



# FSC Canada Controlled Wood National Risk Assessment Stakeholder Consultation Report

A Summary of the Development of the  
FSC National Risk Assessment for Canada

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# Development of Canada's National Risk Assessment

## Background

The development of the National Risk Assessment for Canada began in 2011 with the passing of Motion 51 to strengthen the Controlled Wood system. This was followed by the formation of the initial Controlled Wood Working Group in 2012.

Between 2012 and 2015, FSC International underwent the process of drafting policies regarding the development and approval of Controlled Wood National Risk Assessments (FSC-PRO-60-002), a National Risk Assessment Framework (FSC-PRO-60-002a), and drafting a new version of the Controlled Wood standard (FSC-STD-40-005 V3).

However, it was not until 2015, following more clear guidance from FSC International on the process of developing a National Risk Assessment (NRA) that the Controlled Wood Working Group was revitalized and renamed the NRA-Working Group. This Working Group consisted of 2 members from each of FSC Canada's four chambers.

Concurrently, in 2015 work on the centralized Risk National Assessment (cNRA) for Canada had begun. The role of the cNRA was to fill an immediate need for a robust Risk Assessment that allowed efficient implementation of the new NRA framework. FSC International managed, funded and approved this process, and had contracted the work to several independent consultants, who were responsible for specific components (Categories) of the cNRA. The cNRA, once completed, was to serve as the starting point for the National Risk Assessment, which would be managed more directly by FSC Canada with input from the NRA-WG, stakeholders and Indigenous People. The cNRA Categories 1,2 and 5 were approved in 2015, and Categories 3 and 4 were developed in 2016, but never formally approved.

## Development of NRA Draft 1

With the NRA-WG in place, and the development of the cNRA mostly complete, FSC Canada more formally began the process of developing Canada's NRA. The basis for much of the NRA stemmed from the outcome of the cNRA, notably for Categories 1, 2, 4 and 5. Category 3 underwent more notable refinement and divergence from the original cNRA, as did Indicator 2.3.

The NRA-WG met in-person seven times during the development of Draft 1 (mid 2016 to end of 2017) to come to consensus on the risk assessment evaluation as well as applicable control measures. A draft was submitted to FSC International for review in January 2018 to ensure alignment of the draft with the international NRA framework. Draft 1 of Canada's NRA was submitted for 60-day public consultation on March 1, 2018. An overview of the outcome of the Draft 1 assessment can be found in Appendix I.

## Draft 1 Consultation Results & Analysis

Draft 1 was submitted for 60-day public consultation from March 1 – April 30, 2018.

Stakeholders were notified of the consultation period via email notification. In total, 1153 individuals received notice of the NRA and invitation to comment, via the 'Technical News' email list maintained by FSC Canada.

In total, FSC Canada received 41 written submissions, with the majority (86%) from the Economic chamber (Fig. 1 & 2).

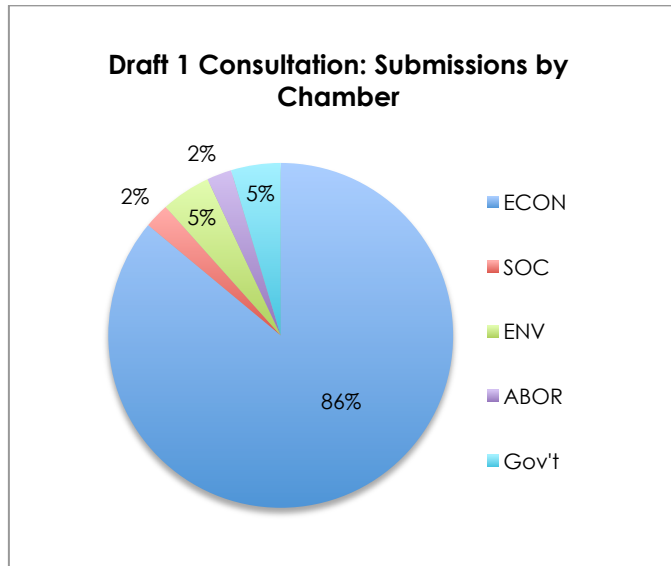


Figure 1: Draft 1 consultation submissions by Chamber

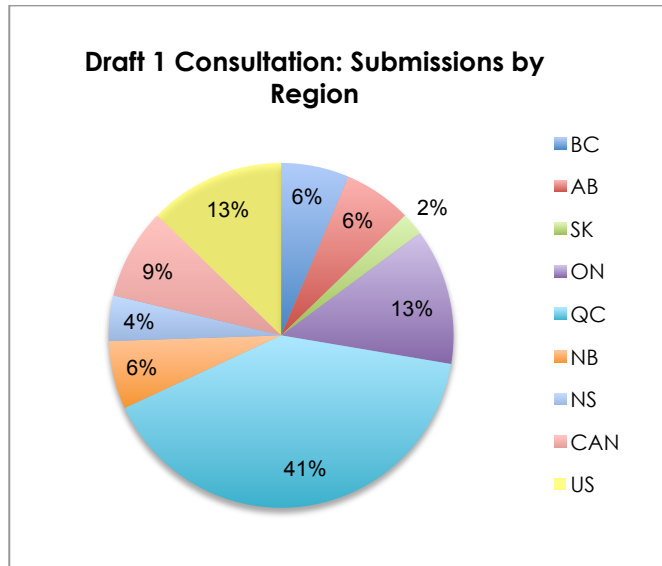


Figure 2: Draft 1 consultation submission by Region

All submissions were broken down into comments related to a specific indicator, category or general comment. There were a total of 314 comments.

Indicator 2.3 related to rights of Indigenous People received the highest number of comments (66) compared to any other indicator in the NRA.

However, most comments received were related to *Category 3: High Conservation Values* (Fig. 3). Within this Category, *Indicator 3.1: Species Diversity* elicited the most feedback from stakeholders (Fig. 4).

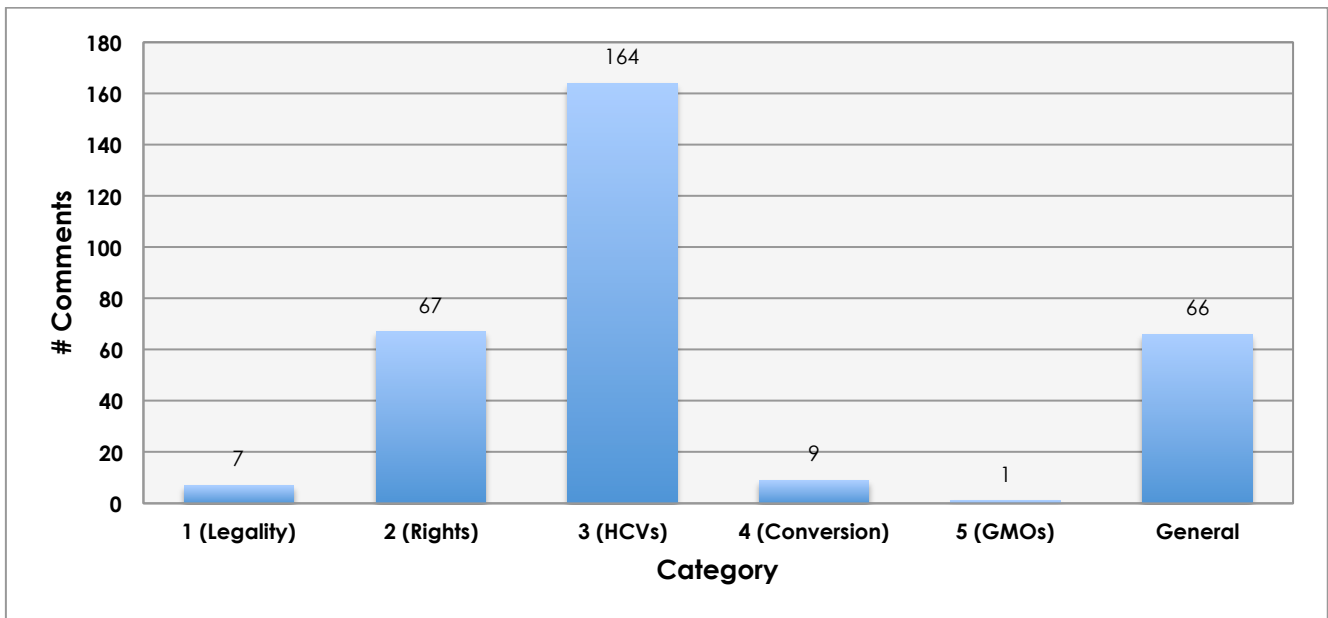


Figure 3: Draft 1 consultation comments by Category

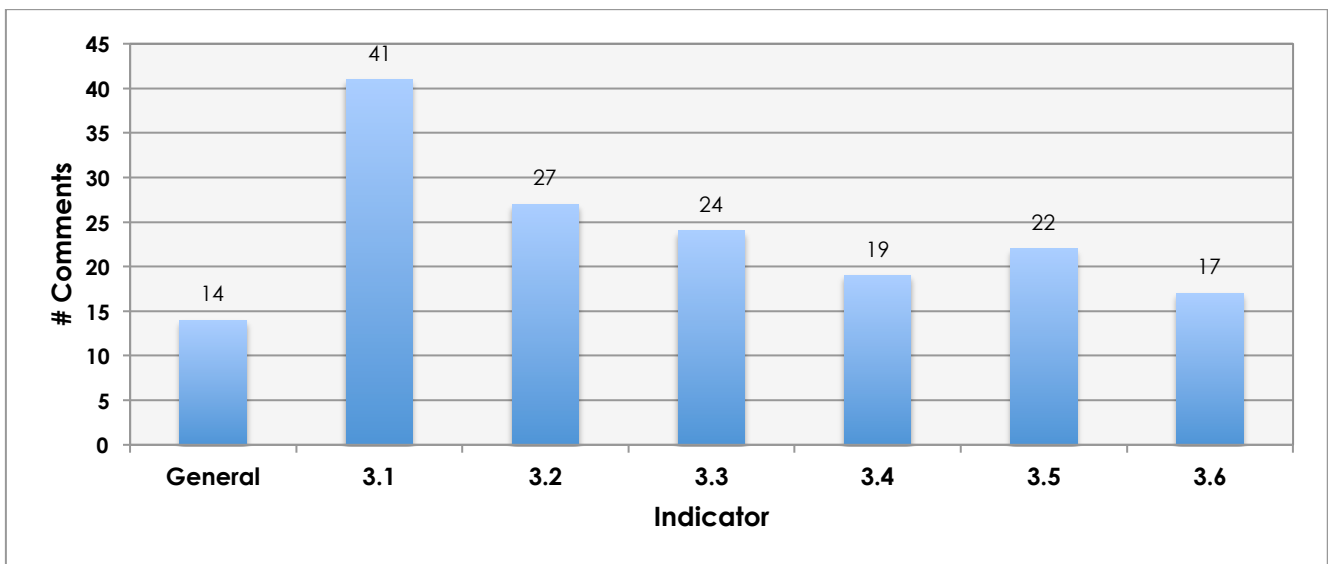


Figure 4: Draft 1 consultation comments – Category 3

Comments were then sorted and grouped by key theme or issue:

- Strategic direction
- Methodology
- Data/Sources
- Process
- Impact

Most comments had to do with a critique of the methodology, as well as data sources. A summary of the main issues identified in Draft 1 of the NRA are as follows:

#### Strategic Direction

- Canada's risk thresholds are excessively high compared to other countries;
- The high level of governance and rule of law is not reflected in the NRA outcomes.

