

<b>Certificate Holder:</b>	Daishowa-Marubeni International Ltd. Peace River Pulp Division	<b>Certification Body (CB):</b>	KPMG Forest Certification Services Inc.
<b>FSC CW certificate code:</b>	KF- COC/CW-001020	<b>Date of CB Approval:</b>	May 1, 2015.
<b>Date of Risk Assessment:</b>	September 30, 2014	<b>Address of CB:</b>	900 – 777 Dunsmuir Street, Vancouver BC V7Y 1K3
<b>Certificate Holder Address:</b>	Woodlands Business Unit Postal Bag 6500, Pulp Mill Site Peace River, Alberta T8S 1V5		
<b>Districts, including countries covered with this risk assessment:</b>	Northwest Alberta and Northeast British Columbia (See Appendix 1 & Appendix 2 depicting ecoregions <sup>1</sup> within the District of Origin)		

Scope: The risk assessment pertains to the District of Origin as defined in Appendix 1&2 for the fibre supply to the DMI (PRPD) Pulp Mill located in Peace River, Alberta, Canada.

Category	FSC Indicator	Information Sources Used	Brief justification	Risk Designation
<b>1. Illegally Harvested Wood</b> The district of origin may be considered low risk in relation to illegal harvesting when all the following indicators related to forest governance are present:	1.1 Evidence of enforcement of logging related laws in the district	AB: <a href="http://www.illegal-logging.info">www.illegal-logging.info</a> <a href="http://www.eia-international.org">www.eia-international.org</a> <a href="http://www.gp.alberta.ca/documents/Regs/1973_060.pdf">http://www.gp.alberta.ca/documents/Regs/1973_060.pdf</a> - Timber Management Regulations <a href="http://esrd.alberta.ca/focus/compliance-assurance-program/environmental-protection-commission-reports/documents/ComplianceAssuranceAnnual2013-2014-Jul15-2014.pdf">http://esrd.alberta.ca/focus/compliance-assurance-program/environmental-protection-commission-reports/documents/ComplianceAssuranceAnnual2013-2014-Jul15-2014.pdf</a> Public disclosure of Enforcement and Compliance in Alberta	Canada is a party to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). Canada has adopted legislation for enforcing this convention, the Wild Animal and Plant Protection and Regulation of International and Interprovincial Trade Act (WAPPRITA), similar to the US amended Lacey Act and the European Union Timber Regulation.  In Alberta, Section 120 of the Timber Management Regulations outlines the Transportation requirements and Schedules 1 and 2 in the regulation outlines enforcement measures.  The Timber Management Regulation includes provisions to ensure that compliance and enforcement takes place and that each load of timber from private and public land is accompanied by a load slip.  The Government of Alberta monitors compliance by conducting planned	<b>Low Risk</b>

<sup>1</sup> World Wildlife Fund – US, Terrestrial Ecosystems of the World, 2004. URL: <http://www.worldwildlife.org/pages/conservation-science-data-and-tools>

		<p>BC:</p> <p><a href="http://www.for.gov.bc.ca/tasb/legsregs/">http://www.for.gov.bc.ca/tasb/legsregs/</a>  <a href="http://www.for.gov.bc.ca/hen/">http://www.for.gov.bc.ca/hen/</a></p>	<p>and random audits of forest operations and timber production and by conducting field inspections. There is also self-reporting by forest companies and individuals.</p> <p>There is legislation in place to regulate forestry activities, which is generally well enforced. There is no evidence that illegal logging is a wide scale problem in these districts.</p>
1.2 There is evidence in the district demonstrating the legality of harvests and wood purchases that includes robust and effective systems for granting licenses and harvest permits.	<p><a href="http://www.illegal-logging.info">www.illegal-logging.info</a>  <a href="http://www.eia-international.org">www.eia-international.org</a>  <a href="http://esrd.alberta.ca/lands-forests/forest-management/forest-management-agreements/fma-holders.aspx">http://esrd.alberta.ca/lands-forests/forest-management/forest-management-agreements/fma-holders.aspx</a>  -DMI FMA Agreements (East &amp; West)</p>	<p>Harvesting without required permit or felling license is not known to be a problem in the country based on international sources and reports in relation to illegal logging.</p> <p>DMI FMA Agreements are awarded by the provincial government and are available on-line.</p> <p>Strong legislation is in place in British Columbia regarding the granting and regulation of harvesting rights and the marking, scaling and transportation of timber. British Columbia has government staff dedicated to the monitoring of compliance with and to enforce forest Acts and Regulations by forest companies.</p> <p><b>Timber Marking and Transportation Regulation</b> includes provisions to ensure that compliance and enforcement takes place and that each load of timber is accompanied by a load slip.</p>	
