

Ogoki Forest

Independent Forest Audit April 1, 2010 to March 31, 2017



Merin Forest Management



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1.0 EXECUTIVE SUMMARY

The Ogoki Forest is a fire-driven boreal ecosystem where historical fires created large, even-aged, conifer-dominated tracts. It encompasses 1,022,498 hectares of managed Crown land. It is about 135 km northwest of Geraldton and 400 km northeast of Thunder Bay in the Ministry of Natural Resources and Forestry (MNR) District of Nipigon at the northern limit of the Area of the Undertaking. Its current extent was established as the 2003-2008 FMP was developed when the former Ogoki Forest was merged with the northern portion of the former Nakina Forest. Operations occurred in parts of the Ogoki Forest since 1974 under other licenses, particularly in the south-eastern portion south of the Ogoki River. The Ogoki Forest is relatively far from receiving mills.

This Independent Forest Audit was conducted in 2017, covering all aspects of forest management planning and implementation in the Ogoki Forest that occurred from April 1, 2010 to March 31, 2017. The Forest was managed by Long Lake Forest Products under SFL# 541965 until the license was surrendered to the Crown in early 2013. MNR became the forest manager and was the auditee during this audit. Co-operation from MNR (District, Region, Area Office) and the Local Citizens' Committee was excellent. A team of 3 auditors identified many positive aspects of management of the Ogoki Forest, as described in this report. A few noteworthy examples are: enthusiastic engagement of the Local Citizens Committee (GANRAC), the efforts made by MNR to involve First Nations Communities in aspects of forest management planning and operations, and excellent wildlife tree retention on recently harvested blocks. However, 11 Findings were identified during the audit related to road and water crossing monitoring, slash pile management, gaps in system support, commitment to meeting legal obligations, and aspects of silviculture (Forest Operations Prescriptions, tending, silvicultural effectiveness monitoring, and free-to-grow surveys).

Less than 1% of the 10-year harvest was completed by the end of the 7th year. Owing to the small amount of activity in the forest over the audited period, the impact of the Findings did not threaten the sustainability of the forest over the short term. Therefore, the audit team concluded that, *with the exceptions* noted above, 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, overall, the forest has been managed consistently with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol. The critical exceptions must be addressed to bring the Ogoki Forest into general compliance.



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2.0 TABLE OF AUDIT FINDINGS

A description of the background information, related discussion and conclusions is found in Appendix 1. These findings are referred to throughout the body of the report as well.

Concluding Statement on Forest Management
Owing to the small amount of activity in the Ogoki Forest over the audited period, the impact of the Findings identified during the audit did not threaten the sustainability of the forest. Therefore, the audit team concluded that, <i>with the exceptions</i> noted below, 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, overall, the forest has been managed consistently with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol. The critical exceptions relate to commitment, the need for FOP prescriptions for silviculture, monitoring of conifer renewal and other aspects of the silviculture program, the need for a formal roads and water crossing monitoring program, the need for compliance monitoring of all activities, and the need for a slash management program. The critical exceptions must be addressed to bring the Ogoki Forest into general compliance.
Findings
Finding #1: The MNRF organization was not fully committed to meeting the legal requirements in place for sustainable management of the Ogoki Forest over the audited period.
Finding #2: MNRF has not developed FOP prescriptions for silviculture undertaken in the Ogoki Forest as required by the FMPM.
Finding #3: Conifer renewal is not being monitored for tending as required by the FMP and the 2010 IFA recommendation.
Finding #4: The roads and water crossings monitoring program outlined in Table FMP-18 of the Phase II FMP has not been followed.
Finding #5: There are gaps in capacity and information management systems to support sustainable forest management of the Ogoki Forest.
Finding #6: Compliance monitoring was not completed for all activities in the forest.
Finding #7: Annual Reports were not submitted and approved in a timely manner and contained technical errors.
Finding #8: Nipigon District has not met the requirements of the Phase II Planned Operations silvicultural monitoring program for the Ogoki Forest.
Finding #9: There is a large backlog of regenerated area in the Ogoki Forest that has not been assessed for free-to-grow status.
Finding #10: A slash management program was not implemented in the Ogoki Forest over the audited period as required by the FMP.
Finding #11: The renewal rate analysis conducted for the Ogoki Forest, during the audit period, did not consider the full cost of the silvicultural liability.

3.0 INTRODUCTION

3.1 AUDIT PROCESS AND CONTEXT

A detailed description of the process followed in the 2017 Independent Forest Audit (IFA) for the Ogoki Forest (“The Forest”) is provided in Appendix 4. The scope of the audit included all aspects of forest management planning and implementation occurring during the period April 1, 2010 to March 31, 2017. This included implementation of the Phase I portion of the 2008-2018 FMP from April 1, 2010 to March 31, 2013, planning for the Phase II FMP, and implementation of Phase II from April 1, 2013 to March 31, 2017.

A team of 3 auditors (see Appendix 6) followed the 2017 Independent Forest Audit Process and Protocol (IFAPP) closely to conduct the audit. The audit process began in August 2017. It consisted of document reviews, interviews, outreach to encourage input from the public, First Nations, and the Local Citizens Committee, and a 5-day field audit conducted from Oct. 23-27, during which a large proportion of the activity in the Forest was assessed. This is described in more detail below, and in Appendix 4.

The Ogoki Forest had been managed previously by Long Lake Forest Products Inc. (LLFP) under a Sustainable Forest License (SFL # 541965), but the SFL was returned to the Ministry of Natural Resources and Forestry (MNRF) in 2013 by LLFP, and the forest then became a Crown Management Unit. An economic downturn had precipitated the return of the license. From 2013 to 2017, MNRF had been working to facilitate renewed forest management activity, to make opportunities available to 4 local First Nations, and to meet the requirements for monitoring and reporting that are required by the Forest Management Planning Manual (FMPM) and related documents. The audit assesses how well the requirements were met. MNRF is the auditee.

3.2 MANAGEMENT UNIT DESCRIPTION

The Ogoki Forest encompasses 1,022,498 hectares of managed Crown land, about 135 km northwest of Geraldton and 400 km northeast of Thunder Bay in the Ministry of Natural Resources and Forestry (MNRF) District of Nipigon at the northern limit of the Area of the Undertaking (see Table 1 and the map below). Its current configuration was established as the 2003-2008 FMP was developed when the former Ogoki Forest was merged with the northern portion of the former Nakina Forest. The 2008-2018 FMP (Phase I) stated that operations occurred in parts of the Ogoki Forest since 1974 under other licenses, particularly in the south-eastern portion south of the Ogoki River. The Forest is relatively far from most mills.

The Ogoki Forest is a fire-driven boreal ecosystem where historical fires created large, even-aged, conifer-dominated tracts. The breakdown of provincial forest types is: 40% lowland conifer, 36% upland conifer, 7% jack pine, 10% mixedwood, and 7% poplar. MNRF's fire suppression program and a relatively low level of harvesting have resulted in a forest that is

older on the average than would be expected under a natural fire disturbance regime; about 86% is more than 40 years old.

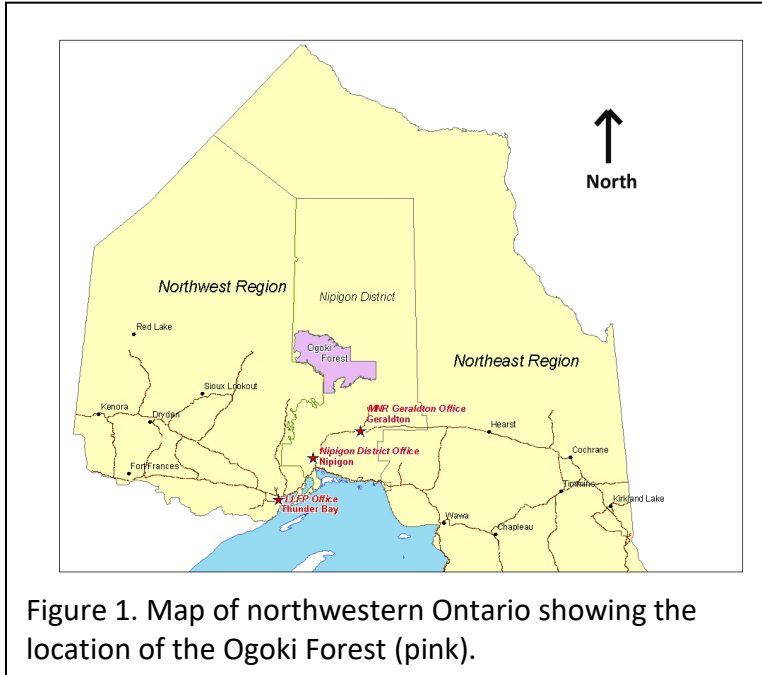


Figure 1. Map of northwestern Ontario showing the location of the Ogoki Forest (pink).

The Ogoki Forest has been managed for caribou since the 2003-2008 FMP came into effect. Phase 1 (p. 79) of the 2008-2018 FMP says that a caribou mosaic was applied to 100% of the Forest. During the audit, the MNRF Area Biologist noted that surveys suggest there were at least 172 caribou in the Ogoki Forest in 2009. MNRF continues to do surveys and research and on caribou, moose, and other wildlife in this area. Spruce grouse, ruffed grouse and sharp-tailed grouse are common in the forest, and an abundance of water (about 10%, see Table 1) provides calving

islands for caribou and habitat for bald eagles (more than 100 nests), ospreys (more than 130 nests), great blue herons (only 5 colonies known) and many waterfowl.

Tourists and residents of the region hunt for moose and black bear, and fish for walleye, pike, lake trout and brook trout within the boundaries of the Forest. Since it was established, about two-thirds of the Ogoki Forest has remained closed to public access under the Public Lands Act to address remote tourism concerns. First Nations people are exempt and may travel, hunt and fish throughout the Forest. Four First Nation communities have traditional area and treaty rights in the forest, but no communities occur within the Ogoki Forest itself. Two can be reached by all-weather road (Aroland First Nation near Nakina, and Animbiigoo Zaagi'igan Anishinaabek [AZA] First Nation near Beardmore), but two can only be reached by flying north of the Forest into the remote communities of Fort Hope (Eabametoong First Nation) and Marten Falls (Marten Falls First Nation). A wide variety of interests in the Forest are represented on the Geraldton Area Natural Resources Advisory Committee (GANRAC), which is the very engaged Local Citizens Committee that participated in the development of Phase I and Phase II of the Ogoki Forest 2008-2018 FMP.

The audit covers all forest management planning and operations that occurred in the Ogoki Forest from April 1, 2010 to March 31, 2017. The 2008-2018 FMP was in place over this period. The Phase I FMP was produced by Long Lake Forest Products Inc. (LLFP), an entity affiliated with the Buchanan group of companies, and LLFP held the Sustainable Forest License (SFL #541965) at the time. Most of the wood cut in the forest since 2003 supplied Buchanan's sawmills in Longlac and Nakina and the pulp mill in Terrace Bay. Owing to a severe downturn in the market for softwood lumber and other issues, the SFL holder became insolvent, the receiving mills

closed, and the SFL was surrendered to the Crown in February 2013. Thereafter, the Ogoki Forest was a Crown Management Unit, and MNRF became the forest manager. MNRF led the production of the Phase II FMP (April 1, 2013 to March 31, 2018), and has assumed all other management responsibilities since then. The Forest is managed by MNRF through the District office in Nipigon, the Area office in Geraldton, and the Regional office in Thunder Bay.

The Phase II FMP for the Ogoki Forest (2013-2018; Table FMP-14) identified 4 organizations with wood volume from the forest allocated to them, including 3 of the First Nations (Marten Falls, Eabametoong, and Aroland). A total of 69,356 hectares of potential harvest area was identified for the 10-year period, with 32,332 hectares assigned to the second 5 years (Phase II FMP Table FMP-11). Over the 7-year audited period (2010-2017), about 431 hectares was harvested under the SFL held by LLFP before the license was surrendered. There was no harvesting from 2012-13 through 2015-16. In 2016-17, an FRL (License #553445) was issued to the Agoke Development Corporation, a First Nations company with board members from 3 of the First Nations communities with an interest in the Ogoki Forest (Eabametoong, Aroland, and Marten Falls First Nations). About 400 hectares was harvested that year. Annual Reports suggested that up to March 31, 2017, less than 1% of the area planned for harvest over the 10-year period was actually harvested by March 31, 2017.

Table 1. Area description of the Ogoki Forest (From Table FMP-1, Phase 1 2009 FMP)

Land Class	All Land Ownerships ^a (ha)	Managed Crown Land (ha)
Water ^b	109,263	77,935
Non-forested	656	624
Non-productive Forest ^c	61,636	58,343
Productive Forest ^d	918,221	884,748
Total	1,090,986	1,022,498

a – includes Crown managed forest, parks, private, and Federal land

b - Only 77,935 ha of the 109,263 ha of total water area are on the managed portion of the land base.

c – areas incapable of growing commercial trees, such as muskeg, rock, etc.

d – forest areas capable of growing commercial trees.

4.0 AUDIT FINDINGS

4.1 COMMITMENT

MNRF has well publicized policy statements and legislation pertaining to the requirements for sustainable management of Crown Forests in Ontario (e.g., Crown forest Sustainability Act, Endangered Species Act, Environmental Assessment Act, Forest Management Planning Manual). Through interviews conducted during the audit, a review of documentation, and a field tour, the auditors concluded that MNRF Staff are knowledgeable, well-trained, and work hard to try to live up to the requirements. However, while policies were in place with regard to MNRF's commitment to sustainable forest management and staff worked hard to meet the requirements, it is clear through the number of findings (11 Findings in total) the auditors have identified that the organization as a whole showed a lack of full commitment to meeting the

legal requirements for sustainable forest management of the Ogoki Forest during the period being audited. MNRF's organizational transformation and staff turnover contributed to this result. The most important gaps identified under other findings are related to: silvicultural monitoring, Forest Operations Prescriptions (FOPs), compliance monitoring, tending, free-to-grow, reporting, and roads monitoring and decommissioning. In addition, the Trend Analysis report, which is a requirement of the IFAPP, was still in draft form by the time of the audit and contained numerous errors and unclear sections.