#### Methodology

- 'Low risk' has been interpreted as 'no risk'. A risk-based approach should be applied, especially for Small-Medium Enterprises and private landowners;
- Legislation and regulations are not fully incorporated into the assessment. For several indicators, this should lead to a Low Risk designation;
- Threats assessed are not always a result of forestry activities;
- Assessment of 'effective protection' missing from some indicator evaluations;
- Scale of assessment does not produce homogenous results;
- Low Risk for indicators within Category 1 should result in Low Risk in other Categories.

#### Data/Sources

- Some sources are outdated (more than 5 years old);
- Poor data quality used in some cases;
- Lack of evidence to support the existence of threats at the appropriate scale.

#### Impact

- CoC Certificate Holders have little to no influence over forest management by non-Certificate Holders;
- Specified Risk is not a manageable option for Certificate Holders who cannot segregate fibre;
- Control Measures are inappropriate for a Controlled Wood context, and are not auditable, workable or achievable by CoC Certificate Holders.

#### Process

- Second consultation on the NRA is required;
- More industry/government involvement should be incorporated into the drafting of the NRA;
- Field testing should be conducted.

## Development of NRA Draft 2

The focus of Draft 2 was to address the key concerns identified during Draft 1 consultation, consider areas where FSC and Controlled Wood can have on-the-ground impact, improve feasibility and achievability of Control Measures, and consider global alignment with other NRAs and cNRAs.

The Working Group focused their attention on six 'critical indicators' during Draft 2 development. These were the indicators that received most feedback during Draft 1 consultation, and were considered to require significant methodological revision and/or consideration. The six 'critical indicators' identified were:

- Indicator 2.3 – Rights of Indigenous Peoples
- Indicator 3.1 – Species diversity
- Indicator 3.2 – Intact Forest Landscapes
- Indicator 3.3 – Rare, threatened, endangered ecosystems
- Indicator 3.5 – Basic community needs
- Indicator 3.6 – Cultural values

Following is a summary of how Draft 1 comments received for these indicators were addressed in Draft 2. In many cases, significant changes to the indicators or control measures were made in Draft 2 that rendered the Draft 1 comments obsolete. Discussion of the treatment of obsolete comments are in most cases, not included below.

### Indicator 2.3 – Rights of Indigenous Peoples are Upheld

#### *Summary of Changes*

This indicator underwent significant structural and methodological change in Draft 2. The entire structure of the evaluation was reconsidered, and instead of following the NRA Template from FSC IC (a table format, with sources of information listed followed by a risk indications for each source), a more narrative approach to the evaluation of Indigenous rights in Canada was undertaken. This follows the format undertaken in the US NRA. Specifically, the framework for the evaluation followed the indicator's 'context & considerations' identified in FSC-PRO-60-002a. This provided the structure for evaluation in the form of six questions, which were assessed at the national scale.

The benefits of this structure include:

- Space for discussion regarding the historical context of Indigenous People and their rights (acknowledgement of past violations), as well as existing and continuing violations and struggle regarding the full recognition of Indigenous rights (as defined by UNDRIP);
- Discussion of key court cases and legislative precedents, as well as existing regulations that frame the current relationship between Indigenous People and the Crown;
- Assessment of the current impact of forestry on the application of Indigenous rights;
- Investigate the presence of current and public conflicts related to violations of Indigenous rights related to forestry activities;
- Allow for specificity in what and where problems exist related to forestry activities;
- Provide a more logical flow to the assessment.

Key Draft 1 Comment	Treatment in Draft 2
Emphasis on governance & legislation in place has not been considered.	Question #2: Status of UNDRIP, Bill C-262 reviewed
No mention of recent improvement in relationships with Indigenous People	Question #3, 4: Legal, customary rights and key legal milestones reviewed.
Debate about Treaties: <ul style="list-style-type: none"> <li>• Modern treaties are not 100% effective in</li> </ul>	Draft 2 assessment not done at Treaty level. A more macro/system view was taken.

ensuring fair & equitable processes occur • Treaties other than Modern Treaties should be considered	
Violation of rights not a result of forestry activities.	Question #5: Conflicts as a result of forestry reviewed
Sources of information >5 years old.	Addressed. Sources updated.
Specified risk areas should be mapped	Draft 2 assessment does not identify areas of Specified Risk.
Control Measures go beyond FM requirements	Draft 2 assessment does not identify areas of Specified Risk.

### Indicator 3.1 – Species Diversity

#### Summary of Changes

This indicator also underwent structural and methodological changes in Draft 2. First, HCV1 was clarified as the 'critical habitat' of identified species at risk (SAR), not the species themselves. Second, a two-pronged approach was taken in the identification of HCV1:

- 1) Concentration of critical habitat of SAR; and
- 2) Critical habitat of SAR of Species of Special Significance.

This is somewhat aligned with the US NRA approach of identifying Critical Biodiversity Areas (CBAs) and Priority Species. However, unlike the US, Canada does not have national dataset by which to assess areas of high biodiversity or concentration of critical areas for biodiversity. Therefore, an internal assessment of concentrations of SAR critical habitat was undertaken by the Working Group (refer to NRA Draft 2 methodology for details).

Draft 2 also incorporated an assessment of measures to mitigate the risk (i.e. akin to the 'protection' concept identified in FSC-PRO-60-002a). Finally, the scale of assessment was changed from provincial (Draft 1) to ecoregion, with the specific species' critical habitat identified for each Specified Risk ecoregion.

The benefits of these structural changes include:

- Emphasis on area-based metrics for HCV1 (e.g. critical habitat locations), which permits geographic location of HCV1 and allows for better determination of impacts of forestry;
- Identification of critical habitat 'hotspots' by using a concentration metric, which addresses the requirements of HCV1 more directly;
- Accommodation for other nationally-significant SAR whose critical habitat do not align with the concentration model;
- Consideration of measures in place to mitigate risk to the HCV (i.e. 'protection' measures).

Key Draft 1 Comment	Treatment in Draft 2
Focus of HCV1 should be on 'concentrations' of SAR	Addressed via two-pronged approach to identifying HCV1s, including identification of 'Concentration of SAR Critical Habitat' HCV1.
Only species threatened by forest management should be listed.	Addressed. An assessment of threats of forestry activities on the species' critical habitat was conducted, based on information identified in each species' Recovery Strategy.
Provincial legislation should be considered for HCV1.	For HCV1: <i>Concentrations of SAR Critical Habitat</i> , an evaluation of the effectiveness of provincial regulations in protecting critical habitat from threats due to forestry activities was not undertaken on account that all critical habitat identified was located entirely or partially within private land, to which not all forestry-related provincial



	regulations apply. Refer to the Note written to this effect on page 76 of the Draft 2 NRA.
Federal legislation should not supercede provincial legislation, even when they are not aligned.	As above, an assessment of provincial legislation as a means to address risk was not conducted.  Emphasis in this NRA is focused on federal-level mandates through the federal SARA Act, and includes the protection of critical habitat, although it is recognized that the provinces play the lead role in the management of natural resources (including SAR).
If the risk designation process is going to focus on whether “a recognized action plan exists” it has to refer to the SARA Schedule 1 species, since these require recovery strategies & action plans.	Addressed. The starting point for the HCV1 assessment were Species at Risk identified as forest-dwelling species (mammals, birds, reptiles, amphibians, fish, vascular plants and lichens) listed as Threatened or Endangered according to the Species At Risk Act (Schedule 1), as of June 2018.
There was no assessment of 'effective protection' as outlined in the FSC-PRO-60-002a framework for HCV evaluation.	Addressed. Draft 2 includes an assessment of measures to mitigate the risk (i.e. akin to the 'protection' concept identified in FSC-PRO-60-002a). Refer to page 75 of the Draft 2 NRA for a description of the methodology.
Inconsistencies between Canada's HCV1 approach and other countries.	Addressed via two-pronged approach to identifying HCV1s, including identification of 'Concentration of SAR Critical Habitat' HCV1. This is more aligned with the approach taken by the US NRA.  However, it is noted that differences will always exist between countries on account of different data sources available, as well as variations in the national context for HCVs.
Maps should be provided which identify areas of specified risk for HCV1.	Draft 2 identifies the geographic location of specified risk areas (ecoregions) which can be easily identified using DataBasin or other publicly available web tools (refer to HCV1 References & Information Sources on page 127 of the Draft 2 NRA).  Additionally, all species' critical habitat identified in HCV1 as Specified Risk is spatially identified in their federal recovery strategy. For some species, their critical habitat shapefiles can be downloaded via open.canada.ca.
Several comments regarding specific Control Measures.	There was considerable revision to the Draft 1 HCV1 Control Measures. In Draft 2, more options were provided, including specific control measures for private lands as well as Indigenous-led or co-developed land use plans.

### Indicator 3.2 – Intact Forest Landscapes

#### Summary of Changes

This indicator also underwent structural changes in methodology, with a focus on creating a more objective and repeatable assessment of risk to HCV2, as well as assessing 'protection' of IFLs by considering IFLs that are not threatened by forest management activities.

Draft 2 took a two-step approach to assessing risk to IFLs:

- 1) Assessment of risk to IFLs at the eco-region level;
  - Accounts for ecoregions where IFLs are abundant and/or not threatened by forest management activities;
  
- 2) Assessment of risk to IFLs at the individual IFL level.
  - Determines risk to specific IFLs.

