Description of the BC Timber Sales Organization

BC Timber Sales is an autonomous organization within the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (MFLNRORD), with financial and operational independence from Regional and District operations. The organization is comprised of 12 Business Areas with an operational presence in 33 locations across the province, and supports the Ministry's goal of providing British Columbians with sustainable benefits from the commercial use of public forests. BC Timber Sales provides these benefits by planning, developing and selling through auction a substantial and representative portion of the province's annual available timber volume. The bid prices received from auctioned timber drive the Market Pricing System for setting stumpage in coastal and interior operating areas of the province. The organization manages approximately 20% of the provincial allowable annual cut (AAC). BC Timber Sales does not operate any forest products manufacturing facilities, nor does it have a fibre sourcing program.

BC Timber Sales Certifications

BC Timber Sales holds a multi-site SFI 2015-2019 forest management certificate covering all of its 12 Business Areas (BAs) that is valid until September 9, 2022.

Scope of the BC Timber Sales SFI Certification

The BC Timber Sales multi-site SFI certificate applies to sustainable forest management planning and practices (roads, harvesting and silviculture) conducted by BC Timber Sales Corporate staff, Business Area staff, licensees/permittees and contractors (LPCs) in all of the following Business Areas:

- Babine Business Area (TBA)
- Cariboo-Chilcotin Business Area (TCC)
- Chinook Business Area (TCH)
- Kamloops Business Area (TKA)
- Kootenay Business Area (TKO)
- Okanagan-Columbia Business Area (TOC)
- Peace-Liard Business Area (TPL)
- Prince George Business Area (TPG)
- Seaward-tlasta Business Area (TST)
- Skeena Business Area (TSK)
- Strait of Georgia Business Area (TSG)
- Stuart-Nechako Business Area (TSN)

A detailed listing of applicable forest management units is included as Appendix B of the BC Timber Sales Provincial Sustainable Forest Management (SFM) plan at: https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/forestry/bc-timber-sales/ems-sfm-certification/corporate/provincial-sustainable-forest-management-plan.pdf

At the time of the 2019/20 audit BC Timber Sales had a combined AAC apportionment of 14,218,203 m$^3$ per year within the forest management units covered under its multi-site SFI forest management certificate. This equates to a prorated area under management of 15,001,237 hectares. The 2019/20 audit confirmed that BC Timber Sales had not exceeded its combined AAC apportionment for the 2019/20 BCTS fiscal year (the total volume sold for the year across all Business Areas was 9,923,834 m$^3$).
The BC Timber Sales Business Areas that are included within the scope of the organization’s SFI certification are covered by a multi-site SFM plan that addresses the Objectives of the SFI forest management standard and includes a variety of targets in relation to them. In addition, government-approved Forest Stewardship Plans (FSPs) that address both timber and non-timber values are also in place. Various higher level plans developed by government (e.g., Land and Resource Management Plans (LRMPs), etc.) also provide direction to forest management within the areas managed by the organization.


The forests managed by the BC Timber Sales are predominantly coniferous with the main commercial tree species being Douglas-fir, hemlock (western and mountain), western red cedar, yellow cedar, lodgepole pine, spruce (sitka, white, black, englemann and hybrids), grand fir, subalpine fir, balsam fir, western larch and trembling aspen.

The forest management approach employed by BC Timber Sales is based primarily on even-aged management, ground and overhead cable-based harvesting systems, clearcut harvesting with the retention of reserves of standing trees (either within or adjacent to harvest areas), replanting of harvest areas within a few years with a mix of ecologically suited tree species and control of competing vegetation through the use of government approved chemical herbicides (only some Business Areas) and/or mechanical means. Controls are in place to help reduce reliance on chemical brush control where feasible.

Audit Scope

The audit was conducted against the requirements of the SFI 2015-2019 forest management standard, and incorporated an assessment against the SFI program objectives for:

1. Forest health and productivity (Objective 2);
2. Management of visual quality and recreation benefits (Objective 5);
3. Legal and regulatory compliance (Objective 9);
4. Forestry research, science and technology (Objective 10);
5. Community involvement and landowner outreach (Objective 12);
6. Communications and public reporting (Objective 14);
7. Management review and continual improvement (Objective 15).

