

Independent Forest Audit Process and Protocol

Ontario Ministry of Natural Resources
Independent Forest Audit Process and Protocol
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Land Acknowledgement

We would like to acknowledge the long history of the lands audited through Independent Forest Audits. The forests currently managed by the Ministry of Natural Resources (the Ministry) were cared for by Indigenous peoples long before the inception of Canada, Ontario, or the Ministry. They continue to be taken care of by Indigenous peoples today. As a Ministry, we have a responsibility for the sustainable management of the forest, and we recognize the need to work closely with First Nation and Métis communities to achieve this goal for generations to come.

1. Independent Forest Audit Overview

1.1 Legal requirement

The Independent Forest Audit Process and Protocol (IFAPP) provides direction in meeting the requirements of Ontario Regulation 319/20 made under the Crown Forest Sustainability Act, 1994 (CFSA). This regulation specifies that a forest audit shall be conducted in accordance with Appendix A of the IFAPP, and that an audit report shall be prepared in accordance with Appendix D of the IFAPP.

1.2 Intent

The intent of the Independent Forest Audit (IFA), under the CFSA, is to audit the sustainable management of Ontario's forests and to verify the management of public forests meets social, economic, and environmental needs of present and future generations.

1.3 Objective

IFAs generally assess a Forest Manager's (FM) and the Ministry of Natural Resources' (MNR) compliance with the CFSA and the Forest Management Planning Manual (FMPM) in conducting forest management planning, operations, monitoring, and reporting activities. The audit also assesses the effectiveness of forest management activities in meeting the objectives set out in the Forest Management Plan (FMP). The IFA provides an opportunity to improve forest management in Ontario through adaptive management.

The objectives of the IFAs are from O. Reg 319/20 – Conduct of forest audit, section 6. (2):

- a) *assess the extent to which forest management and forest management planning activities in the management unit complied with,*
 - (i) *the Act and the regulations,*

- (ii) the manuals approved under subsection 68 (10) of the Act, and*
- (iii) any forest management plan approved under subsection 9 (1) of the Act that applied to the forest management activities during the forest audit period;*
- b) assess the effectiveness of forest management activities in meeting the forest management objectives set out in the forest management plan;*
- c) compare the forest management activities that were carried out with those that were planned;*
- d) assess the effectiveness of any action plan implemented in the management unit in response to a previous forest audit report;*
- e) review and assess a licensee's compliance with the terms and conditions of a forest resource licence for the management unit by the licensee; and*
- f) assess whether the management unit has been managed in a manner consistent with the principles of sustainability set out in subsection 2 (3) of the Act.*

1.4 Audit principles

Objectivity, independence, and competence

From O. Reg 319/20 – Independence of auditors, section 4:

- (1) An auditor who conducts a forest audit of a management unit shall be independent from any licensee who holds a forest resource licence for the management unit.*
- (2) An auditor is not independent from a licensee for the purposes of subsection (1) if,*
 - (a) The auditor or his or her spouse,*
 - (i) Is an employee, agent, partner, or associate of the licensee, or*
 - (ii) In the case of a licensee that is a corporation, is a member, director, officer, or shareholder of the corporation, or of a company that is affiliated with the corporation through ownership or control; or*
 - (b) The auditor provided at any time during the period covered by the audit any services that would be the subject of the audit, whether on behalf of the licensee or on behalf of the Crown.*
- (3) In subsection (2), "spouse" means,*
 - (a) A spouse as defined in section 1 of the Family Law Act, or*
 - (b) Either or two persons who live together in a conjugal relationship outside of marriage.*

The Service Level Agreement entered by the auditor and the Ministry with respect to the conduct of a forest audit outlines requirements for considering potential conflicts of interest in the selection process.

The request for auditor services outlines the appropriate combination of knowledge, skills, and experience to carry out audit responsibilities that the audit team needs to conduct the audit (also see Section 2.2 for roles and responsibilities).

Due professional care

In conducting the audit, auditors shall comply with all applicable legislation and policy. Both auditors and auditees shall maintain a professional working relationship.

As per O. Reg. 319/20 – conduct of forest audit, section 6:

(4) An auditor shall not disclose any information obtained in the course of a forest audit except as is necessary for the purpose of the forest audit report or, as directed by the Ministry, for other related forest audits.

Evidence-based audit

The auditor shall collect, analyze, interpret, and document appropriate information to be used as evidence in determining whether audit criteria are met. Evidence shall be sufficient, and of a nature that competent auditors working independently of each other would reach similar conclusions.

Sufficiency is a measure of the quantity of audit evidence obtained. The sufficiency, or quantity, of evidence can represent either:

- The volume of evidence obtained (i.e., the number of individual facts that have been gathered or the number of times it has been examined), or
- The completeness of the evidence obtained (i.e., whether the facts and observations are sufficient to permit an adequate comparison with the audit criteria and thereby provide persuasive support for the audit findings).

Sufficient objective evidence, as outlined in Appendix A, must be collected to assess whether the audit criteria and procedures have been met. Significant individual findings or aggregates of small findings, which could affect the audit conclusions, are to be considered.

The procedures in Appendix A are all mandatory and are directions but are not necessarily intended to be exclusive. The auditor should supplement the procedures with risk assessments made during the audit, considering the unique attributes of a particular forest.

The quality of audit evidence relates to its relevance and reliability. To be relevant, audit evidence must assist the auditor in achieving the audit objective. The reliability of the audit evidence depends on its nature and source.

Auditors shall advise Forestry Futures Trust Committee (FFTC) where information gaps preclude drawing conclusions.

Audit findings are the result of the evaluation of the evidence against the audit criteria and procedures and are analyzed to provide the basis for reporting the outcome of the audit to the Forest Manager, MNR, and other parties as determined by the MNR.

1. Aperçu des vérifications forestières indépendantes

1.1 Exigence légale

Le protocole Independent Forest Audit Process and Protocol (IFAPP) permet de répondre aux exigences du Règlement de l'Ontario 319/20 en vertu de la *Loi de 1994 sur la durabilité des forêts de la Couronne* (LDFC). Ce règlement précise qu'une vérification forestière doit être réalisée conformément à l'annexe A de la IFAPP et qu'un rapport de vérifications doit être préparé conformément à l'annexe D de la IFAPP.

1.2 Intention

L'objectif des vérifications forestières indépendantes, dans le cadre de la LDFC, est de vérifier la gestion durable des forêts de l'Ontario et de s'assurer que la gestion des forêts publiques répond aux besoins sociaux, économiques et environnementaux des générations actuelles et futures.

1.3 Objectif

Les vérifications forestières indépendantes évaluent généralement la conformité d'un gestionnaire forestier et du ministère des Richesses naturelles (MRN) avec la LDFC et le Manuel de planification de la gestion forestière dans le cadre de la planification de la gestion forestière, des opérations, du suivi et des activités de rapports. La vérification évalue également l'efficacité des activités de gestion forestière par rapport aux objectifs fixés dans le plan de gestion forestière (PGF). Les vérifications forestières indépendantes offrent la possibilité d'améliorer la gestion forestière en Ontario à l'aide d'une gestion adaptative.

Les objectifs des vérifications forestières indépendantes proviennent du Règlement de l'Ontario 319/20 – Façon d'effectuer la vérification forestière, article 6. (2) :

a) évalue le degré de conformité des activités de gestion forestière et de planification de la gestion forestière exercées dans l'unité de gestion à ce qui suit :

(i) la Loi et les règlements,

- (ii) les manuels approuvés en vertu du paragraphe 68 (10) de la Loi,*
- (iii) tout plan de gestion forestière approuvé aux termes du paragraphe 9 (1) de la Loi qui s'appliquait aux activités de gestion forestière pendant la vérification forestière;*
- b) évalue l'efficacité des activités de gestion forestière en ce qui a trait à l'atteinte des objectifs en matière de gestion forestière énoncés dans le plan de gestion forestière;*
- c) compare les activités de gestion forestière qui ont été effectuées à celles qui ont été planifiées;*
- d) évalue l'efficacité de tout plan d'action mis en œuvre dans l'unité de gestion en réponse à un rapport de vérification forestière précédent;*
- e) examine et évalue le respect des conditions d'un permis forestier pour l'unité de gestion par le titulaire du permis;*
- f) évalue si l'unité de gestion a été gérée conformément aux principes de durabilité énoncés au paragraphe 2 (3) de la Loi.*

1.4 Principes de vérification

Objectivité, indépendance et compétence

D'après le Règlement de l'Ontario 319/20 – Indépendance des vérificateurs, article 4 :

- (1) Tout vérificateur qui effectue une vérification forestière d'une unité de gestion doit être indépendant de tout titulaire d'un permis forestier pour l'unité de gestion.*
- (2) Le vérificateur n'est pas indépendant du titulaire de permis pour l'application du paragraphe (1) si, selon le cas :*
 - (a) le vérificateur ou son conjoint :*
 - (i) est un employé, un mandataire ou un associé du titulaire de permis,*
 - (ii) dans le cas où le titulaire de permis est une personne morale, est un membre, un administrateur, un dirigeant ou un actionnaire de la personne morale ou d'une entreprise qui est membre du même groupe que la personne morale en raison de propriété ou de contrôle;*
 - (b) à tout moment au cours de la période visée par la vérification, le vérificateur a fourni des services visés par la vérification, que ce soit pour le compte du titulaire de permis ou de la Couronne.*
- (3) La définition qui suit s'applique au paragraphe (2). « conjoint » s'entend :*
 - (a) soit d'un conjoint au sens de l'article 1 de la Loi sur le droit de la famille;*
 - (b) soit de l'une ou l'autre de deux personnes qui vivent ensemble dans une union conjugale hors du mariage.*

L'entente de niveau de service conclu entre le vérificateur et le ministère en ce qui concerne la réalisation d'une vérification forestière énonce les exigences relatives à la prise en compte des conflits d'intérêts potentiels dans le processus de sélection.

La demande de services de vérification décrit la combinaison appropriée de connaissances, de compétences et d'expérience dont l'équipe de vérifications a besoin pour exercer ses responsabilités (voir également l'article 2.2 pour les rôles et les responsabilités).

Soins professionnels appropriés

Lors de la réalisation de la vérification, les vérificateurs se conforment à l'ensemble de la loi et de la politique applicables. Les vérificateurs et les personnes qui font l'objet de la vérification entretiennent des relations de travail professionnelles.

Conformément au Règl. de l'Ont. 319/20 – Façon d'effectuer la vérification forestière, article 6 :

(4) Les vérificateurs ne doivent divulguer aucun des renseignements obtenus dans le cadre d'une vérification forestière, si ce n'est aux fins du rapport de vérification forestière ou, si le ministère l'ordonne, aux fins de vérifications forestières connexes.

Vérification fondée sur des données probantes

Le vérificateur recueille, analyse, interprète et prend en note les renseignements appropriés à utiliser comme éléments permettant de déterminer si les critères de vérification sont respectés. Les données probantes doivent être suffisantes et de nature qui font en sorte que des vérificateurs compétents travaillant indépendamment les uns des autres parviendraient à des conclusions similaires.

Le caractère suffisant est une mesure de la quantité de données probantes obtenues. La suffisance, ou quantité, des données probantes peut représenter l'un ou l'autre :

- Le volume des données probantes obtenues (c'est-à-dire le nombre de faits individuels qui ont été recueillis ou le nombre de fois qu'ils ont été examinés);
- L'exhaustivité des données probantes obtenues (c'est-à-dire si les faits et les observations sont suffisants pour permettre une comparaison adéquate avec les critères de vérification et fournir ainsi une base convaincante pour les conclusions de la vérification).

Des données probantes suffisantes et objectives, comme décrites à l'annexe A, doivent être recueillies pour déterminer si les critères et procédures de vérification ont été respectés. Les

conclusions individuelles importantes ou les regroupements de petites conclusions, susceptibles d'affecter les conclusions de la vérification, doivent être pris en considération.

Les procédures de l'annexe A sont toutes obligatoires et constituent des orientations, mais ne sont pas nécessairement exclusives. Le vérificateur doit compléter les procédures par des évaluations des risques effectuées au cours de la vérification, en tenant compte des caractéristiques uniques d'une forêt donnée.

La qualité des données probantes de la vérification est liée à leur pertinence et à leur fiabilité. Pour être pertinentes, les données probantes doivent aider le vérificateur à atteindre l'objectif de la vérification. La fiabilité des données probantes dépend de leur nature et de leur source.

Les vérificateurs informent le Comité du Fonds de réserve forestier (CFRF) lorsque des lacunes en matière de renseignements ne permettent pas de tirer des conclusions.

Les conclusions de la vérification sont le résultat de l'évaluation des données probantes par rapport aux critères et procédures de vérification et sont analysées pour servir de base aux rapports des résultats de la vérification au gestionnaire des forêts, au MRN et à d'autres parties déterminées par le MRN.

Appendix A – Audit protocol

I. Conduct of an Audit – Compliance with O. Reg. 319/20

Subsection 6(3) of O. Reg. 319/20 made under the CFSA states:

(3) A forest audit shall be conducted in accordance with the audit protocol set out in Appendix A of the document entitled “Independent Forest Audit Process and Protocol” prepared by the Ministry of Natural Resources and Forestry, dated September 2019 and published on a website of the Government of Ontario, as that document may be amended from time to time.

This Appendix A sets out the minimum requirements for the conduct of an independent forest audit for the purposes of O. Reg. 319/20.

1. Independent Forest Audit Direction

1.1 Schedule and deliverables

Generalized Independent Forest Audit Schedule

Table 1: Audit schedule sets out the audit schedule that generally will be followed. Approval from MNR’s Divisional Support Branch (DSB) and FFTC is required prior to any changes to the schedule.

Table 1: Audit schedule

Deliverable	Schedule
Auditors’ and auditees’ information sessions	February – May
Management unit risk assessment	April – October
Audit plan – submitted to FFTC, First Nation and Métis communities, LCC, and auditees	April – June
Pre-audit meeting – FFTC and auditees	April – June
Field audit	Complete by October 31
Closing meeting	Two weeks after the end of the field audit
Draft version of audit report Appendix 1	At the closing meeting
Draft audit report submitted	Within 30 days of the closing meeting

Deliverable	Schedule
Offer of an auditor presentation of findings to First Nations and/or Métis communities that are in or adjacent to the management unit (MU)	Meeting held after draft report and prior to the final audit report, if requested
Auditor presentation of findings to the LCC	After draft report and prior to the final audit report
Meeting to review draft audit report	Prior to completion of final audit report
Final audit report submitted	Within 60 days of closing meeting
Action plan completed (if required)	Within three months of the MNR accepting the final IFA report
Offer of presentation by the auditees on the action plan to First Nation and/or Métis communities that are in or adjacent to the MU	Within six months of MNR Regional Director approval of the action plan
Presentation by the auditees to the LCC	Within two meetings of the LCC after the MNR Regional Director approval of the action plan
Reporting on progress towards completing actions	Annually in annual reports (see Appendix E)

1.2 Roles and responsibilities

Lead auditor

The lead auditor is responsible for the efficient and effective conduct and completion of the audit in accordance with the IFAPP. The lead auditor’s responsibilities and activities are:

- a) Forming the audit team, disclosing potential conflicts of interest.
- b) Directing the activities of the audit team.
- c) Coordinating required communications with appropriate parties.
- d) Obtaining relevant background information as set out in Appendix B.
- e) Scheduling audit activities and meetings as necessary.
- f) Determining the appropriate level of involvement of key stakeholders in the audit process (including overlapping licenses, contractors, or supply agreement holders).
- g) Conducting the management unit risk assessment.
- h) Preparing the audit plan and briefing the audit team.
- i) Seeking public input into the audit process.
- j) Engaging and seeking input from First Nations and Métis communities that are in or adjacent to the management unit (in conjunction with the MNR District Resource Liaison Specialist (RLS)).

- k) Selecting field audit sites and participating in the field audit.
- l) Coordinating the preparation of working documents and detailed procedures.
- m) Addressing and seeking to resolve any problems that arise during the audit.
- n) Recognizing when audit objectives appear to become unattainable and reporting the reasons to FFTC, MNR DSB, and the FM.
- o) Representing the audit team in discussion with the auditees throughout the audit process.
- p) Notifying the auditees of observations of non-conformities without delay.
- q) Articulating clear and concise findings to the auditees for understanding of the non-conformance and development of the resulting action plan.
- r) Issuing the draft audit report and scheduling a meeting to review the draft audit report with MNR District, MNR Region, FM, MNR DSB, and FFTC.
- s) Reviewing and determining whether to incorporate changes to the audit report in response to comments received from MNR District, MNR Region, FM, MNR DSB, and FFTC.
- t) Making a summary presentation of audit findings at a meeting of the LCC and offering a presentation of the findings to First Nation and Métis communities.
- u) Issuing the final audit report to FFTC for review and MNR DSB for acceptance.
- v) Ensuring the executive summary of the final report be signed and professionally stamped by a Registered Professional Forester on the audit team.
- w) Ensuring the appropriate distribution of the final audit report.
- x) Complying with working document and record retention requirements (see section 2.5.6).
- y) Ensuring that audit team members observe health, safety, and other appropriate requirements, including those stipulated by the local health authority or by the auditees.

Audit team members

The audit team members are generally responsible for conducting the audit in accordance with the IFAPP. Responsibilities and activities include:

- a) Following the direction of and supporting the lead auditor.
- b) Planning and carrying out the assigned task objectively, effectively, and efficiently within the scope of the audit.
- c) Assisting with the selection of sites for examination in the field audit.
- d) Collecting and analyzing relevant and sufficient evidence to allow findings to be made and conclusions to be drawn regarding the audited criteria.
- e) Preparing working documents regarding the audited criteria and documenting individual audit findings.
- f) Safeguarding documents pertaining to the audit and returning such documents as required.
- g) Assisting in writing of the draft and final audit reports.
- h) Observing health, safety, and other appropriate requirements, including those stipulated by local health authority, and by the auditees.

