

FACT SHEET

CANADA: A WORLD
LEADER IN THIRD-PARTY
CERTIFICATION

Through voluntary market-based forest certification programs, forest companies in Canada are well positioned to provide their customers with the assurance that the products they buy come from sustainably managed forests.

Governments in Canada strongly support forest certification as a tool in the demonstration of our sustainable forest management record but do not endorse one system over another. In Canada it is recognized that the



Canadian Standards Association's Sustainable Forest Management Standard (CSA), the Forest Stewardship Council Standards (FSC) and the Sustainable Forestry Initiative (SFI), all contribute to sustainable forest management.

Canada now leads the world in third-party sustainable forest management certification, with more certified lands than any other country. Certification complements Canada's comprehensive and rigorous forest management laws and regulations, and is embraced by companies as a way of further improving their sustainable forest management practices and providing marketplace assurances.

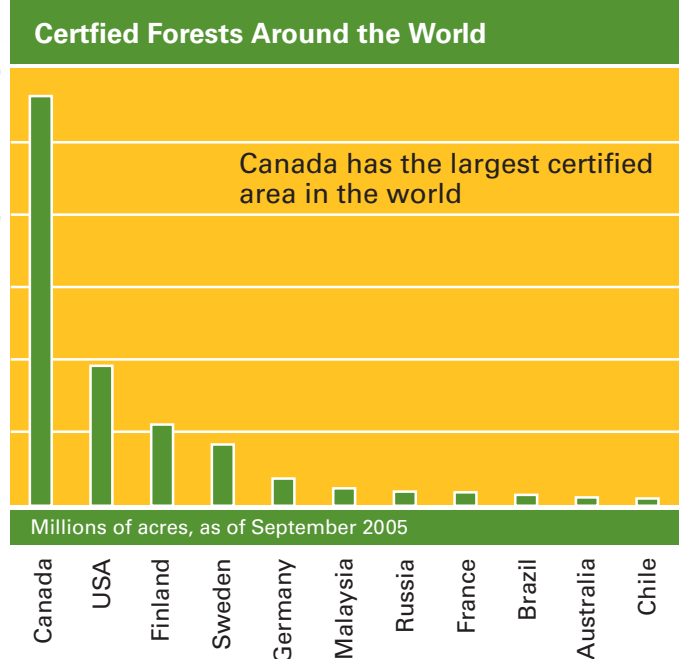
As of December 2005, Canada has 296 million acres certified to one of the three programs: CSA, FSC and the SFI.

All three programs require independent, third-party audits where auditors measure

the planning, procedures, systems and performance of on-the-ground forest operations against predetermined standards. They all require annual surveillance audits and public disclosure of findings through audit reports, and engagement with affected Aboriginal people to ensure Aboriginal knowledge and tradition are respected.

They all also reinforce the basics of good forest management by ensuring that harvested areas are reforested, that laws are obeyed and that no unauthorized logging takes place. And they all go beyond timber production by ensuring the conservation of biological diversity, the maintenance of wildlife habitat, soils and water resources, and the sustainability of timber harvesting — all of which promote sustainable forest management.

Many companies in Canada also are certified under the ISO 14001 Environmental Management System.



Canada has the largest certified area in the world

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By December 2005, sustainable forest management certification in Canada included:

- **171.0 million acres certified to the CSA's Sustainable Forest Management Standard.** This standard is based on nationally and internationally recognized criteria for sustainable forest management. It addresses environmental, social and economic issues and requires a rigorous public participation process. CSA offers a chain of custody audit as well as a Forest Products Marking Program so retailers, manufacturers, homebuilders and consumers can identify products that come from forests certified to the CSA standard. CSA is also endorsed by PEFC (the Programme for the Endorsement of Forest Certification schemes), which supports sustainable forest management globally through the assessment and mutual recognition of national forest certification schemes.

- **37.6 million acres certified to the Forest Stewardship Council.** FSC is an international non-profit organization that supports environmentally appropriate, socially beneficial and economically viable management of the world's forests. To carry the FSC label, a product must be verified as coming from a certified, well-managed forest through a chain-of-custody certification and by meeting the FSC's percentage-based claims requirements.



- **89.2 million acres certified to the Sustainable Forestry Initiative.** SFI includes environmental objectives and performance measures and integrates the growing and harvesting of trees with the protection of wildlife, plants, and soil, water and air quality, along with other conservation goals. SFI offers a certified procurement system audit as well as an on-product certified program participants that meets the Federal Trade Commission guidelines for environmental claims. It also offers a chain-of-custody certification option and a corresponding SFI certified content for organizations certified to the SFI. As of December 2005 SFI is also endorsed by PEFC.

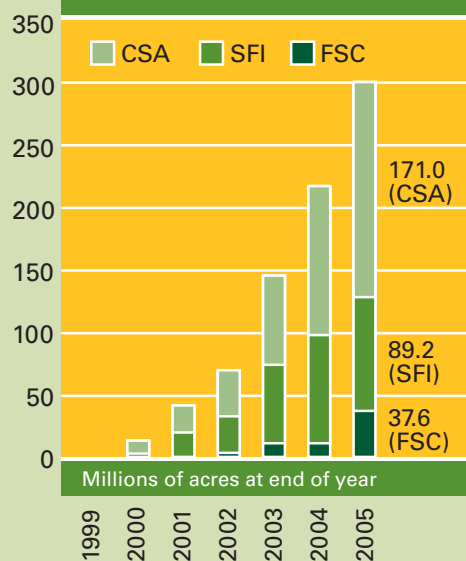
While not a forest specific standard, ISO 14001 provides an excellent environmental management system foundation for implementing forestry standards and for tracking performance against set targets and objectives.

As a further demonstration of our commitment to sustainable forest management, one of Canada's largest industry associations, The Forest Products Association of Canada, is the first trade association in the world to require of member companies that as a condition of membership they certify all lands under their management to one of CSA, FSC or SFI by the end of 2006. FPAC members, who operate on a vast majority of Canada's working forest, have reached 95 per cent of this goal by fall 2005.

Canada's contribution to global forest certification is significant. With CSA and SFI endorsed by PEFC, certification in Canada to these two standards now accounts for 55% of PEFC certification worldwide. With the recent growth of FSC certification in Canada, Canada also accounts for approximately 25% of FSC certification worldwide.

Information about sustainable forest management certification in Canada is available at www.sfms.com/home.htm

SFM Certification in Canada, 1999–2005*



*Note: If a forest area has been certified to more than one standard, the area is only counted once, hence the grand total of certifications may be less than the sum of the individual totals.