

## Does Vaidens SIA meet FSC's Controlled Wood standard?

February 13<sup>th</sup>, 2024

We are carrying out an audit of **Vaidens SIA** located in "Alejas", Gaujienas pagasts, Smiltenes novads, Latvia to see if their operations comply with FSC's [Controlled Wood](#) standard (FSC-STD-40-005 V3-1). We are writing to you to ask if you know of any reason why their operations would not meet this standard.

Controlled Wood is wood that meets minimum requirements and that can therefore be mixed with FSC wood and used in products with an FSC Mix label. In particular, the wood must not be:

- harvested illegally.
- harvested in violation of traditional and civil rights.
- harvested from forests with a high conservation value that is threatened by management activities.
- harvested from forests being converted to plantations or non-forest use.
- from forests in which genetically modified trees are planted.

We will carry out our audit in week 13-14. Here is how you should comment, if you wish to do so:

- When? You should send comments to us before or during the audit.
- How? You can comment by:
  - Meeting with a Preferred by Nature staff member in person.
  - Phone to Preferred by Nature Task Manager, phone numbers are +371 29149619;
  - Writing to Preferred by Nature Task Manager at Gunāra Astras iela 8b, Rīga, LV-1082, Latvija;
  - Email to Preferred by Nature at [latvia@preferredbynature.org](mailto:latvia@preferredbynature.org)
  - In person by arranging to meet with Preferred by Nature
- If you want your comments to be confidential please notify us when you submit the comments.

If you provide comments, we will provide feedback to you within 30 days of the audit.

Vaidens SIA has written a summary document that lists:

- the risks they have identified that they may source unacceptable wood
- the measures they implement to mitigate those risks.

We have attached this summary document to this letter.

If you wish to dispute any aspect of this forest certification process or the decision we reach as to whether this company meets the Controlled Wood standard, you can access our Dispute Resolution Policy at <https://preferredbynature.org/dispute-resolution-policy>

Thank you for any help you are able to provide.

If you have any recommendations for contacting other stakeholders that may have an interest in providing comments on this company and audit, we would also gladly receive these from you.

Yours sincerely,

Preferred by Nature / NEPCon SIA

# Vai SIA Vaidens mežsaimnieciskās darbības prakse atbilst FSC Kontrolētās koksnes (Controlled Wood) standartam?

2024. gada 13. februāris

Tuvākajā laikā tiek plānots veikt FSC piegādes ķēdes auditu uzņēmumā **SIA Vaidens**, "Alejas", Gaujienas pagasts, Smiltenes novads, lai pārliecinātos, ka uzņēmuma mežsaimnieciskās darbības prakse atbilst FSC Kontrolētās koksnes ([Controlled Wood](#)) standartam (FSC-STD-40-005 V3-1). Vēršamies pie Jums ar mērķi noskaidrot, vai Jums ir zināms kāds iemesls, kāpēc uzņēmuma darbības neatbilst standartam.

Kontrolētā koksne ir nesertificēts izejmateriāls, kuru ražošanas procesā drīkst sajaukt ar FSC sertificētu materiālu, ražojot produkciju ar FSC Mix sertifikācijas statusu. Tas nodrošina, ka jebkura koksne, kas tiek sajaukta ar FSC sertificētu koksni, atbilst minimālām standarta prasībām. Koksne var tikt uzskatīta par atbilstošu kontrolētas koksnes standarta prasībām, ja:

- tā iegūta likumīgā veidā, t.i., ievērojot saistošo likumdošanas aktu prasības;
- koksnes ieguves procesā nav pārkāptas tradicionālās un/vai cilvēktiesības;
- koksne netiek iegūta augstvērtīgu mežu teritorijās, kuras apdraud saimnieciskā darbība;
- koksne netiek iegūta teritorijās, kur notiek zemes lietojuma veida maiņa no meža uz plantāciju vai citu zemes lietojuma veidu;
- netiek izmantota ģenētiski modificēta koksne.