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 up to 6 months at the discretion of the KPMG PRI Business Leader) 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.
The Audit

- **Audit Team** – The audit was conducted by Dave Bebb, RPF, EP(EMSLA), Orrin Quinn, RPF (MBA), Branden Beatty, RPBio, EP(EMSLA), Sylv Holmsen, RPF, CA, EP(EMSLA), Yurgen Menninga, RPF, EP(EMSLA) and Craig Roessler, RPF, EP(EMSLA). All of the members of the audit team have conducted numerous SFM audits under a variety of standards including SFI, ISO 14001, CSA Z809 and FSC.

- **2019/20 SFI Surveillance Audit** – The audit included an assessment of the BC Timber Sales’ SFI program and the environmental management system (EMS) procedures that pertain to it. Site visits were made to 7 out of the 12 Business Areas (TKO, TCH, TSN, TSK, TPG, TKA, and TPL). In addition, the audit included an assessment of the BC Timber Sales Corporate Office’s implementation of the SFI program requirements that are applicable at the corporate level. This level of sampling meets the IAF (International Accreditation Forum) requirements regarding audit sampling for multi-site certifications with 12 sites. The audit involved a review of selected forest management plans and records, interviews with a sample of staff, licensees and local stakeholders, and visits to several field sites (87 roads, 73 cutblocks, 50 silviculture sites, 3 wildfire/urban interfaces, and 1 camp) to assess conformance with the requirements of the SFI 2015-2019 Forest Management Standard. The SFI audit took approximately 70 days to complete, 60 of which were spent on-site. The balance of audit time was spent preparing the audit plan, completing off-site document reviews, completing audit checklists, and preparing the main and public summary audit reports.

- **BC Timber Sales’ SFI Program Representative** – Rein Kahlke, RPF, Certification Officer served as the organization’s corporate level SFI program representative for a portion of the audit until Laura Chessor, RPF took over the role in the summer of 2019. In addition, the various Certification Standards Officers (CSOs) located at each of the local Business Area offices included in the audit sample acted as the SFI program representatives at the Business Area level.

Audit Objectives

The objectives of the audit were to evaluate the sustainable forest management system at BC Timber Sales to:

- Determine its conformance with the requirements of the SFI 2015-2019 Forest Management Standard;
- Evaluate the ability of the system to ensure that BC Timber Sales operations meet applicable regulatory requirements;
- Evaluate the effectiveness of the system in ensuring that BC Timber Sales meets its specified SFM objectives;
- Identify opportunities for improvement, where applicable.

Use of Substitute SFI Indicators

The SFI portion of the audit involved an assessment of conformance against the applicable objectives, performance measures and indicators included in the SFI 2015-2019 Forest Management Standard. None of the indicators included in the SFI standard were modified or substituted for the purpose of this audit.
Audit Conclusions

The audit identified one major non-conformity with the SFI Standard. As a result, BC Timber Sales was required to develop an action plan to address the non-conformity which was subject to KPMG PRI review. Successful implementation of the action plan and closure of the non-conformance by KPMG PRI within the agreed timelines is a condition of continued certification. In all other respects, the BC Timber Sales sustainable forest management system:

- Was in conformance with the requirements of the SFI forest management standard included within the scope of the audit, except where noted otherwise in this report;
- Has been effectively implemented, and;
- Is sufficient to systematically meet the commitments included within the organization’s environmental and SFM policies, provided that the system continues to be implemented and maintained as required.

As a result, a decision has been reached by the lead auditor to recommend that BC Timber Sales continue to be certified to the SFI forest management standard subject to successful closure of the major non-conformance within the agreed timeline.

