may be considered low risk in relation to the violation of traditional, civil and collective rights when all the following indicators are present:	2.1 There is no UN Security Council ban on timber exports from the country concerned;	UN Security Council http://www.un.org/sc/committees/ Global Witness :(www.globalwitness.org): Concerns countries in Africa, South America and Asia, see criteria 1	There is no UN Security Council ban in place for wood originating from Canada	Low Risk
	2.2 The country or district is not designated a source of conflict timber (e.g. USAID Type 1 conflict timber)	Global Policy Forum http://www.globalpolicy.org/security-council/dark-side-of-natural-resources/timber-in-conflict.html	Canada is not designated as a source of conflict timber.	
	2.3 There is no evidence of child labour or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned.	FSC National Initiatives (www.fsc.org) : No information for Canada ILO (www.ilo.org)– no office in North America. No portrait for North America. See document. Canada is a signatory	Forest employment in Canada is regulated under federal and provincial labor codes, which prohibit child labor, protect the rights of workers to organize and are in conformity with fundamental ILO Conventions.	
	2.4 There are recognized and equitable processes in place to resolve conflicts of substantial	FSC National Initiatives (www.fsc.org) Government of Canada http://www.aadnc-aandc.gc.ca/	No specific concerns are cited for Canada. There are no actual conflicts of major significance concerning civil rights on the territory concerned.	



	<p>magnitude pertaining to traditional rights including use rights, cultural interests or traditional cultural identity in the district concerned.</p>	<p>https://www.aadnc-aandc.gc.ca/eng/1343663554469/1343663934553</p> <p>BC Ministry of Aboriginal Relations and Reconciliation http://www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/ministries/aboriginal-relations-reconciliation</p> <p>BC First nations Consultation on timber harvesting http://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/consulting-with-first-nations/first-nations-negotiations/forestry-agreements</p> <p>Alberta Aboriginal Relations http://www.aboriginal.alberta.ca/</p> <p>Alberta First Nations Consultation on timber harvesting http://indigenous.alberta.ca/documents/First_Nations_and_Metis_Relations/First_Nations_Consultation_Guidelines_LM_RD.pdf</p>	<p>There are processes in place with the governments of Canada, Alberta and BC to negotiate and implement land claims and self government agreements.</p> <p>BC Ministry of Aboriginal Relations and Reconciliation and Alberta Ministry of Aboriginal Relations are engaged in treaty negotiations and implementation processes. Each Ministry employs a process of First Nations consultation in relation to harvest licensing</p> <p>Relations between Canfor and Ktunaxa Nation Council are constructive. An agreement is in negotiations to ensure good collaboration and review of forestry plans. The parties are adhering to the spirit and intent of a prior relationship protocol until final approval of the new agreement.</p>	
	<p>2.5 There is evidence of no violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the district concerned.</p>	<p>FSC National Initiatives (www.fsc.org) . No information for Canada.</p> <p>ILO (www.ilo.org) – no office in North America. No portrait for North America.</p> <p>http://www.aadnc-aandc.gc.ca/</p> <p>Canadian Human Rights - Aboriginal rights http://www.chrc-ccdp.gc.ca/eng</p> <p>http://www.doyouknowyourrights.ca/en/home-accueil</p>	<p>Canada officially endorsed the UN Convention on Rights of Indigenous Peoples. No evidence of violation relative to southeastern BC or Alberta.</p> <p>Canadian legislation, treaties and other agreements with respect to First Nations demonstrate conformance with ILO and Canadian Human Rights Commission prohibits discriminatory practices against First Nations.</p>	