1.3 There is little or no evidence or reporting of illegal harvesting in the district of origin.	<p>AB:</p> <p><a href="http://www.illegal-logging.info">www.illegal-logging.info</a>  <a href="http://www.eia-international.org">www.eia-international.org</a>  <a href="http://esrd.alberta.ca/focus/compliance-assurance-program/environmental-protection-commission-reports/documents/ComplianceAssuranceAnnual2013-2014-Jul15-2014.pdf">http://esrd.alberta.ca/focus/compliance-assurance-program/environmental-protection-commission-reports/documents/ComplianceAssuranceAnnual2013-2014-Jul15-2014.pdf</a>  <a href="http://www.srduatnew.gov.ab.ca/FormsOnlineServices/Directives/documents/97-21-">http://www.srduatnew.gov.ab.ca/FormsOnlineServices/Directives/documents/97-21-</a></p>	<p>Harvesting without required permit or felling license is not known to be a problem in the country based on international sources and reports in relation to illegal logging.</p> <p>Compliance and Enforcement infractions of the Timber Management regulation are made publicly available and there is little or no evidence of illegal harvesting in the district of origin.</p> <p>DMI has contracts and declarations stating that fibre does not originate from illegal/controversial sources for the entire District of Origin.</p>	

		<p><a href="#">PublicDisclosureOfPenalties-Nov2010.pdf</a>- Public disclosure of Enforcement and Compliance in Alberta</p> <p><a href="http://www.dmi.ca/about_dmi/dmi_in_alber/ta/prpd/ems/documents/FibreProcurementPolicyAug2012.pdf">http://www.dmi.ca/about_dmi/dmi_in_alber/ta/prpd/ems/documents/FibreProcurementPolicyAug2012.pdf</a> - DMI Fibre Procurement Principles</p> <p>BC : <a href="http://www.for.gov.bc.ca/hen/">http://www.for.gov.bc.ca/hen/</a></p>		
	<p>1.4 There is a low perception of corruption related to the granting or issuing of harvesting permits and other areas of law enforcement related to harvesting and wood trade.</p>	<p><a href="http://www.transparency.org">http://www.transparency.org</a> - Transparency International maintains regularly updated information on perceptions of corruption at the national level</p>	<p>There are no reports or information about significant levels of illegal harvesting in the country.</p> <p>As per the Transparency International's 2008 Transparency International Corruption Perceptions Index (Transparency International, 2013), Canada ranks as the 9<sup>th</sup> least corrupt country in the world. Canada ranks lower than Denmark, the least corrupt, but higher than the US, at 19<sup>th</sup> least corrupt.</p>	

<p><b>2. Wood harvested in violation of traditional or civil rights</b></p> <p>The district of origin may be considered low risk in relation to the violation of traditional, civil and collective rights when all the following indicators are present:</p>	<p>2.1 There is no UN Security Council ban on timber exports from the country concerned;</p>	<p><a href="http://www.un.org">www.un.org</a></p>	<p>There is currently no UN Security Council ban on timber exports from Canada.</p>	<p><b>Low Risk</b></p>
	<p>2.2 The country or district is not designated a source of conflict timber (e.g. USAID Type 1 conflict timber)</p>	<p>Global Policy Forum</p> <p><a href="http://www.globalpolicy.org/security/natres/timbrindex.htm">www.globalpolicy.org/security/natres/timbrindex.htm</a></p> <p><a href="http://www.illegal-logging.info">www.illegal-logging.info</a></p> <p>AB:</p> <p><a href="http://esrd.alberta.ca/">http://esrd.alberta.ca/</a></p> <p>BC:</p> <p><a href="http://www.gov.bc.ca/for/">http://www.gov.bc.ca/for/</a></p>	<p>Canada is not designated as a source of conflict timber.</p>	
<p>2.3 There is no evidence of child labour or violation of ILO Fundamental Principles and Rights at work taking place in forest areas in the district concerned</p>	<p><a href="http://laws.justice.gc.ca/en/L-2/">http://laws.justice.gc.ca/en/L-2/</a> - Canada Labour Code and Regulations</p> <p><a href="http://www.ilo.org/ipeinfo/product/download.do?type=document&amp;id=2299">http://www.ilo.org/ipeinfo/product/download.do?type=document&amp;id=2299</a> Global Child labour trends 2000 to 2004. ILO (International Labour Office)</p> <p>AB:</p> <p><a href="http://work.alberta.ca/employment-standards.html">http://work.alberta.ca/employment-standards.html</a></p> <p><a href="http://www.gp.alberta.ca/documents/acts/e09.pdf">http://www.gp.alberta.ca/documents/acts/e09.pdf</a></p>	<p>Forest employment in Canada is regulated under federal (s. 179 (Act); s. 10 (Reg.) - <i>Canada Labour Code and Regulations</i>) also strong provincial legislation exists in both AB &amp; BC. <i>Employment Standards Code and Regulations</i>) labour codes, which prohibit child labour, protect the rights of workers to organize and are consistent with other ILO provisions.</p>		

