

# **Independent Forest Audit Provincial Action Plan Status Report 2010**

---

**April 1, 2005 to March 31, 2010**

Cochrane-Moose River Management Unit  
Dog River-Matawin Forest  
English River Forest  
Gordon Cosens Forest  
Iroquois Falls Forest  
Kenogami Forest  
Ogoki Forest  
Red Lake Forest  
Smooth Rock Falls Forest  
Spanish Forest  
Wabigoon Forest

Ontario Ministry of Natural Resources



## **2010 Independent Forest Audit Action Plan Status Report Submission Page**

Prepared by:

Karen Jackson  
Forester Intern  
Forest Evaluation and Standards Section  
MNR Forests Branch  
May 14, 2014

Reviewed by:

Spooner Collins, R.P.F.  
Supervisor, Forest Evaluations and Reporting Unit  
Forest Evaluation and Standards Section  
MNR Forests Branch  
May 15, 2014

Submitted by:

Jim Steele, R.P.F.  
A/Manager, Forest Evaluation and Standards Section  
MNR Forests Branch  
May 15, 2014

# 2010 INDEPENDENT FOREST AUDIT ACTION PLAN STATUS REPORT SIGNATURE PAGE

Signed by:

Chris Walsh, R.P.F.  
Director  
MNR Forests Branch  
May 27, 2014

David Hayhurst, R.P.F.  
Director  
MNR Operations Branch  
June 11, 2014

Corrinne Nelson, R.P.F.  
Regional Director  
MNR Northeast Region  
July 2, 2014

Eileen Forestell  
Director  
Science and Research Branch  
May 21, 2014

Steve Gregory  
Director  
Mapping and Information Resources  
Branch  
May 20, 2014

# INTRODUCTION

Independent Forest Audits (IFAs) were conducted on eleven forest management units in Ontario during 2010 covering the management period of April 1, 2005 to March 31, 2010. The forest management units audited were the Cochrane-Moose River Management Unit, Dog River-Matawin Forest, English River Forest, Gordon Cosens Forest, Iroquois Falls Forest, Kenogami Forest, Ogoki Forest, Red Lake Forest, Smooth Rock Falls Forest, Spanish Forest and Wabigoon Forest. The IFAs were undertaken according to the Independent Forest Audit Process and Protocol (IFAPP) which meets the requirements of the *Crown Forest Sustainability Act* (CFSA) and the conditions of the *Ministry of Natural Resources' Class Environmental Assessment for Forest Management in Ontario* (2003) as amended. It also meets the requirements of *Ontario Regulation 160/04* made under the CFSA (governing IFAs).

This document reports on the status of the 27 audit recommendations included in the 2010 Provincial Action Plan. The information in this status report is organized according to principles listed in the IFAPP. Status of each recommendation is reported according to Appendix F of the IFAPP and includes each recommendation and its corresponding required actions, their associated progress to date and future tracking requirements if applicable.

The IFAPP requires the submission of a Provincial Action Plan Status Report two years following approval of the Provincial Action Plan or more frequently as may be required by the action plan or Minister. The 2010 Provincial Action Plan was approved on May 18, 2012 resulting in a final submission date for the 2010 Provincial Action Plan Status report no later than May 17, 2014.

The 2010 Provincial Action Plan Status Report contains recommendations as identified in the 2010 audit reports and actions to address the recommendations as identified in the 2010 Provincial Action Plan.

Following its approval, the 2010 Provincial Action Plan Status Report will be made available to the public through the Ontario Ministry of Natural Resources' public website.

# RECOMMENDATIONS

## PRINCIPLE 2: PUBLIC CONSULTATION AND ABORIGINAL INVOLVEMENT

### OGOKI FOREST RECOMMENDATION 1

Corporate OMNR should engage in discussions with the Ontario Ministry of Environment (MOE) to investigate modification(s) to the Individual Environmental Assessment (IEA) and/or the forest management planning process to reduce the social, economic and workload impacts of the Issue Resolution/IEA processes.

#### ***Actions required***

1. As part of the process to amend MNR-71, MNR submitted its Request for Amendment to Declaration Orders MNR-71 and MNR-74 to the Ministry of the Environment (MOE) in 2010. The above recommendation is specifically addressed through requested amendments to Condition 8. The requested amendments that MNR is attempting to secure would improve the IEA request review process by:
  - ensuring potential IEA requesters participate in the development of a forest management plan, particularly by requiring an IEA requester to participate in Issue Resolution if they have an unresolved issue for which they wish to submit an IEA request;
  - providing guidance to requesters as to the types of issues MOE will consider as legitimate IEA requests; and
  - removing the requirement for MNR to seek concurrence from MOE to implement forest operations in areas of the management unit unaffected by the IEA request(s).
2. The forest management planning conditions of the new Declaration Order will be incorporated into a new version of the Forest Management Planning Manual (FMPM) once MOE has finalized its consideration of MNR's requested amendments.

