



SCS Global Services Evaluation of Great Northern Timber, Inc. Compliance with the SBP Framework: Public Summary Report

Second Surveillance Audit

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Completed in accordance with the CB Public Summary Report Template Version 1.4

For further information on the SBP Framework and to view the full set of documentation see www.sbp-cert.org

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1 Overview

CB Name and contact: SCS Global Services, 2000 Powell St. Ste 600 Emeryville, CA 94608

Primary contact for SBP: Maggie Schwartz; info@scsglobalservices.com

Current report completion date: 31/Mar/2021

Report authors: Kyle Meister

Name of the Company: Great Northern Timber, Inc.

Company contact for SBP: Breck Stuart, 201 1883 Upper Water Street, Halifax, Nova Scotia B3J 1S9

Certified Supply Base: New Brunswick, Nova Scotia, and Prince Edward Island, Canada

SBP Certificate Code: SBP-04-34

Date of certificate issue: 04/Dec/2018

Date of certificate expiry: 03/Dec/2023

This report relates to the Second Surveillance Audit

2 Scope of the evaluation and SBP certificate

This certificate covers the production and trade of wood pellets for use in energy production at the organization's pellet mill in Musquodoboit, Nova Scotia and transportation to Port of Halifax, Nova Scotia, Canada.

It also covers a Supply Base Evaluation for sourcing feedstock from the following Canadian Provinces/Territories: Nova Scotia, New Brunswick, and Prince Edward Island.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
The scope includes communication of Dynamic Batch Sustainability Data.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

As already stated on the cover page and the overview page, the evaluation was a/an:	<input type="checkbox"/> Evaluation audit	<input checked="" type="checkbox"/> Surveillance audit
	<input type="checkbox"/> Re-Evaluation audit	<input type="checkbox"/> Other:
The scope of this audit included a review of procedures (e.g., data collection, chain of custody, Due Diligence System (DDS), etc.), documentation (e.g., risk assessments), records (e.g., supplier contracts, SAR), and databases to ensure the organization's management system is appropriate to ensuring conformance to applicable SBP Standards cited in section 4.1.		
Other audit methods that may have been used include field audits, inspection of production facilities (remotely and/or onsite), and interviews with relevant staff, supplier representatives and stakeholders/rightsholders.		

3 Specific objective

The specific objective of this evaluation was to confirm that the Biomass Producer’s management system is capable of ensuring that all requirements of specified SBP Standards are implemented over scope of certification.

If applicable, the following *pre-audit activities* were conducted: pre-assessment; site visits N/A

The following Critical Control Points (CCPs) were identified and evaluated (edit list as appropriate and describe how the organization controls each point and how it was evaluated). Note that you may identify other CCPs for a particular client which you should also describe in the report:

CCP	Description, including how evaluated by SCS
Processes for procurement and processing, transport and storage	<p>Primary feedstock: standing timber or log sorts directly from a harvest site may be purchased through the BP or one of its affiliated companies. A contract and supplier declaration are used to secure harvest rights and ensure compliance to SBP requirements. Trip tickets with unique identifiers are used during transport from the harvest site to pellet mill. Upon delivery to the pellet mill, a scale ticket is issued, and material is dropped off in designated sorting areas. This critical control point has been evaluated via document review of SBE, related procedures, interviews with procurement staff and suppliers and field visits.</p> <p>Secondary and tertiary feedstock: contracts and supplier declarations for sawdust, shaving, offcuts, and other mill residues are used to secure ownership transfer and ensure compliance to SBP requirements. Trip tickets with unique identifiers are used during transport from the supplier to the pellet mill. Upon delivery to the pellet mill, a scale ticket is issued, and material is dropped off in designated sorting areas. This critical control point has been evaluated via document review of SBE, related procedures, interviews with procurement staff and suppliers.</p> <p>Storage: When material is pulled for production, it is weighed to track how much is used for production and how much remains in stock. Primary feedstock is chipped. Whole-log chipping without debarking is now used in most cases.</p>
Volume accounting method	Material is measured in bone-dry metric tonnes. When it is pulled for production, it is weighed.
Documentation of transactions	Load summaries, trip tickets (BOLs), scale tickets, invoices, and DTS reports.
Energy data collection and reporting	Feedstock transport, production, delivery to port, and, where applicable, loading onto buyer’s vessel.

4 SBP Standards utilised

4.1 SBP Standards utilised

Please select all SBP Standards used during this evaluation. All Standards can be accessed and downloaded from <https://sbp-cert.org/documents/standards-documents/standards>

- SBP Framework Standard 1: Feedstock Compliance Standard (Version 1.0, 26 March 2015)
- SBP Framework Standard 2: Verification of SBP-compliant Feedstock (Version 1.0, 26 March 2015)
- SBP Framework Standard 4: Chain of Custody (Version 1.0, 26 March 2015)
- SBP Framework Standard 5: Collection and Communication of Data (Version 1.0, 26 March 2015)

4.2 SBP-endorsed Regional Risk Assessment

- Name of SBP-endorsed Regional Risk Assessment (RRA):
- N/A, no SBP-endorsed RRA.

5 Description of Company, Supply Base and Forest Management

5.1 Description of Company

Great Northern Timber Resources (GNTR) produces industrial wood pellets for export to European power and utilities under its company Great Northern Timber, Inc (GNTI). The Musquodoboit, Nova Scotia pellet mill was first built in 1998. Over the past two decades it has utilized mill residues and low-grade roundwood material that could not be used in other financially viable ways in the province. The pellet mill employs about 25 local workers in a community of less than 500 residents.

The organisation is a legal entity located in: Nova Scotia, Canada.

The following descriptions and activities apply to the organisation:

Biomass activity	Feedstock sourced <input type="checkbox"/> NA, trader only	Feedstock claims* <input type="checkbox"/> NA, trader only	Relationship to other SBP-certified biomass producers/traders
<input checked="" type="checkbox"/> Pellet producer & trader <input type="checkbox"/> Stationary/ <input type="checkbox"/> Mobile Woodchip producer & trader <input type="checkbox"/> Pellet trader <input type="checkbox"/> Woodchip trader	<input checked="" type="checkbox"/> Primary <input checked="" type="checkbox"/> Secondary <input checked="" type="checkbox"/> Pre/ <input type="checkbox"/> Post-consumer tertiary	<input checked="" type="checkbox"/> FSC 100%/Mix Credit <input checked="" type="checkbox"/> FSC Mix x% <input type="checkbox"/> 100% PEFC ¹ /Volume Credit <input type="checkbox"/> SFI Forest Management or 100% <input type="checkbox"/> ATFS <input checked="" type="checkbox"/> Other FSC, SFI or PEFC: FSC Controlled Wood	<input type="checkbox"/> NA, not linked via ownership and/or agreement to other SBP-certified entities; or <input checked="" type="checkbox"/> Organisation is linked to other SBP-certified entities via ownership or agreement: Northern Fibre Terminal, Inc.

*This refers to feedstock claims that the BP may receive per the scope of its Chain of Custody (COC) certificate(s) and not necessarily to claims actually received during the audit period. Equivalents to FSC Controlled Wood or PEFC Controlled Sources must also qualify per an SBE and/or RRA to qualify as SBP-compliant feedstock. See section 5.4 for more details.

