



Quebec Wood Export Bureau (Q-WEB) Auditing and Traceability System: A Canadian commitment to responsible trade

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Quebec Wood Export Bureau



Canada Wood
カナダウッド



Presentation Plan

- 1. Canada Wood Group**
- 2. Canadian Overview**
- 3. Global Overview**
- 4. Quebec Wood Export Bureau (Q-WEB)**
- 5. Q-WEB Code of Conduct**
- 6. Q-WEB Auditing and Traceability System**
- 7. Conclusion**

1. Canada Wood Group



Canada Wood
カナダウッド



Overseas Offices

Japan (Tokyo)

China (Shanghai, Beijing) Taiwan (Tapei)

Korea (Seoul)

UK (London)

Europe (Brussels)



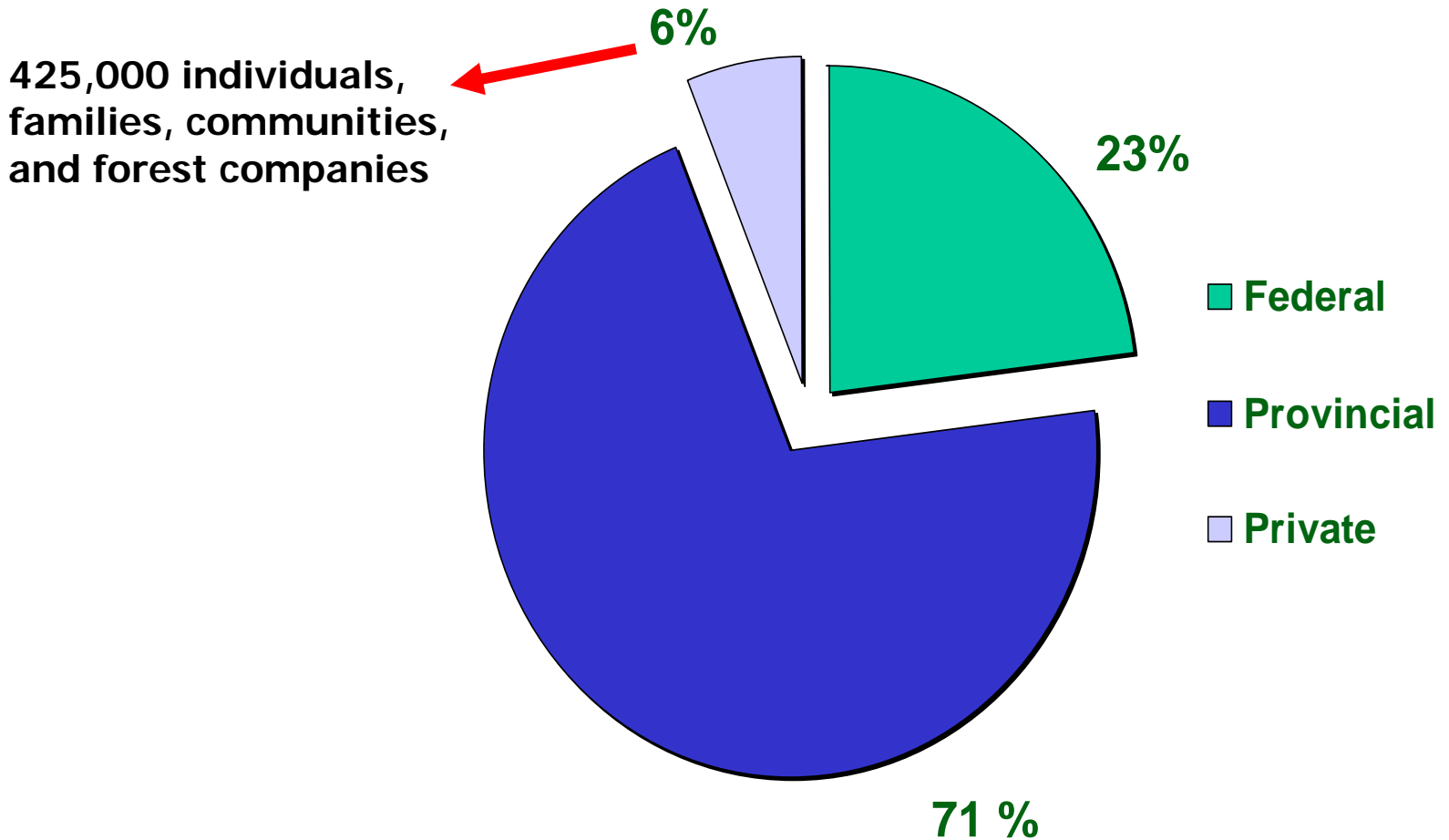
2. Canadian Overview

Basic Facts About Canada's Forests

- **10% of the world's forest is in Canada**
 - Forest and other wooded land - 401 million ha
 - Forest lands - 309 million ha
- **Roughly 1 million hectares a year is harvested**
- **By law, it must be promptly regenerated**
 - More than half a billion seedlings are planted each year