The benefits of these methodological changes include:

- Addresses most of the Draft 1 comments received related to the approach to assessing HCV2;
- Allows future updates based on new IFL information to be more streamlined;
- Determining risk at the IFL-level more accurately pin-points risk within a specific geographic area, and reduces the need and time required for Certificate Holders / Certification Bodies to determine the status of the IFLs within their sourcing area;
- Allows for more streamlined Control Measures.

<b>Key Draft 1 Comment</b>	<b>Treatment in Draft 2</b>
HCV 2 is not a species-specific value: SAR including caribou are covered under HCV 1.	Addressed. Caribou context removed from HCV2.
IFL 'Remnants' a new concept and should not be included in HCV2	Addressed. IFL Remnant evaluation removed.  However, there continues to be emphasis on smaller IFLs, and the Draft 2 methodology identifies higher risk thresholds for 'small IFLs' (< 62,500 ha) than large IFLs (>62,500 ha).
Qualitative assessment is subjective and not repeatable	Addressed in new methodology.
GFWC data not up date. GFWI data should have been used.	Addressed. Most up to date version of GFWI used (2016).
Level of protection of IFL not considered	Addressed. Additional step looking at 'protection' of IFLs included in the methodology. IFLs not threatened by commercial forestry practices include: <ul style="list-style-type: none"> <li>• Areas not in forest tenure</li> <li>• Formally protected areas</li> <li>• Located within FSC-certified forests</li> </ul> However, more fine-scale land use designations (e.g. OGMAs in BC, non-productive forest land base, etc.) were not considered in this risk assessment on account of the level of detail required to collect and analyze this information. Control Measure #5 leaves room for this level of analysis, if the Certificate Holder chooses.
Forestry not a(lways) key threat to IFLs.	Addressed. Assessment considers areas that are not in forestry tenure, or have a very low proportion of IFL within forestry tenure, or have a significant proportion of IFL where harvesting cannot occur.
Control Measures are confusing, require clarification and should be consistent with the FSC Advice Note or other approved FSC approaches.	Addressed. Control measures are more streamlined, and follow the thresholds identified in other FSC advice notes (i.e. FSC-ADV-20-007) or guidance documents (i.e. FSC Canada IFL Technical Working Document).
Provincial legislation should be considered as protection measures.	Somewhat addressed. Draft 2 includes consideration of 'protection', including formally Protected Areas and areas not in tenure. The designation of Protected Areas and tenure areas stem from federal and provincial regulations.

	However, more fine-scale assessment of other land use designations or restrictions on forestry activities was not undertaken on account of the scale and level of detail required to analyze this information. As above, Control Measure #5 leaves room for this level of analysis, if the Certificate Holder chooses.
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### Indicator 3.3 – Rare, Threatened and Endangered Ecosystems

#### Summary of Changes

Draft 2 Indicator 3.3 was significantly reduced in scope compared to Draft 1. The key challenge with this HCV, as acknowledged by comments received on Draft 1, is the scale at which HCV3 values are known to exist (FMU/local/regional scale) and the scale of this risk assessment (nation-wide).

Identifying HCV3 for Canada without a national dataset, or without comparable, objective data covering all provinces and territories, is the primary obstacle. Several proxies were discussed by the Working Group during the development of Draft 2, and a consensus on an adequate, objective and up-to-date proxy that addressed both the requirements of HCV3 and known ecological concerns by stakeholders, could not be obtained.

However, changes to HCV1 methodology, including an increased focus on concentrations of critical habitat, created much overlap between the Specified Risk areas identified in HCV1 and the areas of HCV3 concern identified by stakeholders.

Therefore, the Working Group agreed that the fine-scale assessment of critical habitat undertaken in HCV1 served as an adequate proxy for Rare, Threatened and Endangered (RTE) ecosystems, habitats and refugia (HCV3). Instead, a broad-scale assessment of the presence of HCV3 (RTE ecosystems) based on International data sources, while not ideal, was considered sufficient for the HCV3 assessment, following the direction of FSC-PRO-60-002a.

The benefits of these methodological changes include:

- Analysis is based on up-to-date information;
- Less redundancy between HCV1 and HCV3 outcomes.

Key Draft 1 Comment	Treatment in Draft 2
WWF source of information is dated.	Addressed. The WWF Conservation Index Status was the basis for the Draft 1 HCV3 assessment. While it covers the entire scope of Canada, the information is dated (~20 years old). Therefore this data source was not used in the Draft 2 assessment.
Progress to achieve 'Aichi' targets were not considered.	N/A – No Specified Risk areas identified in HCV3 warranting an assessment Aichi targets.  It should be noted that most ecoregions and provinces are not close to achieving Aichi targets, which make assessing the 'progress' to achieve them somewhat subjective.
Provincial legislation not considered. Provincial policies mitigate the risk identified.	N/A – No Specified Risk areas identified in HCV3 warranting an assessment of provincial legislation.
Global 200 Ecoregions or IUCN red list ecosystems not considered	Addressed. Draft 2 HCV3 assessment considers these 2 data sources.
Ecoregion scale does not account for	Agreed. Ideally, a more fine-scale assessment of

climatic variability which affects ecosystems.	ecosystem threats would be more appropriate to determine risk to ecosystems across Canada. This kind of assessment does not exist for all provinces and territories in Canada.  Based on best available information, Draft 2 focuses on international databases and assessments, and more refined local assessments of habitats are covered in HCV1.
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### Indicator 3.5 – Basic Community Needs

#### Summary of Changes

The main structural change to the evaluation of Indicator 3.5 in Draft 2 was a redefining of the “Claimed Territories of Indigenous Peoples” section to align with related changes made to aspects of Indicator 2.3. Draft 2 expands Indigenous community needs from just focusing on drinking water sources to areas of subsistence harvesting for Indigenous People, and specifically assessed, at a broad scale, whether there is a system in place which mitigates infringement to rights related to forest-based harvesting activities (hunting, fishing, trapping and gathering plants).

It is acknowledged that challenges do exist in the forest management planning process with respect to Indigenous participation. However, in the context of Controlled Wood, the assessment focused on the presence of legally enforceable mechanisms in place to mitigate negative impacts to areas of subsistence harvesting.

The benefits of these structural changes include:

- Alignment with Draft 2 approach to Indicator 2.3;
- Broadening scope of Indigenous community needs to consider traditional forest-based activities including hunting, fishing, trapping and gathering plants.
- Address drinking water quality regulations provincially, rather than overlapping its evaluation on 2 spatial scales (provincial and claimed traditional territory).

Key Draft 1 Comment	Treatment in Draft 2
Provincial regulations protect water sources.	Additional Alberta regulations added to assessment. Changed Alberta risk designation to Low Risk.  Additional suggested Saskatchewan regulations reviewed, but were not found to specifically identify restrictions or targets for forestry activities around watercourses or sources of drinking water. Same risk conclusion as Draft 1 (Specified Risk).
Additional HCV5 values such as medicinal plants, subsistence hunting, fishing, etc. should be evaluated.	Considered and added in section: <i>Areas of Subsistence Harvesting for Indigenous People</i> .
Lack of evidence to support threats from forestry. Two examples not enough to consider Specified Risk for whole country	Considered and added in section: <i>Areas of Subsistence Harvesting for Indigenous People</i>  Sources of information updated.  New conclusion for Draft 2 is Low Risk for Areas of subsistence harvesting for Indigenous People.
Provincial regulations should be assessed to determine whether risk is mitigated.	Considered and added in section: <i>Areas of Subsistence Harvesting for Indigenous People</i> .

	Additional regulations provided for AB and SK reviewed and incorporated, as applicable.
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### Indicator 3.6 – Cultural Values

#### Summary of Changes

As with Indicator 3.5, the main structural change to Indicator 3.6 was a redefining of the “Claimed Territories of Indigenous Peoples” section to align with related changes made to aspects of Indicator 2.3. In Draft 2, this section was replaced by an assessment of “sites of critical cultural importance to Indigenous People”, followed by an assessment of whether there are legal as well as operational forest management systems in place to mitigate impacts to these sites as a result of forestry activities. The specific examples or case studies from Draft 1 were maintained, but assessed in terms of their applicability to forest management activities.

As with Indicator 3.5, Indicator 3.6 acknowledge the challenges in participating in provincial forest management planning process, however, in the context of Controlled Wood, the assessment emphasized the presence of legally enforceable mechanisms in place to mitigate negative impacts to cultural sites.

The benefits of this structural change includes:

- Alignment with Draft 2 approach to Indicator 2.3;
- More emphasis on impacts as a result of forest management activities.

Key Draft 1 Comment	Treatment in Draft 2
Provincial legislation & regulations in place to protect Aboriginal values & sites.	Addressed. Legislation & regulations for identifying and mitigating impacts to cultural sites included in assessment.
Assessment not linked to sites of significance.	Somewhat addressed. Draft 2 acknowledges that the identification & delineation of specific sites of cultural significance is not aligned with the Indigenous view of these sites. In other words, there is not a hierarchy of sites that are more or less culturally important, so identifying these areas specifically is not meaningful.  Draft 2 recognizes that these sites exist, are widespread and localized, but it is out of scope of NRA to spatially identify these sites.  Rather, a system-approach to how sites are identified by Indigenous People through the forest management planning process was undertaken.
Insufficient evidence to demonstrate threats are a result of forestry.  Specified Risk designations based solely on a few examples.	Addressed. A system approach to the assessment of threats to cultural sites was undertaken.  Specific examples/cases from Draft 1 were reviewed in Draft 2 and considered in terms of their relevance to forestry operations.
Woodland caribou should be added as an HCV6.	HCV6 encompasses sites important for all types of Indigenous cultural values – the NRA did not specifically identify which values constituted HCV6. Rather, it focused on the process for identifying the values through the forest management planning system. Management of woodland caribou is explored in much detail under

	HCV1, and proposes Control Measures which can be met through an Indigenous-led land use plan that addresses this value.
Definition of 'claimed traditional territory' required.	N/A – this terminology and methodological approach was removed from the Draft 2 assessment.

Additional comments and feedback was received regarding other Indicators not explored above. These are not summarized here, but a high-level description of changes made to these indicators can be found in Appendix I.

## Draft 2 Consultation Results & Analysis

Draft 2 was submitted for 30-day public consultation from October 15 – November 15, 2018.

Stakeholders were notified of the consultation period via email notification. In total, 1153 individuals received notice of the NRA and invitation to comment, via the 'Technical News' email list maintained by FSC Canada.

In total, FSC Canada received 46 written submissions, with the majority (72%) from the Economic chamber (Fig. 5 & 6).

