

**3<sup>rd</sup> surveillance  
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**for:**

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Att. Faron Knott 709-637-3155

**for the following certified forest area(s):<sup>1</sup>**

Forests management districts no. 5, 6, 9, 14, 15 and 16 in Newfoundland

**File number: 011643-09**

**Date of surveillance evaluation: Sept 7, 2015**

**Date of finalized report: Dec 22, 2015**

**FSC® Registration Code: QM-FM/CoC-001506**

**Date of Certificate Issue: July 5, 2012**

**Validity of the certificate: From (05/07/2012) to (04/07/2017)**

Based on FSC-STD-20-007a V1-0/ FSC-STD-20-007b V1-0

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<sup>1</sup> In the case of group certification, the certificate holder is the group manager and the region in which the group is located must be specified.

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## 1.0 DESCRIPTION OF EVALUATION

<b>Evaluation dates:</b>	Sept 7, 2015
<b>Task</b>	<b>Person days (excluding travel)</b>
Pre-evaluation	
Preparatory Work	6 days
Documents, Records and Fieldwork	7 days
Stakeholder Interviews	2 days
<b>TOTAL</b>	<b>15 days</b>

### EVALUATION TEAM

**Lead auditor: Daniel Martin, ing.f.**

Forest engineer with a more than 15 years of experience in the forest industry as a supervisor and manager, specifically in silviculture, harvesting and fiber procurement for sawmills in New Brunswick and Nova Scotia. This has allowed for development of skills ranging from budgeting, negotiating and human resource management. Furthermore, Daniel has cumulated experience in the management of an engineered wood products facility in the province of Quebec. Daniel has negotiated collective bargaining agreements in both the forest harvesting industry and wood products manufacturing in the provinces of New Brunswick and Quebec. He has also been a lecturer at the Moncton University. Daniel is an ISO 14001 assessor and a FSC FM lead auditor and has conducted field work in the Maritimes, Boreal and Great Lakes/St-Lawrence forest types.

**Auditor: Fabrice Lantheaume**

Fabrice Lantheaume has over 15 years' experience in the forestry and environment sector, and in particular in sustainable forest management audits conducted in Canada (Québec, Ontario, New Brunswick, British Columbia), the United States, Western and Eastern Europe (Poland, Estonia, Latvia, Romania), Africa, Asia and South America. He has audited FSC projects for over 10 years and has directed more than 30 FSC audits worldwide, including in the Canadian boreal forest (Québec and Ontario).

**Technical expert: N/A**

**Observer: Sylvain Frappier**

Senior Forestry Manager Engineer with 29 years of experience in project management of public, private and urban forestry. Preparation of budget forecasts and management of logging operations budget. Proven capacity in managing capital forestry assets (purchase, sale, rental of lands). Annual negotiations of several timber procurement contracts. Supervised forestry operations on public and private lands in Quebec, Vermont and New York. Developed a strategy to access timber supply sources from Russia to support a pole export market in Asia and the Middle East. Negotiated with various groups of interested parties (Ministry of Natural Resources, Environmental groups, Aboriginal communities, Wildlife sanctuary managers,). Auditor for ISO 9001, OHSAS 18001, lead auditor for International forestry management standards such as SFI (Sustainable Forestry Initiatives). CSA Z809, CSA Z804 and FSC (Forestry Stewardship Council) as well as for Chain of custody for, PEFC ST, SFI and FSC. Sylvain is currently the technical manager for the forestry sector for SAI Global and is a member of the Ordre des ingénieurs forestiers du Québec.

### 1.1.1 Itinerary

Monday Sept 7 2015			
Time	Daniel Martin	Fabrice Lantheaume	Sylvain Frappier
8:30	Entry meeting		
	Review of CIS, Scope & use of certificate and logo for FSC	Field visit preparation	Review of CIS, Scope & use of certificate and logo for CSA and ISO
	FSC 2.2 (2) – Use rights of local communities	FSC 6.2 (7) Safeguards for SAR  NC 2014-07 (6.2.6)	Review of NCRs from the last audit CSA 2014-01-7.5.2 (Major) 2014-02-7.4.6 2014-03-7.4.2 2014-04-7.5.1 2014-05-7.4.6
	FSC 2.3 (3) – Dispute resolution over tenure claim and use rights.	FSC 7.1 (8) – Management plan content	Review of NCRs from the last audit ISO 2014-01-4.5.3 (Major) 2014-02-4.4.6 2014-03-4.4.2 2014-04-4.5.1 2014-05-4.4.6
	FSC 3.2 (2) – Resources and tenure rights of Indigenous Peoples.	FSC 7.2 (3) – Management plan revision	CSA 7.5.2 Corrective and Preventive action  ISO 4.5.3 – Nonconformity, Corrective and Preventive action
	FSC 4.2 (4) – Applicable laws covering H&S of employees	FSC 7.3 (2) – Training	CSA 7.5.4 and ISO 4.5.5– Internal audits  CSA 7.6 and ISO 4.6 - Management review
	FSC 1.5 (2) – Protection from illegal activities.	FSC 7.4 (2) – Public summary	
		CSA 7.3.5 – SFM Plan	
4:30PM	Debriefing with management		
5:00PM			

<b>Tuesday Sept 8, 2015</b>			
<b>Time</b>	<b>Daniel Martin</b>	<b>Fabrice Lantheaume</b>	<b>Sylvain Frappier</b>
8:00	FSC 1.1.4 – Corrective actions NC 2014-01 (1.1.4) - Major	Field visit See Annex A for the FSC criterions potentially verifiable in the field. ISO and CSA	Field visit See Annex A for the FSC criterions potentially verifiable in the field. ISO and CSA
	FSC 4.4 (10) – Evaluation of Social impacts NC 2014-06 (4.4.3)	Districts (TBD) + Arrange meeting with DNR to meet at his office (cover CSA and FSC)	District (TBD) + Arrange meeting DNR to meet at his office (cover CSA and FSC)
	FSC 4.5.2 – Operator training course and material NC 2014-03 (4.5.2)		
	FSC 6.5 (4) – Written guidelines to minimize forest damage NC 2014-02 (6.5.1) NC 2014-05 (6.5.1) NC 2014-04 (6.5.2)		
5:00PM	End of the audit day		

<b>Wednesday Sept 9, 2015</b>			
<b>Time</b>	<b>Daniel Martin</b>	<b>Fabrice Lantheaume</b>	<b>Sylvain Frappier</b>
8:00	Debriefing with management following the field visit		
	FSC 5.6 (4) – Rate of harvest	Auditor complete field notes	Auditor complete field notes
	FSC 6.3 (19) – Maintaining ecological functions and values	CSA Criterion 5 – Economic and social benefits	CSA Criterion 6 – Society's responsibility
	FSC 6.9 (3) – Use of exotic species	CSA 7.1 – General	CSA Criterion 4 – Role in global ecological cycles
		CSA 7.2 SFM Policy ISO 4.2 – Environmental Policy	
		CSA 7.3.1 – Defined forest Area FSC 2.1 (1) – Use rights to the land	

