



Tolko Industries Ltd.
Sustainable Forest Management System
Cariboo Regional Woodlands

Audit Coverage

- During the period October 16th to 18th, 2007 inclusive, QMI conducted a twelve (12) month Surveillance Audit of Tolko Cariboo Regional Woodlands Sustainable Forest Management System to the CAN/CSA Z809 Standard. The audit took 6.0 audit-days to complete.
- The Audit Team consisted of Gregor Macintosh, RPF, EMS(LA), CEA(SFM) as the Lead Auditor and Ken Hall RFT, EMS(LA), CEA(SFM), Team Member.
- The audit assessed pre and post harvest operations in the Cariboo Regional Woodlands operating area. This entailed site visits with Tolko Cariboo Regional Woodlands staff verifying conformance with operational planning requirements and confirming the status of SFM Indicator performance for forest related Indicators.
- SFM Indicator performance was assessed through interviews with staff at the Cariboo Regional Woodlands office located in Williams Lake and a review of the applicable SFM Indicator documentation.

Background

- The Cariboo Regional Woodlands SFM system has been registered to the CAN/CSA Z809 Standard since 2006. This registration is supported by an Environmental Management System registered to the ISO 14001 Standard since 2006.
- The Cariboo Regional Woodlands SFM system and EMS system have undergone annual 3rd party surveillance audits by QMI since the date of initial registration.
- The Cariboo Regional Woodlands SFM Defined Forest Area is located in and around the communities of Williams Lake, 100 Mile House and Quesnel, B.C.



Photo #1: A sea of mountain pine beetle "red attack" in sharp contrast to the new plantations in the middle of the picture.

Positive Aspects

The Audit Team observed the following positive management practices:

- 6.0 : Watershed Level analysis and planning process for future development in the Black Creek sub-basin.
- 7.3.6.1: Research being conducted to determine base-line levels of natural CWD and then using this data to determine appropriate levels of post harvest CWD.
- 7.4.2: Species at Risk Awareness Training package for staff and contractors.
- 7.3.7: Incorporation of “Guidance Management of Historic Features” in Due Diligence SOP and Checklist and the Forest Stewardship Plan.
- 7.4.2: Number of PIFs created in system since last audit.
- 7.4.6: Jordef Enterprises – very high level of awareness of CSA & EMS awareness and awareness of operational controls. Use of compactor on in-block roads.
- 7.4.6: Development of a Forest Stewardship Plan Checklist to ensure development foresters address all critical elements of the FSP when doing CP preparation.
- 7.3.6.1(3.1-F/4.2-B): Efforts to restore historic levels of forest / grasslands transition zones

Areas of Non-conformance

There were no areas of non conformance identified during the course of this audit.

Audit Recommendation

The Cariboo Regional Woodlands is recommended for continued registration to CAN/CSA Z809:2002 Standard.



Photo #2: Grapple skidder skids a turn of pine to roadside where it will be further processed into predetermined cut to length (CTL) sawlogs and hauled to Williams Lake.

CAN/CSA Z809 :2002 Surveillance Audit

Non-conformances..... 0
Opportunities
for Improvement15
Positive Aspects..... 8

Non-conformance

Non-conformance:

A systemic failure of the Program Participant's EMS/SFM system to meet an EMS/SFM objective, performance measure or indicator.

All non-conformances require an action plan within 30 days. Non-conformances must be addressed by the operation or registration cannot be achieved / maintained.

Opportunities for Improvement

Are isolated observations that are non-critical to the achievement / maintenance of EMS/SFM objectives and does not indicate a systemic failure to consistently meet an EMS/SFM objective, performance measure or indicator.

Positive Aspects

Are features of the EMS/SFM system that are considered as enhancements to the expected level of EMS/SFIS performance.

Opportunities for Improvement

System Weakness:

- 7.4.2 / 7.5.3: Ensure that all Staff training is current and that the records to demonstrate this are input into EMSTOLKO.
- 7.4.3.1: Ensure that PAG members have had the opportunity to review the final draft report of the annual SFMP performance prior to the next external audit.
- 7.4.6: Ensure that progress of new road construction (level of completion) reflects the potential for precipitation: e.g. Woodjam Ranch M/L: rocking; culvert armoring; bridge install; sediment control on bridge decks.



Photo #3: An example of the Good Business Practice for Indicator 7.3.6.1(3.1-F/4.2-B): Efforts to restore historic levels of forest / grasslands transition zones. Area has been logged and site is considered to be fully stocked for this type of forest. Note efforts to retain snags and large rootwads as part of the stand structure.

Opportunities for Improvement

Recommendations:

- 5.1: Consider whether PAG Terms of Reference (ToR) need to be revised given that Tolko Cariboo has achieved certification of its SFM system.
- 5.2: Consider whether a separate process could be adopted to encourage FNs participation in the Cariboo SFM process.
- 5.3.1: Consider setting a minimum meeting frequency for PAG meetings and stating this in the ToR.
- 5.4: Consider creating a “parking lot” for issues needing future discussion by PAG.
- 7.3.2: Consider including: i) a more detailed description in the SFMP text of the over-lapping (non-Tolko) licensees operating on the DFA and; ii) how these licensees could contribute information for reporting on SFM field indicators.
- 7.3.6.1(5.1-M) consider a more structured process for recording and responding to enquiries for SSS opportunities.
- 7.3.6.1:(6.3–B) consider a tracking mechanism for email inquiries Tolko (public) internet sight.
- 7.3.6.1: (5.2-B) consider whether reporting numbers of contractors by TSA is the best way of achieving the intent of this indicator (diversity of local forestry contractors).
- 7.3.6.1 / 6.5.2: Consider developing an indicator to track Joints Ventures with Tolko Cariboo and First Nations bands/enterprises.
- 7.4.6: Consider addressing Contractor awareness regarding: 1) fuel tanks (~10,000l) without collision barriers; 2) certification of > 454l tanks.
- 7.4.6/7.5.1: Consider adopting a tool such as the Tolko OK Region “Water Quality Effectiveness Evaluation Process & Field Card” to assess risk of sediment delivery from road systems based on site characteristics.
- 7.6: Provide more detail in the EMS meeting minutes documenting this discussion by the Regional Management of the Internal Audit.



Photo #4: Restoring fish access to upstream habitat by replacing undersized culverts (left) with arch pipe culverts (right). Several of these projects were completed under the Forest Investment Account (FIA) program.

QMI's Forestry Group registers forest companies to ISO 14001, SFI 2005-2009, and CSA Z809 SFM standards. The QMI Forestry Group consists of professional foresters and industry experts located in our Cleveland, Toronto, Vancouver, and Montreal offices. Contact marketingservices@qmi.com for more information.

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