

## Forest Certification Initial /Reregistration Audit Report

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**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

**Date of evaluation:** Feb 20-24, 2017

**Date of report:** Mar 15, 2017

**Certificate Issued date:** pending

**Certificate Expiry date:** pending

**FSC® Certificate Code:** SAI-FM/COC-001506



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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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SLIMFs –The element mark with an asterix (\*) in the table are not required in the case of certificates issued to single SLIMF FMUs but are required for all other certificates.

## 1.0 DESCRIPTION OF FOREST MANAGEMENT

### 1.1 Basic Quantitative Information

Type of certificate					
Single FMU		Multiple FMU	x	Group	
Small SLIMF		Low intensity SLIMF		Group SLIMF	
Number of Group Members or Group SLIMF		Non applicable			
		Number		Area (ha).	
Less than 100 ha					
100-1,000 ha					
1,000-10,000 ha					
More than 10,000 ha					
Total					
FMUs list					
Name/Description	Area. (ha).	Forest Zone	Location Latitude N/S - Longitude E/O		
District #5	335 636	Boreal	N 49° 6' W 56° 11'		
District #6					
District #9	503,960				
District #16					
District #14					
District #15					
Tenure		Area (ha)			
Private					
Public		1,417,834ha			
Community					
Area		Area (ha)			
Natural Forest		1,417,834 ha			
Plantation					
Conservation Forest		166,533 ha = total CBFA Protected Areas (140,706 ha +1,496ha) + CBFA expanded + DFA Blocks > 1000ha			
<b>Total certified area (FSC Database)</b>		<b>1,417,834</b>			
				Area (ha)	
Production forest ( from which timber may be harvested)				715,535	
Forest and non-forest land protected from commercial harvesting and managed primarily for conservation objectives				166,533	
Protected from commercial harvesting and managed primarily for the production of NTFPs or services.					

Classified as 'high conservation value forest'	131,834
Production forest classified as 'plantation'	0
Production forest regenerated primarily by replanting or by a combination of replanting and coppicing of the planted stems	~1,100 ha /yr
Production forest regenerated primarily by natural regeneration or by a combination of natural regeneration and coppicing of the naturally regenerated stems	~3,300 ha/yr

<b>List of High Conservation Values:</b>		
<b>Categories</b>	<b>Description</b>	<b>Area ha.</b>
1 - Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, and refugia).	Habitat for American Marten (Newfoundland population);	N/A
	Habitat for Little Brown Myotis and Northern Myotis;	N/A
	Habitat for Woodland Caribou,	N/A
	Habitat for Harlequin Duck and Barrow's Goldeneye;	N/A
	Mature Coniferous Habitat for Gray-cheeked Thrush, Northern Goshawk, Olive-sided Flycatcher, Red Crossbill, Winter Wren;	N/A
	Open Forest Habitat for Northern Shrike;	N/A
	Open Barrens and Grasslands	
	Habitat for Peregrine Falcon and Short-eared Owl;	N/A
	All-age Classes Forest Habitat for Sharp-shinned Hawk;	
	Shoreline Habitat for Piping Plover and Red Knot;	N/A
	Wet Forest Habitat for Rusty Blackbird;	N/A
	Riparian Habitat for Atlantic Salmon, Banded Killifish, American Eel, Freshwater Fishes, and Song Sparrow;	
	Habitat for Plant Species at Risk and Rare and Uncommon Vascular Plant Species (Appendix 6);	N/A
	Habitat for Boreal Felt Lichen;	N/A
Habitat for Blue Felt Lichen;	N/A	

	Red Pine; White Pine; Black Ash; Yellow Birch Gros Morne National Park; Upper Humber Wetland Complex; Cook's Marsh; Middle Ridge Wildlife Reserve; Serpentine Lakes (IBP); Crooked Bog (IBP); Brownmore Bog (IBP); Sandy Lake (IBP); Grand Lake Brook (IBP); West Brook Ecological Reserve; Little Grand Lake Provisional Ecological Reserve; Little Grand Lake Wildlife Reserve; Flatwater Pond Provincial Park Reserve; Jonathan's Pond Provincial Park Reserve; Barachois Pond Provincial Park; Sir Richard Squires Memorial Provincial Park; T'Railway Provincial Park; FSB Large Intact Landscape	N/A N/A N/A N/A 180,500  2,073 Not Available Not Available Not Available Not Available Not Available Not Available 1,100  72,900  56,900  Unknown  343 3,500  900km 3,993,431
2 - Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.	No HCV	
3 - Forest areas that are in or contain rare, threatened or endangered ecosystems.	<b>Red Pine areas</b> – Sandy Lake (Birchy Narrows), Howley; Grand Lake South Area (balsam fir/spruce/healthy white pine of all ages); Bay D'Espoir 1; Bay D'Espoir 2;	767  1,907 35,813 27,247 33,737 18,775

	<p>Hampden Downs;          Cat Arm 1;          Cat Arm 2;          Little Codroy  <b>Serpentine Areas</b> – North Arm Hills,          Northwest Gander river near bridge on Bay D’Espoir Hwy;  <b>Limestone Areas</b> – South shore of Serpentine Lake,          Goose Arm area;  <b>Riparian Ecosystems</b> – Upper Humber River,            Bottom Brook,          Harry’s River;</p>	<p>6,600          9,662            Not Available            Not Available            Not Available          Not Available            1,220          2,924          Not Available</p>
4 - Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).	<p>Thirty-eight Protected Public Water Supply Areas servicing ~32 communities that fall on CBPPL’s DFA;          Slopes greater than 25° (46%);          Habitat for Freshwater fishes</p>	<p>Not Available          N/A          106,604</p>
5 - Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).	<p>Recreation;          Cutting timber for wharves and boats;          Income from working in the forest;          Firewood to heat homes and businesses;          Company roads for access to hunting, berry picking, and cabins;          Sawlogs</p>	<p>N/A</p>
6 - Forest areas critical to local communities’ traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local	<p>Aboriginal Burial sites;          Aboriginal Sacred Sites;          Aboriginal Spirit Areas;          Aboriginal Medicine Plants</p>	<p>All Not Available</p>

communities).		
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List of main commercial timber and non-timber species included in scope of certificate:			
Common Name	Scientific Name	Approximate AAC (m3)	Non-timber (✓)
Balsam fir	<i>Abies balsamea</i>	Unavailable See below	NA
Red Maple	<i>Acer rubrum</i>	Unavailable See below	NA
White birch	<i>Betula papyrifera</i>	Unavailable See below	NA
White spruce	<i>Picea glauca</i>	Unavailable See below	NA
Black spruce	<i>Picea mariana</i>	Unavailable See below	NA
Poplar sp.	<i>Populus spp</i>	Unavailable See below	NA
Softwood		837,009	
Hardwood		21,121	

Non-timber forest products included in scope:	
Product	Approximate Annual Commercial Production
N/A	

List of product categories included in the certificate scope:			
Product description	FSC Claim	Product type L1	Product type L2
Roundwood	FSC 100%	W1	W1.1
Fuel Wood	FSC 100%	W1	W1.2
Any other products <b>N/A</b>			

*Note: These products are available for sale as FSC® certified products (include basic description of product - e.g. round wood, pulp wood, sawn timber, kiln-dried sawn timber, chips, resin, non-timber forest products, etc.*

List of chemical pesticides used within the forest area:			
Product name	Quantity (l or Kg)	Treated areas ha.	Reason for use
Vision Max	915 liters	305	Site preparation

Workers (includes employees, seasonal workers of certificate holder and contractors)					
Men	190	Women	10	Total	200



Number of accidents in since last audit	Serious	0	Fatal	0
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## 1.2\* Legislative, Administrative and Land Use Context

The Newfoundland and Labrador Department of Natural Resources is responsible for the planning, development, and use of the forest resources of the province. The Forest Service of this department supervises, controls, and directs all matters relating to:

- constructing and maintaining forest access roads;
- protecting the forests of the province from fire, insect, and disease;
- carrying out programs of afforestation, reforestation, forest improvement, and tree improvement;
- cutting, classifying, measuring, manufacturing, marking, and inspection of trees and timber;
- preparing timber management plans for areas of productive forest land; and
- developing and maintaining an up-to-date inventory of the timber resources of the province.

