



FORESTRY FUTURES TRUST ONTARIO
Forestry Futures Trust
2024/25 Annual Committee Report

Forestry Futures Trust Committee

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FFTC Forest Observations - 2025

On the matter of Ontario forest manufacturing capacity:

Late 2023 saw the closure of Domtar's Espanola, ON, pulp and paper mill, and the Terrace Bay, ON, pulp mill owned by the international Aditya Birla Group closed in Jan 2024. The loss of those mills has removed the opportunity to direct some 3 million cubic meters of Ontario fibre, much derived as a by-product from the sawmill industry, into the annual manufacturing process. Such reductions in capacity have the potential to compromise planned harvesting of Crown forests, and indirectly, the notion of sustainability of the Ontario forest estate. Assisting and supporting that sustainability is the focus of much of the mandate of the Forestry Futures Trust and it was but a small step for the Forestry Futures Trust Committee to initiate an attempt to assess recent trends in Ontario forest manufacturing capacity as it may affect Crown forest sustainability.

The result was an FFTC review of the state of Ontario's fiber manufacturing capacity in the new millennium, from 2000 to 2025. The review should be considered an informal, "best efforts" assessment of the reduction of Ontario wood fibre manufacturing capacity over the past 25 years. Information has been generated mainly via press reports supplemented by personal knowledge from individuals associated with some aspects of the Ontario wood basket.

The FFTC review suggests that since 2002 forest manufacturing capacity in Ontario has been reduced by some 39 larger facilities, including 13 pulp and pulp/paper mills, one relatively new associated bio-fuel facility, 12 medium-to-large sawmills, six board mills, and 2 mills focused on recycled paper. During approximately the same period provincial forest manufacturing capacity appeared to be enhanced by the addition of one laminated veneer lumber plant, three new sawmills, 1 OSB plant, 1 MDF plant, an operating biofuel facility, and one small pellet plant. Reductions in terms of associated fibre consumption appear to have outpaced additions by about 3 times. Reflecting this reduction, harvest levels from Ontario Crown land, which in the period 1995-1999 averaged some 23 million m³ annually, were reduced to a total of some 13.4 million m³ in 2022.

The reasons for the closures are several – some of the pulp/paper mills were over 100 years old and, suffering from both age and inadequate investment allowing manufacturing efficiency to simply age-out of the international competitive sphere. A second group of such mills constructed in the heady expansion years after WW2 had lost their competitive edge due to their small and no longer competitive size. The 2006-2009 downturn in the economy assisted in ushering some 17 facilities to the sidelines, but at the same time forced positive additional cost-driven integration within and among the surviving facilities. Additionally, the softwood lumber dispute with the US played havoc with the economic health of Ontario's sawmill industry.

The loss of so much manufacturing capacity by the industry has had obvious negative side effects on the continued economic health of both the forest manufacturing sector and the communities that depend thereon, as well as the potential health of the forest estate itself:

- The reduction of pulp manufacturing capacity has put significant pressure on the sawmill sector to find an alternative use for sawmill chips/sawdust if the economic viability of existing sawmills is to be maintained. The likely result is closure of some higher cost Ontario sawmills; such is almost guaranteed given the additional tariff proposed for Canadian lumber by the current US administration.
- The loss of poplar and birch manufacturing capacity means higher costs in accessing and regenerating the desired spruce-pine-fir in the mixedwood component of the Crown forest. Alternatively, the Ministry may well face increasing pressure to permit unsustainable harvest practices to ensure continued mill operation.

- General inflation, in respect of wages, equipment, and fuel costs, has in essence generated a subclass of mill fiber availability tagged “economic wood supply”, usually a significantly smaller number than “available” wood supply. New innovative thinking may be able to redirect some of this currently uneconomic fibre into new opportunities.
- It is of interest that the Ontario “wood supply gap” so prominent in the discussion of projected Ontario wood supply circa 2000, is no longer part of the conversation. The loss of manufacturing capacity over the last 2.5 decades has simply taken it off the table. However, this circumstance can only add flexibility to the planning necessary for the implementation of a new forest manufacturing strategy.

The good news is that Ontario appears to have recognized the problem of forest manufacturing capacity loss and recently took a first step for its resolution with the appointment of a new Associate Minister of Forestry and Forest Products. The key element in the new Minister’s role would now seem to be leading the development of a new and vibrant manufacturing sector strategy specifically aimed at returning forest sector manufacturing to the economic prominence it carried during the last half of the 20th Century.

On the matter of the expanded IFA audit cycle:

In Ontario the Independent Forest Audit process was introduced via the Crown Forest Sustainable Act, 1994 and the audits were designed to provide the Minister (and the Public) some assurance that the forest management responsibilities ‘delegated’ to license holders were indeed collectively supporting the sustainability of Ontario’s forest estate and that the accountability for same held by the Minister continued to be appropriately exercised.