Evidence of Conformity with the SFI 2015-2019 Forest

<table>
<thead>
<tr>
<th>SFI Objective #</th>
<th>Key Evidence of Conformity</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Forest Management Planning</td>
</tr>
<tr>
<td></td>
<td>Not in scope for the 2019/20 surveillance audit.</td>
</tr>
<tr>
<td>2.</td>
<td>Forest Health and Productivity</td>
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<tr>
<td></td>
<td>SFM plan, FSPs, EMS operational controls, review of site plans, interviews with a sample of staff and LPCs, review of silviculture records for selected operations, and field inspections.</td>
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<tr>
<td>3.</td>
<td>Protection and Maintenance of Water Resources</td>
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<td></td>
<td>Not in scope for the 2019/20 surveillance audit.</td>
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<tr>
<td>4.</td>
<td>Conservation of Biological Diversity</td>
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<td></td>
<td>Not in scope for the 2019/20 surveillance audit.</td>
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<tr>
<td>5.</td>
<td>Management of Visual Quality and Recreational Benefits</td>
</tr>
<tr>
<td></td>
<td>SFM plan, FSPs, review of site plans and associated Visual Impact Assessment (VIA) results, interviews with a sample of staff and LPCs, field inspections.</td>
</tr>
<tr>
<td>6.</td>
<td>Protection of Special Sites</td>
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<tr>
<td></td>
<td>Not in scope for the 2019/20 surveillance audit.</td>
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<tr>
<td>7.</td>
<td>Efficient Use of Fibre Resources</td>
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<tr>
<td></td>
<td>Not in scope for the 2019/20 surveillance audit.</td>
</tr>
<tr>
<td>SFI Objective #</td>
<td>Key Evidence of Conformity</td>
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<tr>
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<td>---------------------------</td>
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<tr>
<td>9. Legal and Regulatory Compliance</td>
<td>SFM plan, BC Timber Sales environmental, social and health &amp; safety policies, BA and Provincial level EMS and SFI management review records, BC MFLNROD C&amp;E reports, BA non-compliance records, field inspections.</td>
</tr>
<tr>
<td>10. Forestry Research, Science &amp; Technology</td>
<td>SFM plan, BA and Provincial level SFI management review records, BA research records, interviews with BA staff.</td>
</tr>
<tr>
<td>11. Training and Education</td>
<td>Not in scope for the 2019/20 surveillance audit.</td>
</tr>
<tr>
<td>12. Community Involvement and Landowner Outreach</td>
<td>SFM plan and related monitoring results, Western Canada SFI Implementation Committee (WCSIC) meeting minutes, correspondence related to community and school outreach programs, staff interviews.</td>
</tr>
<tr>
<td>15. Management Review and Continual Improvement</td>
<td>SFM plan, BA and Provincial level EMS and SFI management review records, internal audit reports and associated action plans, BA and Provincial level Environmental Management Programs (EMPs), interviews with a sample of corporate and BA staff.</td>
</tr>
</tbody>
</table>

A sample of silviculture sites verified that the Business Area has reforested its TSLs with ecologically suitable seedlings. The areas were well stocked with good survival rates at the time of the audit. (Prince George Business Area)
Follow-up on Findings from Previous Audits

At the beginning of the May 1, 2019 – April 30, 2020 audit period there were a total of ten open minor non-conformities from the previous audit that were applicable at the corporate level. The audit team reviewed the implementation of the action plans developed by BC Timber Sales to address these findings and closed three of the action plans based on completion of the required actions. A further two action plans were closed and replaced with the two new non-conformances in this report. With respect to the remaining five action plans, the audit identified that additional actions are required to be addressed before these findings can be closed. The audit identified that the COVID-19 pandemic has imposed constraints on some of the actions needed to close non-conformances, particularly related to training. As a result, the timeframe for completion of some actions has been extended to accommodate this situation. The 2020/21 audit will include an assessment of BC Timber Sales’ continued efforts to address the remaining findings.

Good Practices

A number of good practices were identified during the course of the 2019/20 BC Timber Sales SFI audit and some examples included:

- **SFI Objective 2 (Forest Health and Productivity):** The field audit noted a good practice related to the high frequency of site inspections on roads and harvest blocks by the Haida Gwaii field team which resulted in well-constructed road crossings (box culverts) to maintain stream integrity. (TCH)

- **SFI FM Objectives 2 (Forest Health and Productivity) and 4 (Conservation of Biological Diversity):** The audit found that mixed species clumps of understory and co-dominant trees were being reserved around mature Douglas-fir on Timber Sales Licenses. The effort to reserve clumps of trees helps to increase stand level biodiversity while also reducing the risk of blowdown. (TKA)

- **SFI FM Objective 8 (Recognize and Respect Indigenous People’s Rights):** Inspection of an active timber sale found that TKA had made considerable efforts to address the environmental concerns of the Skeetchestn Indian Band. Examples include the implementation of diameter limit-based selective logging with significant levels of Douglas-fir retention in various size classes and application of 10m machine free zones on NCDs. (TKA)

- **SFI FM Objective 11 (Training and Education):** TKA has implemented a “Peer Buddy” process whereby new BCTS employees receive on the job mentoring by an experienced staff member with respect to implementing the BCTS EMS procedures. (TKA)

- **SFI Objective 2 (Forest Health and Productivity):** The Business Area implemented new harvesting practices to reduce the risk of ground and crown fires, in the Wildland Urban Interface (WUI) area adjacent to Cranbrook. The Business Area also created the position of a WUI forester to engage with the BC Wildfire Service, local communities, and the Regional District in developing mitigation strategies to reduce wildfire risk to local communities. (TKO)