Feedstock is sourced from the following regions by administrative unit: Country(ies)	Canada
States/Provinces/Territories	New Brunswick, Nova Scotia, and Prince Edward Island
Number of counties sourced from in case only a portion of an administrative unit is in the SB	<input checked="" type="checkbox"/> N/A – entire administrative unit is in the SB

¹ PEFC recognizes SFI Forest Management, American Tree Farm Standard (ATFS), and CAN/CSA Z809 SFM as 100% PEFC in North America. Other duly recognized standards may be found here: <https://www.pefc.org/> (e.g., CERFLOR Brazil, CERFOAR Argentina, CertforChile, PEFC Estonia, PEFC Latvia, PEFC Lithuania, PEFC Uruguay, Responsible Wood Australia, New Zealand NZFCA, etc.).

5.2 Description of Company's Supply Base

Brief description of the Supply Base within the regional context

Per the BP's Supply Base Report:

Great Northern Timber Resources (GNTR) produces industrial wood pellets for export to the European power and utilities. The Musquodoboit, Nova Scotia pellet mill was first built in 1998. Over the past two decades it has become a vital link in the overall forest products supply chain utilizing mill residues and low grade roundwood material that could not be utilized in other productive and economical ways within the province of Nova Scotia. The pellet mill alone will directly employ 25 local workers in a community of 473 local residents.

Feedstock for the pellet mill is composed of a mixture of primary, secondary and tertiary feedstock from a number of suppliers located in the province of Nova Scotia, Canada. To a lesser extent feedstock is sourced from sawmills in New Brunswick. Furthermore, fibre can come from the province of Prince Edward Island through a pulp mill located in Nova Scotia.

According to the World Wildlife Fund (WWF), these provinces include the following ecoregions:

WWF Ecoregion (scientific code)	Province
Gulf of St. Lawrence lowland forests (NA0408)	NB NS PEI
New England-Acadian forests (NA0410)	NB NS
Eastern Canadian forests (NA0605)	NB NS

There are three distinct land ownership within the supply base; Crown lands, Industrial Freehold and Private woodlots. On crown lands, management responsibility ultimately lies with the government. Licenses to operate are provided to allow harvesting of wood. Regardless of the ownership of the land, trip tickets must accompany each load, demonstrating the origin of the timber (location of the stump).

Nova Scotia

Nova Scotia is dominated by trees. Over 75% of the province's 5,5 million hectares (ha) are dominated by treed vegetation. These 4.2 million ha of forested lands also include areas that are returning to a young forested state after harvesting. There is no sign of permanent forest conversion by agriculture, urbanization or other development². Situated on the south-eastern coast of Canada, Nova Scotia's forests contain 35% hardwood species and 65% softwood species. Part of the Acadian Forest Region, common species include spruce, balsam fir, white pine, maple and birch. Fifty-three (53%) percent of the forest land in Nova Scotia is privately owned and forty-seven (47%) is owned by the provincial or federal government³.

Figure 1. Nova Scotia proportions of land use (%)

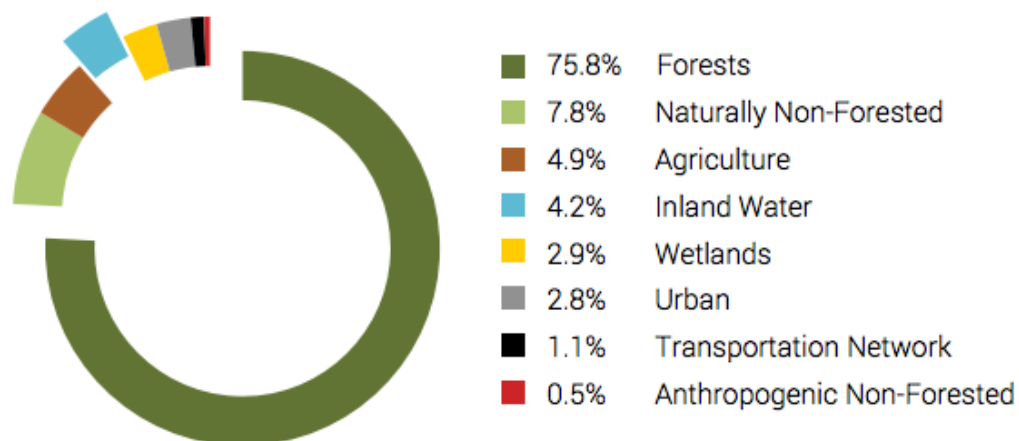
² Source : https://novascotia.ca/natr/forestry/reports/State_of_the_Forest_2016.pdf

³ Source :

https://www.sfmcanada.org/images/Publications/EN/Nova_Scotia_info_Provinces_and_territories_EN.pdf

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Source: *The State of the Forest, 2016* Nova Scotia Department of Natural Resources Renewable Resources Branch (https://novascotia.ca/natr/forestry/reports/State_of_the_Forest_2016.pdf)

Nova Scotia's largest forest product export markets are the United States (54%), the European Union (16%), Turkey (7%). About half of the province's harvesting is for pulp and paper production, although a significant amount of lumber is also manufactured. The total forest products export sales in 2012 were \$384 million.

On public lands, the Nova Scotia Department of Natural Resources (DNR) provides authority to harvest from provincial (Crown) lands under two acts:

- [Crown Lands Act](#), and
- [Scott Maritimes Limited Agreement \(1965\) Act](#).

There are four forms of authority used in the Crown Lands Act, a letter of authority, a permit, a licence and a forest utilization licence agreement. The first two are often used for small sales. The latter are used with mill operators and producers of goods that may be exported. Great Northern Timber Inc (GNTI) have a licence to manage Crown Land in Nova Scotia. GNTI is under common ownership of GNTR and are a supplier of bark to the pellet mill.

The Scott Act referred is a special agreement made in 1965 with a specific company. The current successor to the original company is Northern Pulp Nova Scotia Ltd, which produces pulp for export to global markets. The Scott Act grants to Northern Pulp Nova Scotia Ltd the right to enter upon the Licensed Crown Land and to cut and remove wood. Northern Pulp Nova Scotia are a supplier of secondary feedstock to the pellet mill.

Registry of buyers.

The Department of Natural Resources has been operating the Registry of Buyers since 1998, which is intended to provide the forest use and management information required now and in the future. In addition to providing forest harvest information, the Registry serves as the focal point or link among the various initiatives that are part of the broader forest management process. The Registry of Buyers is a registry of individuals and businesses who acquire primary forest products for processing into secondary products, export, sale as firewood, or production of energy. The information compiled through the Registry is used by the Department of Natural Resources to understand regional primary forest product demand and supply, estimate and monitor sustainable harvest levels, determine long-term resource management needs, and identify forest product and value-added development opportunities.⁴

Wood Acquisition Plan

The Forest Sustainability Regulations require all Registered Buyers acquiring greater than 5000 m³ (2270 cords) from private and industrial lands in Nova Scotia to undertake a silviculture program or pay into the

⁴ Source : <https://novascotia.ca/natr/forestry/registry/annual/2018/Registry-of-Buyers-2017.pdf>

Sustainable Forestry Fund. In each year Registered Buyers must submit a Wood Acquisition Plan which describes how they will meet their silviculture obligations required by the Regulations.⁵

Crown harvest block approval process

There are four main steps in the review of proposed harvest areas on Crown lands.