<b>Wednesday Sept 9, 2015</b>			
<b>Time</b>	<b>Daniel Martin</b>	<b>Fabrice Lantheaume</b>	<b>Sylvain Frappier</b>
		CSA 7.3.2 – Shared Responsibilities	
	Stakeholder consultation (TBD)	CSA 7.3.3 – Rights and Regulations	
4:30PM	Debriefing with management		
5:00PM	End of the audit day		
6:00PM	FAC -		
-			
7:30PM			

<b>Thursday Sept 10, 2015</b>			
<b>Time</b>	<b>Daniel Martin</b>	<b>Fabrice Lantheaume</b>	<b>Sylvain Frappier</b>
8:00	FSC 8.2 (11) - Monitoring	ISO 4.4.3 & CSA 7.4.3 - Communication	Witness audit for Daniel Martin (FSC FM lead auditor renewal) (0,5 days)
	FSC 9.4 (3) – Monitoring of HCV's	ISO 4.4.4 & CSA 7.4.4 – Documentation	
9:00	First Nation consultation (Comfort Inn, Corner Brook) Confirmed		
11:00	Stakeholder consultation (phone call)		
12:00	Lunch		
		ISO 4.4.5 & CSA 7.4.5 – Control of documents	CSA 4.2 – Required activities
		ISO 4.5.4 & CSA 7.5.3 – Control of records	CSA 5.1 – Basic requirements
		ISO 4.3.2 Legal & Other requirements	CSA 5.5 - Communication
		ISO 4.3.3 Objectives, Targets and Programs	CSA 6.1 – DFA specific performance requirements
			CSA 6.2 – SFM criteria – General
			CSA 7.3.4 Incorporation of public participation requirements
			First Nation consultation (Time to be confirmed)
4:30PM	Debriefing with management		

Thursday Sept 10, 2015			
Time	Daniel Martin	Fabrice Lantheaume	Sylvain Frappier
5:00PM	End of the audit day		

Friday Sept 11, 2015			
Time	Daniel Martin	Fabrice Lantheaume	Sylvain Frappier
8h00	Auditors complete assigned principles/indicators and prepare for closing meeting		
10h30	Debriefing with management		
11h00	Closing meeting		

### 1.1.2 Approach

The evaluation consisted in:

- A stakeholder consultation was launched in June 2015 to obtain input from interested and affected stakeholders.
- Document reviews and interviews with management personnel at the Corner Brook office (administration)
- Field visits where meetings were held with field supervisors and operators; for logistical reasons and travel efficiency.
- Meetings with stakeholders.

### 1.1.3 Selected FMUs and Rationale

CBPPL had made the list of all activities that were taking place at the time of the audit as well as location of HCVF present in the different FMU's. The sites were selected by the audit team based on the activity type and the location that would allow covering all selected sites in the most effective way. On active sites workers performing task were interviewed as well as contractor supervisors and CBPPL staff. The scope of the interviews covered the worker's knowledge of the work instructions applicable to their activities, Health and Safety, working conditions and knowledge of FSC.

1.1.4 Sites Visited

Sites visited				
Management unit	Site #	Location	Audited activities	Indicators assessed
District 14		Camp 180 Resource road	Service truck Machine maintenance Transport Harvester (not operating) Variable retention / snags Endangered species Pollution prevention Stream protection, buffer zones Rutting FHVC Fire prevention Training Monitoring of compliance Bridge construction Best management practices (SOPs)  Personnel met : Nobel resources contractor. Gavin Pittman Grant Nobel : foreman Malcom and Perry (mechanics) Laurie Robinson (forwarder) Forest Service monitoring officer :	<b>FSC :</b>  1.1.4, 1.1.6, 1.5.1, 1.5.2, 2.2.2, 3.3.1, 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.8, 4.2.1, 4.2.2, 4.2.3, 4.3.1, 4.4.2, 4.4.8, 4.4.9, 4.5.2, 5.2.1, 5.3.1, 5.3.2, 6.1.3, 6.1.4, 6.2.6, 6.2.7, 6.3.7, 6.3.10, 6.3.13, 6.3.14, 6.3.16, 6.3.17, 6.3.18 ; 6.3.19, 6.4.6, 6.4.7, 6.5.1, 6.5.2, 6.5.4, 6.6.2, 6.6.3, 6.7.1, 6.7.2, 6.8.3, 6.9.1, 6.9.2, 6.10.1, 6.10.4, 6.10.5, 7.3.1, 7.3.2, 8.2.1, 8.2.3, 9.3.3
District 14		Crabbed River McPhersons pond	Road and bridge building Spill response  Contractor met onsite : Majors Personnel interviewed : Jerry Murphy – excavator	6.5.1 6.5.3
District 14		Camp 180 Resource road	Service truck Machine maintenance Transport Harvester (not operating) Variable retention / snags Endangered species Pollution prevention	1.1.4, 1.1.6, 1.5.1, 1.5.2, 2.2.2, 3.3.1, 4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.8, 4.2.1, 4.2.2, 4.2.3, 4.3.1,



			<p>Stream protection, buffer zones Rutting FHVC Fire prevention Training Monitoring of compliance Bridge construction Best management practices (SOPs)</p> <p>Personnel met : Nobel resources contractor. Gavin Pittman Grant Nobel : foreman Malcom and Perry (mechanics) Laurie Robinson (forwarder) Forest Service monitoring officer :</p> <p>Recent harvesting operations were visited, including variable retention, recent bridge and culvert installation.</p>	<p>4.4.2, 4.4.8, 4.4.9, 4.5.2, 5.2.1, 5.3.1, 5.3.2, 6.1.3, 6.1.4, 6.2.6, 6.2.7, 6.3.7, 6.3.10, 6.3.13, 6.3.14, 6.3.16, 6.3.17, 6.3.18 ; 6.3.19, 6.4.6, 6.4.7, 6.5.1, 6.5.2, 6.5.4, 6.6.2, 6.6.3, 6.7.1, 6.7.2, 6.8.3, 6.9.1, 6.9.2, 6.10.1, 6.10.4, 6.10.5, 7.3.1, 7.3.2, 8.2.1, 8.2.3, 9.3.3</p>
District 14		Crabbes River McPhersons pond	<p>Road and bridge building Spill response</p> <p>Contractor met onsite : Majors Personnel interviewed : Jerry Murphy – excavator</p>	<p>6.5.1 6.5.3</p>

### 1.1.5 Stakeholder Consultation

Interest group of stakeholders contacted	# of stakeholders contacted	# of stakeholders having made comments	Observations resulting from stakeholder consultation
FSC National Initiative	1		
Provincial Department of Natural Resources / State Forest Service or equivalent	14		
Federal/National Agencies such as the Department of Fisheries and Oceans or equivalent.			
Associations / Clubs / Outfitters	14		
Private stakeholders	8		
NGOs that are active in respect to social or environmental aspects of forest management – National or Regional	15	1	See table below.
Representatives of Indigenous Peoples	6	2	See table below.

Representatives of forest-dwelling or forest-using communities			
Labour organizations or unions of forestry sector workers	1		
Contractors who provide services to the forest operation to be assessed	11		
Employees	5		
International NGOs that have requested to be contacted in respect of evaluations in particular regions or countries			
Municipalities	4		
University/College	3		

### Follow-up on comments from stakeholders:

Issues were raised with the surveillance 2 audit report. The report has been revised following these concerns and has been made publicly available.