Interviews and a review of operations and reporting during the audit suggested that some legislated requirements associated with sustainable management of the forest were not being met, demonstrating a lack of full commitment by the organization to management of the Ogoki Forest. There has been relatively little activity on the Ogoki Forest since the license was surrendered to the Crown in 2013, but this does not absolve MNRF from meeting the legal requirements that are in place. This has resulted in the following finding:

Finding #1: The MNRF organization was not fully committed to meeting the legal requirements in place for sustainable management of the Ogoki Forest over the audited period.

4.2 PUBLIC CONSULTATION AND ABORIGINAL INVOLVEMENT

4.2.1 Public Consultation Process

The FMPM identifies the required opportunities for public involvement in development of the FMP (Phases I and II), the Annual Work Schedules (AWSs), and amendments to the FMP. All the required opportunities were provided. MNRF also offered to present each draft AWS to each First Nation community. The Phase II FMP included new values that were not included in Phase I, reflecting the results of the public consultation process.

4.2.2 Local Citizens Committee

The Geraldton Area Natural Resources Advisory Committee (GANRAC) has been a long-standing Local Citizen's Committee (LCC) involved in management of both the Kenogami and Ogoki Forests. Through the audit process, it was determined that the GANRAC is achieving its mission. Its membership covers and promotes a diversity of interests, and efforts are made to find new members to fill vacant positions. The public consultation process associated with the development of Phase II of the 2008-2018 FMP engaged the GANRAC. On average, meetings took place 5 times per year. The Phase II FMP includes a positive statement from GANRAC on their experience and involvement in development of the FMP.

There was limited participation on the GANRAC from Aboriginal communities, but records show that they were invited to participate and were engaged in other ways through the efforts of MNRF. This is discussed in more detail in section 4.2.3. Interviews with 3 of the 4 local Aboriginal communities during the audit verified that MNRF made reasonable efforts to encourage their participation.

When GANRAC members were asked how they viewed their participation on the LCC, 83% stated that their involvement was valuable. The strength of GANRAC was also evident through the IFA process. Before the pre-audit meeting the GANRAC requested a special session to discuss the IFA and how they could assist. They provided valuable advice on outreach for the audit, and posted the link to the IFA public survey on their web site. Also, 13 members responded to the survey that was developed to encourage public comments on management of the Ogoki Forest over the audited period. The GANRAC was also represented at the opening and closing meetings of the audit, members were available for individual interviews, and 3 GANRAC members participated on the field tour.

4.2.3 Aboriginal Participation

Four First Nation communities have traditional area and treaty rights in the Ogoki Forest, but none is located within the Forest itself: Aroland First Nation at Aroland near Nakina, Animbiigoo Zaagi'igan Anishinaabek [AZA] First Nation near Beardmore, Eabametoong First Nation in the remote community of Fort Hope, and Marten Falls First Nation in the remote community of Marten Falls. Three of the First Nations (Aroland, Eabametoong, and Marten Falls) were identified among the organizations that wood volume from the forest was allocated to in the Phase II FMP (Table FMP-14). They are also represented on the Board of Directors of the Agoke Development Corporation, which is striving to develop the capacity to have a more significant role in forest management planning and operations for the Ogoki Forest.

Following discussions with two of the communities and with a representative of the Agoke Development Corporation, the audit team concluded that MNRF made a reasonable effort to engage with the communities in aspects of forest management planning and implementation for the Ogoki Forest over the period being audited. This included meaningful engagement, opportunities to participate, and requests for more information for Aboriginal values collection.

MNRF's summary of Aboriginal involvement for Phase II planning indicated that the following outreach was completed for each of the surrounding four First Nation communities: 14 times with Aroland, 9 times with AZA, 26 times with Eabametoong and 11 times with Marten Falls. The communities were contacted 6 months prior to the commencement of Phase II planning, as required by the FMPM. Invitations were sent to all Aboriginal communities to participate on the planning team. One community member from AZA First Nation and one from Eabametoong sat on the Planning Team for Phase II plan development. Opportunities for individual Information Centres were offered to all Aboriginal communities, with 5 taking place overall. Efforts were made to initiate a values collection project to ensure that all values from Aboriginal communities would be recognized during FMP planning. MNRF also offered to present the contents of each Annual Work Schedule to each of the communities.

During interviews, MNRF's District Manager for Nipigon and the Resource Liaison Specialist described the efforts made to provide First Nation communities with opportunities to achieve more equal participation in the benefits provided through management of the Ogoki Forest. This was documented annually in District Condition 34 and Condition 56 reports. A few examples are: First Nations were always advised of relevant training opportunities; MNRF made

wood available to 3 First Nations in the Phase II FMP (Table FMP-14); a Forest Resource License (FRL) authorizing the harvest of wood in the Ogoki Forest was issued to the Agoke Development Corporation in 2016 and 2017; and there is ongoing dialogue with the communities. The District Manager stated that the First Nations are developing capacity to take on a more direct role in management of the Ogoki Forest, and that there is a strong possibility that this will happen when viable destinations for the wood from the forest are available. This was confirmed during interviews with representatives from the Agoke Development Corporation and Aroland First Nation.

4.3 FOREST MANAGEMENT PLANNING

The Phase II FMP for the Ogoki Forest was prepared by MNRF. It was one year late. This supports Finding #1 related to MNRF's commitment to management of the Forest.

There was one administrative amendment in 2012-13 for a tending operation, and a Minor Amendment in 2012-13 for the re-alignment of the Ogoki Road to address the concerns of a First Nations community.

4.4 PLAN ASSESSMENT AND IMPLEMENTATION

4.4.1 Harvest

Only 831 hectares of forest were harvested over the 7-year audited period. The audit team checked a large proportion of this area on the ground or from the air (see Appendix 4 - Audit Process). Wildlife tree retention was excellent, and harvesting operations were well done on the area assessed during the audit.

4.4.2 Species at Risk and Featured Species

An interview with the MNRF Area Biologist and a review of documents revealed that woodland caribou, bald eagle, wolverine, common nighthawk, bank swallow, and barn swallow are species at risk with confirmed records in the Ogoki Forest, as expected considering the geographic location of the Forest. In the field it appeared that AOCs for species at risk and featured species were well protected. A review of MNRF's database of values (LIO) with the Area Biologist revealed that it contains the required information and that it is updated regularly. For example, there were 108 records for the bald eagle nests, 134 for osprey nests, 5 records for great blue heron colonies, and several records for smaller stick nests. MNRF has undertaken stick nest surveys in the Ogoki Forest, moose surveys, surveys for caribou and wolverine (2015-16), and other species as required, and in conjunction with provincial and regional programs. The most recent estimate (2009) suggested there were at least 172 caribou in the Ogoki Forest. The Area Biologist was knowledgeable and enthusiastic.

4.4.3 Areas of Concern

Both the Phase I and Phase II FMPs contained a wide variety of Area of Concern (AOC) prescriptions. There were prescriptions for bear dens, stick nests and colonies of stick nests, ground nests, caribou calving sites, canoe routes, remote camp sites, tourism lakes, trapper's

cabins, portage trails, water bodies and water crossings, cultural features, and "sensitive sites" among others. New AOC prescriptions were added to the Phase II FMP to be consistent with the science-based, updated prescriptions provided by MNRF in their "Forest Management Guide for the Conservation of Biological Diversity at the Stand and Site Scales" (the Stand and Site Guide). The prescriptions in the Phase II FMP accurately reflected the Guide.

The Phase II FMP also included Conditions on Regular Operations (CROs) describing requirements for the retention of wildlife trees, conditions on salvage harvesting and biofibre harvesting, prevention of erosion, slash pile management, minimizing hydrological impacts, protection standards for woodland pools, furbearer dens, nests of song birds, grouse, and cultural values that are discovered during operations. The field audit confirmed that AOCs were well protected and CROs were well implemented (except for slash management and a few cases where stream crossings were poor- see below).

4.4.4 Silvicultural Operations

During the site visit, the auditors concluded that the Ogoki Forest is growing well. There are large areas where the conifer renewal program has resulted in pure stands of vigorous conifer, as planned in the current and previous FMPs. In Ontario, the normal sequence of activity is harvesting (or natural disturbance), followed by site preparation (if needed), followed by seeding or planting (if needed), followed by tending (if needed). There could also be fill-in planting or a second tending treatment. Not all of the area planned to receive silvicultural treatments in an FMP will have been harvested during the plan period or will have received its initial treatments during that time.

The FMPM requires a forest operations prescription (FOP) consistent with the approved Silvicultural Ground Rules (SGRs) to be developed before operations commence on a site. The FOP is a site-specific set of harvest, renewal and tending activities that will be used to ensure that the current forest is managed to achieve the expected forest structure and condition. FOPs are also integral to the silvicultural effectiveness monitoring system. The audit team found that FOPs that might have been developed and applied in the Ogoki Forest before the SFL was surrendered were not provided to MNRF (there were no records). Also, MNRF did not prepare FOPs for the operations that occurred thereafter. This resulted in the following Finding:

Finding #2: MNRF has not developed FOP prescriptions for silviculture undertaken in the Ogoki Forest as required by the FMPM.

Table 2 summarizes the amount of silviculture that was forecast to address area that was planned for harvesting in 2010-2017 (22,486 ha), as well as area that was expected to be affected by fire, blow down, snow down, or other natural disturbances, and some area from the previous planning period that required follow-up treatments. Only 3.7% of the area that was planned to be harvested over the 7-year period being audited was actually cut. Follow-up silviculture treatments were correspondingly low, except for tending. No tending was planned in the 2008-2018 FMP, but 1,757 ha were tended in 2011-12 by the SFL holder in response to a recommendation from the previous IFA. This was the first-time tending had been performed in

the Ogoki Forest since the SFL was awarded in 1998. The audit team assessed the tended area during the site visit (see Appendix 4 - Audit Process) and found it was well done. However, there were other areas that would have benefitted from tending treatments to enhance or maintain the conifer component. Another 1,000 ha had been proposed for tending during implementation of the Phase II FMP (2013-2018), but this was not done by 2017. This resulted in the following Finding:

Finding #3: Conifer renewal is not being monitored for tending as required by the FMP and the 2010 IFA recommendation.

Table 2. Planned^a and actual area (hectares) of harvest and renewal over the 7-year audited period (April 1, 2010 to March 31, 2017).

Renewal Activities	Total Planned ha for 2010-2017	Actual ha for 2010-17	Actual as a % of Planned for 2010-2017
Natural Regeneration	25,102	0 reported	0
Planting*	21,593	1,812	8.4
Seeding + Scarification	6,179	0	0
Total Artificial Regeneration	27,772	1,812	6.5
Total Regeneration	52,874	1,812	3.4
Site Preparation (mechanical)	21,281	410	1.9
Site Preparation (chemical)	0	0	----
Site Preparation (prescribed burn)	0	0	-----
Tending (cleaning)	0	0	-----
Tending (aerial chem. spray)	0	1,757	> 100%
Tending (manual)	0	0	---
Tending (ground chem. spray)	0	0	---
Spacing, pre-commercial thinning, improvement cut (even-aged**)	0	0	---
Harvest***	22,486	831	3.7

^a "Planned" reflects annualized values from the 10-yr total in the Phase 1 FMP (Table FMP-21) adjusted to reflect the 7-year audited period.

* includes high and low-density planting

** includes shelterwood and clearcut harvest systems

*** Actual harvest area includes an estimate for 2016-2017 since the Annual Report for that year was not finalized by the time of the audit.

4.4.5 Access

Only 4.9 km of new road were constructed during the audit period. This was assessed during the audit, along with a total of 11 bridges and 15 culvert installations on new roads, roads that were maintained during the audit period, and older roads. Actively used roads were well maintained and many of the crossing installations were excellent. However, there were erosion

issues associated with 3 bridges, an old temporary bridge was in very poor condition, and 2 culvert installations were poorly done.

The previous IFA recommended that a formal road and water crossing program should be initiated in the Ogoki Forest, as required by the FMPM. Table FMP-18 of the Phase II FMP for the Forest describes a detailed plan for monitoring active and inactive roads. The Action Plan from the last IFA stated that a program was run by the SFL holder in 2011. However, this was not carried on by MNRF when the license was returned to the Crown, and the monitoring schedule in the Phase II FMP was not met. The 2012-13 Annual report explained that roads were monitored up to the mileage where silvicultural activities were taking place. The 2015-16 Annual report (p. 9) says that MNRF inspected 40 bridges and repaired washouts in that year. Also, a portion of the Ogoki Road was monitored frequently each year for about 20 km from the southernmost boundary of the Forest to the MNRF Ogoki Forward Attack Base (fire base). The program was described as "ad hoc" or "as needed" in some of the annual reports. This does not meet the requirements of a formal, annual roads monitoring program or reflect the schedule in the approved Phase II FMP. For these reasons the auditors identified the following finding:

Finding #4: The roads and water crossings monitoring program outlined in Table FMP-18 of the Phase II FMP has not been followed.

4.5 SYSTEM SUPPORT

This principle concerns the resources and activities needed to support plan development and implementation to achieve the desired objectives. Under this principle, the IFAPP (p. 111) states that "the organization's human resources and information management systems must support sustainable forest management." A review of documents and interviews with MNRF staff suggested there are enough gaps in system support and human resources to warrant a Finding under this principle. Some examples follow.

The 2014-15 Annual Report for the Ogoki Forest was contracted out to a third party, and was not finalized and posted on MNRF's web site by the time of the audit in 2017, almost 2 years late (see Finding # 7). The Trend Analysis Report, which is a requirement of IFAPP Criterion 7.4, was still in draft form by the time of the audit. MNRF did not perform compliance reports for some of the silviculture undertaken during the audited period (see Finding # 6). There were no FOPs prepared for the silviculture that was undertaken in 2014-15 (see Finding # 2). There were gaps in the silviculture monitoring program (see Finding # 8). The roads monitoring and decommissioning program was ad hoc and did not meet the schedule identified for this program in the Phase I or Phase II FMPs for the Forest (see Finding # 4). The information necessary for MNRF to make decisions about the need for tending (e.g., competition surveys) was not provided to MNRF when the SFL was surrendered to the Crown in 2013, and no large-scale assessments sufficient to address the backlog of area harvested since 1998 were conducted by MNRF (see Finding # 3). Finally, the FMP for the Ogoki Forest identifies management of slash piles as an important aspect of FMP Objective 6 - maintaining the area of

Crown productive forest, but slash pile management was not conducted during the audited period, despite this being a requirement of the FRLs that were in place (see Finding #10 below).

