



Fort St John Pilot Project—2015 CSA Z809 Surveillance Audit Summary

Between July 27 and 31, 2015, 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) participant's operations against the requirements of the CSA Z809-08 sustainable forest management (SFM) standard. This Certification Summary Report provides an overview of the process and KPMG's findings.

Description of the Fort Saint John Pilot Project's Defined Forest Area

The FSJPP Defined Forest Area (DFA) encompasses the Fort St. John Timber Supply Area (TSA) in the Peace region of northeast BC. The DFA is approximately 4 million hectares in area, with an allowable annual harvest of over 2 million cubic metres per year.

Scope of Certification

The scope of FSJPP's CSA Z809 certification includes the sustainable forest management system (including related public involvement, planning, harvesting, road and silviculture activities) implemented by FSJPP participants in the FSJPP Defined Forest Area.

The FSJPP participants are made up of organizations that have forest management tenure on the DFA, which are Canadian Forest Products Ltd (Canfor), BC Timber Sales (BCTS), Cameron River Logging Ltd., Chetwynd Mechanical Pulp Ltd, Dunne-Za Ventures LP, and Louisiana-Pacific Canada Ltd. However, all forestry activity is carried out by BCTS and Canfor — while BCTS manages its activities on its own tenure, Canfor manages its tenure as well as those of the remaining participants by agreement. 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 Fort St. John Pilot Project was implemented across the Fort St. John TSA in 2001 as a pilot 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.

Audit Scope

The audit was conducted against selected elements of the 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;



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

The Audit

- Audit Team** – The audit was conducted by Yurgen Menninga, RPF, EP(EMSLA) acting as lead auditor, and Bodo von Schilling, RPF, EP(EMSLA). Yurgen is an employee of KPMG PRI and Bodo acts as a contractor to KPMG PRI. Both have conducted numerous forest management audits under a variety of standards including ISO 14001, CSA Z809, SFI and FSC..
- CSA Z809 Surveillance Audit** – The audit included an off-site review of selected SFM system documents and an on-site assessment of the FSJPP participants’ implementation of their SFM system. 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) a review of various SFM system procedures and records, (2) interviews with a sample of Company staff and contractors, and (3) visits to several field sites to evaluate conformance with the applicable requirements of the CSA Z809 standard.
- FSJPP Certification Program Representatives** – Evan Hauk, RPF of Canfor and Rod Drew, RFT of BC Timber Sales served as the FSJPP participants’ representatives during the audit.

Audit Objectives

The objectives of the audit were to evaluate the sustainable forest management system of the FSJPP Participants to:

- Determine conformance with the requirements of CSA Z809 standard;
- Evaluate the ability of the system to ensure the FSJPP Participants meet applicable regulatory requirements;
- Evaluate the effectiveness of the system in ensuring that FSJPP Participants meet the specified objectives, and;
- Where applicable, identify opportunities for improvement.

These objectives were met.

Good Practices

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

- CSA Z809 clause 7 (SFM system requirements):** Good water management was demonstrated on a block where the road crossing had been removed at a small fish-bearing stream crossing. This was done through the installation of ditch-blocks and sediment settling areas located before the ditch water entered the stream. (Canfor)
- CSA Z809 clause 5 (public participation requirements):** Harvest notifications to stakeholders were found to occur more frequently than legally required, increasing

Fort St John Pilot Project 2015 CSA Z809 Audit Findings	
Open non-conformities from previous audits	0
New major non-conformities	0
New minor non-conformities	2
New opportunities for improvement	5

- **CSA Z809 clause 5 (public participation requirements):** Canfor systems were found to support public communications in regards to the herbicide program, such as the following:
 - The company has compiled literature & documentation in order to assist staff in responding to stakeholders.
 - Separate Canfor divisions in the region combine information sharing with First Nations to simplify consultation. For example, a band whose traditional territory overlaps more than one division receives one consultation package rather than separate ones from each division, easing the band’s administrative work. (Canfor)
- **CSA Z809 clause 6 (SFM performance requirements):** In regards to stocking information for regenerating blocks, Canfor and BCTS are improving the methods of compiling the survey data such that it more accurately reflects stocking information. As well, Canfor was found to have been improving its mixed-wood regeneration strategy over the past few years. (Canfor and BCTS)
- **CSA Z809 clause 7 (SFM system requirements):** A BCTS harvest contractor demonstrated a novel method of accessing environmental management system information that related to his job. He used his mobile phone to locate procedures on the BCTS website, ensuring the most current versions are used. (BCTS)