Audits tiek plānots 2024. g. 13.-14. nedēļā. Ja Jums ir komentāri un vēlaties mūs par tiem informēt, tad:

- Atsauksmes un komentārus lūdzam iesniegt līdz š.g. **26. martam**;
- Atsauksmes un komentārus var iesniegt:
  - Satiekoties ar *Preferred by Nature* darbinieku(-iem) klātienē;
  - Pa tālruni, sakontaktējot *Preferred by Nature* atbildīgo darbinieku pa tālruni +371 29149619;
  - Rakstot vēstuli *Preferred by Nature* uz adresi Gunāra Astras iela 8b, Rīga, LV-1082, Latvija;
  - Rakstot e-pasta vēstuli *Preferred by Nature* [latvia@preferredbynature.org](mailto:latvia@preferredbynature.org)
- Ja vēlaties, lai Jūsu sniegtie komentāri paliek konfidenciāli, informējiet mūs par to pirms komentāru sniegšanas.

Ja Jūs būsiat snieguši komentārus, 30 dienu laikā pēc audita mēs Jums sniegsim atsauksmes.

**SIA Vaidens** ir sagatavojis dokumentu kopumu, kas ietver:

- Uzņēmuma kontrolētās koksnes risku izvērtējumu, kas atļauj iegūt koksni no nepieņemamiem avotiem;
- Aprakstu par kontroles pasākumiem, kurus Uzņēmums īsteno, lai mazinātu šos riskus.

Šo dokumentu kopumu atradīsiet šīs vēstules pielikumā.

Ieinteresētās puses, kuras vēlas apstrīdēt kādu no sertifikācijas procesa aspektiem vai sertifikācijas sakarā pieņemtos lēmumus, var iepazīties ar Preferred by Nature strīdu un sūdzību izskatīšanas politiku un procedūru, sekojot tīmekļa vietrādī: <https://www.preferredbynature.org/lv/certification/fsc/FSC-complaints-and-resolutions>

Paldies par jebkādu informāciju, kuru Jūs variet sniegt.

Ja jums ir kādi ieteikumi/rekomendācijas, kuras ieinteresētās puses vēl būtu nepieciešams uzrunāt, būsim pateicīgi par dalīšanos ar kontaktiem.

Ar cieņu

Preferred by Nature / NEPCon SIA

# FSC Controlled Wood Due Diligence System Public Summary

## 1. General information

Organisation name:	Lecours Lumber Co. Ltd.
FSC certificate code:	NC-CO-00580
Organisation's DDS contact person:	Martin Rancourt / Eric Buteau
DDS prepared/assisted by:	Martin Rancourt – Lecours Lumber
Date last reviewed/updated (by the organisation):	February 5 <sup>th</sup> , 2024

## 2. Suppliers

Participating site	Non-certified material type sourced	Exact number of suppliers	Supplier type(s)	Average no. of tiers in the supply chains	Approximate or exact number of sub-suppliers
<p><i>Ontario Forests, Crown Forests (both FSC certified and not certified)</i></p> <p><i>Algoma &amp; Cochrane Districts</i></p>	SPF Logs – tree length	1 supplier	Pic Forest is an Ontario Crown land forest – the forest management planning is led by Nawiinginokiima Forest Management Corporation Inc.(NFMC).	1 tier - As Lecours Lumber is responsible from their operations from the cut block to the delivery of the logs.	0 sub-suppliers - As Lecours Lumber is responsible from their operations from the cut block to the delivery of the logs.

### 3. Supply areas

Supply area	Controlled wood category	Reference to risk assessment used	Risk designation
<i>Ontario Forests, Crown Forests (both FSC certified and not certified)</i> <i>Algoma &amp; Cochrane Districts</i>	1	FSC National Risk Assessment for Canada “FSC-NRA-CA V2-1 EN” <a href="https://ca.fsc.org/ca-en/controlled-wood/national-risk-assessment">https://ca.fsc.org/ca-en/controlled-wood/national-risk-assessment</a>	Low risk

### 4. Risk assessment and mitigation

#### 4.a Risk mitigation for the origin of the material

Copy the table for each supply area. Add information about control measures for each indicator that is designated **specified or unspecified risk** in the relevant risk assessment (**deleting rows for indicators that are low risk or aren't found in the applicable risk assessment**) and complete the table.

If you only source from low risk areas, delete the table and state “**N/A, all supply areas are low risk**”.