- **Annual allowable cut (2001) 237 Million cubic meters**
 - Actual harvest (2002) 190 Million cubic meters
- **Forest types:**
 - 22% hardwood 66% softwood 12% mixed

2. Canadian Overview

Ownership of Canadian Forests



425,000 individuals, families, communities, and forest companies



2. Canadian Overview

Forest Management Planning and Regulation

Federal government has indirect responsibilities

- Federal land
- Science
- National Policy & Legislation (fisheries, migratory bird)
- International agreement

Provincial governments have jurisdiction over forest management

- Long term tenures (forest area or volume)
- Comprehensive legislation conditions
- 20-25 year forest management plans
- Rolling 5 year development plans and site specific annual operational plans
- All forest management plans subject to public review prior to approval.



2. Canadian Overview

Governance (NOT AN ISSUE)

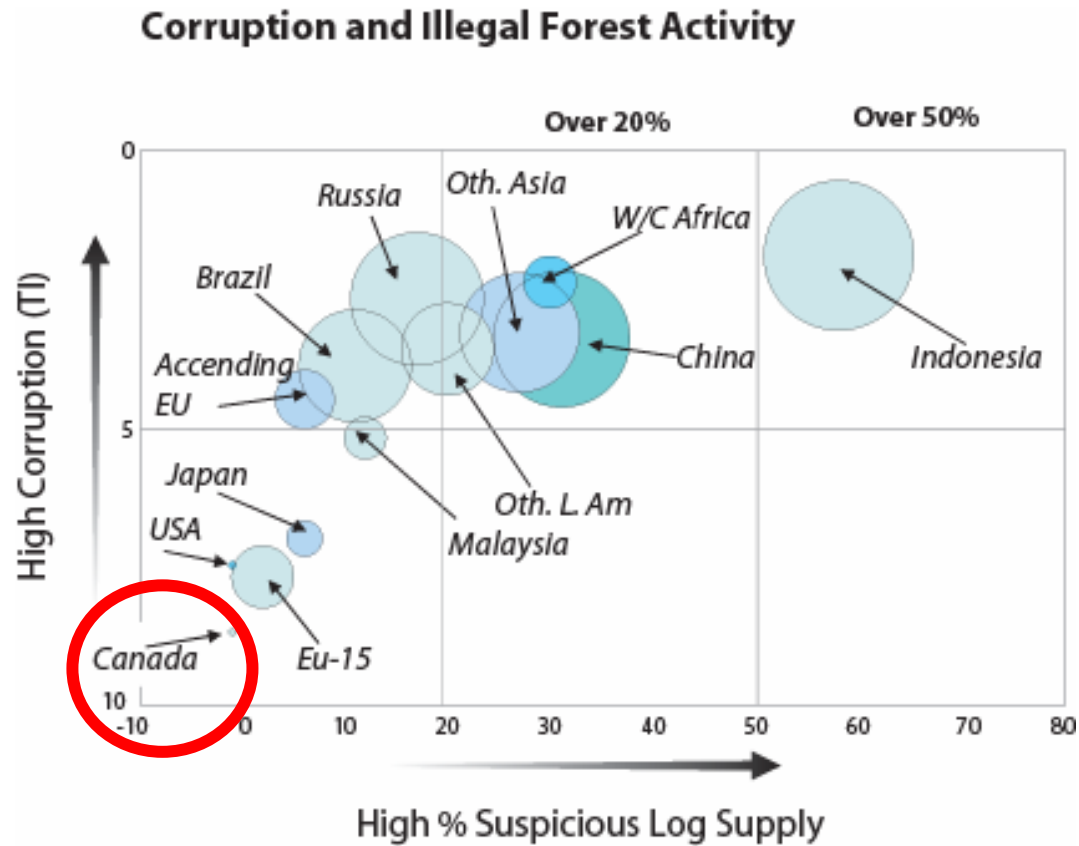
Lack of ability to enforce laws (NOT AN ISSUE)

