



Considerations for Preparing a Forestry Futures Trust Silviculture Application

- 1) Before beginning the application process, evaluate and confirm that the proposed project addresses at least one of the stated purposes of the Trust (refer to *Purpose of Funds* on page 1 of this Guide). Refer to Appendix 1 for a list of project conditions that are currently eligible for funding under this Program.
- 2) Costs incurred before project approval are not eligible for reimbursement.
- 3) Use *only* the most current Project Application and Budget Forms as posted at www.forestryfutures.ca under the Forms & Reports tab.
- 4) A detailed assessment of wood supply impacts (citation from the FMP) of the proposed project is **required** to assist in the evaluation of the project.
- 5) Include a map and **photos** (where appropriate) of the project area. Shapefiles are required at project completion *only*.
- 6) Priority is given to funding eligible projects on productive (Site Classes 1 or 2) and operable sites with proximity to primary roads.
- 7) For projects that include site preparation activities, ensure that specific types of mechanical equipment or chemical treatments are identified. It is difficult to assess submissions that do not provide this level of detail.
- 8) For Category 1: Intensive Stand Management applications, a detailed cost breakdown is required of the component activities that contribute to stand improvement rates. This information will help clarify rate differences among SFLs.
- 9) For recurring-project applications, all planned treatments on a project land base should be completed within the time frame of the FFT project. If that is not possible, a new application for 'Phase 2' of that project should be submitted in order to complete the planned silvicultural activities on that land base. New treatments on new land bases should *not* be included in the 'Phase 2' application.
- 10) For FFT-tracking purposes, it is required that *planned* treatment blocks and their associated silvicultural activities are identified in the application and that *actual* blocks and their treatments are confirmed in the Project Work Report.

- 11) As a reminder to applicants, the following activities are eligible for project funding:
- i. Pre-project assessment and administration expenses: Funding is available for up to 10% of the combined *treatment* costs (pre-HST) shared by the FFT and applicant for the project. Each component is to be calculated individually on the sum of the treatment costs and then combined to provide the total project cost (pre-HST). For example:

Activity	Expense
Total project treatment cost (pre-HST)	\$250,000
Pre-project planning (<10%)	\$25,000
Administration (<10%)	\$25,000
Total Project Cost (pre-HST)	\$300,000

- ii. Supervision: Supervision is eligible as part of the Forestry Futures-funded expenses to allow for greater flexibility in project budgeting.
- 12) Applicant contributions are considered one indication of the commitment to the proposed work and generally range from 20 to 50% for stand improvement projects and 10 to 25% on natural disturbance projects. Contributions greater than minimum amounts may be ranked favourably.
- 13) Ensure that the application is complete and the necessary R.P.F. seals are included (i.e., Project Application Form and Request for Reimbursement Authorization Form).
- 14) When claims for eligible silviculture work are submitted, the Trustee will be issuing electronic payment transfers in separate instalments, as required by the Construction Lien Act. The first payment will be for 90% and the remaining 10% payment will be post-dated for 45 days.



Forestry Futures Trust Silviculture Project Application Guide

The Forestry Futures Trust was established under the authority of a June 1994 amendment to the *Crown Timber Act* and continues under the *Crown Forest Sustainability Act*. The Trust is a single Trust and is not specific to forest management units. The source of funds is based on volume harvested on forest resource licences. Assets of the Trust are managed by an independent trustee and decisions on the allocation of funds from the Trust are made by the Forestry Futures Trust Committee (the Committee).

The following sections are excerpts from the Terms of Reference for the Committee. These excerpts provide information related to the purpose of the funds in the Trust, the Evaluation Criteria to be used by the Committee in reviewing and approving applications and an outline of the approval and reimbursement process.

1. PURPOSE OF FUNDS

The Committee shall direct the Trustee to make payments from the Forestry Futures Trust for projects which, best satisfy one of the purposes set out below. The following reflects the Committee's interpretation of the purposes as described in the *Crown Forest Sustainability Act*.