Supply area:		
Indicator	Control Measures	Findings from field verification if undertaken as a control measure
Controlled wood category 1. Illegally harvested wood		
1.1 Land Tenure and management rights	Natural Resources Canada. 2018. Canada’s Forest Laws: Legality and sustainability. <a href="http://www.nrcan.gc.ca/forests/canada/sustainable-forestmanagement/13303">http://www.nrcan.gc.ca/forests/canada/sustainable-forestmanagement/13303</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>
1.2 Concession licences	Natural Resources Canada. 2018. Forestry in Canada. <a href="http://www.nrcan.gc.ca/forests/canada/13161">http://www.nrcan.gc.ca/forests/canada/13161</a> Example: Ontario Forest Tenure Modernization Act: <a href="http://www.elaws.gov.on.ca/html/statutes/english/elaws_statutes_11o10_e.htm">www.elaws.gov.on.ca/html/statutes/english/elaws_statutes_11o10_e.htm</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>
1.3 Management and harvesting	Natural Resources Canada. 2018. Canada’s Forest Laws: Legality and sustainability. <a href="http://www.nrcan.gc.ca/forests/canada/sustainable-forestmanagement/13303">http://www.nrcan.gc.ca/forests/canada/sustainable-forestmanagement/13303</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>

planning		
1.4 Harvesting permits	Natural Resources Canada. 2018. Canada's Forest Laws: Legality and sustainability. <a href="http://www.nrcan.gc.ca/forests/canada/sustainable-forestmanagement/13303">http://www.nrcan.gc.ca/forests/canada/sustainable-forestmanagement/13303</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>
1.5 Payment of royalties and harvesting fees	Example Ontario's Forest Renewal Trust (Crown Forest Sustainability Act - Section V): <a href="http://www.elaws.gov.on.ca/html/statutes/english/elaws_statutes_94c25_e.htm - BK54">http://www.elaws.gov.on.ca/html/statutes/english/elaws_statutes_94c25_e.htm - BK54</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  Royalties and harvesting fees (stumpage fees) are collected by the provincial government (Ontario)
1.6 Value added taxes and other sales taxes	Canadian harmonized sales tax requirements: <a href="http://www.craarc.gc.ca/tx/bsnss/tpcs/gst-tps/menueng.html">http://www.craarc.gc.ca/tx/bsnss/tpcs/gst-tps/menueng.html</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  The Canadian revenue agency (CRA) has a Criminal Investigative Program whose mandate is to investigate suspected cases of tax evasion, fraud and other serious violations of tax laws
1.7 Income and profit taxes	Canadian Income Tax Act: <a href="http://laws.justice.gc.ca/eng/acts/l3.3/">http://laws.justice.gc.ca/eng/acts/l3.3/</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  Income and profit taxes are levied at the federal level and administered by the CRA.
1.8 Timber harvesting regulations	Ontario's Crown Forest Sustainability Act (Part IV forest operations): <a href="http://www.elaws.gov.on.ca/html/statutes/english/elaws_statutes_94c25_e.htm">http://www.elaws.gov.on.ca/html/statutes/english/elaws_statutes_94c25_e.htm</a>  And Forest Operations and Silviculture Manual. March 2017. Ontario Ministry of Natural Resources & Forests. <a href="https://files.ontario.ca/forestoperations-silviculture-manual.pdf">https://files.ontario.ca/forestoperations-silviculture-manual.pdf</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  OMNRF has authority to sanction forest operators if they do not respect timber harvesting regulations. Failure by a tenure holder to comply with approved plans and harvesting permits can result in fines, suspension of harvesting authorities, seizure of timber and even imprisonment.
1.9 Protected sited and species	Species At Risk Act (SARA): <a href="http://lawslois.justice.gc.ca/eng/acts/S15.3/index.html">http://lawslois.justice.gc.ca/eng/acts/S15.3/index.html</a>  Boutis, P. and J.Weizenbluth. 2012. 'Species at Risk' Legislation in Ontario and Canada. The Six-Minute Environmental Lawyer 2012. <a href="https://www.ilercampbell.com/blog/wp-content/uploads/Species-at-Risk-6-Minute-Environmental-Lawyer-PaulaBoutis.pdf">https://www.ilercampbell.com/blog/wp-content/uploads/Species-at-Risk-6-Minute-Environmental-Lawyer-PaulaBoutis.pdf</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  Various national and provincial legislation exists are enforced to prevent and deter illegal harvesting within legally designated protected sites which includes critical habitat and endangered species, as well as the illegal harvest of protected species.
1.10 Environmental requirements	Ontario's Crown Forest Sustainability Act (Part IV forest operations): <a href="http://www.elaws.gov.on.ca/html/statutes/english/elaws_statutes_94c25_e.htm">http://www.elaws.gov.on.ca/html/statutes/english/elaws_statutes_94c25_e.htm</a> Forest Operations and Silviculture Manual. March 2017. Ontario Ministry of Natural Resources & Forests. <a href="https://files.ontario.ca/forestoperations-">https://files.ontario.ca/forestoperations-</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  OMNRF has authority to sanction forest operators if they do not respect timber harvesting regulations. Failure by a tenure