MNR Crown Forests and Lands Policy Branch

Crown Forests and Lands Policy Branch (CFLPB) has the responsibility for determining the audit schedule and maintaining the IFAPP. Specific responsibilities include:

- a) Maintaining the IFAPP, including determining the audit period and scope.
- b) Establishing the timetable for IFAs (i.e., scheduling which audits will take place).
- c) Supporting the development of the Vendor of Record (VOR) for IFAs.
- d) Responding to inquiries regarding interpretation of O. Reg 319/20 and the IFAPP.
- e) Supporting auditees' and auditors' information sessions as needed by presenting on strategic direction and policy topics (e.g., IFAPP requirements, policy changes).
- f) Leading the IFA review as appropriate.
- g) Participating in selected audit meetings and activities.

MNR Divisional Support Branch

Divisional Support Branch (DSB) has the overall responsibility for ensuring IFAs are conducted in accordance with the Service Level Agreement (SLA) and the IFAPP. Responsibilities and activities include:

- a) Sending notices of planned audits to auditees.
- b) Leading the establishment of the VOR with support from FFTC and CFLPB.
- c) Developing reference information, including the information in the Request for Service (RFS), and preparing and issuing the RFS.
- d) Evaluating the RFS bids, identifying the successful auditors, and issuing the SLA.
- e) Leading the auditees training sessions with support from FFTC and CFLPB.
- f) Supporting FFTC with the auditors training sessions.
- g) Reviewing the risk assessment for completeness and accuracy. Accepting the risk assessment and notifying FFTC.
- h) Participating in selected audit meetings and activities, including reviewing the audit plan, participating in the field audit to offer guidance to the audit team and auditees, and facilitating the consistent application of the audit process.
- i) Supporting FFTC in receiving and coordinating the review of the audit reports.
- j) Coordinating involvement of additional MNR staff from other MNR Divisions (FID, PSD, PD) with experience/expertise relevant to specific aspects of the IFA process including obtaining related information as needed.
- k) Receiving FFTC's recommendation for accepting the final audit report. Minister delegate for accepting the report and making the determination if an action plan is required.
- l) Submitting the final reports for posting on Ontario.ca.
- m) Issuing notices for action plan development with notice of acceptance of final IFA report.
- n) Monitoring completion of action plans.

- o) Supporting the writing of the IFAPP based on implementation experience.

MNR Region representatives

The MNR Region is generally responsible for participating in the audit and supporting the implementation of the IFAPP. Responsibilities and activities for the MNR Region representatives include:

- a) Participating in revisions of the IFAPP as required.
- b) Collecting management unit background information to support the RFS.
- c) Participating in, and assisting with organization of, auditees and auditors information/orientation sessions.
- d) Confirming that critical information products (e.g., enhanced annual reports) are available to support the audit.
- e) Responding to auditor requests for information/evidence on matters subject to the audit.
- f) Acting as an MNR contact, coordinator, and lead representative during individual IFAs which includes:
 - Informing MNR employees about the objectives and scope of the audit.
 - Participate in the development of the IFA schedule with the auditor, auditees, and others as may be required.
 - Assisting auditor requests for MNR facilities with MNR District.
 - Providing relevant regional evidential materials as requested and as required to carry out the audit as per Appendix B, in consultation with the MNR District.
 - Coordinating with the MNR District to determine who will provide the First Nations and Métis communities general awareness of the audit process and requirements.
 - Coordinating with the MNR District to determine who will provide the LCC general awareness of the audit process and requirements.
 - Participating in meetings and activities on individual audits, which could include reviewing the audit plan, attending the field audit, and discussion issues.
 - Receiving audit reports and coordinating the MNR Region and District review of audit reports by rolling up comments from the Region and District into one document and submitting to MNR DSB.
 - Acting as the lead MNR contact for coordinating the completion of action plans.

Forestry Futures Trust Committee

The Forestry Futures Trust Committee (FFTC) carries primary responsibilities for the IFAs following the selection of the audit firms through to the recommendation to accept the final audit report. The responsibilities and activities of FFTC include:

- a) Providing input when needed for RFS (e.g., number of truck and helicopter days for field audit, suggesting skills needed for audit teams).

- b) Supporting and paying for the auditees' training sessions.
- c) Assisting MNR DSB in developing VOR criteria and providing input regarding the content and timing of the RFS.
- d) Leading and paying for the auditors' training sessions.
- e) Providing oversight and direction to auditors and auditees on the audit process.
- f) Reviewing the risk assessment and notifying the auditor of the risk assessment's acceptance by MNR DSB.
- g) Communicating with key parties during the audit process.
- h) Participating in select meetings and field activities to observe the audit team and ensure the consistent application of the audit process.
- i) Reviewing the audit plan for completeness and accuracy and accepting the audit plan. Notifying MNR DSB and the auditor of the acceptance of the audit plan.
- j) Leading the draft audit report review. Reviewing for completeness, accuracy, and consistency with legislation and policy direction.
- k) Recommending whether the Ministry should accept the final audit report.
- l) Supporting the development of the IFAPP based on implementation experience.
- m) Providing periodic trends analysis on audit findings and preparing an annual audit summary.
- n) Coordinating auditees' evaluation of audit firm to provide feedback and foster continual improvement.
- o) Providing feedback to auditors to foster continual improvement. Soliciting feedback from auditors on how to improve the IFAs and assist in the development of future training.

Forest Manager (FM)

For the IFAPP, the term 'Forest Manager' is used to reference the entity responsible for preparing and implementing FMPs (e.g., the Crown, SFL holder, forest resource licence holders). The FM is an auditee and generally responsible for:

- a) Informing employees about the objectives and scope of the audit as necessary.
- b) Attending the auditees' information sessions regarding the IFA process.
- c) Participating in the IFA process as described in the IFAPP.
- d) Ensuring that critical information products (e.g., enhanced annual reports) are available to support the audit.
- e) Providing the facilities needed for the audit team to ensure an effective and efficient audit.
- f) Preparing the field binder with the MNR for use by the auditors during the audit.
- g) Appointing responsible and competent staff (including staff from overlapping licences, if applicable) to accompany members of the audit team, to act as audit tour guides to the MU, and to ensure that the auditors are aware of health, safety, and other appropriate requirements, including those stipulated by the local health authority.

- h) Providing access to the applicable forest, personnel, and relevant evidential material as requested and as required to carry out the audit as per the IFAPP (see, for example, Appendix B for further explanation of information requirements).
- i) Receiving and reviewing audit reports.
- j) Participating in the development and implementation of action plans and reporting on progress towards the completion of actions as specified by the Ministry (see Appendix E).

MNR District

The MNR District is also an auditee in the IFA and generally responsible for:

- a) Attending the auditees' information sessions regarding the IFA process.
- b) Ensuring that critical information products, for example, enhanced reports are reviewed in accordance with the requirements and timelines specified in the applicable FMPM and Forest Information Manual (FIM) so that they are available to support the audit.
- c) Providing "On Award" information to the auditors (Appendix B).
- d) Providing the facilities needed for the audit team to ensure an effective and efficient audit.
- e) Work with MNR Region Representative to determine who will provide the First Nations and Métis communities, and the LCC general awareness of the audit process and requirements.
- f) Participating in the IFA process as described in the IFAPP.
- g) Appointing responsible and competent staff to accompany members of the audit team, to act as audit tour guides to the MU, and to ensure that the auditors are aware of health, safety, and other appropriate requirements including those stipulated by the local health authority.
- h) Providing access to the applicable forest, personnel, and relevant MNR District evidential material as requested and as required to carry out the audit as per the IFAPP Appendix B, in consultation with the MNR Region.
- i) Receiving audit reports and assisting the MNR Region representative for the individual IFA in reviewing the audit reports as applicable.
- j) Assisting the MNR Region representative (and FM as appropriate) in developing action plans and reporting on progress towards completing actions in accordance with Appendix E.

Significant overlapping licensees, contractors, and/or supply agreement holders

The level of participation depends upon the significance of activities and/or operations carried out on the management unit during the period of the audit. This is reviewed by the auditor during the gathering of information and development of the audit plan to determine the level of involvement from these participants. The responsibilities and activities may include:

- a) Informing employees about the objectives and scope of the audit as necessary.
- b) Providing the facilities needed for the audit team to ensure an effective and efficient audit.

- c) Appointing responsible and competent staff that may accompany members of the audit team, to act as audit tour guides to their activities, and to ensure that the auditors are aware of health, safety and other appropriate requirements including those stipulated by the local health authority and the auditee.
- d) Providing access to the applicable forest, personnel, and relevant evidential material as requested for the audit, including the information listed in Appendix B.
- e) Attending meetings as considered necessary by the lead auditor.
- f) Providing any necessary input to the action plan and reporting on progress towards the completion of actions, through the FM.

First Nation and Métis Community Representatives

First Nation and Métis communities in or adjacent to the MU shall be invited to send a community representative (one from each individual community) to participate in the audit. Opportunities for involvement by community representatives include:

- a) Receiving the option of the general awareness presentation about the IFA process.
- b) Responding to auditor requests for input to the audit process. Bring forward issues or concerns from the community.
- c) Receiving and reviewing the audit plan.
- d) Having, at the option of the community, a representative attend the field audit.
- e) Receiving the offer to have the auditors present the audit findings to the community.
- f) Receiving the final audit report.
- g) Providing input to action plan development, through the MNR.
- h) Receiving the offer to have a meeting where the final audit report findings and the corresponding action plan are presented (by the MNR and/or the FM).

Local Citizens' Committee (LCC)

The FMPM indicates that one of the purposes of the Local Citizens' Committee (LCC) is to participate as an integral part of the forest management planning process by assisting in monitoring the performance of plan implementation. LCCs are advised to consider their desired participation in advance of an audit and communicate with the lead auditor. Opportunities for LCC involvement include:

- a) Receiving the LCC general awareness presentation about the IFA process.
- b) Responding to auditor requests for input to the audit process, including providing suggestions to the auditors regarding most effective local method(s) to obtain public input.
- c) Discussing issues brought forward by the MNR and/or the FM to the LCC and reviewing the resulting audit findings and actions.

- d) Discussing issues identified by the LCC and the public during the period being audited and reviewing the resulting findings and actions.
- e) Receiving and reviewing the audit plan.
- f) Having, at the option of the LCC, a representative in attendance for the field audit.
- g) Participating in the meeting where the auditor presents the audit findings to the LCC.
- h) Receiving the final audit report.
- i) Providing input to action plan development, through the MNR.
- j) Participating in the meeting where the final audit report findings and the corresponding action plan are presented (by the MNR and/or the FM).

External observers

Parties not mentioned above are considered external and not intended to participate in the audit process. Similarly, parties who have roles described in Section 2.2 may be considered observers to the extent that their involvement extends outside of those described roles. When the auditor requires/requests an entity's participation in the audit, the entity is a participant not an observer. MNR District, MNR Region, MNR corporate staff, FM staff, and FFTC are also not considered observers.

Observers are allowed to participate in the audit process on an exceptional basis, with the mutual agreement of the auditor, auditees, and MNR Region. When a request for observer involvement occurs, the auditor must communicate with all parties and for mutual agreement to allow the observer. If agreed, the auditor may allow the observer to participate, and may require a signed confidentiality agreement. If mutual agreement does not exist, the observer will not participate. Auditors will define the extent of any observer involvement and observers pay for their own transportation. Observers do not have access to personal information or any other sensitive information.

1.3 Audit preparation

1.3.1 Annual orientation and information sessions

The FFTC and MNR DSB will hold annual auditors' orientation sessions to provide a general overview of IFAPP requirements and other relevant information. Lead auditors must attend the auditors' orientation sessions, accompanied by at least 50% of the audit team members. The FFTC and MNR DSB will hold annual auditees' information sessions to outline the audit process.

1.3.2 Information and evidence gathering

Auditors will collect information through interviews, an examination of documents, and observation of activities and conditions. Indications of non-conformity to the audit criteria will be recorded.

Information gathered through interviews will be verified by acquiring supporting information from independent sources where possible such as observations, records, and results of existing assessments and findings.

Appendix B outlines audit information to be provided or gathered, as applicable, including associated responsibilities as specified stages of the audit process.

1.4 Audit scope

Management units to be audited each year are identified by the MNR CFLPB. The audit applies to the MNR and all licensees, including overlapping, on the MU being audited.

Audits are focused on a period set out in the SLA, typically from the beginning of the fiscal year in which the prior audit was performed to the end of the fiscal year preceding the year of the currently scheduled audit. In this way, the length of the audit period may vary from audit to audit. There may be times, however, when it is appropriate for auditors to investigate activities that continue to the present (after the defined audit period has ended) and/or events or conditions that occurred prior to the defined audit period. Auditors are expected to pursue investigations outside of the defined audit period where in their professional judgement to do so would provide a materially enhanced understanding of the management of the forest.

Forest audit criteria and procedures are set out in Appendix A.

The initial scope of the audit is determined by the audit criteria and procedures within the defined audit period. The final audit scope is endorsed by the FFTC and approved by the MNR DSB. Any subsequent changes to the audit scope require agreement between the MNR DSB, FFTC, and the lead auditor.

1.4.1 Risk assessment

Upon execution of the audit SLA and after the information gathering (Section 2.3.2), auditors will conduct a management unit risk assessment to determine if any additional work is required above the original audit plan outlined in the initial RFS bid.

The management unit risk assessment will include a review of relevant information, including:

- Previous IFA results (final audit report and action plan, if applicable).
- Available annual reports (including reporting on completion of actions).
- Compliance information.
- Silvicultural monitoring information.
- Discussions with the FM and MNR (e.g., foresters, biologists) staff, representatives of First Nations and Métis communities, and LCC members.
- Forest certification status and the results of certification assessments.

- Other information deemed pertinent by the audit team.

If applicable, the audit team will document the risk assessment in a short report outlining:

- How the risk assessment was conducted (e.g., what evidence was considered).
- What issues were found.
- The applicable audit criteria and the rationale for the additional work.
- Audit team member(s) assigned and the number of additional auditor days (truck days and/or helicopter hours) required to audit the additional requirements.

The audit team will provide the risk assessment to the FFTC and MNR DSB for review. The FFTC will notify the lead auditor in writing that the audit may proceed once FFTC endorses the risk assessment (and estimate of additional time required), and MNR DSB approves.

1.4.2 Communications

Prior to the pre-audit meeting, the audit firm shall issue a notice advising the public that an IFA will be conducted on the MU. This notice will invite the public to submit comments to the LCC or the audit firm regarding matters pertaining to the audit period. Auditors are solely responsible for the public notice and any audit related communication, including the costs of French translation, printing, and mailing of such communication.

Where public comments are to be directed to the LCC, auditors may wish to have any sensitive information communicated directly to the audit team. The public notice will include the purpose of the audit, identification of the management unit being audited, the period of the audit, how the public may provide input, and a notice of collection to be provided by MNR. Freedom of Information and Protection of Privacy Act (FIPPA) requires that a notice of collection be provided to the individual whose personal information is being collected. The notice will reference Ontario Regulation 319/20 (Independent Forest Audits) made under the CFSA as the authority for the collection of personal information, list the uses of the personal information by the IFA, LCC, MNR, and FFTC (as applicable) and provide an MNR position, mailing address, phone number and e-mail address of a staff member who can respond to questions about the collection and use of the personal information. Where personal information will be stored outside of Canada the notice should specify where the personal information will be stored.

Below is a sample notice of collection template:

Personal information is collected under the authority of Regulation 319/20 (Independent Forest Audits) made under the Crown Forest Sustainability Act. It will be used by the [name of IFA] Team, the [name of LCC] Local Citizens' Committee (if applicable), the Forestry Futures Trust Committee (if applicable) and MNR (if applicable) for the purposes of developing an understanding of forest management concerns and issues for the delivery of the Independent

Forest Audit. Please contact (MNR position, mailing address, phone number, e-mail address) for more information about the collection and use of this personal information.

Consistent with FIPPA, the auditor may, for the purposes of gathering information for the audit only, use both the Forest Management Plan (FMP)/MNR District mailing list and the LCC member mailing lists.

Within 30 days of the signing of the SLA, the auditor must advise all LCC members that an audit will be taking place and request their input.

Allowing sufficient time to incorporate input to the audit plan, audit teams shall contact MNR District Resource Liaison Specialists (RLS) prior to contacting First Nation and Métis communities, to explore the most effective engagement option. All First Nation and Métis communities that are in or adjacent to the management unit must be advised that an audit will be taking place, be invited to provide input, and invited to confirm the method by which they wish to be consulted. In-person meetings are strongly encouraged.

Auditors will contact overlapping licensees, contractors, supply agreement holders, and tourist outfitters. Auditors shall make diligent effort during the audit to gather representative input and document their information.

The audit team will consider effective means of obtaining public input (e.g., information forums, open houses, workshops, forums, videoconferencing, local media, radio ads). Audit firms are encouraged to consider new approaches to increase public input into the audit process and will consider suggestions from the MNR, FM, FFTC, and LCC as to the most effective local method(s).

1.4.3 Audit plan

The auditor shall develop the audit plan in consultation with the FFTC, MNR Region and District, and FM. The audit plan is a comprehensive plan for conducting the audit consistent with the requirements of the SLA and IFAPP.

The auditor shall submit the preliminary audit plan to the FFTC, MNR Region, MNR DSB, MNR District, and FM one week before the pre-audit meeting, for any questions or concerns to be brought forward. The preliminary audit plan will also be submitted to the LCC and to First Nation and Métis communities, if requested.