In 2020 by virtue of O Reg 319/20 the timeframe between Independent Forest Audits on a Crown Forest in Ontario was generally expanded from 5-7 years to 10-12 years. One of the reasons for moving to a 10-12 year audit cycle was to reduce audit costs. (A second and less touted reason was to reduce the audit burden on the Industry, since some companies elect to purchase annual third-party certification audits to improve the marketability of their product).

The FFTC has been very concerned about the extended time frame as it carries some considerable risks. Specifically: i) the application of inappropriate management practices for up to 8 years before they are identified by the next audit, ii) regular staff turnover will seriously reduce the forest management memory of operations, making for a less effective audit; iii) the doubling of harvesting area audited and iv) the effect of increased time on deteriorating road access as a pressure on the cost of each audit. Preliminary results from one of the early 2025 audits suggests that effort and cost in maintaining earlier audit quality bear out these concerns.

Consequentially, in its role as manager of the audits, FFTC has recently approved an internal slate of criteria for monitoring action plans by which it will assess the risk accruing from the 10-year audit interval. This will inform our advice to the Minister on the potential time interval before the next audit.

These are:

1. The loss or dropping of 3rd party certification by a licensee
2. The forest licensee has changed, or a forest licensee changes its contracted forest manager
3. The audit concludes that the forest was i) found not to be sustainably managed, or ii) was approved conditionally
4. Action plans on findings or recommendations from earlier audits are not fulfilled.
5. Crown-managed units which are not subject to 3rd Party annual surveillance audits.

R. A. Riley

FFTC Chair

WHO WE ARE & WHAT WE DO

Forestry Futures Trust

The Forestry Futures Trust (FFT) was established under the authority of the *Crown Forest Sustainability Act (1994)*, Part V. Section 51 of this Act states that the Minister may appoint a Forestry Futures Trust Committee to provide advice on the following matters:

1. *The funding of silvicultural expenses in Crown forests where forest resources have been killed or damaged by fire or natural causes.*
2. *The funding of silvicultural expenses on land that is subject to a forest resource license, if the licensee becomes insolvent.*
3. *The funding of intensive stand management and pest control in respect of forest resources in Crown forests.*
4. *Such other purposes as may be specified by the Minister.*

(Source: Crown Forest Sustainability Act, Part V, Section 51(3))

Other purposes specified by the Minister for which the Trust fund currently includes:

- Independent Forest Audit Program
- Forest Genetic Resource Management Program
- Memberships (MNR project support with FP Innovations)
- Forest Tenure Modernization
 - Enhanced Sustainable Forest License - design and development
 - Local Forest Management Corporation – design, development and transition
 - Forest Management Component – forestry on forests returned to the Crown
- Enhanced Forest Resource Inventory production and delivery
- Treaty Settlement Transition Program
- Incremental Tree Planting Program

The Trust fund is managed by RBC Investor Services Trust. Funds are allocated to successful applicants under the direction of the Forestry Futures Trust Committee Chair, supported by decisions made through consensus by the Forestry Futures Trust Committee. The Committee members are appointed by the Minister for up to a three-year term, which may be renewed at the discretion of the Minister. The Trust is funded by harvest volume charges on Crown timber.

Forestry Futures Trust Committee

CHAIR



R.A. (Ray) Riley, R.P.F. (Hon) (member since February 2016). Ray holds degrees in geology from Acadia and Queens and was a member of the Professional

Engineers Ontario for over 40 years. He comes to the FFTC after 30 years with the Ontario government culminating as Assistant Deputy Minister of Operations for Ontario's Ministry of Natural Resources. Subsequent to his career in government, he was active as a consultant for some 21 years focusing on natural resource management.

MEMBERS



Mike Barker, (member since 1999) enjoyed a 32-year career in natural resource management, holding positions such as District Manager within the Ministry of

Natural Resources, and Assistant Deputy Minister for the Ministry of Northern Development and Mines.



W.D. (Bill) Baker, (member since February 2016) had a 30-plus year career in natural resource management primarily as a senior manager

with the Ontario Ministry of Natural Resources. Bill has worked throughout Ontario in a variety of capacities but has spent much of his career in northwestern Ontario and Thunder Bay.



James Harrison, (member since February 2016) holds a Forestry Degree (1975) from Lakehead University. His 39

year career with industry included positions with Kimberly-Clark of Canada and Greenmantle Forest Inc. James sits as the FFTC representative on the Provincial Forest Inventory Advisory Committee.



