



SAI GLOBAL

FSC® FM - Surveillance Audit Report (R305)

4th surveillance

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for the following certified forest area(s):

Nipissing Forest (SFL 542053)

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1.0 DESCRIPTION OF EVALUATION

Evaluation dates:	February 27-March 2 2017
Task	Person days (excluding travel)
Pre-evaluation	0
Preparatory Work	0,5
Documents, Records and Fieldwork	10
Stakeholder Interviews	1
TOTAL	11,5

EVALUATION TEAM

Lead auditor: Daniel Martin, RPF

Daniel Martin is a consultant offering specialized services in sustainable forest management, chain of custody and environmental management system certification. Daniel is a registered Professional Forester in the province of New Brunswick (#646) and is an ISO 14001 lead assessor and a FSC® FM lead auditor. He has conducted more than 40 FSC FM audits in the Maritimes, Boreal and Great Lakes/St-Lawrence forest types.

He has experience in the forest industry as a supervisor and manager, specifically in silviculture, harvesting and fiber procurement for sawmills in New Brunswick and Nova Scotia. Furthermore, Daniel has cumulated experience in the management of an engineered wood products facility in the province of Quebec and he was a lecturer at the *Université de Moncton*. These experiences have allowed for development of skills ranging from forest management, health and safety, budgeting, contract negotiations and human resource management.

Auditor: Stephane Audet, RPF

Registered Professional Forester with over 14 years' experience as a forestry technician, divisional supervisor, senior consultant and auditor with a particular focus on silviculture planning and operational implementation in Ontario. Stephane has accumulated significant operational experience as a manager of a large silviculture contractor in addition to technical expertise related to tree improvement, forest operation prescriptions and silvicultural monitoring. Stephane has also contributed to several wood supply and mill feasibility studies throughout Ontario, Manitoba and Saskatchewan in addition to having been a sessional lecturer at Lakehead University. Stephane has been a silvicultural auditor on several Independent Forest Audits since 2009 along with 3rd party audits under the FSC® and SFI® certification standards.

Technical expert: N/A

Observer: N/A

1.1 Evaluation description

1.1.1 Itinerary

January 2017: Public consultation preparation

February 27-March 2, 2017: Onsite audit/Stakeholders interviews/Field visits

1.1.2 Approach

The audit assessed conformance with the SAI GLOBAL - Locally adapted Standard for Assessing Forest Management in the Great Lakes/Saint-Lawrence (GLSL) (Version June 22, 2015) as well as the company's forest management program utilizing the following techniques:

- Review of the company's policies and procedures
- Review of the company's documentation and records
- Review of correspondence and communications
- Interviews with staff
- Interviews with contractors
- Interviews with First Nations
- Interviews with Local Citizens Committee
- Field assessment of conformance
- Review of previous audit findings
- Review of the current Forest Management Plan

1.1.3 Selected FMUs and Rationale

The field visit consisted of inspection of active and past operations on the sole FMU included in the certificate scope. Sampling follows directives and formulas listed in FSC-STD-20-007 V3-0, Annex 1

1.1.4 Sites Visited

FMU	Site #	Activities audited
Nipissing Forest	#09-147 Brunet	Harvesting/forwarding, Skidding, fuel handling. (Clearcut harvest)
Nipissing Forest	#09-147 Brunet	CHS AOC – Heritage Cabin protected by 20m buffer
Nipissing Forest	#09- 142 GPNorth	Fuel truck- Gooderam Rd. Harvesting, Skidding, Slashing, Hauling, fuel handling. (Clearcut harvest)
Nipissing Forest	#09-56 Ferot	Harvesting, limbing, slashing, fuel handling, winter crossing. (Clearcut harvest)
Nipissing Forest	#09-76 Gorham	Tree marking, manual felling, cable skidding, fuel handling, HCV – Deer Yard. (Selection harvest)
Nipissing Forest	#09-218 Culins	Tree marking, manual felling, cable skidding, fuel handling, cut to shore AOC, HCV – Deer Yard, Private property AOC (adjacent to cut block). (Selection and Shelterwood harvest)
Nipissing Forest	#09-161 Reed	Tree marking, manual felling, grapple skidding, fuel handling (Selection harvest)

1.1.5 Description of the stakeholder consultation process

The stakeholder consultation process has been done in compliance with FSC-STD-20-006 and FSC-STD-20-007.

1.1.6 Stakeholder contacted and inputs

Stakeholders contacted	Number contacted	Provided input	Stakeholders contacted	Number contacted	Provided input
FSC National Initiative	1	0	Representatives of forest-dwelling or forest-using communities	0	0
Provincial Department of Natural Resources / State Forest Service or equivalent	6	2	Labour organizations or unions of forestry sector workers	0	0
Federal/National Agencies such as the Department of Fisheries and Oceans or equivalent.	0	0	Contractors who provide services to the forest operation to be assessed	2	2
Associations / Clubs / Outfitters	11	0	Employees	0	5
Private stakeholders	1	0	Municipalities	1	0
NGOs that are active in respect to social or environmental aspects of forest management – National or Regional	8	0	International NGOs that have requested to be contacted in respect of evaluations in particular regions or countries	6	0
Representatives of Indigenous Peoples	10	1	University/College	0	0
Other(specify)					

Comments from stakeholders and SAI Global's response

There were no comments from stakeholders.