A template is provided for reference in Appendix C. In summary, the plan must include:

a) Audit schedule:

- The dates and places where the audit will be conducted.
- The expected time and duration for field audit activities.
- Audit tasks and the number of days each team member will be allocated to that task.
- The schedule, location, and format of key meetings.

- Expected date of issue and distribution of the draft and final audit reports.
 - Contingencies to mitigate any foreseen or unforeseen challenges or complications.
- b) Responsibilities of audit team members.
 - c) Contact information (email, work address, phone number) for the audit team, MNR (DSB, Region, and District), FM, FFTC, and other relevant parties.
 - d) Methods for public consultation and approach for contacting First Nation and Métis communities that are in or adjacent to the management unit.
 - e) Auditees responsibilities including those with direct responsibilities for the subject matter of the audit (consider overlapping licensees, boards of directors, management companies, contractors, and subcontractors).
 - f) A summary of management unit characteristics and factors considered in the development of the audit plan (e.g., size, nature, and complexity of the forest, extent of operations, First Nation and Métis community involvement, stakeholder interests, business perspective, and social environment) and their implications for the specific audit assignment.
 - g) Planned approach for reviewing documents and background information.
 - h) Planned sampling intensities and evidence-gathering methods and the proposed field site inspection plan, including an estimate of how much aircraft time will be necessary.
 - i) The approach to adjusting audit emphasis as a result of findings made in the course of information review or field audits.
 - j) Description of the method for selecting the audit sample.
 - k) Detailed information required for the field binder (see section 2.4.5).
 - l) The proposed approach to conducting the closing meeting.

1.4.4 Audit sample and site selection

The auditor is required to select sites for the field audit. Auditors will exercise professional judgement to ensure sites are selected to achieve the overall purpose of the audit. Site selection should be informed by the enhanced annual reports, risk assessment, information provided in the FRT specified procedures report, and input from First Nation and Métis communities, LCC, MNR, FM, and the public.

The IFA requires performing sampling of the data used to draw conclusions about forest sustainability and the success of forest operations in meeting forest management objectives.

Site inspections serve the purposes of verifying information used in FMPs, the integrity of data presented in the annual reports, enhanced annual reports, and other documentary sources, and comparing the planned versus actual results.

The auditor will describe the sampling design, associated sampling methods and means of field site inspections in the audit plan, including:

- a) Field inspection team assignments and individual areas of expertise.
- b) Stratification of the audit population into subgroups (or strata) based on their characteristics and the consideration of factors outlined in this section.
- c) Criteria or sampling methodologies to ensure randomly or independently selected sites for inspection by the audit team. The auditor, along with feedback from auditees, First Nation and Métis communities, LCC, and the public, will identify the site.
- d) Proposed sampling intensities and sample size for each stratum, including rationale for higher sampling intensities where there is greater risk to forest sustainability, or greater potential for sampling error due to variation within the stratum.
- e) Consideration of accessibility and rationale for the selected means of field observation.

Audit firms will describe the sampling design in the audit plan, including proposed sampling intensities. These will later be compared with achieved sampling intensities and documented in the audit report (see Appendix D). Sampling must be planned, designed, and reported to comply with the requirement to sample a minimum of 10% of each activity during plan implementation spanned over the entire audit period (e.g., access, harvest, renewal, tending, regeneration assessment) and will include a sampling of forest operators. 10% of Forest Renewal Trust (FRT) funded activities conducted the year of the FRT specified procedures report will also be inspected to ensure on-the-ground activities are consistent with mapped reports.

While sampling intensities of 10% are appropriate for activities which the auditor determines to constitute a lower risk and contain less variability within the population, higher intensities may be required for strata or activities deemed to be of greater risk to forest sustainability or where greater variability exists within the population. Sampling intensities must be sufficient to determine whether the forest management objectives have been achieved.

Sampling design will also include consideration of the following:

- a) The management unit risk assessment conducted by the auditors.
- b) “On award” information, preparation for the draft audit plan, professional experience of the audit team, past performance of the auditees, and the nature of the forest.
- c) Reported progress towards the completion of actions from previous audits.
- d) Identified concerns or potential problems discovered before or during the field audit, including specific concerns and sites identified by the public.
- e) Issue resolution decisions made by the District Manager and/or Regional Director.
- f) Auditor judgement in determining the number of sites and extent of area to be inspected, based on the number and complexity of sites and activities within the audit population.
- g) The need for field verification of management objectives and forest sustainability.
- h) The breadth of forest management activities, forest and site conditions, seasons of operation and other factors influencing stratification, including but not limited to:
 - Land use designations (e.g., Enhanced Management Areas).

- Forest and site types (landforms, soils, forest communities, species composition).
- Silvicultural systems, harvesting methods, operator (e.g., company, contractor or overlapping licensee), equipment configurations, and season of operations.
- Types and variability of operations and activities (access, harvest, renewal, tending, regeneration assessment).
- Relative age and visible evidence of treatment.
- Variability of access and potential/proposed means of field observation.
- The need to test information contained in various annual reports and enhanced reports.
- Input or concerns raised by First Nation, Métis, LCC, and/or the public.

1.4.5 Field binder

The FM shall prepare two copies of a ‘field binder’ as a practical reference of the sites selected for the field audit. The auditor shall specify the required binder contents in the audit plan, in consultation with the FM. Materials provided must be in a mutually agreed format (hardcopy or digital). The contents typically include:

- Stand-level information.
- Silvicultural ground rules (SGR).
- Forest operations prescriptions (FOPs).
- Licences and approvals.
- Areas of concern (AOC) prescriptions.
- First Nation, Métis, and public input, planning, and correspondence related to the block.
- Depletion information.
- Aerial photographs/imagery.
- Silvicultural information including survey/silviculture monitoring results.
- Compliance information including reports, correspondence, and file notes for all harvesting and silviculture operations, including roads and water crossings within the block and on the way to the block.
- Relevant map products, including but not limited to products from annual work schedules (AWS) and annual reports.

1.4.6 Pre-audit meeting

The audit firm must conduct a pre-audit meeting involving the auditees prior to the auditor selection of the audit sample. Representatives of the auditees who should be present include the: MNR District Manager (or designate), MNR Management Forester, MNR Management Biologist, MNR Region representative, senior FM representative, and FM foresters. Significant overlapping licensees may be represented, at the auditor’s discretion. The MNR DSB and FFTC are to be advised of this meeting and may participate.

The purpose of this meeting is to:

- Review the status of the action plan(s) for the previous audit.
- Discuss the management unit risk assessment (if applicable).
- Review the audit plan and identify any necessary adjustments.
- Discuss issues brought forward by the auditees to the LCC during the period being audited and to review the resulting findings and actions.
- Discuss issues identified by First Nation and Métis communities, LCC, and the public during the period being audited.
- Discuss feedback received from the public in response to the public notification.

1.4.7 Opening meeting at beginning of the on-site audit

The opening meeting shall review the procedures and logistics for the field audit and ensure clear lines of communication among the participants. The auditees' representatives responsible for the functions to be audited shall attend. Any First Nation and Métis community representatives and the LCC representative for the field audit may also attend. As well as representatives of significant overlapping licensees or contractors who are to participate in the field audit.

The specific purposes of the opening meeting are to:

- Introduce the members of the audit team to the auditees' key personnel.
- Review the scope, objectives, audit plan, and confirm the audit timetable.
- Provide a short summary of the methods and procedures to be used to conduct the audit.
- Confirm the times and dates for the interim update meetings (held end of day or the following morning during the field audit) and the closing meeting.
- Ensure active participation by the auditees.
- Review site safety and emergency procedures for the audit team.

1.4.8 Field audit

The field audit includes an assessment of operations and conditions on the ground and typically requires a large portion of the total time required for each audit.

The procedures for a field audit will include:

- Field examination of sites identified at the pre-audit meeting that were planned and carried out during the audit period, including examination of prior operations, as appropriate.
- Sample additional sites as a result of operational problems, or as a follow-up to findings at the pre-selected sites.
- Follow-up examination or samples related to observations made during field audit.

- Follow-up examination related to questions raised in earlier observations or review of information provided on-award or gathered for preparation of the draft audit plan.
- Review of information made available to the audit team at the field audit stage.
- Providing a draft version of audit report Appendix 1 (technical findings) at the closing meeting.
- Hold update meetings at the end of each audit day or at the beginning of the next day (depending on what logistically works for the audit) to serve as a forum to discuss audit findings and potential non-conformances to solicit further relevant information, and to plan for the remainder of the audit.

Auditors will discuss with the auditees' representatives any notable items observed at each site. The auditors should observe the forest and access (e.g., roads, water crossings) when traveling between sites noting whether the observed conditions are reflected in maps or other documents, stopping as necessary to perform additional sampling. Any inconsistencies or observations of negative impacts will be noted and investigated. Observations of conditions noted during the field audit will be documented and form the evidence for the findings and audit conclusions. If observed, exceptional or best practices will also be documented.

Auditors are expected to provide transportation for the audit team during the fieldwork. The use of helicopters is recommended as it provides access to sites otherwise inaccessible by ground travel and provides a unique perspective of the landscape condition. In other cases, where silvicultural systems that maintain a full or partial canopy predominately, ground observation can be more appropriate. Rationale for the selected means of observation must be provided in the audit plan and considered during sample selection.

Where logistics are constrained (e.g., helicopter), opportunities for participants to take part in the field audit site visits may be limited to essential audit members.

1.5 Audit results

The focal point of the audit is the process through which the audit team investigates, assembles the facts, analyzes, and determines the findings to be reported. Due to the nature of IFAs (i.e., auditing from the present back to previous IFA, auditing predictions of the future forest, etc.), professional judgement, in addition to evidence, plays a significant role in developing findings, identifying best practices, and stating conclusions.

Findings

Audit findings are the result of the evaluation of the collected audit evidence compared against the audit criteria. Findings can indicate conformity or non-conformity with the audit criteria. Findings, and the evidence considered in the interpretation of findings, are documented in *Appendix 1 – Findings and Best Practices* in the audit report (see Appendix D).

All audit findings shall be recorded and substantiated. Findings shall be reviewed with the auditees prior to writing the audit report to ensure the auditor has obtained all the relevant evidence, and with a view to obtaining acknowledgment of all findings of non-conformity. The audit team shall ensure that findings are documented in a clear, concise manner supported by substantive and adequate evidence. Where findings are the result of evidence from field sampling, the auditor shall include relevant supporting documentation. The evidence supporting findings must be clearly communicated in the audit report.

The auditees have the opportunity, and are encouraged, to provide relevant supplementary information to assist the auditors in developing accurate findings during the audit process.

Findings of non-conformity will provide a comprehensive description of the situation observed relative to the audit criteria. Findings may include mention of an entity (e.g., licensee, FM, MNR unit or official) responsible for matters (e.g., activities, plans, or reports) related to the audit criteria. Corporate findings are in scope and shall be reported on if observed. The audit findings will provide the necessary information for the auditees to complete a root cause analysis that will determine the action(s), and the appropriate responsible entity or entities to address the non-conformance. Auditors should not identify a root cause in their findings.

Best practices

Best practices shall be reported, if applicable. Any practices so identified should be 'exceptional' in relation to standard practice, not situations in which the auditees are simply practicing good forest management.

Concluding statement

The concluding statement captures the auditor's assessment of whether the forest is being managed consistent with the principles of sustainable forest management. The text should be succinct and address the non-conformity without repeating information contained in other parts of the report.

Each audit of a management unit shall set out a concluding statement regarding whether the auditee complied with the terms and conditions of the licence. For management units administered by the Crown, each audit will set out a concluding statement related to the management of the forest.

1.5.1 Closing meeting two weeks after the end of on-site audit

Two weeks after the end of the field audit and prior to preparing the draft audit report, the audit team will hold a meeting with the auditees. The main purpose of this meeting is to present audit findings from the audit report Appendix 1 to ensure the evidence and basis for making the findings is clearly understood. Any dispute of the evidence should be resolved, if

possible, before the lead auditor issues the draft audit report. The decision on findings ultimately rests with the lead auditor and the Register Professional Forester (R.P.F.) who professionally stamps the final report, though the auditees may still disagree with the findings.

Auditees representatives responsible for the functions audited should attend the meeting. Representatives of significant overlapping licensees who participated in the field audit, MNR DSB, and FFTC may also attend.

Auditors will provide a draft version Appendix 1 (in MS Word) for comments.

Best auditing practices:

- The auditees and FFTC provide any written comments on the draft version of the audit report Appendix 1 to the audit firm within one week of the closing meeting.

1.5.2 Draft audit report

The audit firm will prepare a complete draft audit report using the report format specified in Appendix D within 30 days of the closing meeting. The draft audit report should identify both findings of non-conformance and best practices. The draft audit report will be submitted to the FM, MNR District, MNR Region, MNR DSB, and FFTC personnel, as specified in the audit plan. The e-mail will clearly indicate that the report is confidential and is not to be distributed.

1.5.3 Auditor presentation of findings

The auditor shall offer to make a summary presentation of audit findings at a meeting of the LCC, providing members an opportunity to discuss the audit and results with the auditors. Although a copy of the draft audit report will not be provided to the LCC, it is normal practice to show the committee the section of the report pertaining to the LCC, to enable them to identify any errors or omissions of factual information. The meeting is not to pursue further investigations or resolve disputes. This meeting will occur before the final audit report is submitted.

Similarly, the auditor shall contact First Nation and Métis communities that are in or adjacent to the management unit and offer an opportunity to discuss the audit and results with the auditors. As with the LCC, a copy of the draft audit report will not be provided. The presentation is not to pursue further investigations or resolve disputes, it is an opportunity for community members to identify any errors or omissions of factual information. The presentation will ideally occur before the final audit report is submitted and will be in-person if requested by the community.

1.5.4 Meeting to review draft audit report with auditees

The auditors will conduct a meeting to review the draft audit report. The purpose of the meeting is to present the audit findings and discuss factual matters with the auditees to ensure clarity and accuracy.

Auditors will provide the draft audit report to the auditees two weeks prior to the meeting for review. Auditors will indicate when comments on the draft audit report are to be provided.

Best auditing practices:

- The auditees and FFTC provides any written comments on the draft audit report to the auditor prior to the meeting to review the draft audit report.
- There is a period following the meeting for the auditees to submit any additional comments arising from the meeting to review the draft audit report.
- All parties are copied on written comments with the exception of FFTC comments which will remain confidential based on their role.

1.5.5 Final audit report

The auditor will submit a PDF and MS Word document of the final audit report to the FFTC and MNR DSB representative within 60 days of the closing meeting. The electronic version of the final audit report must be submitted in a format compliant with the *Accessibility for Ontarians with Disabilities Act*.

FFTC will review the final audit report to ensure that findings are within the scope of the audit. FFTC will recommend that MNR accept the final audit report once it is determined to meet the requirements of the IFAPP. The final audit report will be accepted by MNR DSB and if an action plan is required, it is sent to the listed parties to begin working on the action plan but remains confidential until it is posted publicly. Final audit is sent to:

- FM responsible for the management of the forest (e.g., SFL licensee).
- MNR District Manager and the MNR District representative.
- MNR Regional Director and the MNR Region representative.
- MNR CFLPB representative.
- First Nation and Métis communities, if requested
- the LCC.

1.5.6 Working documents/record retention

Documentation for each audit must be retained until MNR acceptance of the next audit for the MU (possibly exceeding 10 years). Documentation of all evidence, analysis, and discussion upon which the audit report is based must be retained. This typically includes at least the following:

- a) Forms for consistently documenting supporting evidence and audit findings.
- b) The consultation records and comments received during the audit.
- c) The MNR IFAPP, or portions of it, where used to record/document evidence.
- d) Records of meetings.

Working documents involving confidential or proprietary information must be suitably safeguarded by the auditors. Auditors may not disclose any documents without the express permission of the auditees. As per the SLA, auditors are also required to retain key contract documentation as specified in the master agreement.

The MNR DSB and FFTC may request that audit teams provide access to working papers to allow for a periodic review of auditing practices and to support other related forest audit processes as stipulated in the audit regulation (O. Reg. 319/20, Section 6. (4)).

1.6 Action plan

If required, the action plan must be submitted by the MNR Region representative to the Director, Divisional Support Branch within three months of the approval of the final audit report. The auditees are required to report on progress towards the completion of actions per the annual reporting requirements in the applicable FMPM and Appendix E of the IFAPP.

1.6.1 Action plan development

Appendix E outlines the requirements and time frames for the completion of action plans.

During the development of the action plan, when a finding is deemed to be a corporate finding, it is verified by MNR DSB and the responsible MNR section. MNR DSB forwards any corporate finding(s) to the appropriate MNR section. All findings are to be addressed in the action plan with corporate findings captured with a note to indicate the finding has been provided to the appropriate section for future policy development.

The auditees shall present the action plan to address the findings from the final audit to the LCC within two scheduled meetings following the approval of the action plan by the MNR Regional Director.

The auditees will offer to present the action plan to First Nation and Métis communities, in or adjacent to the MU, within six months following the approval of the action plan by the MNR Regional Director.

II. Summary of Overarching Operative Concepts in Appendix A – Audit protocol

Audit criteria: The audit criteria set out standards against which audit teams are to assess a range of specified forest management activities within the management unit over the relevant audit period. The audit criteria have been developed to reflect the requirements and objectives of the CFSA and its regulations, the forest manuals made under the CFSA, and other applicable

policies and laws. Satisfaction of audit criteria provides the basis for a concluding statement that forest management in a management unit over a specified audit period has been consistent with the IFA requirements.

Audit procedures: The audit procedures specified below provide direction on how to conduct an assessment of forest management activities in light of the applicable audit criterion.