Dr. Sandy M Smith, (member since January 2017) is a Professor in Forestry at the University of Toronto, having served as Dean of the Faculty of

Forestry (2010-2012), published 140+ papers, supervised 65+ graduate students. She specializes in forest health and urban forests, specifically natural controls to manage invasive species. She is a Fellow of the Royal Entomological Society (UK), Minjiang Scholar (China), Past President of the Entomological Societies of Canada and Ontario, and currently serves on the Boards of Trees Canada and the Ontario Invasive Plant Council. She has been an Associate Editor of the Can J of Forest Research and participated on national NSERC grant review panels as well as Federal and Provincial invasive species science panels (ALHB, EAB, *Sirex*, Hemlock Woolly Adelgid).



George Gretes, (member since August 2023). George Gretes is co-founder and Partner of Harrington Place Advisors. He brings over 10 years of

experience in developing engagement strategies and due diligence for some of Canada's largest projects. Most recently, he worked to deliver a net-new international port on the Great Lakes, worked directly for the CEO and President of Metrolinx, helped guide the relocations of communities across Toronto and worked for a publicly-traded CPG, leading investor relations for one of Canada's largest mergers in 2021. George holds a Hons. BA from the University of Toronto and is currently completing the CFA and CBV.

Our Support Team

Assisting the Committee is a small team reporting to the Chair:

- Peter Street, R.P.F., Independent Forest Audit and Treaty Settlement Transition Coordinator
- Shelley Vescio, R.P.F., Silviculture, Genetics and FRI Program Coordinator
- Anastasia Frisby, R.P.F., Office Administrator, Forest Tenure Programs Coordinator

FFT Secretariat – Ministry of Natural Resources and Forestry

Since its inception in 1995, the FFTC has enjoyed a productive working relationship with the Ministry of Natural Resources (MNR) staff. As the Committee's mandate expanded over the decade, the lines of communication and the number of Ministry contacts correspondingly increased. In this regard, the Secretariat functions are provided by Director Peter Henry, and Rhonda Hancherow of Forest Guides and Silviculture Section, and Cathy Hamor of Forest Tenure and Economics Branch. Key staff are listed below by program area.

- *Independent Forest Audit Program* –Ernie Demuth and Erin Buckley
- *Forest Resource Inventory Program*- Trisha Westman, Michelle Colley, Ian Sinclair, R.P.F. and Geordie Robere-McGugan, R.P.F.
- *Tenure Modernization*- John Harvey R.P.F., Marcel Rizzo and Andy Lemmetty R.P.F.
- *Treaty Settlement Transition Component*- Jennifer Card
- *Incremental Tree Planting Program (2Billion Trees)*- Mike Briennesse RPF

The MNR's FFT Secretariat continues to fulfil its role while honouring the principle of committee independence on all matters related to funding allocations for projects. The FFTC thanks the Directors and staff of Crown Forests and Lands Policy Branch, Operations Branch, Forest Tenure and Economic Branch, Integration, Science and Research Branch (including FRI and Growth and Yield) and Business Development Branches for their continued support.

State of the Trust

The Forestry Futures Trust fund is in a healthy position and has fully recovered from the economic difficulties that previously affected the sector through the 2007-2010 economic downturn. We are closely monitoring trust financials in light of market trends. The fiscal financials, which provide the details, are available through our website, www.forestryfutures.ca.



Forestry Futures Trust Committee

Committee Operations Budget 2024/25

Available Funds	
Received from the <i>Forestry Futures Trust Fund</i> accounts	\$386,472.00
2023/24 unspent balance	\$16,021.88
TOTAL Funds Available	\$502,493.88
Expenditures	
Meetings/Travel	\$35,016.04
Committee Honorariums	\$58,950.00
Professional /Administrative/Contract Staff	\$236,422.60
Supplies (Communication/Consumables)	\$13,927.05
Equipment / Signage	\$2,879.87
Overhead	\$54,812.71
TOTAL Expenses	\$402,008.27