Ineffective and incomplete system support combined with data missing since the surrender of the SFL for the Ogoki forest in 2013 have led to gaps in management of the Ogoki Forest compared with requirements. Interviews with staff indicated a lack of capacity for the MNRF to deliver on some current obligations, regardless of the small amount of activity in the forest.

Finding #5: There are gaps in capacity and information management systems to support sustainable forest management in the Ogoki Forest.

4.6 MONITORING

4.6.1 Compliance Planning and Monitoring

MNRF provides a detailed pre-operations checklist to licensees to assist them in achieving compliance with operational requirements. The checklist includes information on AOCs, the reporting of unidentified values, requirements for debris management, skid trail distribution, site protection, wildlife tree retention requirements, mining claim protection, stream crossing requirements, wood utilization, road information and other aspects. The checklist was included in the field binder for the audit. Site inspections during the audit did not identify any issues other than a few of the water crossings (see Finding #4 regarding roads monitoring). Wildlife tree retention met the requirements, there were no issues with utilization, and block roads appeared well constructed.

The FMP and each AWS included a compliance plan, as required by the Forest Management Planning Manual. The plans were consistent with the requirements of the Compliance Handbook and made commitments to inspect all the activities related to access (e.g., road construction and maintenance, AOCs, aggregate pits), harvest, renewal (e.g., site preparation and tree planting), and maintenance. During the audited period, 12 compliance inspection reports in total were filed, 7 by licensees and 5 by MNRF. Only 2 non-compliances resulted from this. All compliance inspections were performed by certified compliance inspectors. The compliance reports were well done, but the number of compliance inspections was not in line with the activities in the forest or the plans made in the FMP and AWSs; 2 activities took place in 2014-2015 with no compliance reports (see summary table in Appendix 1). This led to the following Finding:

Finding #6: Compliance monitoring was not completed for all activities in the forest.

4.6.2 Annual Reports

Over the audited period, the annual reports for the Ogoki Forest were produced by a variety of service providers. The 2013-14 Annual report was submitted late, on February 26, 2015. The 2014-2015 Annual Report was still in draft form by October 2017; this is the Year Seven Report, which plays an important role in the building of the next FMP. The next FMP is due for implementation in April 2018. The content of the Annual Reports summarized and evaluated

operations accurately and completely, judging from interviews, a review of documents, and what the audit team observed in the field. However, there were technical errors in the 2011 and 2012 Annual Reports, such as identical cover pages. The above resulted in the following Finding:

Finding #7: Annual Reports were not submitted and approved in a timely manner and contained technical errors.

The 2010 IFA also noted problems with the submission of Annual Reports, and made a recommendation in that regard. The delays and technical errors observed during the current audit may reflect a lack of MNRF capacity to assume full responsibility for meeting all the requirements of the forest manager, as described in sections 4.1 and 4.5 and the Findings identified there (Finding #1, Finding #5).

4.6.3 *Silviculture Monitoring Program*

The Phase II FMP (Planned Operations) for the Ogoki Forest describes an approved “Monitoring Program for Regeneration Success”, which includes performing timely assessments of the effectiveness of silvicultural treatments from initial establishment to free-to-grow, assessing the need for remedial action if an area was not declared successfully regenerated, and reporting free-to-grow (FTG) results for all regenerated areas. Nipigon District MNRF conducted silvicultural effectiveness monitoring (SEM) surveys on older plantations every year except 2013 and 2014. Additionally, MNRF contracted an enhanced SEM for caribou in 2011. Auditors found the 2010 SEM report to be above average in quality, detail and analysis. However, it is of concern to the auditors that the District only conducted SEM and did not undertake the full silviculture monitoring program described in the FMP. This level of effort did not meet the full requirements for silviculture monitoring and reporting as described in the FMPM, the IFAPP procedure, and the FMP for the Ogoki Forest. Results of the full suite of silvicultural monitoring described in the approved documents would provide important information for determining the achievement of management objectives for the current FMP, and for the future forest condition. The auditors were not provided any documentation that Nipigon District MNRF has followed the monitoring program as described in the Phase II Planned Operations. This led to the following Finding:

Finding #8: Nipigon District has not met the requirements of the Phase II Planned Operations silvicultural monitoring program for the Ogoki Forest.

4.6.4 *Free-to-grow*

The Annual Reports and Trend Analysis stated that 50,566 ha of the Ogoki Forest have been harvested since 1998, and much of this area is eligible for free-to-grow assessments. However, only 1,479 ha of harvest depletions have been assessed for free-to-grow status either through aerial survey or SEM plot-based surveys. The site visit (both ground and aerial reconnaissance) confirmed that the Ogoki Forest is growing well, that the renewal program has been successful,

and that there are areas that would be candidates for free-to-grow assessment. This led to the following Finding:

Finding #9: There is a large backlog of regenerated area in the Ogoki Forest that has not been assessed for free-to-grow status.

4.7 ACHIEVEMENT OF FOREST MANAGEMENT OBJECTIVES & SUSTAINABILITY

4.7.1 Trend Analysis Report

A Trend Analysis Report separate from the Year 7 Annual report was prepared for the audit by a service provider. It was still a rough draft with numerous comments from MNRF that had not been addressed by the time of the audit. It contained errors and unclear sections (e.g., reporting that the last year of harvest in the Ogoki Forest was 2010-11, but there were 431 ha of harvested area reported in the 2011-12 annual report). Nevertheless, it provided a useful overview of the activities that had been undertaken in the Ogoki Forest over the period being audited, and over the longer term. This incomplete report is referenced under Finding #1 (commitment) and Finding #5 (System Support).

4.7.2 Assessment of Objective Achievement

The objectives and indicators identified by the planning team for the Ogoki Forest in the Phase I FMP are summarized in Appendix 2 of this audit report. Most of those relating to social and cultural aspects were achieved to the extent possible (participation on the planning team, maintaining opportunities for remote tourism, making wood available). Although wood was made available, very little forest harvesting occurred owing to the closure or bankruptcy of receiving mills over the audited period; only 3.7% of the area planned for harvesting from April 1, 2010 to March 31, 2017 was actually harvested (see Table 2 above). The indicator for forecast volume utilized by mills was not achieved because the mills were closed over much of the audited period and harvesting was curtailed as a result.

All the indicators relating to the supply, type, or arrangement of mature and older forest were achieved or greatly exceeded since harvesting is not needed to meet the targets that were set (e.g., habitat for marten, caribou, lynx and others; see the supplementary table in Appendix 2).

Two habitat indicators were not achieved by 2017 because there was insufficient forest harvesting to meet the targets:

- provision of young forest by forest unit, and
- area of habitat for featured species (in this case for wildlife requiring young forest conditions - moose foraging habitat).

The low level of achievement was beyond the control of the forest managers (the former SFL holder followed by MNRF).

Two indicators related to access were not achieved because there was no formal roads monitoring program in place (see Appendix # 2 and Finding #4 in Appendix 1).

It was unknown at the time of the audit whether an important indicator related to the renewal of harvested areas was achieved because there is a large backlog of harvested area that has not been assessed for free-to-grow status (see Finding #9 in Appendix 1) and MNRF's silvicultural monitoring program did not meet the requirements of a full monitoring program (see Finding # 8).

Based on existing compliance reports and what the auditors observed in the field, indicators related to protection of cultural and ecological values, prevention of site damage, and protection of fish habitat were generally achieved. However, indicators that depended on successful compliance inspections were only partly achieved because inspections had not been conducted for all activities in the forest (see Finding # 6).

One indicator required no more than a 3% decrease in the area available for timber production compared with the level at the start of plan implementation. Roads, landings, and slash piles can reduce the area available for timber production, but there was very little road construction (4.89 km) or harvesting (~831 ha) over the audit period. Treatment of slash piles was a requirement of the FRL issued to the Agoke Development Corporation in 2016-17. During the audit, old and new slash piles that had not been treated were observed, leading to the following Finding:

Finding #10: A slash management program was not implemented in the Ogoki Forest over the audited period as required by the FMP.

However, because there was so little road building and harvesting activity overall, the target established in the Phase I FMP for the forest as a whole was achieved.

4.7.3 Assessment of Sustainability

As a result of the findings of the IFA, the audit team concludes that the MNRF organization was not fully meeting the legal requirements for sustainable management of the Ogoki Forest (see the conclusions in section 4.9 below).

4.8 CONTRACTUAL OBLIGATIONS

Appendix 3 summarizes compliance with contractual obligations, which applies to an SFL holder. Over the audit period, the SFL (#541965) was held by Long Lake Forest Products from April 1, 2010 to February 8, 2013, when the surrender of the license to the Crown was accepted by MNRF. After this date, MNRF became the Forest Manager responsible for all forest management activities outlined in the 2008-2018 FMP. Until the surrender of the SFL in early 2013, LLFP met all the contractual obligations in the SFL with the exception of the Forest Renewal Trust Fund (FRTF). MNRF assumed responsibility of the Trust Fund in 2013 and has been drawing down on the balance, as allowed, to conduct silviculture. An analysis of the

renewal charge used to replenish the FRTF was conducted as required. However, auditors found that the renewal rate analysis did not consider a full silviculture program from harvest to Free-to-Grow resulting in:

Finding #11: The renewal rate analysis conducted for the Ogoki Forest, during the audit period, did not consider the full cost of the silvicultural liability.

The auditors found that MNRF met most of their responsibilities between 2013-2017 except as noted in Appendix 1. The Audit Action Plan and Status Report responding to the 2010 Independent Forest Audit recommendations that were directed at the SFL were not followed by MNRF after the bankruptcy. Therefore, the auditors have re-issued some of the recommendations as Findings in this audit. The auditors also found that MNRF did not adhere to many of the commitments in the 2013-2018 Phase II Planned Operations, including slash management, renewal monitoring, tending assessments and road decommissioning. These topics are the subject of Findings 1-3, 4, 6 and, 8-10 in this report.

4.9 CONCLUSIONS

The audit identified many positive aspects of management of the Ogoki Forest from April 1, 2010 to March 31, 2017, as described in this report. A few noteworthy examples are: enthusiastic engagement of the Local Citizens Committee (GANRAC), the efforts made by MNRF to involve First Nations Communities in aspects of forest management planning and operations, and excellent wildlife tree retention on recently harvested blocks. However, 11 Findings were identified during the audit (see Appendix 1). Some would have had a significant impact on sustainable management of the forest if the level of activity in the forest had been greater. Some Findings indicate that legal requirements were not met.

The previous independent forest audit, which covered 2005-2010, concluded that management of the Ogoki Forest was generally in compliance with the legislation, regulations and policies in effect at the time, and that forest sustainability was being achieved. The small amount of activity in the forest over the current audit period has greatly reduced the potential impact of the issues that were identified. The audit team believes that sustainability of the forest was not threatened owing to this small amount of activity. The audit team concludes that, *with the exceptions* noted below, 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, overall, the forest has been managed consistently with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol. The critical exceptions that must be addressed to bring the Ogoki Forest into general compliance are as follows:

- MNRF must demonstrate a commitment to meeting all the legal requirements in place for sustainable management of the Ogoki Forest, no matter how little activity occurs,

- FOPs must be identified in accordance with FMPM requirements,
- tending must be conducted where needed,
- a formal access roads and water crossings program must be implemented and documented as required by the FMPM,
- gaps in system support must be filled to enable MNRF to meet all legal requirements related to management of the Ogoki Forest,
- compliance inspections must be performed on all activities as described in the approved compliance plans,
- annual reports and the trend analysis report must be completed on time and be free of errors,
- the silviculture monitoring program must cover the full requirements of the program described in the FMP, as required by the IFAPP and the FMPM,
- free-to-grow assessments must be performed on the large backlog of previously treated forest,
- a slash management program must be implemented, and
- the full future silvicultural liability must be addressed in renewal rate analysis for the Ogoki Forest.

APPENDIX 1 – AUDIT FINDINGS

Ogoki Forest 2017 IFA

Ogoki Forest 2017 Independent Forest Audit: Record of Finding

Finding # 1 - Legal Requirements

Principle: 1 - Commitment

Criterion: 1.2 Adherence to legislation and policies

Procedure: Determine through a review of operations and interviews with employees and interested parties whether managers of the management unit demonstrated a commitment to adhere to the specific applicable legislation and policies governing the forestry industry in Ontario.

Background Information and Summary of Evidence and Discussion:

The MNRF has well publicized policy statements and legislation (CFSA, ESA, EA) regarding the requirements for sustainable management of Crown Forests in Ontario. Through interviews conducted during the audit, a review of documentation, and a field tour, the auditors concluded that MNRF Staff are knowledgeable, well-trained, and work hard to try to live up to the requirements. However, while policies were in place with regard to MNRF's commitment to sustainable forest management and staff worked hard to meet the requirements, it is clear through the number of Findings (11 Findings in total) the auditors have identified that the organization showed a lack of full commitment to meeting the legal requirements for sustainable forest management of the Ogoki Forest during the period being audited. The most important gaps identified under other findings are related to: SEM, FOPs, compliance monitoring, tending, free-to-grow, reporting, gaps in system support, annual reporting, slash management, and roads monitoring and decommissioning.

Discussion: Individual MNRF staff who were interviewed during the audit were knowledgeable, enthusiastic and hard-working. We note that staff turnover had been relatively high and MNRF had undergone a period of "transformation" during the 7-years. Some legislated requirements associated with sustainable management of the forest had not being met over the audited period. This demonstrates a lack of full commitment by the organization as a whole to management of the Ogoki Forest. There has been relatively little activity on the Ogoki Forest since the license was surrendered to the Crown in 2013, but this does not absolve MNRF from meeting the legal requirements that are in place.

Conclusion: As a result of the findings of the IFA, the audit team concludes that the MNRF organization was not fully meeting the legal requirements for sustainable management of the Ogoki Forest.