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 29<sup>th</sup> 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 ...".

The Bowater's Newfoundland Act also requires that "*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.*" CBPPL's commitment to "good logging practices" is defined in its Forest and Environmental Policy.

## 1.3 Description of Land Ownership and Use

### 1.3.1 Ownership and Use Rights of Parties Other than the Certificate Holder

Operating on crown Licence

### 1.3.2 Summary of Non-forestry Activities

Recreation, (including hunting fishing berry picking), Outfitting, Mining

## 1.4 Description of Area(s) Excluded from Scope of Certification

### 1.4.1 Excision of areas from the scope of certification

Licence areas transferred to Crown for management

#### 1.4.2 Partial certification of large ownership

Not applicable. All land under CBPPL management is included in the scope of the certificate.

### **1.5 Management Plan Summary**

#### 1.5.1 Management Objectives

The Forestry Services Branch produces a Sustainable Forest Management Strategy which outlines sustainable and adaptive ecosystem management strategies for the whole province. This strategy is implemented through the Five-Year Operating Plan, a planning document required by the Forestry Act and submitted to the Department of Natural Resources and the Department of Environment and Conservation for each Forest Management District. The Five-Year Operating Plan has a detailed format that identifies where, when, and how forest management activities will occur within a particular District.

Five-Year Operating Plans are prepared for each Forest Management District and are developed following a public consultation process that invites input from all stakeholders, including the general public. This process involves multiple stakeholder group meetings, during which participants contribute to and help make decisions on the forest management activities to take place over the next five years. Once the Five-Year Operating Plan is completed it must be registered with the Department of Environment and Conservation to undergo an environmental assessment. During this process, interested government departments and the public are consulted, and submissions are reviewed. A Plan released by the Minister of Environment is subject to any terms and conditions the Minister may set.

#### 1.5.2 Forest resources

All timber limits of CBPPL are on Crown land, as are the adjacent lands. While CBPPL prepares its own specific forest management plans, the Newfoundland and Labrador Department of Natural Resources (DNR) is responsible for the planning, development, and use of the forest resources of the province.

There are many communities of varying sizes within or in close proximity to the DFA that benefit from the forest resource. CBPPL Woodlands employs some 200 employees (2016 budgeted numbers) in their harvest operations from nearly 50 Newfoundland communities. This total includes seasonal forestry workers who carry out silviculture operations in the summer and fall. The Company employs another 298 people at the Mill in Corner Brook and 26 in the Deer Lake Power Company.

In addition to this direct employment, the operation of the mill has indirect and induced impacts. Indirect impacts are realized by employees working for firms supplying CBPPL with goods and services. Induced impacts are generated by the direct and indirect income earners spending their earnings in the local economy. Labour income and services impacts (direct, indirect and induced) of CBPPL operations totals \$124.2 million.

A detailed description of the socioeconomic profile and a framework including this aspect in forest management planning is contained in the Socio-Economic Impact Assessment Report.

### 1.5.3 Silvicultural Systems

Silvicultural systems are classified according to the method used to harvest the mature stands, with a view to the regeneration. The primary silvicultural system for harvesting employed by CBPPL is the clearcut system, which is designed to regenerate even-aged forest stands. The entire merchantable volume is harvested in one operation, leaving unmerchantable trees, non-target species, snags, and wildlife trees. The clearcut system is most appropriate for tree species such as balsam fir and black spruce that naturally form large, even-aged stands after disturbance. In areas where balsam fir is the predominant species, natural regeneration after harvesting is more than sufficient, so much so that precommercial thinning is often applied. In areas where black spruce predominates, site preparation and planting are typically conducted. These species are the predominant species on CBPPL limits.

Harvesting operations are conducted to minimize environmental impacts identified in the ISO Environmental Management System: visual quality, potential for fuel or oil spill, potential for soil disturbance, water quality, fibre recovery, and waste management. CBPPL has developed Environmental Work Instructions and Standard Operating Procedures to prevent or minimize these impacts. All CBPPL harvesting operations must also adhere to regulations outlined in Environmental Protection Guidelines for Ecologically Based Forest Resource Management (Stand Level Operations), 2013.

CBPPL uses the short wood harvesting method, whereby trees are felled, delimbed, cut into 2.5m lengths on the cutover, and then transported to roadside. All wood on the DFA is felled, delimbed and processed by a combination of feller bunchers and harvesters. Forwarders are used by all cutting systems to carry the wood to roadside, and they vary in size and wheel configuration. Corner Brook Pulp and Paper Woodlands currently uses 6- or 8-wheel forwarders ranging in capacity from 8 to 16 tons. All forwarders have low ground-bearing pressure appropriate for wet and sensitive sites.

### 1.5.4 Management strategy for the identification and protection of rare, threatened and endangered species

CBPPL compile annually an updated list of Species at Risk to address additions, changes in status, and new information on existing species (particularly Possible HCVs). The Environmental Management Representative ensures an annual review of the report is conducted to analyze new information for Possible HCVs, assess new candidate HCVs, evaluate the monitoring results, and assess the need for new or revised management strategies. The HCVF Assessment Committee<sup>1</sup> reviews the updated information and conduct assessments as they deem necessary. Following the principles of adaptive forest management and continual improvement, the necessary changes are made and the report is revised as required.

Management strategies for HCVs and HCVFs vary, from total protection of a species or area, to special strategies undertaken that allow harvesting, road building and silviculture operations but with conditions. Some of the management strategies are found in the 5-Year Operating Plans, others in the Sustainable Forest Management (SFM) Plan within Indicator profiles. All applicable management strategies and special considerations are relayed to CBPPL contractors during Pre-work Meetings.

1. Assessment committee is composed of:

Dr. Andre Arsenault Forest Ecologist, Canadian Forest Service, Natural Resources Canada

Dr. Brian Hearn Wildlife Ecologist, Canadian Forest Service, Natural Resources Canada

### 1.5.5 Management Structures

CBPPL staff is responsible for all aspects of the forest management operations from 5 year operating plan, to the annual planning, harvesting, road construction and silviculture. Several contractors are being employed by CBBPL to accomplish the task on the ground under CBPPL's supervision.

### 1.5.6 Monitoring Procedures

Principle 8, "Monitoring and Assessment", of the Forest Stewardship Council (FSC), Boreal Standard states: Monitoring shall be conducted - -appropriate to scale and intensity of forest management - - to assess the condition of the forest, yields of forest products, chain of custody, management activities and their social and environmental impact.

In order to meet the requirement of principle 8 CBPPL has produced a table that describes the activity being monitored, the frequency and intensity of monitoring, who is responsible, where results are reported and stored, and corrective actions. Corrective actions are initiated if results are outside predetermined parameters.

The monitoring plan is reviewed annually by the EMS Management Review Committee and made available to the public.