		<p>Alberta Employment Standards Code and Regulations</p> <p>BC:</p> <p><a href="http://www.labour.gov.bc.ca/esb/">http://www.labour.gov.bc.ca/esb/</a></p> <p><a href="http://www.bclaws.ca/civix/document/id/complete/statreg/96113_01">http://www.bclaws.ca/civix/document/id/complete/statreg/96113_01</a></p>		
	<p>2.4 There are recognized and equitable processes in place to resolve conflicts of substantial magnitude pertaining to traditional rights including use rights, cultural interests or traditional cultural identity in the district concerned</p>	<p><a href="http://www.treaty8.ca/">http://www.treaty8.ca/</a></p> <p>- Treaty 8 website</p> <p>AB:</p> <p><a href="http://www.aboriginal.alberta.ca/1.cfm">http://www.aboriginal.alberta.ca/1.cfm</a></p> <p>BC:</p> <p><a href="http://www.gov.bc.ca/arr/">http://www.gov.bc.ca/arr/</a></p> <p><a href="http://www.for.gov.bc.ca/haa/">http://www.for.gov.bc.ca/haa/</a></p>	<p>The District of origin is Treaty 8 Territory, home of several First Nations.</p> <p>The courts of Canada have established a legally binding consultation system. There is a process in place with both the governments of Canada and the provinces to negotiate and implement land claims and self-government agreements. Many First Nations have treaties with the government of Canada.</p> <p>Alberta has a First Nation consultation policy that must be followed by industry. Approvals are dependent upon adequate First Nation consultation.</p> <p>In BC the Forest and Range Practices Act requires efforts to be made in information sharing between industry and First Nations as a means to identify and where necessary conserve or protect cultural heritage resources.</p>	

	<p>2.5 There is no evidence of violation of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in the forest areas in the district concerned.</p>	<p><a href="#">Canadian Human Rights Commission</a>  <a href="#">Alberta Human Rights Commission</a>  <a href="http://www.bchrt.bc.ca/index.htm">http://www.bchrt.bc.ca/index.htm</a>  <a href="http://www.gov.bc.ca/arr/treaty/default.html">www.gov.bc.ca/arr/treaty/default.html</a>  <a href="#">Aboriginal Affairs and Northern Development Canada</a>  -- Federal aboriginal employment policy.  <a href="http://www.ilo.org/indigenous/Conventions/no169/lang--en/index.htm">http://www.ilo.org/indigenous/Conventions/no169/lang--en/index.htm</a> - the ILO Convention 169 on Indigenous and Tribal Peoples</p>	<p>Federal and provincial laws protect the rights of all workers including aboriginal employees.</p> <p>Violation of ILO Convention 169 and the rights of Indigenous and Tribal people is not known to be a problem in District of Origin based on international sources and reports.</p>	
<p><b>3. Wood harvested from forest in which high conservation values are threatened by management activities</b> The district of origin may be considered low risk in relation to threat to high conservation values if: a) indicator 3.1 is met; or b) indicator 3.2 eliminates (or greatly mitigates) the threat posed to the district of</p>	<p>3.1 Forest management activities in the relevant level (eco-region, sub-eco-region, local) do not threaten ecologically significant high conservation values.</p>	<p>Conservation International  <a href="http://www.conservation.org/where/Pages/default.aspx">http://www.conservation.org/where/Pages/default.aspx</a></p> <p>Convention on Biological Diversity  <a href="http://www.cbd.int/countries/?country">http://www.cbd.int/countries/?country</a></p> <p>International Union for the Conservation of Nature's Centre of Plant Diversity  <a href="http://www.biodiversity-z.org/areas/11">http://www.biodiversity-z.org/areas/11</a>  <a href="http://worldwildlife.org/science/wildfinder/">http://worldwildlife.org/science/wildfinder/</a> -</p> <p>WWF Terrestrial Ecoregions including the Global 200 Ecoregions  <a href="http://www.worldwildlife.org/biome-categories/terrestrial-ecoregions">http://www.worldwildlife.org/biome-categories/terrestrial-ecoregions</a>  <a href="https://www.worldwildlife.org/publications/">https://www.worldwildlife.org/publications/</a></p> <p>WWF