Issues were raised concerning the deferral of harvesting in District 6, near the Bay d'Espoir Highway. There is confusion on the deferral areas identified in the document entitled '*Growing our Renewable and Sustainable Forest Economy, Provincial Sustainable Forest Management Strategy 2014-2024*'. This document was published in 2014 by the Newfoundland and Labrador Forestry Services Branch, and is available online at [http://www.nr.gov.nl.ca/nr/pdf/psfms\\_171114.pdf](http://www.nr.gov.nl.ca/nr/pdf/psfms_171114.pdf). The Strategy document identifies forest areas in addition to the Kruger 10 year deferrals that intersect with Kruger tenure areas. The managers at Kruger have not committed to a 10 year deferral on these lands, but have committed to a deferral on all harvesting on lands in District 6 where Mi'kmaq have identified values until the AAC calculations for District 6 are completed, by the end of 2016. At that time, they will make a decision on the management strategy that will be implemented on this area. Stakeholders have concerns because of values associated with this forest area, specifically Caribou habitat and traditional values. Managers at Kruger have demonstrated that they are aware of these concerns. It is for this reason that they have agreed to defer management activities until the end of 2016.

Issues were raised in regards to the application of Principle 3 in the province of Newfoundland. Information gathered through the court decision review and interviews confirm that the Mi'kmaq have no special Aboriginal rights to hunt, fish, or trap in forested areas. We conclude that the above mentioned court ruling makes Criterion 3.1 and Criterion 3.2 of the National Boreal Standard not applicable. Criterion 3.1 makes a clear reference to Indigenous lands and territories:

- Those areas where Aboriginal title still exists, that is where no treaties are in place (such lands may be subject to a formal land claim); and,
- Those areas subject to historical (pre-Confederation and post-Confederation) or modern-day treaties.

Criterion 3.2 relates to the impact that forest management may have on the resources or tenures right. The court ruling is clear about the rights of indigenous tenures rights and resources. SAI Global is not making at this point an interpretation of the Court ruling but only considers it as valid and unbiased information to make its decision.

Criterion 3.3 and Criterion 3.4 of the National Boreal Standard are found to be applicable in the context of the related scope of certification because they are not linked directly to Aboriginal titles/Treaty rights.

Our discussion with CBPPL representative indicates that they remain open to discuss forest management activities for the land surrounding some First Nations communities.

Based on the court ruling we cannot at this point consider that CBPPL has been harvesting on the First Nations traditional land since no such right exists.

We understand that the possibility of future interpretations of Aboriginal rights may require CBPPL to review its approach accordingly. Any new interpretations/Court ruling will be evaluated by SAI Global to ensure that CBPPL is in compliance with any changes.

#### 1.1.6 Additional Evaluation Techniques

No additional evaluation techniques were used.

#### 1.1.7 Update on any changes to the scope of the certificate

The update shall include;

a) Changes in the basic quantitative information as collected at the initial audit (Section 1 of main assessment report):
No changes
b) List of chemical pesticides used within the forest area since the last audit, summarized quantitative data on their use (amount and area) and reason for use;
Vision Max, 975l in 2014. Site preparation for the control of herbaceous vegetation in order to realize 2015 program.
c) Number of accidents in forest work (serious / fatal) since the last audit.
No serious accidents since the last audit, only three incidents where employees were placed on restricted duty for a period of time. Two incidents related to strained back muscles and one a bruised arm muscle and one serious incident in 2015 when a harvester tipped over which resulted in an employee dislocating a shoulder.

## **2.0 STANDARD(S)**

### 2.1 Standard Used

For this audit we have used the National Boreal Standard August 6, 2004

You may get a copy of the standard at the following address:

[www.fscscanada.org/fmstandards.htm](http://www.fscscanada.org/fmstandards.htm)

### 2.2 Description of Local Adaptation of Generic Standard

N/A

### 3.0 OBSERVATIONS

PRINCIPLE #1: COMPLIANCE WITH LAWS AND FSC PRINCIPLES	
Criterion 1.1 Compliance with national and local laws and administrative requirements.	
<p>Verified the EMS procedure for Nonconformity, Corrective and Preventive Action. Corrective actions are reported at two levels:</p> <ol style="list-style-type: none"> <li>1- Environmental Incident reports. All employees are must report immediately all environmental infractions, including inconsistencies with the requirements of the EMS and all regal requirements.</li> <li>2- Corrective and Preventive Action.               <ol style="list-style-type: none"> <li>a. Preventive actions are taken to address anticipated situations that have the possibility to result in a non-conformance. Preventive action is a pro-active approach. A list of Preventive actions is found in Manual #13, Preventive Action Log, Section 3</li> <li>b. Corrective action: An incident report is completed to define a corrective action.</li> </ol> </li> </ol>	
Strength	Weakness
Criterion 1.2 Payment of fees, taxes etc.	
Strength	Weakness
Criterion 1.3 Compliance with international agreements	
Strength	Weakness
Criterion 1.4 Documenting of conflicts with laws.	
Strength	Weakness
Criterion 1.5 Protection from illegal activities	
<p>Illegal activities are documented, reported and analyzed as described in the EMS' SFM handbook Manual 1 Section 15.</p> <p>Two incidents reported in the last year. Issues related to pollution (abandoned car and burned camper van).</p>	
Strength None identified	Weakness None identified
Criterion 1.6 Adherence to FSC principles.	

Strength	Weakness
<b>PRINCIPLE #2 TENURE AND USE RIGHTS AND REPSONSIBILITIES</b>	
Criterion 2.1 Evidence of forest use rights.	
Strength	Weakness
Criterion 2.2 Local communities with use rights can protect their rights and resources.	
<p>CBPPL has exclusive ownership of the timber resource on the FMUs. This right originates from several sources, a series of agreements, purchases, deeds, grants, and licenses dating from 1922 to 1994. The Bowater's Newfoundland Act of 1938 amended the term and conditions of all timber licenses currently held and subsequently acquired by CBPPL. By this Act, the term of all licenses held by CBPPL at that time and any future licenses subsequently acquired by the Company was extended to 99 years, commencing on the 29th day of November 1938. The Act states that during the term of the license "... every such license shall operate to vest in the licensee during the continuance of such license the right to take and keep exclusive possession of the land therein described ... and shall vest in the holder thereof all right of property whatsoever in all trees and timber cut within the limit of the license...".</p> <p>The Bowater's Newfoundland Act also requires that "<i>The Company will at all times carry out its cutting operations in Newfoundland in accordance with good logging practice in such a manner as will best conserve the Company's forest areas so as to ensure both the permanent supply of timber for its mills and extensions aforesaid and the export of timber as herein provided.</i>" CBPPL's commitment to "<i>good logging practices</i>" is defined in its Forest and Environmental Policy.</p> <p>There are many uses of the forests in the FMUs. Consumptive values include timber products, hunting, trapping, fishing, and berry picking. Non-consumptive values include skiing, hiking, snowmobiling, and bird watching.</p>	
Strength	Weakness
Criterion 2.3 Appropriate mechanisms to resolve disputes.	
<p>Dispute process is described in the public advisory committee (PAC) put in place for the CSA Z809 certification. The PAC terms of reference has been modified to include a statement that stipulate that "<i>The PAC will be kept informed of outstanding disputes over tenure claim and use rights and can provide advisory input into the resolution</i>".</p> <p>Some MOU's include a dispute resolution process (e. g. MOU with the NL outfitters).</p> <p>A verification of records as well as interviews with members of the Public Advisory Committee confirmed that there are no disputes on the certified lands.</p>	
Strength	Weakness
<b>PRINCIPLE #3 INDIGENOUS PEOPLES' RIGHTS</b>	
<p><b>Notwithstanding the current application of P3 in the present context in Newfoundland, it is understood that the possibility of future interpretations of Aboriginal rights may require CBPPL to review its approach accordingly. Any new interpretations/Court ruling will be</b></p>	