#### ***Progress to date***

1. Complete as outlined in the action plan. MNR submitted its Request for Amendment to Declaration Orders MNR-71 and MNR-74 in November 2010.
2. On-going. Revision of FMPM will begin following MOE issuance of a revised declaration order.

## ***Future tracking requirements***

2. The Manager, Forest Management Planning Section, Forests Branch, MNR will ensure that the forest management planning conditions of the new Declaration Order are incorporated into the new version of the FMPM following MOE issuance of a revised declaration order. Target date for implementation of revised FMPM is January, 2016. Method of tracking progress - revised FMPM.

## **GORDON COSENS FOREST RECOMMENDATION 2**

Corporate MNR will discuss with Nishnawbe-Aski Nation and the forest sector how the co-existence of timber management and trapping can be improved.

### ***Actions required***

The Boreal Landscape Guide has been developed and is awaiting final approval. This Guide provides direction for maintaining the integrity of the natural forest ecosystem to conserve biodiversity and provide habitat for a wide range of furbearing species. The guide will be implemented as part of local forest management plan development along with social and economic considerations. Multidisciplinary forest management planning teams have received training concerning the scientific studies and tools supporting the Guide's direction and further training will take place as part of ongoing forest management planning development.

Concerns regarding the overlap of proposed operating areas and trap lines are addressed at the local level as part of the forest management planning process. Aboriginal communities may elect to have individuals sit on teams to ensure that community interests are addressed during the development of plans including those interests related to trapping.

### ***Progress to date***

Complete for Boreal Landscape Guide. The Boreal Landscape Guide was approved on February 12, 2014 and will be used during the preparation of the next forest management plan for the Gordon Cosens Forest, currently scheduled for 2020. Specific concerns about the overlap of proposed operating areas and trap lines will need to be addressed by the planning team at that time.

## **PRINCIPLE 3: FOREST MANAGEMENT PLANNING**

### **GORDON COSENS FOREST RECOMMENDATION 5**

MNR Region shall provide input into FMPs which replaces the present 'post-suppression fire cycle' with a 'disturbance cycle' which includes impacts of fire, insects, and wind damage. In calculating the fire-cycle component of the 'disturbance cycle',

MNR shall use a more cautious approach to estimating the post-suppression fire cycle than is presently employed, taking into account the relative scarcity of data available for the calculation.

### ***Actions required***

1. MNR will continue to update inventories to reflect disturbances including those that are single-event or infrequent (e.g. windthrow) as they occur as directed by the FMPM.
2. During development of the Checkpoint – Support for Base Model Inventory and Base Model MNR Northeast (NE) Region will ensure the Planning Team evaluates and employs the best available data sets, procedures and methodologies to determine appropriate ‘Natural Disturbances and Succession’ model inputs including local and regional fire history data, literature, forest insect data surveys, etc.

### ***Progress to date***

1. Complete and ongoing. Inventories on an annual basis continue to be updated with both significant natural and harvest depletions. Since this recommendation was approved, there have been no new Phase I plans under development. The lead is the SFL manager/Local Forest Management Corporation manager. MNR, through its Forest Health and Silviculture Section provides regular updates on insect, disease, and other forest health issues. These updates are a resource to the managers of the Management Units, to identify significant natural disturbances on the landscape. The NE Resource Analyst through participation on the Modelling Task Team and through review of the Analysis Package and Planning Inventory Checkpoint will ensure that all appropriate disturbances have been considered.
2. Ongoing. The SFL Manager is the lead in the development of the Checkpoint – Support for Base Model Inventory and Base Model. The NE Region Resource Analyst through participation on the Modelling Task Team, and through review of the Analysis Package and Checkpoint will confirm that best available data and approach is used to determine ‘Natural Disturbances and Succession’ model inputs in any new Phase I plans. The first opportunity to ensure that this action is being addressed is the 2017 Forest Management Plans.

### ***Future tracking requirements***

1. The NE Region Resource Analyst, as part of the Modelling Task Team, will confirm that any updated inventory used for any Phase I NE Region Forest Management Plans has considered all appropriate natural disturbance events. The evidence will be documented in meeting minutes and/or notes. The lead, to produce an updated inventory for planning purposes, is the SFL manager/Local Forest Management Corporation manager.

2. The NE Region Resource Analyst, as part of the Modelling Task Team, will assist in the development of the Phase I 'Natural Disturbances and Succession' model inputs. The documentation of models inputs selected/developed will be documented in the Analysis Package. The lead to build the Base Model and model inputs is the SFL manager/Local Forest Management Corporation manager.