Priority Places  <a href="http://www.worldwildlife.org/places">http://www.worldwildlife.org/places</a></p> <p>World Resources Institute (Frontier Forest)  <a href="http://multimedia.wri.org/frontier_forest_maps/name-nof.html">http://multimedia.wri.org/frontier_forest_maps/name-nof.html</a></p>	<p><b><u>Significant HCV's not present in the District of Origin (at the ecoregion level)</u></b></p> <p>Conservation International biodiversity hot spots or high priority wilderness areas</p> <p>Centres of plant diversity as identified by IUCN and WWF</p> <p>There are no WWF Global 200 or Priority Places listed as Critical / Endangered within the District of Origin</p> <p><b><u>Significant HCV's present in the District of Origin but not threatened by forest management activities (at the ecoregion level)</u></b></p> <p>The Muskwa-Slave Lake Forest is identified in the Global 200 Ecoregions as relatively stable / intact forest.</p> <p>Intact Forest Landscapes</p> <p>The district of origin contains some areas of provincially significant intact forests (5,000 ha to 50,000 ha). However, none of the provincially significant intact forests are located in the ecoregions identified in the "<a href="#">FSC Controlled Wood Information Matrix</a>" as being threatened by forest management activities.</p>	<p><b>Low Risk at the ecoregion level</b></p>

<p>origin by non-compliance with 3.1.</p>		<p>Intact Forests Landscapes / Last Great Intact Forests of Canada – Parts 1&amp;2  <a href="http://www.intactforests.org">www.intactforests.org</a></p> <p>Global Forest Watch  <a href="http://www.globalforestwatch.ca/publications/20090402A">http://www.globalforestwatch.ca/publications/20090402A</a></p> <p>Federal Species at Risk Act –Woodland Caribou Recovery Strategies  <a href="http://www.sararegistry.gc.ca/document/default_e.cfm?documentID=2253">http://www.sararegistry.gc.ca/document/default_e.cfm?documentID=2253</a>  <a href="http://www.sararegistry.gc.ca/virtual_sara/files/plans/rs_caribou_boreal_caribou_0912_e1.pdf">http://www.sararegistry.gc.ca/virtual_sara/files/plans/rs_caribou_boreal_caribou_0912_e1.pdf</a></p> <p>AB:  <a href="#">AB Caribou Recovery Plan:</a>  <a href="#">Status of the Woodland Caribou in Alberta (2010 Update):</a>  <a href="#">West Central Alberta Caribou Landscape Plan:</a>  <a href="#">Alberta Caribou Committee:</a></p> <p>BC:  <a href="#">Identified Wildlife Management Strategy:</a>  <a href="#">BC Caribou Recovery Plan:</a>  <a href="#">BC Parks:</a></p>	<p><b><u>Significant HCV's present in the District of Origin and potentially threatened by forest management activities (at the ecoregion level)</u></b></p> <p>WWF Ecoregion Status not listed as Global 200</p> <p>The Canadian Aspen Forests and Parklands and the Alberta-British Columbia Foothills Forests are listed as critical / endangered in the WWF ecoregions but are not identified in the "<a href="#">FSC Controlled Wood Information Matrix</a>" as being threatened by forest management activities</p> <p>Woodland Caribou populations – the various caribou herds within the District of Origin are listed as a threatened species under the Federal Species at Risk Act.</p> <p>Current <a href="#">caribou policy</a> emphasizes a principle that caribou conservation is a shared government, public and private sector responsibility, but that it will be led by government including the identification of targets (population, habitat), directing recovery planning forums and population intervention management (caribou, predators, moose, deer). Dating back to 2005, such forums have been initiated with government invitation to stakeholders ONLY within west-central Alberta and northeast Alberta. No government forums or core habitat have been set out or scheduled by government for northwest Alberta caribou ranges to 2014. In Alberta, Caribou decline is a cumulative effects issue across government land-use policy (land access – public, industry), predator-prey population management, active climate change influences, and multiple overlapping industry sectors on the landscape. Recovery solutions are distinctly not solely within the realm of the forest-sector, nor solely within industry control.</p>	