### 1.5.7 Environmental safeguard

Superintendents monitor harvesting operations by daily contact with contractors and by checking their progress through on-line operating maps that are updated daily. They also perform on-site monitoring at least weekly. Another process is through the Environmental Management System (EMS) compliance inspections. Contractors monitor their own work through monthly #1 EMS Compliance Inspections. CBPPL conducts a comprehensive #2 EMS Compliance Inspection of harvesting contractor activity 3 times per year, and road building activity 1-2 times per year. CBPPL conducts a final #3 EMS Compliance Inspection or a Final Road Inspection after the operating area activity (harvesting or road building) is completed. A Cutover Assessment Survey is done in conjunction with the #3 inspection to determine utilization rates, amount of soil disturbance, and number of wildlife/snag trees. Any HCVs that are to be monitored through the EMS Compliance Inspections and Cutover Assessment Surveys will have been added to the inspection forms and guidelines. The annual EMS and SFM Standards internal and external environmental audits also serve as monitoring processes.

## **1.6 Maximum Sustained Yield for main commercial species**

### 1.6.1 Assumptions

The Province reviews its timber supply every five years in order to determine sustainable timber supplies while respecting a multitude of social, economic, and environmental objectives. The result of this analysis is an AAC for each FMD. These AAC's are defined as the maximum annual rate at which timber can be harvested at a sustainable level indefinitely into the future.

The determination of supply (represented as AAC's) involves computer models (Woodstock and Stanley) that forecast the sustainability of possible AAC levels. These models require three basic inputs: 1) a description of the current state of the forest (forest characterization and availability); 2) the growth rates associated with the current forest; and 3) the management strategies applied to the forest. The determination of these basic inputs requires careful and detailed consideration of a broad range of timber and non-timber values.

Growth rates for the current forest are determined using yield curves. Two growth models (using data generated from the Forest Inventory Program) are used, one for projecting stand development under natural conditions and the other for projecting growth under managed conditions i.e., silviculturally enhanced. These models are checked against data from thousands of temporary plots established throughout the Island.

The management strategies applied to the models take into account a variety of factors: i.e., harvest flow constraints, spatial analysis of the harvest schedule, a planning horizon of 160 years, an operable growing stock of two times the harvest level on the landscape, the presence of at least 15% of the forest being old growth across the landscape, time frame in which a stand can be harvested, and silvicultural tools such as precommercial thinning and planting.

2.67 m<sup>3</sup> per tonne of newsprint

### 1.6.2 Source Data

A current description of the forest resource is determined through the Provincial Forest Inventory. An inventory is conducted by DNR on each FMU every 10 years and the inventory for each district is updated every year to account for all natural and man-made disturbances such as fire, insects, and harvesting, and any enhancement programs such as tree planting and pre-commercial thinning. Each stand in the forest inventory is also updated to reflect any yield changes that may have occurred since the previous inventory update. Availability for harvest is also incorporated into the current forest description. The yield curves are based on a network of PSP and TSP plots all over the island of NL. The PSP plots are re-measured ever 5 or 6 years by DNR and updated on a regular basis.

## **1.7 Current and Projected Annual Harvest by Species (main commercial)**

63.5% fir 36.5% spruce (winter)  
68.7% fir 31.3% spruce (summer)

## **1.8 Eligibility as a SLIMF**

Not applicable.

## **1.9 Certificate scope**

Forest management activities on forest management districts no. 5, 6, 9, 14, 15 and 16.  
Products types: softwood pulp (W1.1), softwood sawlogs (W1.1), hardwood fuel wood (W1.2) and hog fuel (W1.2).

## 2.0 THE STANDARD

### 2.1 Standard Used

National Boreal Standard (Aug 2004)

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

<https://ca.fsc.org/fr-ca/fsc-certification/policy-and-standard-documents/forest-management-standards>

Revision to the standard since last audit:	none
Implication for the FMU:	NA

## 3.0 EVALUATION

<b>Evaluation dates:</b>	Feb 13, Feb 20-24 2017
<b>Task</b>	<b>Person days (excluding travel)</b>
Pre-evaluation	0
Pre and Post-audit work (audit plan and report writing)	4
Audit time (Documents, Records, Fieldwork)	18
Stakeholders Consultation	2
<b>TOTAL</b>	<b>24</b>

<b>EVALUATION TEAM</b>
<b>Lead auditor: Dominic Lessard</b>
Dominic Lessard is the Technical Manager - FSC Program for SAI Global. He holds a Bachelor's degree in forestry from Laval University and completed a master's degree in Environmental Science at the University of Québec in Montréal. He is a registered forest engineer with 10 years of experience working in the provinces of Quebec and British Columbia. Prior to joining SAI Global, Dominic successfully ran his own consulting firm offering forest certification services to a broad range of private companies and NGOs. He is a qualified Professional Project Manager (PMP) and lead auditor for the verification of FSC forest management and chain of custody standard, having performed more than 100 audits in the last five years.
<b>Auditor: François Grimard</b>
François Grimard has over thirty years of experience as a Forest engineer in the related fields of forestry and environment. Since 1995, he has a consultant office where he carries out mandates primarily associated with the certification of sustainable forest management and environmental management systems. He has acquired over the years a solid practical expertise in forestry as Chief Forester and Forestry Supervisor allowing him to master the requirements of the Quebec forestry regime and appreciate the challenges posed by the management of public and private forest. His work as lead auditor of forest management and environmental management systems led him to be constantly at the heart of the forest practices evolution and make critical and rigorous

judgments on their actual or potential impacts.
<b>Auditor: Daniel Martin</b>
Daniel Martin is a consultant offering specialized services in sustainable forest management, chain of custody and environmental management system certification. Daniel is a registered Forest Engineer in the Province of Quebec (11-014) and is an ISO 14001 lead assessor and a FSC® FM lead auditor. He has conducted more than 40 FSC FM audits in the Maritimes, Boreal and Great Lakes/St-Lawrence forest types. He has 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. Furthermore, Daniel has cumulated experience in the management of an engineered wood products facility in the province of Quebec and he was a lecturer at the <i>Université de Moncton</i> . These experiences have allowed for development of skills ranging from forest management, health and safety, budgeting, contract negotiations and human resource management.
<b>Technical expert:</b>
none
<b>Observer:</b>
none

### 3.1 Description of Evaluation

#### 3.1.1 Itinerary

Activities	Date
Start of Stakeholders Consultation	Jan 24, 2017
Audit plan sent to certificate holder	Jan 20, 2017
Offsite document review	Feb13, 2017
Opening meeting	Feb 20, 2017
Onsite audit (field visit, interview and stakeholders meetings)	Feb 20-24, 2017
Closing meeting	Feb 24, 2017

#### 3.1.2\*Approach

The evaluation consisted in:

- A stakeholder consultation launched in Jan 2016 to obtain input from interested and affected stakeholders.
- One on one meeting with stakeholders, as well as a group meeting with the PAC comity.
- Review of documents and records, interviews with management personnel at the Corner Brook forestry office.
- Field visits where meetings were held with field supervisors and operators as well of inspections of past and on-going operations
- Overview of the landscape and retention areas by helicopter

### 3.1.3\* Selected FMUs and Rationale

Districts 9,14, 16 were selected because active logging was occurring at the time of the audit. Fly over by helicopter of district 6 was performed to verify level of intactness of the landscape.