Finding: The MNRF organization was not fully committed to meeting the legal requirements in place for sustainable management of the Ogoki Forest over the audited period.

Ogoki Forest 2017 Independent Forest Audit: Record of Finding
Finding # 2 - Forest Operations Prescriptions

Principle: 4 - Plan Assessment and Implementation

Criterion: 4.4 Renewal

Procedure(s): Review and assess in the field the implementation of approved renewal operations. Include the following:

- determine whether the renewal operations implemented were consistent with the locations in the approved FMP and AWS,
- assess whether site preparation and regeneration treatments were consistent with the Forest Operations Prescription (FOP), the FOP was consistent with the Silvicultural Ground Rules (SGRs), the FOP was certified by an R.P.F. or other qualified individual, and
- actual operations, were appropriate and effective for the actual site conditions encountered.

Background Information and Summary of Evidence and Discussion: When the SFL was surrendered in 2013, some of the background information and data, including FOPs, did not come back to District MNRF staff. Silviculture facilitated by MNRF in 2014 did not have a FOP prepared as required by the FMPM. Similarly, a FOP has not been prepared for 2016 harvest sites visited during the audit. The Area Forester confirmed that the forest operations prescriptions were not prepared as required.

Discussion: There were no FOPs prepared for the silviculture that was undertaken by MNRF during the audited period. FOPs are a requirement of the FMPM.

Conclusion: See below.

Finding: MNRF has not developed FOP prescriptions for silviculture undertaken in the Ogoki Forest as required by the FMPM.

Ogoki Forest 2017 Independent Forest Audit: Record of Finding

Finding # 3 - Tending

Principle: 4 - Plan Assessment and Implementation

Criterion: 4.5 Tending and Protection

Procedure: Review and assess in the field the implementation of approved tending and protection operations. Include the following:

- assess whether the tending and protection treatments were consistent with the FOP; the FOP was consistent with the SGRs; the FOP certified by an R.P.F. or other qualified individual, and actual operations, were appropriate and effective for the actual site conditions encountered
- consider whether there are any gaps between the planned and actual levels of each type of tending and protection seen in the field; consider results of determination under criterion 6

Background Information and Summary of Evidence and Discussion:

The 2010 Independent Forest Audit contained a recommendation (R#2) directed at the SFL holder *“to ensure that conifer renewal sites are monitored, and that timely and effective tending interventions are implemented.”* During the audit period, a total of 1,757 ha received tending treatments in 2012 under the former SFL. This was the first time tending was done in the Forest since 1998. In the Phase II FMP another 1,000 ha was proposed for herbicide treatment.

However, no tending has been undertaken on the Forest during Phase II. While out in the field,



the auditors inspected a 2012 tree plant where the renewal compliance report submitted by the SFL recommended herbicide spraying for that site, but this was not done. Additionally, SEM and FTG results are indicating an increase in hardwood in the Forest, which suggests that tending would be important in some areas. During the flight over the Ogoki Forest, the auditors observed some areas where tending would have increased the conifer component of jack pine stands (see photo below).

Photo above: Tending would have increased the conifer component in this area.

A reduction in the supply of pure conifer forest units would be important from the perspective of caribou habitat management. However, interviews with the Area Biologist indicated he is unaware of the results of the SEM; this means there has been no broad discussion about potential implications. Also, the auditors were told that the District is not monitoring plantations for tending opportunities.

Discussion: The Status Report on the recommendations from the previous IFA indicated that a Competition Assessment Program had been developed and implemented by the SFL in response to recommendation #2. The purpose of the program was to determine if there were additional plantations requiring treatment. This assessment was not shared with MNRF when the license was surrendered. Tending is an important tool to achieve silvicultural success for some forest units and to ensure that conifer is provided to meet the habitat requirements of caribou. The small amount of tending on the Forest is most likely a causal factor in the low silvicultural success to the intended forest units that was identified in the SEM reports produced over the audited period.

Finding: Conifer renewal is not being monitored for tending as required by the FMP and the 2010 IFA recommendation.

Ogoki Forest 2017 Independent Forest Audit: Record of Finding

Finding 4 - Roads Monitoring and Decommissioning

Principle: 4 Plan Assessment and Implementation

Criterion: 4 - To review and assess through field examination whether information used in preparation of the FMP was appropriate, and assess the implementation of the management strategy.

Procedure: 4.7.1 Access. Review and assess in the field the implementation of approved access activities, including:

- whether roads have been constructed, maintained, and decommissioned to minimize environmental impacts and provide for public and operator safety, and
- whether the planned monitoring program for roads and water crossings was implemented as planned and was effective in determining any environmental or public safety concerns.

Background Information and Summary of Evidence and Discussion: The FMPM (section 1.4.1) requires the FMP to identify a program for the monitoring of roads and water crossings. Part B section 4.7.4 of the FMPM states that "A description of the monitoring program for roads and water crossings to be carried out during the first five-year term will be provided in the plan text. The description will include the methods to be used to inspect the physical condition of roads and water crossings to determine if there are environmental or public safety concerns." Details of the monitoring program are to be provided in Table FMP-18 of the Phase II plan. Table FMP-18 in the Phase II FMP does identify the monitoring program that will be in place for active and inactive roads in the Ogoki Forest. The FMP also contains objective #2 related to achieving a specific level of road density in the unrestricted public access zone of the forest, which requires monitoring.

In the previous IFA (2010), recommendation # 3 stated "The SFL holder should develop a formal roads monitoring program", and the IFA Action Plan Status Report (March 26, 2015) stated that this was completed.

The Trend Analysis (2017, p. 22) stated that a comprehensive water crossing monitoring program was implemented on the forest from 2008-2010 by the former license holder, "but this was not continued by the MNRF for staffing and budgetary reasons". The 2015-16 Annual Report (p. 9.) states that MNRF undertook informal roads & water crossing monitoring once the SFL was surrendered to the Crown; there was some ad hoc monitoring undertaken over the audited period. For example, the Annual Report for 2015-16 (p. 9) states that MNRF inspected 40 bridges and repaired washouts on a portion of the road network in that reporting year. Some crossings were inspected, and some were replaced.

During the field portion of the audit, the auditors observed that the road surface of actively used roads was well maintained. The audit team also observed 11 bridges and 15 culvert installations. Most bridges were excellent (see example in the photo below) but 3 had erosion around the cribbing and 1 temporary bridge on a branch road off the Gordon Creek Road was in very poor shape and should have been removed (photo). Two culvert installations were poor. There is no evidence of a formal roads and water crossings monitoring program consistent with the



requirements of Table FMP-18.

Photo at left: A temporary bridge in poor repair that should have been repaired or removed.



Photo at left: Excellent bridge installation.

Discussion: MNR conducted informal monitoring of roads and water crossings in the Ogoki Forest during the period being audited and some bridges were replaced. However, there is no evidence of a formal roads and water crossings monitoring program consistent with Table FMP-18, and as required by the FMPM and the previous IFA. Table FMP-18 in the Phase II FMP specifies that active Roads will be inspected twice per year and inactive roads annually.

Conclusion: The roads and water crossings monitoring program that is outlined in Table FMP-18 of the Phase II FMP has not been followed.

Finding: The roads and water crossings monitoring program outlined in Table FMP-18 of the Phase II FMP has not been followed.

**Ogoki Forest 2017 Independent Forest Audit: Record of Finding
Finding # 5 - System Support**

Principle: 5- System Support

Criterion: 5.2 Document and Record Quality Control

Procedure(s): Assess the organization’s information management system process by considering the identification of individuals responsible for preparing, maintaining and revising documents, control of documentation, and availability of current version of relevant documents.

Background Information and Summary of Evidence and Discussion:

This principle concerns the resources and activities needed to support plan development and implementation so as to achieve the desired objectives. Under this principle, the IFAPP (p. 111) states that "the organization's human resources and information management systems must support sustainable forest management." A review of documents and interviews with MNRF staff suggested there are enough gaps in system support and human resources to warrant a finding under this principle. Some examples follow.

The 2014-15 Annual Report for the Ogoki Forest was contracted out to a third party, and was not finalized and posted on MNRF's web site by the time of the audit in 2017, almost 2 years late (see Finding # 7). The Trend Analysis Report, which is a requirement of IFAPP Criterion 7.4, was still in draft form by the time of the audit. MNRF did not perform compliance reports for some of the silviculture undertaken during the audited period (see Finding # 6. There were no FOPs prepared for the silviculture that was undertaken in 2014-15 (see Finding # 2). There were gaps in the silviculture monitoring program (see Finding # 8). The roads monitoring and decommissioning program was ad hoc and did not meet the schedule identified for this program in the Phase I or II FMPs for the Forest (see Finding # 4). The information necessary for MNRF to make decisions about the need for tending (e.g., competition surveys) was not provided to MNRF when the SFL was surrendered to the Crown in 2013, and no large-scale free-to-grow assessments sufficient to address the backlog of area harvested since 1998 were conducted by MNRF (see Finding # 9). Finally, the FMP for the Ogoki Forest identifies management of slash piles as an important aspect of FMP Objective 6 - maintaining the area of Crown productive forest, but slash pile management was not conducted during the audited period, despite this being a requirement of the FRLs that were in place (see Finding #10).

Interviews indicated that MNRF staff turnover and transformation led to insufficient human resources and system support to enable MNRF to meet some of its obligations as manager of the Ogoki Forest.

Discussion: Ineffective and incomplete system support combined with data missing since the surrender of the SFL for the Ogoki forest in 2013 have led to gaps in management of the Ogoki Forest compared with requirements. Interviews with MNRF staff indicated a lack of capacity for to deliver on some current obligations, regardless of minimal activity taking place in the forest.

Finding: There are gaps in capacity and information management systems to support sustainable forest management in the Ogoki Forest.

**Ogoki Forest 2017 Independent Forest Audit: Record of Finding
Finding # 6 - Compliance Reporting**

Principle: 6 - Monitoring

Criterion: 6.1 District compliance planning and associated monitoring, and 6.2.1 SFL holder compliance planning and monitoring

Procedure(s): Review the District Compliance Plans to determine if they addressed the requirements of the FMPM. Determine whether the plans were appropriate and sufficient to assess program compliance and effectiveness. Determine if the actual level of the overall monitoring program is appropriate and effective and in accordance with approved FMP and AWS.

Background Information and Summary of Evidence and Discussion:

Year	Activity Completed	Report Submitted
2010-11	Tree Plant	Industry
	Access	MNRF
2011-12	Access	Industry
	Tree Plant	Industry
	Harvest	MNRF
	Harvest	MNRF
	Tending	Industry
2012-13	Tree Plant	Industry
2013-14	None	
2014-15	Site Prep	No Reports
	Tree Plant	No Reports
2015-16	None	
2016-17	Harvest	Industry
	Harvest	Industry
	Harvest	MNRF
	Harvest	MNRF

Compliance reports are a requirement of the FMPM. The annual compliance plans for the Ogoki Forest were prepared in accordance with the Compliance Handbook. In every AWS in place over the audited period, it was stated that reports would be submitted within 20 days of renewal and maintenance activities. However, a review of operations in Annual Reports and in the FOIP database indicated missing compliance reports for these activities in 2014-15 (see the summary table at left).

Compliance reports were not completed for 281 ha of regeneration and 410 ha of site preparation in 2014.

Discussion: Compliance reports that are submitted in a timely manner enable timely responses to the issues that may be identified. Timely reporting would also enable compliance plans to be updated each year to reflect on previous inspections and any issues that might have been identified. The lack of compliance reports for 2014 was inconsistent with the annual compliance plans. Interviews with MNRF staff indicated a lack of resources and planning with regard to compliance reports.

Conclusion: All activities in forest management must be done in compliance with CFSA policies and regulations. Compliance inspections play a critical role in meeting the objectives outlined in the FMP. Over the period being audited, the compliance plans in the AWSs and the FMP for the Ogoki Forest were not followed, as indicated by missing compliance reports.

Finding: Compliance monitoring was not completed for all activities in the forest.

**Ogoki Forest 2017 Independent Forest Audit: Record of Finding
Finding # 7 - Annual Reports**

Principle: 6 - Monitoring

Criterion: Criteria 6.5 Annual Report

Procedure: Examine the annual reports for the term of the audit and assess whether the text, tables and maps including digital information is accurate, complete and in accordance with the applicable requirements.

Background Information and Summary of Evidence and Discussion:

Annual Reports are to be submitted by November of the reporting year, as per the FMPM. The reported information in the Annual Reports for the Ogoki Forest summarized and evaluated operations accurately and completely, with the exceptions noted below.

The 2014-2015 Annual Report is delayed by 2 years and still requires approvals. It is the Year Seven Report, which plays an important role in the building of the following FMP.

The approved AR pages for the 2011-12 and 2012-13 annual reports are identical. The 2012-13 cover page is for the wrong AR date; both indicate that the reporting period is April 1, 2011 to March 31, 2012.

Discussion: MNRF had contracted out preparation of the annual reports to service providers. From interviews with MNRF staff the auditors determined that the Annual Report that is delayed is currently in the process of being approved. Auditors found that while most Annual Reports were approved within the audit scope, greater attention to detail is needed with regard to dates and approvals.

Conclusion: Most of the Annual Reports had been submitted in a timely manner. However, one report was delayed by 2 years and was not approved and posted on the MNRF web site by the time of the audit. There have also been minor errors in the annual reports that were filed during the audited period.

Finding: Annual Reports were not submitted and approved in a timely manner and contained technical errors.

Ogoki Forest 2017 Independent Forest Audit: Record of Finding
Finding # 8 - Silviculture Assessment Program

Principle: 6 - Monitoring

Criterion: 6.3 Silviculture standards and assessment program

Procedure: 6.3.2. Assess whether the management unit assessment program (SFL and District) is sufficient and is being used to provide the required silviculture effectiveness monitoring information, including whether it:

- assesses overall effectiveness of treatments, including those that are exceptions to silvicultural guides (i.e., documented program, survey methodology such as survival, stocking, free-to-grow surveys, records, use and evaluation of results e.g., appropriateness of treatment for actual site conditions, area regenerated to the projected forest unit (silvicultural success) or to another forest unit (regeneration success)),
- determines the need for and the type of remedial action required if an area is not successfully regenerated (e.g. in fill plant, tending),
- assesses reasons where eligible areas are not determined to be successfully regenerated to the projected forest unit (silvicultural success),
- is appropriately used to update the FRI,
- assesses progress toward achieving the management strategy, and
- compares district SEM results with those of the SFL.

