



A DIVISION OF CSA GROUP

June 20, 2003

Mr. Steve Chambers
Weyerhaeuser Company Limited
BC Coastal Group
West Island Timberlands
Port Alberni, BC
V9Y 7N3

File No. 010960-06

Dear Steve:

SUBJECT: SFM REGISTRATION PROGRAM – Re-Registration Audit Report

Please find enclosed the Audit Report raised as a result of our Re-Registration Audit of the West Island Timberlands Sustainable Forest Management Plan and Defined Forest Area, conducted 12-14 May 2003. As a result of the audit, the SFM Documentation was revised to Rev. 3, and dated 14 May 2003. We have reviewed the modifications in conjunction with CAN/CSA Z809, and find that it continues to meet the requirements of the standard and is therefore found to be acceptable.

We would like to thank you and your organization for the support and co-operation given during the audit.

Yours truly,

Gregor Macintosh, RPF CEA (SFM)
Audit Team Leader

GM:cs
Encls.

cc: Michel de Bellefeuille,
Weyerhaeuser Company Limited, BC Coastal Timberlands



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**SUSTAINABLE FOREST MANAGEMENT SYSTEM
AUDIT REPORT
CAN/CSA-Z809-1996**

1. Executive Summary

Auditee : Weyerhaeuser Company Limited, BC Coastal
West Island Timberlands

Address : Port Alberni, BC

Contact : Steve Chambers RPF

Date(s) of Audit : 12-14 May 2003

Name of Audit Team Leader : Gregor Macintosh

Type of Audit : Re-Registration

Audit Frequency: : Annual

Summary of Audit Findings : a) No Nonconformances Raised
b) Opportunities for Improvement

Recommendation by Team Leader: The West Island Timberlands should continue to be registered to CAN/CSA Z809 (1996).

DISTRIBUTION
Auditee
Audit Team Leader
QMI File

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Attachment 2 Meeting Attendees (Pre/Post Audits)

Ownership of this report lays with: **Weyerhaeuser Company Limited, West Island Timberlands** however, it is a requirement of the standard that the auditee make the results of independent certification and surveillance audit reports publicly available.



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2. General Background on Canada's National Sustainable Forest Management Standard CAN/CSA Z809- 1996 (2002)

The Canadian Standards Association (CSA) developed Canada's National Standard on Sustainable Forest Management CAN/CSA Z809, in response to heightened awareness about forest management practices. The Standard was developed by a SFM Technical Committee in an open and inclusive process managed by CSA. The SFM Technical Committee is required to review the Standard periodically to ensure it incorporates knowledge gained through time and implementation. As the first edition of the Standard was published in 1996, the committee has published a revised version in 2002. The Standards Council of Canada (SCC) accredits CSA to write standards and approves them as National Standards.

Sustainable Forest Management (SFM) refers to the way a defined forest area is managed to maintain and enhance the long-term health of forest ecosystems for current and future generations. This Standard, which utilizes a continual improvement approach, requires public participation, practical demonstration of sustainable forest management practices, and a management commitment to a management system. SFM takes into account environmental, social and economic factors.

Public Participation - The CSA Standard requires organizations to seek comprehensive and continuing public participation, including a special effort for Aboriginal Peoples, at the local community level for each defined forest areas. The public identifies forest values of specific importance to their environmental, social and economic concerns and needs. The public also takes part with the organization to identify and select SFM goals, indicators and objectives to ensure these values are addressed.

Performance - By following a SFM plan that incorporates the values, goals, indicators and objectives, identified by the public process, which can be traced back to the Canadian Council of Forest Ministers (CCFM) set of Sustainable Forest Management Criteria, together with other legal requirements, performance can be demonstrated on the ground.

Systems and Continual Improvement- The CSA Standard has system requirements, which are consistent with the internationally recognized ISO14001 Environmental Management System Standard. The system follows the concept of "plan – do – check – act". The system framework helps an organization implement, track and monitor their progress towards meeting the economic, social and ecological performance objectives for the defined forest area. The Standard uses adaptive management procedures with recognize that SFM is a dynamic process that must incorporate new knowledge acquired through time, experience and research. The Standard requires there be an annual report on the indicator objectives with an annual review of the system and performance in the forest to identify areas for continual improvement.

Third Party Independent Audits - To become certified to the Standard is strictly voluntary but the organization must go through a third party independent audit of the SFM Requirements in the Standard. The audit is conducted by a Registrar accredited by the Standards Council of Canada. In addition the individual auditors employed or contracted by the Registrar have the requisite forestry expertise and are certified as environmental management systems auditors by the Canadian Environmental Auditing Association.



