



2017 INDEPENDENT FOREST AUDIT (IFA) STATUS REPORT

Status Report Signature Page

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INTRODUCTION

An Independent Forest Audit (IFA) of the Northshore Forest was conducted by Arbex Forest Resource Consultants Ltd. During 2017. The audit scope included the 5 years of operations from April 1, 2012 through March 31, 2017.

The Northshore Forest (NF) Sustainable Forest License (SFL) (#542521) is managed by Northshore Forest Inc. (NFI). Shareholders include Domtar Inc., EACOM Timber Corporation, Midway Lumber Mills Ltd. and the Northshore Independent Forestry Association Inc. EACOM acts as an agent for NFI to administer the forest management program of the SFL.

The IFA Report was accepted by the Forestry Futures Committee on December 20, 2017 and provided to NFI, MNRF Sault Ste. Marie District and Northeast Region on January 9, 2018. The report contained 5 findings, including 2 which were directed to corporate MNRF, and 3 which were directed to either district MNRF or NFI

An Action Plan to address the findings was approved by the MNRF on March 19, 2018. Therefore, in accordance with the Independent Forest Audit Process and Protocol (IFAPP), a Status Report needs to be submitted 2 years after Action Plan approval (March 19, 2020) hence this document.

FINDINGS

Principle #2: Public Participation and Aboriginal Involvement

Finding #1:

The infrequent meetings of the Northshore Resource Management Advisory Committee (RMAC) prevent it from meeting the intent of the Forest Management Planning Manual (FMPM) or the direction of its Terms of Reference (ToR).

Action(s) required:

1. The MNRF District Manager must ensure that RMAC vacancies are filled
2. As per the RMAC ToR, RMAC meetings will be held monthly

Progress to Date:

1. Partially completed. Following the completion of this audit, MNRF has consolidated the membership list, merging certain sectors together and regularly seeking new membership. Since the closing meeting of this audit on November 3rd, MNRF has added 4 new members to RMAC and no meetings have been cancelled due to lack of quorum. Cancelling meetings due to lack of quorum was a re-occurring theme up until recent years.

2. Partially completed. Beginning in 2018, following the completion of this IFA, the number of RMAC meetings increased significantly – in 2018 there were 6 RMAC meetings

and 1 Field tour, in 2019 there were 6 RMAC meetings. This is a vast improvement from previous years; in 2015 there were 3 meetings, in 2016 there were 2 meetings, and in 2017 there were 4 meetings. One meeting was cancelled in both 2018 and 2019 due to lack of agenda items. Furthermore, RMAC generally is not interested in meeting during the summer months and December

Future tracking requirements (if applicable):

1. MNRF will regularly monitor its membership and seek new members.
2. An assessment of meeting occurrences at the end of each calendar year

Principle #3: Forest Management Planning

Finding #2:

There were a considerable number of inaccuracies and inconsistencies in the Enhanced Forest Resources Inventory (eFRI) inventory data and information.

Action(s) required:

1. A Root Cause Analysis was undertaken for this finding and it was deemed Corporate. Corporate or policy level findings will be considered as part of the regular corporate work planning and policy review cycle.

Principle #6: Monitoring

Finding #3:

The Annual Reports contain confusing text as well as errors and omissions.

Action(s) required:

1. Report shelterwood and selection natural regeneration in future Annual Reports (AR) commencing with the 2016 AR, and correct and update the "To Date" columns to reflect the total amount of natural regeneration of each since plan start.
2. In the 2016 AR, correct and update the "To Date" columns to reflect the total site preparation and tending carried out by specific treatment since plan start.
3. When entering the silvicultural information into the GIS system, verify the data in the actual invoices from the contractors, and verify with the invoices submitted to the Renewal Trust Fund.
4. Modify the table in the text compliance section that summarizes the information contained in Table AR-6 to include a column of "Outstanding Issues" which will record the number of Compliance Reports that are still pending MNRF review, and verify that the total numbers in this table are the same as the total numbers in table AR-6.
5. Compose the text for the compliance section to make it less confusing, and provide better explanation of the compliance program.
6. Annual Report submissions need to be reviewed to ensure that they contain all the required information

Progress to Date:

1. Done. Since the 2016 AR, Annual Reports have included the Shelterwood and Selection silvicultural systems to reflect a more accurate representation of Natural Regeneration.
2. Done. Since the 2016 AR, Annual Reports have included the specific treatments for tending and site preparation to reflect a more accurate representation of both.
3. Done. Data has been added and will be verified and checked by the MNRF.
4. Done. Table has been updated and data reflects same numbers as AR-6.
5. Done. Compliance section has been updated.
6. As per the FMPM, MNRF reviews the Annual Report for 30 days. The SFL has 60 days to address comments provided by MNRF.

Future tracking requirements (if applicable):

1. Annual Reports (yearly)
2. Annual Reports (yearly)
3. Annual Reports (yearly)
4. Annual Reports (yearly)
5. Annual Reports (yearly)
6. Annual Reports (yearly)

Principle #6: Monitoring**Finding #4:**

The MNRF did not consistently meet Compliance Handbook timelines for the submission of reports in the Forest Operations Information Program (FOIP) system

Action(s) required:

1. Report approver will review reporting timeline on submitted reports and seek & document rationale where Handbook timelines are exceeded.

Progress to Date:

1. Report approver has reviewed reporting timelines on Submitted Reports and has obtained documented rationale where handbook timelines have been exceeded

Future tracking requirements (if applicable):

1. Ongoing

Principle #8: Contractual Obligations**Finding #5:**

The term of Sustainable Forest License #542521 has not been extended.

Action(s) required:

1. A Root Cause Analysis was undertaken for this finding and it was deemed Corporate. Corporate or policy level findings will be considered as part of the regular corporate work planning and policy review cycle.