	<a href="#">silviculture-manual.pdf</a>	holder to comply with approved plans and harvesting permits can result in fines, suspension of harvesting authorities, seizure of timber and even imprisonment.
1.11 Health & Safety	<p>Ministry of Labour – Province of Ontario  <a href="https://www.labour.gov.on.ca/english/hs/">https://www.labour.gov.on.ca/english/hs/</a></p> <p>Ontario – Workplace Safety &amp; Insurance Board  <a href="https://www.wsib.ca/en/employer-classification-manual/class-forest-products/033-mill-products-and-forestry-services">https://www.wsib.ca/en/employer-classification-manual/class-forest-products/033-mill-products-and-forestry-services</a></p>	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p> <p>Due to the closely regulated, controlled and enforced H&amp;S regulations across Canada, as well as the strong H&amp;S culture amongst companies and workers, the risk is deemed low risk</p>
1.12 Legal employment	Canada Labour Code: <a href="http://lawslois.justice.gc.ca/eng/acts/L2/index.html">http://lawslois.justice.gc.ca/eng/acts/L2/index.html</a>	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p> <p>Union are common in the forest industry and ensure a degree of compliance with collective agreements and labour laws and again inspections by provincial labour agencies provide a certain guarantee that the worker's rights are respected.</p>
1.13 Customary rights	V. Napoleon. 2007. Thinking about Indigenous Legal Orders. Research paper for the National Centre for First Nations Governance. <a href="http://fngovernance.org/ncfng_research/val_napoleon.pdf">http://fngovernance.org/ncfng_research/val_napoleon.pdf</a>	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p> <p>Canada (Ontario) provides constitutional rights that recognize, among other rights, rights of Indigenous Peoples. These rights are defined under Canadian Law.</p>
1.14 Free prior and informed consent	There are no relevant laws or regulations on Free prior and informed consent in Canada per se. Hence, according to FSC-PRO-60-002a V1-0 EN, this indicator is therefore considered “not applicable”	Low Risk – <i>Algoma &amp; Cochrane Districts</i>
1.15 Indigenous People's rights	<p>Government of Canada. 2016. Indigenous Peoples and Forestry in Canada. <a href="http://cfs.nrcan.gc.ca/pubwarehouse/pdfs/36704.pdf">http://cfs.nrcan.gc.ca/pubwarehouse/pdfs/36704.pdf</a></p> <p>Ross, M. and P. Smith. 2003. Meaningful consultation with indigenous peoples in forest management: a focus on Canada. <a href="http://www.fao.org/docrep/article/wfc/xii/1001-c1.htm">http://www.fao.org/docrep/article/wfc/xii/1001-c1.htm</a></p>	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p> <p>Three distinct categories of Indigenous Peoples exist within Canada – First Nations, Métis and Inuit people. The risk of forest companies operating illegally on land where a First Nation has proven title is low.</p>
1.16 Classification on of species, quantities, qualities	<a href="https://www.ontario.ca/page/forestry">https://www.ontario.ca/page/forestry</a>	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p> <p>Provincial laws (Ontario – OMNRF) cover the cutting and measurement of timber and required payment of taxes. Provincial government inspectors verify and validate</p>