1. Projects which address silvicultural needs resulting from natural disturbances such as fire, wind, insects, disease, and flooding.
2. Projects which address silvicultural needs where forest renewal charges have been unpaid as a result of a bankruptcy or insolvency thereby decreasing the amount of available funds in the forest renewal trust or the special purpose account for a management unit.
3. Pest Control projects that control or limit the extent and/or impact of insects or diseases. Projects comprised of intensive stand management activities which respond to a substantial and critical future timber supply problem on a forest management unit.
4. Other purposes as specified by the Minister.

SILVICULTURE PROGRAM ELIGIBILITY CRITERIA (See Appendix 1)

Category 1: Intensive Stand Management

One of the mandates of the FFT is to address wood supply issues as identified in forest management plans. To address those concerns, this category is focused on applying silvicultural treatments to improve the quality and quantity of the wood supply. Eligible applications will employ harvesting or silviculture practices aimed at enhancing merchantable wood production and overall stand quality. All proposed treatments must be in an approved forest management plan and be supported by evidence of a shortened cutting cycle or rotation age and/or improved wood quality (e.g., additional sawlogs and veneer).

Examples of eligible projects and associated activities include:

i) Stand improvement in hardwoods projects that:

- include costs for non-merchantable tree removal, including pre- harvest marking. Funding will only be provided for a treatment package and not allocated for tree marking alone
- involve regeneration or release of advanced regeneration of mid- tolerant species through group selection or uniform shelterwood prescriptions. (Refer to Section 5.2.5 of the *OMNRF Forest Management Guide to Silviculture in the Great Lakes-St. Lawrence and Boreal Forests of Ontario* (2015))

ii) Stand improvement in conifer stands where regeneration or stand health is limited due to impacts by disease, historic harvesting, and silvicultural practices that led to reduced seedling establishment or high mortality from competing understory species. Eligible activities include:

- Site preparation
- Seedling production and tree planting
- Vegetation control

iii) Tending treatments¹ (with the exception of commercial thinning) to enhance or accelerate sawlog, pulpwood, or veneer production to support an FMP-demonstrated wood-supply concern. Note the following conditions:

- Cleaning/juvenile spacing operations proposed for stands that are in the initiation stage (see Appendix 2) and not yet identified as established (formerly referred to as free-to-grow) may be eligible expenses *only* if the regeneration of those stands was funded through previously FFT projects
- Otherwise, only tending treatments proposed for stands that have been identified as established are potentially eligible for funding. FFT funding is intended for treatments that are over and above those required by the silvicultural ground rules identified in the FMP
- Priority will be given to tending treatments that include a minimum 50% applicant contribution

Category 2: Stand Rehabilitation after Natural Disturbances

Natural disturbances are events that alter forest stand composition and health including fire, flooding, wind, snow load in plantations, ice storms, insects, and diseases.

Project areas that have been naturally disturbed would be eligible for funding under one of the two following conditions:

1. Where an area of forest is killed or damaged and is not being harvested, FFT may fund rehabilitation costs.
2. Where an area of forest is killed or damaged and is being harvested under a Salvage Licence, FFT may provide funding according to the following formula:

$$\text{Renewal Costs for Project Area} - \text{FRT Deposit} = \text{FFT Funding}$$

¹ Tending treatments may include cleaning, juvenile spacing, composition treatments, improvement cutting, pre-commercial thinning and pruning. Definitions for each activity can be found on pages 40 to 43 of the *OMNRF Forest Management Guide to Silviculture in the Great Lakes-St. Lawrence and Boreal Forests of Ontario* (2015) and on page 21 of the Glossary of Terms in the *OMNRF Forest Management Planning Manual* (2017).

3. Where an area of forest has experienced prolonged effects from documented past natural disturbances, e.g., pest infestations, FFT may fund rehabilitation costs.