## **WABIGOON FOREST RECOMMENDATION 6**

Corporate MNR shall augment the methodology provided in the FMPM for assessing the sustainability of a forest management plan to make it more robust.

### ***Action Required***

A review of all aspects of the current FMPM will be undertaken as part of the process for publishing a revised FMPM anticipated to come into effect April 1, 2014. That review will consider changes to the methodology for the assessment of sustainability and the outcomes will be reflected in the revised version of the FMPM.

### ***Progress to date***

On-going. Revision of FMPM will begin following MOE issuance of a revised declaration order.

### ***Future tracking requirements***

The Manager, Forest Management Planning Section, Forests Branch, MNR is leading a review of the current FMPM, including consideration of changes to the methodology for the assessment of sustainability. Any changes in the methodology that result from the review and public and stakeholder consultation will be incorporated into the revised FMPM. Target date for implementation of revised FMPM is January, 2016. Method of tracking progress - revised FMPM.

## **WABIGOON FOREST RECOMMENDATION 9**

Corporate MNR shall ensure that the publicly available documentation associated with plan amendments includes a copy of the amendment approval page with all approving signatures & showing the approval date.

### ***Action required***

There are currently issues related to the recognition of electronic signatures by the professional forestry association and technological limitations for the Forest Information Portal. MNR is reviewing how electronic FMP information is processed, maintained, and made available to the public. The public availability of amendment approvals will be considered as part of the review and appropriate actions will be implemented.



## ***Progress to date***

Complete. Forests Branch completed a review in 2012. The review determined that the direction in the Forest Management Planning Manual and the Forest Information Manual regarding amendment signature pages (the official hard copy retained on file at the MNR District Office linked to the electronic amendment information on the eFMP website) was adequate.

In addition, a project to review and redesign the Forest Information Portal and eFMP website began in late 2013 to address the electronic processing, maintenance and availability of electronic FMP data. In addition, the FMPM and Forest Information Manual are currently being reviewed. These initiatives will further consider potential revisions to the policy associated with amendment approval documentation.

## **COCHRANE-MOOSE RIVER MANAGEMENT UNIT RECOMMENDATION 3, SMOOTH ROCK FALLS FOREST RECOMMENDATION 5, IROQUOIS FALLS FOREST RECOMMENDATION 5**

Corporate MNR, in consultation with the MOE, must investigate and report upon lessons learned in the amalgamation and associated planning challenges encountered in the creation of the Abitibi River Forest to ensure information management systems and other procedures are adequate to deal with future amalgamations.

### ***Actions required***

1. MNR Forests Branch will review and if necessary, revise the Forest Management Procedure – Forest Management Unit Designation (FOR 02 01 01) as part of its regularly scheduled review of this procedure. The procedure describes the administrative process and considerations related to the proposal and designation of management units under Section 7 of the CFSA. This procedure identifies requirements regarding information management and identifies forest resource inventory as a significant consideration.
2. During the review of this Procedure, MNR Forests Branch will consult MNR NE regional staff who have recently been involved in management unit amalgamations to review successes or failures and to discuss lessons learned.
3. Regional and district MNR staff and the forest industry shall follow Procedure 02 01 01 during future amalgamations to ensure information management systems and forest inventories are adequate.

### ***Progress to date***

1. Complete as outlined in the action plan. Review of the procedure was completed in 2012 and recommended no changes to the procedure pending organizational realignment.
2. Complete as outlined in the action plan. MNR Forests Branch consulted with NE regional staff during the review of the procedure.
3. Complete. Since 2010, there has been one amalgamation in NE Region, the Pic River Forest. This amalgamation was initiated by the forest industry prior to 2011. The proponent of the proposal went insolvent, and the amalgamation process was reinitiated by the Crown. A revised version of procedure FOR 02 01 01 was used by Wawa District and NE Region to guide the proposal process.

### **COCHRANE-MOOSE RIVER MANAGEMENT UNIT RECOMMENDATION 4, SMOOTH ROCK FALLS FOREST RECOMMENDATION 6, IROQUOIS FALLS FOREST RECOMMENDATION 6**

Corporate MNR must consider requiring that trade-off analysis be conducted using an appropriate decision support tool on amalgamated forests.

### ***Actions required***

All the requirements for forest management planning, including analysis, are described in the 2009 FMPM. The FMPM describes the use of decision support systems in forest management planning. Decision support systems are selected by the planning team to facilitate strategic analysis in the development of the long-term management direction and the planning of operations.

All components (e.g., models or analysis tools) of the decision support system to be used in a forest management plan are described in the plan's terms of reference. Any components of the decision support system that are not on the approved list of tools as specified by Directive FOR 02 02 01 List of Approved Analytical Tools for Use in Forest Management Planning will have to be approved by the Director of MNR's Forests Branch prior to inclusion in the terms of reference. MNR encourages the use of the most appropriate suite of analysis tools to help planning teams develop the best long term management direction for their forest management unit (FMU).