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3. Description of the DFA

3.1 Geographic Location, Forest Types, Size, Legal Tenure/Licence Description

Geographic Location:

The DFA is situated on west central Vancouver Island, British Columbia. The primary community centres in the area are Port Alberni and Bamfield.

Forest Types:

Defined Forest Area is in the Coastal Temperate Rainforest. The primary biogeoclimatic zone is the Coastal Western Hemlock zone.

Area of DFA:

315,444 hectares of Crown tenure and Managed Forest (fee ownership)

Legal Tenure/Licence Description :

As of December 31st, 2002

OPERATING AREA	AREA (Hectares)
TFL	308,216
UNREGULATED T.L.'s	764
CROWN GRANT (Outside TFL)	6,464
TOTAL	315,444

OPERATING AREA	Gross Ha.	Mature	Immature	Deciduous	NSR	NP
TFL	308,216	104,793	153,974	3,276	4,246	41,927
UNREGULATED T.L.'s	764	312	367		54	31
CROWN GRANT (Outside TFL)	6,464	2,700	1,253		1,374	1,137
TOTAL	315,444	107,805	155,594	3,276	5,674	43,095

NSR = Not Sufficiently Restocked

NP = Non Productive

3.2 Description of Provincial Plans that apply to the DFA

The SFM Plan is an umbrella plan that links higher level plans, such as the TFL 44 Management Plan, with operational plans such as Forest Development Plans and Cutting Permits. The performance commitments included in the SFM Plan equal or surpass commitments previously approved under TFL 44 Management Plan 3 (1998-2002). The SFM Plan reflects the objectives, management strategies, and reporting structure of management plans. It is influenced by other higher level plans, such as the Vancouver Island Land Use Plan, and by legislation including the Forest Practices Code Act.

The above mentioned plans are complemented by feedback loops of monitoring and adaptive management that occur from operations to the management plans and other higher level plans.

3.3 Description of Special Ecological Conditions and Protected Areas Related to the DFA

Data has been obtained regarding known locations of rare and endangered species from the Conservation Data Center (CDC). A "shapefile" of known cave locations, based on information supplied by the Vancouver Island Cave Exploration Group (VICEG), has also been created.

Funded by FIA a Sensitive Ecosystem Inventory was begun in 2002, with completion planned for 2003. Weyerhaeuser is currently developing procedures, so as to incorporate the data sets into their business systems and processes.

3.4 First Nations Treaties, Traditional Territory and Land Claims Description

The Defined Forest Area covers the traditional territories of the Hupacaseth First Nation; the Toquaht First Nation; the Huu-ayaht First Nation; the Tseshaht First Nation; the Dididaht First Nation; the Pacheedaht First Nation; the Qualicum First Nation; the Uchucklesaht First Nation; the Ucluelet First Nation and the Cowichan Tribes.

3.5 History of Use and Dependence of DFA Resources

In addition to forest resources used by the First Nations whose traditional territories comprise the DFA there is history of industrial forestry activity dating back to the 1850's. Industrial forest products produced from the DFA include timber for saw-logs and plywood; residual chips for pulp; cedar salvage wood for shake and shingle materials. Non-industrial forest products include botanical products (salal, etc.)

4. Background Description of Auditee and Practices

4.1 Organizational Structure

West Islands Timberlands is one of the operations contained within the Weyerhaeuser BC Coastal Timberlands region.

4.2 Management Objectives and Responsibilities on the DFA

In addition to those voluntary SFM objectives outlined in the WIWAG Matrix of Values, Goals, Indicators and Objectives the TFL Management Plan details the legal requirements for the management of TFL 44. The management plan for TFL 44 is a reference document for the SFM plan for the DFA.

4.3 Volume Harvested

In 2002 the area harvested by WIT was 2418.5 hectares from a total DFA productive forest land-base of 271,443 hectares. This represents 0.89 % of the DFA forest land-base.

Merchantable species harvested are:

Conifer - lodge-pole pine; Douglas-fir; western red cedar; yellow cedar; sitka spruce; western hemlock; and amabilis fir;

Deciduous - big-leaf maple and red alder



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4.4 AAC Determination Process

AAC determination is done in conjunction with the TFL 44 management plan. The AAC is reviewed and authorized by the Chief Forester for the province of British Columbia.

4.5 Silviculture Systems Employed

Silviculture systems employed by WIT are ground based harvesting (cable and mechanized) and aerial (helicopter) harvesting systems.

