



BC Timber Sales—Kamloops Business Area—2017 CSA Z809-08 Audit

From October 16-20, 2017 a team of 2 auditors from KPMG Performance Registrar Inc. (KPMG PRI) carried out a re-certification audit of BC Timber Sales – Kamloops Business Area (BCTS Kamloops or TKA)’s operations under the Nicola Thompson Fraser (NTF) sustainable forest management (SFM) plan against the requirements of the CSA Z809-08 SFM standard. This Certification Summary Report provides an overview of the process and KPMG’s findings.

Description of the BCTS Kamloops Operations within the Nicola Thompson Fraser Defined Forest Area

BCTS Kamloops has operations within the NTF defined forest area (DFA), which encompasses the Kamloops, Merritt and Lillooet Timber Supply Areas (TSAs) as well as Tree Farm Licence (TFL) 18. The Kamloops and Merritt TSAs are located in south central B.C. and cover approximately 2.77 and 1.13 million hectares of the Southern Interior Forest Region respectively. The Lillooet TSA is situated in southwestern British Columbia between the Coast Mountains and the Thompson-Okanagan Plateau and covers approximately 1.125 million hectares. TFL 18, which is held by Canadian Forest Products Limited (Canfor), covers a total area of 74,542 hectares and is located in central British Columbia (BC) in an area known as the North Thompson region.

A total of 5 organizations (Aspen Planers Ltd., BCTS Kamloops, Canadian Forest Products Ltd., Gilbert Smith Forest Products Ltd. And Tolko Industries Ltd.) are signatory to the NTF SFM plan. In addition, various non-signatory licensees (some of whom are certified to other SFM standards) also have operations within the area covered by the NTF DFA.

BCTS Kamloops has a total AAC apportionment of 1,264,496 m³/year within the NTF DFA, which equates to a prorated forest area under management of 583,451 hectares.

Scope of Certification

The BCTS Kamloops CSA Z809 certification includes forestry operations on Crown forest land including planning and performance on active and completed timber sales as well as SFM system conformance by individual participating BCTS licensees, permittees and contractors (LPCs) within the NTF DFA.

Audit Scope

The 2017 audit of BCTS Kamloops’ operations within the NTF DFA was a full scope re-certification audit against selected requirements of the CSA Z809-08 standard, including those related to:

- Public Participation;
- Maintenance of the SFM plan;
- Monitoring of SFM performance, and;
- Implementation of various management system components (rights & regulations, DFA specific performance requirements, operational controls, monitoring and inspections, corrective & preventive actions, internal audits, management review) that are required under the CSA Z809 standard.

Note: BCTS Kamloops is included within the scope of multi-site ISO 14001:2004 and SFI 2015-2019 Forest Management certificates issued to BCTS by KPMG PRI. In addition to the Business Area-level CSA Z809-08 audit, the Kamloops Business Area was also included as a sample site for the 2017 BCTS ISO 14001 and SFI audits.



The Audit

- **Audit Team** – The audit was conducted by Dave Bebb, RPF, EP(EMSLA) and Branden Beatty, RPBio, EP(EMSLA). Dave and Branden are both employees of KPMG PRI and have conducted numerous forest management audits under a variety of standards including ISO 14001, CSA Z809, SFI and FSC.
- **2017 CSA Z809 Re-certification Audit** – The audit included an off-site review of selected SFM system documents and an on-site assessment BCTS Kamloops’ implementation of their SFM system within the NTF DFA. Conclusions regarding conformance with the requirements of the standard were based on the collection of sufficient and appropriate audit evidence drawn from the following sources: (1) review of various SFM system procedures and records, (2) responses to a pre-audit questionnaire that was sent to local First Nations and members of the NTF PAG (public advisory group), (3) interviews with a sample of BCTS staff, LPCs and PAG members, and (4) visits to a sample of field sites located within the Kamloops and Merritt TSAs (6 roads, 6 harvesting cutblocks and 11 silviculture sites) to evaluate conformance with the applicable requirements of the CSA Z809 standard. The CSA Z809 portion of the 2017 BCTS Kamloops audit took approximately 8 days to complete, 4 of which were on-site. The balance of audit time was spent preparing the audit plan, conducting off-site document reviews, completing various audit checklists and preparing the main and public summary audit reports.
- **NTF SFM Plan Public Advisory Group (PAG)** – Conformance with the public participation requirements outlined in the CSA Z809 standard was evaluated through: (1) review of the minutes of recent NTF PAG meetings, and (2) interviews with a sample of BCTS Kamloops staff and NTF PAG members.
- **BCTS Kamloops’s CSA Z809 Certification Representative** – Lorne Wood, RFT, Certification Standards Officer served as BCTS Kamloops’s representative during the audit.