Illegal logging / illegal trade (NOT AN ISSUE)

- **Strict laws and regulations in the forestry sector**
- **Efficient compliance monitoring system**
- **Well-structured planning process**

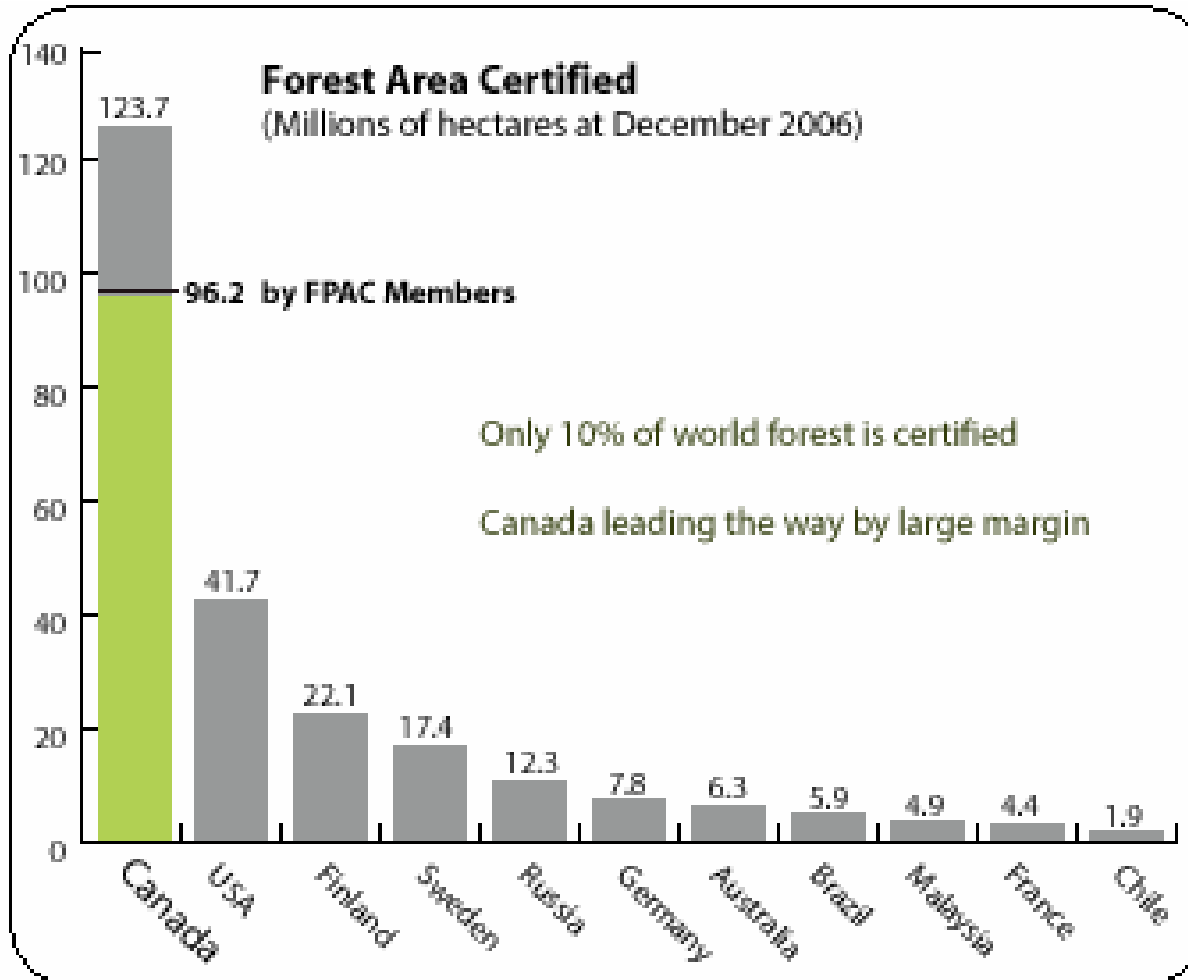
2. Canadian Overview

Low Risk Log Supply



2. Canadian Overview

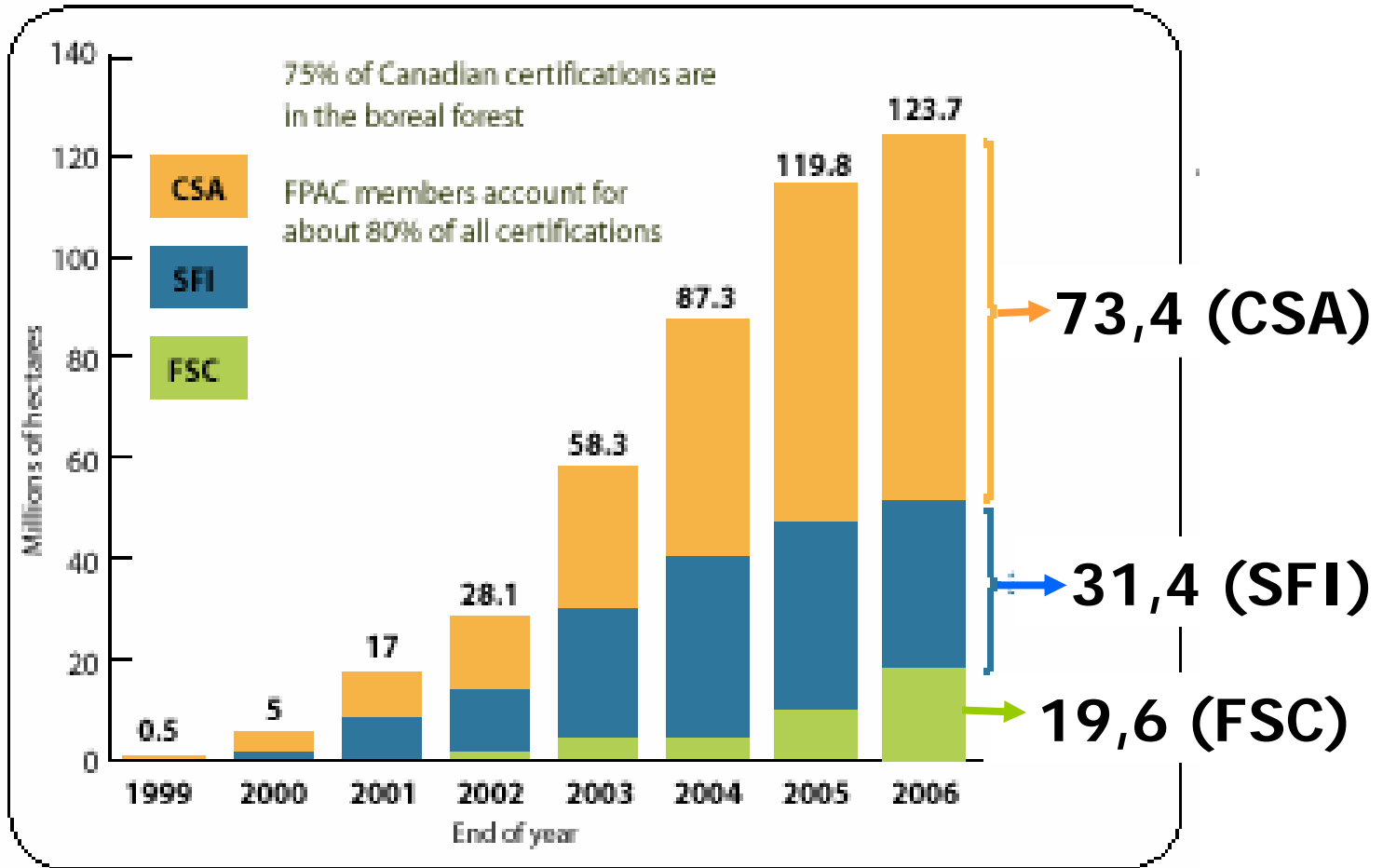
Canadian Certification Status in a Global Context