OUR PROGRAMS

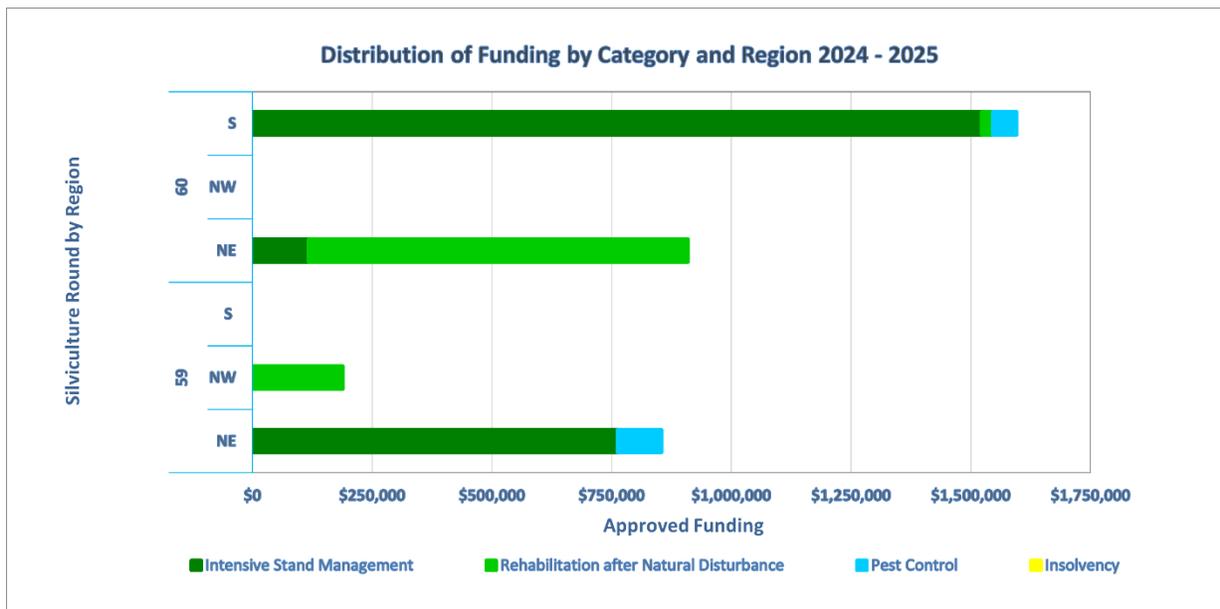
Silviculture Program

In September and January of each fiscal year, the Committee extends invitations to Sustainable Forest License holders to submit applications for funding of silviculture projects that meet eligibility requirements under the categories of Intensive Stand Management, Rehabilitation after Natural Disturbances, Pest Control and Insolvency. Information about these categories is described in the FFTC Silviculture Project Application Guide that can be found under the Forms and Reports menu tab on our website.

In 2024-25, successful applications for Rounds 59 and 60 resulted in a capital expenditure of \$3,545,390, with \$1,041,638 allotted to Round 59 and \$2,503,752 to Round 60.

The chart below illustrates the amount of funding approved under each of Rounds 59 and 60 and is displayed by silviculture category and region (South, Northwest, Northeast). Among regions, 50% of the funding was awarded to the Northeast, 45% to the South, and 5% to the Northwest. Among categories, seven Intensive Stand Management projects received 68% of approved funds, four projects categorized as Rehabilitation after Natural Disturbances received 28% and two Pest Control projects were awarded 4% of the total budget.

Note: Lists of New, Ongoing and Completed FFTC Silviculture Program projects can be found on the FFTC website www.forestryfutures.ca



For several years, the FFTC has collected and reported on the number of employment days generated from its silviculture projects. In 2024-25, approximately 8,106 eight-hours days were reported for 55 projects. Five projects were not initiated due to a lack of contractor availability and another was not conducted due to unacceptable fire-weather indices. Since 2021-22, 193 projects have generated about 43,000 employment days.



1119-3-R53 Backpack piston pump sprayer being used to target beech

Forest Genetic Resource Management Program

The Forest Genetic Resource Management (FGRM) Program is a specific purpose of the Forestry Futures Trust. The funding of FGRM via the FFT provides support for maintaining Ontario’s forest genetic assets, for ensuring that genes are conserved and for developing trees that are adapted for future growing environments. FGRM is a valuable resource for forest management in Ontario and contributes to the Crown Forest Sustainability Act (CFSA) purpose of providing for the sustainability of Ontario’s Crown forests. The program supports tree improvement, provides a viable and reliable source of genetically improved seed, conserves existing genetic diversity, and supports adaptation to a changing environment. Ontario’s three Regional Genetic Associations (Associations), i.e., Superior Woods Tree Improvement Association (SWTIA), Northeast Seed Management Association (NeSMA), and the Forest Gene Conservation Association

(FGCA), are partners with Sustainable Forest Licensees and others in implementing a forest genetics program that benefits Ontario’s Crown forests.

In addition to providing funding through the FFT, Ontario Ministry of Natural Resources researchers study forest genetics and tree improvement to support Provincial policy and operational programs in collaboration with partners, such as the Associations and universities.

The FGRM annual budget is \$675,000 from which \$375,000 is allotted to core funding for the three Associations and \$300,000 is available for project-based activities. The 2022-2027 FGRM Directive extension secured funding for five fiscal years ending March 31, 2027.