### ***Progress to date***

Complete as outlined in the action plan. The tools and processes for trade off analysis are in place. Selection of the appropriate decision support tool for the management unit occurs during forest management plan preparation.

## **COCHRANE-MOOSE RIVER MANAGEMENT UNIT RECOMMENDATION 7, SMOOTH ROCK FALLS FOREST RECOMMENDATION 9, IROQUOIS FALLS FOREST RECOMMENDATION 9**

MNR Region must update the NE Region Operations Guide for Marketability Issues document as follows:

- reduce the allowance for residual standing trees to no more than 25% canopy closure to better align the Guide with inventory standards
- incorporate a requirement to provide information, in addition to the current FRI description, to confirm actual stand conditions prior to finalizing operational plans
- clarify the allowance for bringing unmarketable trees to roadside in order to minimize the loss of productive area along roadways

### ***Actions required***

1. The NE Regional Forest Forum will assess and prioritize the need to review and revise the NE Region Operations Guide for Marketability Issues (NE Region Utilization Strategy) as part of its annual priority setting process.
2. The NE Regional Forest Forum will conduct a face-to-face session to review and assess the NE Region Utilization Strategy and make recommendations to NE Region Leadership Team (NELT).
3. Depending on NELT direction, updates to the NE Region Utilization Strategy will be discussed at the MNR/SFL NE Region Forest Solutions Forum and as a result of the findings, the NE Region Utilization Strategy will be updated.

### ***Progress to date***

1. Complete as outlined in the action plan, January 2011.
2. Complete as outlined in the action plan, September 2011.
3. Complete. Updates to the NE Region Utilization Strategy were presented and supported at the NE Region DM/GM meeting held on January 24, 2013 in Kirkland Lake.

## **COCHRANE-MOOSE RIVER MANAGEMENT UNIT RECOMMENDATION 10, SMOOTH ROCK FALLS FOREST RECOMMENDATION 12, IROQUOIS FALLS FOREST RECOMMENDATION 12**

Corporate MNR must develop a policy to address waste fibre management, consistent with the intent of minimizing losses of productive forest land, and provide associated direction to MNR regions, districts and the forest industry, including standards for acceptable allowances for conversion of productive forest land to non-productive forest land. MNR should also periodically report to the public the cumulative loss of area and growing stock potential due to forest land occupied by waste fibre.

### ***Actions required***

1. The guideline quoted from the Stand & Site Guide is intentionally broad to allow individual planning teams to develop slash management protocols that are suitable to their specific circumstances. The guide provides planning teams with a number of best management practices, identified in section 5.2.4 and in Appendix 5.2c, on possible options for dealing with slash and reducing the amount of productive land lost. The extent to which the bioeconomy develops over the next few years may affect the amount of unutilized woody material left at roadside, and hence the significance of the amount of productive land being covered by slash and chip piles. Meanwhile, Regional Operations Division is exploring methods of dealing with slash management in recent cut blocks and sharing the results with the authors of the Stand & Site Guide for future revisions of the guide.

During the five-year review of the Stand & Site Guide scheduled for 2015, Guides Unit staff will examine the development and impact of the bioeconomy, in particular, its reliance on unutilized woody material on the amount of productive land being lost to slash and chip piles, as well as the results of the slash management practices being implemented by Regional Operations Division.

2. MNR Forests Branch will undertake a review of potential methods for assessing and reporting on the amount of productive forest area occupied by waste fibre. If warranted based on the results of the review, the amount of productive area occupied by waste fibre will be reported in future provincial reports.

### ***Progress to date***

1. On-going - to be completed in 2015 as outlined in action plan.
2. Complete. In January 2014, MNR posted revised Annual Report Technical Specifications for Slash Management to the Forest Information Portal. The new Slash and Chip Treatment information is required starting with management unit annual reports due November 15, 2014. Spatial slash management information will enable:

- Locating areas of accumulated forest debris or the removal of forest debris
- Appropriate inspection of these areas
- Monitoring and assessment of the renewal of these areas
- Tracking of landbase changes through time (ensure maintenance of the productive landbase)

### ***Future tracking requirements***

1. The Manager, Forest Policy Section, Forests Branch, MNR will lead a review of the Stand & Site Guide in 2015, including the direction related to slash management. Advances in slash management practices, the results of the Regional Operations Division work, and the current state of the bioeconomy will be investigated to determine whether a revision of the guide is required. The target for completion of the review is December 31, 2015. Method of tracking progress – results of the five-year review of the Stand and Site Guide.

## **PRINCIPLE 4: PLAN ASSESSMENT AND IMPLEMENTATION**

### **ENGLISH RIVER FOREST RECOMMENDATION 4**

Ontario Ministry of Natural Resources must ensure that forest management planning team members or advisors are not also plan reviewers.