Regulatory Requirements: The six regulatory requirements (a to f) set out in section III below are the fundamental requirements in the regulation and serve to direct the implementation and interpretation of the audit process and protocol.

III. Regulatory Requirements

The following six regulatory requirements direct the implementation and interpretation of the audit process and protocol.

Compliance

(a) assess the extent to which forest management and forest management planning activities in the management unit complied with,

(i) the Act and the regulations,

(ii) the manuals approved under subsection 68 (10) of the Act, and

(iii) any forest management plan approved under subsection 9 (1) of the Act that applied to the forest management activities during the forest audit period.

Meeting FMP objectives

(b) assess the effectiveness of forest management activities in meeting the forest management objectives set out in the forest management plan.

Planned versus actual

(c) compare the forest management activities that were carried out with those that were planned.

Action plan

(d) assess the effectiveness of any action plan implemented in the management unit in response to a previous forest audit report.

Licence

(e) review and assess a licensee's compliance with the terms and conditions of a forest resource licence for the management unit by the licensee.

Sustainability

(f) assess whether the management unit has been managed in a manner consistent with the principles of sustainability set out in subsection 2 (3) of the Act.

Audit criteria and procedures are organized under descending text headers:

- **Regulatory Requirements:** identifies one of the six regulatory requirements specified in Section III that applies to the specified audit criterion or criteria.
- **Audit Criterion:** sets out the audit criterion and the statements of direction that provide focus for the forest management activities being reviewed.
- **Procedure:** details one or more audit procedures for each audit criterion. Audit procedures involve applying the auditor's professional judgement in reviewing and assessing specific activities or processes occurring on the management unit. Sample testing is required for some audit procedures. The auditor is responsible to verify that original source document direction, content and requirements are the basis of audit evaluations.

Regulatory Requirement A: Compliance

(a) assess the extent to which forest management and forest management planning activities in the management unit complied with,

(i) the Act and the regulations,

(ii) the manuals approved under subsection 68 (10) of the Act, and

(iii) any forest management plan approved under subsection 9 (1) of the Act that applied to the forest management activities during the forest audit period.

A.1 Consultation

The process of forest management planning, implementation and monitoring must be conducted in an open consultative fashion, with the involvement of the First Nations and Métis communities, LCC, and other parties with an interest in the operations of the management unit.

First Nation and Métis communities, LCCs, and public consultation involvement and consultation, as per the applicable FMPM, will be assessed.

A.1.1 First Nation and Métis communities' involvement and consultation

Direction

The consideration of established or credibly asserted Aboriginal or treaty rights through consultation with First Nation and Métis communities in forest management planning is intended, in part, to assist the Crown to address any obligations it may have under subsection 35(1) of the *Constitution Act, 1982*, including the duty to consult and, where appropriate accommodate.

The FMPM requires that customized consultation approaches be offered to First Nation and Métis communities to help ensure their interests are considered during forest management planning. Examine the involvement of First Nation and Métis communities in the preparation and implementation of FMPs.

Procedure

1. Review and assess whether efforts were made to engage each First Nation and Métis community in or adjacent to the management unit in forest management planning in accordance with the applicable FMPM. Assess the resulting involvement and consideration of their concerns in the FMP, amendments, AWS, contingency plans, or related forest management planning processes. Include the following:
 - Interviews with the MNR District Manager, First Nation and Métis community representatives, plan author, First Nation and Métis community members on the LCC or planning team, and other relevant members of the planning team.
 - In reviewing the membership of the LCC, whether the MNR District Manager contacted each First Nation and Métis community in or adjacent to the management unit to offer the opportunity for a representative of the community to participate on the LCC.
 - Whether the MNR District Manager offered an opportunity for a representative of each community to participate on the planning team and assess the actual level of participation.
 - Whether the MNR District Manager contacted each First Nation and Métis community to discuss opportunities to be involved in planning and implementation of the FMP and whether a customized consultation approach was developed; if so, assess whether it was implemented as planned, whether changes were later agreed to by the First Nation and Métis community and the MNR; where a consultation approach was not agreed upon or if the community chose not to use the approach, assess whether the FMPM provisions were applied including notices (FMP, amendments, contingency plans) in the specified Indigenous language if requested by the community.
 - For FMPs, whether the applicable reports were prepared and delivered to the First Nation and Métis communities at the required times, communities were involved in review and/or production of the reports, the reports reflect the communities, and

whether they were appropriately used in production of the FMP/appropriately reflect the FMP.

- Whether First Nation and Métis communities were invited to identify Indigenous values and help prepare the draft First Nation and Métis Background Information Report(s) or update an existing report(s) and if the values information should be made public.
 - Whether the economic and demographic profiles in the social and economic description in the plan was provided to the respective First Nation and Métis communities for an opportunity to update.
 - Whether First Nation and Métis communities were invited to participate in the desired forests and benefits meeting.
 - Whether the First Nation and Métis communities were consulted on the AWS and whether comments were submitted.
 - Whether First Nation and Métis communities were offered a presentation of the proposed management direction and preliminary determination of sustainability.
2. Determine whether the MNR District Manager issued the AWS inspection notice and any required notices for inspection of prescribed burns and aerial herbicide and insecticide projects, in accordance with the applicable FMPM.

A.1.2 Local Citizens' Committee (LCC)

Direction

Review the establishment of the LCC, an advisory committee of local citizens established under section 13 of the CFSA. Review the applicable FMPM related to LCC purpose, membership, organization, terms of reference, administration, reporting, and documentation.

Procedure

1. Assess establishment and function of the LCC during the term of the audit. This shall involve a review of the LCC membership, the LCC terms of reference, the LCC minutes, and other LCC requirements as per the applicable FMPM.
2. Review and assess whether the LCC met the purposes and conducted its activities in accordance with the applicable FMPM.
3. Review and assess whether the LCC effectively communicated local interests in forest management planning to the MNR and FM.

A.1.3 Public consultation

Direction

The FMPM requires opportunities for ongoing participation in the preparation of plans for interested and affected persons and organizations and for the general public. Review the public consultation opportunities as applied and assess whether plans were prepared in an open consultative manner.

Procedure

1. Review and assess whether the public consultation process for the plan, any amendments, and extensions met the public consultation requirements of the applicable FMPM and whether the process was effective.
2. Determine whether the MNR District Manager issued the AWS inspection notice and any required notices for inspection of prescribed burns and aerial herbicide and insecticide projects, in accordance with the applicable FMPM.

A.2 Issue resolution

Direction

Review the issue resolution process for issues identified by First Nation and Métis communities, the LCC, and the public, as outlined in the applicable FMPM.

Procedure

Examine and assess, if applicable, the approach used to resolve issues identified by First Nation and Métis communities, the LCC, and/or the public. Include the following:

- Whether concerns were identified and resolved without the use of the formal issue resolution process provided by the applicable FMPM.
- Whether there were clearly communicated opportunities during the preparation of the FMP, insect pest management programs, any minor or major amendments, or contingency plans that indicated any concerned person may identify an issue for specific attention, as per the applicable FMPM formal issue resolution process.
- Whether any formal issue resolution requests were made and if so, whether the required procedures in the applicable FMPM were followed, including involvement of known affected persons, First Nation and Métis communities, and the LCC in seeking resolution.
- How the issue was resolved, and if applicable, how it was reflected in the final FMP, the minor or major amendment or contingency plan.

A.3: Plan production activities

Direction

Assess the effectiveness of the plan author, planning team, chair, and advisors in the development of the FMP.

Procedure

Through interviews with the plan author, members of the planning team, chair, MNR District Manager, MNR regional specialists (including FMP specialist, regional planning biologist, analysts), and advisors:

1. Determine whether background information provided to the planning team was sufficient to fulfill their role in planning.
2. Assess whether issues that may affect the schedule for plan production were appropriately addressed. Consider:
 - Issues as identified in the terms of reference.
 - FMP summary of major issues encountered and addressed during plan preparation, and any related FMP text, including any significant disagreements among planning team members on major issues.
 - The steering committee was successful in resolving any resourcing issues and disagreements among planning team members.
3. Assess implementation of the planned terms of reference planning schedule and associated checkpoint milestones.

A.4: Assess the proper development of the FMP

Direction

Review the FMP, contingency plans, plan extensions, and AWS production to ensure proper adherence with applicable FMPM.

Procedure

Review and certify that the FMPs (and contingency plans and plan extensions) have met the following requirements for approval:

1. The FMP has been prepared in accordance with the FMPM, the FIM, and relevant policies and obligations (including any relevant Ministry agreements with First Nation and Métis peoples).
2. All silviculture treatments in the SGRs which are exceptions to the recommendations in the silviculture guide(s) have been identified.
3. All operational prescriptions or conditions for areas of concern which are exceptions to the specific direction or recommendations in the applicable forest management guides have been identified.

4. Review the AWS's have been prepared in accordance with the requirements of the FMPM and FIM and is consistent with the approved FMP.

Regulatory Requirement B: Meeting FMP objectives

(b) assess the effectiveness of forest management activities in meeting the forest management objectives set out in the forest management plan.

Assess the effectiveness of forest management activities in meeting the objectives established in the approved FMP through review of the annual and enhanced reports. This audit criterion includes field sampling related to AOCs, access, harvest, renewal, tending and protection, and renewal support.

B.1 Areas of concern (AOCs)

Direction

Operations in AOCs must be conducted in compliance with all applicable laws and regulations, including the CFSA and the approved operational prescriptions (FOPs) of the FMP, and AWS.

Procedure

Review and assess in the field the implementation of approved AOC operational prescriptions. Assess the effectiveness of the AOC prescription in protecting the identified value(s). Include the following:

- Select a representative sample from those areas where operations have been conducted during the audit period and for each of the various types of AOCs within the FMP, the various types of prescriptions for those AOCs, including any forest management guide exception prescriptions implemented.
- Examine aerial photographs/imagery, forest operations information program (FOIP) reports, annual report information and maps, for these operations.
- Determine whether identified conditions on regular operations have been conducted in accordance with the approved FMP for important ecological features.
- Determine whether the prescriptions that were implemented and results of the operations were consistent with the location and operational prescription for the AOC in the FMP, AWS, and the actual site conditions.

B.2 Access

Direction

Road construction and decommissioning, various types of water crossings, road monitoring, maintenance, aggregates, and any other access activities must be conducted in compliance with

all laws and regulations, including the CFSA, approved activities of the FMP, and submission of, or revisions to, the AWS.

Review the applicable FMPM and related legislation for operational standards and conditions, including:

- Exemption criteria for removal of aggregate from forestry aggregate pits by the forest industry without an aggregate permit under the *Aggregate Resources Act and/or Section 8 Ontario Regulation 244/97*.
- Operational standards for wood storage yards and forestry aggregate pits.
- Aggregate pits in 'aggregate extraction areas' identified in the FMP and AWS within 500m of an existing road that is outside: an approved area of operations, an operational road boundary, a primary road corridor, or a branch road corridor where a forestry aggregate pit is planned to be established.
- Conditions on roads, landing and forestry aggregate pits within the FMP.

Review the Ministry of Natural Resources/Fisheries and Oceans Canada *Protocol for the Review and Approval of Forestry Water Crossings* for low-risk and higher-risk water crossings standards, procedures, and reporting requirements.

The Algonquin Park Forestry Agreement condition 13.1 and Appendix E outlines requirements for maintenance of public access roads in the Algonquin Park Forest.

Procedure

1. Review and assess in the field the implementation of approved access activities. Include the following:
 - Select a representative sample from those areas where operations have been conducted during the audit period, and for various contractors and for each type of access activity (road construction and/or decommissioning, various types of water crossings - winter, culverts, bridges, low water fords, road maintenance, construction and/or removal) from primary, branch, and operational roads constructed, including forestry aggregate pits for new roads and existing roads.
 - Examine aerial photographs/imagery, FOIP reports, annual report information, including maps, for these operations.
 - Determine whether background information (existing roads inventory) was confirmed and/or updated appropriately to support plan development and implementation.
 - Determine whether identified conditions have been conducted in accordance with the approved FMP for important ecological features.

- Determine whether planning team developed conditions on road landings and aggregate pits were implemented and appropriate rationale was provided.
- Determine whether the operations implemented were consistent with locations in the approved FMP, the AWS, approved standards or conditions on construction and removal, including the approved water crossings' structure, *Fisheries Act* review, and conditions on crossings of other AOCs, and the road use management strategy (maintenance, monitoring, access control, any decommissioning and/or provisions).
- Assess whether roads have been constructed, maintained, and decommissioned (e.g., removal of a water crossing, site preparation and regeneration of road) to minimize environmental impacts and provide for public and operator safety.
- Assess whether the planned maintenance and monitoring program for roads and water crossings was implemented as planned and whether it was effective in determining any environmental or public safety concerns.

B.3 Harvest

Direction

This audit criterion addresses harvest operations outside of AOCs. Harvest operations must be conducted in compliance with all laws and regulations including the CFSA, approved activities of the FMP including SGRs, AWS, and FOPs.

Procedure

1. Review and assess in the field the implementation of approved harvest operations. Include the following:
 - Select a representative sample from those areas where operations have been conducted during the audit period and for each of the various types of operations (winter and summer harvest, different harvest and logging methods, silvicultural systems, all stand types within the forest, salvage, areas harvested under a “utilization strategy”) including any exception prescriptions implemented, bridging operations, second pass harvest. Spread samples out among operators.
 - Examine aerial photographs/imagery, FOIP reports, annual report information and maps, for these operations.
 - Determine whether identified conditions on regular operations have been conducted in accordance with the approved FMP for important ecological features.
 - Determine whether the harvest operations implemented were consistent with the locations in the approved FMP, AWS.

- Assess whether: the harvest and logging methods implemented were consistent with the FOP; the FOP was consistent with the SGRs; the FOP was certified by an R.P.F., and actual operations were appropriate and effective for the actual site conditions encountered including:
 - Whether harvest operations were conducted to minimize site disturbance taking soil and weather conditions into account.
 - Whether wood utilization followed the Scaling Manual by considering evidence such as stump heights, wood left on site.
 - For selection silviculture system harvest and thinning projects assess and report on the percentage of residual damage and comment on the impact on future forest conditions and sustainability.
 - If any utilization strategies were implemented (e.g., due to marketability issues), assess the results of the utilization strategies, whether the FOPs were properly followed, and whether the FOPs were effective in achieving silviculture objectives.
 - Assess the effectiveness of implementation of the approved exception monitoring program for any exception prescriptions implemented.
2. If applicable, determine if bridging operations were harvested as per the applicable FMPs. Was the amount, timing, actioning of harvesting appropriate.
 3. Determine whether the salvage operations implemented were consistent with the approved FMP and AWS.
 4. If applicable, determine whether identified second pass harvest operations are occurring to complete harvest operations as outlined in an FMP that identifies second pass harvest operations where the first pass was completed in the previous FMP.

B.4 Renewal

Direction

This audit criterion addresses renewal operations (site preparation and regeneration) outside of AOCs. Both low complexity (normally associated with slash pile burning) and high complexity prescribed burns are included. Renewal operations must be conducted in compliance with all laws and regulations including the CFSA, approved activities of the FMP including SGRs, AWS, and FOPs.

Procedure

Review and assess the implementation of approved renewal operations. Include the following:

- Assess the effectiveness of renewal prescriptions and stand establishment success by selecting a representative sample from those areas where operations have been conducted (including salvage and areas where silviculture exceptions have been applied) during the audit period, for each type of regeneration and site preparation operation across a range of forest and site types.
- Examine aerial photographs/imagery, FOIP reports, annual report information and maps, for these operations.
- Determine whether the renewal operations implemented were consistent with the locations in the approved FMP, AWS.
- Determine whether identified conditions on regular operations have been conducted in accordance with the approved FMP for important ecological features.
- Assess whether site preparation and regeneration treatments were consistent with the FOP; the FOP was consistent with the SGRs; the FOP certified by an R.P.F., and actual operations were appropriate and effective for the actual site conditions encountered.
- Assess the effectiveness of implementation of the approved exception monitoring program for any exception prescriptions implemented.
- Consider whether there are any gaps between the planned and actual levels of each type of renewal activity seen in the field.

B.5 Tending and protection

Direction

This audit criterion addresses tending and protection operations outside of AOCs. Tending and protection operations must be conducted in compliance with all laws and regulations including the CFSA, approved activities of the FMP including SGRs, AWS, and FOPs.

Procedure

Review and assess in the field the implementation of approved tending and protection operations. Include the following:

- Select a representative sample from those areas where operations have been conducted during the audit period for various contractors and for each of the various types of tending and protection operations across a range of forest and site types.
- Examine aerial photographs/imagery, FOIP reports, annual report information and maps, for these operations.
- Determine whether the tending and protection operations implemented were consistent with the locations in the approved FMP, AWS and the requirements for aerial herbicide and insecticide projects (e.g., pesticide, timing, buffer zones, posting areas).

- Assess whether the tending and protection treatments were consistent with the FOP; the FOP was consistent with the SGRs; the FOP certified by an R.P.F., and actual operations were appropriate and effective for the actual site conditions encountered.
- Determine whether identified conditions on regular operations have been conducted in accordance with the approved FMP for important ecological features.
- Determine, for those SFLs with Class Z lands whether the required tending on these areas has been carried out.
- Assess the effectiveness of implementation of the approved exception monitoring program for any exception prescriptions implemented.
- Consider whether there are any gaps between the planned and actual levels of each type of tending and protection seen in the field.

B.6 Renewal support

Direction

Renewal support activities (tree seed collection, nursery stock production, tree improvement activities) must be conducted in compliance with all laws and regulations including the CFSA, approved activities of the FMP including SGRs (if applicable), AWS and FOPs (if applicable), and in consideration of any Forest Genetic Resource Management policies in effect.