Listed below are categories under which FGRM project-based activities are eligible for funding.

FGRM Approved Funding Categories		Examples
1	Contribution to achievement of goals of the 1987 Provincial Tree Improvement Master Plan or MNRF FGRM policies or plans	Maintenance of existing tree improvement and tree breeding programs
2	Information management supporting forest genetic resources	Forecasting models, analysis approaches, database development/management
3	Establishment and maintenance of genetic rests or archives	Provenance trials, assisted migration trials
4	Forest gene conservation projects	In-situ and ex-situ conservation activities
5	Forest genetic research	Climate-change adaptations, pest resistance

While individual projects may incorporate facets of more than one of the FGRM approved-funding categories, in 2024-2025, the Associations broadly directed 60% of their funding toward activities that *Contributed to the Achievement of the Province’s Tree Improvement Master Plan Goals or its FGRM Policies or Plans*, 0% to *Information Management*, 33% to the *Establishment and Maintenance of Genetic Tests or Archives*, 7% to *Forest Gene Conservation Projects* and 0% to *Forest Genetic Research*.

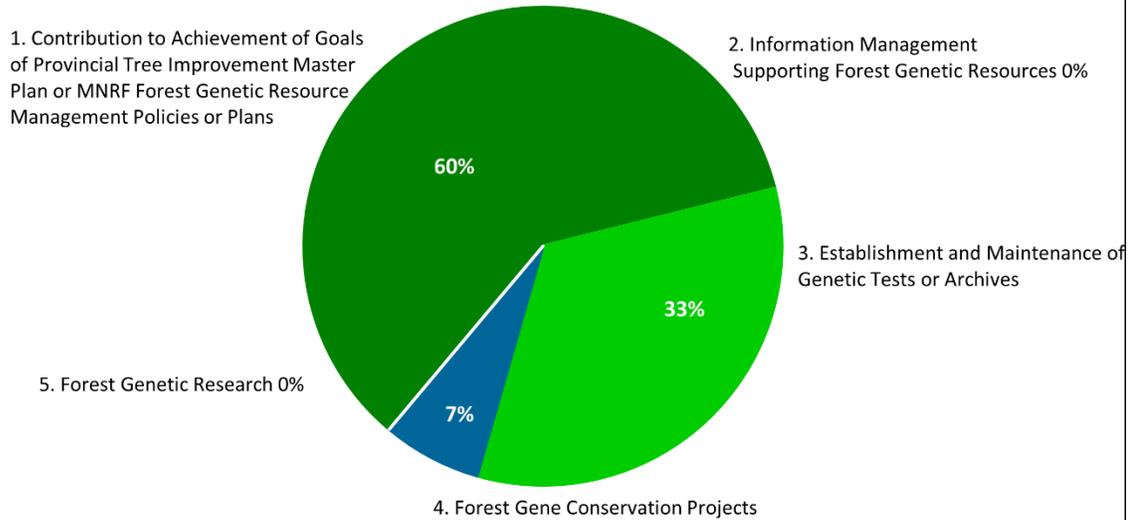
FFTC and the Associations collaboratively developed an interim, FGRM Program 10-Year Strategic Plan. The strategic plan was designed to provide interim direction for the FFT (as the FGRM program administrator) and to its

applicants. Eligible applicants include SWTIA, NeSMA and FGCA. This strategic plan was developed to further FFTC’s capacity to ensure its instructed allocation of funds for the FGRM Program purpose was done with sufficient oversight and to demonstrate how funding is being used to support important current strategic priorities.

Applicants are required, in the application process, to demonstrate how project proposals support strategic priorities described in this document. This program direction may be updated from time to time. The strategic plan was designed as an interim document pending any updated strategic policy direction that Ontario may develop for the FGRM Program.

FGRM 2024-2025 Projects		
Association Project #	FGRM Category	Project Name
SWTIA 2024-1	1	Maintain the Rainy Lake black spruce, second-generation, clonal orchard
SWTIA 2024-2	2	Monitor and control jack pine budworm in a jack pine clonal orchard
SWTIA 2024-3	2	Establish grafted stock in the Lake Nipigon East black spruce, second-generation, clonal orchard
SWTIA 2024-4	1	Measure the Rainy Lake black spruce, second-generation, open-pollinated and elite progeny tests
SWTIA 2024-5	2	Analyze the Rainy Lake black spruce, second-generation, progeny test data
SWTIA 2024-6	1	Grafting for the Lake Nipigon East black spruce, second-generation, clonal orchard
NeSMA 2024-1	1	Jack pine deployment trials – Tending and Assessments
NeSMA 2024-2	1	Jack pine and black spruce climate change trials – Tending and Assessments
FGCA 2024-1	1	Seed orchard management
FGCA 2024-2	3	SFL engagement
FGCA 2024-3	4	Genetic installation management
FGCA 2024-4	4	Capacity for northern seed training

Forest Genetics Resource Management (FGRM)



Percent Breakdown of 2024-2025 Funding by FGRM Categories



NeSMA 24 2 - Measuring total height and current annual increment, assess health and survival at Ingram (photo by NeSMA)



SWTIA 24 4 - Haveman Bros taking height measurements at Little Turtle (photo by SWTIA)

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.