<p>3.0 Wood harvested from forest in which high conservation values are threatened by management activities.</p> <p>The district of origin may be considered low risk in relation to <u>threat</u> to high conservation values if:</p> <ul style="list-style-type: none"> a) indicator 3.1 is met; or b) indicator 3.2 eliminates (or greatly mitigates) the threat posed to the district of origin by non-compliance with 3.1 	<p>3.1 Forest management activities at the relevant level (eco-region, sub eco-region, local) do not threaten ecoregionally significant high conservation values.</p>	<p>Eco regions: North Central Rockies Forest http://worldwildlife.org/ecoregions/na0518</p> <p>Alberta-British Columbia Foothills Forests http://worldwildlife.org/ecoregions/na0502</p> <p>Alberta Mountain Forest http://worldwildlife.org/ecoregions/na0501</p> <p>Canadian Aspen Forest and Parklands http://www.worldwildlife.org/ecoregions/na0802</p> <p>Okanagan Dry Forest (NA0522) http://www.worldwildlife.org/ecoregions/na0522</p> <p>(www.panda.org):</p> <p>Biodiversity Hotspots https://www.greatergood.org/protect-habitat-critically-endangered-wildlife/?gclid=CLqBg7iQ38wCFQ6oaQodeFYBSg Viewed documents ok</p> <p>Global 200 Ecoregion http://wwf.panda.org/about_our_earth/ecoregions/ecoregion_list/</p> <p>High Biodiversity Wilderness Area (Conservation International) (www.conservation.org): Nothing for Canada.</p> <p>Kootenay Region Higher Level Plan – Strategic Land Use Planning http://www.for.gov.bc.ca/tasb/slrp/plan97.html</p>	<p>There are no identified biodiversity hotspots or high biodiversity wilderness area identified in BC or Alberta on the Conservation International website.</p> <p>Both Alberta and BC have strategic land use planning goals for preservation and management of ecologically significant values. In the Kootenay region, the Kootenay-Boundary Land Use plan and Implementation Strategy is concerned with resources development and conservation in the planning process. https://www.for.gov.bc.ca/tasb/slrp/pdf/LRM/P/Kootenay%20Boundary%20Land%20Use%20Plan%20Implementation%20Strategy.pdf</p>	<p>Low Risk</p>
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		<p>Alberta Integrated Land Management Planning http://aep.alberta.ca/lands-forests/integrated-land-management/default.aspx</p>		
	<p>3.2 A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the ecoregion)</p>	<p>http://www.cbd.int/convention/ Canada is a signatory to the Convention on Biological Diversity.</p> <p>http://www.cbd.int/doc/world/ca/ca-nr-04-en.pdf Canada produced a 2009 progress report to the UN Convention on Biological Diversity</p> <p>BC Ministry of Environment http://www2.gov.bc.ca/gov/content/governments/organizational-structure/ministries-organizations/ministries/environment</p> <p>Alberta Ministry of Environment http://aep.alberta.ca/</p>	<p>Canada, BC and Alberta have extensive protected areas including national and provincial parks and ecological reserves.</p> <p>In addition to these other measures, Canfor has identified HCVF's in the Kootenay region with associated management strategies.</p>	
<p>4.0 Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses</p> <p>The district of origin may be considered low risk in relation to conversion of forests to plantations or non-forest uses</p>	<p>4.1 There is no net loss AND no significant rate of loss (>0.5% per year) of natural forests and other naturally wooded ecosystems such as savannahs taking place in the eco-region in question.</p>	<p>Food and Agriculture Organisation of the United Nations 2015. (http://www.fao.org/forest-resources-assessment/en/) According to the FAO, there is no significant loss of forest area in British Columbia and Alberta</p> <p>The State of British Columbia's Forests Third Edition 2010</p> <p>http://www.for.gov.bc.ca/hfp/sof/</p> <p>Natural Resources Canada http://cfs.nrcan.gc.ca/publications/?id=34055</p>	<p>British Columbia contains vast and diverse forests and rangelands. Almost 60% (55 million hectares) of BC's 95 million hectares is classified as forest land. Less than 3% of BC's forest has been converted to human (non-forest) use.</p> <p>Natural Resources Canada's 2012 states the annual rate of deforestation in Canada is 0.01% and declining.</p> <p>Regionally, in the Kootenays, a spreadsheet is updated annually on any purchased wood from lands which may be converted to non-forested use. Recent examples include, forest</p>	<p>Low Risk</p>