Step 1. The Crown land Licensee develops proposed harvest areas and prescriptions based on Pre-Treatment Assessment (PTA) and the Forest Management Guides (FMG), subject to all requirements for operating on Crown lands. The Pre-Treatment Assessment (PTA) is an analysis of data that is collected on-site by a forest professional who is trained and certified to carry out PTAs. PTAs use typical forest measurement techniques in order to determine the most appropriate forest management treatment for each site. These measurements include identifying tree species, diameter, height, condition of the trees, and soil type. This data is applied through forest management guides (FMG) which are based on decades of forest research and are designed for various forest types.

Step 2. Department of Natural Resources (DNR) resource management professionals review every proposed harvest plan as part of the Integrated Resource Management (IRM) review process and determine if the plan is appropriate and meets all requirements for operating on Crown lands. The IRM team considers many things including (but not limited to): the provincial strategic forest management plan, property lines and land ownerships, adjacency to protected areas, wildlife habitat, geological information, known recreational activities, areas of significance to Mi'kmaq, and requirements for Special Management Practices (SMP).

Step 3. Each proposed harvest area on Crown land is posted on the Harvest Plan Map Viewer (HPMV), an interactive web viewer, that enables the public to view and comment on harvest plans. The viewer contains tools that enable the user to send comments or a request for a PTA for specific harvest areas. If you send a comment you will receive a notification that your comment has been received. All comments go to the appropriate Crown land licensee with a copy to DNR staff. Responses will normally be provided within 10 days and will normally come from the Licensee. Each harvest plan on the HPMV also includes a closing date for public comments, which is 40 days after the harvest site is first posted. Harvest plans that are new to the map, open or closed for comments, the area of the proposed plan, as well as the planned harvest method and prescription are all identified on the HPMV. Maps on the HPMV will be updated on an approximately ten-day cycle.

Step 4. Crown Land Licensees are notified if the proposed harvest plans are approved or if changes are required following the public comment period and an evaluation by DNR senior management.⁶

As of 2016, five forest industry manufacturers and three woodlot owners' organizations held third-party sustainable forest management certification on 1.3 million ha of land in Nova Scotia. These forests were certified to one of the three certification systems: the Canadian Standards Association (CSA), the Forest Stewardship Council® (FSC®) and the Sustainable Forestry Initiative® (SFI®). (Source: https://www.sfmcanada.org/images/Publications/EN/Nova_Scotia_info_Provinces_and_territories_EN.pdf)

There are no tree species listed in CITES or IUCN found in Nova Scotia.

The Nova Scotia forest industry published a study in 2016 stating that the Nova Scotia forest industry generated the following economic impact:

- *\$2.1 billion in economic impact in 2015 (\$1.2 billion direct impact and \$923 million in indirect impact)*
- *Contributed \$800 million to provincial GDP*
 - *\$410 million direct GDP and \$390 million indirect*
- *Generated 11,500 jobs*

⁵ Source : <https://novascotia.ca/natr/forestry/registry/woodacq.asp>

⁶ Source : <https://novascotia.ca/natr/forestry/fibre-allocation/>

- 6,100 direct jobs and 5,400 indirect jobs.
- Created \$500 million in income

New Brunswick

New Brunswick is located on the east coast and is the largest of the three Maritime Provinces. The Acadian Forest covers most of the province. In New Brunswick, forests cover more than 6 million ha of the province's 7 million ha of land. That represents 83% of the province's total area⁷. Of this, 2% is under the jurisdiction of various federal government departments (Parks Canada, Department of National Defense, etc). The provincial government is responsible for 48%, which is typically referred to as Crown Lands. The remaining 50% is privately owned. Of the half of the province that is in private hands, 20% is owned by industry firms (Industrial Freehold) and the remaining 30% is owned by non-industrial private owners⁸.

In 2016, New Brunswick's largest forest product export market were the United States (78%), India (7%), Indonesia (4%) and a number of other markets. The total forest product export sales in 2016 were \$1.7 billion.

The Crown Lands and Forests Act is the legal foundation of Crown forest management in New Brunswick. It was proclaimed in 1982 and is administered by the Department of Energy and Resource Development (ERD). The Act divides the province's Crown land into 10 timber licenses (forest management units). Crown timber licenses are granted through a 25-year forest management agreement to forest companies called licensees. The New Brunswick government sets management goals and objectives and Licensees are evaluated on their performance by ERD and third-party auditors. Each license has an assigned number of sub-licensees' mills who have been allocated annual volumes of Crown timber products. Operational standards, policies and guidelines for forest management on Crown Lands are established by the provincial government. Crown land forest operations are monitored and periodically assessed by ERD under the Results-Based Forestry system. ERD also evaluates Licensees' forest management performance at five-year intervals.

Private land in New Brunswick falls into 2 categories:

- *Industrial Freehold, which is private land owned by forest companies; and*
- *Private Woodlots.*

Industrial freehold is managed on a commercial scale and most companies have their lands certified to the SFI standard.

Private woodlots in New Brunswick are held by more than 40,000 separate owners. They are free to manage their woodlots as they deem appropriate and must conform to the Clean Water Act. The Forest Products Act established the Forest Products Commission and governs the powers, duties and activities of the Commission including the oversight and general supervision of the Forest Products Marketing Boards. There are seven Forest Products Marketing Boards in the Province that offer services to private woodlot owners. The underlying objective of both the Forest Products Act and the Natural Products Act (with respect to farm products of the forest) is the control and regulation of primary forest products coming from private woodlots in New Brunswick.

All timber that is transported within New Brunswick, whether from Crown Lands or private lands, requires a Transportation Certificate (TC). Under legislation, Crown and private woodlot TC's are subject to audits by ERD and the New Brunswick Forest Products Commission. The Commission is an independent body that

⁷ Source : https://www2.gnb.ca/content/dam/gnb/Departments/nr-rn/pdf/en/ForestsCrownLands/GNBForestryBrochure_EN.pdf

⁸ Source : <https://www2.gnb.ca/content/dam/gnb/Departments/nr-rn/pdf/en/ForestsCrownLands/2011SnapshotOfNB-NonIndustrialForestOwners.pdf>

oversees the marketing relationship involving the forest industries, Forest Product Marketing Boards and the provincial government.

Under the Crown Lands and Forests Act, all wood processing facilities (mills) in New Brunswick must report to ERD the volume and source of their wood supply (including Crown wood, private wood, and imports to New Brunswick). In this way, all Roundwood and biomass harvested and consumed by New Brunswick mills is tracked.

New Brunswick requires that Crown Lands managed by Timber Licensees are certified. At present, all Crown lands managed by Licensees are certified under SFI. Industrial freehold lands controlled or harvested by the licensees are also certified under SFI. In total, 4.2 million ha are certified to the SFI standard in New Brunswick.

There are no tree species listed in CITES or IUCN found in New Brunswick.

Prince Edward Island

Located on the east coast of Canada in the Gulf of St Lawrence, Prince Edward Island (PEI) is Canada's smallest province, with a total area of 568,600 ha. PEI has 250,084 ha of forest land, of which 33,011 ha (13.2%) is public lands and 217,073 ha (86.8%) is private⁹.

PEI's forest belongs to the Acadian Forest region of Canada. The most common coniferous species are black spruce, white spruce, balsam fir and eastern larch with a lesser amount of white pine. The primary deciduous species are red maple, trembling aspen and white birch with sugar maple, red oak, beech, white ash and yellow birch accounting for the remainder.

In 2012, PEI's largest forest product export market were the United States (89%), Japan (4%) and Saudi Arabia (3%). The total forest product export sales in 2012 were \$1.62 million.

