

2023 Independent Forest Audit Program

The Forestry Futures Trust Committee (FFTC) has traditionally implemented the annual Independent Forest Audit (IFA) Program for the MNRF. FFTC responsibilities include: the allocation of funds to cover the cost of the audits; contract management, communication with the audit firms and key audit participants; attending audit meetings and field examinations. The FFTC ensures the audit program is implemented according to the IFA Process and Protocol (IFAPP). The Committee reviews all draft reports and ensures the final reports are of the highest quality. The Committee also provides recommendations to MNRF concerning revisions to the audit program and the IFAPP, coordinates auditor and auditee training sessions with MNRF, and makes recommendations to the Minister of Natural Resources and Forestry as required or appropriate.

Four (4) Independent Forest Audits (IFAs) were completed in 2023 using the 2022 Independent Forest Audit Process and Protocol (IFAPP). While there were no additional requirements in the 2022 IFAPP over the 2021 IFAPP, there were changes to improve the clarity of the wording, updates to responsibilities and/or alignment of responsibilities with the Forest Management Planning Manual (FMPM) and Freedom of Information and Protection of Privacy Act (FIPAA) requirements. Examples of changes include:

- Changed Silviculture Effectiveness Monitoring to Silviculture Monitoring.
- Added establishment assessments (not only FTG but also establishment assessment).
- Approval of MNRF and Forestry Futures Committee is required prior to any changes to the schedule.
- Added an e.g., for the use of helicopter to clarify it may be most cost-efficient means for assessing FTG.
- Added wording related to succinctness of text to address non-conformities without repeating information.
- Added wording to address AODA posting needs for Ontario.ca.
- Connected reporting deadline and process requirements from text to template to ensure the actions are reported as completed by the deadline date indicated by RD Regional Director approved action plan.
- Clarified what is mandatory in Appendix A (procedures outlined in Appendix A are mandatory unless specified as optional).

The four (4) 2022 audits included:

- Timiskaming Forest – managed by the Timiskaming Forest Alliance under Sustainable Forest Licence 542391.
- Spanish Forest – managed by EACOME Timber Corporation (Interfor East Ltd.) under Sustainable Forest Licence #542621.
- Kenogami Forest – managed by Ogwiidachhiwaning Forest Management Inc. under Sustainable Forest License # 554576.
- Gordon Cosens Forest – managed by GreenFirst Forest Products Inc., under Sustainable Forest License # 550039.

On two (2) of the four (4) audits (Gordon Cosens & Spanish Forests), the auditors found that the management was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the Forests were being managed in compliance with the terms and conditions of their Sustainable Forest Licences.

On two (2) of the four (4) audits (Kenogami & Timiskaming Forests), the auditors found that the management, with a number of exceptions, was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the Forests were being managed in compliance with the terms and conditions of their Sustainable Forest Licences.

As shown in Table 1 below, the audits identified a number of findings in all four (4) audits. All four (4) reports have now been accepted by the Ministry. Detailed action plans to address the findings presented in the audit reports are being prepared and will be posted on the Ontario government website alongside the audit reports.

Table 1. Summary of the 2023 Audit Findings and Best Practices for all four audits with respect to the eight IFA Principles

| IFA Principles | # Findings | Percentage %* | Best Practice |
|--|-------------------|----------------------|----------------------|
| 1 Commitment | 0 | 0 | |
| 2 Public consultation and Aboriginal involvement | 3 | 10 | |
| 3 Forest Management Planning | 5 | 16 | |
| 4 Plan assessment and implementation | 6 | 19 | 1 |
| 5 System support | 0 | 0 | |
| 6 Monitoring | 13 | 42 | 1 |
| 7 Achievement of management objectives and forest sustainability | 2 | 6 | |
| 8 Contractual Obligations | 2 | 6 | |
| Total | 32 | 100 | 2 |

*Rounded to the nearest whole number.

The four (4) audits were awarded at a total cost of \$330,683.20 (including HST), or on average \$82,670.20 per audit (as compared to 2022 which averaged out to \$75,323.54 (including HST)). The increase in the average cost per audit can be attributed to the complexities of these particular four forests, and the increased scope of the audits which averaged 7.25 years compared to 6.5 years in 2022.

Common Findings

While most of the findings from the 2023 audits were unique to the Forest being audited, there were a few findings that were common to all the reports. These Findings identified deficiencies in the Forest Operations Inspection Program (FOIP) either by the SFL or the District or both parties (Principle 6 Monitoring). Examples include:

- Spanish Forest – gaps in the Lessard bridges was letting road material to inter watercourses, and compliance plans not prepared in accordance with the Compliance Handbook.
- Kenogami Forest – aggregate pits out of compliance, and water crossings not being maintained.
- Gordon Cousens – issue with both the SFL's and MNR's compliance program were identified.
- Timiskaming Forest – water crossing installations did not always meet the requirements.