The following stand treatments are eligible²:

- i) Site preparation including mechanical, chemical, and prescribed burning
- ii) Seedling production and tree planting
- iii) Seeding (aerial or ground; seed collection on an exceptional basis)
- iv) Cleaning (manual, mechanical, chemical)
- v) Spacing, pre-commercial thinning, improvement cutting
- vi) Where a low-volume³ requirement is met, a silviculture-funding offset for non-merchantable tree removal may be applied

Category 3: Pest Control

This category provides for the funding of all aspects of pest control programs to address pest outbreaks including monitoring, evaluation, planning, and implementation of control programs.

The eligibility criteria for this category are:

- i) Monitoring, evaluation, and planning:
 - Monitoring and evaluation for the purpose of planning and evaluation of pest control programs are those designed specifically to support potential control programs during pest outbreaks. For example, in determining whether a spray program is warranted during a jack pine budworm outbreak, a specific survey is undertaken to determine the population of the overwintering budworm larvae and the prevalence of jack pine flowers that will provide an initial food source
 - NOTE: Regular monitoring programs that MNR conducts annually to monitor forest health are *not* eligible activities
- ii) Planning and implementing programs to address major insect pest infestations: the Regional Operations Division (ROD) Regional Director has the delegated authority under the *OMNRF Forest Management Planning Manual (2017)* to determine if an Insect Pest Management Program (IPMP) will be developed, as well as the authority to approve it
 - The development of an IPMP, including, intensive surveys, plan preparation and public engagement is an eligible activity for funding.

² Disturbed areas that have received funding for initial post-event treatments may be eligible, through subsequent application, for future FFT funding.

³Low-Volume Stand Definitions (from Joint OMNR/Forest Industry Committee *Report of the Forest Accord Item #11 Committee to the Ontario Forest Accord Advisory Board (2000)*)

Clearcut Silviculture System: Stands with less than 45 m³/ha of marketable conifer; and less than 65 m³/ha of all marketable species. Example: A stand with 50 m³/ha of marketable conifer and 60m³/ha of total marketable volume would not qualify.

Selection/Shelterwood System: Stands where less than 30 m³/ha of total marketable timber is marked for harvest; and less than 30% of the marketable timber marked for harvest is sawlogs (grade 1 and grade 2) and/or veneer. Example: A stand with a total of 40 m³/ha marked for harvest, of which only 27 m³/ha is marketable, and only 8 m³/ha is grade 1 and grade 2, sawlogs/ or veneer would meet the criteria.

- The implementation of an IPMP is an eligible activity, including, aerial spraying of insecticides, prescribed burns or other control activities
- iii) Implementation of pest control activities not part of an IPMP:
- Pest control activities designed to limit or control the spread of an insect or disease, such as: accelerated or redirected strategic harvesting of infested or diseased trees in stands that are not available for commercial harvesting; site rehabilitation; prescribed burns; ground application of pesticides

Category 4: Insolvency

The purpose of the Trust for this category is to provide funding for silvicultural expenses where forest renewal charges have been unpaid as a result of a bankruptcy or insolvency. Unpaid charges decrease the amount of available funds in the forest renewal trust management unit account. The purpose of the Insolvency Category is to provide timely intervention through the funding of projects that address silvicultural obligations on Crown forests following a bankruptcy or insolvency.

The eligibility criteria for this category are:

- i) Sustainable Forest Licensees (SFLs) or MNRF will be eligible to submit an application for a given management unit when a licensee, mill as an agent of the Crown or SFL shareholder has declared bankruptcy or insolvency, surrendered its licence and has failed to pay forest renewal charges.
- ii) The funds made available for a project under the insolvency purpose will normally not exceed the amount of unpaid forest renewal charges resulting from bankruptcy or insolvency.
- iii) The funds are for the reimbursement of Eligible Silviculture Work and cannot be used to alleviate or top-up a minimum balance shortfall.
- iv) The project will fund Eligible Silviculture Work that was planned in the approved FMP for the management unit but that was not completed due to the insolvency of one of the parties described in eligibility criterion i.