- **SFI Objective 3 (Protection and Maintenance of Water Resources):** A review of the road and bridge maintenance program identified a comprehensive process for inventorying roads and bridges, a risk ranking system to define inspection frequencies, and a detailed inspection process to improve the maintenance and allocation of resources. The audit also noted prompt rehabilitation of skid trails and in-block roads on recently harvested blocks. (TKO)
Findings – BC Timber Sales – 2019/20 SFI Surveillance Audit

- SFI Objective 9 (Legal and Regulatory Compliance): The audit found that the Business Area requires licensees to complete a Logging Completion Report which serves as an effective means to remind TSL holders of obligations such as deactivation, hazard abatement, and grass seeding. (TKO)

- SFI Objective 2 (Forest Productivity): The Kootenay Lake Field Team has worked with BC Wildfire Services to develop and implement prescriptions for broadcast burning to create plantable spots and abate fire hazard. This has involved the use of innovative burning plans and technology such as drones for scanning for hot spots following the burn. (TKO)

- SFI FM Objective 2 (Forest Health and Productivity): The audit noted that BCTS Mackenzie staff have a good awareness of forest management challenges regarding invasive alien plant species and their potential negative environmental impacts. (TPG)

- SFI FM Objective 2 (Forest Health and Productivity): BCTS Mackenzie is laying out timber sales on steep slopes and have managed to attract licensees with tethered and cable harvesting systems to the Business Area, with positive implications for reducing soil disturbance and maintaining site productivity. (TPG)

- SFI FM Objective 2 (Forest Health and Productivity): Field inspections of recent brushing blocks (which had originally been prescribed for chemical brush control) found that the operation had shifted a significant proportion of its brushing program to manual methods to address First Nation and stakeholder concerns regarding herbicide use. (TPL)

- SFI Objective 1 (Forest Management Planning): BCTS planning personnel are developing ‘tactical development plans’ that utilize LIDAR and other data to streamline the planning process and improve environmental management. (TSK)

- An inspection of a sample of active and recently harvested cutblocks in the Vanderhoof operating area noted a high level of retention (20-30% of the gross block area) in Wildlife Tree Retention Areas. (TSN)

NB: The above list of good practices is not intended to be a comprehensive list of all the noteworthy or innovative forest practices that are taking place at the operations. Rather, they are observations made by the audit team as a means to highlight some of the positive aspects of the organization’s forest management practices.

New Areas of Nonconformity

The 2019/20 BC Timber Sales SFI audit identified one new major non-conformity and one new minor non-conformity in relation to the requirements of the SFI 2015-2019 Forest Management Standard, as follows:

Major Non-conformity: Chapter 13 of the BCTS Environmental Management System Manual lays out procedures for handling and investigating potential non-compliances and non-conformances, taking action to mitigate any impacts, and to initiate and complete corrective and preventative action. However, the audit found that the actions undertaken by BCTS had not led to the closure of 50% of the non-conformances identified in the previous surveillance audit. This finding has two contributing elements:

- weaknesses in the timely implementation of action plans within some business areas and the lack of sufficient corporate processes to ensure that all business areas undertake timely implementation of all actions committed to; and,

- BCTS actions to increase the enforceability of TSL documents remain in progress, which makes it harder to achieve timely improvements in environmental risk management.
Minor Non-conformity: Objective 2 of the SFI Forest Management standard requires the participant to: (1) ensure long-term soil conservation with the use of erosion control measures to minimize the loss of soil and site productivity, and (2) construct roads in a way that minimizes impacts to soil productivity and water quality. Objective 3 of the SFI Forest Management Standard also requires program participants to develop and implement riparian management practices to protect water quality in rivers, streams, lakes, wetlands and other water bodies. These requirements are addressed through various BCTS operational controls and site plans, however the following weaknesses in the implementation of riparian management practices were noted:

- Inspection of a road construction project noted sediment from erosion of the ditchline entering an S2 stream. The contractor’s installation of sumps and use of hay bales were only partially effective in mitigating the sedimentation. (Prince George Business Area)
- During an inspection of a timber sale, numerous debris piles and logs were found impeding the flow of S6 streams on the lower side of the road. (Skeena Business Area)
- An inspection of a timber sale noted ground-based operations did not respect the machine free zone for a small S6 watercourse. Machinery had impacted drainage patterns and introduced sediment and debris into the stream. Logs were also decked above two streams at roadside. (Skeena Business Area)
- An inspection of a timber sale observed evidence of machine traffic in the machine free zones of a stream and a non-classified drainage. (Chinook Business Area)
- Inspection of a bridge on the Necoslie-Gordon FSR noted that the grade of the approaches on both sides of the bridge were resulting in road material accumulating on the bridge and active sedimentation into the S2 stream below. (Stuart-Nechako Business Area)

New Opportunities for Improvement

Opportunities for improvements, identified during the 2019/20, specific to individual Business Areas are reported through Business Area level audit reports and are not included in this report. This corporate level Certification Summary Report only includes systemic (corporate level and/or multi-Business Area) opportunities for improvement.