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		<p><a href="#">DMI DFMP Summary</a></p> <p><a href="#">ESRD Forest Management Plans</a></p>	<p>DMI's Detailed Forest Management Plans (for both FMA's) have been developed by implementing the Ecosystem Based Management (EBM) as a coarse filter approach to risk management. The concept is to emulate natural disturbances (primarily fire events) that occur naturally on the landscape. Northern boreal plains landscapes are subject to extensive, recurrent wildfire disturbance history, a landscape NRV state under which caribou and other species have persisted because of northern fire regime characteristics which leave fires skips and tremendous residual forest structure surviving those fires within and proximal to those burns. A key component to this approach is a commitment to leave 15% retention at the landscape level. Retention serves several purposes such as, hiding / line of sight cover, coarse woody debris recruitment, connectivity to the adjacent forests – these retention patches serve as habitat and corridors or stepping stones for species recovery and dispersal. DMI's emulation strategy (EBM, variable retention harvest design) strives to leave similar patterns of structure that are among the highest levels in Canada, along with the additive benefit of another 40+% of the FMA landbase not operated by the company because of exclusions for various sensitive values or operability challenge (landbase excluded from timber supply).</p> <p>Landscape scale connectivity is the basis on which DMI's identification of a Continuous Reserve Network (CRN) has been developed. This CRN is the collective landscape portions that are part of or embedded within DMI FMA tenures that have been identified for exclusion from timber supply. It represents a significant portion of the northern FMA landscape (c. 1.18 million hectares) and arguably contributes to protecting sensitive unique values and natural processes within DMI FMA tenures, because these areas are not subject to forest harvest operations. The CRN does inherently also account for portions of caribou range overlapping DMI tenure that are not subject to timber harvest nor part of DMI timber supply.</p> <p>Distinct Biophysical Attributes form part of the definition of high-quality or critical habitat for caribou (per the Environment Canada National Recovery Strategy -2012 &amp; Env Can associated Science documents, circa 2011). Critical habitat is defined as a combination of range and the internal biophysical attributes that form high quality caribou habitat. Two key biophysical factors embedded in EC descriptions of suitable caribou habitat are forest type and forest age.</p>	
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		<p><a href="#">Canadian Boreal Forest Agreement</a></p> <p><a href="#">ESRD Planning Standard</a></p> <p><a href="#">ESRD Operating Ground Rules</a></p>	<p>1. Forest type: EC suggests the appropriate biophysical attributes defining high quality caribou habitat are conifer or peatland land cover. Peatland types are particularly important for northern boreal caribou species ecotypes which exist within DMI FMA tenures. EC biophysical attributes discount deciduous and mixedwood stands as unfavourable or avoided habitat types by caribou. Yet these latter types of forest are interspersed within some caribou ranges, in some cases rather significant in extent. Such stands within caribou range do not largely serve caribou forage production and are at best a factor in predator: prey dynamics &amp; mortality risk IF those stands are proximal to HQ forest types confirmed to have history of caribou use.</p> <p>2. Forest stand age: Stands &gt; 40-50 yrs. age are referenced in EC tables as more valuable to caribou because of their lichen-forage production. Stands younger than 40-50yrs, even if intact (burn origin, free of human disturbance) do not seem to be considered high quality caribou habitat by EC. Under the omnipresent influence of natural wildfire in the boreal, no part of the landscape is forever old, nor intact forever.</p> <p>Per EC science documentation, in northern Alberta, treed peatland, treed &amp; open fen complexes, treed bogs and mature conifer forests &gt;50yrs tend to form the dominant habitat of interest for caribou. Upland black spruce/jack pine, lowland black spruce, young jack-pine are also significant during rutting and post-calving seasons. DMI's forest operations occur dominantly outside peatland forest types, and rather focus on deciduous and mixedwood habitat types, which are deemed not to be high-quality caribou habitat by Env Canada "biophysical attributes for boreal caribou critical habitat" in the Federal Recovery Strategy for the Woodland Caribou. <a href="http://www.sararegistry.gc.ca/virtual_sara/files/plans/rs_caribou_boreal_caribou_0912_e1.pdf">http://www.sararegistry.gc.ca/virtual_sara/files/plans/rs_caribou_boreal_caribou_0912_e1.pdf</a></p> <p>DMI procures SW fibre from other forest operators in the form of residual chips. The majority of these forest operators are certified to one of the recognized Sustainable Forest Management schemes and are also signatories to the Canadian Boreal Forest Agreement. Forest operators that are not signatories to the CBFA are required to operate in accordance with FMA holders DFMP and the ESRD Planning Standard as well as the area Operating Ground Rules.</p>	