#### ***Action required***

MNR re-evaluated the applicable direction provided in the FMPM regarding draft forest management plans. Forest management plan reviewers must have in-depth knowledge of the forest management planning process and associated policies, regulations and technical guidance, as well as familiarity with the particular forest and the development of the draft forest management plan. This type of knowledge is typically only held by those who have been involved in the development of the draft plan. This fact is recognized in the FMPM by the statement that in most situations plan reviewers will be familiar with the plan having participated on, or provided advice to the planning team.

Nothing from the review indicates a need to change this FMPM direction. Plan reviewers are selected at the local level based on the specific circumstances and the availability of qualified reviewers.

#### ***Progress to date***

Complete as outlined in action plan, October 2011.

## **ENGLISH RIVER FOREST RECOMMENDATION 11**

MNR should provide access as soon as possible to the new forest resource inventory imagery for operational purposes at a site in northwestern Ontario.

### ***Actions required***

1. An approved schedule with established timeframes and completion dates for imagery acquisition and processing, which contractors and MNR are subject to, exists. The process for imagery acquisition and production is as follows:
  - flown imagery is obtained from the contractor in late fall to early spring. The delivery is typically staged according to a production plan;
  - FRI staff perform quality control routines;
  - imagery is sent to the Information Access Section (IAS) in Peterborough; and
  - IAS provides access to the imagery files, upon request.

FRI imagery products for English River were available according to the production schedule. Technology to view the aerial photography exists and is available to the forest sector.

2. All FRI data and imagery that is available including the new forest resource inventory imagery for northwestern Ontario can be downloaded from the 'Search for Data and Imagery' page of the Land Information Ontario (LIO) website.
3. The MNR will provide the link to the LIO website to the SFL holder of the English River Forest.
4. The MNR and Forestry Futures Trust Committee are working on development of a suite of technical transfer tools titled Enhanced FRI Knowledge Transfer and Tools Development. This project is investigating delivering beginner level remote sensing courses for FRI's new digital imagery products and developing documentation intended to assist new users of the FRI technology.

### ***Progress to date***

1. Complete as outlined in action plan - made available according to production schedule.
2. Complete as outlined in action plan - made available according to production schedule.
3. Complete. In addition to the LIO website, the co-ordinator of Information Access and IM Policy is the contact for distribution of forest inventory information.
4. Complete. MNR and the Forestry Futures Committee developed a suite of technical transfer tools titled Enhanced FRI Knowledge Transfer and Tools

Development. This project was completed in conjunction with Lakehead University. Workshops based on the technical transfer tools continue to be delivered and focus on beginner level remote sensing courses for FRI's new digital imagery products, as well as, development of documentation intended to assist new users of the FRI technology. Three workshops have been held to date. Course outlines were as follows:

#### Feb 10, 2012 Training Module Outline

- Introduction to eFRI products,
- Overview of Data Requirements (both hardware and software),
- Limitations of the data,
- Introduction to the Stereo Analyst Interface,
- How to setup the screen for effective work,
- How to manage the imagery effectively, and
- Work on some sample data

#### November 2, 2012 Training Module Outline

- Introduction to eFRI image products,
- Introduction to eFRI polygon data characteristics,
- Overview of hardware and software requirements (2D and 3D),
- Comparison of 3D image analysis software products,
- Case studies including species identification, road location, and
- Technology for field use.

#### February 3, 2014 Training Module Outline

- Introduction to eFRI Image products,
- Introduction to eFRI polygon data characteristics,
- Overview of hardware and software requirements (2D and 3D),
- Case studies including species identification, road location, and
- Introduction to "SkyForest<sup>TM</sup>: A new tool to extract volume, canopy height, basal area and species classification from the Ontario imagery."

## **PRINCIPLE 6: MONITORING**

### **KENOGAMI FOREST RECOMMENDATION 7**

Corporate MNR should require that district MNR silviculture effectiveness monitoring (SEM) results be incorporated into the Annual Report process and used to validate the analysis of silvicultural and renewal success conducted by the SFL holder.

#### ***Actions required***

1. MNR Forests Branch is currently reviewing the provincial SEM program. The inclusion of district SEM results in FMU Annual Reports and the use of district SEM results in the validation of SEM analyses will be considered as part of this review.

2. Any requirement to include new information for annual reporting will be incorporated into the FMPM, through phase-in provisions.