Consideration of applications must first meet the following criteria:

- i) Applications must address outstanding silviculture obligations
- ii) Forest Renewal Trust fund must not have received a lump sum deposit from the Ministry of Natural Resources and Forestry to replace all charges owing
- iii) Insolvency projects must be consistent with FRT Eligible Silviculture Work description
- iv) Applicant contributions will not be required because FRT charges were unpaid due to insolvency.
- v) Projects funded under this purpose do not have to be undertaken on the same hectare that was harvested and for which there are outstanding forest renewal charges
- vi) Forest management planning amendment costs will not be covered by FFT funding.
- vii) Where an SFL is the applicant and the insolvency relates to an SFL shareholder, the SFL will be required to provide supporting documentation to demonstrate the quantity of unpaid renewal charges resulting from this bankruptcy/insolvency. If the SFL does not

know the quantity of unpaid renewal charges, they will consult with the MNRF. MNRF will verify the amount of unpaid renewal charges.

- viii) If there is a substantial amount of outstanding eligible silviculture work that exceeds the amount of outstanding charges, two applications may be considered that individually use the insolvency and eligible intensive silviculture purposes of the FFT Silviculture Program.

3. PROJECT EVALUATION CRITERIA

The Committee, in making decisions regarding directions to the Trustee on how funds shall be paid out, will adopt, at a minimum, the following criteria which have been established by the Minister:

- i) Project Effectiveness - Does the proposed project effectively address at least one of the stated purposes of the Trust?
- ii) Probability of Success – What is the likelihood of success of the proposed treatment(s) given the site and stand conditions?
- iii) Cost-Effectiveness – Are treatment rates reasonable when compared to regional rates for similar treatments? If they significantly exceed regional rates, FFTC may require further explanation before approval is considered.
- iv) Cost Sharing - To what extent is the applicant willing to share in the cost? Have alternate funding sources been considered and included?
- v) Past Performance - Is the applicant’s past performance good with respect to carrying out similar projects and providing timely documentation to the FFTC?
- vi) Future Wood Supply Availability - To what extent does the project address the availability of future wood supply, relative to mill requirements? Does the proposal document the nature and magnitude of future wood supply requirements? Has an FMP analysis been provided?

Projects that rank high on the evaluation criteria and address a critical wood supply shortage, supported by a quantitative assessment of the demand, will be given priority.

4. PROJECT APPLICATION

Eligible Project applicants are:

- i) Crown Managed Units – MNRF or third-party managers (with required MNRF authorization) who have been assigned silviculture responsibilities
- ii) Sustainable Forest Licence Management Units – holders of a forest management unit account or sub-account in the Forest Renewal Trust
- iii) MNRF – may apply for forest pest management projects

The Committee may ask a project applicant to modify the project application or to provide further information in connection with that application. The Committee may also seek the advice of parties other than the applicant in considering the merits of any particular application.

5. PROJECT APPROVAL

The Committee shall not consider project applications submitted by a licensee, where the Minister advises the Chair that the licensee is delinquent in paying any Crown charges related to the licensing or harvest of Crown timber.

The Committee may approve projects which cannot be completed in a single year and, therefore, require multi-year funding. The duration for multi-year projects shall not exceed three years. Funding will be provided on a fiscal-year basis and the approved project applicant will report accomplishments and reconcile actual costs with payment received on an individual fiscal-year basis. Funding for subsequent years will depend upon accomplishments in the previous year.

The Committee may approve forest pest management projects that cross the boundaries of more than one forest management unit. Applications for forest pest management projects may be made by MNRF and/or one or more licensees.

The Committee will only approve projects in advance of the project's initiation.

The Committee may approve:

- i) the full amount of FFT funds requested
- ii) a partial amount of FFT funds requested
- iii) a portion of the proposed project with reduced funding
- iv) one year only, with future funding dependent upon performance.

Finally, the Committee may deny funding of the project as presented.

6. PROJECT AUTHORIZATION FORM

Upon approval of a project application, the Committee will provide the approved project applicant with a Project Authorization Form and the Terms of Project Approval.

Upon receipt of the Project Authorization Form, the approved project applicant shall review the Project Authorization Form and the Terms of Project Approval and return a signed copy of the Terms of Project Approval indicating agreement with the terms.