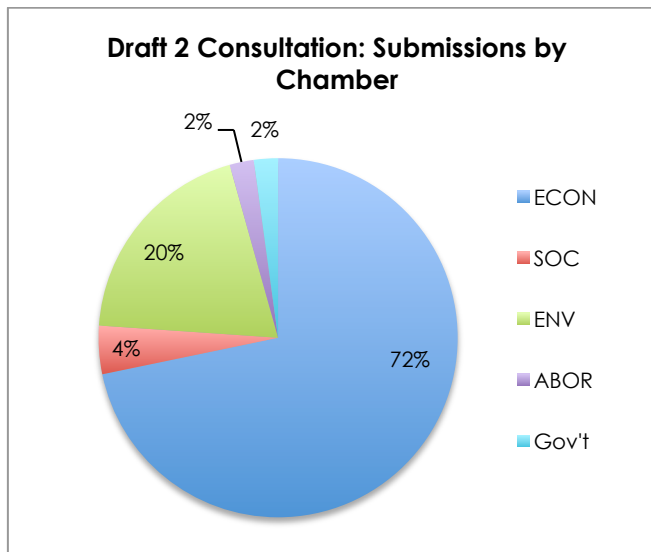


Figure 5: Draft 2 consultation submissions by Chamber

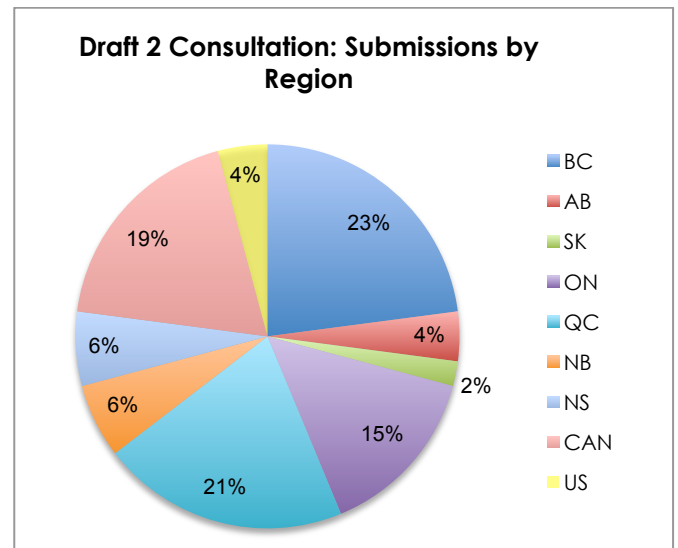


Figure 6: Draft 2 consultation submission by Region

All submissions were broken down into specific comments related to a specific indicator, category or general comment. There were a total of 239 comments.

Indicator 3.1: Species Diversity received the highest number of comments (90) compared to any other indicator in the NRA, followed by Indicator 4.1: Conversion (30), and Indicator 3.2: IFLs (28).

Compared to Draft 1, Draft 2 received less comments overall (314 vs. 239) (Fig. 7), however, Category 3 and specifically Indicator 3.1 receive the most comments in both Drafts (Fig. 8).

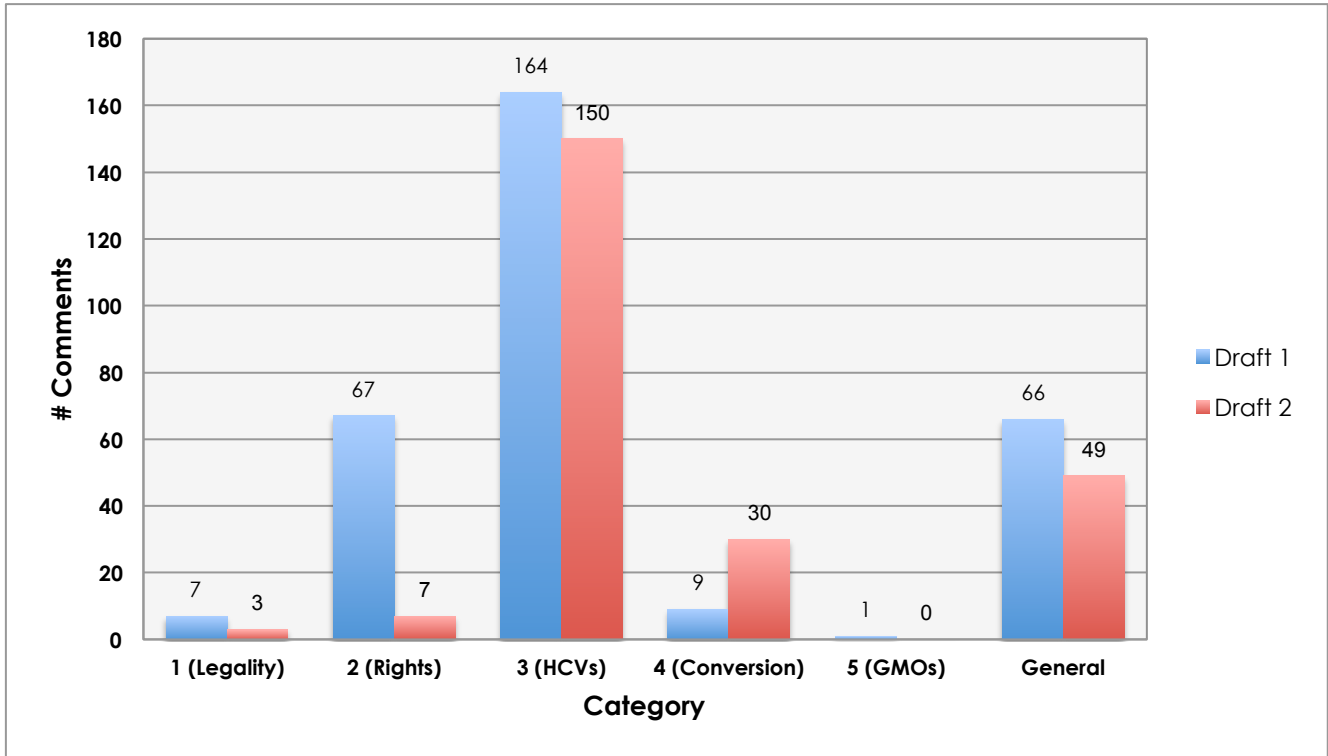


Figure 7: Draft 1 vs. Draft 2 Consultation Comments Received, by Category.

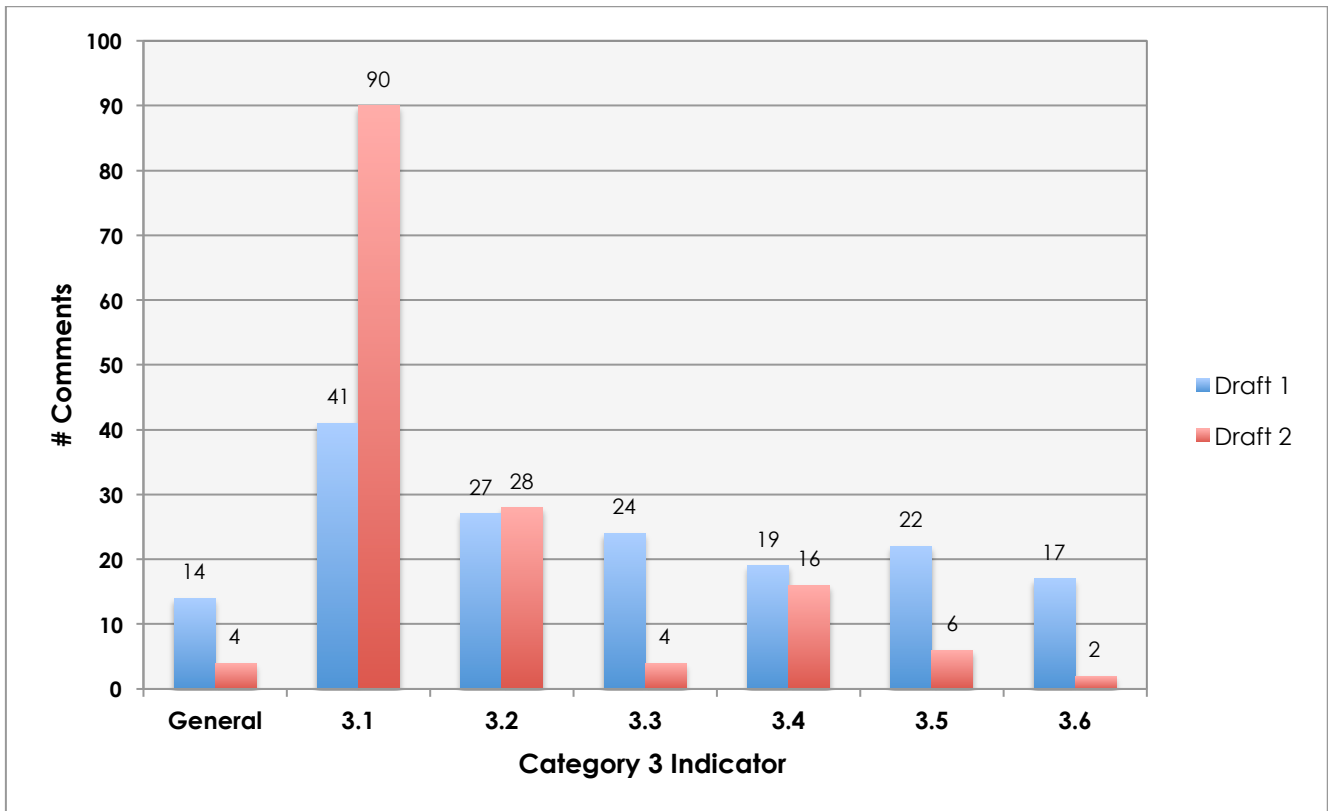


Figure 8: Draft 1 vs. Draft 2 consultation comments – Category 3

Comments were sorted and grouped by key theme or issue:

- Strategic direction
- Methodology
- Data/Sources
- Process
- Impact

The vast majority of comments had to do with a critique of the methodology, followed by comments related to data sources. A general summary of the main issues identified in Draft 2 of the NRA are as follows:

#### Strategic Direction

- NRA not consistent with other countries;
- Support systems will be required, post NRA finalization.

#### Methodology

- The scale of assessment is not homogenous;
- The scale of assessment is too broad/narrow;
- Assessment of the effectiveness of regulations are required;
- Canada's governance system should lead to more Low Risk;
- Assessment of risk should be secondary to known occurrences of threats;
- Threats as a result of forestry are not assessed (re: Conversion);
- More detailed assessment at the provincial scale required;
- Alternative approaches to assessment methodology and Control Measures provided.