1.1.7 Additional Evaluation Techniques

No additional techniques were used during this audit.

1.1.8 Pesticide use

List of chemical pesticides used within the forest area:			
Product name	Quantity (l or Kg)	Treated areas ha.	Reason for use
Glyphosate	1163.9	522.8	Air blast spray - site prep for Pw/Pr/Sw planting
Paraffinic Oil	25.2	315.5	Air blast spray - site prep for Pw/Pr/Sw planting
Glyphosate	871.1	365.5	Aerial spray - site prep for Pr, Pw, Sw, Pj plant and Pj seed
Glyphosate	959.2	1235.9	Aerial spray - tending Pw/Pr
Triclopyr	2286.0	1377.1	Aerial spray - tending Pw/Pr

1.1.9 Workers

Workers (includes employees, seasonal workers of certificate holder and contractors)						
Men	6	Women	3	Total	9	
Number of accidents in since last audit			Serious	0	Fatal	0

1.1.10 Description of any significant changes in the management and/or harvesting methods

N/A

2.0 STANDARD(S)

2.1 Standard Used

Generic SAI-Global Great Lakes St-Lawrence

You may get a copy of the standard at the following address: www.fsc.org or <http://www.saiglobal.com/assurance/forestry/FSC.htm?regid=2> for the generic SAI-Global Great Lakes St-Lawrence.

The SAI Global generic standard was modified to include the indicators found in the Great Lakes St-Lawrence standard to become the Generic SAI-Global Great Lakes St-Lawrence. This generic standard was subject to a public consultation before its official usage.

Revision to the standard since last audit:	N/A
Implication for the FMU:	N/A

3.0 OBSERVATIONS

PRINCIPLE #1: COMPLIANCE WITH LAWS AND FSC PRINCIPLES	
Criterion 1.1 Compliance with national and local laws and administrative requirements.	
Comments (strengths/weakness)	Audit of operations in harvest block found the following situations: Block 09-092:

	<ul style="list-style-type: none"> - No persons qualified in Transportation of Dangerous Goods - No smoke detector installed in private sleeping trailer - The contractor is not registered in HWIN - 486 liter fuel tank lacked evidence of current certification <p>Block 09-142</p> <ul style="list-style-type: none"> - 18,500 liter fuel truck did not have any visible evidence that the requisite testing and certification of the fuel tank had been completed (yearly external, yearly leak and 5-year pressure test) - The fuel truck did not have any visible evidence that the requisite commercial vehicle annual inspection has been completed since 2012. - There was no evidence showing that the shipping manifest is being filled out during transport. <p>NC 2017-02 – Nipissing Forest Resource Management’s system to achieve compliance with applicable legislation and regulations is not fully effective.</p>
Criterion 1.2 Payment of fees, taxes etc.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 1.3 Compliance with international agreements	
Comments (strengths/weakness)	Not audited in 2017
Criterion 1.4 Documenting of conflicts with laws.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 1.5 Protection from illegal activities	
Comments (strengths/weakness)	NFRM has in place proper procedures for the reporting and tracking of illicit activities on the Nipissing Forest.
Criterion 1.6 Adherence to FSC principles.	
Comments (strengths/weakness)	Not audited in 2017
PRINCIPLE #2 TENURE AND USE RIGHTS AND REPSONSIBILITIES	
Criterion 2.1 Evidence of forest use rights.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 2.2 Local communities with use rights can protect their rights and resources.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 2.3 Appropriate mechanisms to resolve disputes.	
Comments (strengths/weakness)	NFRM has in place proper processes and procedures for the resolution and tracking of ongoing disputes on the forest.

