

2025 Independent Forest Audit Program

The Forestry Futures Trust Committee (FFTC) has traditionally implemented the annual Independent Forest Audit (IFA) Program for the MNR. 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 site visits. 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 MNR concerning revisions to the audit program and the IFAPP, coordinates auditor and auditee training sessions with MNR, and makes recommendations to the Minister of Natural Resources and Forestry as required or appropriate.

Six (6) Independent Forest Audits (IFAs) were completed in 2025 using the 2024 Independent Forest Audit Process and Protocol (IFAPP). There were numerous changes in the 2024 IFAPP over the 2023 IFAPP. These changes included:

- The IFAPP was re-structured to align with the regulation – which removed of the 8 former principles, into 6 regulatory requirements.
- Multiple procedures removed for not aligning with the regulation or for redundancy.
- Multiple procedures merged with similar/repetitive procedures for clarity.
- All procedures were reviewed, and remaining procedures are now mandatory.
- Increasing the closing meeting following the end of the field audit from one week to two weeks.
- Updating roles and responsibilities.
- Added in First Nation and Métis community representatives to the roles and responsibilities.
- Strengthened language around First Nation and Métis community/organization participation.
- New risk assessment method for unexpected costs post RFS bidding process.
- Auditors must now submit audit plan one week before the pre-audit meeting. Audit plan must be submitted to First Nation and Métis communities in or adjacent to the MU.
- Language revised to direct auditors to sample 10% of activities conducted during duration of audit period, rather than 10% of activities conducted on annual basis during audit period.

The six (6) 2025 audits included:

- Bancroft Minden Forest which is managed by the Bancroft-Minden Forest Company under its Sustainable Forest License #542585 granted by the Ministry of Natural Resources.

- The Boundary Waters Forest is managed under Sustainable Forest Licence #542245 by Boundary Waters Forest Management Corporation.
- The Hearst Forest is managed under Sustainable Forest Licence # 550053 by Hearst Forest Management Incorporated.
- The Nipissing Forest is managed under Sustainable Forest Licence #542053 by Nipissing Forest Resource Management Inc.
- The Ogoki Forest is a Crown Management Unit administered by the Ontario Ministry of Natural Resources, Nipigon Geraldton District, in the Northwest Region. MNR has entered into a Forestry Agreement with Agoke Development Limited Partnership. Implementation of the Forestry Agreement has been contracted to GreenForest Management Inc.
- The Romeo Malette Forest is managed by GreenFirst Forest Products (QC) Inc., under Sustainable Forest Licence (SFL) #550398 awarded May 14, 2003 to RYAM Forest Management, (subsequently purchased in 2021 by GreenFirst).

On five (5) 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 one (1) Forest (Bancroft Minden), the auditors found that while the management was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, there were three (3) critical exceptions in how the silvicultural program was being implemented. The critical exceptions were as follows:

- Improvements are needed to refine the current approach in implementing the Irregular Shelterwood System at the planning, prescription and monitoring phases.
- White Pine management on the Bancroft-Minden Forest requires further attention to meet crown closure and basal area residual requirements stipulated in the prescribed silviculture ground rules. Greater attention is needed in meeting planned artificial renewal targets of White Pine.
- Hardwood management on the Bancroft-Minden Forest requires further attention to meet minimum basal area targets within the selection silvicultural system and minimum regeneration standards within the shelterwood and uniform shelterwood silvicultural systems.

As shown in Table 1 below, the audits identified a number of findings and Best Practices, in all six (6) audits. All six (6) reports have now been accepted by the Ministry. Detailed action plans to address the findings presented in the audit reports were, or are being prepared, and have been or will be posted on the Ontario government website alongside the audit reports.

- <https://www.ontario.ca/page/independent-forest-audits>

Table 1. Summary of the 2024 Audit Findings and Best Practices for all six audits with respect to the six regulatory requirements.

Regulatory Requirement	Bancroft Minden Forest	Boundary Waters Forest	Hearst Forest	Nipissing Forest	Ogoki Forest	Romeo Malette Forest	Total
Compliance Findings	4	3					7 16%
Meeting FMP Objectives Findings	5	3	1	2	3	4	18 41%
Planned versus Actual Findings	3	2	2	2	1	3	13 29%
Action Plan Findings			1				1 2%
Licence Requirements Findings		1	2				3 7%
Sustainability Requirements Findings					2		2 5%
No of Findings	12	9	6	4	6	7	44
No. of Best Practices	1 Compliance	1 Compliance	1 FMP Objectives	1 FMP Objectives	1 Licence Req.	2 Compliance	

The six (6) audits were awarded at a total cost of \$665,443.44 (including HST), or on average \$110,907.24 per audit (as compared to 2024 which averaged out to \$95,160.13 (including HST)). The increase in the average cost per audit can be attributed to the complexities of these particular six forests

Common Findings

While most of the findings from the 2025 audits were unique to the Forest being audited, there were several findings that were common in more than one report.

For Regulatory Requirement Plan versus actual:

The Findings reported point to inadequate compliance planning and implementation on the part of both the SFL Holders and the MNR Districts. Please refer to Bancroft Minden Forest Finding #10, Boundary Waters Forest Finding #7, Nipissing Forest Finding # 2, and Ogoki Forest Finding #1.

The Findings also reported problems with both the SFL Holders and MNR Districts Silvicultural Effectiveness and Monitoring Programs (this was also an issue identified in the 2024 IFA Summary). Please refer to Bancroft Minden Forest Finding #12, and Nipissing Forest Finding # 3 and #4.