The 2019/20 BC Timber Sales SFI audit identified a total of 2 systemic opportunities for improvement related to the requirements of the SFI 2015-2019 Forest Management Standard, as follows:

1. Objective 9 of the SFI Forest Management Standard requires Program Participants to comply with applicable federal, provincial, state and local forestry and related social and environmental laws and regulations. This requirement is addressed by BCTS through various EMS procedures, however, inspections noted the following weaknesses:
   - A 600 litre vehicle slip tank carrying diesel did not have the required 1202 TDG label and it was not adequately secured to the vehicle to prevent it from being ejected in the event of a rollover. (Prince George Business Area)
   - Inspection of an active road construction project found that completed copies of various EMS documents (e.g., pre-work, EPRP, etc.) were not present onsite and spill kits associated with auxiliary fuel tanks did not meet the content requirements of the EMS. (Prince George Business Area)
Inspection of a timber sale noted that a skidder operator did not have a block map and a buncher operator did not have any fire tools or spill kit on-board. In addition, a number of fire extinguishers had apparently not been inspected in the past year. (Prince George Business Area)

Inspection of a partially completed timber sale and an interview with the TSL holder found that the layout contractor had laid out a spur road location on top of an existing pipeline. Review of the site plan and the harvest plan and safety report that were prepared for the sale by the contractor did not find any mention of the pipeline. Although this error was caught by the TSL holder before the spur road was constructed, TPL’s quality control procedures did not pick up this issue prior to the pre-work. (Peace-Liard Business Area)

2. SFI Forest Management Performance Measure 9.1 requires that Program Participants develop and implement a system to comply with applicable laws and regulations. These requirements are addressed through various BCTS EMS procedures, including the Incident Tracking System (ITS). However, the audit identified the following weaknesses in the implementation of BCTS’ procedures:

- TKA utilizes the BCTS ITS system to track the implementation of action plans that have been developed to address environmental incidents. Although the ITS appears to have been implemented as required, incidents are sometimes closed based on an assertion by the TSL holder that the required corrective actions have been implemented and prior to follow-up inspections by BCTS staff. (Kamloops Business Area)

- In reviewing the documentation associated with the closure of incident ITS-TSK-2019-0194, the audit noted that the incident was prematurely closed without adequate documentation that the actions had been completed. (Skeena Business Area)

**Corrective Action Plans**

Corrective action plans designed to address the root cause(s) of the findings identified during the 2019/20 audit have been developed by BC Timber Sales and reviewed and approved by KPMG PRI. Follow-up assessments will be completed to ensure that the corrective action plans have been implemented as required. Implementation of corrective actions associated with the major non-conformity will be reviewed within the prescribed timeframe and the corrective actions associated with the minor non-conformity will be assessed at the next surveillance audit.
Focus Areas for the Next Audit Visit

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

- The status of corrective action plans in BCTS’ Incident Tracking System (LRM).
- The Forest Professional Oversight Certification (FPOC) pilot project has been in place for several years, however it is not clear what BCTS’ plans are for the program. The next audit will review the use and effectiveness of FPOC as a means to ensure that the applicable commitments in the Forest Stewardship Plans are achieved.
- Training and awareness of tools available to BCTS staff to ensure that TSL holders conform with EMS requirements and implement forest practices that are consistent with the results and strategies in the Timber Sales License.
- The TSG Business Area has responded to a number of operationally induced slides over the past years. The audit determined that TSG has thoroughly investigated the root causes of these events and has directed the implementation of corrective actions to remediate impacts and to reduce the risk of recurrence. The next audit will focus on the success of implemented measures in reducing the risks of future slides.
- Implementation of riparian management practices and related BCTS training with licensees, permittees and contractors.

The audit found that the timber sale prescribed the retention of dominant and co-dominant Douglas-fir to promote biodiversity, natural regeneration and fire resistant species. (Kootenay Business Area)