**integrated in the FSC process by CBPPL and SAI Global will ensure that CBPPL is in compliance with any changes any new application of the law may bring.**

The following conclusion for the application of P3 in this case of certification for the FMUs in the province of Newfoundland is based on:

- CBPPL's lawyer from the firm McInnis Cooper
- Supreme Court of Canada, Appeal dismissed May 3 2007
- Newfoundland and Labrador - Heard: January 23 - February 6, 2006 / Judgment: October 11, 2006

Information gathered through the court decision review and interviews confirm that the Mi'kmaq have no special Aboriginal rights to hunt, fish, or trap in forested areas.

Aboriginal People knowledge of sustainable forest management will be taken into account in the development of CBPPL's Sustainable Forest Management Plan. This will be achieved through active participation of Aboriginal People on the Public Advisory Committee (PAC) or other direct involvement with the interested communities. It is important, therefore, that the target of representation of the Aboriginal People on the PAC is maintained or through other means of communication.

We conclude that the court ruling makes C3.1 and C3.2 not applicable. C3.1 makes a clear reference to the lands and territories.

The intent of C3.1 defines Land and territories of the indigenous people as:

- 1) Those areas where Aboriginal title still exists, that is where no treaties are in place (such lands may be subject to a formal land claim); and,
- 2) Those areas subject to historical (pre-Confederation and post-Confederation) or modern-day treaties.

Our understanding of C3.1 is to the effect the no land title exists, no treaties are in in place and there is no land claim.

C3.2 relates to the impact that forest management may have on the resources or tenures right. The court ruling is clear about the rights of indigenous tenures rights and resources. QMI SAI Global is not making at this point an interpretation of the Court ruling but only considers it as valid and unbiased information to make its decision.

C3.3 and C3.4 are found to be applicable in the context of the related scope of certification because they are not linked directly to Aboriginal titles/Treaty rights

**Criterion 3.1 Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.**

Strength

Weakness

**Criterion 3.2 Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of Indigenous Peoples.**

Based on the Supreme court ruling May 3, 2007 the auditor concludes that this section of the standard is not applicable.

Strength

Weakness

**Criterion 3. Sites of special cultural, ecological, economic or religious significance to Indigenous People(s) shall be clearly identified in cooperation with such Peoples, and recognized and protected by forest managers.**

Strength	Weakness
Criterion 3.4 Indigenous Peoples shall be compensated for the application of their traditional knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence.	
Strength	Weakness
<b>PRINCIPLE 4 COMMUNITY RELATIONS AND FOREST WORKERS' RIGHTS</b>	
Criterion 4.1 The communities within or adjacent to the forest management area should be given the opportunity for employment, training, and other services.	
Strength	Weakness
Criterion 4.2 Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families.	
All workers are covered by the provincial WHSCC. The collective agreement has provision for extra provincial coverage such as dental plan, life insurance and short-term disability.	
All contractors must sign an annual contract. Section 9 covers the requirements for maintaining liability insurance during the term of the contract. This validity of this insurance is also verified when the inspection no 2 are completed (See item 9-0-3 on the Jobsite Health and Safety Compliance inspection).	
Records for all contractors are kept by General operation superintendent.	
Strength None identified	Weakness None identified
Criterion 4.3 The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labour Organization (ILO).	
Strength	Weakness
Criterion 4.4 Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups directly affected by management operations.	
CBPPL rely on a Public Advisory Committee to obtain feedback from stakeholder on an ongoing basis. They also are a signatory party of the Boreal Forest Agreement. Stakeholders are also consulted as required during the planning and implementation of forest management activities. The audit verified consultations with outfitters as well as harmonization measures that were implemented following these consultations.	
All 5 year operating plans contain a section where comments are documented. The status of each comment is documented along with the any required follow-up. Public consultation will be held for districts 5-6 as well as 9-16. Management plans are ending at the end of 2016. Stakeholder consultation is planned to start in Dec 2015. This stakeholder consultation is held by DNR, in	

collaboration with CBPPL.

Stakeholders are invited to participate through the Public advisory committee (PAC) under the CSA Z-809 certification. The input provided by the PAC is essential to the long-term management objective of the DFA. The committee monitors progress and provide input that contributes to the achievement of fair, equitable, and effective forest management decisions. Auditor participated in a PAC meeting on Sept 9 2015.

Follow-up on NCR 2014-06. There have been 12 meetings/discussions since the last audit. MFN have decided to leave the PAC because they do not see the benefit for their community in protecting their traditional territories. MFN will be acting independent in their own defense to Government and other working groups in protecting their traditional lands.

On May 1, CBPPL presented MFN with a draft Memorandum of Understanding to MFN with the purpose of:

- *To harmonize the current forest practices of 'The Company' with the traditional and current land uses and resource-use aspirations of 'MFN'.*
- *To foster and promote the meaningful participation of 'MFN' in the sustainable resource management decision-making process within 'MFN' traditional territory.*
- *To promote the development of economic development opportunities in the forestry sector for 'MFN'.*

A disagreement still persists between CBPPL and MFN in regards to forest management activities in a part of District 6 (which overlaps with MFN traditional territories). The purpose of the MOU is to harmonize forest practices with the traditional and current land uses by MFN. MFN insists on a complete and permanent deferral for all the tenure overlapping their traditional territory. Once the deferral was established, MFN would agree to discuss harvesting in some of the area but only after an evaluation of harvesting plans by MFN to ensure values were not impacted.

It is the opinion of the audit team that efforts are being made by CBPPL to reach out to MFN. This is an ongoing discussion that must be maintained.

We consider NCR 2014-06 as closed.

CBPPL has in place a whistle blower policy. This policy ensures that a complainant may, in good faith, report an issue or concern in connection with a serious violation. The Company encourages its employees, contractors, and consultants to feel comfortable in raising serious concerns. It will also strive to provide feedback on any action taken as a result of a complaint.

