



## Corrective Action Request Verification Report

<b>Organization Name:</b>	Nova Scotia Landowners and Forest Fibre Producers Association
<b>Certificate Code:</b>	SW-FM/COC-1753
<b>Location:</b>	Port Hawkesbury, Nova Scotia
<b>Report Date:</b>	Oct 30, 2007

### I. AUDIT PROCESS

Auditor, qualifications:	Charles Vigeant-Langlois – Charles is a forest engineer and has a MA in behavioral ecology. Experienced tree-marker, he worked as a management director in broadleaf and mixed forests for Tembec Davidson's mill and as a conservation director for Mont Tremblant National Park cumulating 7 years of experience in his field of work. He works as Canada's Forest management certification coordinator, team leader and auditor specialized in forestry and environmental issues. He completed Smartwood auditor training for forest management and Chain of Custody certification, is involved with FSC certification since 2006 and he's with Smartwood since 2007.
Audit date:	August 14th
Review process: (Documents reviewed, persons interviewed, etc.)	Document review and person interview

Audit overview:	NSLFFPA's most important client was shut down for many months in 2007, which impacted negatively the activities of the members of the NSLFFPA. For all this time there were literally no activities and no income for the NSLFFPA. For that reason the NSLFFPA was not able to allocate the resources required to comply with the CARs issued during the assessment. The first annual audit was conducted in April 2007 and report finalized May 14, 2007. All CARs were upgraded to Majors with a 6 months timeline. This MCVA was conducted on site at NSLFFPA's offices in September 2007 and involved forest site inspections.
Changes to procedures since last audit:	No

### II. CAR REVIEW

Note: Paste full CAR tables from last audit report

<b>CAR 1/07</b>		<b>Reference to Standard: 1.6</b>
<b>Non-conformance</b>		NSLFFPA currently has approximately 70 woodlot owners whom have expressed interest in FSC Certification. Given the current flat management structure and business model of the Association some risk is associated with a rapid expansion to that level of membership.
<b>Major X</b>	<b>Minor</b>	
<b>Corrective Action Request:</b> The NSLFFPA shall develop a strategy (i.e. formal business plan) based on an assessment of workload requirements, cost, and human resource requirements related to its roles and responsibilities as FSC Resource Manager to determine annual entry levels to the certified pool.		
<b>Timeline for conformance:</b>		6 months

<p>Audit findings: The NSLFFPA has develop a strategy to assess the workload required to administer the FSC program with its rapid development:</p> <ul style="list-style-type: none"> <li>• by negotiating a price per volume with the main FSC product buyer that will guaranty sufficient amount in the FSC development fund.</li> <li>• by hiring two additional persons, including a forester, and out-sourcing the work of opening the FSC pool to some 200 woodlot owners annually over five years to cooperative and private forestry groups in the region.</li> </ul>	
Status: Closed	
Follow-up Action (if applicable): None	

<b>CAR 2/07</b>		<b>Reference to Standard: 6.7.1</b>
<b>Non-conformance</b>		Policy Manual does not reference preferred use of biodegradable oil and other biodegradable products.
<b>Major</b>	<b>Minor</b>	
<b>Corrective Action Request:</b> The NSLFFPA shall update its Policy and Procedures Manual to reference the preferred use of biodegradable oil and other biodegradable products when available.		
<b>Timeline for conformance:</b>		3 months

<p>Audit findings: The NSLFFPA has updated their Policy and Procedure Manual as:</p> <p>The Policy and Procedures Manual has been amended under 3.6 Environmental Protection to :</p> <ul style="list-style-type: none"> <li>• The Forest Stewardship Council principles and criteria and indicators of sustainable woodlot management encompass a range of environmental practices. The Association has endorsed these principles/criteria and MRS indicators in the Nova Scotia context.</li> <li>• When forest management activities are being conducted on a woodlot, emergency responses resources appropriate to the scale of the operation must be available on-site to protect soil, water and wildlife from damaging agents such as chemicals, fires or other destructive agents. Monitoring will ensure the level of protection is adequate to prevent or mitigate environmental damage.</li> <li>• The Association will encourage and promote the use of biodegradable oil and other biodegradable products when available.</li> </ul>	
Status: Closed	
Follow-up Action (if applicable):None	

<b>CAR 3/07</b>		<b>Reference to Standard: 7.4.1</b>
<b>Non-conformance</b>		Summaries of the management plans are not available to the public.
<b>Major</b>	<b>Minor</b>	
<b>Corrective Action Request:</b> The NSLFFPA shall prepare summaries of forest management plans and keep them on file at the NSLFFPA office and available for public review.		
<b>Timeline for conformance:</b>		6 months

Audit findings:  The NSLFFPA now have summaries of management plans in the office that are available to the public. Therefore this CAR can be closed.  However, auditors found that the summaries were incomplete. A new Observation in issued.
Status: Closed
Follow-up Action (if applicable): Observation 01/07: The management plans and summaries should include the information required by Criterion 7.1.