Background Information and Summary of Evidence and Discussion:

In the IFAPP, this procedure is worded to reflect the typical situation in Ontario in which the Forest is managed by an SFL holder who undertakes a comprehensive silvicultural monitoring program and MNRF undertakes a smaller, more focused SEM program. However, since the Ogoki Forest is a Crown management unit, all of the requirements for silvicultural monitoring must be fulfilled by MNRF.

The Ogoki Forest Phase II FMP Supplementary Documentation (8.4) identifies the following key aspects of the "Monitoring Program for Regeneration Success" for the Ogoki Forest:

- 1) Natural regeneration assessments on all areas with a natural regeneration SGR to verify the suitability of the prescription,
- 2) Post-establishment regeneration assessments 2-3 years after establishment as a basis for targeting where tending or fill-in planting may be needed, and
- 3) FTG surveys conducted for stands that may be ready to be put back into the inventory because the stands are "free growing".

While free-to-grow surveys may be conducted 10-15 years post treatment, monitoring of type 1) and 2) is to be used soon after the initial silvicultural treatment to determine if remedial action such as follow-up tending or fill-in planting are needed. The need for this type of assessment is also articulated above in the IFAPP procedure.

The Annual Reports (and an estimate for 2016-17 from the Area Forester) reported that between April 1, 2010 and March 31, 2017 there was:

- ~831 ha harvested, and
- 1,812 ha artificially regenerated.

Additionally, there is probably area treated before April 1, 2010 that would have been eligible for regeneration assessments of type 1) and 2). MNRF did perform some SEM surveys (see below), but none met the requirements of monitoring types 1) and 2), as they were all performed on stands that had been established by planting in 2001 to 2006, well past the 2-3 year window for post-establishment regeneration assessments.

The "Silvicultural Effectiveness Monitoring Manual for Ontario" states (p. 12) that *"Recognizing the on-going monitoring program carried out by the industry, MNR's responsibilities include carrying out spot checks as required."* Consistent with the requirements for MNRF's contributions, Nipigon District MNRF conducted SEM surveys every year except 2013 and 2014. Additionally, MNRF contracted an Enhanced SEM for caribou in 2011. The 2015 and 2016 SEM reports consisted of spreadsheets with the raw numerical results of the areas surveyed and no analysis that would meet the requirements of assessment types 1) or 2). Also, these assessments were performed on older stands established between 2001 and 2006. Once the SFL was surrendered to the Crown, it was MNRF's responsibility to perform and report on all of the required silvicultural monitoring, including the post-establishment regeneration assessments as described in the forest management plan.

Interviews with the Area Forester indicated that the SEM surveys were statistically sound and could be used to update the FRI. However, MNRF's SEM sampling does not meet the full intent of monitoring types 1) and 2) described above or the IFAPP procedure because there was no report or analysis of the data, and no conclusions were documented about whether there was a need for remedial action or whether the stands had met free-to-grow status.

Discussion: Nipigon District staff are commended for their efforts to conduct SEM surveys on areas deemed to meet Free-to-Grow standards. However, it is of concern to the auditors that the District is only conducting SEM. This level of effort does not fulfill the role of the "Monitoring Program for Regeneration Success" described in the Phase II Planned Operations throughout most of the audit period. Nipigon District is the forest manager responsible for all forest management activities on the Ogoki Forest, including timely assessment of the effectiveness of silvicultural treatments, and reporting of FTG results for all regenerated areas, not just through small samples or spot checks as was done through SEM. This includes fully meeting the requirements of monitoring and reporting as described in the FMPM, the IFAPP procedure (above), and the FMP for the Ogoki Forest. Results of a full suite of silvicultural monitoring as described in the FMPM and the FMP for the Ogoki Forest would provide important information for determining the achievement of management objectives for the current FMP, and for the future forest condition. The auditors were not provided any documentation that Nipigon District MNRF has followed the monitoring program as described in the Phase II Planned Operations.

Conclusion: SEM on older plantations does not replace the requirement to carry out a full silvicultural monitoring program as described above in the IFAPP procedure 6.3.2 or in the Phase II FMP. Nipigon District has not been meeting this requirement since the SFL was surrendered.

Finding: Nipigon District has not met the requirements of the Phase II Planned Operations silvicultural monitoring program for the Ogoki Forest.

Ogoki Forest 2017 Independent Forest Audit: Record of Finding

Finding # 9 - Free-to-Grow Assessments

Principle: 6 Monitoring

Criterion: 6.4 Monitoring Indicators of Forest Sustainability

To review whether programs are in place to ensure that data will be available for reporting on the FMP measurable indicators of forest sustainability.

Procedure(s): The measurable indicators of forest sustainability as identified in the FMP must be monitored/assessed to provide for the assessment of forest sustainability to be included within the report of past forest operations (1996 FMPM) or year ten annual report including for the last year of FMPs prepared under the 1996 FMPM beginning Sept. 1, 2004 (2004 FMPM).

6.4.1. Assess whether programs are in place and are being implemented to provide sufficient data for all indicators identified in the FMP.

Background Information and Summary of Evidence and Discussion: The Phase I FMP for the Ogoki Forest identifies the following as objective 3:

"To ensure harvested areas are renewed through appropriate silvicultural practices to meet the required regeneration standards and free-to-grow status."

Under this objective is Indicator 3.1.1, the percent of harvested forest area assessed as successfully regenerated.

The Annual Reports and Trend Analysis state that 50,566 ha of the Ogoki Forest have been harvested since 1998, and much of this area is eligible for free-to-grow assessments. However, only 1,479 ha of harvest depletions have been assessed for free-to-grow status either through aerial survey or SEM plots-based surveys. The site visit (both ground and aerial reconnaissance) confirmed that the Ogoki Forest is growing well, that the renewal program has been successful, and that there are areas that would be candidates for free-to-grow assessment.

Discussion: Regeneration assessments and free-to-grow surveys are essential to provide accurate information on the status of the Crown Forest with respect to the supply of wood and the supply of habitat for wildlife. Areas that have not been identified as "free-to-grow" will reduce the allowable harvest area in the next FMP. Also, these areas will contribute to an inaccurate estimation of habitat supply.

There is a large backlog of forest requiring free-to-grow assessments to support FMP objective 3 and to meet the requirements of IFAPP 6.4.1. Of the 50,566 ha of the Ogoki Forest that have been harvested since operations began in 1998, only 1,479 hectares have been assessed for free-to-grow status.

Finding: There is a large backlog of regenerated area in the Ogoki Forest that has not been assessed for free-to-grow status.

Ogoki Forest 2017 Independent Forest Audit: Record of Finding

Finding # 10 - Slash Pile Management

Principle: 6 - Monitoring

Criterion: 6.4 Monitoring Indicators of Forest Sustainability

To review whether programs are in place to ensure that data will be available for reporting on the FMP measurable indicators of forest sustainability.

Procedure(s): The measurable indicators of forest sustainability as identified in the FMP must be monitored and assessed to provide for the assessment of forest sustainability to be included within the report of past forest operations (1996 FMPM) or year ten annual report including for the last year of FMPs prepared under the 1996 FMPM beginning Sept. 1, 2004 (2004 FMPM).

6.4.1. Assess whether programs are in place and are being implemented to provide sufficient data for all indicators identified in the FMP.

Background Information and Summary of Evidence and Discussion: The Phase I FMP for the Ogoki Forest identifies the following as objective 6:

"To maintain the area of Crown Productive Forest which is managed for timber production."

Under this objective in the FMP is Indicator 6.1.1, the managed Crown productive forest available for timber production. The desirable level identified in the FMP is to maintain the current area. As noted in the FMP (Phase I, page 89), slash piles reduce the productive area unless they are regenerated.

On page 202, the Phase I FMP states " The objective of slash management operations will be to increase the amount of available growing space for natural or artificial regeneration amongst roadside debris." Also, that " Other roadside slash management activities, such as spreading, rowing, piling or burning may be employed to achieve this objective." Additionally, the Phase II Planned Operations state that "slash/chip treatment operations will be planned to be completed no more than two years following the completion of harvest operations ... Existing slash and chip piles (three years old or less) will be treated and regenerated within three years of the completion of harvest operations." The Plan further states that older existing piles will be reviewed, treated and regenerated where possible and practical. Auditors found no evidence to suggest the latter has been done.

The IFAPP includes the related indicator 4.4, which states "Assess the effectiveness of operations to reduce slash piles".

During the site visit to the Ogoki Forest, the audit team observed from the air and on the ground many sites where roadside slash accumulations had not been addressed. At these sites, a significant area was taken up by slash (see photo).

Over the audited period, it was the responsibility of FRL holders to implement a slash management program, as indicated by their licenses. The MNRF Area Forester stated that slash management had not been performed in recently harvested areas even though it was a

requirement of the license to the Avoke Development Corporation. Observations in the field confirmed this.

Discussion: On most of the area that was harvested during the audited period, a slash



management program was not implemented. This is inconsistent with the objectives of the FMP, the requirements of the IFAPP, and the conditions of the Forest Resource License issued to the operators working in the forest. Slash management is necessary, however, to enable the reduction in area occupied by slash to be returned to the productive land base.

Photo: A significant accumulation of slash (grey piles) is evident adjacent to the old road bed on this productive site.

Finding: A slash management program was not implemented in the Ogoki Forest over the audited period as required by the FMP.

Ogoki Forest 2017 Independent Forest Audit: Record of Finding

Finding # 11 – Forest Renewal Charge Analysis

Principle: Principle 8: Contractual obligations

Criterion: 8.2.5 Forest renewal charge analysis

Procedure(s): Review the required analysis and assess whether it is appropriate based on the FMP and consideration of the following:

- past reimbursements for eligible silviculture work
- the forecast of eligible silviculture work to be undertaken
- forecast of volume and species to be harvested
- any transitional funding
- existing value of the account at the time the analysis is undertaken to ensure the account will have sufficient value to fund eligible silviculture work.

Background Information and Summary of Evidence and Discussion:

At the start of the audit period, the Ogoki Forest was an SFL held by Long Lake Forest Products Inc. (LLFP), a member of the Buchanan Group of companies. Buchanan went into receivership in 2009 and declared bankruptcy in 2010. In 2011, a Minimum Balance Agreement was signed by LLFP for a payment plan to return the FRTF to the minimum balance. The Ogoki Forest SFL was surrendered on February 8th, 2013 and subsequently became a Crown management Unit. There is no evidence to suggest the payment plan was completed other than an entry in the 2013 renewal rate analysis spreadsheet.

The minimum balance listed in Appendix D of the SFL is \$2,000,000.00. The following summary of the FRTF balance illustrates that the minimum balance at each year end during the audit period and the associated renewal rate for that year. The Crown is not required to maintain the minimum balance, and can “draw down” the minimum balance to treat any outstanding liabilities on the Ogoki Forest because of the bankruptcy.

Audit Year	FRTF Balance ending March 31	Arrears amount	Renewal Rate \$/m3 for SPF
2010	1,199,046.62	800,953.38	7.00
2011	1,092,281.09	907,718.91	7.00/4.25 ¹
2012	1,412,966.26	587,033.74	7.00
2013	1,088,904.83	911,095.17	5.25
2014	1,120,488.86	879,511.14	5.25
2015	943,389.58	1,056,610.42	5.25
2016	951,641.98	1,048,358.02	5.25
2017	1,036,922.12	963,077.88	5.25

A renewal charge analysis was conducted for the 2012-2013 operating year by the MNRF Area Forester with assistance from the SFL holder. A review of the analysis showed the Area Forester recommended a renewal charge of \$7.00/m³ to address the silvicultural liabilities on the Ogoki Forest. Nipigon District MNRF carried out a renewal charge analysis in 2013, 2015 and 2016 as

¹ Renewal rate was \$7/m³ for the first six months and then was lowered to \$4.25/m³.

required. The 2013 renewal charge analysis was the most complete as it included a review of the total inputs into the FRTF since 1998-99, the renewal rate, the silvicultural expenditures and the minimum balance at each year end. The review concluded *“that silviculture costs on the Ogoki Forest are somewhere between \$4.25 and \$6 per m3 harvested SPF. I do not recommend the low end of this range because my calculations do not include potential financial contributions I am not aware of, additional tending requirements I have not anticipated, or increased costs/inflation over the past 15 years. On the other hand, the high end of the range has proven to be excessive in the past.”* A renewal rate of \$5.25/m3 of harvested SPF was recommended. The auditors agree with the conclusions but note the renewal rate during that period (1998-2013) would not have included tending or FTG surveying. The renewal rate has been set at that level ever since.

No wood was harvested on the Ogoki Forest from 2012 to 2015 so no money would have gone into the FRTF, but in 2016 a one-year Forest Resource License (FRL) issued to Agoke Development Corp. resulted in inputs into the FRTF.

Discussions with District and Regional MNRF staff indicated that an increase in the renewal rate to reach minimum balance would be detrimental to the economic viability of the Ogoki Forest.

Discussion: The purpose of the FRTF minimum balance is to ensure there is sufficient money to address any silviculture liabilities in the event a company goes into bankruptcy. MNRF took measures in 2010 in the Minimum Balance Agreement to try to ensure the FRTF for the Ogoki Forest met the minimum balance requirements by March 31, 2011. However, at the time the Ogoki forest was surrendered to the Crown in 2013, the minimum balance was more than \$900,000.00 in arrears. MNRF does not have a responsibility to meet the minimum balance requirement normally associated with an SFL.

The auditors' observations, interviews, and document review suggest that there has not been a thorough assessment of the cost of a full silviculture program, from harvest to FTG, since the surrender of the SFL. Such an assessment could be used to inform managers and MNRF about whether the FRTF will have sufficient value to fund eligible silviculture work when required. There are two key issues with the situation on the Ogoki Forest that will not be addressed by maintaining the renewal rate at the current level: 1) current harvest levels will not return the FRTF to the minimum balance if that is the eventual goal, and 2) there may be enough money in the Trust Fund today to treat the outstanding liabilities, but the current renewal rate is not sustainable based on current and future liabilities and the costs associated with a full silviculture program.