Examples of a serious violation may include but are not limited to:

- A criminal offence
- A danger to the health and safety of any individual
- An environmental concern
- The breach of legal obligation

Strength Public Advisory Committee	Weakness
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Criterion 4.5 Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or



damage.			
Strength	Weakness		
<b>PRINCIPLE 5 BENEFITS FROM THE FOREST</b>			
Criterion 5.1 Forest management should strive toward economic viability, while taking into account the full environmental, social, and operational costs of production, and ensuring the investments necessary to maintain the ecological productivity of the forest.			
Strength	Weakness		
Criterion 5.2 Forest management and marketing operations should encourage the optimal use and local processing of the forest's diversity of products.			
Strength	Weakness		
Criterion 5.3 Forest management should minimize waste associated with harvesting and on-site processing operations and avoid damage to other forest resources.			
Strength	Weakness		
Criterion 5.4 Forest management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product.			
Strength	Weakness		
Criterion 5.5 Forest management operations shall recognize, maintain, and where appropriate, enhance the value of forest services and resources, such as watersheds and fisheries.			
Strength	Weakness		
Criterion 5.6 The rate of harvest of forest products shall not exceed levels which can be permanently sustained.			
Sustainable Forest Management Plan target is to harvest no more than 100% of the annual allowable cut over a five-year period. This indicator is tracked by the PAC. Information is available in the annual progress report.			
<b>Districts</b>	<b>Available AAC m3</b>	<b>Harvested average 2011-2013/yr</b>	<b>% of 2011-2015 AAC Harvested</b>
5	51300	55,861	65%
6	76600	36,839	29%

9	173100	80,349	28%
14	115000	1,038	1%
15	296400	192,867	39%
16	132100	79,763	36%
<b>Total</b>	<b>844500</b>	<b>446,717</b>	<b>32%</b>

Strength

Weakness

### PRINCIPLE 6 ENVIRONMENTAL IMPACT

#### Criterion 6.1 Environmental impact assessments.

Strength

Weakness

Criterion 6.2 Safeguards must exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas).

Rare and endangered species are identified in the HCVF report and are classified as : Species of global significant, Species of national significance and species of importance on the island of Newfoundland. Species at risk likely to be observed by the operators are summarised in a document made available for training to the field operators. Management strategy is developed and implemented as part of the HCVF plan in order to protect habitats for species at risk. No issues related to illegal activities and species at risk have been identified.

Strength

Weakness

#### Criterion 6.3 Ecological functions and values shall be maintained intact, enhanced or restored.

CBPPL use the spatial modeling software Woodstock and Stanley for long term planning. The system takes into consideration, forest age, intact habitat, species composition, remoteness. Field audit and inspection report demonstrate that planning takes into consideration the vegetation types, soil types etc. CBPPL has an Access Management Plan, where the values of the forest identified by all stakeholders, the impact of forest access roads on these values, and a management strategy to eliminate or minimize any negative impacts are listed. Regeneration is assessed for all areas being harvested and timely regeneration occurs. Wildlife habitat and other resources are taken into account at the planning level and however the group of 3 EMS and harvest area compliance sheets and utilization tally sheet do not well cover the intent of this entire indicator. As part of the evaluation process for harvesting plans, wildlife specialists recommend no-cut corridors to ensure the many species of wildlife have sufficient cover to move around the landscape. These corridors are temporal in nature and have little impact on timber supply. Wildlife corridors are proposed in the Annual operating plan. Wildlife corridors are use toward achieving Value 1.3, Wildlife Habitat, of the Ecosystem Diversity Element of Criterion 1, Biodiversity, in the Provincial Sustainable Forest Management Strategy. Leave patches identified by contractors, buffer regimes, identified wildlife corridors, deferral areas, and other mandated leave areas (Caribou core areas, and Pine Martin habitat blocks) are used by CBPPL planners to maintain

connectivity between important wildlife habitats. A pre harvest residual retention planning SOP has been reviewed and is used in the planning activities. Information from the Leave Area Analysis report shows that leave areas vary between 33 to 69 %.

CBPPL has designated five areas to be added to the Large Intact Landscape area being proposed by the provincial government: Cat Arm (27,487 ha) in District 16; Hampton Downs (32,550 ha) in District 9; Grand Lake South (1,334 ha) in District 15; Bay D'Espoir (79,796 ha) in District 6; and a block (10,790 ha) in District 14. This represents an addition of 151,957 ha. Harvesting will be prohibited in these areas until the report from the CBFA is produced. Then the strategy will be revised accordingly.

Forests surrounding or adjoining permanent water bodies are protected by riparian reserves that exclude all forestry activity (harvest, road building except for approved crossings, dumping, etc.). The inner riparian reserves are a minimum width of 20 metres from the treed edge of permanent water bodies. Partial harvesting within the inner reserves is not a practice. Additional riparian reserves are applied to maintain fish and wildlife habitat and/or cultural and recreational values, as appropriate and as required by the provincial guidelines.

Quantitative habitat objectives have been set, for species chosen to represent a range of habitat requirements. Plans have been developed and are being implemented to achieve the objectives. Information has been gathered in the HCVF report. In addition to the Table 4 that describes the habitat of the species at risk occurring on CBBPL's DFA the Appendix 6 presents for the vascular plants (S1-S3) their habitats group(s). Habitats have been identified.

2015 OFI 6.3.10 – Consider improving operator awareness on the choice of leave areas.

Strength	Weakness
<p>Criterion 6.4 Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.</p>	
Strength	Weakness
<p>Criterion 6.5 Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.</p>	
<p>SOP are clearly defined in the ISO 14001 registered EMS and effectively implemented. The interviews with staff, contractors and operators during the audit by the audit team do confirm that the comprehension and knowledge of FSC was adequate. The EMS compliance inspections are the tools selected by CBBPL in order to assess the knowledge's and conformances of the employees and the contractors. The evidences observed i.e. Management review, internal audits EMS compliance inspection forms confirm the implementation of the SOPs. From the EMS compliance inspections and internal and external audits, it always generates an incident reporting and correctives actions thru the EMS system. Review of the corrective actions report and EMS incident confirm that noncompliance on the ground with SOPs are reported and dealt with.</p>	
<p>During the field visit, in several instances, it was observed that stabilization on water crossing installations was not efficient to prevent siltation. This is raised as a major NCR because the</p>	

audit team concludes that this issue is repeated.	
Strength None identified	Weakness Major NC 2015-01
Criterion 6.6 Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides.	
Strength	Weakness
Criterion 6.7 Chemicals, containers, liquid and solid non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.	
Strength	Weakness
Criterion 6.8 Use of biological control agents shall be documented, minimized, monitored and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited.	
Strength	Weakness
Criterion 6.9 The use of exotic species is carefully controlled and actively monitored to avoid adverse ecological impacts.	
CBPPL made the decision to stop planting Norway spruce in 2013. It has not been used since. The first plantation of Norway spruce dates back to 1991. Monitoring program is to be visual when appropriate.	
CBPPL is using a locally adapted seed source to stabilize banks.	
Strength None identified	Weakness None identified
Criterion 6.10 Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion: a. Entails a very limited portion of the forest management unit; and b. Does not occur on high conservation value forest areas; (HCVF) and c. Will enable clear, sustainable, additional, secure long-term conservation benefits across the forest management unit.	
Strength	Weakness
<b>PRINCIPLE 7 MANAGEMENT PLAN</b>	
Criterion 7.1 Content of management plan.	
The consultations with the various stakeholders are process under the supervision and guidance by the Forest Service Branch, formerly DNR for the 5 years management plan. The public advisory committee is contributing to the forest management planning process SFM plan.	