4.6 Products Produced & Mills Associated with the DFA Timber

year	sales, company operations (m3)	converted locally (m3)	brought in (sent out) (m3)	harvest, DFA (m3)	converted locally as % of harvest
2002	1,523,435	1,562,992	39,557	1,774,445	88.1%
2001	1,258,858	1,117,046	(141,812)	1,421,423	78.6
2000	1,354,186	1,336,028	(18,158)	1,589,862	84.0
1999	1,372,009	1,533,122	161,113	1,597,970	95.6

Mills that utilize fibre from the DFA include: Alberni Pacific (white wood); Somass (cedar); Norske Skog Port Alberni (pulp chips & pulp logs); Coulson Manufacturing Limited (cedar); Coastwood (fir sawlogs); Island Phoenix (white wood); and Chemainus (fir sawlogs). In addition to these mills there are smaller remanufacturing facilities that process fibre from the DFA.

4.8 First Nations Consultation Process

West Island Timberlands has several memorandum of understanding with the First Nations with territorial claims within the DFA. These MoUs must be viewed within the context of the ongoing treaty negotiations between the affected First Nations; the provincial government of British Columbia, and the Federal government.

5. Details of the Audit at Weyerhaeuser Company Limited, West Island Timberlands

5.1 Subject

Re-Registration Audit of the West Island Timberlands Sustainable Forestry Management Plan as it applies to the Defined Forest Area.

5.2 Purpose and Scope of Audit as well as Scope of Registration

The Purpose of the audit is to evaluate the adequacy and implementation of the West Island Timberlands Sustainable Forest Management System against the requirements of the CAN/CSA-Z809-1996 Standard and their Sustainable Forest Management System documentation within the Defined Forest Area.

The Scope or Registration is as follows:

The sustainable forest management system as it applies to forest management activities undertaken on the defined forest area. The defined forest area consists of 309,589 hectares within TFL 44 and 734 hectares of unregulated timber licenses outside of TFL 44 and private lots both within and outside of TFL 44.

US SIC/NACE Codes: 0851/A0202 - Forestry services
 0811/A0201 - Timber tracts
 2411/A0202 - Logging camps and logging contractors

5.3 Audit Criteria

- CAN/CSA-Z809-1996 West Island Timberlands Sustainable Forest Management System documentation, (May 2003)
- West Islands Timberlands SFM Plan (July 2002)
- West Island Timberlands SFM Annual Report (May 2003)

5.4 Description of the Registrar and the QMI Audit Team

Quality Management Institute (QMI) is a third party management system certification Registrar. QMI is a Division of the CSA Group. Established in 1984, QMI has worked with thousands of organizations in North America and around the world, issuing registration certificates to those that meet international and national management system standards.

The QMI Sustainable Forest Management audit team members bring with them considerable experience in the area of sustainable forest management and environmental management systems auditing. Audit teams are comprised of certified auditors and registered professional foresters. All audit team members are subject to strict confidentiality and conflict of interest agreements.

The following personnel conducted this audit:

Gregor Macintosh RPF, CEA(SFM)	- Audit Team Leader
Nate Ryant RPF, EMS(A)	- Auditor



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5.5 Audit Coverage

An opening meeting where the scope and method of performing the audit was explained, was attended by the personnel listed on Attachment #2.

The audit was conducted in the following number of days:

Pre and Post Audit Total Time:	2.5 Auditor Days
On-Site Audit Time:	2 Persons for 3 Days
On-Site Audit Field Days:	2 Persons for 1.5 Days

All required elements and aspects were audited, as per the audit plan in Attachment 1 according to the requirements of CAN/CSA Z809-1996, CAN/CSA PLUS 1133 and CAN/CSA PLUS 1134.

The audit involved 11 interviews with company staff, 8 interviews with company operators and/or contractors and employees.

Public Advisory Process:

The WIT SFM process is assisted by West Island Woodlands Advisory Group (WIWAG) who are members of the public that represent local stakeholders affected by resource management on the DFA. This body was used to set the Values, Goals, Indicators and Objectives for the DFA. It meets monthly and provides feed-back regarding Indicator performance and ongoing suitability of Indicators. The Audit Team interviewed the following WIWAG members:

Michelle Colossi, WIWAG Facilitator;
Ken McRae, WIWAG member – local government; and
Gary Swan – South Island Woodlot Association.

WIWAG members were invited to observe the audit but none were able to participate.