7. PROJECT REIMBURSEMENT

Project reimbursement shall be for actual *compensated* costs and shall not exceed the approved maximum for the entire project.

Reimbursement may be sought through the submission of Interim Request for Reimbursement and a Final Request for Reimbursement, accompanied by supporting evidence of expenses, including invoices for work completed by **all** contractors (including third party). Reimbursement for multi-year projects shall be reconciled with actual costs on an individual fiscal year basis.

Final Requests for Reimbursement shall account for no less than twenty percent (20%) of the approved funding for a particular fiscal year.

The approved project applicant shall submit all Requests for Reimbursement subject to a reimbursement schedule, in order to ensure that money is available in the Forestry Futures Trust at the appropriate times. The schedule will be derived from the schedule proposed by the applicant in the Application

Interim Project Work Reports, including the Financial Summary excel spreadsheet, shall be submitted to the Committee with the last reimbursement request of the fiscal year in which work on the project was carried and detail actual costs incurred. The Final Project Work Report and the Final Request for Reimbursement shall be submitted together, within one month completing the project.

The Final Request for Reimbursement at the completion of the project will not be authorized for payment until the final Project Work Report and financial summary has been received and approved by the Committee.

In the event of audits or disputes regarding the cost of approved projects, generally accepted accounting principles and auditing standards as certified by a person or firm licensed under the *Public Accountancy Act* R.S.O. 1990, c.P. 37 shall be used.

8. TERMS OF PROJECT APPROVAL

Please refer to the Terms of Project Approval document which can be found under 'Download Forms' at www.forestryfutures.ca.

Appendix 1

Silviculture Activities Currently Eligible for Funding¹

Category	Activity	Current Condition and Treatment Requirements	Conditions on Funding
1a	Intensive Stand Management	White Pine and Hardwood Shelterwood Stands – <u>Before Commercial Harvesting.</u> Includes tending activities such as the removal of undesirable species and the spacing of desirable species.	<ul style="list-style-type: none"> • The application can include survey work to identify eligible stands but this work will only be funded if the project is approved. • Minimum of 20% Applicant Contribution toward the project.
1b	Intensive Stand Management	White Pine and Hardwood Shelterwood Stands – <u>Concurrent With Commercial Harvesting.</u> Includes the felling or tramping of unmerchantable or undesirable species such as balsam fir, red maple, poplar, and birch.	<ul style="list-style-type: none"> • The application can include survey work to identify eligible stands but this work will only be funded if the project is approved. • Minimum of 20% Applicant contribution toward the project.
1c	Intensive Stand Management	White Pine and Hardwood Shelterwood Stands – <u>After Commercial Harvesting.</u> Includes the felling of unmerchantable or undesirable species such as balsam fir, red maple, poplar, and birch.	<ul style="list-style-type: none"> • Minimum of 20% Applicant Contribution toward the project.
1d	Intensive Stand Management	Low-Volume/Low-Quality Conifer Stands – <u>Concurrent With Commercial Harvesting.</u> Includes both the harvesting and stand establishment treatment costs.	<ul style="list-style-type: none"> • There is a projected future wood shortage in an approved FMP for the species that will be regenerated on the area. • The stands are in proximity to an existing permanent road network. • The stands qualify or would qualify under Forest Accord Item #11 for a reduction in stumpage (refer to the Definitions Section below). • FFT funding for harvesting is allowed with a rationalization for the expected costs. Any funding received for harvesting must go to the Licensee and/ or Contractor that did the work.

¹ This list identifies project conditions that are currently eligible for funding but may change as situations within the forestry environment evolve.