### 3.1.4\* Sites Visited

FMU	Site	Activities audited
District 14	Camp 185	<p>North West Forest Resources</p> <ul style="list-style-type: none"> <li>• Harvesting (soil and regeneration protection, residual stems – 10/ha, left uncut area)</li> <li>• Water crossing – temporary winter installation (bridge)</li> <li>• Supervision (Monitoring)</li> <li>• Species at risk ID, reporting and protection measures</li> <li>• HCV protection measures (Pine Marten protection, 100 m buffer for highway, 20 m buffer for stream)</li> <li>• Training</li> <li>• Emergency response plan, marshalling point</li> <li>• Legal compliance</li> <li>• Health &amp; safety equipment and procedure (lockout)</li> <li>• Hazardous waste material disposal</li> <li>• Workers conditions</li> <li>• Implementation of SOPs, sign-off maps</li> <li>• Service truck well organized. Note: Welder exhaust pipe should be ran alongside the external wall of the trailer and extended up to the top.</li> <li>• <b>6 persons interviewed</b> <ul style="list-style-type: none"> <li>- Harvester operator</li> <li>- Processor operator</li> <li>- Porter operator</li> <li>- Supervisor, mechanic</li> </ul> </li> </ul>
District 14	Burgeo road	<ul style="list-style-type: none"> <li>• Large areas of core habitat (2 837 ha and 4 389 ha)</li> </ul>
District 9	Baie Verte Southern pond	<p>Arthur Fowlow Ltd.</p> <ul style="list-style-type: none"> <li>• Harvesting (soil and regeneration protection, residual stems – 10/ha, uncut areas)</li> <li>• Supervision (Monitoring)</li> <li>• Tracking of wood origin (trip ticket)</li> <li>• Species at risk</li> <li>• Water crossing – temporary winter installations</li> <li>• HCV protection measures (100 m buffer along HWay, 20 m buffer for stream)</li> <li>• Training program</li> </ul>



		<ul style="list-style-type: none"> <li>• Emergency response plan</li> <li>• Hazardous waste material disposal</li> <li>• Workers conditions</li> <li>• Implementation of SOPs</li> <li>• Service truck</li> <li>• Etc.</li> <li>• <b>5 persons interviewed</b> <ul style="list-style-type: none"> <li>- Harvester operators</li> <li>- Feller-buncher operator</li> <li>- Truck driver</li> <li>- Supervisor</li> </ul> </li> </ul>
District 9	Baie Verte Camp 34	<p>Nobles Resources</p> <ul style="list-style-type: none"> <li>• Supervision (Monitoring)</li> <li>• Species at risk</li> <li>• Water crossing – temporary winter installations (wood &amp; culvert)</li> <li>• HCV protection measures (Caribou leave areas, 100 m buffer for highway, 20 m buffer for stream)</li> <li>• Training</li> <li>• Emergency response plan</li> <li>• Hazardous waste material disposal</li> <li>• Workers conditions</li> <li>• Implementation of SOPs</li> <li>• Service truck</li> <li>• <b>2 persons interviewed</b> <ul style="list-style-type: none"> <li>- Excavator/loader operator</li> <li>- Supervisor</li> </ul> </li> </ul>
District 6	Harvest Deferral areas Zone 3 Forest Management Plan, District 6.	Helicopter tour of actual harvest deferral areas, as well as planned harvest areas for Canning Brook, Coy Pond, Third Berry Hill, Hussey Pond, South West Gander, Butts Pond, Home Pond, Boot Pond, Jonathan's Pond.
District 16	Riverside	Monitoring, harvesting (cut-to-length), forwarding, loading and hauling, specifically tracking and tracing of wood from the certified forest.

### 3.1.5\* Stakeholder Consultation

The list of stakeholders is a confidential document. The list is on file with SAI Global.

<b>Stakeholders contacted</b>	<b>Number contacted</b>	<b>Provided input</b>
FSC National Initiative	1	0
Provincial Department of Natural Resources / State Forest Service	10	2
Federal/National Agencies	2	0

Associations / Clubs / Outfitters	13	0
Private stakeholders	7	1
NGOs that are active in respect to social or environmental aspects of forest management – National or Regional	19	5
Representatives of Indigenous Peoples	4	2
Representatives of forest-dwelling or forest-using communities	1	0
Labour organizations or unions of forestry sector workers	1	0
Contractors who provide services to the forest operation to be assessed	2	0
Employees	0	0
Municipalities	6	0
International NGOs that have requested to be contacted in respect of evaluations in particular regions or countries	0	0
University/College	2	0
Other:		

### **Comments from stakeholders and SAI Global's response**

Comments from stakeholder:

Stakeholders communicated their disappointment in the process for accepting or refusing remote cabins applications on the tenure. Stakeholders pointed out that remote cabin rights should not be granted where road decommissioning is part of the management strategy or part of a MOU with a group of stakeholders.

SAI Global's response

CBPPL "Referral Policy and Compensation Schedule for remote cabin application" listed the criteria that must be met before they can grant permission for a remote cabin. CBPPL has not granted permission for the building of remote cabin in areas where road are planned to be decommissioned. However, the ministry has a final say on the matter and can overturn the CBPPL decision, which has happened in the past.

Comments from stakeholder:

CBPPL has included 3 harvesting areas in the new 5 year operating plan that overlap with an aboriginal community traditional territory, which is seen as a provocation by many members of the community.

SAI Global's response:

The community has requested a complete and permanent deferral of all harvesting overlapping their traditional territory. CBPPL continue to respond to the community requests and continue to invite them to participate in the development of the 5 years plan. CBPPL is open to discuss any adaptive management or mitigation measures in district 6, but refuse to grant a long term deferral unless they receive volumes elsewhere from the government. CBPPL has agreed to a temporary deferral of all harvesting in the southern portion of district 6 in 2015, and extended this deferral for the next two harvesting seasons until 2019 to show good faith and allow the Central Newfoundland wood supply reallocation process to take place. The audit team consider that even though the community is still not happy with the short-term deferral, the company has made significant efforts and has worked within his sphere of influence to find a win-win solution for the community, the government and the company, and therefore is in conformance indicator 4.4.3.

<p><u>Comments from stakeholder:</u> Stakeholders communicated their appreciation of CBPPL collaborative approach in regards to identifying potential protected areas on the tenure and deferring harvesting until final agreement can be achieved.</p> <p><u>SAI Global's response:</u> No response required.</p>
<p><u>Comments from stakeholder:</u> Stakeholders communicated their disappointment about the company going ahead with their 5 years harvesting plan without any input from the Public Advisory Committee or the General Public</p> <p><u>SAI Global's response:</u> Indicator 4.4.6 specifies that on Crown lands, the public participation process is meaningfully integrated with the forest management planning process. The audit team has received multiple comments from PAC members who felt they were not meaningfully involved in the development of the 5 year plan. For this reason, NC 2017-02 is issued.</p>
<p><u>Comments from stakeholder:</u> Stakeholders shared their concerns regarding the selection of large core habitat area as required by indicator 6.3.12. Their concern is that the company will come short of the 20% required, and that some of the areas identified will not comply with the cumulative disturbance limit set by the standard.</p> <p><u>SAI Global's response:</u> A non-conformance on the subject was issued last year (see NC2016-04 in section 7.1 of this report). Following the issuance of the non-conformance, the company has identified 21.2% of core habitat area as defined by the indicator. The areas selected are representative of the tenure as a whole in term of productive forest, non-productive forest, non-forest area and water bodies. Each area is composed of a significant proportion of mature forest (40 years and older), contains a limited amount of road or linear disturbances, and include a maximum of 5% recent disturbance. The company is now in conformance with the standard.</p>