Indicators Assessed:

The following SFM Indicators were audited in the office and where applicable verified in the field:

Name of Contractor/Staff	Activities Audited	Block ID	Indicators Verified
SC, MdB, SM	Completed Blk.	BLK 262305	8; 10; 23; 36; & 52
SC, MdB, SM	Completed Blk.	BLK 262304	26
SC, MdB, SM	Completed Blk.	BLK TBR 61	5; 7; 10; 23; & 25
SC, MdB, SM	Completed Blk.	BLK 354201	16; 17; 18; & 26
SC, MdB, SM	Completed Blk.	Dixon Lk. Rec. Site	33; 34; & 35
SC, MdB, SM	Completed Blk.	Turnbull Hill	3; 6; & 10
TW; SC; MdB; SM	Wind throw	BLK 263405 (Bone Alley)	5; 7; 14; & 36
Chris Vukovic	Office	N/A	15; 23; 24; & 32
John Flintoff	Office	N/A	15; 23; 24; & 32
Steve Chambers	Office	N/A	38; 39; 40; & 42
Richard Clouthier	Office	N/A	38; 39; 40; & 42
Mile Davis	Office	N/A	4; 6; 8; & 24

5.6 Audit Findings

Conclusions:

The findings were discussed with WIT Staff at the closing meeting which was attended by the personnel listed in Attachment #2.

The Audit Team Leader commenced the closing meeting by thanking the WIT Staff for the cooperation and courtesy extended to the audit team during the audit. The Audit Team Leader conveyed the results of the audit. In addition, the Audit Team Leader detailed the registration process, the requirements for future surveillance audits, and the re-registration process.

The QMI Audit Team recorded the following audit results:

Summary of Documentation Review:

In preparation for the re-registration audit the audit team reviewed the 2002 SFM plan and the new BCCT EMS which is a supporting feature of the WIT SFM plan.

Nonconformances:

Nonconformances raised during the audit – **None as audited.**

Status of Previously Raised Nonconformances:

The following NCRs from the November 02 surveillance audit had their corresponding action plans verified as complete:

SFM-02-01: 6.1
SFM-02-02: 6.4.3.3
SFM-02-03: 6.4.3.3
SFM-02-04: 6.4.3.3

Significant Issues:

WIT has entered into an agreement with Hayes Forestry Services (HFS) of Duncan regarding day to day forest management of operations in the former Franklin River operations of TFL 44. WIT has reviewed the HFS EMS as it applies to the Franklin River portion of the TFL and finds it to be suitable for addressing environmental risk associated with forestry operations. (Hayes Forestry Services has a third party certified EMS. The Audit Team has reviewed the HFS EMS manual.) Under the terms of this agreement HFS agrees to abide by the requirements of the WIT EMS where their own EMS is not applicable. Also, HFS agrees to report on Indicators data for Indicators 2, 3, 4, 5, 6, 7, 8, 11, 12, 13, 14, 15, 21, 22, 23, 24, 25, 26, 29, 30, 31, 32, 34, 36, 41, 42, and 52.

Opportunities for Improvement:

- 6.2.4.5 Consider how, for indicator No. 8 (the number of management programs for species at risk), the number of programs can be increased by six when the FDP is revised.
- Consider reviewing accuracy regarding data for Indicator No. 33 (OGMAs in Landscape and Biogeoclimatic Zones).
- For socio-economic SFM Indicators consider providing annual budgets (where applicable) to augment results as reported in the annual SFM report.
- 6.3.1 Consider inviting members of the Woodlands Advisory Group(s) to the annual Forest Project Annual report to the scientific panel.
- Consider recruiting WIWAG members for Youth / Education and Tourism and Labour.
- 6.4.3.1 Consider increasing awareness of Red/Blue listed species for field crews.
- Consider attaching SFM Roles and Responsibilities (Indicator Data set) to WIWAG web-site.

Positive Practices and Strengths:

The Audit Team observes the following good management practices and features of the WIT SFM system:

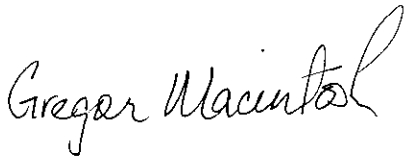
- The Recreation Access Inventory created by the WIWAG and WIT.
- The quality of the wind throw management work and training undertaken by WIT (windthrow assessments; predictive mapping; operational procedures for minimizing the possibility of windthrow)
- West Island Woodlands Advisory Group web-site

6. GENERAL ASSESSMENT AND RECOMMENDATION

The re-registration audit was considered to be successful in confirming the status of the Weyerhaeuser Company Limited, West Island Timberlands Sustainable Forest Management System, which continues to be suitable, adequate and effective.

The West Island Timberlands Sustainable Forest Management System, based on a review of the documentation and the audit findings, should continue to be registered to CAN/CSA-Z809-1996.

Gregor Macintosh, RPF, EMS (LA), CEA(SFM)
Name of Audit Team Leader



Signature of Audit Team Leader

June 20, 2003
Date

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