



Audit Summary for Public Disclosure Sustainable Forestry Initiative® Standard

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Executive Summary

This report summarizes the results of the second surveillance audit conducted on Rayonier's Northwest Forest Resources, LP (NWFR) SFI program for forest management operations. Jack Ward, Bureau Veritas Certification Lead Auditor, conducted the audit on 6/5/2007 through 6/7/2007.

Specifically, two objectives of the SFI audit were to:

1. Verify that the Program Participant's SFI Program is in conformance with the SFI Objectives, Performance Measures, and Indicators, and any additional indicators that the Program Participant chooses, and
2. Verify whether the Program Participant has effectively implemented its SFI Standard program requirements on the ground.

No non-conformances were issued during the audit. Three opportunities for improvement and three notable practices were issued.

With this report, the two SFI audit objectives were attained. Since no non-conformances were issued against NWFR's SFI program, the lead auditor recommended continued certification to the SFIS 2005-2009 edition.

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Audit Scope Summary

Contract Number: HQ 12934

Audit Team: Jack Ward: CF, EMS (LA)

Country: U.S.

States: Forest Management in Washington

Total Land Base: 369,820 acres

Facilities: No manufacturing facilities

Audit Dates: June 5-7, 2007

Audit Recommendation: Continued certification to the SFIS 2005-2009

Date of Completion of Corrective Actions: N/A



SECTION 1.0

AUDIT BACKGROUND

This report summarizes the results of the second surveillance audit conducted on Rayonier's Northwest Forest Resources, LP (NWFR) SFI program for forest management operations. Jack Ward, Bureau Veritas Certification Lead Auditor, conducted the audit on 6/5/2007 through 6/7/2007.

The SFI Surveillance Audit (S-#2) was conducted for NWFR at its Northwest Oregon Tree Farm District and the Tumwater, WA headquarters office May 22-23, 2007.

The scope of the audit was to review selected SFI indicators as they relate to NWFR's Washington State forest management operations. The objectives of the audit were to establish conformance of NWFR's SFI program against the SFI 2005-2009 standard and to establish whether NWFR's SFI program management system and on-the-ground activities conform to the SFI standard. The objective of this audit was to review documentation and sample field operations in the Grays Harbor and Clallam Regions to assess conformance of NWFR's SFI program against applicable indicators of Objectives 1-7 and 9-13 of the SFI 2005-2009 Standard. Specifically, two objectives of the SFI audit were to:

1. Verify that the Program Participant's SFI Program is in conformance with the SFI Objectives, Performance Measures, and Indicators, and any additional indicators that the Program Participant chooses, and
2. Verify whether the Program Participant has effectively implemented its SFI standard program requirements on the ground.

The current version of NWFR's corporate and SFI policy and procedure manuals (Evidence Files) were used for documentation of the management system. Standard Bureau Veritas Certification protocols and forms were applied throughout the audit as provided by the most recent SFI Auditor Handbook.

The audit began in the Lewis County ownership of the Grays Harbor Region near Morton, Washington on 6/5/2007 with an opening meeting. The objectives for the surveillance audit were outlined and the audit process for collecting evidence and making audit findings was explained. Findings of non-conformance and opportunities for improvement were also explained. The audit plan was discussed and agreed to, and the time and date of the closing meeting was also confirmed. There was no substitution or modifications of SFI indicators. The field portions of the audit continued in Grays Harbor and Clallam Counties. Dan Varland Ph.D., Wildlife Biologist and NWFR's SFI Representative was present throughout the audit.

The closing meeting was held in the Hoquiam, Washington headquarters office on 6/7/2007. The findings of three opportunities for improvement and three notable practices were discussed. Since there were no non-conformances issued during the audit, the Lead Auditor issued a recommendation for continued certification to the SFIS 2005-2009 edition.



Both the opening and closing meetings were attended by BV auditor Jack Ward, NWFR SFI representative Dan Varland Ph.D. and several Rayonier personnel. Opening and closing meeting attendance records are on file and a copy of each was provided to the company.

SECTION 2.0

AUDIT RESULTS

2.1 General Findings

Eleven (11) field sites were visited during the Surveillance audit. NWFR provided maps of all forest management activities that occurred since the last surveillance audit in June of 06. The lead auditor chose the units to be reviewed and the 11 field sites visited were: Lewis County Blocks 11.886, 11.263, 11.888; Grays Harbor County Blocks 19.052, 19.316; Clallam County Blocks 27.266, 27.267, 29.435, 29.436; and two recreation sites: Tumbling Rapids Park and Cowan with wheelchair access to river.

It was the auditor's opinion, based on the sample of tracts reviewed during the audit, that NWFR is effectively implementing its SFI program in the way it conducts its forest management activities.

2.2 Non-conformances Issued

There were no non-conformances issued during the audit.

2.3 Opportunities for Improvement

Three (3) opportunities for improvement were identified during this audit. These need to be considered in light of how they may affect conformance during future audits.

Obj. 3; PM 3.1; I-4: Consider consistent application of compliance checklists (active units) at both regions.

Obj. 5; PM 5.1; I-1&2: Consider expanding the categories of candidate units that must be reviewed for possible application of visual management practices.

Obj. 10; PM 10.1; I-4: Consider providing appropriate contractor personnel with training regarding: T&E identification; and spill kit contents, spill clean-up and reporting procedures.



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2.4 Notable Practices

Three (3) notable practices were identified during this audit. These represent sfi program strengths that bureau veritas found to be exemplary practices.

Obj. 3; PM 3.1; I-1: DNR letter commending Rayonier for an RMAPS product that is “ accurate and complete and done in a very professional manner”

Obj. 7; PM 7.1; I-1(f): Barrier West roadside slash salvage for Grays Harbor Paper

Obj 12; PM 12.2; I-2&3: NWFR efforts at providing recreational opportunities; self guided forest management tour; “A Walk in the Woods”; and cooperating with tribal educational programs are commendable.

SECTION 3.0

CONCLUSION

With this report, the two SFI audit objectives were attained. The findings and conclusions of this surveillance audit are the results of a constructive and cooperative effort between Rayonier Northwest Forest Resources, LP and Bureau Veritas Certification

The closing meeting was conducted on 6/7/2007. Since no non-conformances were issued against NWFR’s SFI program, the lead auditor recommended continued certification to the SFIS 2005-2009 edition.