Public Lands

Only 13% of PEI's forest is publicly owned. The [Forest Management Act](#) provides authority for the management and harvest of public lands. The province does not allocate long term timber rights for public lands. Instead, all forests products are offered for sale by public tender. The winning bidder only acquires the rights to the stumpage for the specified site and all property rights and ownership remains with the Province. Harvest activity on public lands accounts for a small percentage of the Island's overall softwood and hardwood harvest. During the period 2001-2010, the area harvested on public lands averaged about 100 ha/year or less.

The Forest Management Act provides authority for the management and harvest of public land forests. Forest management plans are prepared for all public lands and posted for public comment. These plans must meet the standards of the Ecosystem-based Forest Management Standards Manual. The province does not allocate long term timber rights for public lands, but it will enter into co-management agreements with groups and organizations that share a commitment to forest stewardship and who can implement work in compliance with the required standards in the Ecosystem-based Forest Management Standards Manual. PEI's Registry Act ensures that private land owners and the province are able to obtain a guaranteed title to a property. Under the Lands Protection Act, no individual may own more than 400 ha of land on PEI. Corporations are limited to 1,200 ha in total. Management and harvesting rights belong to the property owner, but the province does provide forest stewardship assistance and advice to interested land owners.

Private Lands

Most of PEI's forest (87%) is privately-owned by small woodlot owners and farmers. Management and harvest decisions are the right and responsibility of the owner. The province will provide technical advice and assistance to private land owners who are interested in forest stewardship and who practice forestry in compliance standards of the Ecosystem-based Forest management Manual.

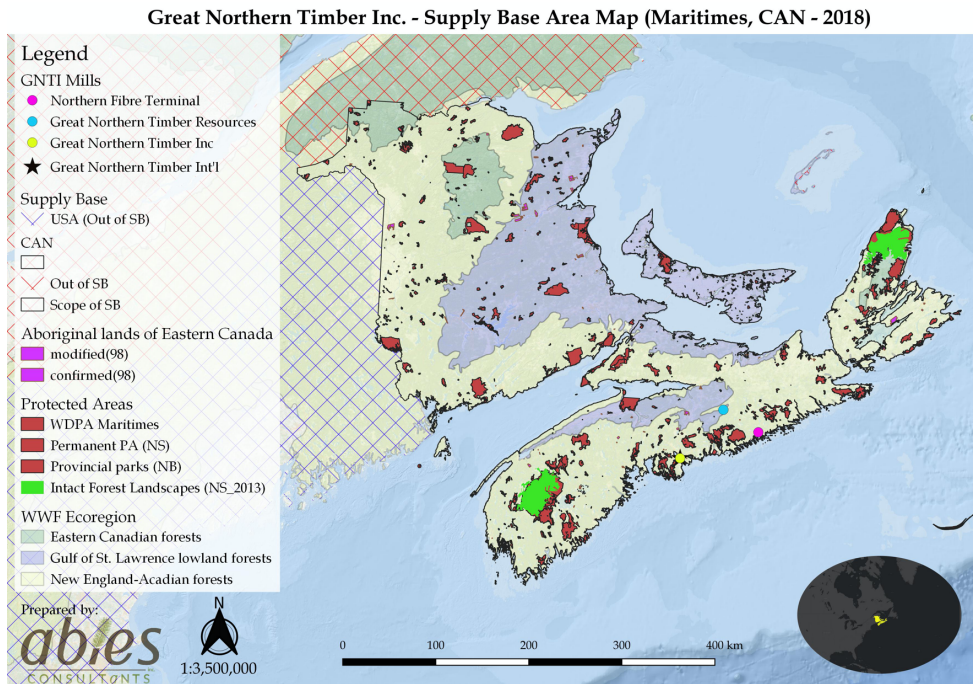
⁹ Source : https://www.sfmcanada.org/images/Publications/EN/PEI_info_Provinces_and_territories_EN.pdf

Under the 2006 Forest Policy, the province made a commitment to implement various forest certification systems. The Province has achieved certification under the FSC system for several public properties comprising 170 ha in the south eastern part of the island. There are also currently 446 ha of privately-owned forest land certified under the FSC system on PEI.

(Source: https://www.sfmcanada.org/images/Publications/EN/PEI_info_Provinces_and_territories_EN.pdf)

There are no tree species listed in CITES or IUCN found on PEI.

Figure 2. Great Northern Timber – Supply Base Area.



The entire supply base is covered by the Supply Base Evaluation (SBE). This means that the tree stumps are all located within the scope of the SBE. Therefore, 100% of the feedstock is SBP Compliant feedstock. All of the feedstock is included within the scope of the Supply Base Evaluation (SBE). There are no supplies of SBP non-compliant feedstock. Tree species include a mix of northern hardwoods and softwoods, all native species commonly found within the Acadian Forest.

A more detailed description is available in the BP's SBR.

Description of how the producer sources feedstock

A detailed description of how the BP sources feedstock is available in the SBR, and in the the previous excerpt. The BP mainly sources roundwood and in-woods chips from Crown Lands and private woodlots. Some roundwood, consisting of low quality logs, may come from local mills. All mill residuals are from mills located within the supply base. All feedstock is certified or sourced via the BP's SBE.

General description of the forest resources and forest management practices within the Supply Base

Land use: Per review of the BP's SBR, the Supply Base is within the Acadian Forest Region. This region consists of a mix of land uses, including managed and unmanaged forest, agricultural land, and urban/human settlements. More information on land use in Canada can be found through McGill University (<https://www.mcgill.ca/library/find/maps/landuse>), GeoNB (<http://www.snb.ca/geonb1/e/index-E.asp>), GeoNOVA (<https://geonova.novascotia.ca>), and the Government of Prince Edward Island (<https://www.princeedwardisland.ca/en/topic/land-use>).

Ownership status: As mentioned in the BP's SBR, forestland ownership consists mostly of freehold (i.e., privately owned/managed) and crown (i.e., publicly owned/managed) in Canada. There are several resources on land ownership available online, such as the New Brunswick land registry (<https://www2.snb.ca/content/snb/en/sites/land-registry.html>), Nova Scotia land registry (<https://novascotia.ca/sns/access/land/land-services-information/land-registry.asp>), and Prince Edward Island register of deeds (<https://www.princeedwardisland.ca/en/information/finance/registrar-deeds>). Socioeconomic conditions: The supply base can be described as rural overall, but with small towns and cities scattered throughout. While mining, forest products, and agriculture are important, the service-related occupations are dominant, contributing over 70% of provincial GDP for the supply base base ([Statistics Canada](#), viewed 17 December 2020).

Forest Composition: A complete list of genera used at the woodchip mill is included in the SBR (e.g., *Acer* spp. (Maple), *Quercus* spp.(Oak), *Betula* spp.(Birch), *Fraxinus* spp.(Ash), *Populus* spp.(Poplar), and *Fagus* (Beech). Several tree species occur in the supply base (*Abies balsamea* - Balsam Fir; *Picea rubens* - Red Spruce; *Picea glauca* - White Spruce; *Picea mariana* - Black Spruce; *Picea abies* - Norway Spruce; *Pinus banksiana* - Jack Pine; *Pinus strobus* – White Pine; *Pinus resinosa* – Red Pine; *Larix laricina* – Tamarack; *Tsuga canadensis* – Hemlock; *Thuja occidentalis* – Eastern White Cedar; *Acer saccharum* - Sugar Maple; *Acer rubrum* - Red Maple; *Acer pensylvanicum* – Striped Maple; *Betula alleghaniensis* - Yellow Birch; *Betula papyrifera* - White Birch; *Betula populifolia* – Grey Birch; *Fagus grandifolia* – Beech; *Quercus rubra* - Red Oak; *Quercus macrocarpa* - Bur Oak; *Populus tremuloides* – Trembling Aspen; *Populus balsamifera* – Balsam Poplar; *Populus grandidentata* – Large Tooth Aspen; and *Ostrya virginiana* – Ironwood).