Four (4) Independent Forest Audits (IFAs) were completed in 2024 using the 2023 Independent Forest Audit Process and Protocol (IFAPP). While there were no additional requirements in the 2023 IFAPP over the 2022 IFAPP, minor changes were made to align with the 2020 Forest Management Plan Manual (FMPM) and to clarify roles and responsibilities. These changes included:

- Deletion of references to mid-plan checks. The 2020 FMPM removed mid-plan checks.
- Removed the reference to use a helicopter for assessing regeneration. Auditors determine the most appropriate method for assessing regeneration and the regeneration assessment program.

Clarified language on communications. Auditors are solely responsible public notice and audit related communications, including French translation.

The four (4) 2024 audits included:

- Algonquin Park Forest – which is managed by the Algonquin Forestry Authority under a Forestry Agreement that was awarded in 1985.
- Lake Nipigon Forest – managed by the Lake Nipigon Forest Management Inc., under the terms and conditions of Sustainable Forest License #550412.
- Missinaibi Forest – Managed by Missinaibi Forest Management Inc. under the terms and conditions of Sustainable Forest License #550390.
- Wabadowgang Noopming Forest – which is a Crown Forest Management Unit that is managed under a Forest Resource Licence through a Forestry Agreement with Wabadowgang Noopming Forest Management Inc.

On all four (4) 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 Licenses.

As shown in Table 1, 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 were prepared and have been 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 four audits with respect to the eight IFA Principles *Rounded to the nearest whole number

IFA Principles	# Findings	Percentage %*	Best Practice
1 Commitment	0	0	
2 Public consultation and Aboriginal involvement	5	21	2
3 Forest Management Planning	5	21	
4 Plan assessment and implementation	7	29	1
5 System support	0	0	
6 Monitoring	4	17	1
7 Achievement of management objectives and forest sustainability	0	0	
8 Contractual Obligations	3	13	1
Total	24		5

The four (4) audits were awarded at a total cost of \$380,640 (including HST), or on average \$95,160 per audit (as compared to 2023 which averaged out to \$82,670 (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 7.75 years compared to 7.25 years in 2023.

Common Findings

While most of the findings from the 2024 audits were unique to the Forest being audited, there were a few findings that were common in more than one report.

These common findings included:

P2 - Consultation - LCC membership – The Missinaibi, Lake Nipigon, and Wabadowgang Noopming Forests all had findings with respect to the membership of the LCC (retaining members or having a broad representation of stakeholders) and the maintenance of the Terms of Reference for the LCC.

P4 - Plan Implementation – Water Crossings - The Missinaibi, Algonquin Park, and Wabadowgang Noopming Forests all had findings related to the installation, maintenance, and/ or the monitoring of water crossings.

- While not in the Findings, there were also common concerns raised with respect to the implementation or lack of implementation of the District’s Silvicultural Effectiveness Monitoring Program (SEM). While a SEM Program is not a legal requirement, many of the Auditors felt that it is important for the MNR to assess and understand the effectiveness of the silvicultural programs on their management unit.

Tenure Modernization Programs

Forest Management Component Program

When Sustainable Forest Licenses (SFLs) are returned to the Crown due to bankruptcy or insolvency, MNF assumes responsibility for all forest management activities on that management unit. Forest management expenditures incurred by the Crown to do this work are funded from additional revenue paid to the Forestry Futures Trust from the Crown stumpage system. The additional funds are generated by a management fee charged for each cubic metre of wood harvested in the area. This has been termed the Forest Management Component (FMC).

The FFTC manages open FMC accounts for Wabadowgang Noopming (formerly Armstrong), Whiskey Jack, and the Ogoki Forest. The Pic, Kenogami, Missinaibi (formally Magpie Forest now amalgamated with Martel), Pic River and Sapawe (now as part of the Boundary Waters Forest) Forests have dormant accounts since they are operating as SFLs.

Enhanced Sustainable Forest License

The Enhanced Sustainable Forest License (eSFL) program was established in late 2011, as an outcome of the Ministry's tenure modernization initiative, with an allocation of the remaining funds (\$1.8 M) from the SFL Conversion program. In 2012, the Committee developed an application process and the first application was submitted in April of 2013.