PRINCIPLE #3 INDIGENOUS PEOPLES' RIGHTS	
Criterion 3.1 Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.	
Comments (strengths/weakness)	<p>Extensive consultation with local first nation communities has occurred throughout the process. The Antoine, Dokis, Nipissing, Temagami and Mattawa/North Bay Algonquin First Nation Communities each had representatives on the planning team and participated in the planning process.</p> <p>Native values are integrated into the forest management plan. Native communities participate in the planning process.</p> <p>Dispute resolution process is defined in the planning team terms of reference, signed by First Nations participating on the planning team. All five First Nation communities have signed the terms of reference.</p>
Criterion 3.2 Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of Indigenous Peoples.	
Comments (strengths/weakness)	<p>Active involvement in the FMP planning process and the Aboriginal Working Group. Background information report has been completed for all First Nations communities in and around the Nipissing Forest.</p> <p>Report on the protection of First Nations values, considering that values have evolved through time.</p>
Criterion 3.3 Sites of special cultural, ecological, economic or religious significance to Indigenous People(s) shall be clearly identified in cooperation with such Peoples, and recognized and protected by forest managers.	
Comments (strengths/weakness)	<p>AOC prescriptions are revised at 5 year intervals.</p> <ul style="list-style-type: none"> • White birch AOC was implemented in 2014. • Consultation of FN in forest management planning process. <p>AOC Aboriginal task team is part of the planning process. That group reviews all AOC prescriptions (evaluate effectiveness). They will feed into the Aboriginal working group, which is a standing committee. Nipissing actively participate in this process.</p>
Criterion 3.4 Indigenous Peoples shall be compensated for the application of their traditional knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence.	
Comments (strengths/weakness)	There is no use of traditional knowledge in forest management.
PRINCIPLE 4 COMMUNITY RELATIONS AND FOREST WORKERS' RIGHTS	
Criterion 4.1 The communities within or adjacent to the forest management area should be given the opportunity for employment, training, and other services.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 4.2 Forest management should meet or exceed all applicable laws and/or regulations	

covering health and safety of employees and their families.	
Comments (strengths/weakness)	Operations taking place on the forest were found to be complicit with current mandatory provincial and federal health and safety regulations. A system is in place for the fair resolution of occupational health and safety issues. The Ontario Occupational Health and Safety Act provides all employees with the right to refuse unsafe work conditions without fear for employer retribution.
Criterion 4.3 The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labour Organization (ILO).	
Comments (strengths/weakness)	Not audited in 2017
Criterion 4.4 Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups directly affected by management operations.	
Comments (strengths/weakness)	NFRM is actively engaged with the numerous stakeholders who benefit from the Nipissing Forest. The FMPM provides a robust framework for stakeholder engagements through the LCC. Several RSA's are in place throughout the forest. When operations are conducted in close proximity of private lands, NFRM is actively engaged with the land owners and applies additional harvest buffers to ensure that operations do not encroach on the adjacent property.
Criterion 4.5 Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage.	
Comments (strengths/weakness)	Not audited in 2017
PRINCIPLE 5 BENEFITS FROM THE FOREST	
Criterion 5.1 Forest management should strive toward economic viability, while taking into account the full environmental, social, and operational costs of production, and ensuring the investments necessary to maintain the ecological productivity of the forest.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 5.2 Forest management and marketing operations should encourage the optimal use and local processing of the forest's diversity of products.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 5.3 Forest management should minimize waste associated with harvesting and on-site processing operations and avoid damage to other forest resources.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 5.4 Forest management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 5.5 Forest management operations shall recognize, maintain, and where appropriate,	

enhance the value of forest services and resources, such as watersheds and fisheries.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 5.6 The rate of harvest of forest products shall not exceed levels which can be permanently sustained.	
Comments (strengths/weakness)	The determination of planned harvesting volumes in the Phase I and Phase II FMP is done in accordance to the forest management planning manual and have been approved by the MNR and meet the GLSL standard. Current actualized harvest rates are less than 50% of planned harvest levels and do not exceed the projected long term harvesting rate. This trend has been ongoing for many years on the Nipissing Forest.
PRINCIPLE 6 ENVIRONMENTAL IMPACT	
Criterion 6.1 Environmental impact assessments.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 6.2 Safeguards must exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas).	
Comments (strengths/weakness)	<p>In Ontario, species at risk are protected under the provisions of several pieces of legislation and policies. The Endangered Species Act, 2007 (ESA), which came into effect on June 30 2008, includes prohibitions against killing, harming, harassing, capturing, taking, possessing, or transporting a species at any life stage that is listed as endangered, threatened, or extirpated on the SARO list. This Act further prohibits the damage or destruction of habitat of an endangered or threatened species (subject to the transition provisions of the Act). Under the ESA, the area that constitutes the habitat of a species at risk is the area prescribed by a species-specific habitat regulation or, where no such regulation exists, the area prescribed by clause (b) of the definition of "habitat" in the ESA. All species listed as endangered or threatened are also recognized as provincially featured species in Ontario's forest management planning process and are addressed by the Provincial Policy Statement under the Planning Act.</p> <p>The ESA does not explicitly protect species of special concern or their habitat. However, the Act does require development of management plans for these species. As well, many species of special concern are either listed as Specially Protected Wildlife in schedules under the Fish and Wildlife Conservation Act, 1997, or are directly or indirectly addressed by the federal Species at Risk Act, 2002, Fisheries Act, 1985, or Migratory Birds Convention Act, 1994. Moreover, the area of habitat for forest-dependent species at risk is one indicator of the ability of planned forest management operations to meet the criterion of conserving biological diversity in Ontario's forests (see the Forest Management Planning Manual).</p> <p>The ESA includes provisions for the development of recovery strategies and the Ontario government's response to those strategies. It also includes provisions for the use of flexibility tools, such as agreements, permits, and instruments. MNR is developing regulations, including ones prescribing the habitat of certain species, and policies to assist with interpreting and implementing the requirements of the ESA, and this effort will be ongoing for</p>