Procedure

1. Review and assess in the field the implementation of approved tree improvement operations. Include the following:
 - Select a representative sample from those areas where operations have been conducted during the audit period and for each type of tree improvement operation.
 - Examine aerial photographs/imagery, FOIP reports, annual report information, including maps, for these operations.
 - Determine whether identified conditions on regular operations have been conducted in accordance with the approved FMP for important ecological features.
 - Determine whether the tree improvement operations implemented were consistent with the locations in the approved FMP, AWS.
 - Assess whether the tree improvement activities were consistent with the FOP; the FOP was consistent with the SGRs; the FOP certified by an R.P.F., and actual operations were appropriate and effective for the actual site conditions encountered.
 - Consider whether there are any gaps between the planned and actual levels of each type of tree improvement seen in the field.

2. Review and assess whether actual tree seed collection and nursery stock production is appropriate for the site conditions encountered on the management unit, and at the level required of actual operations, in consideration of forest genetic resource management policy, management strategy and SGRs. Consider whether there are any gaps between the planned and actual levels.
3. Review and assess seed use, including consideration of whether the principles of seed collection and deployment have been applied and documented; the plan for acquiring high-quality seed and realized seed quality obtained; the condition for and documentation to support allowable seed transfer and approval documentation for transfers beyond current allowable seed transfer areas (as applicable); and whether records have been maintained to allow tracking of tree seed and stock deployment and adaptive management.

B.7 Assessment of objective achievement

Direction

Review and assess additional annual report requirements for the assessment of objective achievement as required for the latest relevant annual reports, comparing planned targets for each FMP objective and its indicators against the actual level of the target achieved. Review the applicable FMPM for detailed requirements.

The current FMP must also be assessed for progress towards achieving management objectives.

Procedure

1. List (in table format) and include in the audit report, objectives and indicators from the FMP for which the assessment of objective achievement was performed in the latest relevant annual report and the auditor's assessment of the progress towards achieving each objective considering:
 - FMPM requirements which include questions and examples.
 - Assess whether programs are in place and are being implemented to provide sufficient data for all indicators identified in the FMP.
 - Results from reviewing and assessing the annual report assessment of objective achievement including any differences and whether rationale for these differences between planned and actual results is reasonable.
 - Whether the relevant action plan, and progress towards the completion of assigned actions as reported in accordance with the applicable FMPM were considered when assessing objective achievement.
 - Progress towards achievement of the management direction.
 - Evidence gained through other audit criteria, including those for monitoring (e.g., silviculture effectiveness) and the field audit.

2. Where the latest relevant annual report does not report on the most current FMP within the audit period, summarize (in text form) and include in the audit report, the auditor's assessment of the noteworthy progress towards achieving the objectives in that FMP.
3. Where objectives have been removed, or new and/or improved objectives added, from the previous FMP to the current FMP, assess for evidence of adaptive management and/or continuity of management approach from one FMP to the next.

Regulatory Requirement C: Planned versus actual

(c) compare the forest management activities that were carried out with those that were planned.

Review whether the forest management activities laid out in the approved FMP were comparable to the actual forest management activities in the AWS and annual reports; whether a monitoring and reporting program was in place and sufficient to report in meeting the FMP objectives and the effectiveness of forest operations.

C.1 Annual reports

Direction

For each management unit, a report will be prepared annually to summarize the forest management activities carried out during the preceding year, usually April 1 to March 31. Determine whether the annual reports have been prepared in accordance with the applicable FMPM and FIM. Assess whether these reports accurately reflect the implemented activities and whether they effectively assess progress.

Procedure

1. Examine the annual reports for the audit period and assess whether the tables, text, maps, and digital information are accurate, complete and in accordance with the applicable information product requirements of FMPM and FIM, including the associated deadlines.
2. Review whether the MNR took the opportunity to review the annual report for completeness and accuracy, and, if applicable, complied with the timelines in the appropriate FMPM. Review whether the plan author addressed any resulting comments and if a revised report was submitted.

C.2 Enhanced annual reports (as per applicable FMPM)

Direction

Review and assess additional annual report requirements for enhanced annual reports, including the implementation of forest operations, analysis of forest disturbances, analysis of renewal and tending activities, and review of modelling assumptions. Compare the assumptions made in the development of the management direction and whether required adjustments were made in the FMP development. Review the applicable FMPM for detailed requirements.

Procedure

1. Implementation of forest operations:

- Examine the relevant annual reports for the audit period and assess whether the tables, text, maps, and digital information represent an accurate and complete compilation of information contained in previous annual reports for the FMP period. For those items not covered by subsequent procedures in this audit criterion assess whether the report has been prepared in accordance with the applicable FMPM and FIM requirements. Determine whether the associated deadlines have been met.

2. Analysis of forest disturbances:

- Examine the information related to the analysis of forest disturbances to determine whether it accurately quantifies the size and frequency of disturbances and if it describes progress towards completion of planned forest disturbances, assesses the implications on the achievement of desired landscape pattern and provides any recommendations for consideration in future disturbance planning. Assess whether this analysis is reasonable.

3. Analysis of renewal and tending/silvicultural activities:

- Determine whether the information includes an analysis of silvicultural outcomes which reflects renewal and tending activities conducted during the plan term and whether it includes a discussion of the number of silviculture operations to date, silviculture expenditures, silviculture strata and any implications to forest level objectives, progress towards planned assessments of regenerations (that is establishment), and harvest/regeneration trends. Assess whether the review includes recommended changes that may affect future effectiveness of SGRs, yield predictions, and expenditures. The effectiveness of silvicultural treatment packages that are exceptions to the forest management guides should also be assessed in the text.
- Assess whether the analysis and conclusions are logical based on field evidence, records of information, models and analyses, and whether the analysis and conclusions were carried forward into the new FMP.
- Review the analysis of silviculture activities for any implications to forest level objectives.

4. Review of assumptions in modeling:

- Determine whether a review of the assumptions used in the development of the management direction was completed and if it included observations, conclusions, or recommendations for modifications or refinements. Determine whether required adjustments to the assumptions were made in FMP development.

C.3 District compliance planning and associated monitoring

Direction

Review and assess whether an MNR compliance program has been developed and implemented to effectively monitor program compliance in accordance with MNR manuals, policies, and procedures.

MNR Districts shall prepare District Compliance Plans that include monitoring and auditing forest operations and dealing with the results of compliance inspections conducted by auditees.

This is separate from the Ten-year Compliance Strategy (Plan). The Guideline/Handbook includes direction to MNR staff for compliance inspections and reporting.

A description of the MNR district program for auditing forest operations and conducting forest operations inspections is included in the FMP text.

Procedure

1. Review the MNR District Compliance Plans in place during the audit period to determine how forest management activities were to be monitored for compliance by MNR and assess whether the actual level of the overall monitoring program was in accordance with the FMP and whether it was appropriate based on evidence gathered through analysis of related audit criteria, including field audits.
2. Determine whether the MNR District submitted the MNR's compliance information into FOIP and whether they supplied the FOIP information to the FM in accordance with requirements, including timelines specified in MNR procedures and the Compliance Handbook.

C.4 SFL/APFA holder compliance planning and monitoring

Direction

Review and assess whether a FM compliance plan has been developed and implemented to effectively monitor program compliance and effectiveness in accordance with the conditions of the SFL, Algonquin Park Forestry Agreement (APFA), FRL, Forestry Agreement, the FMPM and

FIM, including standards established by the Minister. Refer to conditions in the specific SFL/APFA document for compliance planning and monitoring.

Procedure

1. Review the Ten-Year Compliance Strategy (Plan) and the annual component. Determine whether:
 - Conformity with required conditions in the specific SFL/APFA document for compliance planning and monitoring.
 - Approval dates for the ten year and annual plans were prior to the issuance dates of harvest approvals and/or forest resource licences as applicable.
 - These plans have addressed requirements of the FMPM and the Guideline for Forest Industry Compliance Planning and were appropriate and sufficient to assess program compliance and effectiveness.
 - The actual level of the implemented overall monitoring program is appropriate and effective, and whether it is in accordance with the approved FMP and AWS. Consider whether plans to monitor compliance are effective for monitoring forest operations.
2. Determine whether the compliance reports have been submitted electronically to FOIP in accordance with requirements, including timelines specified in MNR procedures and the Compliance Handbook.
3. Examine whether the FM has continued to maintain their overall forest management oversight role related to development and maintenance of the compliance plan and its implementation while ensuring the sustainability of the MU in accordance with the approved FMP.

C.5 Compliance responsibilities delivered by qualified overlapping licensees

Direction

This audit criterion applies where the functional responsibility for inspection and reporting compliance and/or training of workers has been assigned to qualified Overlapping Licensees in accordance with the model-process identified in the Guideline for Forest Industry Compliance Planning/Forest Compliance Handbook. FOR 07 02 05 (Table 1) of the Guideline/Handbook lists functions and responsibilities. MNR approval (for one year, subject to annual re-assessment) must be reviewed for actual assigned responsibilities and any associated conditions.

Review and assess whether qualified overlapping licensees are meeting their responsibilities as outlined in the applicable guideline and approvals. Assess whether the SFL has maintained their

overall oversight role and whether MNR is ensuring the SFL compliance plan is being delivered in situations where there is a qualified overlapping licensee.

Procedure

1. Review and analyze the performance, efficiency, and effectiveness of specified 'delegation' to qualified Overlapping Licensees and overall performance of the Overlapping Licensee in delivering their responsibilities. This will include:
 - An examination of the qualified Overlapping Licensees compliance with roles and responsibility provisions in the SFL Compliance Plan.
 - An assessment of the respective compliance of SFL and qualified Overlapping Licensee with Functions and Responsibilities Table 1 of the Guideline/Handbook and with any additional conditions outlined in the MNR's approval letter.
 - Determine whether the MNR District examined the SFL and Overlapping Licensee responsibilities prior to approval of the compliance plan.

C.6 Silviculture standards and assessment program

Direction

Review and assess whether an effective program exists to assess the status of regeneration in accordance with the applicable FMPM, FIM, and FOSM. The entire cycle from SGRs, FOPs, tree marking audits, field operations, regeneration assessment surveys to FRI update must be assessed. Methodologies used in assessing regeneration and verifying results are documented in the FMP.

Silvicultural operations are to be assessed to determine whether they meet the standards in the SGRs. Assessment records are to be maintained and a stand description is to be prepared for entry into the FRI.

Review the specific SFL for descriptions of any lands that may have obligations.

The APFA includes conditions related to silviculture standards on productive lands in the recreation utilization zone. Review the APFA for the specific conditions.

Procedure

1. Review and assess actual field conditions of regenerating/regenerated areas relative to the establishment standards in SGRs and any other silviculture standards or objectives described in the FMP, including reported achievement levels for the specific MU. Include the following:

- Select and assess a representative sample from the areas reported as established during the period of the audit that includes each of the various types of prescriptions, including any forest management silviculture guide exception prescriptions implemented.
 - Where applicable, select and assess a representative sample of areas marked for selection and/or shelterwood harvest but not yet cut to evaluate forest operation prescriptions, marking to the prescription and comparison to audit results and the standards from the SGRs.
 - Examine aerial photographs/imagery for these areas.
 - Review annual reports, including maps, to determine if areas to be assessed and results of the surveys have been identified and for consistency with records of the assessments and results of the field audit including:
 - Whether the reports and records are consistent with the location and results as seen in the field.
 - Review stand descriptions compared to SGR standards and assess whether the SGR standards are being achieved.
2. Assess whether the FM's management unit assessment program is sufficient and is being used to provide the required silviculture effectiveness monitoring information including whether it:
- Assesses overall effectiveness of treatments, including those that are exceptions to silvicultural guides, i.e., documented program, survey methodology such as survival, stocking, establishment (previously free-to-grow) surveys, records, use and evaluation of results (e.g., appropriateness of treatment for actual site conditions, regeneration status).
 - Determines the need for and the type of remedial action required if an area is not successfully established (e.g., in fill plant, tending).
 - Assesses reasons where eligible areas are not determined to be successfully established.
 - Is appropriately used to update the FRI.
 - Assesses progress towards achieving the management strategy.
 - Compare MNR District silviculture monitoring results (where they may exist) with those of the SFL. Evaluate and explain any differences in results.
3. Assess the actual level of the overall monitoring program including whether:
- It was in accordance with the FMP, including silviculture guide exceptions monitoring, and whether it was appropriate based on the field audit and other evidence gathered through analysis of related audit criteria.
 - The amount of area eligible for survey is consistent with past levels of harvest and whether all areas are being addressed.

4. Confirm that regeneration and management standards are appropriate for the stand development information (yield curves or basal area growth curves) in the SGRs, and that regeneration standards include establishment benchmarks.

Regulatory Requirement D: Action plan

(d) assess the effectiveness of any action plan implemented in the management unit in response to a previous forest audit report.

Review previous IFA action plans to assess whether actions were completed as per Appendix E, and check whether progress towards actions was reported on in the annual reports as per the applicable FMPM and FIM.

D.1 Action plan development

Direction

The Director of MNR DSB determines if an action plan is required. If an action plan is required, it must be approved by the Regional Director within three months of the call for an action plan and submitted to MNR DSB.

Procedure

Review, including through interviews, the previous audit's action plan and assess whether:

- The action plan was prepared in accordance with requirements of the SFL/APFA (or applicable agreement), and IFAPP.
- The effective implementation of the action plan at addressing previous audit's findings.

D.2 Reporting on progress towards the completion of actions

Direction

Review the progress towards the completion of actions from the action plan as described in the annual reports.

Procedure

Review the reporting of progress towards the completion of actions from the action plan in the annual reports, including through interviews, for the previous audit and assess:

- The reporting of progress towards the completion of actions from the action plan in the annual report was prepared in accordance with requirements of the SFL/APFA (or applicable agreement), FMPM, and IFAPP.

- If applicable, review the status report from two audits prior and determine whether it contained any actions that needed to be addressed in the current FMP, if it did assess and rationalize whether:
 - The actions were implemented.
 - The actions were effective in addressing the audit findings.

Regulatory Requirement E: Licence

(e) review and assess a licensee's compliance with the terms and conditions of a forest resource licence for the management unit by the licensee.

Review whether the licensee has complied with the specific requirements of any licences or contracts granted by or entered into with MNR; whether specific requirements and terms and conditions relevant to MNR were followed.

E.1 Sustainable Forest Licence (SFL), Algonquin Park Forestry Agreement (APFA).

Direction

Review when the FM holds a management unit licence (SFL or FRL), the FM must comply with the terms and conditions of that licence. When such a licence includes a condition requiring the holder to comply with another agreement (e.g., an FRL or Forestry Agreement) or a contract, the FM must also comply with the terms and conditions of that agreement.

Procedure

Review terms and conditions as set out in SFL, APFA, FRL, and any Forestry Agreements and assess FM's compliance with these terms and conditions. The audit report will include a discussion of how the FM has met the terms and conditions of the applicable agreement.

E.2 Ontario Crown Timber Charges payments

Direction

A licensee (e.g., FM or FRL holder) or agent for the Crown (e.g., receiving mill) are required to make payments to Ontario Crown Timber Charges (composed of FRT, FFT, and Consolidated Revenue Fund charges).

- The FRT charge provides dedicated funding for forest renewal. This charge, which is set annually, varies depending upon anticipated renewal costs.

- The FFT provides funding for stand improvement projects and funds to renew forest areas affected by natural disasters like fire, blowdown, or disease. Funding could also be provided in the event of an insolvency of a major licensee.
- Consolidated Revenue Fund (CRF) charge is designed to provide royalties to the province for the use of Crown wood.

Procedure

1. Review the FRT account records to determine whether renewal charges applicable for the management unit have been paid by the SFL and/or overlapping licensees to the Trustee as per the agreement (SFL or Algonquin Forestry Authority), including for any subaccounts.
2. Assess whether the minimum balance, as per the SFL/APFA, has been maintained (FRT or Algonquin Forestry Authority (AFA)'s forest renewal account) each March 31 for the audit period.
3. Through a review of MNR overdue invoiced balances, in discussion with MNR Forest Industry Division (FID), determine whether the licensee or agent for the Crown have paid up to date all amounts in the FFT and CRF components.

E.3 FRT eligible silviculture work

Direction

The SFL company is required to maintain records, including maps of the eligible silviculture work (SFL Appendix C) implemented through payment from the FRT account. Eligible silvicultural work must be consistent with the approved FMP, AWS, and SFL/APFA.

For the SFL company, MNR CFLPB will provide the auditor with a FRT specified procedures report or other documents and related maps for the SFL for a year in the audit period with a completed annual report. The IFA will not include audit of the FRT (i.e., costs). This audit criterion pertaining to the FRT specified procedures report or other documents provided by the MNR does not apply to the AFA. The function provided by the FRT specified procedures report or other documents provided by the MNR, a review of silvicultural trust fund expenditures, is addressed under a separate financial audit of the AFA required under the Algonquin Forestry Authority Act.

Procedure

As part of the field sampling, using the FRT specified procedures report or other documents provided by the MNR and related maps, randomly sample 10% of the area representative of FRT funded activities reported as carried out in the year of the FRT specified procedures report, and:

- Determine whether records, including maps, were maintained; and

- Verify activities reported and mapped with actual conditions in the field.

E.4 SFL or Agreement conclusion in final audit report

Direction

Determine whether the terms and conditions of the SFL have been met for the concluding statement in the executive summary in the final audit report.

Procedure

1. Based on consideration of audit results for the preceding audit criteria in E.1 related to the SFL or Agreement make a concluding statement regarding whether the FM complied with the terms and conditions of the SFL or the Agreement in accordance with the IFAPP direction (Appendix D).
2. For MUs where an SFL has not been issued and there is no FRL or Forestry Agreement, based on consideration of audit results for the preceding audit criteria, the auditor will make a concluding statement related to the management of the forest in accordance with the direction provided in Appendix D.