		the grading and measuring made by the company. Errors are sanctioned with penalties.
1.17 Trade and Transport	Transport Canada. List of Acts: <a href="https://www.tc.gc.ca/eng/actsregulations/acts.htm">https://www.tc.gc.ca/eng/actsregulations/acts.htm</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  Logs hauled by trucks from Canadian crown forest companies to mills are accompanied by trip tickets. The risk of illegal activity with regards to trade and transport is low.
1.18 Offshore trading and transfer pricing	Canada - OECD Anti-Bribery Convention <a href="http://www.oecd.org/daf/antibribery/canada-oecdantibriberyconvention.htm">http://www.oecd.org/daf/antibribery/canada-oecdantibriberyconvention.htm</a>  Exchange of Tax Information Portal: Canada. <a href="http://eoitax.org/jurisdictions/CA#default">http://eoitax.org/jurisdictions/CA#default</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  The Canada Revenue Agency (CRA) has a Criminal Investigative Program whose mandate is to investigate cases of tax evasion, fraud and other serious violations of tax laws. Based on these findings, it is concluded that the risk is considered low in this indicator.
1.19 Custom regulatory	Global Affairs Canada. 2017. Softwood lumber agreement. <a href="http://www.international.gc.ca/controlscontroles/softwoodbois_oeuvre/otherautres/agreementaccord.aspx?lang=eng">http://www.international.gc.ca/controlscontroles/softwoodbois_oeuvre/otherautres/agreementaccord.aspx?lang=eng</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  The forest products sector in Canada and the United States is highly integrated. Canada Border Services Agency can detain goods until the agency is satisfied that the importation or exportation complies with Customs Act.  This governance system as a whole, combined with the resources and rigour of Canadian and US customs agencies, result in a low risk of illegal practices with regards to custom regulations
1.20 CITES	Environment and Climate Change Canada. Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). <a href="http://www.ec.gc.ca/cites/">http://www.ec.gc.ca/cites/</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  There are no Canadian tree species on the CITES list of species. Therefore, the risk of illegal harvest of CITES species is low.
1.21 Legislation requiring due diligence/due care	Natural Resources Canada. 2016. Legality and Sustainability. <a href="http://www.nrcan.gc.ca/forests/canada/sustainable-forestmanagement/13303">http://www.nrcan.gc.ca/forests/canada/sustainable-forestmanagement/13303</a>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  Canada's Wild Animal and Plant Protection and Regulation of International and Interprovincial Trade Act. (WAPPRIITA)

procedures		legislation and its enabling regulations (the Wild Animal and Plant Trade Regulation) prohibit the import of illegal timber and timber products. This governance system as a whole result in a low risk of illegal practices with regards to due diligence.
Controlled wood category 2. Wood harvested in violation of traditional and human rights		
2.1 The forest sector is not associated with violent armed conflict, including that which threatens national or regional and/or linked to military control.	<p>Compendium of United Nations Security Council Sanctions Lists <a href="https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidatedlist">https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidatedlist</a></p> <p>Human Rights Watch: <a href="http://www.hrw.org/">http://www.hrw.org/</a></p> <p>Amnesty International Annual Report: The state of the world’s human rights Information on key human rights issues, including: freedom of expression; international justice; corporate accountability; the death penalty; and reproductive rights <a href="https://www.amnesty.org/en/documents/pol10/4800/2017/en/">https://www.amnesty.org/en/documents/pol10/4800/2017/en/</a></p> <p>Google the terms '[country]' and one of following terms or in combination 'conflict timber', 'illegal logging'</p>	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p> <p>There is no UN Security Council ban on timber exports from Canada. Canada is not covered by any other international ban on timber export. There are no individuals or entities involved in the forest sector in Canada that are facing UN sanctions.</p> <p>No mention of the forest sector in Canada</p> <p>See Amnesty source above. Armed conflict in forestry sector not mentioned in Canada.</p> <p>No mention of the forest sector in Canada. Several conflicts related to indigenous peoples and forestry found but these cannot be classified as ‘armed conflict’ and are presented under 2.3 below.</p>
2.2 Labour rights are respected	As of January 2019, all 8 of the fundamentals conventions are in force in Canada.	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p> <p>There is sufficient evidence that regulations</p>