	<p>several years.</p> <p>With respect to forest management operations, this guide provides science-based information and direction for species within the AOU that have been designated as endangered, threatened, or special concern. The direction in this guide represents science-based guidance intended to minimize the risk that forest management operations might incidentally kill, harm, or harass species that are currently on the SARO list or damage or destroy their habitat. Direction in this guide should be considered as preliminary and will be superseded by any future direction provided by the MNR with respect to measures or actions that may be required in order to comply with the ESA. Planning teams may also need to refine or enhance prescriptions and protection measures to address specific local situations. Planning teams should consult MNR species at risk biologists for advice and direction on the implementation of ESA requirements.</p>
<p>Criterion 6.3 Ecological functions and values shall be maintained intact, enhanced or restored.</p>	
<p>Comments (strengths/weakness)</p>	<p>Forest management operations are conducted in a manner that maintains the integrity of small streams, seepages, and woodland pools.</p> <p>The FMP is designed to leave the insular and peninsular patches standing forever in the clearcuts. The volume that is left standing is not included in the AAC calculation.</p> <p>There are three silviculture systems employed on the Nipissing Forest under which forest management activities (harvest and renewal) occur. Each one of these systems (Clearcut, Shelterwood, Single-Tree Selection) are prescribed and implemented based on groupings of forest tree species with similar silvicultural and ecological aspects. Vegetation management begins with harvesting and varying proportions of the canopy are removed.</p>
<p>Criterion 6.4 Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.</p>	
<p>Comments (strengths/weakness)</p>	<p>A gap analysis has been complete, detailed maps and data are available at the NFRM office.</p> <p>The land use strategy is substantially based on the work of citizen round tables that were established in three planning regions, one of them being GLSL. This was part of the Lands for Life planning process.</p>
<p>Criterion 6.5 Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.</p>	
<p>Comments (strengths/weakness)</p>	<p>Not audited in 2017</p>
<p>Criterion 6.6 Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides.</p>	
<p>Comments (strengths/weakness)</p>	<p>Not audited in 2017</p>

Criterion 6.7 Chemicals, containers, liquid and solid non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 6.8 Use of biological control agents shall be documented, minimized, monitored and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 6.9 The use of exotic species is carefully controlled and actively monitored to avoid adverse ecological impacts.	
Comments (strengths/weakness)	No use of exotic species. Verified the annual report for confirmation (section 2.2.2, renewal support) and table AR3.
Criterion 6.10 Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion: a. Entails a very limited portion of the forest management unit; and b. Does not occur on high conservation value forest areas; (HCVF) and c. Will enable clear, sustainable, additional, secure long-term conservation benefits across the forest management unit.	
Comments (strengths/weakness)	Not audited in 2017
PRINCIPLE 7 MANAGEMENT PLAN	
Criterion 7.1 Content of management plan.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 7.2 The management plan shall be periodically revised to incorporate the results of monitoring or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 7.3 Forest workers shall receive adequate training and supervision to ensure proper implementation of the management plan.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 7.4 While respecting the confidentiality of information, forest managers shall make publicly available a summary of the primary elements of the management plan, including those listed in Criterion 7.1.	
Comments (strengths/weakness)	Not audited in 2017
PRINCIPLE 8 MONITORING AND ASSESSMENT	
Criterion 8.1 Frequency and intensity of monitoring.	

Comments (strengths/weakness)	NFRM has in place a robust monitoring system which is suitable for the size and complexity of the forest and allows for periodic benchmarking of results to the objectives and targets outlined in the FMP.
Criterion 8.2 Forest management should include the research and data collection needed to monitor, at a minimum, the following indicators: a) Yield of all forest products harvested. b) Growth rates, regeneration and condition of the forest. c) Composition and observed changes in the flora and fauna. d) Environmental and social impacts of harvesting and other operations. e) Costs, productivity, and efficiency of forest management.	
Comments (strengths/weakness)	Annual harvest rates are tracked and measured through the MNRF wood measurement division. Weight scale data is tracked through iTrees and reported annually in term of area and volume (species and end user). NFRM implemented an intensive SEM program which tracks and monitors seedling survival, herbicide efficacy and free growing status. The FOIP program mandates the implementation of compliance inspections for all forest management operations (silviculture, access, harvest, maintenance) which must be completed by both industry and MNRF. This program also includes an issue resolution process where compliance issues are identified. NFRM reviews their operating budget annually which must be approved by their board. Management fees are adjusted annually based on planned harvest levels and budgetary expenses.
Criterion 8.3 Documentation shall be provided by the forest manager to enable monitoring and certifying organizations to trace each forest product from its origin, a process known as the "chain of custody."	
Comments (strengths/weakness)	Each licensee on the Nipissing Forest has an authority harvest. Associated with each of these authorities to harvest are a number of authorities to haul unscaled Crown Forest resources, which identify the receiving mills, that are authorized to receive the identified forest product, on the authority to harvest. A Bill of Lading accompanies each load of wood leaving the forest. The BOL identifies the harvest block where the licensee, approval to harvest number, block number, date and the final destination. NFM certificate number and claim is identified on the BOL (QMI-FM/COC-001635, 100% FSC). MNR ensure regular verification of BOLs. NFR also verify BOL and ensure the hauling procedure is implemented. Monitoring is done through the FOIP process.
Criterion 8.4 The results of monitoring shall be incorporated into the implementation and revision of the management plan.	
Comments (strengths/weakness)	Monitoring data is continually being used to update and revise the FMP which includes; AOC prescriptions, SGR's, Exceptions monitoring, base inventory data (FTG updates, annual depletion updates, ect.) and non-timber values.
Criterion 8.5 While respecting the confidentiality of some information, forest managers shall make publicly available a summary of the results of monitoring indicators, including those listed in Criterion 8.2.	
Comments (strengths/weakness)	Monitoring data is made available to the public via the MNRF FMP portal. Additionally, the FMP and AWS are also made available to the public. Independent Forest Audit are published following approval by the provincial legislature.