According to the [Loo and Ives](#) (2003; *The Forestry Chronicle*; viewed 21 July 2020), "The Acadian Forest Region comprises the three Maritime Provinces of Canada, each of which has a distinct history resulting in different patterns of land ownership, land use, and impacts on the forest. The region encompasses a high degree of physiographic and biological diversity, being situated where the warm, moist influence of the Gulf Stream from the south collides with the cold Labrador Current and the boreal forest gradually gives way to mostly deciduous forest. Natural forest types in the Acadian Forest Region include rich tolerant hardwood, similar to the deciduous forests to the south; spruce-fir forest, similar to boreal forest to the north; and an array of coniferous, deciduous, and mixed intermediate types."

Profile of adjacent lands: Per review of the BP's SBR, the Supply Base is within the Acadian Forest Region. This region consists of a mix of land uses, including managed and unmanaged forest, agricultural land, and urban/human settlements. More information on land use in Canada can be found through McGill University (<https://www.mcgill.ca/library/find/maps/landuse>), GeoNB (<http://www.snb.ca/geonb1/e/index-E.asp>), GeoNOVA (<https://geonova.novascotia.ca>), and the Government of Prince Edward Island (<https://www.princeedwardisland.ca/en/topic/land-use>). As mentioned in the BP's SBR, forestland ownership consists mostly of freehold (i.e., privately owned/managed) and crown (i.e., publicly owned/managed) in Canada. There are several resources on land ownership available online, such as the New Brunswick land registry (<https://www2.snb.ca/content/snb/en/sites/land-registry.html>), Nova Scotia land registry (<https://novascotia.ca/sns/access/land/land-services-information/land-registry.asp>), and Prince Edward Island register of deeds (<https://www.princeedwardisland.ca/en/information/finance/registrar-deeds>).

Link to BP's Supply Base Report (SBR)

All SBRs can be found on the SBP certificate database <https://sbp-cert.org/certificate-holders/great-northern-timber-inc-sbp-04-34/>; and

On the BP's webpage: <https://www.greatnortherntimber.com/>

5.3 Detailed description of Supply Base

A quantitative description of the Supply Base can be found in the organisation's Supply Base Report (SBR) file located on its entry page of the SBP Certificate Database. The following are summary statistics from the SBR:

- Total Supply Base area (ha): cumulative area of all forest types within SB
- Tenure by type (ha): privately owned/public/community concession
- Forest by type (ha): boreal/temperate/tropical
- Forest by management type (ha): plantation/managed natural/natural
- Certified forest by scheme (ha): (e.g. hectares of FSC or PEFC-certified forest)

Table 1. Supply base area quantitative description.

	Supply Base Area (ha)		Tenure by Type (ha)		Forest type	Management type	Certified forest by scheme (ha)	
	TOTAL	Forest	Private	Public			FSC	SFI
NS	5 527 360	4 275 000	2 281 000	000	Acadian	Natural	598 457	1 172 319
NB	7 100 000	6 100 000	2 900 000	000	Acadian	Natural	0	4 200 000
PEI	568 600	250 084	217 073	33 011	Acadian	Natural	616	0
		10 625		5 227				
TOTAL	13 195 960	084	5 398 073	011			599 073	5 372 319

Feedstock

- Total volume of Feedstock: tonnes or m³ - volume may be shown in a banding between XXX,000 to YYY,000 tonnes or m³ if a compelling justification is provided*

0 to 200,000 GMT; disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.

- Volume of primary feedstock: tonnes or m³ - volume may be shown in a banding between XXX,000 to YYY,000 tonnes or m³ if a compelling justification is provided*

0 to 200,000 GMT; disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.

- List percentage of primary feedstock (g), by the following categories. - percentages may be shown in a banding between XX% to YY% if a compelling justification is provided*. Subdivide by SBP-approved Forest Management Schemes:

- Certified to an SBP-approved Forest Management Scheme: **0%**
- Not certified to an SBP-approved Forest Management Scheme: **100%**

- List all species in primary feedstock, including scientific name

Hardwood:

Acer spp. (Maple)
 Quercus spp. (Oak)
 Betula spp. (Birch)
 Fraxinus spp. (White Ash)
 Populus spp. (Poplar)
 Fagus (Beech)

Softwood:

Picea spp.(Spruce)

Abies spp.(Fir)

Pinus spp.(Pine)

Tsuga spp(Hemlock)

Larix (Tamarack)

j. Volume of primary feedstock from primary forest

0 to 200,000 GMT; disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.

k. List percentage of primary feedstock from primary forest (j), by the following categories. Subdivide by SBP-approved Forest Management Schemes:

- Primary feedstock from primary forest certified to an SBP-approved Forest Management Scheme – **N/A**
- Primary feedstock from primary forest not certified to an SBP-approved Forest Management Scheme – **100%**

l. Volume of secondary feedstock: specify origin and type - the volume may be shown as a % of the figure in (f) and percentages may be shown in a banding between **40% to 59%**; disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.

m. Volume of tertiary feedstock: specify origin and composition - the volume may be shown as a % of the figure in (f) and percentages may be shown in a banding between **0% to 19%**; disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.

* Compelling justification would be specific evidence that, for example, disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage. State the reasons why the information is commercially sensitive, for example, what competitors would be able to do or determine with knowledge of the information.

Bands for (f) and (g) are:

1. 0 – 200,000 tonnes or m³
2. 200,000 – 400,000 tonnes or m³
3. 400,000 – 600,000 tonnes or m³
4. 600,000 – 800,000 tonnes or m³
5. 800,000 – 1,000,000 tonnes or m³
6. >1,000,000 tonnes or m³

Bands for (h), (l) and (m) are:

1. 0%-19%
2. 20%-39%
3. 40%-59%
4. 60%-79%
5. 80%-100%

NB: Percentage values to be calculated as rounded-up integers.

5.4 Chain of Custody system

As applicable, all material is subject to the organization's COC procedures for sourcing certified and non-certified material. The organization sources material from certified sources under its valid COC certificate(s) per the following systems: FSC PEFC and/or SFI.

As applicable, any non-certified sources have been evaluated under the BP's COC Due Diligence System (DDS) or Controlled Wood procedures, as well as SBE and/or duly approved Regional Risk Assessment.