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		<p><a href="#">West Central Alberta Caribou Landscape Plan:</a></p>	<p>DMI and a number of its SW suppliers are signatories to the Canadian Boreal Forest Agreement (CBFA). The CBFA seeks to accelerate development of integrated, well-coordinated science-based caribou action plans that also consider forest sector economics and stability of forest dependent communities. The CBFA National Working Group has developed a pivotal science-based Methodological Framework (MF) anchoring to the National Recovery Strategy, in order to guide provincial CBFA caribou planning exercises (Several forest operators participated in the national team development of this MF), The Alberta-BC CBFA Regional Working Group has initiated caribou action planning exercises in 2 CBFA priority caribou ranges including Northeast Alberta and West Central Alberta. The RWG has engaged the Alberta government during these CBFA exercises in an attempt to influence the eventual caribou plans of the Alberta government during the course of their active range-scale planning exercises (Several forest operators participate in the Alberta-BC RWG). No CBFA caribou action planning exercises have been sequenced yet for northwest Alberta or British Columbia.</p> <p>Forest Operator tenures (SW suppliers) overlapping caribou ranges of the Little Smoky, A LaPêche, Redrock and Narraway herds: There are currently various voluntary harvest deferrals as defined in the West Central Alberta Caribou Landscape Plan (2008) and their individual DFMP's. Alberta has recently re-initiated a caribou range planning forum including a Multi Stakeholder Advisory Group (MSAG) for specific west central Alberta herd range (2014). West central FMA tenure holders are participating in that invitational MSAG process, as well as in the Foothills Landscape Management Forum (FLMF) associated with the foothills Research Institute (fRI). The FLMF also developed specific caribou habitat management recommendations submitted to government for consideration in the government-led west central caribou planning exercise.</p>	
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	<p>3.2 A strong system of protection (effective protected areas and legislation) is in place that ensures survival of the HCVs in the ecoregion.</p>	<p>AB: <a href="http://mpb.alberta.ca/">http://mpb.alberta.ca/</a></p> <p>BC: <a href="http://www.for.gov.bc.ca/hfp/mountain_pine_beetle/">http://www.for.gov.bc.ca/hfp/mountain_pine_beetle/</a></p> <p><a href="#">Canadian Boreal Forest Agreement</a></p> <p><a href="#">AB Caribou Recovery Plan:</a></p> <p><a href="#">Status of the Woodland Caribou in Alberta (2010 Update):</a></p> <p><a href="#">West Central Alberta Caribou Landscape Plan:</a></p> <p><a href="#">Alberta Caribou Committee:</a></p>	<p>Significant HCV's present in the District of Origin and potentially threatened by forest management activities (at the ecoregion level)</p> <p><b><u>Intact Forests &gt;500,000 ha (Globally significant)</u></b></p> <p>The <a href="#">FSC Controlled Wood information Matrix</a> has identified the Central British Columbia Mountain Forests ecoregion as having globally significant intact forests that are potentially at risk of being threatened by forest management activities at the ecoregion level. DMI receives a small percentage of fibre from this ecoregion (as residual chips). In BC Strategic Land and Resource Management Plans have been developed for all Crown forest lands within the Central British Columbia Mountain Forest ecoregion. Protection is provided through the establishment by government of Wildlife Habitat Areas for species that fall under the Identified <a href="#">Wildlife Management Strategy</a>. The federal and <a href="#">provincial park</a> system provides for a strong system of protection.</p> <p>A potential threat to both caribou populations and intact forests is the outbreak of the Mountain Pine Beetle and the associated control efforts in AB &amp; BC.