**Largest
area of
certified
forests in
the world**

2. Canadian Overview

SFM Certification Growth in Canada





2. Canadian Overview

Demonstrating legality & sustainability

- **Forest Products Association of Canada (FPAC)**
 - Large corporations (pulp, paper and wood products)
 - FPAC committed its membership to achieve SFM certification (CSA, FSC, SFI) on all lands under their management by the end of 2006.
 - FPAC members are committed to tracing their fibre supplies back to the forest area of origin by the end of 2008 to assure customers that the wood fibre they are using comes from legal sources.

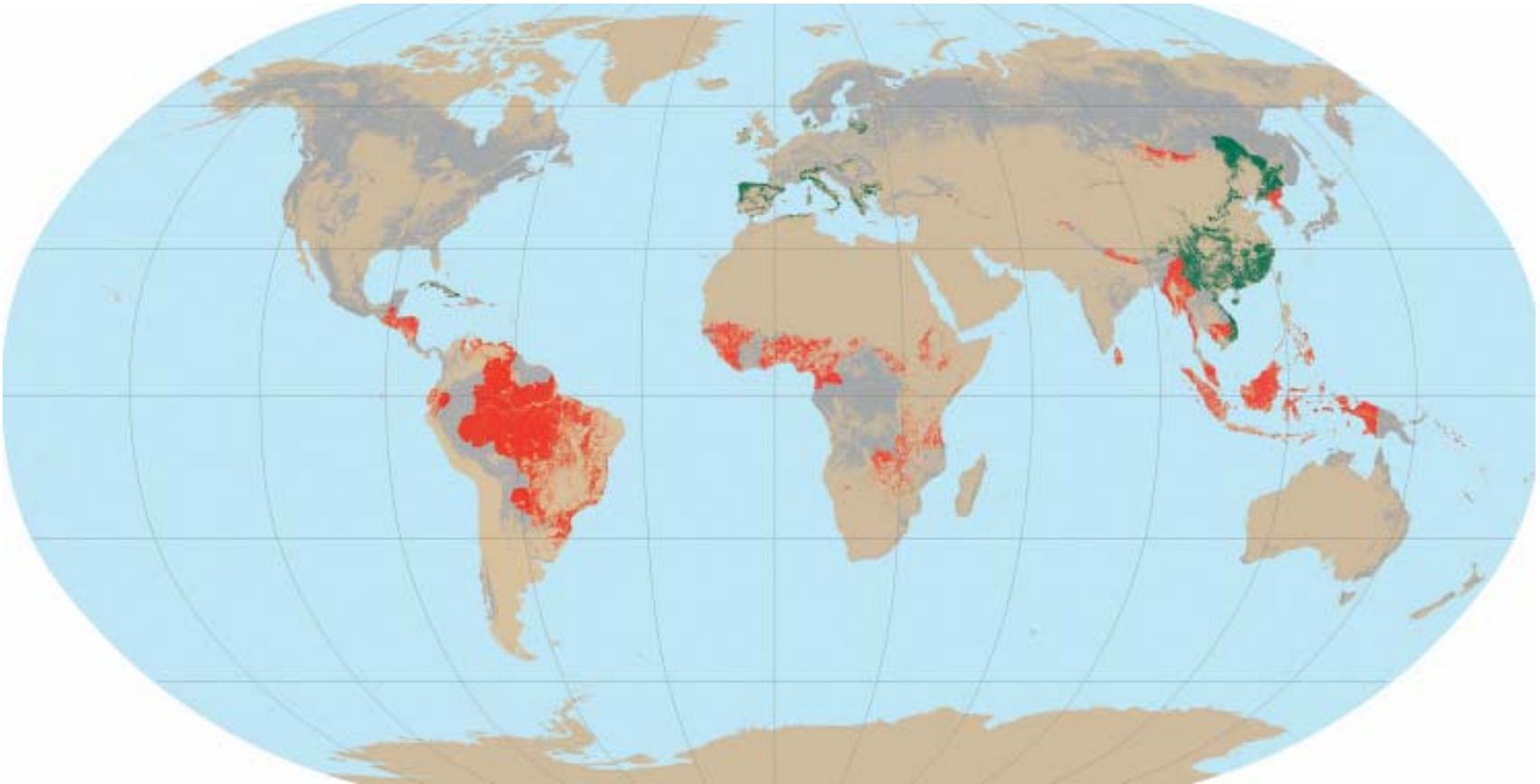
2. Canadian Overview

Demonstrating legality & sustainability

- **For small and medium size companies**
 - **With or without harvest rights on Crown land**
 - **Who buy sawn timber on the open market**
 - **Semi-finished and finished wood products (1st, 2nd and 3rd processing manufacturers)**