There are 6 FMP that regroups Licences allocated to CBBPL (14+15, 16+9 and 5+6). The plans cover the period 2014-2018 for District 14 and 15 and 2012-2016 for districts 9 and 16 and 5 and 6.

The different management documents available include:

- A sustainable forest management plan covering the forest management planning framework for all the DFA
- 5 years operational plans for each of the districts
- Annual operating plans.

A new AAC is for all districts is being finalized and will be available for 2016.

The management plan covers adequately all the information required by the criterion.

Strength None identified	Weakness None identified
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Criterion 7.2 The management plan shall be periodically revised to incorporate the results of monitoring or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances.

Operational management plans are revised every 5 years and integrate new developments and revised AACs. Zone 6 management plan is dated – 2014 – 2018.

Strength None identified	Weakness None identified
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Criterion 7.3 Forest workers shall receive adequate training and supervision to ensure proper implementation of the management plan.

Staff are trained and updated on a regular basis with management plan operational issues. Field monitoring well implemented and is performed on site through various inspections tools developed in the Environmental management system.

An annual training programme is in place through an induction prior to the beginning of the operations. Meeting with field contractors showed that they have a good understanding and knowledge of SOPs and their implication with regards to the FSC process.

Strength None identified	Weakness None identified
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Criterion 7.4 While respecting the confidentiality of information, forest managers shall make publicly available a summary of the primary elements of the management plan, including those listed in Criterion 7.1.

Summary of the forest management plan is available to the public on the company website. The summary covers all key elements of the management plan.

<http://www.cbpl.com/sustainable%20forest%20management.htm>

Strength None identified	Weakness None identified
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**PRINCIPLE 8 MONITORING AND ASSESSMENT**

Criterion 8.1 Frequency and intensity of monitoring.

Strength	Weakness
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Criterion 8.2 Forest management should include the research and data collection needed to monitor, at a minimum, the following indicators:

a) Yield of all forest products harvested. □ b) Growth rates, regeneration and condition of the forest. □ c) Composition and observed changes in the flora and fauna. □ d) Environmental and social impacts of harvesting and other operations. e) Costs, productivity, and efficiency of forest management.

Annual yield of timber is being monitored and reported in the Indicator report. Indicator 2.2.2 – Forest Ecosystem Productivity – Annual Allowable Cut Harvested. Target is to harvest 100% of the annual allowable cut over a five year period.

CBPPL have contributed financially to the DNR program for regeneration and growth rate improvement of the database. For the 2-5 years regeneration surveys, CBPPL complete the survey and supply the information to the DNR. The results show that 98,7% of the sites surveyed were adequately stocked either by natural regeneration or by planting, or is scheduled for planting in 2015.

CBPPL contracted the Atlantic Canada Conservation Data Centre (ACCDC) to conduct a GIS analysis to determine the rare birds, listed plants (candidates for COSEWIC), and rare plants that occur on CBPPL defined forest area (DFA). This information was used to confirm the occurrence on the DFA of a species on either of these lists. Using the sources of information suggested in the HCVF National Framework, lists of globally-, nationally-, and provincially-listed species were assembled. Of the species that occur on insular Newfoundland that have been globally ranked by NatureServe and ACCDC as G1 or G2, by CITES, and by IUCN, only 5 were confirmed by ACCDC as occurring on the DFA. These species were all assessed and determined to be HCV. Even though boreal felt lichen was not recorded as occurring on the DFA, CBPPL included it in the species to be assessed, and it was assessed as HCV. There were 11 species on the DFA listed in Schedules 1, 2, and 3 of the Species at Risk Act (national), and 14 species on the DFA listed under the Newfoundland and Labrador Endangered Species Act, all of which were assessed HCV or Possible HCV. If any S1-S3 species occur inside areas that are proposed for harvest, protection measures are included in the conditions of approval to operate. A Botanist with the Endangered Species and Biodiversity section, has indicated that these S1-S3 species occur in very specific habitats; many are found along rivers and would be protected by the current minimum 20m buffers required in the Environmental Protection Guidelines (EPG). Others are found in serpentine or limestone areas (talus slopes) which have already been assessed as HCVs. The HCV assessment report is updated annually and was reviewed as part of this audit.

The Planning Department of CBPPL works closely with the Wildlife Division before the EA process, to identify potential areas of concern for rare species (legislated or not), so that mitigative measures can be built in to the 5-Year Operating Plans.

The budget covers all the financial resources needed to support forest management and wood procurement activities needed by the mill.

Monitoring of the environmental program on Road Construction and water crossing installation and the related SOPs was not efficient. During the field visit, in several instances, it was observed that stabilization on water crossing installations was not efficient to prevent siltation. The field visit and subsequent review of records provided evidence that monitoring failed to identify inadequate implementation of SOP on culvert installation (R02 : Steel culvert and pipe arch installation). A minor NCR was raised on this issue. We consider this NCR as minor

because it does not result in a fundamental failure of the monitoring system. Monitoring of stream crossing installations is a part of the entire monitoring program.	
Strength None identified	Weakness Minor NC for criterion 8.2.6
Criterion 8.3 Documentation shall be provided by the forest manager to enable monitoring and certifying organizations to trace each forest product from its origin, a process known as the "chain of custody."	
Strength	Weakness
Criterion 8.4 The results of monitoring shall be incorporated into the implementation and revision of the management plan.	
Strength	Weakness
Criterion 8.5 While respecting the confidentiality of some information, forest managers shall make publicly available a summary of the results of monitoring indicators, including those listed in Criterion 8.2.	
Strength	Weakness
<b>PRINCIPLE 9 HIGH CONSERVATION VALUE FORESTS</b>	
Criterion 9.1 Assessment to determine the presence of the attributes consistent with High Conservation Value Forests will be completed, appropriate to the scale and intensity of forest management.	
Strength	Weakness
Criterion 9.2 The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof.	
Strength	Weakness
Criterion 9.3 The management plan shall include and implement specific measures that ensure the maintenance and/or enhancement of the applicable conservation attributes consistent with the precautionary approach. These measures shall be specifically included in the publicly available management plan summary.	
Strength	Weakness

Criterion 9.4 Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes.	
The HCV monitoring program is effectively implemented. CBPPL refers to various experts, organizations, interested party to confirm the effectiveness of their protection measures for HCVs “affected” by recent forest management activities. The audit allowed to confirm this through the review of correspondence with Canadian Wildlife Service, Environment Canada and by interview. There have been no instances of increased risk to identified HCVs. Processes are in place to adjust management strategy.	
Strength None identified	Weakness None identified
<b>PRINCIPLE10 – PLANTATIONS</b>	
Criterion 10.1 The management objectives of the plantation, including natural forest conservation and restoration objectives, shall be explicitly stated in the management plan, and clearly demonstrated in the implementation of the plan.	
Strength	Weakness
Criterion 10.2 The design and layout of plantations should promote the protection, restoration and conservation of natural forests, and not increase pressures on natural forests. Wildlife corridors, streamside zones and a mosaic of stands of different ages and rotation periods, shall be used in the layout of the plantation, consistent with the scale of the operation. The scale and layout of plantation blocks shall be consistent with the patterns of forest stands found within the natural landscape.	
Strength	Weakness
Criterion 10.3 Diversity in the composition of plantations is preferred, so as to enhance economic, ecological and social stability. Such diversity may include the size and spatial distribution of management units within the landscape, number and genetic composition of species, age classes and structures.	
Strength	Weakness
Criterion 10.4 The selection of species for planting shall be based on their overall suitability for the site and their appropriateness to the management objectives. In order to enhance the conservation of biological diversity, native species are preferred over exotic species in the establishment of plantations and the restoration of degraded ecosystems. Exotic species, which shall be used only when their performance is greater than that of native species, shall be carefully monitored to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.	
Strength	Weakness
Criterion 10.5 A proportion of the overall forest management area, appropriate to the scale of the plantation and to be determined in regional standards, shall be managed so as to restore the site to a natural forest cover.	
Strength	Weakness