<p>when the following indicator is present:</p> <p>(Note: the change from plantations to other land uses is not considered as conversion)</p>			<p>removed for mining expansion and a statutory right-of-way for a transmission line through TFL 14. The rate of loss is calculated and it is less than 0.5%/yr. The estimated rate of loss in 2015 was 0.011%. YTD in 2016 it is 0.0046% and the total for landbase is 0.0615%</p>	
<p>5.0 Wood from forests in which genetically modified trees are planted.</p> <p>The district of origin may be considered low risk in relation to wood from genetically modified trees when one of the following indicators is complied with:</p>	<p>a) There is no commercial use of genetically modified trees of the species concerned taking place in the country or district concerned OR</p>	<p>BC Tree Improvement Branch https://www.for.gov.bc.ca/hti/grm/generesource.htm</p> <p>Alberta Tree Improvement and Seed Centre https://albertaep.wordpress.com/tag/alberta-tree-improvement-and-seed-centre-atisc/</p> <p>Alberta Reforestation and Genetic Resource Management http://abtreegene.com/</p> <p>BC Chief Forester Seed Use Standards http://www2.gov.bc.ca/gov/content/industry/forestry/managing-our-forest-resources/tree-seed/legislation-standards/chief-forester-s-standards-for-seed-use</p>	<p>The tree Improvement Branch of the BC Ministry of Forest, Lands and Resource Operations and Alberta Sustainable Resource Development (ASRD) Tree Improvement and Seed Centre are not involved with any genetic engineering, gene insertion, gene splicing or biotechnology that results in genetically modified organisms. The provincial governments ensure that no genetically modified seed is registered or used in operational planting on Crown land in BC or Alberta.</p> <p>Both the BC Chief Forester’s Standards for Seed use and the ASRD prohibit the use of genetically modified seed</p>	<p>Low Risk</p>
	<p>b) Licenses are required for commercial use of genetically modified trees and there are no licenses for commercial use OR</p>			
	<p>c) It is forbidden to use</p>			



	genetically modified trees commercially in the country concerned.			
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General Comments regarding protection of High Conservation Values:

- Fibre originates from 3 non-FSC certified lands: Private land, Woodlots/Community Forests and other crown lands.
- Canfor will not acquire wood harvested from the C5 Castle Special Management Area (CSMA) until such time as a High Conservation Value Forest (HCVF) assessment is completed and Canfor is satisfied harvesting will not negatively impact the CSMA and will meet the requirements under this risk assessment.

Crown Lands – Invermere, Cranbrook, Golden, Kootenay Lake TSAs and others

- Forest Stewardship Plan in place
- Subject to Forest and Range Practices Act and Regulations
- Subject to Forest Practices Board audit
- Wildlife habitat provisions in effect
- May be 3rd Party Certified (e.g. BCTS = SFI, Canfor Radium = CSA, LP Golden = SFI, Wynndel = SFI, ATCO = SFI)
- Sustainable Forest Management Plans

Woodlots/Community Forests

- Small forest tenures on Crown Land
- Woodlot Management Plan/Community Forest Management Plan in place
- Subject to Forest and Range Practices Act and Regulations
- Wildlife habitat provisions in effect

Private Lands

- Lands close to municipalities and subject to development since settlement of the region
- Lands generally outside of sensitive wildlife habitat and small in size
- Subject to provincial and federal fisheries and water quality legislation
- If in Managed Forest tax status, also subject to Private Land Forest Practices legislation, which includes provisions for protection of critical wildlife habitat.

Completed by: <u>Grant Neville</u>	Date: <u>January 6, 2017</u>
Reviewed by: <u>Warren Jukes</u>	Date: <u>January 9, 2017</u>