Conclusion: The situation described above is not unique to the Ogoki Forest. There are several management units that are being managed by MNRF Districts with a Forest Renewal Trust Fund. What is unique to the Ogoki Forest is the long distance to mills makes delivered wood expensive and there has been a very low level of harvest. Nipigon District MNRF has essentially frozen the renewal rate to ensure that wood remains economical, while drawing down on the Forest Renewal Trust Fund balance for renewal treatments. The audit team spoke with many MNRF staff and conclude that it is unlikely the current renewal rate is sustainable if harvest levels change.

Finding: The renewal rate analysis conducted for the Ogoki Forest, during the audit period, did not consider the full cost of the silvicultural liability.

APPENDIX 2 – ACHIEVEMENT OF FMP MANAGEMENT OBJECTIVES

Achievement to date of Objectives and Targets for the Ogoki Forest 2008-2018 FMP

No.	Objectives& Indicators	Auditor Assessment of Achievement	Auditor Comments
1	<p>1. Forest Diversity: To maintain the biological diversity (landscape pattern, structure, composition and abundance) of the Ogoki Forest within the bounds of natural variation while providing for provincially and locally featured species habitat and species at risk in Ontario.</p> <p>Indicators:</p> <p>1.1.1 Frequency distribution of forest disturbances by size class</p> <p>1.1.2 Number of large (>8,000 ha) contiguous forest patches</p> <p>1.2.1 Percent of caribou blocks ≥10,000 ha in size</p> <p>1.2.2 Caribou online habitat</p> <p>1.3.1 Percent marten suitable habitat</p> <p>1.4.1 Area of habitat for forest dependent provincially and locally featured species and species at risk in Ontario</p>	<p>1.1.1 achieved to the extent possible</p> <p>1.1.2 achieved</p> <p>1.2.1 achieved</p> <p>1.2.2 achieved</p> <p>1.3.1 achieved</p> <p>1.4.1 Partly Achieved</p>	<p>1.1.1 - The desired level is fewer small and more larger disturbances to move toward a natural disturbance template. Since the harvest has continued to concentrate on caribou mosaic "A" blocks, this indicator is being achieved to the extent possible.</p> <p>1.1.2 - These patches were identified during planning. The Trend Analysis states that there has been no harvesting in those patches over the reported period (2010-2017).</p> <p>1.2.1 - The desired level was 80% during planning and 83% was achieved. The harvesting pattern has continued to follow the plan in support of this objective.</p> <p>1.2.2 - The desirable level was 40% of suitable caribou habitat types at least 60 years or older over time. The actual level was 80% in 2008. Significant underharvesting over the audited period has resulted in overachievement of this objective.</p> <p>1.3.1- The desirable level was 10-20% of suitable habitat in core areas. The level was 48% in 2008 and has remained high owing to the small amount of harvesting that occurred.</p> <p>1.4.1 - Eight species were modeled under this objective in the Phase I FMP (see supplementary Table below). Seven prefer mature or older forest habitat, and the plan start level for all 7 was much greater than the lowest acceptable level identified in FMP-15 in the Phase I FMP; see Table below). With the small area harvested over the audit period, habitat for these species remained at a high level (Trend Analysis). This was not true for moose foraging habitat because it is created by harvesting or fire and between 2010-2017 only 2,652 ha burned and ~831 ha was harvested, compared with a planned level of harvest of 69,356 ha over the 10-year FMP. Unless the level of harvesting or amount of</p>

No.	Objectives& Indicators	Auditor Assessment of Achievement	Auditor Comments
	<p>1.5.1 Area of available young forest (0-50 years) by forest unit</p> <p>1.5.2 Area of available mature forest (51 years to old growth onset age) by forest unit</p> <p>1.5.3 Area of available forest by forest unit</p> <p>1.5.4 Maintain the area of minor forest types</p> <p>1.6.1 Amount of old growth by forest unit</p>	<p>1.5.1 Not achieved</p> <p>1.5.2 Achieved</p> <p>1.5.3 Achieved</p> <p>1.5.4</p> <p>1.6.1 - Achieved</p>	<p>area burned increases, moose foraging habitat will not be provided in a large enough amount over the long term.</p> <p>1.5.1 - Table FMP-15 (Phase I FMP) indicates that the area of young forest was close to the minimum desirable for each FU at the start of the plan (2008). The 10-year planned harvest area was 69,356 ha, but up to 2014-15 only 0.8% had been cut (Table AR-7 in the Trend Analysis report). There is a high likelihood that this target has not been achieved for any of the FUs.</p> <p>1.5.2 - Table FMP-13 in the Phase I FMP indicates that the plan start level of mature forest greatly exceeded the minimum desirable for each FU at the plan start in 2008. Since only 0.8% of the planned area was harvested up to 2014-15, this level has been exceeded.</p> <p>1.5.3 - There was much more of each FU than the minimum desirable amount in 2008. With so little harvesting, the supply of these FUs has changed little, and the objective remains achieved.</p> <p>1.5.4 - Refers to white spruce and spruce mix working groups - the Trend Analysis states that no harvesting occurred in these types. Thus, the objective was achieved.</p> <p>1.6.1 - Plan start levels greatly exceeded the desirable in 2008. With so little harvesting, this objective remains achieved.</p>
2	<p>Social and Economic: To allow public access on the Ogoki forest within the unrestricted geographic area.</p> <p>Indicators:</p> <p>2.1.1 Kilometres of road per square kilometre of Crown managed forest within the unrestricted geographic area</p> <p>2.1.2 Road density on Crown managed forest</p>	<p>2.1.1 Not Achieved</p> <p>2.1.1 Not Achieved</p>	<p>2.1.1 - The desirable level was 0.05 km/km², the same as the plan start level. There has been no formal roads monitoring program in the Ogoki Forest since 2010 when a total of 215 km of drivable roads was reported in the unrestricted access area, lower than the target according to the Trend Analysis. See Audit Finding # 4.</p> <p>2.1.2 - The Trend Analysis states that this has not been achieved. See Finding # 5 related to the lack of formal roads monitoring program.</p>
3	3. Silviculture:	3.1.1 Level of	3.1.1 - The target was to achieve 95% successful regeneration to the

No.	Objectives& Indicators	Auditor Assessment of Achievement	Auditor Comments
	<p>To ensure harvested areas are renewed through appropriate silviculture practices to meet the required regeneration standards and free to grow status.</p> <p>Indicators:</p> <p>3.1.1 Percent of harvested area assessed as successfully regenerated</p>	<p>Level of Achievement is Unknown</p>	<p>regeneration standard by 2018. Aerial reconnaissance during the 2017 audit suggested that the forest is growing well and appropriate silviculture has been performed in most cases, except where more tending is needed (see Finding # 3). Some SEM plots have been assessed by MNRF, but there has been little analysis of trends and the silvicultural monitoring program in the approved Phase II FMP has not been followed (see Finding # 8). There is also a very large backlog of previously harvested area that has not been surveyed for free-to-grow status (see Finding # 10). For these reasons it is impossible to judge the level of achievement of this objective.</p>
4	<p>4. Provision of forest cover for those values that are dependent on the Crown forest: To ensure the protection of natural resources and non-forest values through the development and implementation a forest management plan.</p> <p>Indicators:</p> <p>4.1.1, 4.1.2, 4.1.3, 4.1.4, 4.1.5, 4.1.6 all relate to compliance on the ground with requirements, relating to natural resource features, land uses, or values dependent on forest cover; tourism values; preventing site damage; protecting fish habitat; cultural heritage values.</p>	<p>4.1.1 to 4.1.6 all Achieved or Partly Achieved</p>	<p>4.1.1 - The compliance inspections that have been performed by MNRF and industry suggest that compliance has been good, overall, with a few exceptions that were corrected (see the Trend Analysis Report). However, the auditors identified 2 cases where compliance inspections were missing for activities where inspections would ordinarily be required, leading to Finding # 6. In the field, auditors noted that wildlife and cultural AOCs were well protected, signs restricting access were in place, and site disturbance was within acceptable limits. Therefore compliance regarding those aspects had been achieved. There were problems with a few of the bridges and culverts observed during the audit, however, and this led to Finding # 4.</p>
5	<p>5. Social and Economic: To provide a continuous and predictable supply of fibre, over the planning horizon, to local mills.</p> <p>Indicators:</p> <p>5.1.1 Long term projected available harvest area (by species group)</p> <p>5.1.2 Long term projected available harvest</p>	<p>5.1.1, 5.1.2 Achieved</p> <p>5.1.3 to 5.1.5 Achieved to the extent possible</p>	<p>5.1.1-5.1.2 - These indicators were to maximize the available harvest area and volume, both of which were achieved during preparation of the 2008-2018 FMP. Available wood was identified annually in MNRF's "Available Wood Report".</p> <p>5.1.3 to 5.1.5 - These indicators related to maximizing the volumes available to mills and achieving the forecasted levels of volume consumption by mills. Wood was made available. However, because of mill closures and</p>

No.	Objectives& Indicators	Auditor Assessment of Achievement	Auditor Comments
	volume (m ³) by species group 5.1.3 Available, actual, and forecast harvest area by forest unit 5.1.4 Available, actual, and forecast harvest volume by forest unit 5.1.5 Percent of forecast volume utilized by mill		bankruptcies, there was no viable destination for wood that might have been harvested in the Ogoki Forest over most of the audited period. This is beyond the control of the auditees. Interviews and other available evidence suggest that MNRF has been working to the extent possible to assist individual local First Nations and the collaborative known as the Agoke Development Corporation to help them to develop capacity to harvest wood from the forest and undertake related forest management activities. MNRF has also been involved in the assessment and issuance of facility licenses.
6	6. Social and Economic: To maintain the area of Crown Productive Forest which is managed for timber production. Indicators: 6.1.1 Managed Crown productive forest available for timber production	6.1.1 Achieved	6.1.1 - The target was no more than a 3% decrease in the plan start area available for timber production. Roads, landings, and slash piles can reduce the area available for timber production, but there was very little road construction (4.89 km) or harvesting (~831 ha) over the audit period. During the audit, old and new slash piles that had not been treated were observed, leading to Finding # 10. However, because there was so little activity overall, the target established in the Phase I FMP was achieved.
7	Social and Economic: To develop a consultative approach with Aboriginal Communities that will provide opportunities for participation in forest management plan development and implementation Indicators: 7.1.1 Provide Aboriginal communities with opportunities for involvement in the development of the forest management plan.	7.1.1 Achieved	7.1.1 - Section 4.2.3 of this report outlines the efforts made to achieve this objective. Meaningful opportunities were provided to the 4 local First Nations communities to encourage engagement and participation in the FMP process.
8	8. Social and Economic: To create a mechanism that allows the LCC to evaluate its effectiveness in plan development Indicators: 8.1.1 Local Citizen's Committee members self	8.1.1 Achieved	8.1.1 - The target was that at least 70% of LCC members should conclude they had meaningful involvement in development of the FMP. This was true for Phase I (see Table FMP-13) and the LCC report for Phase II (Supplementary Documentation 8.8.) suggests they were satisfied with their involvement in Phase II as well. Section 4.2.2 in this audit report concludes that the Ogoki

No.	Objectives& Indicators	Auditor Assessment of Achievement	Auditor Comments
	evaluation of their effectiveness in plan development		forest LCC (GANRAC) has been strong and effective over the audit period.
9	<p>Social and Economic: To maintain remote tourism opportunities on the Ogoki Forest</p> <p>Indicators:</p> <p>9.1.1 Opportunities for involvement provided to licensed tourism establishments in plan development</p> <p>9.1.2 Percent of licensed remote based tourism establishments offered the opportunity to negotiate an RSA.</p>	<p>9.1.1 Achieved</p> <p>9.1.2 Achieved</p>	<p>9.1.1 and 9.1.2 - Remote tourism establishments were provided with opportunities to participate through (i) the negotiation of business-to-business Resource Tourism Agreements with the previous SFL holder during development of the Phase I FMP (see FMP and Trend Analysis report), and (ii) development of specific Area of Concern prescriptions and road use conditions in both the Phase I and Phase II FMPs. The auditors conclude that considerable efforts were made to provide remote tourism operations with opportunities to become involved in FMP planning. For the audit, tourism establishments were sent the survey and emails to ask for their comment on management of the forest and their participation. No complaints were received from tourism establishments. The auditors observed in the field that the signage regarding road closures to public traffic under the Public Lands Act were in place.</p>

Supplementary Table describing habitat requirements and targets for wildlife species identified under Objective 1.4.1 of the 2008-2018 Ogoki Forest FMP (Phase I).

Wildlife Species In 2008 Ogoki FMP Objective 1.4.1	Preferred Habitat Types (from Phase 1 FMP Analysis Package)	Area (ha) at Plan Start (2008)	Area Expected in 2018 with full Harvest of the Allocation	Minimum Acceptable Area (ha) from FMP	Auditor Comments
Woodland caribou (winter)	Mature and older conifer and conifer mixedwood	348,819	336,243	186,124	Less than 1,500 ha was actually harvested from 2008/9 to 2016/17 compared with a planned harvest of ~70,000 ha (excluding salvage area) - see the Trend Analysis table AR-7). Since preferred habitat for these species includes mature and older forest, harvesting is not required to produce habitat in the short term and this objective was met.
Woodland caribou (refuge)	Immature and older conifer and conifer mixedwood	731,989	683,533	540,956	
Great Grey Owl	Mature and older jack pine, upland spruce, and conifer mixedwood	305,972	281,664	152,955	
Marten	Mature and older conifer	324,615	298,454	161,788	
Moose (foraging)	All development stages of hardwood dominated and poplar dominated stands; recently disturbed jack pine and conifer mixedwood.	107,616	122,672	86,093	Forest harvesting is necessary to maintain preferred moose habitat where fire is suppressed. With < 1,500 ha harvested from 2008-2016, it is possible that this objective has not been achieved.
Moose (late winter cover)	Immature and older conifer and conifer mixedwood, and fir	356,056	307,661	244,076	Less than 1,500 ha was actually harvested from 2008/9 to 2016/17 compared with a planned harvest of ~70,000 ha (excluding salvage area) - see the Trend Analysis table AR-7). Since preferred habitat for these species includes mature and older forest, harvesting is not required to produce habitat in the short term and this objective was met.
Lynx (denning)	Old conifer, mature and older spruce and fir	288,536	267,741	145,003	
Black-backed woodpecker	Mature and older upland conifer	333,028	306,297	165,817	
Black bear (fall foraging)	Mature and older upland conifer, hardwood, and fir	362,017	337,826	168,547	
Pileated woodpecker	Old mixed hardwood or poplar dominated stands	54,874	52,652	12,741	The Trend Analysis suggests that very little hardwood and mixedwood was harvested by 2016. Therefore this objective was met in 2016.