</p> <p><b><u>Woodland Caribou Populations</u></b></p> <p>DMI and a number of its SW suppliers are signatories to the Canadian Boreal Forest Agreement. The Agreement recognizes that although the responsibility for the future of forestry and conservation in Canada's boreal forest rests primarily with governments, both industry and environmentalists have a duty to help define that future. The CBFA provides both parties with a plan to work towards a stronger, more competitive forestry industry and a better protected, more sustainably managed boreal forest. It entails a commitment by the environmental groups to stop boycotting the forest companies involved. In return, the companies have agreed to collaborate on a number of specific goals, two in particular addressing the completion of a network of protected areas and accelerated at-risk species plans, and one addressing the development of a world-leading standards-of-practice centering on EBM and NRV science. In addition to the previous Indicator section describing work of the CBFA</p>	
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			<p>National Working Group in developing a state-of-art Methodological Framework (MF) for CBFA caribou planning exercises, that same national group has developed an MF to guide Protected Areas planning at both the national-scale and within provincial working groups (Several forest operators participated in the national team development of this MF). The Protected Areas Planning MF has gained distinct positive response and interest from the Alberta government because of its innovative, credible, repeatable, transparent and whole-landscape approach to conservation planning.</p> <p>Following 2-years of preparations (2011-2012) an innovative, comprehensive and unprecedented scale Protected Areas Assessment &amp; Planning exercise by the CBFA is now underway (2013-14) covering the entire portions of Alberta &amp; BC that are encompassed within the boreal area (as geographically defined by Brandt). Several forest operators are participating in the AB-BC Regional Working Group developing this product. DMI is participating directly in the Sub-committee that is co-leading the technical exercise using the MF and a defined work plan with 2014-2015 milestones in collaboration with contract expertise and the CBFA Science Team. The RWG has engaged the Alberta government during this CBFA exercise in an attempt to influence the conservation outcomes of the Alberta government during the course of their active Land Use Framework regional planning exercises. The Alberta-BC exercise and the national exercise both evaluated past government protected areas exercises. Both anchor to build on existing government processes as well as existing protected areas as a start-point in the aspiration to complete a national network that addresses conservation gaps under a whole-landscape approach also accounting for the contribution of forest sector EBM/SFM to landscape ecosystem health.</p> <p>BC Populations</p> <p>Under the direction of the <a href="#">BC Caribou Recovery Plan</a> the BC Government established wildlife habitat areas and ungulate winter ranges in 2009. These measures are considered adequate to maintain caribou herds at the ecoregion level within the BC portion of the District of Origin. There are recent signals that the BC government may be opening some limited scope discussions on caribou in some northern BC boreal and southern mountain areas. It is not certain if this is possibly motivated by a government desire to re-examine the BC Caribou Recovery Plan for alignment with</p>	
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			<p>Environment Canada National Recovery Strategy aspirations/requirements or due to other reasons. Nevertheless the CBFA Alberta-BC working group is monitoring and communicating with those project leads and actively assessing the potential opportunity to participate and influence the related caribou plan outcomes.