<p>including rights as specified in ILO Fundamental Principles and Rights at work.</p>	<ul style="list-style-type: none"> <li>- C29 Forced Labour Convention, 1930</li> <li>- C87 Freedom of Association and Protection of the Right to Organise Convention, 1948</li> <li>- C98 Right to Organise and Collective Bargaining Convention, 1949</li> <li>- C100 Equal Remuneration Convention, 1951</li> <li>- C105 Abolition of Forced Labour Convention, 1957</li> <li>- C111 Discrimination (Employment and Occupation) Convention, 1958</li> <li>- C138 Minimum Age Convention, 1973</li> <li>- C182 Worst Forms of Child Labour Convention, 1999</li> </ul>	<p>and policies to protect the right to Organise and Collective Bargaining and Minimum Age are in place in the forestry sector and new court ruling have affirmed the right to Organise and Collective Bargaining.</p>
<p>2.3 The rights of Indigenous and Traditional Peoples are upheld.</p>	<p><b><u>Control Measure 1:</u></b></p> <p><i>Indigenous Peoples with legal and/or customary rights within the Forest Management Unit do not oppose the Forest Management Plan.</i></p> <p>All Forest Management Units overlap with several Indigenous communities. The NRA provides an option to select from one or more control measures identified in the NRA to be applied in the Supply area.</p> <p>The following control measures are being implemented:</p> <p>Best efforts to engage with Indigenous Peoples with legal and customary rights within the Forest Management Unit to understand if/how these rights are violated as a result of forest management activities, is demonstrated.</p> <p><b>Guidance: ‘Best efforts to engage’ should be aligned with the attributes of a ‘culturally appropriate’ engagement process. Refer to the FSC Canada National Forest Stewardship Standard (FSC-STD-CAN-01-2018) for a definition and discussion of “culturally appropriate” engagement.</b></p> <p>The members of Indigenous communities have also an opportunity to get involved through Ontario’s extensive forest management planning consultation process that provides multiple opportunities (open houses, letters, committees, planning teams, face to face meetings) for all forest stakeholders and interested parties to engage in forest management decisions for each forest management unit. Individual members of the public are invited to contribute information, discuss the management plan with the planning team and examine the plan progressively at various stages of its development.</p> <p><b>Indigenous Peoples with legal and/or customary rights within the Forest Management Unit do not oppose* the Forest Management Plan.</b></p> <p><i>Guidance: *oppose = opposition demonstrated through active litigation, blockade, protest or other significant conflict of substantial magnitude.</i></p> <p>Evidence of compliance:</p> <p>None of the Indigenous community groups have demonstrated opposition to the forest management planning and operations on Crown and private lands through active litigation, blockade, protest or other significant conflict of substantial magnitude. Instead, there is an increasing interest from Indigenous communities to get involved in management decisions and create economic opportunities, supported by the industry and government.</p>	<p><b><u>Specified Risk</u></b></p> <p><b>Algoma &amp; Cochrane Districts (Central Canadian Shield Forest)</b></p>

<p>3.1 HCV 1: Species diversity</p>	<p><b><u>Control Measure 2:</u></b></p> <p>The indicator 3. 1 assesses the concentrations of biological diversity including endemic species, and rare, threatened or endangered species that are significant at global, regional or national levels. The Indicator 3.1 assessed two aspects related to the species diversity:</p> <p>1) Concentrations of SAR critical habitat, and 2) Critical Habitat for SAR of Special Significance.</p> <p>    1) Concentrations of SAR critical habitat</p> <p>Our eco region (Central Canadian Shield Forest) isn't deemed as at specified risk as per the NRA.</p> <p>Conclusion:</p> <p><b>The non-certified forest management units do not overlap with the ecoregions identified as having specified risk under the 3.1 subcategory "Concentrations of SAR habitat".</b></p> <p>2) Critical Habitat for SAR of Special Significance</p> <p>The critical habitat of woodland caribou was identified as a specified risk for the supply area. Out of the non-certified Crown and private lands, the Nagagami Forest &amp; Pic Forest supports woodland caribou. A small herd of caribou, grouped into Paqwachuan Range, are utilizing the northwest portion of the Nagagami Forest &amp; the northern portion of the Pic forest.</p> <p>There is also a discontinuous distribution zone (Lake Superior Coast Subpopulation) that extends from the Lake Superior coast to the northwest part of the Nagagami Forest &amp; the northern portion of the Pic Forest</p> <p>The forest-dwelling ecotype of the woodland caribou (<i>Rangifer tarandus</i>) has been listed as "threatened" by COSEWIC since 2002 and by COSSARO in 2004. In Ontario, woodland caribou, forest-dwelling boreal population is listed as a threatened species on the Species at Risk in Ontario List under the Endangered Species Act (ESA) meaning that caribou receive both species and habitat protection, and the government is constituted to prepare recovery strategies and government response statements. As a result, Ontario has developed a comprehensive set of policies and analytical tools to guide woodland caribou habitat management. This legally binding guidance has been and will be regularly reviewed with public input as a part of the adaptive management cycle. It is implemented through the Ontario's regulated forest management planning and is subject to regular forest audits (Independent Forest Audits) – both of which include significant public participation.</p>	<p><b>Specified Risk :</b></p> <p><b><i>Algoma &amp; Cochrane Districts</i></b></p>