Regulatory Requirement F: Sustainability

(f) assess whether the management unit has been managed in a manner consistent with the principles of sustainability set out in subsection 2 (3) of the Act.

Assess forest sustainability as per the definition in the CFSA.

Sustainability

2 (1) *In this Act,*

“sustainability” means long term Crown forest health. 1994, c. 25, s. 2 (1).

Determination

(2) For the purpose of this Act and the regulations, the sustainability of a Crown forest shall be determined in accordance with the Forest Management Planning Manual.

Definitions

3 *In this Act,*

“forest health” means the condition of a forest ecosystem that sustains the ecosystem’s complexity while providing for the needs of the people of Ontario; (“vitalité d’une forêt”).

Additional requirements for enhanced annual reports are to be examined and analyzed, including the implementation of forest operations, analysis of forest disturbances, analysis of renewal and tending activities, review of modelling assumptions, assessment of objective achievement, and determination of sustainability. The availability of this information is critical for meeting audit objectives.

F.1 Determination of sustainability

Direction

Review and assess enhanced annual report requirements for the determination of sustainability including conclusions. Review the applicable FMPM for detailed requirements.

Procedure

1. Review and assess the indicators, including forest condition, and the assessment/determination of sustainability by considering:
 - FMPM requirements which include questions to consider and examples (see Section 3.6 of Part E of the FMPM, 2024).
 - The data in Forest Explorer.
 - Whether acceptable/desirable indicator levels have been achieved.
 - Whether explanations for significant differences are realistic.
 - Implications for situations where indicator values are higher or lower than acceptable/desirable levels.
 - Whether indicator levels show a clear trend.
 - Progress towards achievement of the desired forest and benefits as reflected in the management direction.
 - Whether the information presented is consistent with the findings of the audit.
2. Summarize and comment on the results of the above analysis, including significant trends over time, in the audit report.
3. Determine whether the components of the action plan that pertain to objective achievement and sustainability have been implemented.

F.2 Monitoring indicators of forest sustainability

Direction

Review whether programs are in place to ensure that data will be available for reporting on the FMP measurable indicators of forest sustainability. The measurable indicators of forest sustainability as identified in the FMP must be monitored/assessed to provide for the

assessment of forest sustainability to be included within the final-year annual report. The requirements of the applicable FMPM and FIM can be compared to the FMP to determine whether the mandatory indicators have been included in the FMP and which require data other than that normally collected for annual reports.

The applicable FMPM provides the mandatory indicators of objective achievement including the timing of assessment during FMP production and for the final year annual report. The corresponding information, in accordance with FIM, identifies the management objective indicator used to measure the objective and timing of the associated assessment.

Procedure

1. Assess whether programs are in place and are being implemented to provide sufficient data for all indicators identified in the FMP.
2. Assess whether the programs, as implemented, address the objectives, indicators, and their associated assessment methodologies outlined in the approved FMP.

F.3 Assessment of long-term trends

Direction

Forest sustainability trends in the annual reports for the audit period shall be reviewed for accuracy and analyzed by the auditor. Forest Explorer is an additional source of data to assess trends over time. This audit criterion is not meant to duplicate previous audit criteria and procedures but is meant to provide additional information on long-term trends.

For the same period and each activity, any data used in the audit report should specify the source of the data that is used to identify trends.

Procedure

Review and assess the relevant annual reports and Forest Explorer for the audit period and address the following under Section 4.7 of the audit report (Appendix D):

- Whether the information presented is consistent with the findings of the audit.
- Summarize and comment on significant trends over time.
- Whether the following key factors are in line with or supportive of the associated objectives in the plan:
 - Reasons for significant differences in forest condition trends between current and previous plan periods (total area under management, production forest areas by species, forest units and age class, size of barren and scattered, depleted and non-productive areas).

- Achievement of planned area and volume harvested and assess reasons for significant differences between current and previous plan periods.
- Achievement of planned renewal and maintenance and assess reasons for significant differences between current and previous plan periods.
- Harvested area successfully regenerated, including completion of establishment and performance surveys as required of the management unit and assess reasons for significant differences between current and previous plan periods.
- Compare depletion area (harvest and natural) and regeneration statistics from the tables and assess reasons for significant imbalances.

F.4 Conclusions regarding sustainability of the forest

Direction

The auditor is to draw conclusions regarding whether or not the management unit is being managed consistently with principles of sustainable forest management.

Procedure

1. Review and assess the conclusions related to sustainability and the recommendations in the relevant annual reports for the audit period including:
 - Comparison to FMPM requirements.
 - Appropriateness of the conclusions, recommendations.
2. Determine whether the results of the foregoing analyses (in audit criteria C.2, B.7, F.1, and procedure 1 above), reviews and conclusions were effectively considered in the subsequent FMP.
3. Based on consideration of audit results for all audit criteria and procedures in F, as well as other audit findings, including forest management practices as viewed in the field, draw conclusions as to whether or not the forest is being managed consistently with principles of sustainable forest management, as assessed through the IFAPP. Document the conclusion in the audit report.

Appendix B – Audit information

General

- Management unit background information will be provided in advance of the SLA award to support the RFS.
- The auditor is to contact the auditee upon award of the audit to clarify documentation needs, including timelines.
- Information is to cover the period being audited unless otherwise stated (i.e., FMPs that were developed prior to the audit period and implemented during the audit period; FMPs developed during the audit period for implementation subsequent to the audit period).
- Where information to be provided may potentially be duplicated in multiple on-award items, cross reference information sources to avoid duplication.

Use of electronic information

- The lead auditor will be provided with electronic access to the MNR's information management system, Forest Explorer, and FOIP.
- The auditees shall use electronic information where specifically indicated below and where electronic submissions have been required (e.g., annual reports and FMPs that were required to be submitted through the information management system or where the information is normally maintained electronically such as forest operations inspection reports and FRIs).
- Electronic information for other items is encouraged where this Appendix requires that the auditee provides information.
- The auditees and the auditors must ensure that information (either in hard copy or electronic form) is in the form of final or approved documents.

On award

- Information to be provided to the lead auditor immediately following execution of the audit SLA (typically January – February).
- One copy is to be provided at no expense to the auditors; additional copies (if requested by the auditors) are provided at the auditor's expense.
- Auditors shall review this information prior to commencing the field work.

Table 2: On award information requirements

Item	Notes	Usually provided by
Annual reports (MU)	All management unit annual reports for the audit period; including text, tables, spatial information, and/or maps (harvest, renewal, tending, aerial herbicide, insecticide application)	Digitally via the information management system
Contact List: First Nations and Métis communities	First Nations and Métis communities that are in or adjacent to MU, communities that participated in activities of MU; including names, phone numbers, emails, and mailing addresses.	MNR District
Contact List: Auditee	FM and MNR relevant staff contact list, including position, phone number, e-mail. Company to include lead manager/chief forester, plan author, silviculture forester, roads staff, monitoring/compliance staff. MNR to include District Manager, District Supervisor, management forester, management biologist, lead FMP planning staff, MNR District RLS, area/compliance technicians, and MNR Region contacts.	FM and MNR Region
Contact List: FMP mailing list	Up-to-date electronic copy for possible use by the auditor to provide public notification of audit, with any group affiliations identified; alternatively, the auditor may request mailing labels; clarify requirements with the auditor including whether entire list or portion of list requested, or none at all.	MNR District
Contact List: LCC membership	For all LCCs relevant to MU being audited, for period of audit including identification of current members; include phone numbers and addresses.	MNR District
Contact List: Licensees	List of FRLs (other than SFL/AFA) including salvage licensees for period of audit; include phone numbers and addresses.	MNR District
Contact List:	For all supply agreement holders in Appendix E of SFL, Appendix D of AFA, or wood supply	MNR Region

Item	Notes	Usually provided by
Wood supply agreement holders	agreements relevant to MUs administered by the Crown; include contacts, phone numbers and addresses.	
Contingency plan request	If applicable, request for a contingency plan and MNR Regional director decision to proceed.	MNR Region
Contingency plan proposal	If applicable, provide if not included in contingency plan; also provide records related to MNR endorsement.	MNR Region
Contingency plan	If applicable, complete contingency plan including any appendices, supplementary documentation.	Plan author (FM or MNR as applicable)
FMPs	Including table of contents, text, spatial information and/or maps, appendices, supplementary documentation including analysis package; provide electronic copy where available; auditors should be contacted to confirm extent of information required particularly where records involve paper copies or where more than one FMP is involved; stand lists and all spatial information and/or maps may not be required.	Plan author (FM or MNR as applicable); digitally via the information management system
FMP amendment list, major and minor amendments	Include relevant documentation e.g., requests for amendments, LCC recommendation, MNR review, District manager's decision, approved amendments.	MNR Region or District electronic via the information management system
FMP extension request	If applicable, request for a plan extension and MNR Regional director decision to proceed.	MNR Region
FMP extension proposal	If applicable, provide plan extension proposal if not included in FMP extension supplementary documents.	MNR Region
FMP extension	If applicable, complete FMP extension including any appendices, supplementary documentation.	MNR Region
FMP modelling	For FMPs where the following was not included in the FMP package: detailed inputs	Plan author (FM or MNR as applicable)

Item	Notes	Usually provided by
	and results of forest estate/decision support models and any other model used in FMP production.	*Confirm with the auditor prior to providing.
FMP planning team terms of reference	Include the terms of reference with the FMP submission.	MNR Region
FOIP summaries and reports	FM/Licensee and MNR; for period of audit including field sampling locations, any non-compliances; obtained from access to electronic system arranged by MNR.	MNR DSB (through access to FOIP)
List of non-compliances	If applicable, list of penalties, charges laid, or pending with the MNR (if not otherwise identified in annual reports), MECP, MLITSD, DFO, etc.	MNR District
FRLs, harvest approvals - major licensees	Including salvage licences.	MNR District
IFA previous final audit report	Electronic copy. MNR DSB to provide documentation of date final audit report received if not documented in approved action plan.	Ontario Government website Ontario.ca; MNR DSB
Approved action plans and status reports for the two prior IFAs (including any interim status reports); reported progress towards completion of actions.	Reported progress towards the completion of actions assigned in action plans is provided in annual reports.	MNR DSB (normally provided with the RFS) or available digitally via the information management system.
Key maps	Electronic map of MU for use in notices including scale, major communities, MU boundary and major highways. MNR map from public notices may be suitable. If not included in the FMP, map that includes MU location within the MNR administrative region and district(s), locations of forest	MNR Region or District MNR Region

Item	Notes	Usually provided by
	company offices, MNR offices, wood processing sites, other significant reference features e.g., settlements, transportation corridors, water bodies and/or land uses, etc.	
LCC terms of reference	Terms of reference for the LCC.	MNR District
Listing of information available via the information management system or from other centrally maintained sources	Summarize key administrative steps and identify when they were taken (for example, when various annual report submissions were made).	MNR DSB provides access to the information management system for the auditors
MNR overdue invoiced balances	Related to payment of forestry futures and Ontario Crown charges.	MNR FID
Silviculture monitoring results (MNR District)	MNR District silviculture monitoring results (where they may exist).	MNR Region or District
Sustainable Forest Licence	Including all amendments for period of audit.	MNR DSB
Wood supply agreements	Relevant to Appendix E of SFL, Appendix D of APFA or management unit administered by the Crown; include documentation of any sharing arrangements or related contractual arrangements.	MNR DSB

Preparation of the draft audit plan

- Information to be made available to the auditor for use in preparing the first draft of the audit plan.
- Auditors are to gather this information and/or copy if they deem necessary at the auditor's expense, unless otherwise specified.
- Auditors are to thoroughly review the information prior to commencing the field work.

Table 3: Draft audit plan requirements

Item	Notes	Usually available at
First Nations and Métis consultation notices	For each community a copy of the notices for the applicable First Nations and Métis consultation approach used throughout development of the FMP.	MNR Region or District
First Nations and Métis values: reports on protection, background reports	Final First Nations and Métis background information reports that were not already included in the FMP.	MNR Region or Districts
Aggregates	Spatial information and/or maps of forestry aggregate pits.	MNR District and/or FM office
Agreements - other	Includes wood supply agreement and other agreements (e.g., with tourist operators, trappers, etc.); copies of other business-to-business agreements are not required unless they have been made available to MNR (e.g., Resource Stewardship Agreements are not expected to be available as evidence unless both parties to the agreement agree to provide the RSA to the auditor).	FM office
Annual reports (MU)	For the periods covered by the two most recent enhanced and final year annual reports for the FMP period(s) including text, tables, spatial information and/or maps (harvest, renewal, tending, aerial herbicide, insecticide application) if not already provided “on award”.	Digitally via the information management system
AWS (complete), FOPs, revisions	Complete AWS including spatial information and/or maps, compliance plan/schedule; include any prescribed burn plans including slash pile burning, aerial herbicide, or insecticide project descriptions and plans if approved separately from AWS; include FOPs and any changes; include any revisions.	digitally via the information management system
Compliance plans	Five or ten-year strategic FM compliance plan should already be provided as part	FM office, MNR Region or District

Item	Notes	Usually available at
	of the FMP; District compliance plan when applicable.	
Harvest records	Including audit period and previous planning term which has lapsed; including year of depletion, stand number, area.	MU manager office (FM, MNR Region as applicable)
FMP planning team minutes, correspondence	Relevant correspondence files and presentations if requested	MNR Region
FMP summary of public comments	The summary is required as part of the supplementary documentation to include comments for each public information centre and any other public meetings held throughout development of FMP.	Plan author (FM or MNR as applicable) or digitally
FRT specified procedures report or other documents provided by MNR	Provided to the auditor for use in planning the field audit sampling as well as in conducting the field audit. If the report is not available in time for the site selection process, MNR should provide the sample list of invoices (on which the specified procedures were performed).	MNR CFLPB
Herbicide application	Records indicating criteria/rationale for herbicide application; post operations report.	FM or MNR Region as applicable
Insect pest management	Records indicating documentation of consideration of management options for areas eligible for insect pest management; post operations report.	FM or MNR Region as applicable
LCC minutes, correspondence	Relevant correspondence files and presentations if requested	MNR District
Overlapping FRL agreements	Include all overlapping FRL agreements.	MNR District
Renewal charge analysis	For each year in the audit period, for the FRT or special purpose account as applicable.	MNR Region

Item	Notes	Usually available at
Road construction and maintenance agreement	Invoices, including maps showing location of activities.	FM office, MNR Region for MUs administered by the Crown
Silvicultural assessment records for all lands on the MU; including maps of locations identified at time of SFL issuance	Including results of establishment surveys, FTG surveys, silviculture monitoring See specific SFL for description of lands.	MU manager office (FM, MNR Region as applicable)
Values information	The FMP includes the most recent values maps at the time of FMP production; the auditor may require access to the most recent values information for planning field audit sampling e.g., access to LIO data through arrangements with MNR.	MNR Region

Field audit

- Information to be made available to the auditor for use at the start of the field audit.
- Auditors may gather and review this information and/or copy if they deem necessary at the auditor's expense (or review on site), unless otherwise specified.

Table 4: Field audit requirements

Item	Notes	Usually available at
Aerial photographs/imagery	As required and if available (e.g., for field sampling locations).	MU manager office (FM, MNR Region as applicable)
AWS, prescribed burn, herbicide, insecticide, mining claim holder notices	Include all required public notices and direct written notices (e.g., letters, e-mail).	MNR District
Exception monitoring data/records	Source data/records documenting any forest management guide exceptions monitoring that occurred during the audit period where not already included as part of the annual report (i.e., for exceptions to guides in SGRs or AOC prescriptions).	FM or MNR office as applicable
FMP amendment public notices	If not already provided previously with amendments.	MNR Region or District

Item	Notes	Usually available at
FMP amendments - administrative	Include relevant documents (e.g., requests for amendments, LCC recommendation, MNR review, District Manager's decision, approved amendments).	MNR Region or District digitally via the information management system
Public information centre/forum document and attendance lists	List of attendance and list of documents, exhibits and background information used at each public information centre/forum and any other public meetings held throughout development of the FMP.	MNR Region
FMP public notices	Including invitations sent directly to individuals or organizations, advertisements placed in the media, any other notices such as flyers or posters.	MNR Region
FRT Agreement records	Including any sub-accounts, invoices including spatial information and/or maps, records of payment of renewal charges, account balances.	FM office
Forest research support documents	If applicable, any documents evidencing auditee membership participation or support for forest research organizations, persons, or research projects.	FM office, MNR Region or District
Forest resource information - other	Including landforms, geology, and soils used in FMP development and implementation.	FM or MNR Region as applicable
Insect, disease, fire occurrences	Information and documentation used to prepare annual reports including areas and volumes affected; include MNR and Canadian Forest Service documentation if relevant to the MU.	MU manager office (FM, MNR Region as applicable)
Monitoring records – other	Records documenting other monitoring not otherwise referred to in this appendix (not compliance inspections) e.g., roads and water crossing monitoring, any identified FMP monitoring programs for operations that are not exceptions.	FM office, MNR District
Planning inventory current	Information regarding current FRI used in the FMP development process including spatial information and/or maps, electronic	digitally via the information management system

Item	Notes	Usually available at
	records, ledgers, tables, and any updates; description of methodology and responsibilities for collection, compilation and update of FRI is in FMP as required in supplementary documentation.	
Planning inventory past (or equivalent)	Spatial information and/or maps and related information for past inventories.	MU manager office (FM, MNR Region as applicable)
Information required for preparation of the draft audit plan	All information made available for preparation of the draft audit plan also needs to be available for the field audit.	MU manager office (FM, MNR Region as applicable)
Resource inventory information - surveys	Documentation of identification of values including methodology and results of all surveys conducted on the MU to identify values.	MNR District
Resource inventory information - other	Trapline records, habitat supply assessment, game animal survey records, tourism, and recreational use, etc.	MNR District

Appendix C – Audit plan template

Introduction (if applicable)

This audit plan has been prepared by _____ for the conduct of the 20__ Independent Forest Audit (IFA) of the _____ Forest, SFL # _____.