### 3.1.6 \*Additional Evaluation Techniques

None

## 4.0 OBSERVATIONS

<b>PRINCIPLE #1: COMPLIANCE WITH LAWS AND FSC PRINCIPLES</b>	
Criterion 1.1 Compliance with national and local laws and administrative requirements.	
Comments (strengths/weakness)	Legal and Other Requirements are reviewed and revised using a legal browser system. Legal updates are sent to the FSC Coordinator on a monthly basis. The FSC coordinator will review the legal updates and verify if they are applicable, within the scope of the forest management activities. Updates are provided to staff and relevant personnel through quarterly EMS

	<p>reviews/meetings.</p> <p>Legal requirements include pertinent Federal and Provincial legislation, as well as all international agreements and conventions that Canada is signatory including all local and international Social and Labour laws. Other requirements include non-voluntary agreements that the Company agrees to implement (including regulatory guidelines). This process is captured within the CBPPL EMS.</p> <p>CBPP Woodlands maintains a list of Non-Regulatory Guidelines and Voluntary Commitments. This list includes any voluntary agreements to which the company subscribes that relate to the environmental aspects of CBPP Woodlands. The list is reviewed and updated annually and each agreement will be evaluated for compliance.</p>
<b>Criterion 1.2 Payment of fees, taxes etc.</b>	
Comments (strengths/weakness)	Interview of Woodlands Accountant and a review of records confirmed that all applicable and legally prescribed fees, royalties, taxes and other charges are paid in a timely manner.
<b>Criterion 1.3 Compliance with international agreements</b>	
Comments (strengths/weakness)	Canadians laws and regulations are in compliance with all binding international agreements such as CITES, ILO Conventions, ITTA, and Convention on Biological Diversity
<b>Criterion 1.4 Documenting of conflicts with laws.</b>	
Comments (strengths/weakness)	No situations in which the applicant's compliance with laws come in conflict with the FSC principles and criteria.
<b>Criterion 1.5 Protection from illegal activities</b>	
Comments (strengths/weakness)	No situations in which the applicant's compliance with laws come in conflict with the FSC principles and criteria. EMS Incident reports are used in the case of instances of illegal activities. Crown Conservation Officers are to deal with instances on illegal harvesting on the DFA. No new instances of illegal activities reported on the DFA since the previous audit (Surveillance 4).
<b>Criterion 1.6 Adherence to FSC principles.</b>	
Comments (strengths/weakness)	The forest and environmental policy clearly identifies the company's commitment to FSC and its intention to protect and maintain the ecological integrity of the forest in the long-term. CBBPL is part of the Kruger's company. All FMUs under the responsibility of CBBPL are covered by the scope of the present certification.
<b>PRINCIPLE #2 TENURE AND USE RIGHTS AND REPSONSIBILITIES</b>	
<b>Criterion 2.1 Evidence of forest use rights.</b>	
Comments (strengths/weakness)	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

	Every five years, a 'Certificate of managed land" is issued by the Minister of Natural resources confirming that CBPPL holds timber and land rights for forest management districts (FMDs) no. 5, 6, 9, 14, 15 and 16.
<b>Criterion 2.2 Local communities with use rights can protect their rights and resources.</b>	
Comments (strengths/weakness)	CBPPL is the resource manager and own the rights over the land base. CBPPL shares the forest resources with the residents of the province. There are many uses of the forests in the FMUs. Consumptive values include timber products, hunting, trapping, fishing, and berry picking. Non-consumptive values take in skiing, hiking, snowmobiling, and bird watching.
<b>Criterion 2.3 Appropriate mechanisms to resolve disputes.</b>	
Comments (strengths/weakness)	The dispute process is described in the public advisory committee (PAC) Terms of Reference put in place for the CSA Z809 certification. There are no outstanding disputes of substantial magnitude on the applicant tenure. MFN's request for a long term deferral on a portion of District 6 is not seen as a dispute by the audit team, but as an on-going negotiation process involving Government, NGO and CBPPL.
<b>PRINCIPLE #3 INDIGENOUS PEOPLES' RIGHTS</b>	
<b>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.</b>	
Comments (strengths/weakness)	Based on the Supreme court ruling May 3, 2007, it has been demonstrated that the Mi'kmaq have no special Aboriginal rights to hunt, fish, or trap in forested areas of Newfoundland. The auditor concludes that this section of the standard is not applicable.  However, 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 Participation Process for the 5 year plan, the Public Advisory Committee (PAC) or other direct involvement with the interested communities.
<b>Criterion 3.2 Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of Indigenous Peoples.</b>	
Comments (strengths/weakness)	Based on the Supreme court ruling May 3, 2007, it has been demonstrated that the Mi'kmaq have no special Aboriginal rights to hunt, fish, or trap in forested areas of Newfoundland. The auditor concludes that this section of the standard is not applicable.  However, 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 Participation Process for the 5 year plan, the Public Advisory Committee (PAC) or other direct involvement with the interested communities.
<b>Criterion 3.3 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.</b>	
Comments (strengths/weakness)	Based on the Supreme court ruling May 3, 2007, it has been demonstrated that the Mi'kmaq have no special Aboriginal rights to hunt, fish, or trap in

	<p>forested areas of Newfoundland. The auditor concludes that this section of the standard is not applicable.</p> <p>However, 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 Participation Process for the 5 year plan, the Public Advisory Committee (PAC) or other direct involvement with the interested communities.</p>
<p>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.</p>	
<p>Comments (strengths/weakness)</p>	<p>Based on the Supreme court ruling May 3, 2007, it has been demonstrated that the Mi'kmaq have no special Aboriginal rights to hunt, fish, or trap in forested areas of Newfoundland. The auditor concludes that this section of the standard is not applicable.</p> <p>However, 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 Participation Process for the 5 year plan, the Public Advisory Committee (PAC) or other direct involvement with the interested communities.</p>
<p><b>PRINCIPLE 4 COMMUNITY RELATIONS AND FOREST WORKERS' RIGHTS</b></p>	
<p>Criterion 4.1 The communities within or adjacent to the forest management area should be given the opportunity for employment, training, and other services.</p>	
<p>Comments (strengths/weakness)</p>	<p>In total, CBPPL operations directly employ 524 individuals. These positions contribute significantly to the economy within the DFA. The audit team confirmed that the company is sourcing local goods and services as much as possible. Employees are covered by a collective agreement with Local 60 N CEP. Field audits and interviews with workers indicated that workers are being treated in a fair and equitable manner. The ratio of unionized vs non-unionized workers agreed in the collective agreement has been maintained through time. Finally, the company has contributed to local initiatives and help affected communities in a manner that builds capacity and enhances quality of life.</p>
<p>Criterion 4.2 Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families.</p>	
<p>Comments (strengths/weakness)</p>	<p>CBPPL has developed and is implementing an extensive Health and Safety program. Interviews with worker, review of records and field inspection have confirmed that the program is fully implemented and that compliance levels are high. All workers are covered by the provincial WHSCC and the collective agreement has provision for extra coverage such as extended health, dental, life insurance and long term disability. The audit team confirmed that all woodland contractors have an employer's liability insurance as required by this standard.</p>
<p>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).</p>	
<p>Comments</p>	<p>Laws and regulation in Canada guaranty freedom of labor association.</p>