- **Quebec Wood Export Bureau (Q-WEB) Pilot project – Auditing and Traceability System**



3. Global Overview



Red >5% annual decrease
Green >5% annual increase



3. Global Overview

ENGO's involvement :
“...the organization will continue to support the concept of environmental certification but, from this point forward, will focus future efforts on combating illegal wood cutting.”

Chris Elliott, director of WWF International's, Forests for Life Program, Atlanta 2002
(Anderson and al., 2002)



Illegal Logging

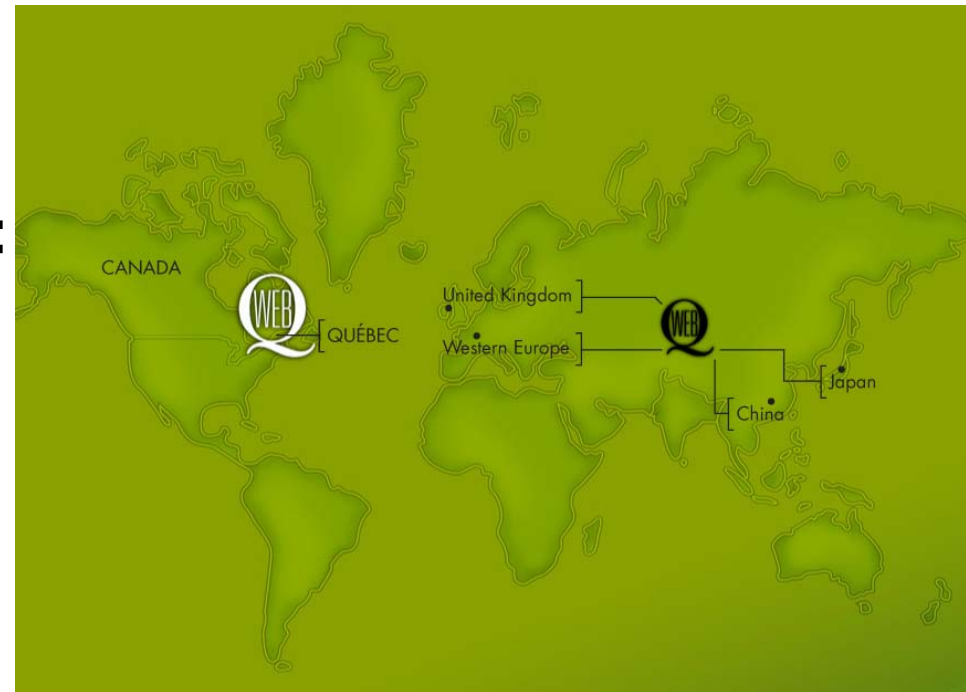
in the Southern Part of the Russian Far East

Problem Analysis and Proposed Solutions



4. Quebec Wood Export Bureau (Q-WEB)

- Provincial trade association established to promote the export of Quebec (Canada) wood products on overseas markets
- Since 1996
- 200 corp. in 6 sectors :
 - Softwood lumber
 - Hardwood lumber
 - Hardwood flooring
 - Finished wood products
 - Prefabricated housing
 - Engineered wood
- Small family owned companies to multinational