6 Evaluation process

6.1 Timing of evaluation activities

Auditor name:	Kyle Meister	Auditor role:	Lead auditor
Auditor name:	Hervé Bescond	Auditor role:	Technical expert

Supplier audits	Primary supplier FMUs visited: 8 Secondary/Tertiary supplier interviews: 1
<i>Supplier sampling is determined using SBP sampling formulas described or cited in SBP Standard 3. Audit teams ensure to sample across the variety of forest ecosystems and/or feedstocks from which the organization sources, including by selecting different land ownership/management (e.g., small, public, private, etc.), harvesting types (thinning, final harvest), and feedstock type (primary, secondary, tertiary, hardwood, softwood, etc.).</i>	

A. Number of days spent on-site for evaluation:	3
B. Number of auditors participating in on-site evaluation:	1
C. Number of days spent by any technical experts (in addition to amount in line A):	1
D. Additional days spent on preparation, stakeholder consultation, and follow-up:	0
E. Total number of person days used in evaluation (A * B + C + D):	4

Site Name or Location:	Great Northern Timber, Inc.	
Date and Time of Audit:	14 December 2020 (10am AST): opening meeting, review of audit scopes, initial document/interview requests, selection of ICT, and remote inspection of pellet mill. 18 Dec. 2020 (10:30am AST): review of audit scopes, any remaining interview/document reviews, and closing meeting for SAR 29 March 2021: onsite audit 31 March 2021: final closing meeting	
Audit Activity	Items to Review / Actions	Approx. Time
Opening meeting	Introductions, auditor review of audit scope, audit plan and intro/update to SBP, FSC, and SCS standards and protocols, client description of organization	60 min.
Review of previous nonconformities	Review of evidence of corrective actions taken by organization since previous audit (records, documents, pictures, etc.)	2.5 days
Review of CoC/SBP procedures, products and material accounting	Written procedures, work instructions, feedstock description, product group list, accounting system (transfer, percentage or credit; physical separation, percentage method)	
Review of material balances and records	Auditor-selected sample of the following: material tracking system, summary of purchases and sales, invoices, shipping documents, training records, outsourcing agreements, other applicable SBP/CoC systems, procedures and records, tracebacks from certified outputs to eligible inputs	
Verification of calculations	Auditor-selected sample and verification of calculations for conversion factors, percentage claims, and credit accounts, as applicable	
SBP ST 5, ID5E	Review of GHG data collection, including SAR, DTS, GHG data collection and interviews with relevant staff	
Evaluation of trademarks	Review of auditor-selected sample of SBP and/or SCS on-product and/or promotional trademark uses; review of any on-site trademark uses such as banners, posters, entryway signs	
SBR and SBE	Review of SBR and SBE supporting documentation	

Secondary Supplier Interviews (Conducted via Phone)	Secondary supplier interview – one supplier only	Approx. 15 minutes per call
Remote inspection of facility	Review of physical inputs and outputs, material receipt, processing, storage, credit account (if applicable), sale, and overall control	60 min.
Staff interviews	Interviews with staff to assess knowledge of CoC procedures related to their position	Done as part of remote audit activities
Closing meeting preparation	Auditor takes time to consolidate notes and review audit findings for presentation at closing meeting	60 min.
Closing meeting and review of findings	18 December 2020: Convene with all relevant staff to summarize SAR findings, review identified nonconformities, and discuss next steps	
Postponed On-Site Audit Requirements Primary Site Visits	29 March 2021: SBP STD1-Primary harvest sites; 8 tracts consisting of Crown land and private woodlots.	1 work day
Closing meeting and review of findings	31 March 2021: final closing meeting; convene with all relevant staff to summarize audit findings, review identified nonconformities, and discuss next steps	20 min.
End		

6.2 Description of evaluation activities

Refer to the audit itinerary above. For all SBP evaluations, SCS may collect evidence using a combination of direct observation, document and record review, and interviews with stakeholders, rightsholders and the organization's personnel & service providers. As reviewing all operations would be cost-prohibitive, SCS implements sampling techniques to ensure that all CCPs are assessed during evaluations. When relevant, other areas and locations are sampled during sequential audits to ensure that different aspects of the organization's control systems are evaluated. If a pre-evaluation visit was conducted, results are described below.

- N/A, no pre-evaluation visits.
- Results of any pre-evaluation visits:

6.3 Process for consultation with stakeholders

SCS relies on its Master Stakeholder List, which contains interested parties such as stakeholders and/or rightsholders that are identified by type (e.g. ENGO, Government/regulatory, Educational/Academic, Industry, Indigenous/Aboriginal/Tribal, etc.) This list is categorized by country and state/province/territory at the very least, and for this consultation was filtered to omit any interested parties that were not geographically relevant to the certificate holder/applicant's supply base. A notification is sent out to all identified interested parties after the BP's consultation period has ended. Comments from interested parties that are received outside of regular consultation periods are fully considered. Methods used to communicate with interested parties may include, but are not limited to, public, private or semi-private meetings, email, telephone, written correspondence, and/or messaging application.

Consultation that may have been conducted by the BP during the audit period may be described in the BP's SBR. Sometimes, formal and informal consultation may not be documented in the BP's SBR due to confidentiality concerns of interested parties.

The following consultation activities occurred as a part of this audit:

- Consultation has been conducted by SCS Global Services.
- Consultation has been conducted by SCS Global Services, but interested parties did not respond to any communications and/or did not provide permission to include comments in the report.
- No consultation has been conducted by SCS Global Services.

7 Results

7.1 Main strengths and weaknesses

Strengths	Weaknesses
The BP updates the SBE regularly based on new publications and guidance documents from certification scheme owners, governmental agencies, and ENGOs. Methods for collecting and calculating greenhouse gas data ensure thorough reporting to customers.	Refer to section 10.

7.2 Rigour of Supply Base Evaluation

N/A, no Supply Base Evaluation (SBE) conducted.

Is the current definition of scope adequate for the specific characteristics of the Supply Base and management systems in place?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are the means of verification and evidence provided enough to support the risk conclusion?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Are mitigation measures implemented for specified risk sufficient and adequate?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> NA, no mitigation measures necessary
Are the personnel involved in the development of the Supply Base Evaluation (SBE) knowledgeable in the required fields?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<i>Refer to Section 10 for any deficiencies noted in the SBE.</i>	

7.3 Collection and Communication of Data

The BP maintains records of feedstock supply, power and fuel usage, moisture content, and transport distances and vehicles, which have been compiled into a series of Excel files for monitoring and GHG calculations. The results have been reported in the SAR.

7.4 Competency of involved personnel

The BP used a staff person and a contractor to prepare the SBE. The staff person has a background in forestry and forest engineering, as well as work experience in the forest products and oil & gas sectors. The contractor is an experienced forester with a background in certification and ISO auditing. Thus, the team is well-qualified to conduct the SBE and GHG calculations.

7.5 Stakeholder feedback

No stakeholder comments were received before, during or after the evaluation.

The following comments were received as described in the table below:

Stakeholder Comment	SCS Response

7.6 Preconditions

No preconditions were issued.

Preconditions were issued, which remain *open* as described in the Major NCRs noted in section 10.

Preconditions were issued, all of which the organization *closed* as described in the Major NCRs noted in Section 10.

8 Review of Company's Risk Assessments

Describe how the Certification Body assessed risk for the Indicators. Summarise the CB's final risk ratings in Table 1, together with the Company's final risk ratings. Default for each indicator is 'Low', click on the rating to change. Note: this summary should show the risk ratings before AND after the SVP has been performed and after any mitigation measures have been implemented.

- N/A, no SBE conducted.
- Refer to SBE risk ratings below. SCS assessed risk for the Indicators by evaluating MOV and evidence cited in the SBE, and interviews with relevant staff and a sample of suppliers.

Table 1. Final risk ratings of Indicators as determined BEFORE the SVP and any mitigation measures.