The Sustainable Forest Licence for the Forest is held by _____ Company. The Forest is administered by the Ontario Ministry of Natural Resources (MNR) _____ District in the _____ Region.

The previous IFA (20__) was conducted by _____ Audit Firm. It resulted in ____ recommendations/findings, including the previous IFA's concluding statement result.

Management unit context

Management unit characteristics and factors considered in the development of the audit plan and their implications for the specific audit assignment:

-
-

Management unit risk assessment (only required if auditor is requesting adding work to the audit scope above the original RFS)

The audit team's management unit risk assessment consisted of the following process:

-
-

The management unit risk assessment identified the following risk areas:

-
-

As a result of the risk assessment, the audit team determined that the following additional work is required for this audit:

-
-

Audit Schedule

Work plan to meet timelines for conducting and completing the audit assignment:

-
-

Table 5: Key audit events

Task	Location	Target dates
Initial contact		
MU risk assessment		
Site selection		
Pre-audit meeting		
Opening meeting		
Field audit		
Closing meeting (includes draft version of Appendix 1)		Within two weeks of last day on site
Draft audit report submission		DD/MM/YYYY (Within 30 days of closing meeting)
Presentation of findings to the LCC; and First Nations and/or Métis communities in or adjacent to the MU		
Comments due on draft audit report		
Meeting to review draft audit report		
Final audit report submission		DD/MM/YYYY (Within 60 days of closing meeting)

Table 6: Audit team

Name	Responsibility

Table 7: Anticipated level of effort for the field audit

Name	Key Audit Tasks	Level of Effort (days)

Table 8: Auditees responsibility

Name	Responsibility

Table 9: Key contacts

Position	Name	Phone #	Email	Address (as required)
Lead auditor				
Primary company contact				
Senior company contact				
Primary MNR District contact				
MNR District Manager				
MNR Region contact				
MNR CFLPB contact				
FFTC contact				
First Nation and/or Métis representative (attending the audit)				
LCC contact				
MNR DSB contact				

Method of First Nation and Métis community consultation

First Nation and Métis communities shall have the opportunity for participation in the audit. The auditor, working with the MNR District's RLS, will reach out to every First Nation and Métis community in or adjacent to the MU to advise the communities that an audit will be taking place, invite communities to provide input, and confirm the method by which they wish to be consulted. In-person meetings with First Nation and Métis communities are strongly encouraged.

The auditor shall offer First Nation and Métis communities the opportunity to:

- Be interviewed as part of the audit.
- Receive the audit plan.
- Participate in the site selection for the field audit.
- Select a community representative to attend the field audit.
- Receive a presentation of the audit findings.
- Receive the final audit report.

Method of public consultation

The public shall have the opportunity for involvement in the audit in two ways: 1) through LCC participation; and 2) the auditors shall solicit public input through a variety of outreach efforts.

The lead auditor will attend a LCC meeting on _____ to discuss the audit. The public consultation auditor will interview LCC members on various aspects of forest management, including their perceptions of how well the LCC is fulfilling its mandate. Every effort will be made to interview LCC members in person, however, meetings may also occur through video conferencing. Interviews at other times can be accommodated by telephone or other means of telecommunication. To protect the privacy of participants, video conferences shall not be recorded. We are aiming for a sampling intensity of at least 50% of the LCC members and will increase the sampling intensity should the interviews reveal issues that are worthy of additional investigation. We will interview any LCC member who wishes to be interviewed; we urge LCC members to contact us to arrange for an interview.

About the time of the pre-audit meeting, _____ Audit Firm, in conjunction with the Forest Manager and MNR, will issue a notice advising the public that an Independent Forest Audit will be conducted on _____ Forest, and inviting comments regarding matters relevant to the audit period. We will advertise in three local newspapers – _____, _____ and _____ - as well as in the _____ News (and/or specify other means). The public

notice will include the purpose of the audit, identification of the management unit being audited, the period of the audit, how the public may provide input, and a notice (provided by MNR) informing the collection and use of personal information for audit purposes. See section 2.4.2. Communications for more information.

Methods of sampling and evidence-gathering

Field sampling will follow section 2.4.4 of the IFAPP (expand on description of sampling approach here as may be required). If necessary, additional sampling will be undertaken should initial field sampling warrant further investigations to reduce audit risk.

All field sampling procedures will conform to accepted standards and may include linear measurements (e.g., riparian buffer widths), fixed plot measurements (e.g., regeneration success), or ocular observations (e.g., plantation survival assessment) dependent on the attribute of interest and site conditions.

A stratified random sample of sites will be selected by the lead auditor on the basis of operating season, silvicultural system adopted, contractor, forest cover types, and access using GIS and the shapefile attribute table for each activity. This approach enables the rapid sorting and querying of the sample data set (e.g., sorting by year etc.), a visual assessment of the distribution of selected sites across the landscape and the compilation of sample areas, sample intensities etc. and a preliminary assessment of access requirements (i.e., air vs. ground). Shapefiles have been provided by _____ Company and an initial selection of sites is planned during the week of _____. Site selection will be reviewed with representatives of _____ Company and the MNR at the pre-audit meeting. In addition to our selected sites, any additional sites identified by First Nation and/or Métis communities, the LCC, or public prior to or during the field audit will be visited by the audit team (if feasible).

In addition to observations made at sample site locations, the audit team will observe forest conditions and note whether these conditions are accurately reflected in the spatial information and/or on maps and/or other documents when travelling between sample site locations. Inconsistencies and/or observations of negative impacts will be noted and investigated.

The fieldwork phase of the audit will also include the following activities:

- Full examination of all documents (tables, maps, etc.) quantifying the nature, extent and location of activities and related monitoring results in relation to stated objectives and standards.

- Discussions with MNR/_____ Company representatives of any notable items witnessed at each location visited.
- A sampling of compliance records to track incident reporting, follow-up, decisions, implementation and conclusions.

All team members will assess infrastructure construction, maintenance, and abandonment (e.g., roads and water crossings) and assess sites for operations compliance, etc. Site observations will be recorded in audit logbooks and by digital photos. The audit team will meet each evening to share and discuss information and findings from the day's field activities. Photos should not include images of identifiable details (e.g., people, licence plates).

Trucks and a helicopter will be used to conduct the field sampling. End-of-day and/or start-of-day meetings will be held with the auditees to ensure everyone is kept aware of significant findings and/or emerging issues. Field work is scheduled to start the morning of _____ and be completed by _____. Helicopter work is tentatively scheduled for _____.

The auditees will prepare a field binder or equivalent package on the sites selected for review in the field audit. Relevant information on forest management activities which have been planned and/or carried out for each selected site is gathered together to provide the audit team with a practical reference source for each site. The audit team requests that the following information be included in the field binders:

-
-

Closing Meeting

The audit team's proposed approach to conducting the closing meeting:

-
-

Appendix D – Reporting format

Preparation of a forest audit report

Clause 7(1)(b) of O. Reg. 319/20 specifies that a forest audit report shall:

“be prepared in accordance with Appendix D of the document entitled “Independent Forest Audit Process and Protocol”.

This Appendix D sets out the requirements for the preparation of an independent forest audit report for the purpose of clause 7(1)(b) of O. Reg. 319/20.

General

Objectives of reporting

This appendix applies to the production of both the draft audit and final audit reports. Audit reports are intended to honour the need for accountability to the public regarding the management of public forests, and to provide general and technical feedback to the auditees, and other key users of the forest. The intent of this reporting approach is to produce a short summary report in plain language, which provides a balanced overview of the audit results (positive and negative) for the general public. More detailed technical information is in the appendices.

The report appendices serve the key technical audiences outlining each finding (and best practices as encountered), the evidence and analysis upon which the finding is based and the key elements of the IFAPP being examined to reach the finding. Characteristics of the report appendices include:

- Detailed technical language.
- References the part of the IFAPP through which the audit inquiry was conducted.
- Sets out details of facts observed; analyzes facts against procedure and audit criteria requirements.
- Concludes and sets out finding (or best practice).
- Used by auditees to trace finding backwards to discern what was ‘wrong’ and why – supports action plan development.

The final audit report must be submitted in a format compliant with the *Accessibility for Ontarians with Disabilities Act* and not contain personal information.

Language in reports

- Language used in different parts of the report will reflect a balance between technical information and ease of understanding. Given the varied background of potential audiences, plain language should be used as much as possible in the main part of the report.
- Language in the executive summary and Sections 3 and 4 of the main report should be general, as those portions of the report are intended to primarily serve the public audience.
- Language in Appendix 1 of the audit report can be more technical. That portion of the report contains detail for professional users of the report. Acronyms should not be used.

Report covers

- The front cover of the report will indicate the name of the management unit being audited and the timeframe covered by the audit. It shall not list the name of the forest manager.

Copyright statement

- Reports shall have a copyright notice in the following form: “King’s Printer for Ontario, [*insert year of publication*].” The copyright notice will be prominently displayed on the front cover or the inside title page.

The following reporting template will be used for audit reports:

Audit report table of contents

1.0 Executive summary (1-2 pages)

- The executive summary will be in plain language so that it is easily understood by the general public and will be sufficiently comprehensive to function as a stand-alone document. The use of technical language as found in many forest management documents or in a financial auditor’s opinion statement will be minimized.
- Avoid repeated listings of findings and acronyms.
- The executive summary shall be signed and professionally stamped by the professional forester on behalf of the audit team.
- It will summarize findings and anything else of significance that the audit team feels appropriate. The FM responsible for the management of the unit during the period audited, and at what particular times, will also be included. The summary will clearly indicate whether or not management of the unit was in compliance with the legislation, regulations, and policy that were in effect for the term subject to audit and, where appropriate, whether or not the unit has been managed in compliance with the terms of the Sustainable Forest Licence. Finally, the executive summary will set out whether or not the management unit was sustainably managed over the audit period.

2.0 Table of findings and best practices (2 pages, immediately following Executive Summary)

This table is to be prepared using the template included at the end of this section. This format (a) puts findings up front, and (b) puts the entire conclusion first. Under the 2nd and 3rd subtitles (see list below), findings are set out in the order in which the relevant audit principles appear in the IFAPP. Any best practices are included in the appropriate section (subtitles can be modified to indicate their inclusion).

Table 10: Template for reporting

Concluding statement
Include the entire conclusion here.
Findings and Best Practices
Finding number; finding wording;

3.0 Introduction

Provide an introduction under the following subheadings.

3.1 Audit process (1-page)

A high-level overview of the audit process including:

- When the audit was conducted and by whom (the audit firm and audit team members)¹
- The auditees, significant overlapping licensees, contractors and/or supply agreement holders.
- Audit period and scope (including which forest management planning process was subject to audit).
- Statement of legal requirement to conduct audits, reference to Ontario Regulation 319/20 and the IFAPP as key source of direction.
- Cross-references to Appendix C for more detailed information on the audit process (management unit risk assessment, field audit sampling, consultation, etc.).

3.2 Management unit description (1-2 pages)

Include a management unit location map (may be from the FMP or provided by MNR) and brief description of the land base and/or forest composition. Include recent history and licensing of the unit. Note that detailed MU information is publicly available in the FMPs.

4.0 Audit findings

This section provides reporting to the public using plain language. It presents the positive and negative results that, in the judgment of the auditor, is appropriate for the forest in question. This section also provides an opportunity for auditors to discuss broader themes observed in the audit.

Address each of the subtitles below to provide a balanced summary of the findings made under the appropriate regulatory requirement, noting findings and best practices to the desired degree, and providing cross-references to the fuller discussion of each finding in Appendix 1 (“Findings and Best Practices”) of the audit report. In this section, auditors can set out all or any findings verbatim, cross-reference any findings as desired, or remain silent on findings that the auditor does not feel warrant inclusion in the main summary report. The auditor shall emphasize the most important messages from the audit for the general public. Where no findings or best practices have been identified in a section, insert one or two sentences to explicitly confirm that the section was examined. Similarly, insignificant non-conformances or non-conformances that have already been addressed by the auditees during the audit period need not be identified as findings but may otherwise be noted in the text.

The audit report will include a discussion of how the FMP has addressed protection measures for threatened or endangered species.

Set out the findings of the audit in a summary form. An *aggregate total of seven pages or less* should be used for the first five principles.

4 A – Compliance

4 B – Meeting FMP objectives

4 C – Planned versus actual

4 D – Action plan

4 E – Licence

This section provides a balanced, high-level summary of the licence holder’s compliance with SFL, Algonquin Park Forestry Agreement (APFA) conditions, or other contractual obligations (e.g., FRL holder) relevant to the management units administered by the Crown. Highlight significant findings (including findings and best practices) encountered under Regulatory Requirement E and draw conclusions on compliance with licence requirements.

4 F – Sustainability (2 pages)

This section addresses the achievement of management objectives and sustainability in a relatively abbreviated manner; it concludes with a sustainability opinion. For any findings, provide cross-references to the fuller discussion in Appendix 1 of the audit report. Summarized text here will draw references from the more detailed analysis of objective achievement provided in the tables of Appendix 2 (“Management Objectives Table”). In situations where the audit period spans more than one FMP period, the assessment of objectives of the completed FMP will be set out in the tables in Appendix 2. Assessment of the objectives of the current FMP should be done in summary text form (noteworthy items only) and included in this part of the report. It may also comment on evidence of adaptive management and/or continuity of management from one FMP to the next. This assessment of the achievement of objectives provides a foundation leading into the sustainability discussion and opinion.

Other information sources to be considered in this discussion and opinion statement include field audit observations, other audit evidence, enhanced annual reports, particularly forest condition trends and the Determination of Forest Sustainability in those documents. The auditor’s review of the enhanced annual reports is to be summarized in this section.

4.1 Concluding statement (1 page)

Summarize the findings, set out the results as related to the audit purposes and draw on the most significant portions of the above text for the six regulatory requirements. Include conclusions on compliance with legislation and policy, on compliance with SFL (or APFA or other agreement with MNR) terms and conditions and on the achievement of whether or not the forest is being managed consistently with principles of sustainable forest management. The issues carried over from a previous holder of the SFL and the length of time the current holder has had to address those issues will be considered in the concluding statement. The concluding statement will follow the standardized wording identified in one of the 3 forms set out below. Where the audit team concludes that the Forest Manager have not complied, or have complied, with critical exceptions to the terms and conditions of the licence, it is important that auditors clearly set out the basis for this conclusion. The templates for those two situations provide a standardized format, but also require the insertion of unique text to describe the critical management weaknesses. The auditor may propose alternative wording for exceptional circumstances (e.g., pending or transitional SFLs) to FFTC and MNR.

Note: Conclusions related to the APFA (and other forms of agreements such as FRL and Forestry Agreement) will follow the standardized wording for SFL situations outlined below, modified accordingly.

- Where the auditor concludes the Forest Manager complied with the terms and conditions of the licence (or equivalent situation where there is no licence):

SFL situation: “The audit team concludes that management of the *[insert Forest name]* Forest was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by *[insert licence holder name and licence number]*. The forest is being managed consistently with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol.”

Non-SFL situation: “The audit team concludes that management of the *[insert Forest name]* Forest was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the MNR met its legal obligations. The forest is being managed consistently with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol.”

- Where the auditor concludes the Forest Manager complied with the terms and conditions of the licence with critical exceptions (or equivalent situation where there is no licence):

SFL situation: “The audit team concludes that, *with the critical exception(s)* noted below, management of the *[insert Forest name]* Forest was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by *[insert licence holder name and licence number]*. The forest is being managed consistently with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol. The critical exception(s) is/are as follows: *[insert description of the critical flaws which must be rectified]*.”

Non-SFL situation: “The audit team concludes that, *with the critical exception(s)* noted below, management of the *[insert Forest name]* Forest was generally in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the MNR met its legal obligations. The forest is being managed consistently with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol. The critical exception(s) is/are as follows: *[insert description of the critical flaws which must be rectified]*.”

- Where the auditor concludes that the Forest Manager did not comply with the terms and conditions of the licence (or equivalent situation where there is no licence):

SFL situation: “The audit team concludes that management of the *[insert Forest name]* Forest was generally not in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the forest was not managed in compliance with the terms and conditions of the Sustainable Forest Licence held by *[insert licence holder name and licence number]*. The forest is/is not generally being managed consistently with the principles of

sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol. The audit team identifies the following reasons for this assessment: *[identify the applicable rationale in relation to specific licence conditions and identify the link to sustainability and the specific critical findings in the audit report, as applicable].*”

Non-SFL situation: “The audit team concludes that management of the *[insert Management Unit name]* Management Unit was generally not in compliance with the legislation, regulations, and policies that were in effect during the term covered by the audit, and the MNR did not fully meet its legal obligations. The forest is/is not generally being managed consistently with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol. The audit team identifies the following reasons for this assessment: *[identify the applicable rationale for the assessment and identify the link to sustainability and the specific critical findings in the audit report, as applicable].*”

Appendices

Appendix 1 – Findings and best practices *(1 page per finding / best practice)*

This appendix is comprised of a series of completed templates (see template form below), organized in the order in which the procedures appear in the IFAPP. Auditors shall document the findings, fitting them into the appropriate part of the protocol (by Regulatory Requirement, Criterion, and Procedure). Findings shall be clearly worded (avoid vague wording such as ‘should’) to facilitate the development of action plans.

