

“EMERGING AND EVOVOLING TRENDS – Being Ready for the Future”

September 26 , 2002

“Sustainable Forest Management” (SFM)

Chalmers MacLeod
Stora Enso
Port Hawkesbury Ltd
Chalmers.macleod@storaenso.com

Stora Enso Port Hawkesbury

SESSION 2: “RESOURCE SECTOR AUDITING ISSUES”

- **SUSTAINABLE
FOREST
MANAGEMENT**
- **CHALLENGES OF AN
INTERGRATED SYSTEM**



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TOPICS

- 🏢 **Stora Enso -Background**
- 🏢 **Why Certification**
- 🏢 **SFM, An Integrated approach**
- 🏢 **Systems**
 - u TQM
 - u ISO
 - u SFM
- 🏢 **ISSUES**
- 🏢 **THE FUTURE**

Stora Enso Pulp Headquarters

STORA ENSO

- 🏢 **Finnish Company**
- 🏢 **New Corporate Identity In 1999**
- 🏢 **International Company**
- 🏢 **Holdings in Nova Scotia**
 - u Lease Agreement with the province since 1958
 - u Started mill operations 1960

Stora Enso Pulp Headquarters

STORA ENSO WOODLANDS UNIT

- Crown Land License
 - **607,000 Ha.**
 - **20% (Of Wood Needs)**
- Company Owned Land/Lease
 - **20,000 Ha.**
 - **5-6 % Wood**
- Purchased Roundwood
 - **60-70 % Wood**
- Chips
 - **? % Varies (+ or - 10%)**

STORA ENSO PORT HAWKESBURY Crown License



Our Forests are Diverse



Stora Enso Fort Markkula

INTEGRATION OF SYSTEMS



Stora Enso Fort Markkula

TOTAL QUALITY MANAGEMENT TQM



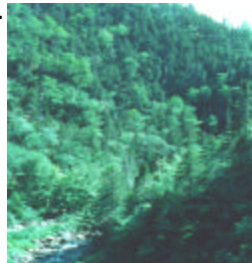
**EXCELLENCE
2006**

Stora Enso AB Högskolan

WOODLANDS UNIT GOALS

VISION

The forest resources, for which we have responsibility, will sustain healthy ecosystems and conserve the forest characteristics of value to society, wildlife and the environment.



Stora Enso AB Högskolan

ENVIRONMENTAL MANAGEMENT SYSTEM GOALS

- 🌱 To Develop a management system that helps us work toward Excellence in Environmental Performance
- 🌱 Implement a philosophy of continual improvement

SUSTAINABLE FOREST MANAGEMENT

Definition

- Management to maintain and enhance the long-term health of forest ecosystems, while providing ecological, economic, social, and cultural opportunities for the benefit of present and future generations (CCFM)





Forest Certification Programs

■ ISO 14001

■ Not Forest certification

- Environmental Policy
- Identify Environmental Aspects & Impacts
- Meet Legal Requirements
- Implement Procedures
- Document Control
- Training
- Environmental Responsibility
- Emergency Response
- Reporting
- Audits
- Management Review

EXAMPLES OF ISO / SFM PROCEDURES

■ Forest Workers

- Stream Siltation
- Special Management Zones
- Soil Disturbance
- Fuel Storage And Use (Releases)
- Machine Fire Forest Fire
- Sensitive Sites
 - Soft ground
 - slopes
- Roads- Culvert Installation

ENVIRONMENTAL PROGRAMS

On the Ground
Performance



STORA ENSO PAPER MANAGEMENT

ENVIRONMENTAL EMS & SFM OBJECTIVES

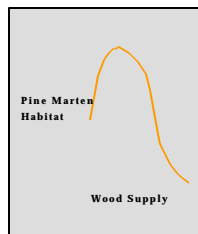
- To Demonstrate Continual Improvement On Company Managed Operations....

- 1 Sustain Healthy Ecosystems
- 2 Minimize Impact To Soil And Water
- 3 Minimize Impact On Wildlife And Their Habitats
- 4 Minimize Aesthetic Impact
- 5 Implement Private Supplier Stewardship Program

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SFM OBJECTIVE SETTING

- What it is you want to achieve & how much is possible with the current constraints
- Examine relationships between indicators
- What are the trade-offs?
- How much of each is possible, how much is required?



STORA ENSO FSC MANAGEMENT

SEPHL FOREST CERTIFICATION PROGRAMS

- Woodlands Unit Programs
 - ISO 14001
 - Registered 1998/2001
 - CSA
 - Registered 2001
 - SFI
 - Registered 2001
 - FSC
 - Implementing
- All Require Third Party Independent Audit to be Registered

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SUSTAINABLE FOREST MANAGEMENT

- CSA
 - National
 - Canadian
- ISO 14001 Based
- **Public Participation and Involvement in SFM decisions**
- **Reflect National and Provincial Forest Initiatives**
- Public Reporting

STORA ENSO FSC® CERTIFIED

SUSTAINABLE FOREST MANAGEMENT

- SFISM
- American
 - Developed by the American Forest & Paper Assoc.
 - Requires SFM on Company managed lands &
 - **Commitment to promote SFM**
 - Private Suppliers
 - Landowners
 - Public

STORA ENSO FSC® CERTIFIED

SUSTAINABLE FOREST MANAGEMENT

- FSC
 - International
 - Canadian
 - Regional
 - Regional Standards Based on “Chambers”
 - Social
 - Environmental
 - Economic
 - Aboriginal
- Promotes what is perceived as “GREEN” forest practices
- Restoration of the Natural Forests

FUTURE DIRECTION & ISSUES



Primary function
of the Woodlands
Unit is to provide
wood to our mills



SFM = DECISIONS

Old
Forests
What &
How
Much



SEPH AUDITING ISSUES

■ Registration Costs

- Overhead costs

■ Direct costs of auditing

■ Indirect costs of Audits

- Staff time to Participate in audits

■ Streamlining procedures & reducing paper

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FUTURE TRENDS

■ Further integration of systems

■ More Direction from TQM program

- Team flexibility

■ Decision: Which system(s) to continue with.....

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Thank you