APPENDIX 3 - COMPLIANCE WITH CONTRACTUAL OBLIGATIONS

Note: Over the audit period, the SFL (#541965) was held by Long Lake Forest Products from April 1, 2010 to February 8, 2013, when the surrender of the license to the Crown was accepted by MNRF. After this date, MNRF became the Forest Manager. A Forest Resource License (FRL) was issued to the Agoke Development Corporation in 2016 to enable the harvesting of wood.

Licence # 541965 Conditions	Licence Holder Performance
Payment of Forest Renewal Trust, Forestry Futures and Ontario Crown charges	All crown charges were paid in full by LLFP until they declared bankruptcy. All crown charges have been paid in the last two years by the FRL holder Agoke Development Corporation.
Wood supply commitments, MOAs, sharing arrangements, special conditions	The SFL holder lived up to the commitments in place to the extent possible and made concerted efforts to try to encourage local First Nations to participate in management planning and operations, as required under Appendix F of the SFL.
Conduct inventories, surveys, tests and studies; provision and collection of information in accordance with FIM	No significant issues related to the <u>quality</u> of information provided over the period when Long Lake Forest Products held the SFL were identified to the audit team. However, some information was not provided to the Crown when the license was surrendered, such as Forest Operations Prescriptions information (see Finding # 2) and the results of a competition assessment survey (see Finding # 3 under tending). Also, there is a large backlog of past harvest area that was not been assessed for free-to-grow status by the SFL holder (see Finding # 9).
Wasteful practices not to be committed	There were no reports of wasteful practices over the audited period, and no observations of it during the field audit in 2017.
Natural disturbance and salvage SFL conditions must be followed	The Trend Analysis states that 2 fire events occurred on the forest in 2011 (2,603 ha) and 2012 (48.8 ha) but salvage harvesting did not take place during 2010-2017.
Protection of the license area from pest damage, participation in pest control programs	The Trend Analysis stated that a forest tent caterpillar outbreak occurred in 2012, 2013 and 2014, affecting 54,093 ha. However, as is common practice in Ontario, MNRF did not undertake spray programs to control the tent caterpillar.
Audit action plan and status report	The Audit Action Plan was submitted on August 9, 2011, 4 months late. The Final Audit Action Plan was approved March 4, 2013. The Status Report was submitted within the required timelines. Our review of the Status Report revealed that many of the original recommendations directed at the SFL and their associated actions were not continued when the MNRF took over management. This lapse has been captured through Findings 2, 3, 5 and 7-11.
Forest Renewal Trust eligible silviculture work	Audit site inspections determined that maps were accurate and work was completed as invoiced. 2015-16 was selected as the focal year for Specified Procedures and the only activity that was conducted in the Ogoki Forest that year was 80 hectares of free-to-grow survey . The auditors found that maps accurately reflected the area reported.
Forest Renewal Trust forest renewal charge analysis	A forest renewal charge analysis was conducted in 2012 as required (renewal charge analysis is

Licence # 541965 Conditions	Licence Holder Performance
	required at least once every 5 years). In 2013 the renewal rate was lowered by the District Manager for economic reasons. See Finding #11.
Forest Renewal Trust account minimum balance	The Forest renewal Trust Fund account for the Ogoki Forest was below minimum balance throughout the audited period. When the SFL was surrendered to the Crown in 2013, the minimum balance was more than \$900,000 in arrears. (see Finding # 11)
Silviculture standards and assessment program	The 2005 IFA reported there are no X,Y,Z lands associated with the Ogoki Forest.
Aboriginal opportunities	Opportunities were provided for Aboriginal communities to participate in the FMP process, and to harvest available wood. Three of the 4 First Nations with an interest in the Forest were identified as licensees in both the Phase I (Table FMP-18) and Phase II FMPs (Table FMP-14).
Preparation of the FMP, AWS and reports; abiding by the FMP, and all other requirements of the FMPM and CFSA.	The Phase II FMP was prepared by MNRF. Service providers prepared the AWSs. The 2011-12 ARs contained errors. The 2014-15 AR was still not approved by the time of the audit in 2017.
Preparation of compliance plan	Compliance plans were prepared as required.
Internal compliance education and non-compliance prevention program	Until the license was surrendered, the SFL holder had an effective program in place, judging from the low level of non-compliances and the fact that the Forest was certified under the SFI program until 2012. Based on an assessment of conditions in the field during the 2017 audit, the auditors conclude that the FRL holder that harvested area in 2016-17 also has an effective program in place.
Compliance inspections and reporting; compliance with compliance plan	Until the license was surrendered to the Crown in Feb. 2013, the SFL holder was conducting compliance inspections (see the summary under Finding #6).
SFL forestry operations on mining claims	This audit procedure was determined to be low risk and was not audited.

APPENDIX 4 – AUDIT PROCESS

OVERVIEW

The Crown Forest Sustainability Act (CFSA, article 26(3) and Ontario Regulation 160/04) require the Minister of Natural Resources and Forestry to conduct an Independent Forest Audit at least once every 5 to 7 years for all management units in the Area of the Undertaking. Regulation 160/04 under the CFSA prescribes the minimum qualifications required by the audit team and sets out direction related to the timing and conduct of IFA's, the audit process and reporting.

The Independent Forest Audit Process and Protocol 2017 (IFAPP) sets out in detail the scope and process requirements of an IFA, and contains approximately 190 individual audit procedures. The IFAPP, which is reviewed and updated annually by the MNRF, states that the purpose of the audits is to:

- a) assess to what extent forest management planning activities comply with the CFSA and the Forest Management Planning Manual;
- b) assess to what extent forest management activities comply with the CFSA and with the forest management plans, the manuals approved under the CFSA, and the applicable guides;
- c) assess, using the criteria established for the audit, the effectiveness of forest management activities in meeting the forest management objectives set out in the forest management plan;
- d) compare the planned forest management activities with actual activities undertaken;
- e) assess the effectiveness of any action plans implemented to remedy shortcomings identified in a previous audit;
- f) review and assess a licensee's compliance with the terms and conditions of the forest resources licence;
- g) provide a conclusion stating whether or not the forest is being managed consistently with principles of sustainable forest management.

The IFAPP states that the audit may identify findings, which represent either a lack of conformity with the requirements or a lack of effectiveness. The audit may also identify best practices. Best practices are examples of exceptional, outstanding, or novel approaches, not just good, routine work. Findings must be supported by evidence and the conclusions, which are reported in Appendix 1 of the audit report, provide the information and interpretation of the finding. The audit report does not prescribe solutions to non-conformities or to situations where effectiveness is lacking - that is the responsibility of the auditee, who could be either a licensee or MNRF.

AUDIT PROCEDURES AND SAMPLING

The IFAPP describes each of the components of the audit process and was the main framework for the audit. The procedures and criteria that are the basis for assessing the auditees' compliance and effectiveness are organized according to eight principles. A positive assessment of the procedures and criteria under each principle results in the principle being achieved. A negative assessment of a procedure or criterion will usually lead to a finding.

Steps in the Audit of Management of the Ogoki Forest

i) Preliminary Document Review and Outreach - The audit was preceded by a detailed review of documents provided by MNRF, consultation with the Chair of the Local Citizens Committee (GANRAC), consultation with MNRF District, Area, and Regional staff, and contact with the 4 First Nations Communities with an interest in the Ogoki Forest. A interview was conducted with a representative of the Agoke Development Corporation on Sept. 20. All of this led to selection of a date for the audit week (October 23-27).

ii) Risk Assessment - As stated in the IFAPP (section 2.4.1), some low-risk criteria are considered to be optional, and may be excluded from the audit, unless a risk assessment suggests one or more should be added. Criteria with the potential to have a significant impact on forest sustainability (medium or high severity) are mandatory, and those with low impact are optional. The auditors conducted a risk assessment for the Ogoki Forest IFA based on:

- Review of the Trend Analysis Report and other related documents;
- Discussions with District and Regional MNRF representatives;
- Review of issues identified in bid proposal for the Ogoki Forest IFA;
- Determination of whether each optional criterion was covered under a mandatory criterion;
- Review of Annual Reports for the audit period, and
- Review of the previous (January 2011) Independent Forest Audit report results.

As a result of the risk assessment, the optional criteria identified in the Table below were selected for the Independent Audit of the Ogoki Forest.

Table A4. Optional procedures and criteria selected for auditing as a result of the risk assessment for the Ogoki Forest.

IFAPP Optional Procedures or Criteria	Description	Comments
1.1-1.2	SFM policy statements of the organization & their reflection	The Ogoki Forest is a Crown Unit. At the corporate level, MNRF has well publicized policy statements

IFAPP Optional Procedures or Criteria	Description	Comments
	in operations, and commitment to adhere to legislation	regarding their commitment to forest sustainability. However, it must be confirmed during the audit whether these statements are "reflected in daily operations" and communicated to employees.
3.5.6.1	Planned harvest & wood utilization is realistic and as per FMPM	A low level of harvesting has occurred over the entire audit period. The reasons for this should be investigated.
3.5.11.2	Is the level of planned monitoring through FOIP likely to be adequate	Reports suggest there has been good compliance but MNRF suggested operational issues have stalled eSFL negotiations. This should be investigated.
3.5.12	Were recommendations of the last IFA addressed in FMP	An IFA Action Plan and Status Report were prepared, but there was little evidence in these documents to support the idea that the recommendations were addressed to the extent necessary. A more thorough investigation is required during the audit.
3.5.13	Does the FMP provide for long term sustainability of Crown Forest based on planned achievement of management objectives	Owing to the lack of forest management activity over the audit period and the shutdown of receiving mills, the Phase 2 FMP may not be realistic. This indicator should be evaluated.
3.9.9	Changes to the monitoring program in the Phase 2 FMP	Trend analysis and SEM suggest there has been very little monitoring over the audit period, despite the backlog of harvested area. The Phase 2 program must be assessed.
5.1	5.1.1 - Assess the organization's commitment to training & awareness (SFL, MNRF, OLLs)	MNRF is the forest manager and there is no forest certification in place. The level of training and awareness of MNRF and the FRL holder must be assessed.
5.2	Document & record quality control - assess information management systems	Record keeping systems and data accuracy are critical – in 2013, the SFL formerly held by Long Lake Forest Products was returned to the Crown as the SFL holder had declared bankruptcy. It should be determined whether there are any gaps in the historical records.
6.1.1	MNRF district compliance plans - compare planned & actual	There has been little compliance monitoring on this forest since 2008 (only 10 inspections were filed). The reasons for this must be identified.
6.2.1.2, 6.2.1.3, 6.2.1.4	Effective compliance training for all forest workers	MNRF is the forest manager and there is no forest certification in place. The level of training and awareness of FRL holders must be assessed.
6.4.1, 6.4.2, 6.4.3	Are programs in place with enough detail for all indicators in the FMP	The Trend Analysis indicates a large backlog requiring free growing tree assessments. This has a bearing on FMP indicators and forest sustainability. This indicator should be assessed during the field audit.
8.1.17	Internal compliance training program	See notes on 5.1. Must be investigated during the audit.

ii) Audit Plan - The next step was preparation of an audit plan², with input from MNRF and GANRAC. To facilitate this, MNRF's Area Forester provided detailed information and a map of all the activities that had occurred in the Ogoki Forest between April 1, 2010 and March 31, 2017. Also, the GANRAC made space available on their agenda on Sept. 20, 2017 for a presentation by the auditors, with technical support by MNRF. The presentation (by conference call) described the purpose and requirements of the audit, and asked the GANRAC's advice on the extent and type of outreach that should be performed to encourage interested parties to comment on management of the Ogoki Forest over the period being audited. At this stage, the audit team also made a preliminary selection of sites to assess during the site visit, with input from the GANRAC and with the assistance and advice of MNRF. Very little activity had occurred in the forest over the period being audited. Therefore the auditors determined that every accessible site where activity had occurred would be assessed, either on the ground (preferred), or, in the case of remote inaccessible sites, from the air. Sampling of sites in the field is described in more detail below under "Final Report".

iii) Pre-audit Meeting - The audit plan described the procedures that would be used during the audit, and assigned responsibilities to members of the Audit Team. A pre-audit meeting was then held by conference call on October 5 to review the Audit Plan, any gaps in the evidence that was provided by MNRF, and to finalize the selection of sites to inspect in the field during the audit. The audit team, MNRF, the GANRAC and the FFC participated. This was an essential step so that the auditee (MNRF) would have enough time to prepare a detailed package of documentation with key information on all of the sites selected by the audit team for assessment in the field.