5. Q-WEB Code of Conduct



Initiated in 2004, Adopted in 2006

A condition of membership

General Principles

- Environment ←
- Phytosanitary measures
- Transportation
- Workers conditions

Sector specific :

- Softwood lumber
- Hardwood lumber
- Hardwood flooring

Compliance procedures

Appendix B - Policy on Wood Origin and Legality ←



5. Q-WEB Code of Conduct

General Principles – Environment

«... committed to sourcing their wood products from companies that can provide evidence that their supply sources are known and legal, and that forests are managed according to legislation in effect. »

« ... members are encouraged to ask their suppliers to sign and abide by the Q-WEB Policy on Wood Origin and Legality »

«... independent certification of forests and/or chain of custody tracking systems are excellent tools to ensure that procured wood is from known, legal and well-managed sources that in turn promote sustainable forest management. »

5. Q-WEB Code of Conduct

Sourcing timber / wood :

Softwood and hardwood sectors

- Crown land (public land) under Timber Supply and Forest management Agreement
- Small woodlot (non-industrial private forest)
- Own private lands
- Other Canadian provinces
- United States

Other sectors

- Sawn wood on the open market be it local, regional, provincial, national, United States and International





5. Q-WEB Code of Conduct

Appendix B - Policy on Wood Origin & Legality

As a supplier for _____, our company, _____, is committed to responsible wood supply practices when it comes to its commercial operations. We wish to achieve this goal by supplying:

- ➔ 1. Wood that is sourced from areas where logging is authorized by legislation.
- ➔ 2. Wood that is procured or purchased in a legal way.
- ➔ 3. Wood where harvesting operations are legal.
- ➔ 4. Wood whose origin can be verified through proper documentation.
- ➔ 5. All relevant documents, if required, to demonstrate that stumpage fees, taxes or any other fees related to the harvested timber have been paid or shall be paid according to legal requirements.
- ➔ 6. The location of the forest and legislation in effect, if required, for the areas where the wood has been harvested, and also the management plans or any other documents proving the wood's origin and legality.

6. Q-WEB Auditing & Traceability System

Objective → **Reference II – Certification by companies Approved by Industry**

(Guidelines for Verification on Legality and Sustainability of Wood and Wood Products)



**Need for Code of Conduct
(Already exists for Q-WEB)**



**Need for Accreditation and Certificate of Legality
(In development)**





6. Q-WEB Auditing & Traceability System

Working with suppliers → 4 step approach

- 1. Inform on the need to sign the Policy (with deadline) and ask for certified products and Chain of Custody**
- 2. Follow-ups**
- 3. Register letter recalling steps 1 & 2**
- 4. Removed from preferred suppliers' list or tagged as high risk supplier**

6. Q-WEB Auditing & Traceability System

Demonstrating origin and legality of wood

1. For North American suppliers (self declaration)

- No need to provide documents of point 5 & 6 of the Policy
- If not confident in one of the suppliers, member will request the appropriate documentation of point 5 & 6

2. International suppliers

- All documents listed in point 5 & 6 of the Policy are requested
- Use of WWF Country Legal Document Lists (*Keep it Legal, Appendix 7*)



6. Q-WEB Auditing & Traceability System

Auditing → **Verify if members' suppliers have signed the Policy**

- **Audit of membership once a year by a third party**
 - **Auditors of CSA, FSC and SFI**
- **If suppliers have not signed the Policy :**
 - **Members will have to demonstrate through proper documentation that they followed the 4 steps approach**
- **Q-Web will issue a certificate to members that have met the requirements of the Q-WEB system**



7. Conclusion

Traceability :

- **Complex for small and medium sized members**
- **Gets harder as we move along the supply chain**

Q-WEB Auditing and Traceability System :

- **Major step to demonstrate members' commitment to responsible trade**
- **Next steps :**
 - **Identify for other provinces / countries the documentation suggested in point 5 & 6 of the Policy ?**
 - **Trace their wood back to the forest of origin ?**
 - **Full Chain of custody ?**

7. Conclusion

**Canada Wood Partners
are ready to collaborate with importers,
ENGO's or any others
to improve the
Quebec Wood Export Bureau (Q-WEB)
Auditing and Traceability System**