Category	Activity	Current Condition and Treatment Requirements	Conditions on Funding
			<ul style="list-style-type: none"> • Minimum of 20% Applicant Contribution toward the project.
1e	Intensive Stand Management	<p>Stand Conversion Low-Volume/Low-Quality Mixedwood Stands - <u>Concurrent With Commercial Harvesting</u>.</p> <p>Includes both the harvesting and stand establishment treatment costs.</p>	<ul style="list-style-type: none"> • There is a projected future wood shortage in an approved FMP for the species that will be regenerated on the area. • The stands are in proximity to an existing permanent road network. • The stands qualify or would qualify under Forest Accord Item #11 for a reduction in stumpage (Refer to the Definitions section below). • FFT funding for harvesting is allowed with a rationalization for the expected costs. Any funding received for harvesting must go the Licensee and/ or Contractor that did the work. • Minimum of 20% Applicant Contribution toward the project.
1f	Intensive Stand Management	<p>Stand Conversion in Low-Volume/Low-Quality Mixedwood Stands - <u>Without Commercial Harvesting</u>.</p> <p>Includes stand establishment treatment costs such as site preparation, prescribed burning, planting, and/or aerial seeding.</p>	<ul style="list-style-type: none"> • There is a projected future wood shortage in an approved FMP for the species that will be regenerated on the area. • The stands are in proximity to an existing permanent road network. • Minimum of 20% Applicant Contribution toward the project.
1g	Intensive Stand Management (typical treatment in Boreal Forest region)	<p>Cleaning, spacing or pre-commercial thinning of conifer (including aerially seeded jack pine) stands <i>after</i> they have been identified as established, to remove competing species and increase wood supply.</p>	<ul style="list-style-type: none"> • There is an FMP demonstrated wood supply concern • The treatment will generate higher-valued products sooner. • Minimum of 50% Applicant Contribution toward the project.
1h	Intensive Stand Management (typical treatment in all forest regions)	<p>Conifer Plantation Thinning. Includes the pre-commercial thinning of conifer stands <i>after</i> they have been identified as established and would respond favorably to a pre-commercial thinning to promote sawlogs and/or poles production. Includes</p>	<ul style="list-style-type: none"> • There is a projected product shortage for sawlogs and or poles in an approved FMP for the conifer species to be thinned. • There are subsequent commercial thinning operations planned to meet product specifications. • Minimum of 50% Applicant Contribution toward the project.

Category	Activity	Current Condition and Treatment Requirements	Conditions on Funding
		red pine and white spruce plantations.	
1i	Intensive Stand Management (typical treatment in Great Lakes-St. Lawrence Forest region)	Tending to Maintain the Desired Forest Unit. Includes the removal of undesirable species such as balsam fir, red maple, poplar, and birch <i>after</i> the stand has been identified as established.	<ul style="list-style-type: none"> Establishment surveys must indicate that there is sufficient presence of desired species to meet FMP forest unit definitions Minimum of 20% Applicant Contribution toward the project.
2a	Stand Rehabilitation after Natural Disturbances	Natural disturbances where there has been a salvage operation.	<ul style="list-style-type: none"> FFT will cover stand establishment treatment costs over and above the amount of funds paid into the Renewal Trust Fund from the salvage operation. May also be eligible for future funding for tending treatments conducted both before and after the stand has been identified as established. Minimum of 10% Applicant Contribution toward the project.
2b	Stand Rehabilitation after Natural Disturbances	Natural disturbances where there has <u>not</u> been a salvage operation.	<ul style="list-style-type: none"> May also be eligible for future funding for tending treatments conducted both before and after the stand has been identified as established. Minimum of 10% Applicant Contribution toward the project.
2c	Stand Rehabilitation after Natural Disturbances	Natural depletions where there is no longer a seed source available to naturally regenerate the areas, for example, in a younger plantation after a fire.	<ul style="list-style-type: none"> May also be eligible for future funding for tending treatments conducted both before and after the stand has been identified as established. Minimum of 10% Applicant Contribution toward the project.
2d	Stand Rehabilitation after Natural Disturbances	Natural depletions due to the prolonged effects of documented past natural disturbances	<ul style="list-style-type: none"> May also be eligible for future funding for tending treatments conducted both before and after the stand has been identified as established. Minimum of 10% Applicant Contribution toward the project.
3a	Pest Control	Re-directed harvesting operations in identified areas of pest infestations (may or may not be a salvage operation).	<ul style="list-style-type: none"> FFT will cover stand establishment treatment costs over and above the amount of funds paid into the Renewal Trust Fund from the harvesting operations.