The sites selected by the audit team for inspection were classified according to access and proximity. Most sites could be visited by road, and the more distant free-to-grow sites where access was limited would be visited by fixed wing aircraft.

iv) Site Visit October 23-27, 2017- At the Opening Meeting (Oct. 23) of the five-day site visit at the MNRF Area Office in Geraldton, the final schedule for the audit was determined. During the week, the auditors reviewed documents further, obtained answers to questions, conducted more interviews, and performed inspections throughout the Forest where activities had been undertaken during the audited period. The detailed field binder prepared by the MNRF Area Forster included maps and information on harvesting, access, compliance reporting, free-to-grow assessments, Areas of Concern, the caribou mosaic with depletions, silvicultural effectiveness monitoring, and all other activities related to harvesting and renewal. A road-based field trip was conducted on October 24, with participation by MNRF (District, Area, and Region), GANRAC, and FFC. Interviews were conducted with representatives at two First Nations communities on Wednesday Oct. 25. The aerial reconnaissance portion of the site visit occurred on Thursday Oct. 26 (the audit team and the MNRF Area Forester),

² Merin Forest Management, Audit Plan for the Independent Forest Audit of the Ogoki Forest, Oct. 6, 2017.

with a focus on areas that were remote and those that had been tended and declared free-to-grow. Throughout the site visit, end of day meetings were held to keep MNRF apprised of preliminary findings.

v) Closing Meeting Oct. 27 - The closing meeting for the IFA was held on Friday Oct. 27 at the MNRF Area Office in Geraldton. The draft Findings were described in a presentation and were submitted to MNRF (the auditee) and FFC as a draft Appendix I document.

vi) Summary of Public and First Nations Outreach During the Audit - The GANRAC and MNRF assisted in identifying the type and extent of outreach efforts that were made for the audit. A digital survey was created for the audit requesting basic information on input into the forest management process over the period being audited; it provided an option for follow-up. A link to the survey was included with all other outreach efforts.

As noted above under "audit plan", the auditors gave a presentation to GANRAC on Sept. 20 to ask their advice on outreach. A poster and ad were developed to advertise opportunities for the public to provide feedback. These were distributed through GANRAC and posted on its web site, as well as in paid and free advertising channels. Advertising was purchased online in the Chronicle Journal (September 30, 2017 – October 29, 2017), and printed in The Times Star (October 11, 2017) and the local Greenstone Coffee Talk (October 2017) newsletter. Additionally, a radio advertisement was broadcasted for one week (October 24-28, 2017) through station CFNO. Online community channels were also reached out to including several local Facebook groups (Greenstone Rod & Rifles, Greenstone Community Events & News, CFNO Official, Greenstone Tourism, Ogoki Lake Outfitters, Greenstone Coffee Talk).

Personal emails were sent to the companies on MNRF's mailing list with email addresses. This included outreach to numerous tourism outfitters within the Ogoki Forest area, as well as the municipality and councillors. The most successful outreach for public input was provided through GANRAC. While additional efforts were made to engage with other community members through the various channels listed above, the majority of responses to the survey were from GANRAC members or tourism operators. There was a total of 13 responses to the survey, mainly from members of GANRAC. Letters were sent to the Chiefs of the 4 First Nations with an interest in the Ogoki Forest as soon as the audit was confirmed (Aroland First Nation at Aroland near Nakina, Animbiigoo Zaagi'igan Anishinaabek [AZA] First Nation near Beardmore, Eabametoong First Nation in the remote community of Fort Hope, and Marten Falls First Nation in the remote community of Marten Falls). The letters outlined opportunities for the audit team to meet and discuss each community's involvement in management of the Ogoki Forest. Two of the 4 First Nation communities were visited during the site visit. The audit team also spoke with the Executive Director of the Agoke Development Corporation. Three of the First Nations (Aroland, Eabametoong, and Marten Falls First Nations) are represented on the Board of Directors of the Agoke Development

Corporation, which is striving to develop the capacity to have a significant role in forest management planning and operations for the Ogoki Forest.

vii) Summary of Involvement by MNRF in the Audit - MNRF was the auditee in this IFA and MNRF staff were therefore the key contacts. The MNRF Area Forester and the Regional Forest Operations Specialist co-ordinated all aspects of the delivery of information to the auditors, and provided excellent support. The Area Forester assisted with setting up a conference call with the GANRAC, the pre-audit meeting, the opening meeting, and the closing meeting. The Area Forester provided the map of operations for initial site selection, prepared the field binder and accompanied the audit team on all field trips. Other MNRF staff from the District and the Region also participated on the field trips.

The audit team had many interviews with MNRF staff, including the current Area Forester and other Foresters who had been responsible for the Ogoki forest at some point over the period being audited, the Area Biologist, Resource Management Technicians, the IRM Technical Specialist, the Resource Liaison Specialist, and the District Manager.

viii) Summary of Involvement by the Forestry Futures Committee in the Audit - The Forestry Futures Committee (FFC) was the body in charge of overseeing all aspects of the audit to ensure that the requirements of the Independent Forest Audit Process and Protocol (2017) were met. The FFC reviewed the Risk Analysis, the Audit Plan, and the draft final report for consistency with requirements, clarity, and accuracy. The FFC was represented at all formal meetings with the auditee and 2 members participated in the road-based field trip.

ix) Draft Final Report - The draft final report was due on Nov. 27 (within 30 days of the closing meeting) and was submitted to the Forestry Futures Committee on November 24, 2017.

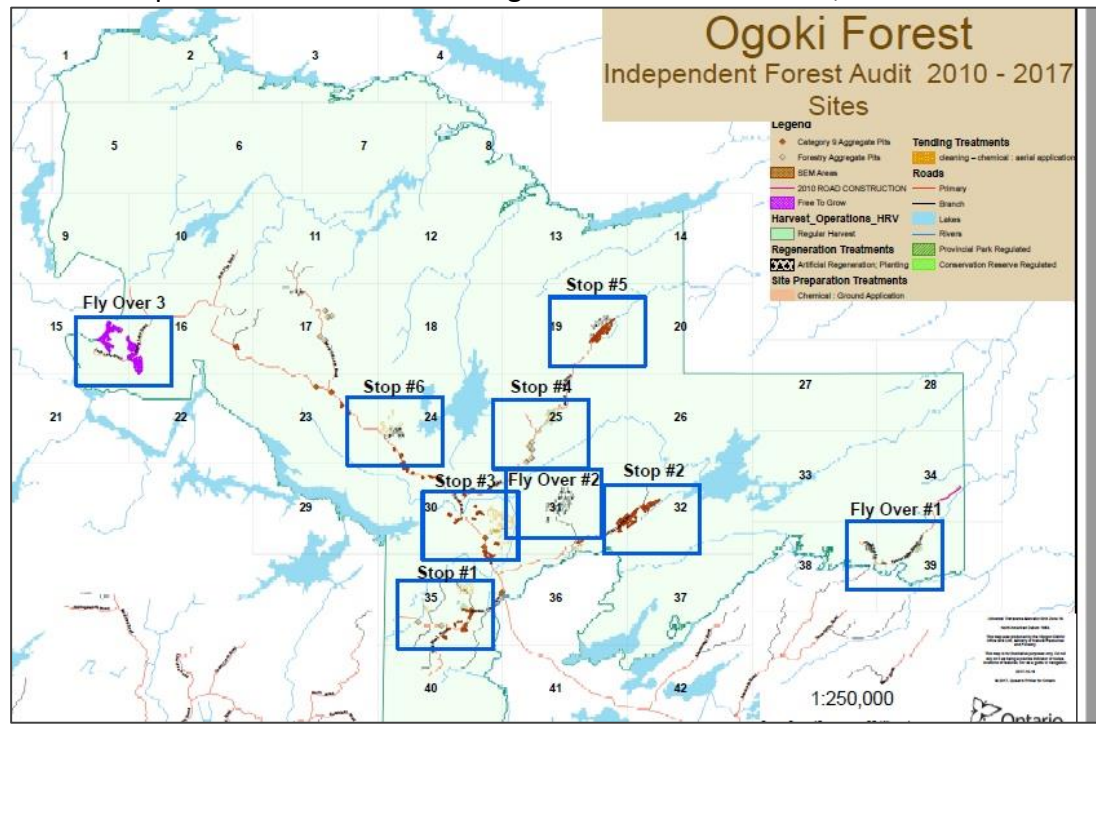
x) Final Report - The final report was due on December 26, 2017 and was submitted to the Forestry Futures Committee during the week of December 18 to 22, 2017.

Summary of Sampling and Sampling Intensity

The IFAPP (p.21, section 2.4.3.1) requires auditors to sample at least 10% of the operations conducted during the audited period. The image below of the map prepared by MNRF for the field audit identifies the areas where activity had occurred between April 1, 2010 and March 31, 2017 (see the legend) and where site assessments were performed by the auditors (blue squares). The accompanying table quantifies the activities portrayed on the map, and estimates the amount of area sampled during the audit.

An effort was made to view a representative portion of all of the different types of activities in each of the sampled blocks. The auditors walked or flew into the blocks rather than remaining by the roadside. Some of the activities occurred on the same piece of ground at different times (e.g., harvesting might be followed by site preparation, then tree planting), so there is some overlap of area in the table below. There are also some aspects that are not represented in the table, such as road and water crossing maintenance and monitoring. During the aerial reconnaissance, the auditors flew over the entire length of the Ogoki Road, the main access road through the forest. The auditors also viewed associated AOCs, water crossings, aggregate pits, wildlife tree retention, and some of the SEM plots. The table below suggests that much more than the minimum sample required by the IFAPP was achieved.

Map illustrating field sampling locations that were inspected during the Ogoki Forest Independent Forest Audit during the week of Oct. 23-27, 2017.



Summary of forest management activity in the Ogoki Forest over the 7 year audit period (2010-11 to 2016-17) and the area sampled during the audit.

Year	Har-vest Area (ha)	Regeneration (ha)		Site prep (ha)	Tend-ing (ha)	FTG area surveyed (ha)	Road Construc-tion (km)	Compli-ance Reports
		Artifi-cial	Natural					
2016-17*	~400	0	0	0	0	~200	0	4
2015/16	0	0	0	0	0	80	0	0
2014/15	0	281	0	410	0	0	0	0
2013/14	0	0	0	0	0	0	0	0
2012/13	0	604	0	0	0	0	0	4
2011/12	431	701	0	0	1,757	1,199	0	2
2010/11	0	226	0	0	0	0	4.9	2
Total	831	1,812	0	410	1,757	1,479	4.9	12
Min. 10% Sample	83	181	0	41	176	148	0.49	
Area Sampled During the IFA	815	1,659	0	409	1,757	1,193	4.9	
% Sampled During the IFA	98	92	0	98	100	81	100	

(* = estimate from the MNRF Area Forester)

APPENDIX 5 – LIST OF ACRONYMS

Add forest unit abbreviations if needed

AHA	Allowable Harvest Area
AOC	Area of Concern
AR	Annual Report
AWS	Annual Work Schedule
AZA	Animbiigoo Zaagi'igan Anishnaabek First Nation
BNV	Bounds of Natural Variation
CFSA	Crown Forest Sustainability Act
Class EA	Class Environmental Assessment for Timber Management on Crown Lands in Ontario
COSSARO	Committee on the Status of Species at Risk in Ontario
COSEWIC	Committee on the Status of Endangered Wildlife in Canada
CRO	Conditions on Regular Operations
DCHS	Dynamic Caribou Habitat Schedule
DM	MNRF District Manager
EA	Environmental Assessment
EBR	Environmental Bill of Rights
eFMP	Electronic Forest Management Plan
eFRI	Enhanced Forest Resource Inventory
EMS	Environmental Management System
ESA	Endangered Species Act
FI	Forest Information
FIM	Forest Information Manual
FMP	Forest Management Plan
FMPM	Forest Management Planning Manual
FN	First Nation
FOIP	Forest Operations Inspection Program
FOP	Forest Operations Prescription
FRI	Forest Resource Inventory
FTG	Free-to-Grow
FRL	Forest resource License
FRT	Forest Renewal Trust
FRTF	Forest Renewal trust Fund
GANRAC	Geraldton Area Natural Resources Advisory Committee
ha	hectares
km	kilometres
IFA	Independent Forest Audit
IFAPP	2017 Independent Forest Audit Process and Protocol
LCC	Local Citizens Committee
LLFP	Long Lake Forest Products Inc.

LTMD	Long-Term Management Direction
m ³	cubic meters
MNO	Métis Nation of Ontario
MNRF	Ontario Ministry of Natural Resources and Forestry
MOA	Memorandum of Agreement
OLL	Overlapping Licensee
OSB	Oriented Strandboard
PSP	Permanent Sample Plot
RPF	Registered Professional Forester
RSA	Resource Stewardship Agreement
SAR	Species at Risk
SEM	Silviculture Effectiveness Monitoring
SFL	Sustainable Forest License
SGR	Silvicultural Ground Rules
SPA	Special Purpose Account
SPF	Spruce – Pine - Fir

APPENDIX 6 – AUDIT TEAM MEMBERS AND QUALIFICATIONS

Auditor	Role & Responsibilities	Qualifications
<p>Kandyd Szuba, PhD, RPF</p> <p>Certified Lead Auditor ISO 14001, 2000</p>	<p>Lead Auditor and Core Auditor. Coordinate the audit, risk analysis, findings, and final report. Audit wildlife, sustainability, and access components. Assist with First Nations, and stakeholder consultation, including LCC.</p>	<p>BScF, MScF, PhD Forestry with a wildlife emphasis. Participated in 9 FSC and SFI audits in Alberta and Ontario since 2014; IFA audit team member on 3 audits since 2000; participated in 30 FMA reviews or IFAs prior to the year 2000; 40 years of experience in wildlife habitat management & ecology, including 11 years at Domtar and EACOM as the company biologist.</p>
<p>Sarah Bros, RPF</p> <p>Certified Lead Auditor ISO 14001, 2013, FSC certified auditor, 2017</p>	<p>Core Auditor; Operations and Silvicultural Auditor; assist with First Nations Consultation. Audit all aspects of the silviculture program, including planning, implementation, and monitoring. Address requirements of the Specified Procedures Report.</p>	<p>BScF; Led or participated in 16 FSC or SFI audits in Canada and U.S. since 2008; IFA audit lead or team member on 5 audits in 2016; over 33 years of experience in forest management planning, operations, estate modeling, and silviculture on crown and private land; more than 30 years experience working with aboriginal communities across Canada.</p>
<p>Jessica Kaknevicus</p> <p>Certified auditor FSC, 2008</p>	<p>Junior auditor; Audit annual reporting and compliance monitoring. Audit stakeholder and aboriginal components of FMP planning and implementation with assistance from the other auditors. Prepare communication materials for the audit and interview stakeholders.</p>	<p>BSc, MFC; participated in 1 FSC audit in Ontario since 2008; over 8 years of experience in stakeholder consultation, education and communication in forestry.</p>