</p> <p>AB Populations</p> <p>There are 9 caribou ranges within the portion of the broader District of Origin where there is potential to source fibre. These herds and associated ecoregion(s) are as follows:</p> <p>A La Peche Alberta – British Columbia Foothills Forest</p> <p>Little Smoky Alberta – British Columbia Foothills Forest</p> <p>Slave Lake - Mid-Continental Canadian Forest</p> <p>Nipisi - Mid-Continental Canadian Forest</p> <p>Red Earth Mid-Continental Canadian Forest</p> <p>Chinchaga – Alberta-British Columbia Foothills Forest / Muskwa-Slave Lake forests</p> <p>Caribou Mtn - Canadian Aspen forests and parklands / Muskwa-Slave Lake forests</p> <p>Steen River/Yates - Muskwa-Slave Lake forests</p> <p>Bistcho - Muskwa-Slave Lake forests</p> <p>DMI FMA tenures only encompass a portion of two designated caribou ranges (Chinchaga, Red Earth) identified by Alberta/Canada in the region of its tenures. Those ranges were delineated by government and encompass a mosaic of extensive peatland wetland habitat (deemed desirable biophysical attributes for caribou by Env Canada) along with tremendous amounts of non-caribou deciduous &amp; mixedwood upland. As described in the previous Indicator section, within the parts of those two caribou ranges overlapping DMI FMA tenure, DMI identified a CRN that accounts for “portions” of these two caribou ranges not subject to timber harvest and that have been excluded from DMI timber supply. Deciduous &amp; mixedwood upland forest portions remain subject to timber harvest.</p>	
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<p><b>4. Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses</b></p> <p>The district of origin may be considered low risk in relation to conversion of forest to plantations or non-forest uses when the following indicator is present:</p>	<p>4.1 There is no net loss AND no significant rate of loss (&gt; 0.5% per year) of natural forests and other naturally wooded ecosystems such as savannahs taking place in the eco-region in question.</p>	<p>AB: Provincial approved annual cut information: <a href="http://esrd.alberta.ca/lands-forests/forest-management/forest-management-facts-statistics/default.aspx">http://esrd.alberta.ca/lands-forests/forest-management/forest-management-facts-statistics/default.aspx</a> <a href="http://esrd.alberta.ca/lands-forests/forest-management/documents/Forest-Resource-Ftsh.pdf">http://esrd.alberta.ca/lands-forests/forest-management/documents/Forest-Resource-Ftsh.pdf</a></p> <p>BC: The State of British Columbia's Forests 2010 <a href="http://www.for.gov.bc.ca/hfp/sof/#2010_report">http://www.for.gov.bc.ca/hfp/sof/#2010_report</a></p>	<p>The rate of conversion in the FMA portion of the district of origin over the past 20 years is 0.04%. The rate of conversion within the FMA area is considered to be higher than that outside of the FMA area due to the increased amount of oil and gas development.</p> <p>Both British Columbia and Alberta have a forest management regime based on natural forests and the use of native species. Plantation forestry as defined in the FSC Glossary of Terms (FSC-STD-01-002) is not practiced in British Columbia and Alberta. Alberta SRD states that the annual growth rate of Alberta's forest exceeds the annual approved harvest and actual harvest. The State of British Columbia's Forests 2010 report states that the current rate of forest conversion is very low.</p>	<p><b>Low Risk</b></p>
<p><b>5. Wood from forests in which genetically modified trees are planted</b></p> <p>The district of origin may be considered low risk in relation to wood from genetically</p>	<p>a) There is no commercial use of genetically modified trees of the species concerned taking place in the country or district concerned</p>	<p><a href="http://www.fao.org/docrep/008/ae574e/ae574e00.htm">http://www.fao.org/docrep/008/ae574e/ae574e00.htm</a> - Forestry Department of FAO <a href="http://www.inspection.gc.ca/plants/plants-with-novel-traits/applicants/directive-dir2000-07/eng/1304474667559/1304474738697">http://www.inspection.gc.ca/plants/plants-with-novel-traits/applicants/directive-dir2000-07/eng/1304474667559/1304474738697</a> -- Federal Food Inspection Agency.</p> <p>AB: <a href="http://abtreegene.com/">http://abtreegene.com/</a></p>	<p>Food and Agriculture Organization of the United Nations working paper "Preliminary review of biotechnology in forestry, including genetic modification", 2004 summarizes that no GMO trees are used commercially in Canada</p> <p>Federal Food Inspection Agency confirms that confined field trials of Plants with Novel Traits are limited to scientific research.</p> <p>AB: No GMO trees have been planted in operational forest plantations on Crown lands in Alberta.</p>	<p><b>Low Risk</b></p>

<p>modified trees when one of the following indicators is complied with:</p>		<p>BC: <a href="http://www.for.gov.bc.ca/hti/">http://www.for.gov.bc.ca/hti/</a></p>	<p>BC: The Tree Improvement Branch of the Ministry of Forests &amp; Range ensures that no genetically modified tree seed is registered or used in operational forest planting on Crown land in British Columbia.</p>	
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