### ***Progress to date***

1. On-going. In June, 2012, MNR Forests Branch established the Silviculture Enhancement Initiative (SEI) to make improvements to silviculture policy. The SEI has completed a survey of silviculture practitioners, a review of silviculture policies and created a discussion paper entitled Enhancing Ontario's Silviculture Policies all of which has contributed to the review of the provincial SEM program. Specifically, the discussion paper has identified an opportunity for improvement that will see 'design to purpose' monitoring developed to support the silviculture program. The Initiative is currently developing policy options to address the opportunity for improvement. The recommendation is being addressed by the SEI which is taking a look at the entire process of monitoring silviculture and ensuring that it fits in as part of the entire forest management planning system.
2. On-going. Revision of FMPM will begin following MOE issuance of a revised declaration order.

### ***Future tracking requirements***

1. The Project Manager, SEI, Forests Branch, MNR is leading the SEI. The target date for completion is December, 2014. Method of tracking progress – results of SEI, planning meeting minutes.
2. The Manager, Forest Management Planning Section, Forests Branch, MNR is leading a review of the current FMPM. Any changes in annual reporting requirements identified through the SEI and public and stakeholder consultation will be incorporated into the revised FMPM. Target date for implementation of revised FMPM is January, 2016. Method of tracking progress - revised FMPM.

## **COCHRANE-MOOSE RIVER MANAGEMENT UNIT RECOMMENDATION 18, SMOOTH ROCK FALLS FOREST RECOMMENDATION 24, IROQUOIS FALLS FOREST RECOMMENDATION 25**

Corporate MNR must review the reporting procedures and consider modifying them to recognize multiple successional pathways to improve the adaptive management process.

### ***Actions required***

The annual report information products specified in the 2009 FMPM provide opportunity to recognize multiple successional pathways. Analysis of planned and implemented operations and the achieved results provides for an adaptive management process.



A review of the FMPM will be undertaken and a revised FMPM is anticipated to come into effect April 1, 2014. The FMPM review will include a review of annual report information products to ensure the recognition of multiple successional pathways.

### ***Progress to date***

On-going. SEI is a project led by MNR to make improvements to silviculture policy. The SEI has completed a survey of silviculture practitioners, a review of silviculture policies and created a discussion paper entitled Enhancing Ontario's Silviculture Policies all of which has contributed to the review of silvicultural monitoring and reporting and is expected to provide direction for revised FMPM reporting requirements.

### ***Future tracking requirements***

The Project Manager, SEI, Forests Branch, MNR is leading the SEI. The target date for completion is December, 2014. Method of tracking progress – results of SEI, planning meeting minutes.

The Manager, Forest Management Planning Section, Forests Branch, MNR is leading a review of the current FMPM. Any changes in annual reporting requirements identified through the SEI and public and stakeholder consultation will be incorporated into the revised FMPM. Target date for implementation of revised FMPM is January, 2016. Method of tracking progress - revised FMPM.

## **PRINCIPLE 8: CONTRACTUAL OBLIGATIONS**

### **DOG RIVER-MATAWIN FOREST RECOMMENDATION 16**

MNR shall work with the Ontario Ministry of Northern Development, Mines and Forestry (MNDMF) to revise the wood supply agreements listed in Appendix E of SFL #542459 to reflect current wood supply demands.

### ***Actions required***

1. MNR has taken steps with the beneficiary companies towards the release of unused wood supply commitments. All but one of the wood supply commitments listed in Appendix E have been released.
2. Final steps to amend the SFL document will be taken during the fall 2011.

### ***Progress to date***

1. Completed as outlined in action plan, between September 2010 and March 2011.

2. Partially complete. The amendment of the Dog River-Matawin Forest SFL has been drafted. SFL notification process to commence in spring 2014. Anticipate completed amendment in 2014.

### ***Future Tracking***

2. The Manager, Timber Allocation and Licensing Section will ensure that the proposed amendment to the Dog-River Forest SFL to update the wood supply commitments in Appendix "E" is forwarded to the Minister for consideration in 2014. This will be documented in the briefing material developed for the Minister.

## **ENGLISH RIVER FOREST RECOMMENDATION 17**

MNR shall revise the wood supply agreements listed in Appendix E of SFL #542454 to reflect current wood supply demands.

### ***Actions required***

1. MNR has taken steps with the beneficiary companies towards the release of unused wood supply commitments. All but one of the wood supply commitments listed in Appendix E have been released.
2. Final steps to amend the SFL document will be taken during the fall 2011.

### ***Progress to date***

1. Completed as outlined in the action plan, between September 2010 and March 2011.
2. Partially complete. SFL holder has been formally advised that released wood supply commitments are no longer recognized. Additional wood supply commitments on the English River Forest SFL are currently under consideration. MNR will advance the consolidated amendment package upon resolution of wood supply commitment negotiations. Anticipate completed amendment by Spring 2015.

### ***Future Tracking***

2. The Manager, Timber Allocation and Licensing Section will ensure that the proposed amendment to the English River Forest SFL to update the wood supply commitments in Appendix "E" is forwarded to the Minister for consideration in 2014/15. This will be documented in the briefing material developed for the Minister.