	<p><b><u>Control Measure 8</u></b></p> <p>Evidence demonstrates that forests in the sourcing area have a management plan<sup>1</sup> that contributes to the recovery of woodland caribou critical habitat*, as identified in the Federal Recovery Strategy.</p> <p>The management plan identifies and implements:</p> <p>a) Best Management Practices (BMPs) that reduce disturbance to and restore critical habitat* including, but not limited to:</p> <ul style="list-style-type: none"> <li>• access management (e.g. road decommissioning, integrated access plans, restoration of linear features); OR</li> <li>• aggregate harvesting (i.e. harvest scheduling to minimize disturbance footprint).</li> </ul> <p>OR</p> <p>b) Harvest deferrals, set asides, and/or protection areas within areas of critical habitat*, where forest operations are not permitted.</p> <p>Rationale is provided as to how such actions will contribute to reducing the level of disturbance over time in critical habitat*, in support of meeting the threshold requirements in the Federal Recovery Strategy.</p> <p>Conclusion:</p> <p><b>The control measures implemented through forest management planning mitigate the risk to woodland caribou critical habitat and contribute to the habitat recovery.</b></p>	
<p>3.2 HCV 2: Landscape-level ecosystems &amp; mosaics</p>	<p>After reviewing the map of Specified Risk IFLs, <i>Algoma &amp; Cochrane Districts</i> was considered to be low risk.</p>	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p>
<p>3.3 HCV 3: Ecosystem and habitats</p>	<p>Rare, Threatened or Endangered Ecosystems</p> <ul style="list-style-type: none"> <li>- As recommended in the Common Guidance for the Identification of HCVs (HCVnetwork.org), the Working Group assessed the IUCN Ecosystem Red List to determine the presence of internationally recognized RTE forested ecosystems in Canada. Only the Great Lakes alvar ecosystem was listed as being critical, endangered or vulnerable in Canada, and this is not considered to be a forested ecosystem.</li> </ul>	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p>

	Based on the above sources, Low Risk threshold was met for RTE ecosystems in Canada (Ontario). There is low/negligible threat to HCV 3 caused by management activities in the area under assessment.	
3.4 HCV 4: Critical ecosystems services	There are areas in Northern Ontario that are identified as being susceptible to landslides, and are classed as categories 5 and 6 for landslide susceptibility (C4), but none in our traditional harvesting area in the <i>Algoma &amp; Cochrane Districts</i> .	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  Ontario is designated as a low risk province in Canada
3.5 HCV 5: Community needs	<ol style="list-style-type: none"> <li>1) Water Sources for Irrigation and Sources for Community Water Supplies <ul style="list-style-type: none"> <li>- There is very little agriculture in northern Ontario, as the soil and climate are not conducive to crop production, while much of the <i>Algoma &amp; Cochrane Districts</i> (especially our traditional harvesting area) is far from any communities.</li> </ul> </li> <li>2) Areas of Subsistence Harvesting for Indigenous People <ul style="list-style-type: none"> <li>- Because legally enforceable mechanisms are in place to identify and mitigate impacts to area used for subsistence harvesting by Indigenous People as a result of forest management activities. It is considered Low Risk related to subsistence harvesting.</li> </ul> </li> </ol>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>
3.6 HCV 6: Cultural values	<ol style="list-style-type: none"> <li>1) Nationally Recognized Historical and Natural Heritage Sites <ul style="list-style-type: none"> <li>- Sites and landscapes of global and national significance have been identified over many years and are incorporated into national or provincial parks or other forms of protective reserves (C10).</li> </ul> </li> <li>2) Sites of Critical Cultural Importance to Indigenous Peoples <ul style="list-style-type: none"> <li>- There exist the opportunity for Indigenous communities during the forest management planning process to identify area of cultural significance. Ontario’s forest management planning manual (O4) identifies the requirements for First Nation and Métis involvement in forest management planning.</li> </ul> </li> </ol>	Low Risk – <i>Algoma &amp; Cochrane Districts</i>
Controlled wood category 4. Wood from forests being converted to plantations or non-forest use		
4.1 Conversion of Natural Forests to Plantations	The FSC definition of a plantation is “A forest area established by planting or sowing with (sic) using either alien* or native species*, often with one or few species, regular spacing and even ages, and which lacks most of the principal characteristics and key elements of natural forests.” (FSC-STD01-001 V5-2).	Low Risk – <i>Algoma &amp; Cochrane Districts</i>  Forest management plans establish strategies for regenerating forests to achieve the principal characteristics and key elements of native ecosystems of that site,