PRINCIPLE 9 HIGH CONSERVATION VALUE FORESTS	
Criterion 9.1 Assessment to determine the presence of the attributes consistent with High Conservation Value Forests will be completed, appropriate to the scale and intensity of forest management.	
Comments (strengths/weakness)	In preparing the HCVF Report the authors utilized the National Framework plus Annex D of the FSC GLSL Region Draft 3.0 2010 for Species at Risk. The Report was authored by T. Clark (Biologist) and R. Burkhardt (R.P.F.). The species at risk portion was updated in 2013 by K. Szuba (PhD Biol., R.P.F.). Phase 1 identification of HCV shows all categories of HCV were reviewed using appropriate sources of data and local expertise. Phase 2 management of HCVF describes responsibilities for inventory and monitoring, management prescriptions and procedures for evaluation the effectiveness of management prescriptions. Management prescriptions are typically based on implementation of AOC prescriptions approved in the FMP. An external review of the HCVF assessment has been conducted.
Criterion 9.2 The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof.	
Comments (strengths/weakness)	<p>Broad review, based on the forest management planning process to determine forest values generally which will include as a minimum individuals, local stakeholder representatives including the Local Citizen's Committee (LCC). To ensure that the management is effective, the government employs a range of experts including biologists, archaeologists, and native liaison officials.</p> <p>Consultation with technical experts about species, ecosystems or values that are HCVF.</p> <p>Focused review by regional, provincial and national stakeholders of the values and the management approach.</p>
Criterion 9.3 The management plan shall include and implement specific measures that ensure the maintenance and/or enhancement of the applicable conservation attributes consistent with the precautionary approach. These measures shall be specifically included in the publicly available management plan summary.	
Comments (strengths/weakness)	<p>Use of the precautionary approach is referenced throughout the document and evident in the prescriptions applied and compliance to the prescriptions during implementation of the plan.</p> <p>Monitoring of the AOC prescription is done by NFR staff to ensure adequate implementation. AOC are designed to maintain or enhance the value.</p> <p>Issues are reported using the FOIP process. Corrective actions are implemented to ensure corrective actions.</p>
Criterion 9.4 Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes.	
Comments (strengths/weakness)	HCVF monitoring of compliance is done the FOIP and compliance summaries are presented in the Annual Reports.

PRINCIPLE10 – PLANTATIONS	
Criterion 10.1 The management objectives of the plantation, including natural forest conservation and restoration objectives, shall be explicitly stated in the management plan, and clearly demonstrated in the implementation of the plan.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 10.2 The design and layout of plantations should promote the protection, restoration and conservation of natural forests, and not increase pressures on natural forests. Wildlife corridors, streamside zones and a mosaic of stands of different ages and rotation periods, shall be used in the layout of the plantation, consistent with the scale of the operation. The scale and layout of plantation blocks shall be consistent with the patterns of forest stands found within the natural landscape.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 10.3 Diversity in the composition of plantations is preferred, so as to enhance economic, ecological and social stability. Such diversity may include the size and spatial distribution of management units within the landscape, number and genetic composition of species, age classes and structures.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 10.4 The selection of species for planting shall be based on their overall suitability for the site and their appropriateness to the management objectives. In order to enhance the conservation of biological diversity, native species are preferred over exotic species in the establishment of plantations and the restoration of degraded ecosystems. Exotic species, which shall be used only when their performance is greater than that of native species, shall be carefully monitored to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 10.5 A proportion of the overall forest management area, appropriate to the scale of the plantation and to be determined in regional standards, shall be managed so as to restore the site to a natural forest cover.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 10.6 Measures shall be taken to maintain or improve soil structure, fertility, and biological activity. The techniques and rate of harvesting, road and trail construction and maintenance, and the choice of species shall not result in long term soil degradation or adverse impacts on water quality, quantity or substantial deviation from stream course drainage patterns.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 10.7 Measures shall be taken to prevent and minimize outbreaks of pests, diseases, fire and invasive plant introductions. Integrated pest management shall form an essential part of the management plan, with primary reliance on prevention and biological control methods rather than chemical pesticides and fertilizers. Plantation management should make every effort to move away from chemical pesticides and fertilizers, including their use in nurseries. The use of chemicals is also covered in Criteria 6.6 and 6.7.	