## **KENOGAMI FOREST RECOMMENDATION 13**

Corporate MNR should work with the MNDMF to remove the wood supply commitment to Tembec Hearst from Appendix E of the SFL.

### ***Actions required***

This wood supply commitment dates back prior to 1999/2000 when the former Custom Sawmill commitment was redistributed through a negotiated agreement between the parties involved (Tembec, Lecours, and Kimberly Clark (transferred to Neenah, then Terrace Bay Pulp Inc.)). Through that arrangement, the Tembec (Hearst) sawmill was to make 13,262 m<sup>3</sup>/yr of chips available to the Terrace Bay mill via Right of First Refusal plus 25,000 m<sup>3</sup>/yr chip through a memorandum of agreement for an exchange of coniferous pulpwood/sawmill chips for conifer roundwood (equivalent volume). MNR will review the implementation of this wood supply commitment and will take appropriate measures including amending the SFL based upon the results.

### ***Progress to date***

No longer applicable. The Kenogami Forest SFL was surrendered to the Crown August 1, 2012.

## **PRINCIPLE 8: CONTRACTUAL OBLIGATIONS SPECIFIC TO SUSTAINABLE FOREST LICENCE OR AGREEMENT EXTENSION RECOMMENDATIONS**

### **DOG RIVER-MATAWIN FOREST**

The audit team concludes that management of the Dog River Matawin Forest was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by AbitibiBowater Inc. Forest sustainability is being achieved, as assessed through the IFAPP. The audit team recommends the Minister extend the term of Sustainable Forest Licence #542459 for a further five years.

### **ENGLISH RIVER FOREST**

The audit team concludes that management of the English River Forest was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by AbitibiBowater Inc. Forest sustainability is being achieved, as assessed through the IFAPP. The audit team

recommends the Minister extend the term of Sustainable Forest Licence # 542354 for a further five years.

### **GORDON COSENS FOREST**

The audit team concludes that management of the Gordon Cosens Forest was generally in compliance with the legislation, regulations and policies that were in effect during the term covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by Tembec. Forest sustainability is being achieved, as assessed through the IFAPP. The audit team recommends the Minister extend the term of Sustainable Forest Licence #550039 for a further five years.

### **RED LAKE FOREST**

The audit team concludes that, with the critical exception noted below, management of the Red Lake Forest was generally in compliance with the legislation, regulations and policies that were in effect during the term covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by Red Lake Forest Management Company Limited. Forest sustainability is being achieved, as assessed through the Independent Forest Audit Process and Protocol.

The critical exception is as follows: The decision to increase harvest for the 2008-2018 term on the basis of company solvency and planning for a new mill facility in Red Lake is questionable. The audit team believes more consideration should be given to the balance of plan objectives in the 2008-2018 FMP and the following recommendation is made. Therefore, the audit team recommends the Minister extend the term of the Sustainable Forest Licence 542548 for a further five years, only upon confirmation that the following condition has been satisfied: RLFMC and MNR review the balance of plan objectives in the 2008-2018 FMP and determine if values other than wood supply have been fully considered in the plan. This review should occur in advance of completing Phase 2 operational planning.

### **SPANISH FOREST**

The audit team concludes that management of the Spanish Forest was generally in compliance with the legislation, regulations and policies that were in effect during the term covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by Domtar during the term of the audit period and now held by EACOM Timber Corporation. Forest sustainability is being achieved, as assessed through the IFAPP. The audit team recommends the Minister extend the term of Sustainable Forest Licence #542391 for a further five years.

## **WABIGOON FOREST**

The audit team concludes that management of the Wabigoon Forest was not in compliance with the legislation, regulations and policies that were in effect during the term covered by the audit, and the Forest was not managed in compliance with the terms of the Sustainable Forest Licence held by Domtar. Forest sustainability is not being achieved as assessed through the IFAPP. Therefore, the audit team recommends the Minister not extend the term of the Sustainable Forest Licence #541593 for a further five years. The most important reasons for this conclusion and recommendation are:

- During the term of the 2003 FMP, the Company's renewal efforts did not match relevant harvest levels, with the majority of the 3,000 ha shortfall coming in artificial renewal;
- The yield forecasts in the FMP are deficient, either because they are based on erroneous yield curves or because the Company has been harvesting better than average stands;
- By 2028, the 2008 FMP projects a harvest volume 36% below the 2008 level, and the future low level persists for 50 or 60 years;
- The Company was out of compliance with Conditions #2 and #3 of Appendix E of its SFL #541593 (and also out of compliance with Conditions #2 and #4 of Appendix E of the Trout; Lake SFL #542461); and
- The 2008 FMP was approved even though it was known to be deficient and contain numerous errors.