<b>CAR 4/07</b>	<b>Reference to Standard: 8.5</b>
<b>Non-conformance</b>	A policy and procedures to provide a public summary of the results of monitoring has not been developed by the Association.
<b>Major</b>	<b>Minor</b>
<b>Corrective Action Request:</b> The NSLFFPA shall provide a public summary of the results of its monitoring activities on certified properties.	
<b>Timeline for conformance:</b>	6 months

Audit findings:  The NSLFFPA hired a Registered Professional Forester and Certified Forest Technician to monitor certified properties where there had been harvesting activity. Summaries of their findings will be filed at the office for public review. The Policy and Procedures Manual has been amended to include under 4.4.3 Performing the On-site Monitoring Visit: 10. The Association will provide a public summary at the office of monitoring activities on certified properties.
Status: Closed
Follow-up Action (if applicable):None

<b>CAR 5/07</b>	<b>Reference to Standard: GC 5</b>
<b>Non-conformance</b>	Procedures for the notification of SmartWood of changes in membership are not included in the Policy and Procedures Manual.
<b>Major</b>	<b>Minor</b>
<b>Corrective Action Request:</b> The NSLFFPA shall include a description of the procedures for the notification of SW of changes in membership in its policy and procedures manual.	
<b>Timeline for conformance:</b>	3 months

Audit findings:  The NSLFFPA modified their Policy and Procedures manual. The Policy and Procedures manual has been amended under 3.2.6 Administration to: 1. The files are then updated to document acceptance of the new member. 2. The files are updated and the new member added to the monitoring program schedule as set out in the group procedure 3. The Executive Director will notify Smartwood and NewPage Corp Port Hawkesbury (formerly Stora Enso Port Hawkesbury) of additions or any deletions of members when they occur.
Status: Closed
Follow-up Action (if applicable):None

<b>CAR 6/07</b>		<b>Reference to Standard: CoC 6</b>
<b>Non-conformance</b>		Procedures for sale of mixed products are not included in the Policy and Procedures Manual.
<b>Major</b>	<b>Minor</b>	
<b>Corrective Action Request:</b> The NSLFFPA shall include in its policy and procedures manual procedures (i.e. minimum thresholds and record keeping procedures) for the sale of mixed products that combine certified and non certified wood.		
<b>Timeline for conformance:</b>		6 months

<p>Audit findings: The NSLFFPA modified their Policy and Procedure manual.</p> <p>The Policy and Operations Manual has been amended under 5.2 Product Chain of Custody to:</p> <ul style="list-style-type: none"> <li>• Once assurance is provided that forests are being managed according to established principles of sustainable forest management, the next steps are management recognition, and promotion of forest products that have originated from a registered woodlot.</li> <li>• This is achieved through Chain of Custody and product labeling. In the event that companies purchasing wood products from participating woodlot owners require verifiable proof of origin from a certified woodlot, the following chain of custody requirements will be maintained.</li> <li>• Each certified within the group will be assigned an individual code number for its certification by SMARTWOOD. The Association will assign sub-codes to each woodlot. This code must be prominently displayed by the producer or woodlot owner on all wood piled roadside that goes to a customer that has requested Chain of Custody. The customer (industry) will use this code in their internal system to identify wood from individual woodlots.</li> <li>• It is sufficient to use lumber crayon to mark each pile with the code at a minimum of three to five meters intervals on a pile and at a height of 1.5 to 2 meters above ground level. The responsibility of the woodlot owner ends when each pile of wood has been identified.</li> <li>• The Association and StoraEnso will require separation of certified and non-certified wood delivered to the mill.</li> <li>• The Association will receive information on forest products sold from its database. This information will be maintained in the woodlot owner's file.</li> </ul>
Status: Closed
Follow-up Action (if applicable): None

### III. CONCLUSIONS

- Audit Conclusions:**
- CAR(s) closed
    - No follow-up required
    - New CAR issued (document new noncompliance in CAR table below)
  - CAR(s) open
    - Company shall be suspended (Major CAR is not met)
    - Minor non-conformance has become a major non-conformance (see CAR tables below)

**Comments/ Follow-up actions at next audit:**

**New Observation:**

Observation 01/07: The management plans and summaries should include the information required by Criterion 7.1.

**Report Approved by:** Alexandre Boursier

**Date:** November 13, 2007

NOTE: Report approval is required when auditor is not an authorized to approve SW reports or when the audit conclusion is suspension of the certificate.