Comments (strengths/weakness)	Not audited in 2017
Criterion 10.8 Appropriate to the scale and diversity of the operation, monitoring of plantations shall include regular assessment of potential on-site and off-site ecological and social impacts (e.g., natural regeneration, effects on water resources and soil fertility, and impacts on local welfare and social well-being), in addition to those elements addressed in Principles 8, 6 and 4. No species should be planted on a large scale until local trials and/or experience have shown that they are ecologically well-adapted to the site, are not invasive, and do not have significant negative ecological impacts on other ecosystems. Special attention will be paid to social issues of land acquisition for plantations, especially the protection of local rights of ownership, use or access.	
Comments (strengths/weakness)	Not audited in 2017
Criterion 10.9 Plantations established in areas converted from natural forests after November 1994 normally shall not qualify for certification. Certification may be allowed in circumstances where sufficient evidence is submitted to the certification body that the manager/owner is not responsible directly or indirectly for such conversion.	
Comments (strengths/weakness)	Not audited in 2017

3.1 Observations on review and resolution of complaint raised by stakeholder with the certificate holder or with the certification body since the previous evaluation

N/A

3.2 Summarized progress in implementing the conditions related to any approved pesticide derogation

N/A

4.0 SURVEILLANCE DECISION

4.1 Follow-up on Non-Conformitie(s) from previous audit

NC#:	2016-02	Grade- Major/Minor:	minor
Requirement:			
Requirements for use of the FSC trademarks by Certificate Holders FSC-STD-50-001 (V1-2) 1.16 The organization shall submit artwork of all new reproductions of FSC trademarks to the certification body for approval.			
Non-conformance:			
There is no evidence that the FSC trademarks used have been submitted and approved by the certification body			
Justification for Major or Minor:			
The non conformance situation is non systematic			
Evidence provided to close the non-conformity:			
During the audit, there was evidence of the use of the FSC trademarks. This non-conformance is escalated to the level of major.			
Status Closed/Open or Upgraded:		Upgraded to major. Refer to Major NC 2017-01	

NC#:	2016-05	Grade- Major/Minor:	minor
Requirement:			
4.2.1 The manager ensures that all forest workers comply with all relevant provincial occupational health and safety requirements			
Non-conformance:			
There is evidence that the manager does not ensure the continual compliance with all relevant provincial occupational health and safety requirements. There is evidence that relevant corrective actions have not been implemented.			
Justification for Major or Minor:			
The non conformance situation is non systematic			
Evidence provided to close the non-conformity:			
<p>March 1 2017</p> <p>VFM followed-up on the corrective actions requested following the inspection by the North Bay-Perry Sound District Health Unit.</p> <ul style="list-style-type: none"> • Water tests • Camp inspection • Smoke detector <p>Furthermore, the camp was dismantled shortly following the Surveillance 3 audit.</p> <p>Aggregate pit in block 146 have been sloped. Reviewed pictures of the pits, with the corrected slope.</p> <p>We consider this non-conformance as being closed.</p>			

Status Closed/Open or Upgraded:	Closed
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NC#:	2016-06	Grade- Major/Minor:	minor
Requirement:			
5.3.1 Within the framework of the silvicultural system used, all harvested merchantable and marketable timber is utilized unless left on-site to provide structural diversity and wildlife habitat or for cultural reasons.			
Non-conformance:			
There is evidence that not all harvested merchantable and marketable timber has been utilised			
Justification for Major or Minor:			
The non conformance situation is non systematic. Only one site with evidence that not all harvested merchantable and marketable timber has been utilised has been identified during the audit.			
Evidence provided to close the non-conformity:			
<p>March 2 2017</p> <p>Interview with staff and review of records. Wood in block 171 has been picked up and the issue has been resolved.</p> <p>Calibration session was done with the NFM staff.</p> <p>We consider this non-conformance as closed.</p>			
Status Closed/Open or Upgraded:		Closed	