(strengths/weakness)	Current Labor Agreement with Local 60 UNIFOR expired Dec 31, 2016. Interviews with worker during field audit indicate no evidence of company interference.
<b>Criterion 4.4</b> 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.	
Comments (strengths/weakness)	<p>Stakeholders are invited to participate through the 5yrs FMP Consultation Process and the Public Advisory Committee under the CSA 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. However, it was found that the PAC comity members were not meaningfully involved in the development of the recent 5 years plan as required by indicator 4.4.6. A minor NC is issued.</p> <p>Most stakeholders interviewed were satisfied with CBPPL approach and openness for adaptive management and mitigation measures. They confirmed that their concerns were taken into account in the development of the most recent 5 yrs plan.</p> <p>A disagreement still persists between CBPPL and MFN in regards to forest management activities in part of District 6. MFN insists on a complete and permanent deferral for all the tenure overlapping their traditional territory. CBPPL is open to discuss any adaptive management or mitigation measures in district 6, but refuse to grant a long term deferral unless they receive volumes elsewhere from the government. CBPPL has agreed to a temporary deferral of all harvesting in the southern portion of district 6 in 2014, and extended this deferral until the end of 2019 to show good faith and allow the Central Newfoundland wood supply reallocation process to take place. The audit team consider that the company has made significant efforts and has worked within his sphere of influence to find a win-win solution for MFN, the government and the company, and therefore is in conformance with the standard.</p>
<b>Criterion 4.5</b> 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.	
Comments (strengths/weakness)	CBPPL uses the complaint process in its EMS to document and follow up on issues that may arise. Specific inquiries (by telephone, letter or e-mail) for environmental information will be directed to the Woodlands staff responsible for the management of the activity/item in question. Records of complaints were verified and found to be adequately documented and responded in a timely manner.
<b>PRINCIPLE 5 BENEFITS FROM THE FOREST</b>	
<b>Criterion 5.1</b> 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.	
Comments (strengths/weakness)	The annual budget is prepared by Corner Brook management staff and presented to the finance chief officer in Montreal for approval. Once the budget is approved, the Kruger treasury in Montreal allocates the funds

	needed to support the operations. All discrepancies to the budgeted forecast must approved by Kruger treasury. The budget is reviewed on a monthly basis and forecasts are recalculated every 3 months.
Criterion 5.2 Forest management and marketing operations should encourage the optimal use and local processing of the forest's diversity of products.	
Comments (strengths/weakness)	All the wood is processed locally or exchanged to sawmills in return of woodchips that are processed at the CBPP mill. On site harvesting procedures and monitoring requires that softwood saw logs be sorted to extract the highest value of every log.
Criterion 5.3 Forest management should minimize waste associated with harvesting and on-site processing operations and avoid damage to other forest resources.	
Comments (strengths/weakness)	CBPPL has specific objectives on residual commercial fibre left on cutovers. They are implemented as well as the monitoring and control measures. Damage to residual stand is not significant. Field visits has demonstrated that it is not an issue since the company is managing softwood stands with few partial or progressive cutting methods.
Criterion 5.4 Forest management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product.	
Comments (strengths/weakness)	Agreements with sawmills for processing softwood saw logs contribute to diversifying the economy. Agreements are also in place with outfitters, honey bee producers, river management associations and farmers to protect the resources they relied upon for their livelihood.
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.	
Comments (strengths/weakness)	Through its environmental management system and its sustainable forest management plan, CBPPL has put in place a monitoring program that allows to control and measure the effectiveness of the various protection measures put in place to protect non-timber forest values. These protection measures are also verified during ISO external audits. Field visits during this surveillance audit have demonstrated that CBPPL has an efficient monitoring system. Table 7 of the HCVF report demonstrates the link and relation between the management strategies and measures selected to maintain or restore High Conservation Values are consistent with a precautionary approach, and with respect to each conservation attribute.
Criterion 5.6 The rate of harvest of forest products shall not exceed levels which can be permanently sustained.	
Comments (strengths/weakness)	The Province reviews its timber supply every five years to determine sustainable timber supplies while respecting a multitude of social, economic, and environmental objectives. The result of this analysis is an AAC for each FMD. These AAC's are defined as the maximum annual rate at which timber can be harvested at a sustainable level indefinitely into the future. Over the past 5 years, the percentage of the harvested volume per district has varied from 10 to 93% of the calculated AAC's.
<b>PRINCIPLE 6 ENVIRONMENTAL IMPACT</b>	
Criterion 6.1 Environmental impact assessments.	
Comments (strengths/weakness)	A pre-industrial forest assessment has been written (Brown and Wells 2011, The Pre-industrial Condition of the Forest Limits of Corner Brook Pulp and Paper Limited) that describes current forest attributes and backcasts to



	estimate conditions in the pre-industrial era. The forest is managed to limit the level of departure from the PIC conditions. The EMS system and the SFM plan identify potential impacts of forestry activities and monitor them. In addition, the five years plan must now go through the provincial Impact Assessment Process, which evaluates the environmental, social and economic impacts of forest management activities at the landscape level.
Criterion 6.2 Safeguards must exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas).	
Comments (strengths/weakness)	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. Appropriate protection measures/guidelines have not been defined for some species at risks that workers have been asked to identify and report during field operations. Training in that regard was also found to be deficient in the field. A minor NC is issued
Criterion 6.3 Ecological functions and values shall be maintained intact, enhanced or restored.	
Comments (strengths/weakness)	<p>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. 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. 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 30 to 60 %.</p> <p>Following issuance of NC 2016-04 last year, the company has identified 21.2% of core habitat forest as defined by the indicator. The areas selected are representative of the tenure as a whole in term of productive forest, non-productive forest, no forest area and water bodies. Each area is composed of a significant proportion of mature forest (40 years and older), contains a limited amount of road or linear disturbances, and include a minimum of 5% recent disturbance.</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.	
Comments (strengths/weakness)	Provincial protected areas are located within or are adjacent to the FMUs: West Brook Ecological Reserve / Little Grand Lake Ecological Reserve / Little Grand Lake Wildlife Reserve / Middle Ridge Wildlife Reserve / Flatwater Pond Provincial Park Reserve / Jonathan's Pond Provincial Park Reserve / Barachois Pond Provincial Park / Sir Richard's Squires Provincial Park / Trailway Provincial Park / Gros Morne Park is of federal jurisdiction. In 2017, CBPPL has also agreed with the NRWG partners (Canadian Park and Wilderness Society, the Canadian Boreal Initiative) to voluntary protect 16 additional areas within their DFA where no harvesting or road building will occur for the life of the current license agreement which expires in 2037.
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.	
Comments (strengths/weakness)	SOP are clearly defined in the ISO 14001 registered EMS and effectively implemented. The interviews conducted with staff, contractors and operators confirmed that the comprehension and knowledge of FSC was adequate. The EMS compliance inspections are the tools selected by CBBPL to assess the knowledge and conformances of employees and contractors. The evidences observed i.e. Management review, internal audits EMS compliance inspection forms confirmed the implementation of the SOPs. Review of the corrective actions report and EMS incident confirm that noncompliance on the ground with SOPs are reported and dealt with. There were no instances of serious noncompliance documented or observed during the field audit.
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.	
Comments (strengths/weakness)	CBPPL has developed an Integrated Pest Management Plan (2013-2017) and has linked it to the five year and annual Operating plans. CBPPL works with the Provincial Department of Natural Resources (DNR) to experiment and develop alternate methods of vegetation control. CBPPL is committed to looking for ways to reduce and ultimately stop the use of herbicide as a vegetation control method. Statistic on herbicide use show a clear downward trend since 2007 (536 ha back then, compare to 305 ha today), which confirm CBPPL commitment in this regard.
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.	
Comments (strengths/weakness)	The EMS system is very complete and appropriate for the management of petroleum product, their handling, their storage and proper disposition of used oils and contaminated soils. Field visits confirmed that the EMS is fully implemented and that workers handling chemicals and other chemical such as fuel had been trained.
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.	
Comments (strengths/weakness)	All applications of Biological control agents are carried out by the Provincial Department of Natural Resources in accordance with all applicable laws. Records of application rest with DNR as they are responsible for the pest management program for the province.
Criterion 6.9 The use of exotic species is carefully controlled and actively monitored to avoid adverse	