Indicator	Risk rating (Low or Specified)	
	Producer	CB
1.1.1	Low	Low
1.1.2	Low	Low
1.1.3	Low	Low
1.2.1	Low	Low
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Low	Low
2.1.2	Specified	Specified
2.1.3	Specified	Specified
2.2.1	Specified	Specified
2.2.2	Specified	Specified
2.2.3	Specified	Specified
2.2.4	Specified	Specified
2.2.5	Specified	Specified
2.2.6	Low	Low
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Low
2.4.3	Low	Low
2.5.1	Low	Low
2.5.2	Low	Low
2.6.1	Low	Low
2.7.1	Low	Low
2.7.2	Low	Low
2.7.3	Low	Low
2.7.4	Low	Low
2.7.5	Low	Low
2.8.1	Low	Low
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

Table 2. Final risk ratings of Indicators as determined AFTER the SVP and any mitigation measures.

Indicator	Risk rating (Low or Specified)	
	Producer	CB
1.1.1	Low	Low
1.1.2	Low	Low
1.1.3	Low	Low
1.2.1	Low	Low
1.3.1	Low	Low
1.4.1	Low	Low
1.5.1	Low	Low
1.6.1	Low	Low
2.1.1	Low	Low
2.1.2	Low	Low
2.1.3	Low	Low
2.2.1	Low	Low
2.2.2	Low	Low
2.2.3	Low	Low
2.2.4	Low	Low
2.2.5	Low	Low
2.2.6	Low	Low
2.2.7	Low	Low
2.2.8	Low	Low
2.2.9	Low	Low
2.3.1	Low	Low
2.3.2	Low	Low

Indicator	Risk rating (Low or Specified)	
	Producer	CB
2.3.3	Low	Low
2.4.1	Low	Low
2.4.2	Low	Low
2.4.3	Low	Low
2.5.1	Low	Low
2.5.2	Low	Low
2.6.1	Low	Low
2.7.1	Low	Low
2.7.2	Low	Low
2.7.3	Low	Low
2.7.4	Low	Low
2.7.5	Low	Low
2.8.1	Low	Low
2.9.1	Low	Low
2.9.2	Low	Low
2.10.1	Low	Low

9 Review of Company's mitigation measures

- ☒ N/A, no mitigation measures.
- ☒ The organization implements the following mitigation measures

Mitigation measure for the specified risk associated with conversion of forests to non-forest land use consists of avoiding purchasing wood from areas being converted to production plantations or non-forest land use. This mitigation measure is implemented by the signing of contracts with suppliers stating that conversion is to be avoided and through the implementation of the Wood supplier audit program.

Furthermore, for all Specified Risk indicators, supplier audits are implemented as mitigation measures. The supplier audit program is implemented as part of the DDS.

Finally, mitigation measures include signed contracts with suppliers which include conditions for the avoidance of controversial sources of feedstock and specified risk areas within the supply base area.

Indicator	Mitigation measure	Monitoring
2.1.2	<p>FSC Canada have defined a number of control measures that can be implemented. GNTI are implementing two of the control measures:</p> <ul style="list-style-type: none"> • Evidence demonstrates that harvesting does not take place in critical habitats for Specified risk species identified within the CNRA • For all species on private Small Low Intensity Managed Forests (SLIMF), evidence demonstrates that owners and/or land managers of privately-owned forests are informed about: <ul style="list-style-type: none"> ○ The critical habitats of species within their managed forests; and ○ The threats to the critical habitat; and ○ Best management practices to reduce the threats to critical habitat; and ○ Applicable legislation. <p>GNT Report on the implementation of FSC control measures, including maps of identified High Conservation Values.</p>	<p>Signed contracts with each feedstock supplier.</p> <p>Information packages on species at risk provided to land owners and/or land managers that are harvesting within the Blanding's turtle critical habitat. Disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.</p> <p>Annual completion of 10-20 Wood Supplier Audit checklists. Disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.</p>
2.1.3	<p>Mitigation measure for the specified risk associated with conversion of forests to non-forest land use consists of avoiding purchasing wood from areas being converted to production plantations or non-forest land use. This mitigation measure is implemented by the signing of contracts with suppliers stating that conversion is to be avoided and through the implementation of the Wood supplier audit program.</p>	<p>Map of specified risk area associated with conversion to non-forest land use.</p> <p>Signed contracts with each feedstock supplier.</p> <p>Annual completion of 10-20 Wood Supplier Audit checklists. Disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.</p>
2.2.1	<p>Wood supplier audit program</p>	<p>Annual completion of 10-20 Wood Supplier Audit checklists. Disclosure of the exact figure would reveal</p>

		commercially sensitive information that could be used by competitors to gain competitive advantage.
2.2.2	Wood supplier audit program	Annual completion of 10-20 Wood Supplier Audit checklists. Disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.
2.2.3	Wood supplier audit program	Annual completion of 10-20 Wood Supplier Audit checklists. Disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.
2.2.4	Wood supplier audit program	Annual completion of 10-20 Wood Supplier Audit checklists. Disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.
2.2.5	Wood supplier audit program	Annual completion of 10-20 Wood Supplier Audit checklists. Disclosure of the exact figure would reveal commercially sensitive information that could be used by competitors to gain competitive advantage.

10 Non-conformities and observations

Identify all non-conformities and observations raised/closed during the evaluation (a tabular format below may be used here). Please use as many copies of the table as needed. For each, give details to include at least the following:

- applicable requirement(s)
- grading of the non-conformity (major or minor) or observation with supporting rationale
- timeframe for resolution of the non-conformity
- a statement as to whether the non-conformity is likely to impact upon the integrity of the affected SBP-certified products and the credibility of the SBP trademarks.

2019 findings

NC number 2019.1	NC Grading: Observation
Standard & Requirement:	ST 1, 2.2.1-2.2.8 and 2.8.1
Description of Non-conformance and Related Evidence:	
<p>The BP works with three logging contractors in Nova Scotia, each of whom also harvests on Crown Land. This means that each undergoes a health & safety and environmental audit by Crown Foresters at least once per year during years when the contractor is active on Crown Land. Topics covered include safety and BMP compliance, among others. Additional references in the SBE of the health & safety and environmental audit process would strengthen the evidence of conformance.</p> <p>Evidence: Appendix VI: Forest Operations Safety & Environmental Audit Form for Nova Scotia for the three logging contractors that BP contracts in the province.</p>	
Timeline for Conformance:	Response is optional
Evidence Provided by Company to close NC:	The SBE has been updated to reflect this information for these indicators.
Findings for Evaluation of Evidence:	Confirmed via review of SBE.
NC Status:	Closed.

NC number 2019.2	NC Grading: Observation
Standard & Requirement:	ST 1, 2.2.5 and 2.4.2
Description of Non-conformance and Related Evidence:	
<p>The BP describes provincial laws & regulations in the findings section related to conformance to indicators 2.2.5 and 2.4.2, but does not cite its list of laws & regulations in the MOV/Evidence. It appears that this may have been removed during combining the GNTI and NFT SBEs since it is present in last year's SBE, which is still available publicly. A review of all indicators that rely on the list of laws & regulations should be conducted to ensure consistency.</p>	
Timeline for Conformance:	Response is optional
Evidence Provided by Company to close NC:	The SBE has been corrected.
Findings for Evaluation of Evidence:	Confirmed via review of SBE.
NC Status:	Closed.