NC#:	2016-07	Grade- Major/Minor:	minor
Requirement:			
6.4.1 The manager shall identify potential gaps in the representative completeness of protected areas in the appropriate ecological unit(s) (Eco regions, Eco districts, natural regions) contained on the management unit, using the best available tools and information, such as but not necessarily limited to:			
<ul style="list-style-type: none"> a. land cover gap analysis; and b. enduring features gap analysis. 			
Non-conformance:			
There is evidence that the current gap analysis does not use the most recent data			
Justification for Major or Minor:			
A gap analysis has been done. The non-conformity does not result in a fundamental failure to achieve the objective of the applicable certification requirement.			
Evidence provided to close the non-conformity:			
<p>Interview with staff and review of records.</p> <p>The current gap analysis is based on the 2009 planning inventory. That is the latest available planning inventory. A revised forest inventory is in development, based aerial photography taken in 2008-2009. This inventory is not yet available for forest management planning purposes. Therefore, current gap analysis to identify potential gaps in the representative</p>			

<p>completeness of protected areas in the appropriate ecological unit(s) (Eco regions, Eco districts, natural regions) contained on the management unit is based on the most recent available information.</p> <p>Once the new forest inventory is made available to Nipissing Forest, they shall be required to comply to the standard requirements of ensuring using the best available tools and information.</p> <p>We consider this non-conformance as closed.</p>	
Status Closed/Open or Upgraded:	Closed

NC#:	2016-08	Grade- Major/Minor:	minor
Requirement:			
<p>7.3.1 The applicant ensures that forest workers receive adequate training to ensure they meet this standard's requirements. Training is tailored to their roles and responsibilities. Training material and courses address the following topics, among others:</p> <ol style="list-style-type: none"> How to avoid damage to the environment, in particular to residual stands, streams, and sites of cultural significance Assessment of log quality and destination Appropriate implementation of the management plan The relevant sections of international agreements (see Criterion 1.3) Health and safety requirements Implementation of ecosystem-based management (e.g. harvesting and site preparation) Use and handling of pesticides Identify species at risk and other species listed in 6.2.1 			
Non-conformance:			
<p>There is evidence that some workers did not receive adequate training in regards to the process for documenting and reporting to the appropriate authority's instance of illegal harvesting, settlement, occupation or other unauthorized activities and Identify species at risk and other species listed in 6.2.1</p>			
Justification for Major or Minor:			
<p>The non conformance situation is non systematic.</p>			
Evidence provided to close the non-conformity:			
<p>March 2 2017 Nipissing Forest Management are in the process of developing an Environmental Health and Safety procedures manual. The intention is to use this manual as the basis of training for forest workers and require workers to have copies available during the implementation of forest management activities. The manual covers emergency preparedness, forest fire response, environmental operational controls, including instruction on reporting illegal activities that can occur on the forest as well as the identification of species at risk.</p> <p>In the interim, the operations foresters have been ensuring the knowledge and understanding of reporting illicit activities with licensees (verbally) and the identification of SAR. Verified evidence of the approval & notification requirements for the following licensees:</p> <ul style="list-style-type: none"> - Groham Trucking, Block 09-076, January 6 2017 - Culin Forestry, Block 09-218, June 9 2016 - Frerot Forestier, Block 09-056, December 9 2016 			

<p>Verified the illicit activities ledger kept by Mark Lockhart.</p> <p>Interviews with forest workers demonstrated good knowledge and understanding that illicit activities must be reported to their supervisor/manager. There is evidence that illicit activities are being reported by forest workers. On this basis, we consider this non-conformance as being closed.</p>	
Status Closed/Open or Upgraded:	Closed

NC#:	2016-09	Grade- Major/Minor:	minor
Requirement:			
8.1.2 The monitoring program has been designed to see if the results of management activities conform to the stated objectives, and provide the information required to allow the necessary adaptations if the objectives are not met.			
Non-conformance:			
The monitoring program does not allow for the necessary adaptations if the objectives are not met.			
Justification for Major or Minor:			
The non-conformity does not result in a fundamental failure to achieve the objective of the applicable certification requirement.			
Evidence provided to close the non-conformity:			
<p>March 1 2017</p> <p>NFR created an Incident reporting and adaptive management Form, including root cause analysis and corrective action plan, as well as verification of implementation of corrective action and effectiveness.</p> <p>Verified completed form for the September 15 herbicide issue.</p> <p>Interview with staff and review of records.</p> <p>We consider this NC as being closed.</p>			
Status Closed/Open or Upgraded:	Closed		

4.2 Non-Conformitie(s) from present audit

NC#:	2017-02	Grade- Major/Minor:	Minor
Requirement:			
1.1.1 The managers, staff and/or contractors understand their obligations regarding forestry, environmental, labour and health and safety regulations and a system is in place whereby staff are kept up-to-date with new regulations. (See Appendix 1 for a listing of relevant provincial and national legislation)			
Non-conformance:			
Nipissing Forest Resource Management's system to achieve compliance with applicable legislation and regulations is not fully effective.			
Justification for Major or Minor:			
This non-conformance is considered non-systematic. A number of blocks were visited during the audit. The issues raised are considered non-systematic.			
Evidence provided to close the non-conformity:			
Implementation of the corrective action plan shall be verified at the next audit (within a maximum of 12 months).			
Status Closed/Open or Upgraded:		Open	

4.3 Positive

- Level of attention and detail to the forest management activities conducted on the Nipissing Forest.
- Level of success in minimizing the impacts on soils considering the weather conditions this winter.