Audit Objectives

The objective(s) of the audit were to evaluate the sustainable forest management system at BCTS Kamloops to:

- Determine its conformance with the requirements of CSA Z809-08;
- Evaluate the ability of the system to ensure that BCTS Kamloops meets applicable regulatory requirements;
- Evaluate the effectiveness of the system in ensuring that BCTS Kamloops meets its specified environmental objectives, and;
- Identify opportunities for improvement.

Follow-up on Findings from Previous Audits

At the time of this assessment there were no open minor non-conformities and 1 opportunity for improvement from previous external BCTS Kamloops ISO 14001, CSA Z809 and SFI audits. The audit team reviewed the implementation of the action plan developed by BCTS Kamloops to address the open opportunity for improvement and found that it had been implemented as required. As a result, all of the open findings from previous audits have now been closed.

BCTS Kamloops 2017 CSA Z809 Audit Findings

Open non-conformities from previous audits	0
New major non-conformities	0
New minor non-conformities	0
New opportunities for improvement	3

Types of audit findings

Major non-conformities:

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

Minor non-conformities:

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

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

Opportunities for Improvement:

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

Good Practices

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

- CSA Z809 Element 7.4.6: Review of a sample of site plans and related supporting documents found that they were of a high quality and did a good job of addressing the resource management issues present.
- CSA Z809 Element 7.4.6: Inspection of a sample of recently reforested sites noted timely reforestation of harvested sites with a good mix of coniferous tree species, resulting in diverse stands that are more resistant to potential future pest outbreaks and the impacts of climate change.
- CSA Z809 Element 7.6: Review of the record of the 2016-2017 BCTS Kamloops EMS and SFM system management review found that the review was thorough and well documented and included supplementary notes regarding the results of the Business Area management review beyond those required to be reported provincially.

New Areas of Nonconformance

No new non-conformities with the requirements of CSA Z809-08 were identified during the 2017 re-certification audit.

New Opportunities for Improvement

Three new opportunities for improvement were identified during the audit in relation to the requirements of CSA Z809-08, as follows:

- CSA Z809-08 Element 7.5.1: Review of BCTS Kamloops ITS (incident tracking system) records found that the large majority of action plans that had been developed to address the environmental incidents that had been identified during the past year had been implemented as required by the planned completion date. However, 2 out of 28 ITS incidents had overdue action plans.
- CSA Z809-08 Element 7.5.6: Field inspection of a silviculture site noted an area of NSR (approximately 2-3 hectares in size) that had not been identified in a 2013 silviculture survey. The block was logged in 2008 and the late free growing date is in 2023 (although a free growing survey has been scheduled for 2017). The 2013 survey should have stratified out this area of NSR which should have then been fill-planted. Given that there is now only 6 years until the end of the late free growing date it is likely that it will now need to be extended.
- CSA Z809 Element 7.5.1: TKA conducts a detailed annual cutblock and road review on a sample of sites managed by each field team as a means to assess compliance with applicable regulatory requirements. However, there is an opportunity to expand the cutblock and road review program to include a detailed review of EMS implementation by TKA staff and LPCs as a means to provide an additional means of internal oversight on EMS implementation beyond that afforded by internal audits.



The on-site portion of the audit included: (1) a review of various SFM system procedures and records, (2) interviews with a sample of BCTS staff, LPCs and PAG members, and (3) visits to a sample of field sites (6 roads, 6 harvesting cutblocks and 11 silviculture sites) to evaluate conformance with the applicable requirements of the CSA Z809-08 standard.

Corrective Action Plans

No non-conformities with the requirements of the CSA Z809-08 standard were identified during the audit. As a result, a formal corrective action plan to address the findings of the audit is not required.

Audit Conclusions

The audit found that BCTS Kamloops’s SFM system:

- Was in full conformance with the requirements of the CSA Z809-08 standard included in the scope of the audit, except where noted other wise in this report;
- Continues to be effectively implemented, and;
- Is sufficient to systematically meet the commitments included in the Operation’s environmental and SFM policy, provided that the system continues to be implemented and maintained as required.

As a result, a decision has been made to re-certify BCTS Kamloops’ operations within the NTF DFA to the CSA Z809-08 standard.

Focus Areas for the Next Audit

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

- Completion of action plans developed to address the findings of the 2017 audit.
- Under the transition rules for CSA Z809-16, all CSA Z809-08 certificates become invalid as of September 15, 2018. However, TKA has decided to pursue certification to the SFI 2015-2019 Forest Management Standard and will be dropping its CSA Z809-08 certification once the new SFI 2015-2019 Forest Management certification takes effect (the projected completion date for this is April 2018). As such, the 2018 TKA audit will be limited to an assessment of conformance with the applicable SFI forest management requirements.
- The 2018 audit will include an assessment of TKA’s efforts to work with TSL holders to address potential risks to the achievement of FSP results and strategies in situations where a change to the site plan is proposed by the TSL holder.



The audit includes an assessment of TKA’s efforts to identify and protect a number of non-timber resource values during forest operations, including a snow-mobile trail that traversed a recent harvest block.

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