#### Data/Sources

- IFL evaluation should be based on more recent data;
- Best available information not used;
- Additional evidence provided.

#### Impact

- Control Measures are not workable;
- Support systems will be required, post NRA finalization.

#### Process

- Additional consultation on the NRA required;
- Field/pilot testing should be conducted.

Compared to Draft 1, there were several comments supporting the findings of the NRA.



## Development of NRA Final Draft

The focus of revisions for the Final Draft was to address the significant and outstanding issues identified during Draft 2 consultation, with the priority of ensuring Control Measures provided workable options for all types of Certificate Holders throughout the supply chain.

The Working Group focused their attention on five key indicators for the development of the Final Draft, based on feedback Draft 2 consultation.

Significant methodological decisions:

- Indicator 3.1 – Species diversity
- Indicator 3.2 – Intact Forest Landscapes
- Category 4 – Conversion

Minor methodological revisions:

- Indicator 3.4 – Critical ecosystem services
- Indicator 3.5 – Basic community needs

In addition, significant time was invested in refining Control Measures, based on the outcome of the final risk designations.

The following is a summary of how Draft 2 comments received for these five indicators were addressed in the Final Draft. In many cases, significant changes to the indicators or control measures were made in Final Draft that rendered the Draft 2 comments obsolete. Discussion of the treatment of obsolete comments are in most cases, not included below. Note that Indicator 2.3 is addressed at the end of this section.

### Indicator 3.1 – Species Diversity

#### *Summary of Changes*

Comments received for this indicator presented two opposing views. On one hand, some stakeholders commented that the scale of assessment should be narrower – specifically, that the Species of Special Significance HCV1 (i.e. woodland caribou) should be removed from consideration as an HCV1. This perspective was often coupled with concerns regarding the implementation of Control Measures for this HCV1. On the other hand, some stakeholders advocated for the opposite – specifically that the critical habitat of all threatened/ endangered Species at Risk should be included as HCV1, not just those identified as being within a ‘concentration’.

The Working Group decided to maintain the approach developed for Draft 2, given that it addressed several key issues identified during Draft 1 consultation. The focus then turned to refining Control Measures for HCV1 that present a full suite of options for Certificate Holders throughout the supply chain.

Below is a summary of response to key comments received related to Indicator 3.1.

Key Draft 2 Comment	FSC Response
Threatened species should be evaluated separately than endangered species.	It was agreed upon in Draft 1 development that both threatened and endangered species would be equally considered for assessment under HCV1. This balances a precautionary approach with consistency of assessment, given that both federally-listed threatened and endangered species require a Federal Recovery Strategy to be developed and critical habitat to be identified. The Federal Recovery Strategies for these species is the

	<p>foundation of information used in the identification of critical habitat, assessment of threats and impacts from forestry.</p> <p>No change made.</p>
<p>The Working Group should simply look at all Critical Habitat of Threatened or Endangered Species listed under SARA as specified risk.</p> <p>HCV 1 guidance has been misinterpreted in Draft 2 of the NRA in the context of Canada. The idea of "concentration" in this context should mean the areas where a concentrated number of the individuals of the species are found along with the habitat required for their survival and recovery as a species. There is no need for a further calculation of "concentration" across species as SARA Critical Habitat is being used for this assessment.</p>	<p>The Working Group was not in collective in agreement with the perspective that the HCV1 guidance has been misinterpreted in Draft 2.</p> <p>The assessment of 'concentration' of critical habitat was the best attempt by the Working Group to determine what areas of critical habitat are at most risk across this large country. The Working Group agrees that it would be preferable for this assessment to be undertaken by a credible organization, with the results made publicly available. Given that FSC was undertaking this analysis itself, the approach in Draft 2 was a compromise in attempting to reduce the assessment to a manageable number of species for analysis (considering the requirement to include an assessment of threats as a result of forestry and effectiveness of existing protection) and an attempt to capture the most critical or 'at-risk' areas so that the application of control measures would mitigate the identified risks.</p> <p>Should a more formal assessment concentrations of biological diversity across Canada become publicly available, the NRA will consider this new source of information in future versions of the NRA.</p> <p>No change made.</p>
<p>Provincial experts were not consulted as to the sufficiency of existing caribou plans.</p>	<p>Assessing the sufficiency of each province's approach to managing caribou was deliberately not undertaken as a part of this risk assessment primarily due to a lack of time and resources, and because there was no agreement on what criteria should be used to assess "sufficiency of protection", making the gathering of further information a moot point.</p> <p>The Working Group members were of differing opinions as to whether sufficiency of existing caribou action plans could be assessed in the absence of any federally-approved provincial caribou plans. The federal perspective on the 'sufficiency' of current protection measures is referenced in the risk assessment, in relation to the Section 63 report for boreal woodland caribou where the federal government concludes that most critical habitat is not subject to constraints consistent with those under SARA, and therefore cannot constitute as protection of the critical habitat. As such, the assessment focuses on federal assessment of sufficiency</p> <p>No change made.</p>
<p>The NRA should evaluate the effectiveness of regulations in protecting critical habitat from threats due to forestry.</p>	<p>The Working Group had several discussions regarding the assessment of the effectiveness of regulations. The primary challenge with this is the scope of such an undertaking – a determination of whether all applicable regulations are truly effective at protecting critical habitat of all identified species was outside the scope of the NRA. There was much debate around how the WG would assess 'effectiveness' in</p>

	<p>addition to aspects already assessed under the NRA HCV1 section 'Mechanisms to Mitigate Risk'.</p> <p>The Certificate Holders will be in a better position to demonstrate at a fine level how threats to critical habitat are mitigated through the application of Control Measures. No change made.</p>
<p>One of the measures listed is 'harvesting does not take place in critical habitat'. this should be quantified and more specific. The critical habitat may be found so far away from existing population that it will never be used by that species.</p>	<p>Critical habitat is the fundamental unit used for the HCV1 assessment, and is based on the science and expertise used to develop the federal recovery strategies. The Working Group did not apply their own determinations of what constitutes critical habitat, in order to maintain a consistent and more credible process of evaluation. No change made.</p>
<p>American Marten should have 'Newfoundland sub-species' added after the English name, to clarify that it is only this sub-species for which Critical Habitat has been designated.</p>	<p>Addressed. Clarification provided that the American marten (Newfoundland population) subspecies is applicable.</p>
<p>The risk is not homogeneous by using the ecoregion as a territorial subdivision. The existing regulations for the protection of species at risk also differ significantly between Quebec and Ontario, which the ecoregion cannot take into account.</p>	<p>Ecoregions were selected as the scale to assess concentrations of critical habitat, as they represent a more homogenous ecological delineation of habitat and conditions. Refer to response above re: evaluating the effectiveness of regulations. No change made.</p>
<p>The name Queen Charlotte Islands no longer exists legally or in any practical sense in BC. The official and legal name is Haida Gwaii. This happened by Act of the Legislature in 2010.</p>	<p>The use of the name 'Queen Charlotte Islands' is not in reference to the legal name of the Islands, but to the name of the ecoregion as identified by WWF (see source C3). No change made.</p>
<p>It is not true that provincial regulations do not apply in private forests.</p>	<p>The NRA does not make the claim that no provincial regulations apply on private forests. Rather, it states that not all provincial requirements apply. In other words, the statement means to acknowledge that provincial regulations that apply to crown forests do not also automatically apply to private forests. No change made.</p>
<p>Remove the "Critical Habitat for SAR of Special Significance" approach to identifying HCV 1 and solely focus on "Concentrations of SAR Critical Habitat". Woodland caribou should be considered at 'Specified Risk' only when present in areas of concentration of species at risk critical habitat.</p>	<p>The HCV Common Guidance Document, section 3.1.1 identifies that HCV1s may also be a stand-alone species. "It is not necessarily important to have a certain amount of biological diversity to qualify as an HCV 1; even a single species can be considered important enough to be an HCV 1 on its own; if the species is for example, listed in the IUCN Red List or on the National Protected Species list and is found in a population large enough to qualify as a concentration or significant in the country in question."</p> <p>It is well supported that woodland caribou are a significant species at risk in Canada that are threatened by industrial activities, including forestry. No change made.</p>
<p>No explanation is provided here on how "species of national significance", "cultural importance to Indigenous and non-Indigenous people", "known conservation priority in Canada" were</p>	<p>The determination of woodland caribou as the only species that was considered under 'species of special significance' was qualitative, but no less a valid choice. Singling out this species aligns with the approach taken by the FSC National Forest Management Standard, which also</p>

determined. In the detailed explanation on p.89, it provides the rationale why caribou was the only species selected as such.	attributes specific attention to woodland caribou with a stand-alone indicator. It is possible for other species to be brought forward for consideration under this category in future iterations of the NRA. No change made.
It is wrong to argue that as soon as there is harvest with the presence of endangered species susceptible to forestry practices then risk must be determined.	True, forestry activities may not in every case harm the critical habitat. However, the HCV1 methodology assesses the threat from forestry in a systemic and consistent way by reviewing whether forestry is identified as a threat, per Federal Recovery Strategy. No change made.
Furbish's Lousewort and Van Brunt's Jacob's Ladder population that are threatened/endangered are not in the Southern Great Lakes Forest ecoregion.	Addressed. NRA updated to remove Furbish's Lousewort and Van Brunt's Jacob's Ladder population from the Southern Great Lakes forest ecoregion of Table 1.
Rainbow Smelt should have 'Lake Utopia small-bodied population' added after the English name, to clarify that it is only this sub-species for which Critical Habitat has been designated.	Addressed. Clarification provided that the American marten (Lake Utopia small-bodied population) subspecies is applicable.
Several comments regarding specific Control Measures.	There were revisions to the Draft 2 HCV1 Control Measures, based on feedback received during consultation. In the Final Draft, additional Control Measures were developed that aimed to offer a fuller menu of options for Certificate Holders, accounting for variations in Certificate Holders' position within the supply chain and sphere of influence. Refer to Appendix IV for a summary of the suite of Mandatory Control Measures for Category 3.

### Indicator 3.2 – Intact Forest Landscapes

#### Summary of Changes

Comments received related to Indicator 3.2 presented two main options to the Working Group for assessing risk to IFLs. The Environmental chamber presented a critique of the 'ecoregion-then-individual IFL assessment' (i.e. Draft 2 approach), and proposed an alternative methodology which removes the ecoregion portion of the assessment, thereby focusing the assessment solely on individual IFLs.