NC number 2019.3	NC Grading: Observation
Standard & Requirement:	<i>ST 1, 2.5.1</i>
Description of Non-conformance and Related Evidence:	
<p>There are consultation processes in place on Crown Lands and, in many cases, on certified industrial freehold lands. The BP relies on FSC Canada Control Measure 1 (“Indigenous Peoples with legal and/or customary rights within the Forest Management Unit do not oppose* the Forest Management Plan. Guidance: *oppose = opposition demonstrated through active litigation, blockade, protest or other significant conflict of substantial magnitude.”). For non-certified industrial freehold and private woodlots visited during the audit, review of wood supplier audit checklists, stakeholder consultation, and field observation did not reveal any opposition to forest management. Reliance upon these sources of information alone, however, may not reveal any litigation or other opposition that could be formally registered in the legal system or media.</p>	
Timeline for Conformance:	<i>Response is optional</i>
Evidence Provided by Company to close NC:	<i>The SBE has been updated to reflect this.</i>
Findings for Evaluation of Evidence:	<i>Confirmed via review of SBE.</i>
NC Status:	<i>Closed.</i>

NC number 2019.4	NC Grading: Observation.
Standard & Requirement:	<i>ST 4, 5.2.2 and 5.2.5</i>
Description of Non-conformance and Related Evidence:	
<p>One supplier did not supply Bills of Lading (BOLs) for one week of feedstock delivered to the pellet mill; however, BOL number were referenced on the scale tickets and were available for other weeks evaluated. This indicates that this issue is not systematic and that traceability can still be ensured for that week, but would require consultation with the supplier if an enquiry were necessary.</p> <p>Contrary to the supplier’s claim in interviews, it does not have SFI certification in COC or Fibre-sourcing. The supplier could not be found on the SFI database.</p> <p>Evidence: Delco: scale tickets (sawdust): 8517, 8518, 8543, 8588, and 8603 (BOLs referenced within scale tickets, but copies not provided to BP). Checked BOLs and Scale tickets for another week, and BOLs were available: 65117/8636, 65131/8656, 65155/8668, 65167/8677, and 65186/8690.</p>	
Timeline for Conformance:	<i>Response is optional</i>
Evidence Provided by Company to close NC:	<i>An investigation was conducted and the supplier’s new hire was not properly filing records. The records were tracked down and the hire was removed of the procedure.</i>
Findings for Evaluation of Evidence:	<i>Confirmed via review of ST 4 supplier records sampled that there were no issues with maintaining BOLs.</i>
NC Status:	<i>Closed.</i>

NC number 2019.5	NC Grading: Observation
Standard & Requirement:	<i>ST 5, ID5E, 3.2.5, 3.2.6, and 3.2.7</i>
Description of Non-conformance and Related Evidence:	
<p>GTS-157352265003796536285-TR was sold October 31, 2019, which would fall under the reporting period for the 2020 SAR as the typical reporting period is September 1-August 31 for the BP. However, it could not have registered this sale without an SDI. So, the SDI was made using the SDIs for the 2019 reporting period and the volume sold reported in the 2019 SAR.</p>	

This is a new requirement. The certification body and/or SBP should be consulted to see if any changes are necessary.	
Evidence: GTS-157352265003796536285-TR (DTS file) and SAR.	
Timeline for Conformance:	<i>Response is optional</i>
Evidence Provided by Company to close NC:	<i>The new SAR has SDIs for the mill gate and port.</i>
Findings for Evaluation of Evidence:	<i>Confirmed via review of SAR.</i>
NC Status:	<i>Closed.</i>

2020 findings

NC number 2020.1	NC Grading: Major
Standard & Requirement:	Primary standard reference: ST 1, IN 1A, 2.1 Secondary standard reference: ST 1, section 6, indicators 2.1.1, 2.1.2, and 2.9.1
Description of Non-conformance and Related Evidence:	
<p>The BP has not demonstrated means of verification for the following indicators of SBP-STD-1-V1-0:</p> <ul style="list-style-type: none"> • 2.1.1 and 2.1.2 – Even though the FSC Canada NRA contains numerous references to sources used to evaluate for the presence and protection/conservation status of Intact Forest Landscapes (IFLs; see https://www.globalforestwatch.org) in Canada and per review of Global Forest Watch data there are no IFLs in the BP's Supply Base, SCS has received a Major CAR from the accreditation body which requires that BPs in Canada cite sources used to identify the presence and protection/conservation status of IFLs within the Supply Base; <ul style="list-style-type: none"> ○ Any justification for low risk at the initial stage must include a description of a protective framework through effective legislation, conservation programs, etc. Alternatively, it can be demonstrated by the BP how sourcing from these areas is avoided; ○ Note that evidence is not sufficient if only sources or protection frameworks are mentioned. A description of the effectiveness of legal frameworks or conservation programs is required; • 2.9.1 - Per the Major CAR from the accreditation body, the assessment of feedstock from areas that had high carbon stocks in January 2008 and no longer have those high carbon stocks must specifically reference the 2008 cut-off date, and not just how the BP avoids sourcing from existing high carbon stock areas. The current mechanisms for BP avoiding negative impacts to potentially carbon rich ecosystems is through avoidance of conversion sites and logging of potentially sensitive sites under frozen conditions; <ul style="list-style-type: none"> ○ Not only must the present situation be assessed, but also the past to exclude sourcing from areas that may have been converted from carbon rich ecosystems such as wetland/peatland to ecosystems with less soil carbon (e.g., plantations). 	
Evidence: SBE, 2.1.1, 2.1.2, and 2.9.1	
Timeline for Conformance:	3 months from the report finalisation
Evidence Provided by Company to close NC:	<i>Click or tap here to enter description provided by Company to close the NC.</i>
Findings for Evaluation of Evidence:	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
NC Status:	<i>Choose status.</i>

NC number 2020.2	NC Grading: Minor
Standard & Requirement:	ST 2, 18.4
Description of Non-conformance and Related Evidence:	
<p>The description of completed monitoring of mitigation measures is included in the SBR. However, results of monitoring are not always clearly presented in a way that clearly links them to meeting the objectives of mitigation measures.</p> <p>Note that the frequency of use of certain monitoring activities may vary within the Supply Base (e.g., monitoring reports prepared by provincial authorities).</p> <p>Evidence: SBR, section 9</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	The SBR was updated to reflect monitoring results, which include completion of signed supplier agreements and wood supplier audits, review of conversion risk maps, and providing of materials on HCVs with specified risk to landowners and land managers.
Findings for Evaluation of Evidence:	Confirmed that SBR was updated with monitoring results.
NC Status:	Closed

NC number 2020.3	NC Grading: Minor
Standard & Requirement:	ST 1, section 6, indicator 2.2.6
Description of Non-conformance and Related Evidence:	
<p>On one of the harvest sites visited, which was still active at the time of the field audit, there was evidence of runoff entering a stream. While some remedial action has been taken (e.g., placement of straw over the filter strip), runoff is still evident onsite.</p> <p>Evidence: Field observation on Crown land, C0200172</p>	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	<i>Click or tap here to enter description provided by Company to close the NC.</i>
Findings for Evaluation of Evidence:	<i>Click or tap here to enter findings for evaluation of evidence by the auditor.</i>
NC Status:	Open

11 Certification decision

Based on the auditor's recommendation and the Certification Body's quality review, the following certification decision is taken:

Certification decision:	Certification approved
Certification decision by (name of the person):	Theodore Brauer
Date of decision:	22/Apr/2021
Other comments:	<i>Click or tap here to enter text.</i>