Category	Activity	Current Condition and Treatment Requirements	Conditions on Funding
3b	Pest Control	Ongoing pest/disease infestations, including pre- and post-surveys and aerial/ground spray applications.	<ul style="list-style-type: none"> For non-MNRF projects, there is a minimum of 10% Applicant Contribution toward the project.
4a	Insolvency	Insolvency of a Licensee (other than the SFL Holder).	<ul style="list-style-type: none"> The SFL Holder or MNRF District (for CMUs) can request funding for projects up to the amount owed to the Renewal Trust Fund by the Licensee.
4b	Insolvency	Insolvency of an SFL Holder.	<ul style="list-style-type: none"> MNRF District or the new SFL Holder can request funding for projects up to the amount owed to the Renewal Trust Fund.
5	Class "Z" Lands	No longer applicable as all areas have now been accounted for.	
6	Other	Specified by the Minister.	

Definitions

Establishment Surveys: Regeneration surveys that confirm that the area has been regenerated to an acceptable Silvicultural Ground Rule in accordance with the FMP when the stand was harvested. Formerly called free-to-grow (FTG) surveys

Low-Volume/Low-Quality Stands: The Forest Accord Item # 11 defines these stands as being:
Clearcut System – stands with less than 45 m³/ha of marketable conifer, and less than 65 m³/ha of all marketable species.

For the Selection/Shelterwood System – stands where less than 30 m³/ha of marketable timber is marked for harvest, and less than 30% of marketable timber marked for harvest is sawlogs and or veneer.

The Forest Accord identifies that the harvest in clearcuts is considered a salvage and the harvest in the selection/shelterwood stands is considered an improvement cut. The Accord also identifies that these stands are eligible for a reduction in stumpage (40% of the fixed minimum and 40% of any residual stumpage). There would be no reductions to the stumpage payment for FFT and RT charges. To be eligible for a stumpage reduction, the stands must be included in the FMP and the follow-up prescriptions must result in an increase in the volume and quality of timber produced. While the Forest Accord does not identify a minimum age, it assumes these stands were established prior to the CFSA in 1995, or prior to when the current SFL Holder is responsible for regeneration.

Mixedwood Stands: Stands containing a mix of both softwood and hardwood species, where no individual species is greater than 50% of the stand composition.

Natural Disturbances: Includes stands that have been damaged by fire, ice storms, wind, snow, or pests.