The Working Group agreed to update the methodology for Indicator 3.2 assessment to align with newly proposed 'individual IFL assessment' after an internal analysis of the impact of the new proposal, as well as discussions committing to expanding the suite of options of Control Measures for this indicator.

The benefits of the 'individual IFL assessment' approach include:

- A more streamlined assessment – removes complications of assessing risk at multiple scales and the bulky transition from ecoregion scale to IFL scale;
- More accurately captures IFLs facing a greater risk of harvest and reduction.

Below is a summary of response to key comments received related to Indicator 3.2.

Key Draft 2 Comment	Treatment in Final Draft
Data used for the IFL assessment should be based Jan. 1 2018 IFL data.	The IFL data used by the Working Group is based on the most up-to-date information provided by

	<p>intactforests.org (data as of January 2016). This is the source required to be used in the IFL assessment (refer to FSC-PRO-60-002a <i>Terms and definitions : Intact Forest Landscape</i>, as well as <i>Table 3.2 – 3.2 HCV2</i>).</p> <p>Should new IFL information become available from intactforests.org, the NRA may be updated to incorporate any changes.</p> <p>No change.</p>
IFLs should not be considered as an HCV2 in the Canadian context.	<p>The NRA follows the framework identified in FSC-PRO-60-002a, which requires that 'All Intact Forest Landscapes (IFL) as defined by the maps at <a href="http://intactforests.org">http://intactforests.org</a> shall be considered as HCV 2' (<i>Table 3.2 – 3.2 HCV2</i>).</p> <p>No change.</p>
<p>We do not think that it is appropriate to assess IFLs at the ecoregional level. First this results in IFL areas that we know are at risk of harvesting to be deemed low risk where the ecoregions are large and a large portion of it is north of the Area of the Undertaking, e.g. in Ontario and Quebec. Also, we are not convinced the ecological relevance of the IFLs are captured at this scale.</p>	<p>Addressed. The Working Group agreed to change the risk assessment methodology for HCV2 by removing the ecoregional-level assessment, and focusing directly on the IFL-level assessment.</p>
<p>We suggest that there would also be value in looking at the areas recently degraded to assess risk. There is global IFL degradation data for the years 2000-2013 and 2013-2016. As the assessment is done using the 2016 dataset, it seems like it would be possible to assign the older time period IFLs to the 2016 one and calculate the percent of IFL lost per polygon. Two complications are 1) if a disturbance split an IFL in to several smaller ones in 2013 or 2016 - then we would have to decide how to assign that IFL change on the 2016 IFL polygons (because they would be "new" IFLs), 2) we would need to review the degradation data sets to factor out fire.</p>	<p>While there would value in assessing trends of IFL degradation over time, the complications identified within the comment coupled with the lack of sufficient time and resources to complete the assessment makes this undertaking not possible at this stage in the NRA development.</p> <p>The Final Draft methodology for HCV2 addresses the requirements of FSC-PRO-60-002a, which has been agreed to by all chambers within the Working Group.</p> <p>No change.</p>
<p>FSC should ensure that the NRA includes workable solutions, which align with regulatory mechanisms, for the management of IFLs.</p> <p>AND</p> <p>Control measures #3 and #4 would be difficult, if not impossible, to implement by Certificate Holders that are not the forest manager/supplier and therefore not directly responsible for executing the measures.</p>	<p>Addressed. The Final Draft includes additional Control Measures for IFLs which provide options for Certificate Holders who are not in direct control of forest management activities. Refer to Control Measures #6 and 7.</p>
<p>Control Measure 2 is not written clearly enough to understand the intent or apply the measure. The current wording is "For IFLs between X and Y ha, cumulative impacts forest operations do not affect more than 10% of the total IFLs within forest tenure".</p>	<p>Addressed. Control Measure #2 as been clarified that is to be applied at the individual IFL level. The % threshold of cumulative impacts in the context of 'all IFLs within forest tenure' has been removed.</p>
<p>Clarity is needed on whether a forest management plan could be considered as</p>	<p>Addressed. Additional guidance has been provided that speaks to the characteristics of a land use plan that</p>

a land use plan or what other requirements, if met, would constitute a land use plan under control measure #3.	would meet the intent of Control Measures #3. In essence, a typical forest management would not constitute an 'Indigenous-led or co-developed land use plan'.
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### Indicator 3.4 – Critical Ecosystem Services

#### Summary of Changes

Several comments received from stakeholders questioned the rationale and value to assessing the threat of avalanches under this Indicator. Discussions with the Working Group indicated that the rationale for considering avalanches was not strong, and areas potentially prone to avalanches were not inherently obvious to be HCV4 in Canada. The Working Group decided to remove the avalanche portion of the HCV4 assessment.

The benefits of this change include:

- Addresses concerns related to the lack of quality information sources to assess threats as a result of forest management;
- Potential risk areas are very localized;
- Landslide assessment already assesses threats to soil stability, and better information is available to assess landslides vs. avalanches.

The Working Group also reviewed additional evidence regarding the regulatory system in Saskatchewan to protecting water quality and concluded the risk to be Low for Saskatchewan.

Below is a summary of response to key comments received related to Indicator 3.4.

Key Draft 2 Comment	Treatment in Final Draft
<p>The NRA does not demonstrate that avalanches are caused by forest management activities.</p> <p>For a risk to be determined, FSC has to demonstrate explicitly how threats to ecosystem services are here originating from forest management activities.</p> <p>The linkage between snow avalanches and erosion is unclear and is even less clear how it related to forest management activities, which are not known to be a causal factor for avalanches which typically originate in the alpine areas. As stated in the NRA discussion most avalanches occur with Banff and Jasper national Parks.</p>	<p>Addressed. The lack of quality information sources to linking increase of avalanches to forest management activities is low. Avalanche assessment has been removed from HCV4.</p>
<p>There is only one reference to any type of legislation affecting water resources in Saskatchewan. Additional research is needed to further assess the risk in Saskatchewan related to water quality regulations require consideration.</p>	<p>Addressed. The Working Group reviewed additional sources of information provided by stakeholders, including interviews with relevant experts. The evidence provided led to the conclusion that Saskatchewan is Low Risk for Water Quality for Fish/Aquatic Wildlife.</p>

### Indicator 3.5 – Basic Community Needs

#### Summary of Changes

The only change made to this Indicator followed the same rationale as the assessment of water quality under Indicator 3.4. The evidence provided by stakeholders related to the regulatory system in Saskatchewan to protect water quality was reviewed and found to be sufficient in addressing concerns that in Draft 2 had led to a Specified Risk designation for HCV5. As a result of these concerns being addressed, Saskatchewan was concluded to be Low Risk for HCV5.

### Indicator 4.1 – Conversion

#### Summary of Changes

Indicator 4.1 underwent structural changes between Draft 2 and the Final Draft, notably in Part 2: *Conversion of Natural Forests to Non-Forest Use*. The key challenges with this indicator, as acknowledged by several comments received on Draft 2, include:

- The conversion thresholds (percentage), as defined by FSC-PRO-60-002a are much higher for the NRA (0.02%) than the existing thresholds set in the Controlled Wood standard (0.5%). There was no rationale provided by FSC International as to the reason for the significant (i.e. 25 times higher) change in threshold;
- Most conversion from forest to non-forest is a result of legal land use change. Forestry accounts for an insignificant proportion of conversion in Canada, with the majority of conversion being a result of other resource sectors (oil, gas and mining, agriculture, urbanization, etc.)
- Unlike all other categories and indicators assessed in the NRA, Category 4 does not permit an assessment of the impact of the threats as a result of forestry. This limits the ability of Control Measures to meaningfully mitigate the threats causing conversion.

In addition, stakeholders from the Economic, Environmental and Social chamber did not agree with some of the changes made to the indicator in Draft 2, notably the 'economic drivers of conversion' consideration.

From an ecological perspective, one of the key concerns of the loss of natural forest is its relationship to habitat and biodiversity loss. However, the Working Group notes that impacts to biodiversity are addressed directly through HCV1 and the assessment of critical habitat of species at risk. The Working Group reviewed the areas that were identified as Specified Risk for Category 4 in Draft 2, and generally, areas identified as Specified Risk for Category 4 (Boreal Plains, Mixedwood Plains) overlap with HCV1 Specified Risk areas (woodland caribou critical habitat, Southern Great Lakes Forest and Eastern Great lakes Forest). This provided some confidence that drivers of biodiversity and habitat loss in areas where conversion was identified as Specified Risk were being addressed via Control Measures under HCV1.

Overall, the Working Group decided to conduct the assessment of conversion to non-forest use at the national level, vs. the ecozone (or 'reporting zone') level. This resulted in a Low Risk conclusion for Indicator 4.1.

Key Draft 2 Comment	Treatment in Final Draft
It would be more appropriate for the risk analysis to adopt a Canadian-specific conversion threshold, as the FSC-PRO-60-002a standard allows. For example, a conversion rate of 0.5% is allowed in the 3rd draft of the Canadian Forest Management Standard, as well as the Controlled Wood standard for company risk assessment, which represents a much higher conversion rate than the 0.02% suggested in the risk analysis.	Verification with the FSC Policy and Standards Unit (PSU) indicates that we are not permitted to change the percentage thresholds for conversion, only add to them. Hence the FSC-PRO-60-002a requirement 2.4.2 that 'additional country/region-specific indicators and thresholds' are permitted.