Criterion 10.6 Measures shall be taken to maintain or improve soil structure, fertility, and biological activity. The techniques and rate of harvesting, road and trail construction and maintenance, and the choice of species shall not result in long term soil degradation or adverse impacts on water quality, quantity or substantial deviation from stream course drainage patterns.	
Strength	Weakness
Criterion 10.7 Measures shall be taken to prevent and minimize outbreaks of pests, diseases, fire and invasive plant introductions. Integrated pest management shall form an essential part of the management plan, with primary reliance on prevention and biological control methods rather than chemical pesticides and fertilizers. Plantation management should make every effort to move away from chemical pesticides and fertilizers, including their use in nurseries. The use of chemicals is also covered in Criteria 6.6 and 6.7.	
Strength	Weakness
Criterion 10.8 Appropriate to the scale and diversity of the operation, monitoring of plantations shall include regular assessment of potential on-site and off-site ecological and social impacts (e.g., natural regeneration, effects on water resources and soil fertility, and impacts on local welfare and social well-being), in addition to those elements addressed in Principles 8, 6 and 4. No species should be planted on a large scale until local trials and/or experience have shown that they are ecologically well-adapted to the site, are not invasive, and do not have significant negative ecological impacts on other ecosystems. Special attention will be paid to social issues of land acquisition for plantations, especially the protection of local rights of ownership, use or access.	
Strength	Weakness
Criterion 10.9 Plantations established in areas converted from natural forests after November 1994 normally shall not qualify for certification. Certification may be allowed in circumstances where sufficient evidence is submitted to the certification body that the manager/owner is not responsible directly or indirectly for such conversion.	
Strength	Weakness

### 3.1 Observations on review and resolution of complaint

A verification of records as well as interviews with members of the Public Advisory Committee confirmed that there are no complaints.

### 3.2 Summarized progress in implementing the conditions related to any approved pesticide derogation

N/A

## 4.0 SURVEILLANCE DECISION

### 4.1 Non-Conformances

NC#	2015-01	Grade- Major/Minor	Major
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<b>Requirement:</b>	
6.5.1 Ground rules or Standard Operating Procedures (SOPs) describe practices that avoid and minimize: (...) Soil erosion during the construction, use, and maintenance of roads and water crossings, and during harvest operations;	
<b>Non-conformance:</b>	
In several instances it was observed that stabilization on water crossing was not efficient to prevent siltation.	
<b>Objective evidence:</b>	
Field visit. Review of records.	
Rip rap size did not correspond to the SOP requirement and it contained fine material. In some cases, it was also observed that slope of the bank did not respect the 1:1.5 ratio as indicated in SOP R-02.	
<b>Justification for Major or Minor</b>	
During the field visit, in several instances, it was observed that stabilization on water crossing installations was not efficient to prevent siltation. This is raised as a major NCR because the audit team concludes that this issue is repeated.	
<b>Evidence provided to close the non-conformance</b>	
Verified the FP Innovation Roads Workshop schedule of events.	
Verified the review of water crossings conducted by FP Innovation on November 9-12-2015, which includes an assessment of issues as well as training material. This training was provided to employees of CBPPL, as well as contractors involved in road building.	
Verified the list of attendees for the November 9-12 2015 sessions.	
We consider this major NCR closed.	
<b>Status Closed or Open</b>	Closed

NC#	2015-02	Grade- Major/Minor	Minor
<b>Requirement:</b>			
8.2.6 The applicant monitors environmental impacts of forest management activities assessed in accordance with (but not necessarily limited to) Criterion 6.5.			
<b>Non-conformance:</b>			
Monitoring of the environmental program on Road Construction and water crossing installation and the related SOPs was not efficient.			
<b>Objective evidence:</b>			
Field visit. Review of records.			
Monitoring failed to identify inadequate implementation of SOP on culvert installation (R02 : Steel culvert and pipe arch installation).			
<b>Justification for Major or Minor</b>			
During the field visit, in several instances, it was observed that stabilization on water crossing			

installations was not efficient to prevent siltation. The audit concluded that the monitoring program was not effective in identifying these issues. We consider this NCR as minor because it does not result in a fundamental failure of the monitoring system. Monitoring of stream crossing installations is a part of the entire monitoring program.	
<b>Evidence provided to close the non-conformance</b>	
CBPPL provided a root cause analysis and corrective action plan. This has been approved as submitted.	
Follow-up shall occur at the next surveillance audit (within a maximum of 12 months).	
<b>Status Closed or Open</b>	Open

<b>NC #:</b>	2014-01	<b>Category – Major or Minor:</b>	Major
<b>Requirement:</b>	Indicator 1.1.4		
<b>Non-compliance:</b>			
CBPP did not follow its nonconformity, corrective and preventive action procedure.			
<b>Evidence provided to close the non-compliance</b>			
September 19, 2014, Woodlands Manager issued a directive to superintendents, supervisors and contractor supervisors requiring them to document any written or verbal directive from DNR, and to complete an incident report for the directive. On September 12, 2014 an addition was made to the #3 inspection form that any deficiency requires an Environmental Incident Report and is an Automatic Fail.			
<b>Status:</b>	Closed – November 20, 2014		

<b>NC #:</b>	2014-02	<b>Category – Major or Minor:</b>	Minor
<b>Requirement:</b>	Indicator 6.5.2		
<b>Non-compliance:</b>			
The weekly inspection process was not adequately implemented on the road construction occurring on Camp #184.			
<b>Evidence provided to close the non-compliance</b>			
A culvert was installed across the road at the entrance to the borrow pit therefore eliminating one source of siltation associated with this situation – See picture above Verification of the updated SOP R10 and R02. Meeting with all contractors to revise the 2 SOPs done May 22 2015 Seen package for the workshop provided to the contractors			
A ditch block and an additional culvert have been installed September 26, 2014, further back from the cross drain, to eliminate the potential siltation source near the small brook. Seen inspection report and pictures.			
<b>Status:</b>	Closed		

<b>NC #:</b>	2014-03	<b>Category – Major or Minor:</b>	Minor
<b>Requirement:</b>	Indicator 4.5.2		
<b>Non-compliance:</b>			
Employee training on the installation of watercourse crossing is ineffective.			
<b>Evidence provided to close the non-compliance</b>			
The Roads technician attended the stream alterations course provided by DNR in Nova Scotia.			