4.4 Difficult Assessments

None identified.

4.5 Observations on elements to be followed during the next audit

None identified.

4.5 Recommendation to maintain the certificate

Nipissing Forest Resource Management Inc. has demonstrated, subject to the correction of the non-conformities, that the described system of management is being implemented consistently over the whole forest area covered by the scope of the certificate with the exception of the non-conformitie(s) identified during the audit. As discussed during the closing meeting, please submit a root cause analysis and an action plan for approval within 30 days for both the major and minor non-conformances. Major non-conformities(s) must be closed within 90 days. Implementation of corrective actions for Minor non-conformance(s) will be reviewed at the time of the first surveillance audit or at the latest 12 months after the NC reports have been issued.

A recommendation to maintain the registration is on hold pending the receipt, review and acceptance of the corrective action plan for all non-conformances and the closure of the major non-conformance(s).

5.0 COMPLAINTS, DISPUTES AND APPEALS

On receiving a complaint the relevant details are recorded on a complaint register by the person receiving the complaint.

A SAI Global person is responsible for the handling of complaints/appeals, and forwards the complaint on to the respective Manager in charge of SAI Global FSC Program for resolution.

An initial response, including an outline of the proposed course of action to follow up on the complaint, will be sent within two (2) weeks of receiving the complaint.

SAI Global will keep the complainants informed of progress in evaluating the complaint. An investigation of the allegations and all its proposed actions in response to the complaint/appeal will be dealt within three (3) months of receiving the appeal. Upon completion of the investigation a full report of the investigation and its findings are then sent to the complainant.

Full implementation of actions and confirmation of implementation (e.g. correction and closing out of non-compliances that may have been identified as a result of the complaint) outlined in the final report will be completed.

SAI Global ensures that the persons engaged in the appeals, complaints and disputes handling processes are different from those who carried out the audits, made the certification decisions and the day to day implementation.

If the issue has not been resolved through the full implementation of SAI Global's procedures the person or organization raising the complaint/dispute/appeal has the opportunity to refer their complaint/dispute/appeal to FSC's dispute resolution process.

6.0 NEXT AUDIT

Next Scheduled Audit:

Date: Week of February 26 2018.

APPENDIX 1 – LIST OF STAKEHOLDERS

This is a confidential document. The list is on file with SAI Global

APPENDIX 2 – FMU QUANTITATIVE INFORMATION

Changes since last audit (if yes, complete the following table, if not leave blank)					Yes
Type of certificate					
Single UAF		Multiple UAF		Group	
Small SLIMF		Low intensity SLIMF		Group SLIMF	
Number of Group Members or Group SLIMF					
		Number		Area ha.	
Less than 100 ha					
100-1,000 ha					
1,000-10,000 ha					
More than 10,000 ha					
Total					
FMUs list					
Name/Description		Area. ha.	Forest Zone	Location Latitude N/S - Longitude E/O	
			Temperate		
			Boreal		
			Subtropical		
			Tropical		
Tenure			Area (ha)		
Private					
Public			843,546 ha		
Community					
Area			Area (ha)		
Natural Forest					
Plantation					
Conservation Forest					
Total certified area (FSC Database)					
					Area (ha)
Production forest (from which timber may be harvested)					
Forest and non-forest land protected from commercial harvesting and managed primarily for conservation objectives					
Protected from commercial harvesting and managed primarily for the production of NTFPs or services.					
Classified as 'high conservation value forest'					
Production forest classified as 'plantation'					
Production forest regenerated primarily by replanting or by a combination of					

replanting and coppicing of the planted stems	
Production forest regenerated primarily by natural regeneration or by a combination of natural regeneration and coppicing of the naturally regenerated stems	

Changes since last audit (if yes, complete the following table, if not leave blank)		No
List of High Conservation Values:		
Categories	Description	Area ha.
1 - Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, and refugia).		
2 - Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.		
3 - Forest areas that are in or contain rare, threatened or endangered ecosystems.		
4 - Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).		
5 - Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).		
6 - Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).		

Changes since last audit (if yes, complete the following table, if not leave blank)			No
List of main commercial timber and non-timber species included in scope of certificate:			
Common Name	Scientific Name	Approximate AAC (m3)	Non-timber (✓)

Non-timber forest products included in scope:	
Product	Approximate Annual Commercial Production

List of product categories included in the scope certificate:	
Product	Description

Note: These products are available for sale as FSC® certified products (include basic description of product - e.g. round wood, pulp wood, sawn timber, kiln-dried sawn timber, chips, resin, non-timber forest products, etc.

APPENDIX 3- GROUP MEMBERSHIP LIST

N/A