Threats as a result of forestry are not considered.	Verification with the FSC Policy and Standards Unit (PSU) indicates that we are not permitted to solely consider the threat of forestry operations on conversion. All causes of conversion are required to be considered against the thresholds.
<p>Illegal conversion is not an issue.</p> <p>For Quebec, it is very unlikely a supply of wood comes from a change of illegal vocation. Any conversion of forest must be done in approval with local municipalities and governing laws this type of activities. For example, the law on the protection of the agricultural territory forbids urban development in the agricultural area and the regulation on farms limits the conversion of forests for agriculture.</p>	Verification with the FSC Policy and Standards Unit (PSU) indicates that we are not permitted to consider legality of conversion when assessing whether the risk thresholds have been exceeded.
<p>Put a filter in the process BEFORE risk assessment so that all wood coming from conversion to other land use is not eligible for Controlled Wood.</p> <p>Use the % thresholds ONLY AFTER the obvious large scale conversion locations have been excluded from the risk assessment.</p>	The NRA seeks to determine risk at a defined scale of assessment. For Category 4 (as with Category 3), a scale of assessment is determined, then information gathered at that scale and the risk thresholds (as identified in FSC-PRO-60-002a) are assessed against. It is not possible with the NRA framework to identify every area where conversion is occurring, and identified those areas Specified Risk.
Evidence of 'economic drivers of conversion' not fully supported.	This was a comment received by members of the Economic, Environmental and Social chamber. The 'economic drivers of conversion' approach was removed from the Final Draft.
Differentiation in landownership not a valid consideration for assessment of risk.	As noted above, the "economic drivers of conversion" approach was removed from the Final Draft.
The definition of 'plantation' used here in the NRA is from the old National Boreal Standard. It is not complete and is different than the BC Standard. The full and complete current definition should be used.	<p>The National Boreal standard definition of plantation has been removed.</p> <p>However, the new Canadian FM standard definition does not add any more context than the FSC International glossary definition already referenced (FSC-STD-01-001 V5-2). Therefore, the whole paragraph was just removed.</p>
In Canada, the deforestation rate is less than 0.02% nationally and has been declining for the last 25 years. The scale of assessment should be at a coarser level.	As noted above in the 'Summary of Key Changes', the Working Group agreed to conduct the assessment of <i>conversion of forest to non-forest</i> at the national level.

## Other Significant Developments between Draft 2 and Final Draft

### Indicator 2.3 - Rights of Indigenous People are Upheld

#### Summary of Changes

Revisions to this indicator by the Working Group were put on hold during the preparation of the Final Draft, based on a lack of written feedback from members of the Aboriginal chamber regarding Draft 2. Several Aboriginal chamber members have expressed dis-satisfaction with the conclusion of risk for Indicator 2.3.



The Final Draft NRA was submitted to FSC International without conclusion on Indicator 2.3. On account of the opposition from the Aboriginal Chamber, the FSC Canada Board of Directors took on decision-making authority for risk designation related to this Indicator. Several Aboriginal chamber meetings took place to discuss Indicator 2.3, including an in-person meeting. Based on the outcome of these meetings, as well as input from FSC International, the FSC Canada Board of Directors approved a blended approach to risk, which identifies aspects of the legal and forest management systems as meeting low risk thresholds, yet acknowledges the opposition from directly affected stakeholders (e.g. the Aboriginal chamber) regarding the risk designation. FSC permits the application of a precautionary approach in cases of significant opposition, and therefore, the conclusion was made to identify Specified Risk for primary producers, and Low risk for non-primary producers. This distinction based on the Certificate Holders' position within the supply chain aimed to account for the availability of information available to Certificate Holders to make it feasible to implement meaningful control measures. Recommended control measures were also agree-upon by the Board of Directors, which essentially mimic those submitted as a part of Draft 1, with some additional options and modifications.

An overview of the outcome of the Final Draft, as well as a summary of key changes between Draft 2 and Final Draft can be found in Appendix I.

## Review from FSC International and Final Approval

Between February 1 and June 2019, FSC International conducted a formal review of Canada's NRA Final Draft against the NRA framework requirements. The review resulted in two main types of feedback for FSC Canada to address prior to FSC International approval:

- a) minor adjustments required to improve clarity of findings and control measures;
- b) major adjustments required (e.g. changes to risk designation conclusions or significant modification of control measures).

Below is a summary of the major adjustments that were made to address FSC International comments:

### Indicator 2.3 - Rights of Indigenous People are Upheld

FSC International required that the risk designation be modified to area-based, not based on a functional scale defined by position within the supply chain. This therefore resulted in the overall risk designation of Specified Risk for Canada.

However, to address the feasibility of this new conclusion, control measures were also slightly modified to meet FSC Canada's original intent of the submitted final draft version. The final approved control measures identify mitigation measures for primary producers, and separate measures for non-primary producers, effectively rendering the operational outcome similar to that submitted in the Final Draft.

### Indicator 4.1 - Conversion

FSC International found that the risk designation conclusions submitted in the Final Draft related to conversion did not meet the specific thresholds identified in FSC-PRO-60-002a section 6.5 Table 4. Specifically, FSC International did not accept that only the percentage threshold was to be met, but rather, required that the fixed area based threshold (5,000 ha) be demonstrated as well. This rendered the conclusion of low risk for Canada to be void, given that the total area in Canada that has been converted from forest to non-forest exceeds 5,000 ha.

To address this, the Working Group revised the methodology to identify risk solely based on the reporting zone (ecozone) level information provided by the National Deforestation Monitoring System (NDMS). With these modifications, three reporting zones (Boreal Shield East, Boreal Plains and Mixedwood Plains) met the Specified Risk thresholds were concluded to be Specified Risk. The final change was that Control Measure #4 was reclassified as a recommended control measure, instead of mandatory.

## Engagement with Stakeholders, Interested Parties & Indigenous People

Between the release of Draft 1 and Draft 2, the following activities were undertaken as a means to inform and engage stakeholders, interested parties and Indigenous people in the outcome of the NRA Drafts, as well as to solicit feedback and comments:

Event	Presentation By	Audience	Attendance
National Aboriginal Forestry Association (NAFA) AGM – FSC Side Meeting Gatineau, QC March 9, 2018	FSC Canada NRA Coordinator	NAFA Aboriginal chamber members	16 Indigenous individuals + 4 FSC Canada staff
Environmental Chamber Status Update Discussion March 16, 2018	NRA-WG Environmental Chamber reps	National & provincial ENGOs engaged in FSC	4 individuals
NRA Introductory Webinar March 26, 2018	FSC Canada NRA Coordinator	Open to all	62 individuals <ul style="list-style-type: none"> <li>• mostly Economic Chamber members, including Certification Bodies</li> <li>• Attendees from Canada, US</li> </ul>
Environmental Chamber Status Update Discussion September 19, 2018	NRA-WG Environmental Chamber reps	National & provincial ENGOs engaged in FSC	6 individuals
FSC Canada Annual General Meeting : NRA Update Montréal, QC May 29, 2018	FSC Canada NRA Coordinator	Open to all	50 individuals (including FSC members and stakeholders)
Aboriginal Chamber : Status Update Webinar September 5, 2018	NRA-WG Aboriginal Chamber reps	Aboriginal chamber members	3 individuals Recording shared with all Aboriginal chamber members
Economic Chamber : Status Update Webinar September 18, 2018	NRA-WG Economic Chamber reps	Economic chamber members	~30 individuals Recording shared with all Economic chamber members
Environmental Chamber Status Update Discussion September 19, 2018	NRA-WG Environmental Chamber reps	National & provincial ENGOs engaged in FSC	6 individuals
Economic Chamber : Status Update Webinar October 15, 2018	NRA-WG Economic Chamber reps	Economic chamber members	~30 individuals Recording shared with all Economic chamber members
Economic Chamber : Status Update Webinar October 15, 2018	NRA-WG Environmental Chamber reps	Economic chamber members	~30 individuals Recording shared with all Economic chamber members
Environmental Chamber Status Update Discussion October 17, 2018	NRA-WG Environmental Chamber reps	National & provincial ENGOs engaged in FSC	8 individuals
Growing FSC in BC : NRA Draft 2 Update Vancouver, BC November 7, 2018	FSC Canada NRA Coordinator	FSC members	23 individuals + 6 FSC Canada staff & consultants
Aboriginal Chamber: CW NRA Informational Webinar November 29, 2018	FSC Canada NRA Coordinator	Aboriginal chamber members	3 individuals Recording shared with all Aboriginal chamber members

Aboriginal Chamber: NRA Indicator 2.3 Informational Webinar December 10, 2018	FSC Canada NRA Coordinator	Aboriginal chamber members	Recording shared with all Aboriginal chamber members
Environmental Chamber Status Update Discussion January 1, 2019	NRA-WG Environmental Chamber reps	National & provincial ENGOs engaged in FSC	5 individuals
Economic Chamber : Status Update Webinar January 4, 2019	NRA-WG Economic Chamber reps	Economic chamber members	28 individuals Recording shared with all Economic chamber members

## Appendix I: National Risk Assessment for Canada Draft Development Summary

Indicator	Description	Draft 1 Risk Designation	Draft 2 Risk Designation	Final Draft Risk Designation	Final Approved Risk Designation	Key Change between D1 & D2	Key Change between D2 & Final Draft
<b>Controlled wood category 1: Illegally harvested wood</b>							
1.1	Land tenure and management rights	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.2	Concession licenses	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.3	Management and harvesting planning	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.4	Harvesting permits	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.5	Payment of royalties and harvesting fees	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.6	Value added taxes and other sales taxes	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.7	Income and profit taxes	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.8	Timber harvesting regulations	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.9	Protected sites and species	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.10	Environmental requirements	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.11	Health and safety	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.12	Legal employment	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.13	Customary rights	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Content update	None
1.14	Free prior and informed consent	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.15	Indigenous People's rights	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Content update	None
1.16	Classification of species, quantities, qualities	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.17	Trade and transport	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.18	Offshore trading and transfer pricing	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.19	Custom regulations	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.20	CITES	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
1.21	Legislation requiring due diligence/due care	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None

2.1	The forest sector is not associated with violent armed conflict, including that which threatens national or regional security and/or linked to military control.	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
2.2	Labour rights are respected including rights as specified in ILO Fundamental Principles and Rights at work.	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
2.3	The rights of Indigenous and Traditional Peoples are upheld.	Specified Risk for Canada, except where claimed traditional territories meet the following conditions: <ul style="list-style-type: none"> <li>• Aboriginal Title land; OR</li> <li>• The Indigenous community holds an area-based forest management licence that is exclusively within its territory; OR</li> <li>• A Modern Treaty is in place.</li> </ul>	Low Risk for Canada	Specified Risk for primary producers	Specified Risk for Canada	Significant change to assessment methodology  Update of information sources  Refer to Letter to Board in supp. doc.	Change in assessment criteria & considerations