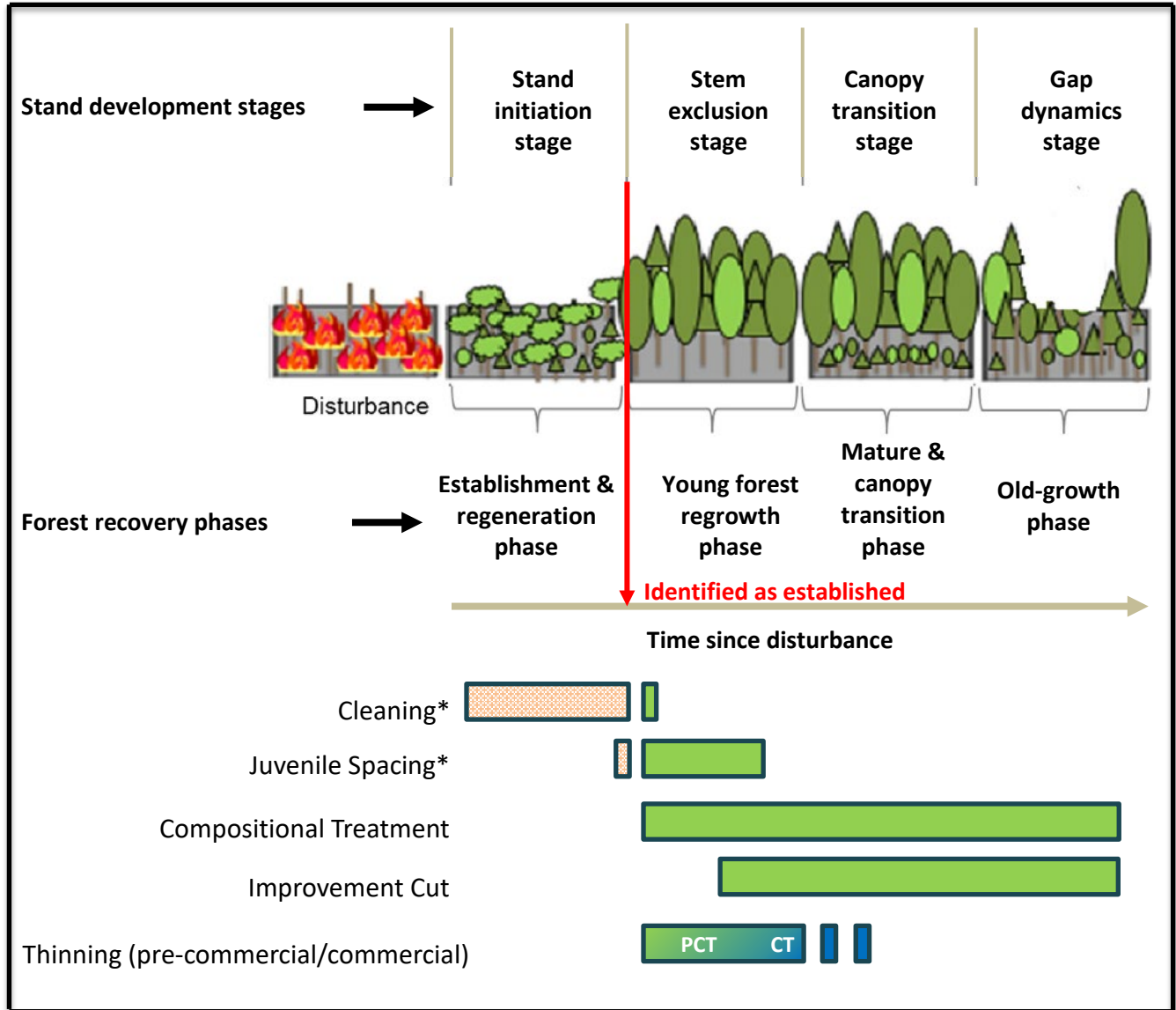
UGS or Unacceptable Growing Stock (taken from the Tree-marking Guide):

- UGS trees are high risk and expected to decline within the next cutting cycle,
- They may be of poor form and/or low quality and cannot reasonably be expected to improve in quality,

- They many contain or have the potential to produce low quality logs but no better. Such trees are often used for pulpwood, or fuelwood but are not normally considered as crop trees, and
- They may contain cavities. Some trees in this category are retained for their wildlife value, when necessary to meet cavity guidelines (although wildlife trees showing low risk and high vigour are normally given priority for retention).

APPENDIX 2



Timing of the Application and Potential Funding for Tending Treatments



Graphic adapted from:

S.F. Bartels et al./Forest Ecology and Management 361 (2016) 194-207

OMNRF Forest Management Guide to Silviculture in the Great Lakes-St. Lawrence and Boreal Forests of Ontario (2015)

- * For projects submitted under Categories 1 and 2, cleaning and juvenile-spacing treatments are eligible tending expenses during the stand initiation stage *solely* for areas that were regenerated through previously funded FFT projects. 
- For Category 1 projects that incorporate stands established without FFT funding, only tending treatments that occur *after* the stands have been identified as established (formerly referred to as free-to-grow) will be eligible for potential funding. Tending activities conducted during the stand initiation stage are the obligation of the SFL, having been identified in the silviculture ground rules. FFT funding is intended for treatments that are over and above those required by the FMP. 
- Commercial thinning is not an eligible expense. 