<p>4.2 Net conversion of natural forests to plantation or non-forest use (less than 0.02% or 5000 hectares on average for the past 5 years.)</p>	<p>On account of the risk thresholds identified for Indicator 4.1 (0.02% or 5,000 ha), three Reconciliation Units exceed one or both of these thresholds: RU 12, 34 and 39. The causes of deforestation of these Reconciliation Units are as follows:</p> <p>There is also little to no evidence that suggests deforestation is a result of illegal activities. Most of the deforestation occurs on public land, which requires permits and government approval prior to resource development and the construction of infrastructure projects. Overall, the majority of the Reconciliation Units have annual rates of deforestation below 0.02% or 5000 ha. These Reconciliation Units meet low risk threshold #1 and are therefore considered Low Risk for this indicator</p>	<p>using both natural and artificial regeneration. The overwhelming majority of Canada's forest are still managed with minimal silviculture intervention, using extensive and basic forest management, relying on natural regeneration and little intervention between stand initiation and final harvest.</p> <p><i>Algoma &amp; Cochrane Districts</i> are located in the Central Canadian Shield Eco region.</p> <p>There are three (3) Reconciliation Units (Eco regions) that exceeds the deforestation threshold of (0.02% or 5,000 hectares) and none of those 3 eco regions are in Ontario.</p>
<p>Controlled wood category 5. Wood from forests in which genetically modified trees are planted</p>		
<p>5.1 No commercial use of genetically modified trees</p>	<p>Canadian Biotechnology Action Network (CBAN). 2015. Report 2: Are GM crops better for the environment? <a href="http://gmoinquiry.ca/wpcontent/uploads/2015/05/Are-GM-crops-better-forthe-environment_-E-web.pdf">http://gmoinquiry.ca/wpcontent/uploads/2015/05/Are-GM-crops-better-forthe-environment_-E-web.pdf</a></p> <p>GM Tree Watch <a href="http://gmtreewatch.org/">http://gmtreewatch.org/</a></p> <p>Genome Canada. 2015. Fast tests for rating and amelioration of conifers (FastTRAC). Université Laval, FPInnovations/Canadian Wood Fibre Centre <a href="https://www.genomecanada.ca/en/fast-tests-ratingand-amelioration-conifers-fasttrac-0">https://www.genomecanada.ca/en/fast-tests-ratingand-amelioration-conifers-fasttrac-0</a></p>	<p>Low Risk – <i>Algoma &amp; Cochrane Districts</i></p> <p>There is no commercial use of GMO (trees) species in the area under assessment, GM tree trial are taking place within Canada in QC, ON, NB, BC, and Alta. The planting of GM trees is currently done for research purposes. There is no current commercialization of GM trees in Canada.</p> <p>Other available evidence does not challenge “low risk” designation.</p>

#### 4.b Risk assessment and mitigation for mixing in the supply chain

Participating site	Supply chain type	No. of tiers	Risk of mixing	Control measures	Findings from field verification if undertaken as a control measure
<b>Ontario Forests, Crown Forests (both FSC certified and not certified)</b>  <b>Algoma &amp; Cochrane Districts</b>	Logs are harvested & hauled by Lecours Lumber operations. There is no other supplier in this process.  Lecours Lumber is responsible for 100% of their supply chain	1 tier - As Lecours Lumber is responsible from their operations from the cut block to the delivery of the logs.	There is no risk of mixing with non-eligible inputs as Lecours Lumber is responsible with 100% of their harvest & hauling operations.	No Control Measures were taken, since there is no risk of mixing	N/A

#### 5. Technical experts used in the development of control measures

List all technical experts used for developing control measures.

*“N/A, technical experts were not required”.*

#### 6. Stakeholder consultation processes

Summarise all stakeholder consultation processes that you have conducted, including information on:

*“N/A, stakeholder consultation not required”*

#### 7. Complaints procedure

We encourage stakeholders who have suggestions for improvements, comments, or complaints related to our controlled wood due diligence system to contact [Martin Rancourt – Sales Manager, Lecours Lumber [mrancourt@lecourslumber.com](mailto:mrancourt@lecourslumber.com) 705-463-2399. We commit to follow up on stakeholder input as soon as we receive it and to provide stakeholders with feedback within 2 weeks.

## **Annex**

**N/A - *not applicable***