ecological impacts.	
Comments (strengths/weakness)	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. Trees are still not mature. Monitoring program is to be visual when appropriate. CBPPL is using a locally adapted seed source to stabilize stream banks.
<p>Criterion 6.10 Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion:</p> <p>a. Entails a very limited portion of the forest management unit; and</p> <p>b. Does not occur on high conservation value forest areas; (HCVF) and</p> <p>c. Will enable clear, sustainable, additional, secure long-term conservation benefits across the forest management unit.</p>	
Comments (strengths/weakness)	<p>CBPPL do not have plantation according to the FSC definition. Norway spruce planted areas make up less than 5% of the productive forest. Comparison of planned harvest versus cutover confirmed that CBPPL does not convert forest to non-forest land beyond what is permitted in approved plans for roads, trails, landings, gravel pits and camps. Mineral exploration permits issued by the Province are referred to CBPPL in order to identify any conflicts.</p> <p>The Provincial Government issues Licenses to Occupy (LTO) Crown land to individuals for recreational cottage development on public lands throughout the Province, including the FMUs. All applications for LTO's on the DFA are referred to CBPPL for review and comment. CBPPL works with Crown Lands staff to accommodate these cottages on the DFA in areas where there is no conflict with the Company's operations or forest management activities.</p>
<b>PRINCIPLE 7 MANAGEMENT PLAN</b>	
Criterion 7.1 Content of management plan.	
Comments (strengths/weakness)	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 2017-2021 for districts 5, 6, 9 and 16. 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. The plans cover adequately all the information required by the criterion.
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.	
Comments (strengths/weakness)	<p>District management plans are being revised every 5 years. The current plans for districts 14, 15 are valid until 2018. The current plans for districts 14, 15 are valid until 2018. New plans for districts 5, 6, 9 &amp; 16 are valid for the period of 2017 to 2021.</p> <p>The planning process integrates the updated inventory information related to the land base, the latest knowledge on silvicultural research, the new management strategies and the results of the public consultation process. It also integrates the latest modelling techniques for emulating the various variables over time to be integrated in the general model.</p>
Criterion 7.3 Forest workers shall receive adequate training and supervision to ensure proper implementation of the management plan.	
Comments (strengths/weakness)	An annual training program is in place through an induction prior to the beginning of the operations. Meeting with operators during the field visits showed that the contractor's employees have a good understanding and

	knowledge of applicable SOPs. In 2017, the supervisors also attended a special training on species at risk.
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.	
Comments (strengths/weakness)	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. <a href="http://www.cbpppl.com/sustainable-forest-management/">http://www.cbpppl.com/sustainable-forest-management/</a> And the 5 year plans <a href="http://www.cbpppl.com/five-year-plans/">http://www.cbpppl.com/five-year-plans/</a> .
<b>PRINCIPLE 8 MONITORING AND ASSESSMENT</b>	
Criterion 8.1 Frequency and intensity of monitoring.	
Comments (strengths/weakness)	Monitoring is conducted in support of the SFM Plan. The EMS has a requirement to monitor compliance with legislation and with operating procedures. DNR conducts monitoring activities. CBPPL has summarized their complete monitoring program in "Monitoring Plan V5".
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.	
Comments (strengths/weakness)	The SFM Indicator Report 2015 shows monitoring results of yield, growth rates, regeneration and condition of the forest. Environmental impact monitoring is done through the EMS System. Monitoring results were reviewed by the audit team to ensure that monitoring occurs according to the plan and to verify compliance with the EMS and SOP procedures. CBPPL is using the Atlantic Canada Conservation Data Centre (ACCDC) database and shapefile to monitor species at risk. Cultural values are monitored through the "unique place" program.
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."	
Comments (strengths/weakness)	CBPPL has a COC procedure in place for tracking wood from the forest to the mill gate. A load slip is issued to the truckers by a computerized system allows tracking the trucks from their origin to the delivery point at the mill (truck scale). The load slip identifies the contract number, the contractor name, the Forest Management District of origin, the permit number and the geographical location of the cut blocks.
Criterion 8.4 The results of monitoring shall be incorporated into the implementation and revision of the management plan.	
Comments (strengths/weakness)	Monitoring results have been used to develop the most recent 5 years operational plans
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.	
Comments (strengths/weakness)	CBPPL makes available on its website the Woodland Monitoring Plan, CBPPL Monitoring Plan and the results of its SFM Indicator Report. Information is also provided to the the Public advisory committee (PAC) who represents the various stakeholders of the region and provincial organisations. CBPPL also confirmed that CBPPL will respond to any external communication for

	clarification or explanation.
<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.	
Comments (strengths/weakness)	<p>The HCVF report has been reviewed and republished in January 2017.</p> <p>Changes include conservation data on species identified at the following sources of information:  NL Wildlife Division personnel and data, SSAC Species Status Report, CITES, COSEWIC, Nature Serve Explorer Accessed, Atlantic Canada Conservation Data Centre.</p> <p>The initial HCVF report was reviewed externally. Management objective and strategies were reviewed, indicator and threshold added and monitoring reviewed or added for some values. Means of verification of the effectiveness of the strategies was also added (see table 7 of the report). Subsequent revisions have not been reviewed externally, but many provincial and local experts have contributed to these reviews. Revisions are submitted for comment to stakeholders. This is part of the revision process. Comments are considered in the report.</p>
Criterion 9.2 The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof.	
Comments (strengths/weakness)	As part of the annual review process, Emails were sent out to stakeholders. There was one response back (with comments). Other responses were to mention that the stakeholder did not have any comments. This consultation process is done on a regular (at least annually) basis as part of the revision process.
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.	
Comments (strengths/weakness)	CBPPL Forest management plan summary incorporate a reference to HCVF report that will guide the reader the content and information about the Specific measure to maintain or enhance the applicable high conservation.
Criterion 9.4 Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes.	
Comments (strengths/weakness)	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 team confirmed 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.
<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.	
Comments (strengths/weakness)	Principle 10 does not apply to the operation of CBPPL. None of the forest practices are considered to be plantation according to the FSC definition
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.	
Comments (strengths/weakness)	Principle 10 does not apply to the operation of CBPPL. None of the forest practices are considered to be plantation according to the FSC definition
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.	
Comments (strengths/weakness)	Principle 10 does not apply to the operation of CBPPL. None of the forest practices are considered to be plantation according to the FSC definition
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.	
Comments (strengths/weakness)	Principle 10 does not apply to the operation of CBPPL. None of the forest practices are considered to be plantation according to the FSC definition
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.	
Comments (strengths/weakness)	Principle 10 does not apply to the operation of CBPPL. None of the forest practices are considered to be plantation according to the FSC definition
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.	
Comments (strengths/weakness)	Principle 10 does not apply to the operation of CBPPL. None of the forest practices are considered to be plantation according to the FSC definition
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.	
Comments	Principle 10 does not apply to the operation of CBPPL. None of the forest

(strengths/weakness)	practices are considered to be plantation according to the FSC definition
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.	
Comments (strengths/weakness)	Principle 10 does not apply to the operation of CBPPL. None of the forest practices are considered to be plantation according to the FSC definition
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.	
Comments (strengths/weakness)	Principle 10 does not apply to the operation of CBPPL. None of the forest practices are considered to be plantation according to the FSC definition

#### **4.1 Observations on review and resolution of complaint raised by stakeholder with the certificate holder or with the certification body since the previous evaluation**

1. A complaint originally raised with SAI Global, was escalated to the accreditation body (ASI) following the previous audit. The complaint related to how SAI Global had evaluated the level of disturbance in large core areas for indicator 6.3.12.