New Areas of Nonconformance

Two minor non-conformities were identified during the surveillance audit. These included:

- **CSA Z809 clause 7 (SFM system requirements):** Two mobile fuel storage tanks were observed where conformance to the legal 5 year inspection requirement could not be verified. (Canfor and BCTS)
- **CSA Z809 clause 7 (SFM system requirements):** Review of the 2013/2014 SFMP Annual Report found that for indicator #13 ‘Seed Use’ the value reported by BCTS did not align with the target. Specifically, the target is for *planting seedlings* in accordance with specific standards, but the reported value was instead for *collecting seed* in accordance with the standards. (BCTS)

New Opportunities for Improvement

Five new opportunities for improvement were also identified during the audit, as follows:

- **CSA Z809 clause 7 (SFM system requirements):** It was found that the fire response equipment required for one site was not formally listed as the EMS prompts (although the fire response equipment onsite was likely generally adequate). (BCTS)
- **CSA Z809 clause 6 (SFM performance requirements):** The audit found that BCTS harvesters are contractually bound to harvest all trees greater than three

Types of audit findings

Major non-conformities:

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

Minor non-conformities:

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

All non-conformities require the development of a corrective action plan within 30 days of the audit. Corrective action plans to address major non-conformities must be fully implemented by the operation within 3 months or certification cannot be achieved / maintained. Corrective action plans to address minor non-conformities must be fully implemented within 12 months.

Opportunities for Improvement:

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

metres height within a harvest area. There is no flexibility to selectively retain timber that has low economic value but high biodiversity value, which if retained would support FSJPP indicator #5 for retaining snags/cavity nesting sites. (BCTS)

- **CSA Z809 clause 7 (SFM system requirements):** It was noted that in one block the foreman of a harvesting crew did not have a clear understanding of the timber retention prescriptions on a Machine Free Zone, or the buffering requirements on non-classified drainages. (BCTS)
- **CSA Z809 clause 7 (SFM system requirements):** In terms of monitoring silviculture operations, the following were noted:
 - Excavator mounds were made on one block to create plantable sites, but the mounds were commonly placed on top of or amongst slash and debris, resulting in air pockets and a poor quality planting medium.
 - On one block that had been treated with herbicide aerially, an error in the GPS tracking indicated parts of a wildlife tree patch had been sprayed when in fact it had not been sprayed, raising questions about the efficacy of the GPS spray tracking.
 - A temporary crossing on a small stream that had been used by the planting crew had not been removed as intended (though the final inspection was yet to be completed). (Canfor)
- **CSA Z809 clause 7 (SFM system requirements):** For new indicator #67 Rare Ecosystems, blocks planned after June 2014 were designed to be consistent with the indicator. Monitoring for conformance began on harvested blocks in April 2015. It is noted that blocks with rare ecosystems that were planned prior to June 2014 but harvested after April 2015 may not be conformant. (Canfor and BCTS)

Corrective Action Plans

Corrective action plans designed to address the root cause(s) of the non-conformities identified during the audit have been developed by the FSJPP participants and reviewed and approved by KPMG PRI. The next 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.



The audit included visits to cutblocks that were active as well as those where harvesting was completed, to assess conformance to the environmental management system for values such as retention for biodiversity, riparian management, consistency with harvest plans, road deactivation, etc.

Audit Conclusions

The audit found that the FSJPP SFM system:

- Was in full conformance with the requirements of the CSA Z809 standard included in the scope of the audit, except where noted otherwise in this report;
- Continues to be effectively implemented, and;
- Is sufficient to systematically meet the commitments included in the participants' environmental and SFM policy, provided that the system continues to be implemented and maintained as required.

As a result, a decision has been made to continue to certify the Fort Saint John Pilot Project to the CSA Z809 standard.

Focus Areas for the Next Audit

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

- Follow-up on the implementation of the corrective action plans developed by the FSJPP participants to address the open non-conformities.
- Implementation of measures regarding indicator #67 (Rare Ecosystems).

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