Certificate of Qualification Watercourse Alteration Installer and Alteration sizer.	
Certificate issued May 31 2015	
A checklist has been created for the installation of culverts clearly outlining all steps and procedures per company SOPs	
Workshop on road construction where all SOP related to road construction and culvert installation was provide in May, June 2015. Seen the attendee sheets.	
<b>Status:</b>	Closed

<b>NC #:</b>	2014-04	<b>Category – Major or Minor:</b>	Minor
<b>Requirement:</b>	Indicator 6.5.2		
<b>Non-compliance:</b>			
The weekly inspection process was not adequately implemented on the road construction occurring on Camp #184.			
<b>Evidence provided to close the non-compliance</b>			
The Roads technician attended the stream alterations course provided by DNR in Nova Scotia. Certificate of Qualification Watercourse Alteration Installer and Alteration sizer.			
Certificate issued May 31 2015			
A checklist has been created for the installation of culverts clearly outlining all steps and procedures per company SOPs			
Workshop on road construction where all SOP related to road construction and culvert installation was provide in May, June 2015. Seen the attendee sheets.			
<b>Status:</b>	Closed		

<b>NC #:</b>	2014-05	<b>Category – Major or Minor:</b>	Minor
<b>Requirement:</b>	Indicator 6.5.1		
<b>Non-compliance:</b>			
Stream crossings on Camp 184 road were not installed according to the standard operating procedure Woodlands R-02 Steel culvert and pipe arch installation.			
<b>Evidence provided to close the non-compliance</b>			
The Roads technician attended the stream alterations course provided by DNR in Nova Scotia. Certificate of Qualification Watercourse Alteration Installer and Alteration sizer.			
Certificate issued May 31 2015			
A checklist has been created for the installation of culverts clearly outlining all steps and procedures per company SOPs			
Workshop on road construction where all SOP related to road construction and culvert installation was provide in May, June 2015. Seen the attendee sheets.			
<b>Status:</b>	Closed		

<b>NC #:</b>	2014-06	<b>Category – Major or Minor:</b>	Minor
<b>Requirement:</b>	Indicator 4.4.3		
<b>Non-compliance:</b>			
<p>Even though efforts were made to contact and involved the Miawpukek communities in forest management in the area under certification the concerns raised by the community indicates that more efforts are needed with this community.</p>			
<b>Evidence provided to close the non-compliance</b>			
<p>There have been 12 meetings/discussions since the last audit. MFN have decided to leave the PAC because they do not see the benefit for their community in protecting their traditional territories. MFN will be acting independent in their own defense to Government and other working groups in protecting their traditional lands.</p> <p>On May 1, CBPPL presented MFN with a draft Memorandum of Understanding to MFN with the purpose of:</p> <ul style="list-style-type: none"> <li>• To harmonize the current forest practices of 'The Company' with the traditional and current land uses and resource-use aspirations of 'MFN'.</li> <li>• To foster and promote the meaningful participation of 'MFN' in the sustainable resource management decision-making process within 'MFN' traditional territory.</li> <li>• To promote the development of economic development opportunities in the forestry sector for 'MFN'.</li> </ul> <p>A disagreement still persists between CBPPL and MFN in regards to forest management activities in a part of District 6 (which overlaps with MFN traditional territories). The purpose of the MOU is to harmonize forest practices with the traditional and current land uses by MFN. MFN insists on a complete and permanent deferral for all the tenure overlapping their traditional territory. Once the deferral was established, MFN would agree to discuss harvesting in some of the area but only after an evaluation of harvesting plans by MFN to ensure values were not impacted.</p> <p>It is the opinion of the audit team that efforts are being made by CBPPL to reach out to MFN. This is an ongoing discussion that must be maintained.</p>			
<b>Status:</b>	Closed		

<b>NC #:</b>	2014-07	<b>Category – Major or Minor:</b>	Minor
<b>Requirement:</b>	Indicator 6.2.6		
<b>Non-compliance:</b>			
<p>The documents used by employees as a reference to identify species at risk is incomplete and does not contain all the species, as indicated on the document Species at Risk and High Conservation Value Species on CBPPL Limits.</p>			
<b>Evidence provided to close the non-compliance</b>			
<p>The document used by employees was updated and lists only the relevant species that can be observed and identified in the field (Pine Marten, Harlequin Duck, woodland Caribou, Boreal Felt Lichen.</p> <p>The complete list is available in the HCVF report.</p>			
<b>Status:</b>	Closed		

## **Opportunity for improvement:**

OFI 2015 (6.3.10) - Consider improving operator awareness on the choice of leave areas.

## **4.2 Difficult Assessments**

No areas were particularly difficult to audit.

## **4.4 Recommendation to maintain the certificate**

Corner Brook Pulp and Paper Ltd has demonstrated, subject to the correction of the non-conformities, that the described system of management is being implemented consistently over the whole forest area covered by the scope of the certificate with the exception of the non-conformance(s) identified during the audit and documented in the attached Non-conformance Report(s).

As discussed during the closing meeting, please submit a root cause analysis and an action plan for approval within 30 days for both the major and minor non-conformances. Major non-conformance(s) must be closed within 90 days. Implementation of corrective actions for Minor non-conformance(s) will be reviewed at the time of the first surveillance audit or at the latest 12 months after the NC reports have been issued.

Root cause analysis and corrective action plans have been received for both NCRs. Objective evidence has been provided for NC 2015-01 and it has been closed by the lead auditor.

A root cause analysis and corrective action plan has been provided for NC 2015-02 (Minor). Follow-up shall be conducted at the next surveillance audit (within a maximum of 12 months).

A recommendation to maintain the certificate will be made to SAI Global.

## **5.0 COMPLAINTS, DISPUTES AND APPEALS**

On receiving a complaint, the relevant details are recorded on a complaint register by the person receiving the complaint.

A SAI Global person is responsible for the handling of complaints/appeals, and forwards the complaint on to the respective Manager in charge of SAI Global FSC Program for resolution.

An initial response, including an outline of the proposed course of action to follow up on the complaint, will be sent within two (2) weeks of receiving the complaint.

SAI Global will keep the complainants informed of progress in evaluating the complaint. An investigation of the allegations and all its proposed actions in response to the complaint/appeal will be dealt within three (3) months of receiving the appeal. Upon completion of the investigation a full report of the investigation and its findings are then sent to the complainant. Full implementation of actions and confirmation of implementation (e.g. correction and closing out of non-compliances that may have been identified as a result of the complaint) outlined in the final report will be completed.

SAI Global ensures that the persons engaged in the appeals, complaints and disputes handling

processes are different from those who carried out the audits, made the certification decisions and the day to day implementation.

If the issue has not been resolved through the full implementation of SAI Global's procedures the person or organization raising the complaint/dispute/appeal has the opportunity to refer their complaint/dispute/appeal to FSC's dispute resolution process.

## **6.0 NEXT AUDIT**

### Next Scheduled Audit:

Date: July 4, 2016  
Audit time: 15 days

## **7.0 GROUP MEMBERSHIP LIST (UPDATE)**

N/A – this is not a group certificate.