Note: some of the boxes and subtitles in the template can be omitted if not needed. “Discussion” and/or “conclusion” may not be needed.

For the purposes of the closing meeting (Independent Forest Audit Guidance, Section 2.5.1), the preliminary concluding statement (Appendix D, Section 4.1) will also be included in this appendix.

Table 11: Record of findings

<p>Independent Forest Audit – Record of finding</p> <p>Finding (or best practice) # <i>(insert number)</i></p>
<p>Regulatory Requirement: Regulatory requirement letter; Regulatory requirement name</p>

<p>Audit Criterion: Audit criterion number; relevant audit criterion wording (or paraphrasing/excerpts and cross-reference to IFAPP in instances where audit criterion is lengthy).</p> <p>Procedure(s): Procedure(s) number; relevant procedure wording (or paraphrasing/excerpts and cross-reference to IFAPP in instances where procedure wording is lengthy).</p>
<p>Background information and summary of evidence:</p>
<p>Discussion:</p>
<p>Conclusion:</p>
<p>Finding (or best practice):</p>

Appendix 2 – Management objectives table (4 pages)

This appendix presents the tabular analysis required by IFAPP audit criterion B.7. Set out each FMP objective, along with the audit team’s assessment of the extent to which the objective has been achieved including the rationale, particularly where objectives are not met. The audit team’s assessment must clearly indicate whether the objective was achieved, partially achieved, or not achieved. The auditors shall discuss the significance of any objectives that were deemed to be partially achieved or not achieved, including impacts on the achievement of management objectives and forest sustainability. Include cross-references to relevant findings and best practices. This appendix provides support for the discussion and conclusions presented in the main report under “Achievement of Management Objectives and Sustainability” (subsection 4 F). In situations where the audit period covers parts of more than one FMP period, the assessment of objectives of only the completed (older) FMP will be set out in the tables in this appendix. In such cases, assessment of the objectives of the newer (current) FMP should be done in summary text form (noteworthy items only) and included in subsection 4 F of the main report.

Table 12: Management objectives table

Objective	Auditor assessment (achieved / partially achieved / not achieved)	Auditor comments

Notes:

1. As long as changes do not conflict with the provisions above, the auditor may adjust the titles and/or number of columns, etc. to accommodate the needs of the particular context.

Appendix 3 – Compliance with contractual obligations (4 pages)

Tabular format (see template below) captures the results of the application of audit criteria for Regulatory Requirement E in Appendix A of the IFAPP. While following the order of the audit criteria in Appendix A, the table will be modified as necessary to set out the actual conditions from the Forest Manager being examined. Set out each condition on a separate row, along with the auditor’s comments on the degree of attainment of the condition including whether or not the condition has been met, any relevant findings or best practices, and cross-references to other relevant discussion in the report text.

The status of specific action plan items from prior audits (reviewed under audit criterion D.1 or D.2) should be noted only where the actions have not been achieved (or have been done exceptionally well). If longer lists of such action need to be set out, the auditor may prefer to document them at the end of this appendix following the table (less cumbersome than trying to list in one box in the table).

Table 13: Compliance with contractual obligations

Licence condition	Licence holder performance
Payment of Forestry Futures and Ontario Crown charges	
Wood supply commitments, sharing arrangements, special conditions	
Preparation of FMP, AWS and reports; abiding by the FMP and all other requirements of the FMPM and CFSA	
Conduct inventories, surveys, tests and studies; provision and collection of information in accordance with the FIM and in the case of the Agreement in accordance with the Algonquin Forestry Authority Act	
Wasteful practices not to be committed	
Natural disturbance and salvage SFL conditions must be followed	

Licence condition	Licence holder performance
Protection of the licence area from pest damage, participation in pest control programs	
Withdrawals from licence area	
Action plan and progress towards the completion of actions as reported in annual reports or status reports prepared under previous versions of the IFAPP	
Payment of forest renewal charges to the FRT	
FRT eligible silviculture work	
FRT forest renewal charge analysis	
FRT account minimum balance	
Silviculture standards and assessment program	
First Nations and Métis opportunities	
Preparation of compliance plan	
Internal compliance prevention/education program	
Compliance inspections and reporting; compliance with compliance plan	
SFL forestry operations on mining claims	
Algonquin Forest Authority maintenance of public access roads	

Notes:

1. Where changes do not conflict with the provisions above, the auditor may adjust the titles and/or number of columns or rows, etc. to accommodate the needs of the particular context.

Appendix 4 – Audit process (3-5 pages)

Provide:

(a) A general discussion of the audit process used (including the management unit risk assessment process and findings, if applicable), referring to the IFAPP as necessary. Refer to any unusual disposition of specific procedures. Auditors can address unique aspects of individual audits in this section, as necessary.

(b) Sampling populations and intensity must be documented in a table using the following template. Modify table and/or provide additional explanation or interpretive notes as necessary.

Table 14: Audit process

Activity or feature (e.g., stratum)	Stratum size	Proposed sample size	Actual sample size	Actual sampling intensity (%)
(e.g., harvest, renewal, tending, road construction, forest aggregate pits, water crossings)				
FRT funded activities				

Notes:

1. Where changes do not conflict with the provisions above, auditors may adjust the titles and/or number of columns, etc. to accommodate the needs of the particular context.
2. As a subset of minimum sampling requirements, it must be demonstrated (in this table) that 10% of FRT-funded activities for the year of the FRT specified procedures report have been sampled.

(c) Summary of consultation and input to audit. How information was gathered and from whom; may provide some background on issues raised by various parties providing input to the audit; include clear statements on First Nations and Métis consultation that was conducted.

Appendix 5 – List of acronyms used (1-2 pages) Auditors need to ensure that acronyms and their meanings are accurate and current.

Appendix 6 – Audit Team members and qualifications (1 page)

Appendix E – Action plans and reporting on progress for completing actions

1.0 Action plans

Section 9 of O. Reg. 319/20 provides that the Minister may prepare an action plan to address findings included in an audit report and may require the holder of a forest resource licence for the management unit to participate in the preparation of the action plan. The Minister's authority under section 9 has been delegated to the Director of the MNR's Divisional Support Branch.

Action plans are significant components of the forest policy framework under the CFSA. Action plans address a range of considerations that are integral to sustainable forest management, including instances of non-compliance or inconsistency with applicable public forest policy requirements. Action plans in management units also provide information to assist in the development of subsequent FMPs for those units.

In support of sustainable forest management, audit findings of non-conformance will normally result in the preparation of an action plan to address those findings. Given the central role of licence holders in the implementation of forest management planning and forest management operations within a MU over an audit period, licence holders within the MU will normally be required to participate in the preparation of an action plan related to findings involving the MU.

1.1 Analysis

The identification of a responsible entity (e.g., FM, MNR unit or official) for addressing each audit finding will be determined through a root cause analysis as part of the development of the action plan. The objective of the analysis, which may be a range of analytical processes, approaches, tools and techniques, is to identify the root cause or causal factor of the non-conformance. An analysis will be conducted in order to determine the best action to address or eliminate the non-conformance, including the identification of the entity responsible for completing the action. The action plan will document the resulting actions and responsible entities. The preparers of the action plan must confirm agreement/acceptance from the entity responsible for completing the action and/or for considering the findings in future policy development.

1.2 Action Plan Content (refer to sample attachments)

- Title page - identifying name of the management unit, audit period and 'Action Plan'

- Submission signature page
- Approval signature page
- Introduction – brief introduction that includes when the final audit report was received
- List each finding stated in the audit report and respond to each finding individually with:
 - i) the action required as determined by the analysis (actions are to clearly address the finding)
 - if there is more than one action for a finding
 - each action is to be separated and
 - each of these four requirements (items ‘i’ to ‘iv’) is to be clearly identified for each action
 - if a finding is assessed at a corporate MNR level, the action will state that the finding will be considered as part of the regular corporate planning and policy review cycle
 - ii) the entity (e.g., licensee, auditee, MNR unit or official) and position title responsible for completing the action as determined by the analysis
 - iii) deadline date
 - iv) a method for tracking the progress of the action (should be sufficiently clear to facilitate the reporting on progress towards the completion of actions)
- Pages are to be numbered to facilitate review and use of the document.

The preparers of an action plan may wish to consult the LCC to address findings related to the LCC. They may similarly wish to engage representatives of First Nations and Métis communities to address findings related to their respective communities. In the case of a pending or transitional SFL, it may also be necessary to consult parties other than the current licensee to develop the most appropriate actions.

The preparers of the action plan may need to work closely with the FM, the SFL holder, and/or forest resource licence holders (if applicable) to develop the action plan and confirm agreement/acceptance from the entity (e.g., FM, MNR unit or official) responsible for completing each action. All findings are to be addressed in the action plan with corporate findings captured with a note to indicate the finding has been provided to the appropriate party for future policy development.

1.2.1 Due date

The action plan must be approved by the Regional Director within three months of the Director, MNR DSB determining a plan is required.

1.2.2 Submission, approval, and implementation

Following review of the action plan and agreement that the action plan is complete, the MNR approval process will be initiated in accordance with the attachment: Sample Action Plan Approval Pages. The following will guide the process:

- An electronic version of the approved action plan with signatures up to and including the MNR District Manager (or equivalent) will be submitted to the MNR Region representative. The electronic version will be a “pdf”, not password-protected and free of any edits or comments. The action plan must be submitted in a format compliant with the *Accessibility for Ontarians with Disabilities Act* and for posting to the Ontario Government website.
- MNR Regional Director ‘approval’ will be sought by the MNR Region representative.
- Following final approval of the action plan, the MNR Region representative will send an electronic copy of the approved action plan to the FM (or MNR District Manager if MU administered by the Crown), MNR District Manager, FFTC, and the MNR DSB representative.
- The FM and MNR will present the action plan to the LCC within two meetings following approval of the action plan by the MNR Regional Director.
- The FM and MNR will offer to present the action plan to First Nation and Métis communities, in or adjacent to the MU, within six months following the approval of the action plan by the MNR Regional Director.
- Each entity that is identified in the action plan as being responsible for an action item, will be responsible for implementing the action item.

1.3 Public availability of approved action plans

The approved action plan is the official response to the audit report findings of non-conformance. Final audit reports and approved action plans will be made available to the public on a publicly accessible website in accordance with ss. 10(1)2 of O. Reg. 319/20. Action plans must not contain personal information.

2.0 Reporting on progress for completing actions

As applicable, each entity that is identified in the action plan as being responsible for an action item shall report annually on progress towards the completion of actions as required by the current FMPM. The text of the annual report shall include a discussion of progress towards the completion of actions assigned under an action plan. Reporting content and format requirements are detailed in this appendix.

For action plans prepared in response to IFAs conducted prior to 2018, the process for reporting on the progress towards the completion of actions assigned under an action plan will be completed in accordance with the applicable IFAPP.

2.1.1 Reporting deadlines and process

Annual reports are due November 15 of each year for the previous fiscal year. Each entity identified in the action plan as being responsible for an action item will report on progress towards the completion of actions in the first scheduled annual report submission following the calendar year in which the action plan was approved and annually thereafter until all actions are reported completed by the deadline date indicated in the ROD Regional Director approved action plan. Where a sustainable forest licence holder is responsible for the submission of annual reports, the MNR will supply a discussion of progress towards the completion of MNR assigned actions to include in the annual report. Corporate MNR or policy level findings are submitted to the appropriate MNR sections and are incorporated into regular corporate work planning and policy review cycle and are not reported in the annual reports.

2.1.2 Content and format

In reporting progress towards the completion of actions in the text of the annual report, the responsible entity shall:

- describe each action that has been completed during the reporting period.
- reference the finding to which each action applies.
- note whether the action was completed by the assigned date, and by the entity and position title assigned responsibility for completing the action.
- discuss the extent to which the action was effective in addressing the finding.

The above content shall be presented in a format that enables comparison of reported progress towards the completion of actions within the approved action plan over subsequent reporting periods and in summary within the enhanced annual reports.

Attachment
Sample action plan text format

_____ Forest _____ Independent Forest Audit action plan

Introduction

Indicate when the Director, Divisional Support Branch determined that an action plan would be prepared.

Findings of non-conformance

F#1: state finding as worded in audit report

Actions required:

- 1.
2. etc. if needed

Entity and position responsible:

- 1.
2. etc. if needed

Deadline date:

- 1.
2. etc. if needed

Method of tracking progress:

- 1.
2. etc. if needed

F#2:

Actions required:

- 1.
2. etc. if needed

Entity and position responsible:

- 1.
2. etc. if needed

Deadline date:

- 1.
2. etc. if needed

Method of tracking progress:

- 1.
2. etc. if needed

Attachment

Sample independent forest audit action plan signature page
_____ Forest _____ Independent Forest Audit action plan
Action plan submission signature page

Prepared by:

Date: _____

Insert name
Insert position title
Company name

Date: _____

Insert name
Insert position title
MNR _____ Region

Reviewed by:

Date: _____

Insert name
Insert position title
Company name

Submitted by:

Date: _____

Insert name
District Manager
MNR _____ District

Approved by:

Date: _____

Insert name
Regional Director
MNR _____ Region

Appendix F - Definitions and acronyms

For purposes of this document, the definitions given in the FMPM apply together with the following.

AOC – area of concern

APFA – Algonquin Park Forestry Agreement

audit – systematic and documented verification process to objectively obtain and evaluate evidence to determine whether the audit criteria have been met for a MU and to communicate the results of this process to the auditees and any other parties identified by MNR.

audit conclusion – judgment or opinion expressed by an auditor about the subject matter of the audit, based on reasoning the auditor has applied to the audit findings.

audit criteria – those criteria outlined in the this IFAPP against which the auditor compares collected evidence.

audit findings – result of the evaluation of the collected audit evidence compared against the audit criteria. Audit findings can indicate conformity or non-conformity.

audit team – group of auditors designated to perform an audit, as identified in the IFA Service Level Agreement. There is a lead auditor and a R.P.F. on the audit team. Audit team requirements are outlined in the request for services used to procure audit services.

auditees – either the MNR (MUs administered by the Crown) or both the MNR and a licensee (where a licence is in place on the unit being audited). Further, MNR District, Region, and corporate units, overlapping licensees, and contractors are considered the auditees to the extent that forest management activities carried out by them are the subject of audit examination. Such activities could include forest inventory and mapping, forest management planning, annual planning and reporting, review and approval, compliance planning and inspections, and field operations.

auditor – means the individual performing the audit, or part thereof who meet the criteria for lead auditor or audit team member.

AWS – annual work schedule

best practices – practices so identified should be ‘exceptional’ in relation to standard practice, not situations in which the auditees are practicing good forest management. Highly effective novel approaches to various aspects of forest management may represent best practices. Similarly, applications of established management approaches which achieve remarkable

success may represent best practices. Best practices may vary depending on geographic context and/or auditor experience.

CFLPB – Crown Forests and Lands Policy Branch

CFSA – Crown Forest Sustainability Act

CRF – Consolidated Revenue Fund

DFO – Fisheries and Oceans Canada

DSB – Divisional Support Branch

evidence – verifiable information, records, or statements of fact.

FFT – Forestry Futures Trust

FFTC – Forestry Futures Trust Committee

FID – Forest Industry Division

FIM – Forest Information Manual

Forest Manager (FM) – the entity responsible for preparing and implementing FMPs (e.g., SFL holder, MNR District for Crown MUs, forest resource licence holders).

FMP – Forest Management Plan

FMPM – Forest Management Planning Manual

FOIP – forest operations information program

FOP – forest operations prescription

FRT – Forest Renewal Trust

FTG – Free-to-Grow

IFA – Independent Forest Audit

IFAPP – Independent Forest Audit Process and Protocol

LCC – Local Citizens' Committee

lead auditor – auditor leading a specific IFA, as identified in the Service Level Agreement.

LIO – land information Ontario

meeting – a gathering of audit participants for the purpose of performing specified audit tasks. Although in-person meetings are generally preferred, meetings may also be held by telephone, video conference, or other form of telecommunication under extenuating circumstances.

MECP – Ministry of Environment, Conservation and Parks

MLITSD – Ministry of Labour, Immigration, Training and Skills Development

MNR – Ministry of Natural Resources

MU – management unit

PD – Policy Division

personal information - as defined by FIPPA, specifically, personal Information under s.2(1) as:
2 (1) recorded information about an identifiable individual, including:

- a) information relating to the race, national or ethnic origin, colour, religion, age, sex, sexual orientation or marital or family status of the individual,
- b) information relating to the education or the medical, psychiatric, psychological, criminal or employment history of the individual or information relating to financial transactions in which the individual has been involved,
- c) any identifying number, symbol or other particular assigned to the individual,
- d) the address, telephone number, fingerprints or blood type of the individual,
- e) the personal opinions or views of the individual except where they relate to another individual,
- f) correspondence sent to an institution by the individual that is implicitly or explicitly of a private or confidential nature, and replies to that correspondence that would reveal the contents of the original correspondence,
- g) the views or opinions of another individual about the individual, and
- h) the individual's name where it appears with other personal information relating to the individual or where the disclosure of the name would reveal other personal information about the individual.

PSD – Provincial Services Division

RFS – request for services

Risk – Sampling risk is the likelihood that the auditor’s conclusion may be different if based on the entire population instead of a sample, while detection risk is the likelihood that a non-compliance may go undetected for a given sample size and methodology.

RLS – Resource Liaison Specialist

R.P.F. – Registered Professional Forester

SFL – Sustainable Forest Licence

SLA – service level agreement is an agreement between the service provider (the auditor) and the Ministry setting out specific deliverables required by the Ministry, along with any additional terms and conditions contained therein.

SGR – silvicultural ground rule

VOR – vendor of record