There are no current eSFL projects.

Local Forest Management Corporation Conversion Program

In August 2012, the MNR added funding of the Local Forest Management Corporation (LFMC) Conversion Program to the Forestry Futures Trust Fund. The purpose is to provide financial support to the establishment and start-up of Ontario LFMCs. The Trust serves as an interim mechanism to capture redirected Crown stumpage charges required for forest management activities on the proposed LFMC land area until such time as the Sustainable Forest Licenses are issued to the LFMC.

The first LFMC, Nawiinginokiima Forest Management Corporation (NFMFC), was established in May 2012. NFMFC has been issued the SFLs for Pic, White River and Pic River Forests. For more information visit their website: <https://nfmforestry.ca>

The government approved the establishment of the Temagami Forest Management Corporation (TFMC) December 2020. TFMC has been issued the SFL for Temagami Forest. For more information follow the links on their website: <https://www.temagamiforest.com>

For more information follow the links on the MNR website: www.ontario.ca/page/forest-tenure-modernization



1188-1-R58 - Previously 1011-1-R50, showing an effective spray application

Forest Resource Inventory Program

The Forest Resources Inventory (FRI) program is designed to develop a forest resource inventory for the managed forest area of Ontario using current technologies. Funds for this program come from harvest volume charges paid by sustainable forest licensees on Crown timber. These funds are administered from a dedicated Forestry Futures Trust (FFT) account.

The FFTC administers the FRI program funding in partnership with the Ministry of Natural Resources. The FRI is a ministry-designed program with components of the work contracted to qualified firms through the government procurement process. The FFTC leads the design of and co-delivers the knowledge transfer and tool (KTTD) component of the program.

The 2024–25 fiscal was the 18th year of the FRI program that builds on an earlier forest inventory program. Program accomplishments for 2024–25 include:

1. The first draft FRI of this inventory cycle, for the White River Forest (due 2024), was delivered March 2025. It received positive feedback from the Sustainable Forest License (SFL) holder and other users, such as the ministry's Regional Operations Division. The final White River Forest FRI will reflect updates to the FRI Technical Specifications, which were implemented July 1, 2025.
2. Acquired nearly 40,000 km² of LiDAR imagery to support forest inventory development. By the end of 2024–25, about 91% of the 455,000 km² of planned LiDAR imagery and 100% of more targeted acquisition of optical imagery for nine management units had been acquired. In 2024, the overall acquisition plan changed by adding 12,000 km² of LiDAR and optical imagery in the White Feather Forest in place of LiDAR in the four large parks (Lake Superior, Quetico, and Wabakimi provincial parks, and Pukaskwa National Park). Final LiDAR acquisition is planned for 2025 and modified optical imagery purchase is being planned for 2025 but may need to be allocated over 2026 and 2027. The optical imagery cost may require other business processes to be reviewed.
3. Used the Vegetation Sampling Network (VSN) protocol as an integrated approach to field data collection for calibrating LiDAR models and monitoring forest resources. Data from 1,504 field plots were collected across 12 forests: Lakehead (150), Spanish (143), Sudbury (155), Northshore (155), Ottawa Valley (166), Red Lake (110), Kenora (155), Algoma (50), Pic (52), Lake Nipigon (135), Ogoki (70), and Missinaibi (163).
4. To ensure that field data collection complied with the VSN protocol, a quality assurance/quality control program undertaken by the ministry continued in 2024-25. Staff visited 30% of plots (570) across 11 forests.
5. In addition to the FRI, foundational provincial geospatial imagery and elevation data continue to be made available for viewing and general use by a broad public via Ontario Web Image Services and for downloading via Ontario GeoHub, as they become available. In 2024–25, these services were continued via a centralized landing page ([Forest Resources Inventory | Ontario GeoHub \(gov.on.ca\)](#)), with data products being added as they are processed.

6. In response to feedback following the first inventory cycle, the ministry is engaging closely with SFLs in the inventory production process. Three formal touch points occur prior to inventory delivery and include SFLs, their service providers, and MNR (FRI program, Policy Division, and Regional Operations Division). Ideal timing is:
 - a. TP 1: late winter/early spring one year before the year of FRI delivery to meet the team, start forest input inventory preparation, establish timelines and work needs, and discuss data access via the Partner Portal.
 - b. TP 2: spring/summer in year of FRI delivery to review modelling results, initiate SFL field season review, update timelines, and for SFLs to provide targeted photo-interpretation updates.
 - c. TP 3: end of year in year of FRI delivery for final review and sign off following a 90-day inventory review and adjustment period and includes an official sign-off for the photo-interpretation process.
7. Continued working to increase photo-interpretation and data processing capacity. A new stand-up GIS solution to enable concurrent photo-interpretation, increased data processing capacity to allow more data volume to be worked on simultaneously, and contractor onboarding are all planned for 2025–26 to increase capacity.