**Controlled wood category 3: Wood from forests where high conservation values are threatened by management activities**

3.1	HCV 1: Species diversity.	Specified Risk for all provinces & territories in Canada	Specified Risk for the following ecoregions: <ul style="list-style-type: none"> <li>• Southern Great Lakes forest</li> <li>• Eastern Great Lake lowland forest</li> <li>• Central Pacific coastal forest</li> <li>• Eastern Canadian forest</li> <li>• New England Acadian forest</li> <li>• Puget Lowland forest</li> <li>• Eastern Canadian Shield taiga</li> <li>• Central Canadian Shield forests</li> </ul>	Specified Risk for the following ecoregions: <ul style="list-style-type: none"> <li>• Southern Great Lakes forest</li> <li>• Eastern Great Lake lowland forest</li> <li>• Central Pacific coastal forest</li> <li>• Eastern Canadian forest</li> <li>• New England Acadian forest</li> <li>• Puget Lowland forest</li> <li>• Eastern Canadian Shield taiga</li> <li>• Central Canadian Shield forests</li> </ul>	Specified Risk for the following ecoregions: <ul style="list-style-type: none"> <li>• Southern Great Lakes forest</li> <li>• Eastern Great Lake lowland forest</li> <li>• Central Pacific coastal forest</li> <li>• Eastern Canadian forest</li> <li>• New England Acadian forest</li> <li>• Puget Lowland forest</li> <li>• Eastern Canadian Shield taiga</li> <li>• Central Canadian Shield forests</li> </ul>	Significant change to assessment methodology	Corrections to Table 1
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			<ul style="list-style-type: none"> <li>• Eastern forest-boreal transition</li> <li>• Midwestern Canadian Shield forest</li> <li>• Mid-Continental Canadian forests</li> <li>• Southern Hudson Bay taiga</li> <li>• Northern Canadian Shield taiga</li> <li>• Canadian Aspen forests and parklands</li> <li>• Alberta-British Columbia foothills forests</li> <li>• Muskwa-Slave Lake forests</li> <li>• Northwest Territories taiga</li> <li>• Fraser Plateau and Basin complex</li> <li>• Northern transitional alpine forests</li> <li>• Central British Columbia Mountain forests</li> <li>• British Columbia mainland coastal forests</li> <li>• Northern Cordillera forests</li> <li>• Alberta Mountain forests</li> <li>• North Central Rockies forests</li> <li>• Okanagan dry forests</li> </ul>	<ul style="list-style-type: none"> <li>• Eastern forest-boreal transition</li> <li>• Midwestern Canadian Shield forest</li> <li>• Mid-Continental Canadian forests</li> <li>• Southern Hudson Bay taiga</li> <li>• Northern Canadian Shield taiga</li> <li>• Canadian Aspen forests and parklands</li> <li>• Alberta-British Columbia foothills forests</li> <li>• Muskwa-Slave Lake forests</li> <li>• Northwest Territories taiga</li> <li>• Fraser Plateau and Basin complex</li> <li>• Northern transitional alpine forests</li> <li>• Central British Columbia Mountain forests</li> <li>• British Columbia mainland coastal forests</li> <li>• Northern Cordillera forests</li> <li>• Alberta Mountain forests</li> <li>• North Central Rockies forests</li> <li>• Okanagan dry forests</li> </ul>	<ul style="list-style-type: none"> <li>• Eastern forest-boreal transition</li> <li>• Midwestern Canadian Shield forest</li> <li>• Mid-Continental Canadian forests</li> <li>• Southern Hudson Bay taiga</li> <li>• Northern Canadian Shield taiga</li> <li>• Canadian Aspen forests and parklands</li> <li>• Alberta-British Columbia foothills forests</li> <li>• Muskwa-Slave Lake forests</li> <li>• Northwest Territories taiga</li> <li>• Fraser Plateau and Basin complex</li> <li>• Northern transitional alpine forests</li> <li>• Central British Columbia Mountain forests</li> <li>• British Columbia mainland coastal forests</li> <li>• Northern Cordillera forests</li> <li>• Alberta Mountain forests</li> <li>• North Central Rockies forests</li> <li>• Okanagan dry forests</li> </ul>		
3.2	HCV 2: Landscape-level ecosystems and mosaics.	<p>Specified Risk for the following ecoregions:</p> <ul style="list-style-type: none"> <li>• Eastern forest-boreal transition</li> <li>• Central Pacific coastal forests</li> <li>• Queen Charlotte Islands</li> <li>• Canadian Aspen forests and parklands</li> <li>• Western Great Lakes forests</li> <li>• Fraser Plateau and</li> </ul>	<p>Specified Risk for identified IFLs within the following ecoregions:</p> <ul style="list-style-type: none"> <li>• Alberta-British Columbia foothills forest</li> <li>• British Columbia mainland coastal forests</li> <li>• Canadian Aspen forests and</li> </ul>	Specified Risk for 91 IFLs identified in Table 5.	Specified Risk for 91 IFLs identified in Table 5.	Significant change to assessment methodology	Change to assessment methodology

		Basin complex <ul style="list-style-type: none"> <li>• Alberta Mountain forests</li> <li>• Alberta-British Columbia foothills forests</li> <li>• British Columbia mainland coastal forests</li> <li>• Central British Columbia Mountain forests</li> <li>• North Central Rockies forests</li> <li>• Central Canadian Shield forests</li> <li>• Eastern Canadian forests</li> <li>• Mid-Continental Canadian forests</li> <li>• Midwestern Canadian Shield forests</li> </ul>	parklands <ul style="list-style-type: none"> <li>• Cascade Mountains leeward forests</li> <li>• Central British Columbia Mountain forests</li> <li>• Eastern forest-boreal transition</li> <li>• Mid-Continental Canadian forests</li> <li>• North Central Rockies forests</li> <li>• Northern transitional alpine forests</li> <li>• Queen Charlotte Islands</li> </ul>				
3.3	HCV 3: Ecosystems and habitats.	Specified Risk for the following ecoregions in Canada: <ul style="list-style-type: none"> <li>• New England Acadian forests</li> <li>• Gulf of St. Lawrence lowland forests</li> <li>• Puget lowlands forest</li> <li>• Central Pacific coastal forests</li> <li>• Alberta - British Columbia foothills forests</li> </ul>	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Significant change to assessment methodology	None
3.4	HCV 4: Critical ecosystem services.	Specified Risk for the following provinces & territories: <ul style="list-style-type: none"> <li>• Yukon</li> <li>• Northwest Territories</li> <li>• Alberta</li> <li>• Saskatchewan</li> </ul>	Specified Risk for the following provinces & territories: <ul style="list-style-type: none"> <li>• Yukon</li> <li>• Northwest Territories</li> <li>• Alberta</li> <li>• Saskatchewan</li> </ul>	Specified Risk for the following provinces & territories: <ul style="list-style-type: none"> <li>• Yukon</li> <li>• Northwest Territories</li> </ul>	Specified Risk for the following provinces & territories: <ul style="list-style-type: none"> <li>• Yukon</li> <li>• Northwest Territories</li> </ul>	Update of information sources	Minor change in assessment methodology  Update of information sources
3.5	HCV 5: Community needs.	Specified Risk for the following provinces: <ul style="list-style-type: none"> <li>• Saskatchewan</li> </ul>	Specified Risk for the following province: <ul style="list-style-type: none"> <li>• Saskatchewan</li> </ul>	Low Risk for all provinces and territories.	Low Risk for all provinces and territories.	Partial change to assessment	Update of information sources



		<ul style="list-style-type: none"> <li>• Alberta</li> </ul> <p>AND</p> <p>Specified Risk for all claimed traditional territories of Indigenous People, except the following areas:</p> <ul style="list-style-type: none"> <li>• Aboriginal Title land, OR</li> <li>• The Indigenous community holds an area-based forest management licence that is exclusively within its territory, OR</li> <li>• Modern treaty.</li> </ul>				methodology	
3.6	HCV 6: Cultural values	<p>Specified Risk for all claimed traditional territories of Indigenous People, except the following areas:</p> <ul style="list-style-type: none"> <li>• Aboriginal Title land, OR</li> <li>• The Indigenous community holds an area-based forest management licence that is exclusively within its territory, OR</li> <li>• Modern treaty.</li> </ul>	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	<p>Partial change in assessment methodology</p> <p>Updates to information sources</p>	None
<b>Controlled wood category 4: Wood from forests being converted to plantations or non-forest use</b>							
4.1	Net conversion of natural forests to plantations or non-forest use is less than 0.02% or 5000 hectares on average for the past 5 years.	<p>Specified Risk for the following reporting zones in Canada:</p> <ul style="list-style-type: none"> <li>• Boreal Plains</li> <li>• Mixedwood Plains</li> </ul>	<p>Specified Risk for private land within the following reporting zones in Canada:</p> <ul style="list-style-type: none"> <li>• Boreal Plains</li> <li>• Mixedwood Plains</li> <li>• Subhumid Prairies</li> </ul>	Low Risk for Canada	<p>Specified Risk for the following reporting zones in Canada:</p> <ul style="list-style-type: none"> <li>• Boreal Plains</li> <li>• Mixedwood Plains</li> <li>• Boreal Shield East</li> </ul>	<p>Partial change in assessment methodology</p> <p>Updates to information sources</p>	Change in assessment methodology

**Controlled wood category 5: Wood from forests in which genetically modified trees are planted**

5.1	No commercial use of genetically modified trees.	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	Low Risk for Canada	None	None
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## **Appendix II: NRA Draft 1 Comments Received**

Refer to separate Appendix II file for all comments received on Draft 1.

## **Appendix III: NRA Draft 2 Comments Received**

Refer to separate Appendix III file for all comments received on Draft 2.

## Appendix IV: Summary Mandatory Control Measure Menu for Category 3

**Table 1: Summary of Final Draft Mandatory Control Measure Menu for Category 3**

Control Measure Options	HCV1		HCV2	HCV4
	Caribou species	Non-caribou species	IFLs	
No sourcing	1	1	1	2
Proof of legal protection	2	2		
Indigenous-led plan	3	3	3	
Development of regional BMPs via meeting		6	6	
Specific forest management/ operational thresholds met	7,8,10	5	2,5	1, 3
Education + Awareness		4*		
Reduction + Advocacy	9		7	
Plan with support from interested & affected parties			4	

\* Applies to private SLIMF sourcing areas only.

Blue = Forest level CM

Red = Non-forest level CM

**Table 2: Summary of Final Mandatory Control Measure Menu for Category 3**

Control Measure Options	HCV1		HCV2	HCV4
	Caribou species	Non-caribou species	IFLs	
No sourcing	1	1	1	2
Proof of legal protection	2	2		
Indigenous-led plan	3	3	3	
Development of regional BMPs via meeting		6	6	
Specific forest management/ operational thresholds met	7,8,10	5	2,5	1, 3
Education + Awareness		4*		
Reduction + Advocacy	9		7 <sup>N</sup>	
Plan with support from interested & affected parties			4	

\* Applies to private SLIMF sourcing areas only.

<sup>N</sup> Applies to non-primary producers only

Blue = Forest level CM

Red = Non-forest level CM