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

Non applicable. No pesticide derogation was granted

### **5.0 TRACKING OF CERTIFIED FOREST PRODUCTS**

#### **5.1 Risk**

The risk is low. Transportation of raw log is regulated and enforced by the Province of Newfoundland.

#### **5.2 Control System**

A load slip is issued to the truckers by a computerized system allows tracking the trucks from their origin to the delivery point at the mill (truck scale). The load slip identifies the contract number, the contractor name, the Forest Management District of origin, the permit number and the geographical location of the cut blocks. The FSC Claim and code is also printed on the slip. By law, no deliveries from forest to mill can be made if a load slip is not issued and carried along with the wood load. Also, no receiving of raw material can be made at the mill if the trucker doesn't have a contract number.

## 6.0 ADDITIONAL REQUIREMENTS FOR GROUP CERTIFICATIONS

Non-applicable

## 7.0 CERTIFICATION DECISION

### 7.1 Follow-up on Non-Conformitie(s) from previous audit

NC#	2016-01	Grade- Major/Minor	Minor
<b>Requirement:</b>			
6.1.3 The applicant has assembled relevant and current inventory information to serve as a context for regional and landscape level impact assessment.			
<b>Non-conformance:</b>			
CBPPL HCVF Assessment Report Map 6 provided misleading mapping on areas to meet the criteria of FSC clause 6.3.12.			
<b>Justification for Major or Minor</b>			
This non-conformance is considered minor because it is a temporary lapse, the impacts of the non-conformity are limited in their temporal and spatial scale and it does not result in a fundamental failure to achieve the objective of the relevant FSC criterion or another certification requirement.			
<b>Evidence provided to close the non-conformity</b>			
A root cause analysis and corrective action plan have been provided to SAI Global. Follow-up on implementation of the corrective action plan shall be done at the next audit (scheduled for February 2017).			
<b>Status Closed/Open</b>	Closed		

NC#	2016-03	Grade- Major/Minor	Minor
<b>Requirement:</b>			
6.2.2 Habitats of species at risk known or believed to exist within the forest are identified by field surveys or other means and delineated on maps.			
<b>Non-conformance:</b>			
Information regarding species at risk collected by the organization is not being reported to the authority responsible for mapping habitats and occurrences of these species.			
<b>Justification for Major or Minor</b>			
This non-conformance is raised at the level of minor because it does not represent a fundamental failure to meet the objectives at the criterion level.			
<b>Evidence provided to close the non-conformity</b>			
The Wildlife Division selected species at risk most likely to be identified in the field. Training was provided to CBPPL field staffs. Training PPT and attendance sheet were verified. Species at risk reporting card was developed by CBPPL. Interview with Debbie Web and			



Shelly Moores confirmed that the reporting procedure is implemented.	
<b>Status Closed/Open</b>	Closed

NC#	2016-04	Grade- Major/Minor	Minor
<b>Requirement:</b>			
6.3.12 Large areas (thousands of hectares) of contiguous core forest habitat, representative of the habitat types of the land base, exist and are maintained in the management unit. The proportion of the management unit in large areas of core is guided by the outcome of the pre-industrial forest condition analysis and by a target of maintaining at least 20% of the forest management unit. Large cores consist primarily of mature and old-forest, but may also contain inclusions of up to 5% recently disturbed forest.			
<b>Non-conformance:</b>			
The organization has not provided evidence that it is maintaining at least 20% of the forest management unit in large areas of mature forest that are undisturbed and representative of the land base.			
<b>Justification for Major or Minor</b>			
This non-conformance is raised at the level of minor because it does not represent an fundamental failure to meet the requirements at the criterion level. Furthermore, CBPPL, in the context of the Boreal Forest Agreement, are in the process of defining more core areas. This process is expected to come to a conclusion in December 2016			
<b>Evidence provided to close the non-conformity</b>			
The company has identified 21.2% of core habitat areas as defined by the indicator. The areas selected are representative of the tenure as a whole in term of productive forest, non-productive forest, non-forest area and water bodies. Each area is composed of a significant proportion of mature forest (40 years and older), contains a limited amount of road or linear disturbances, and include a maximum of 5% recent disturbance. The company is now in conformance with the standard.			
<b>Status Closed/Open</b>	Closed		

## 7.2 Non-Conformitie(s) issued during this audit

NC#:	2017-01	Grade:	Minor
<b>Requirement:</b>			
6.2.6 The applicant provides training to all relevant forest workers on the identification of species at risk, and on appropriate measures to take when a species at risk or sign of a species at risk (e.g., a nest) is identified during field operations.			
<b>Non-conformance:</b>			
Appropriate protection measures/guidelines have not been defined for some species at risks that workers have been asked to identify and report during field operations. Training in that regard was also found to be deficient in the field.			
<b>Justification for Major or Minor:</b>			
Non-systematic, applies only to some species at risks.			

<b>Evidence provided to close the non-conformity:</b>	
Root cause analysis and action plan accepted. Implementation will be verified during the next surveillance audit.	
<b>Status:</b>	Open

<b>NC#:</b>	2017-02	<b>Grade:</b>	Minor
<b>Requirement:</b>			
4.4.6 On Crown lands, the public participation process is meaningfully integrated with the forest management planning process.			
<b>Non-conformance:</b>			
The PAC comity was not meaningfully involved in the development of the 5 year plan.			
<b>Justification for Major or Minor:</b>			
Does not result in a fundamental failure to meet the indicator. The PAC comity is involved in some strategic aspect of forest management, but less in the 5 years planning.			
<b>Evidence provided to close the non-conformity:</b>			
Root cause analysis and action plan accepted. Implementation will be verified during the next surveillance audit.			
<b>Status:</b>	Open		

### 7.3 History of Non-conformities

NC #	Indicator	I/RR	S1	S2	S3	S4
2017-01	6.2.6	minor				
2017-02	4.4.6	minor				

### 7.4 Positives

- CBPPL has reached a tentative agreement with CPAWS through the CBFA process, which confirm the good relationship the company maintains with NGOs.
- CBPPL culvert installation performance has improved drastically since the issuance of the FSC certificate 5 years ago.

### 7.5 Element difficult to assess

- None

### 7.6 Observations on elements to be followed at the next audit.

- None

### 7.7 Certification Decision Statement

Reregistration audit

CBPPL 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.

A recommendation to maintain the registration is on hold pending the receipt, review and acceptance of the corrective action plan for all non-conformances and the closure of the major non-conformance(s).

## **8.0 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.

## **9.0 NEXT AUDIT**

Next Scheduled Audit: S1

Date: July 9, 2018

**END OF REPORT**

## APPENDIX 1 – LIST OF STAKEHOLDERS

This is a confidential document. The list is on file with SAI Global

## APPENDIX 2 – FSC DATABASE MANAGEMENT INFORMATION SHEET

### Instructions:

1. Auditor shall check the FSC database annually (info.fsc.org) to ensure the information is up-to-date and match information provided in this report.
2. If the FSC database needs to be updated, please indicate in the table below with an **X** the type of changes require and document briefly the changes as well as where the information can be found.

Type of update required	X	Comment and indicate where the information is found (e.g. audit report )
Main address		
Website address		
Contact person info		
Total certified area	x	See section 1.1 for new certified area total
Group member/Sites list		
Product Types		
Species list		
FSC claim		
AAF class	x	See contract for new FSC fee based on certified area.
Others (specify)		