1150-1-R55 Finishing up the plant on the Hawksbury block (SFL provided) photo

Knowledge Transfer and Tool Development (KTTD) Component of FRI

The goal of the KTTD program is to support advancement of the Provincial FRI Program’s mandate by facilitating development of open-source tools and research that addresses identified FRI needs and transferring that knowledge back to government, industry, academia, and the forestry community. Rounds are called every three years with

\$1,500,000 (excluding HST) budgets allotted per round.

Rounds were held in 2015, 2018, 2021 and 2024. In the latest round (Round 4), the 13 projects listed below were approved for funding and are still ongoing

Researcher/Institution	Project Title
Small-Scale Project Category: up to \$35,000 and one-year duration	
Grant McCartney, Forsite Consultants Ltd.	Automation of Polygon Delineation for Forested Landscapes
Donald Robinson, ESSA Technologies Ltd.	Linking FRI data to FVS-Ontario – Phase 2
Dr. Baoxin Hu, York University	Lichen mapping facilitated by Single Photon LiDAR (SPL)
Large-Scale Project Category: greater than \$35,000 and two-year duration	
Dr. Margaret Penner, Forest Analysis Ltd.	Field Plot Measurement using Mobile LiDAR Scanning
Dr. Nicholas Coops, University of British Columbia	Implementing Structurally Guided Sampling (SGS) approaches to guide FRI plot placement and prioritization
Dr. Nicholas Coops, University of British Columbia	Deep Learning to Estimate Species Proportions using SPL data
Dr. Alexandre Morin-Bernard, Université Laval	Refining Species, Disturbance and Age information within eFRI Inventories
Dr. Alexis Achim Université Laval	Automated Road Extraction and Integration Across Forest Management Units
Natasha Machado, Canadian Institute of Forestry	Use of RPAS and AI technologies to classify managed forest stands by silviculture intensity
Dr. Doug Reid, Ministry of Natural Resources and Forestry	Stand density for evaluating silvicultural opportunities and future yields
Dr. Ben DeVries, University of Guelph	Tree Classification and Monitoring Using UAV Technologies
Dr. Mathieu Fortin, Natural Resources Canada	A climate-sensitive growth simulator for Ontario
Drs. Jiaxin Chen, Stephen J. Mayor, and Muhammad Waseem Ashiq, Ministry of Natural Resources and Forestry	Towards a Living Forest Inventory with Forest Dynamics Modelling

Treaty Settlement Transition Component

This program enables the Forestry Futures Trust Committee to provide funding to certain Indigenous communities in the Algonquin Land Claim Area for capacity building and economic development related to forestry on proposed treaty settlement lands.

The revenue for this initiative results from redirecting Crown dues charges on timber harvested from proposed settlement lands to a fund administered by FFTC.

The Ministry of Natural Resources (MNR) and the Forestry Futures Trust Committee worked with the Algonquins of Ontario (AOO) to establish the specifics of how the funding would be accessed. Eligible activities, funding eligibility criteria, the application (including evaluation and approval criteria) and the disbursement process have now been defined and there was an announcement of the opening for applications spread throughout the Algonquin Communities in the spring. The project that was previously approved involved the training of members of the Kijicho Manito Madaouskarina Algonquin First Nation in a chain saw safety course conducted by Loyalist College.

A second proposal was submitted and approved by the Committee, in November 2024, to perform stand improvement projects on Pikwakanagan First Nation. The committee is open to accept proposal applications as they are developed.

Incremental Tree Planting Program

On November 8, 2023 the Minister of Natural Resources and Forestry specified the following as a new purpose for the Trust: The partial funding of costs for activities in the Ontario Crown managed forest eligible for funding under Government of Canada's 2-Billion Trees program, to be referred to as "Ontario's Incremental Tree Planting (ITP) Program".

Round 1 was issued March 19, 2024 and three applications were received by the April 26th deadline. These eligible projects were approved at a total of \$600,399.

Round 2 was issued August 8, 2024 and three applications were received by the September 27th deadline. These eligible projects were approved at a total of \$671,329.

Round 3 was issued January 10, 2025, in conjunction with our regular silviculture invitation, and one application was received by the February 14th deadline. This eligible project was approved at a total of \$102,192.

A total of \$1,373,922 in funding has been approved for this initiative, with the fund being sourced equally from the Province of Ontario and the federal government.

NOTE: A summary description of these projects can be found on our website <https://www.forestryfutures.ca/silvicultural-program>