### ***Actions Required***

1. The reviews of the SFLs will be conducted to ensure that the licensee has complied with the terms and conditions of the licences. As part of the reviews, IFA audit recommendations will be considered in accordance with Section 9 of the SFLs.
2. Results of the reviews will be evaluated and if satisfactory, will be advanced to the Minister for his consideration.

### ***Progress to date***

1. Partially complete. A standardized process for Section 26.3 Reviews has been developed and SFL reviews are underway. Anticipate completion of all outstanding SFL reviews in 2014.
2. Not completed. The results of the reviews will be evaluated within six months after completion of Section 26.3 Reviews.

## ***Future tracking requirements***

1. The Manager, Timber Allocation and Licensing Section will conduct reviews of the SFLs for the above forests to ensure the licensees complied with the terms and conditions of the licences. As part of the reviews, IFA audit recommendations will be considered in accordance with Section 9 of the SFL. The review document will be completed in 2014.
2. The Manager, Timber Allocation and Licensing Section will lead an evaluation of the results of the reviews and if satisfactory, will complete appropriate Aboriginal consultation/notification then advance the results and recommendation to the Minister for consideration. This will be documented in the briefing material developed for the Minister if the reviews are satisfactory.

## **KENOGAMI FOREST**

The audit team concludes that, with the critical exceptions noted below, management of the Kenogami Forest was generally in compliance with the legislation, regulations and policies that were in effect during the term covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by Terrace Bay Pulp Inc. Forest sustainability is being achieved, as assessed through the Independent Forest Audit Process and Protocol. The critical exceptions are as follows:

- An estimated inventory of 245,801 m<sup>3</sup> of felled and unutilized timber is present on the unit.
- Forestry Futures Trust, Ontario Crown dues and Forest Renewal Trust payments are outstanding.

Therefore, the audit team recommends the Minister extend the term of the Sustainable Forest Licence # 542256 for a further five years, only on confirmation that the following conditions have been satisfied:

- The SFL Holder and the District OMNR/MNDMF need to determine what portion of the unutilized wood harvested under the Neenah Paper Company of Canada SFL is marketable and agree on a strategy for its utilization within six months of the submission of the Audit Report.
- The SFL holder work with the OMNR/MNDMF to develop a plan within six months of the submission of the Audit Report for the payment of Forestry Futures Trust, Ontario Crown Dues and Forest Renewal Trust payments which are outstanding as of March 31, 2011.

## ***Actions Required***

1. A review of the SFL will be conducted to ensure that the licensee has complied with the terms and conditions of the licence. As part of the review,

IFA audit recommendations will be considered in accordance with Section 9 of the SFL.

2. Results of the review will be evaluated and if satisfactory, will be advanced to the Minister for his consideration.

### ***Progress to date***

1. The Kenogami Forest SFL was surrendered to the Crown August 1, 2012. No further action is required.

## **OGOKI FOREST**

The audit team concludes that management of the Ogoki Forest was generally in compliance with the legislation, regulations and policies that were in effect during the term covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by Long Lake Forest Products Inc. Forest sustainability is being achieved, as assessed through the Independent Forest Audit Process and Protocol. The audit team recommends the Minister extend the term of the Sustainable Forest Licence # 541965 for a further five years.

### ***Actions Required***

1. A review of the SFL will be conducted to ensure that the licensee has complied with the terms and conditions of the licence. As part of the review, IFA audit recommendations will be considered in accordance with Section 9 of the SFL.
2. Results of the review will be evaluated and if satisfactory, will be advanced to the Minister for his consideration.

### ***Progress to date***

1. The Ogoki Forest SFL was surrendered to the Crown February 8, 2013. No further action is required.

## **COCHRANE-MOOSE RIVER MANAGEMENT UNIT**

No recommendation is made on licence extension since a new licence with a twenty year term was issued to Abitibi River Forest Management Inc. for the Abitibi River Forest in August 2010. A recommendation on licence extension will occur at the next IFA.

## **IROQUOIS FALLS FOREST**

The audit team concludes that management of the Iroquois Falls Forest was generally in compliance with the legislation, regulations and policies that were in effect during the term covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by Abitibi Consolidated Company of Canada. Forest sustainability is being achieved, as assessed through the Independent Forest Audit Process and Protocol.

## **SMOOTH ROCK FALLS FOREST**

The audit team concludes that management of the Smooth Rock Falls Forest was generally in compliance with the legislation, regulations and policies that were in effect during the term covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by Tembec Inc. Forest sustainability is being achieved, as assessed through the Independent Forest Audit Process and Protocol.

No recommendation is made on licence extension since a new licence with a twenty-year term was issued to Abitibi River Forest Management Inc. for the Abitibi River Forest in August 2010. A recommendation on licence extension will occur at the next IFA.