

Boundary Waters Forest Independent Forest Audit 2025

April 1, 2017 – March 31, 2025



Prepared by
Caliber Forestry Consulting Co.
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1.0 Executive Summary

This report presents the findings of an Independent Forest Audit of the Boundary Waters Forest conducted by Caliber Forestry Consulting Incorporated. The audit followed the risk-based approach as outlined in the 2024-2025 Independent Forest Audit Process and Protocol. The audit included a review of documentation and records, field assessments, and opportunities for First Nation, Métis communities and stakeholder input.

The Independent Forest Audit for the Boundary Waters Forest covered an eight-year period of April 1, 2017 – March 31, 2025. The Boundary Waters Forest is managed under Sustainable Forest Licence #542245 by Boundary Waters Forest Management Corporation. The Forest is administered by the Ministry of Natural Resources Dryden, Fort Frances, Atikokan District in the Northwest Region. The Natural Resource Advisory Committee and Resource Management Advisory Committee are associated with the Forest.

The Boundary Waters Forest area came into being with the 2020 amalgamation of the former Crossroute Forest and the Sapawe Forest. The audit encompassed multiple forest management plans, contingency plans, and annual reports for both the Sapawe and Crossroute Forests, culminating in the Boundary Waters Forest Management Plan (2020–2030). The implementation of forest activities throughout the scope were examined.

Planning mostly met requirements, but some areas need improvement. First Nations and Métis communities lacked representation on advisory committees, and committee documentation did not always meet standards for transparency and accountability. The planning team did not always consider alternatives when developing forest management prescriptions. Road restrictions were inconsistent with higher-level plans, amendments were not reviewed promptly, and field audits found aggregate pits and slash piles often non-compliant. There is a backlog in silviculture assessments. A notable best practice was the district's prompt communication with stakeholders during planning and scheduling.

The auditors found that the Boundary Waters Forest Management Corp with support from shareholder companies and Ministry of Natural Resources Dryden, Fort Frances, Atikokan District staff are a dedicated, professional team. The Natural Resource Advisory Committee and Resource Management Advisory Committee are established, and meetings are held to discuss the necessary elements. The forest is being managed consistent with the forest management plan and with regard for the sustainability of the forest.

Janet Lane, R.P.F., Lead Auditor Seal

2.0 Table of Findings and Best Practices

Concluding Statement
Overall, the audit team concludes that the management of the Boundary Waters Forest was generally in compliance with the legislation, regulations, and policies that were in effect during the period covered by the audit, and the Sustainable Forest Licence was managed in compliance with the terms and conditions of the Crown Forest Sustainability Act and the Sustainable Forest Licence held by Boundary Waters Forest Management Corp. The forest is being managed consistent with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol.
FINDINGS
Finding #1: There is no documented evidence that First Nation and Métis communities on or adjacent to the Boundary Waters Forest have been offered an opportunity for representation on the Resource Management Advisory Committee or the Natural Resources Advisory Committee.
Finding #2: Area of Concern prescriptions developed by the Planning Team do not consistently consider alternative prescriptions.
Finding #3: The number of amendments being submitted and the time for review and approval could be improved.
Finding #4: The Ministry of Natural Resources did not follow the direction outlined in the Greytrout Crown Land Use Policy Atlas or the Boundary Waters Forest 2020–2030 Forest Management Plan by posting signage in 2024 that permanently closed Rogers, Grit South, and Duke South Roads to public use.
Finding #5: Forest management plan operational standards for forestry aggregate pits were not consistently met.
Finding #6: The slash management strategy identified in the forest management plan has not been consistently applied.
Finding #7: Ministry of Natural Resources failed to meet the intent of the Forest Compliance Handbook Inspection, Monitoring and Reporting Procedures in relation to Operational Issue Verification as well as compliance monitoring targets identified in the FMP compliance strategy.
Finding #8: A significant area that was depleted in 2007 and 2008 has not been assessed.
Finding #9: With additional cooperation between Shareholders, it would have been possible to harvest more volume from the forest.
BEST MANAGEMENT PRACTICES
Best Management Practice #1 The Ministry of Natural Resources District’s direct notification of known affected stakeholders at the Annual Work Schedule review stage is a best practice.

Table 1. Findings and Best Practice

3.0 Introduction

This report presents the findings of an Independent Forest Audit of the Boundary Waters Forest (BWF) by Caliber Forestry Consulting Inc. The audit followed the risk-based approach as outlined in the 2024 Independent Forest Audit Process and Protocol (IFAPP).¹

The Sustainable Forest Licence (SFL) for BWF is held by Boundary Waters Forest Management Corporation (BWFMC). The forest is situated in the Ontario Ministry of Natural Resources (MNR) Northwest Region within the administrative district of Dryden, Fort Frances, Atikokan District. MNR staff out of the Fort Frances and Atikokan area offices are the primary contacts for planning, reporting and communications with the SFL holder. There are two advisory committees for the SFL, the Fort Frances Natural Resource Advisory Committee (NRAC) and the Atikokan Resource Management Advisory Committee (RMAC).

The Boundary Waters Forest area is an amalgamation of the Crossroute Forest managed previously by Resolute FP Canada Inc. (RFP) under Sustainable Forest License (SFL) # 542245 and the Sapawe Forest previously managed by Rainy Lake Tribal Resource Management Inc. (RLTRMI). The amalgamation of the two forests was finalized with the writing of the 2020-2030 Boundary Waters Forest Management Plan (FMP).

The audit scope includes:

- Three years of Sapawe Forest Management Plan (FMP) 2010-2020 Phase II (2017-2019) implementation
- One year of Crossroute FMP 2007-2017 Phase II (2017) implementation
- Development of Crossroute Contingency Plan (CP) (2017-2020)
- Three years of Crossroute CP (2017-2020) implementation
- Development of Boundary Waters FMP 2020-2030
- Five years implementation of Boundary Waters FMP 2020-2030 (2020-2025)

The audit involved examining documentation and records, conducting field assessments in June 23-25, 2025, and interviewing stakeholders.

3.1 Audit Process

Independent Forest Audits (IFAs) are a requirement of the Crown Forest Sustainability Act (CFSA)². All SFLs and Crown Management Units must be audited once every ten to twelve years by an independent auditor. The IFAPP was used as the guiding document to assess if the forest is meeting the requirements of Ontario Regulation 319/20 made under the CFSA. The auditees include the forest manager and applicable MNR Districts, Region, and corporate organizations.

¹

OMNR. 2024. *Independent Forest Audit Process and Protocol*, <https://www.ontario.ca/page/independent-forest-audit-process-and-protocol>. 94pp.

²

Crown Forest Sustainability Act, 1994, S.O. 1994, c. 25

The procedures and criteria for the delivery of the IFA are specified in the 2024 IFAPP. The audit assesses the auditees compliance with the approved forest management plans, Forest Management Planning Manual (FMPM) and the CFSA in conducting forest management planning, operations, monitoring, and reporting activities. The audit assesses the effectiveness of forest management activities in meeting the management objectives in the applicable forest management plan. The field audit assesses whether actual results are comparable with planned results, whether approved prescriptions were followed, and whether forest operations were accurately reported.

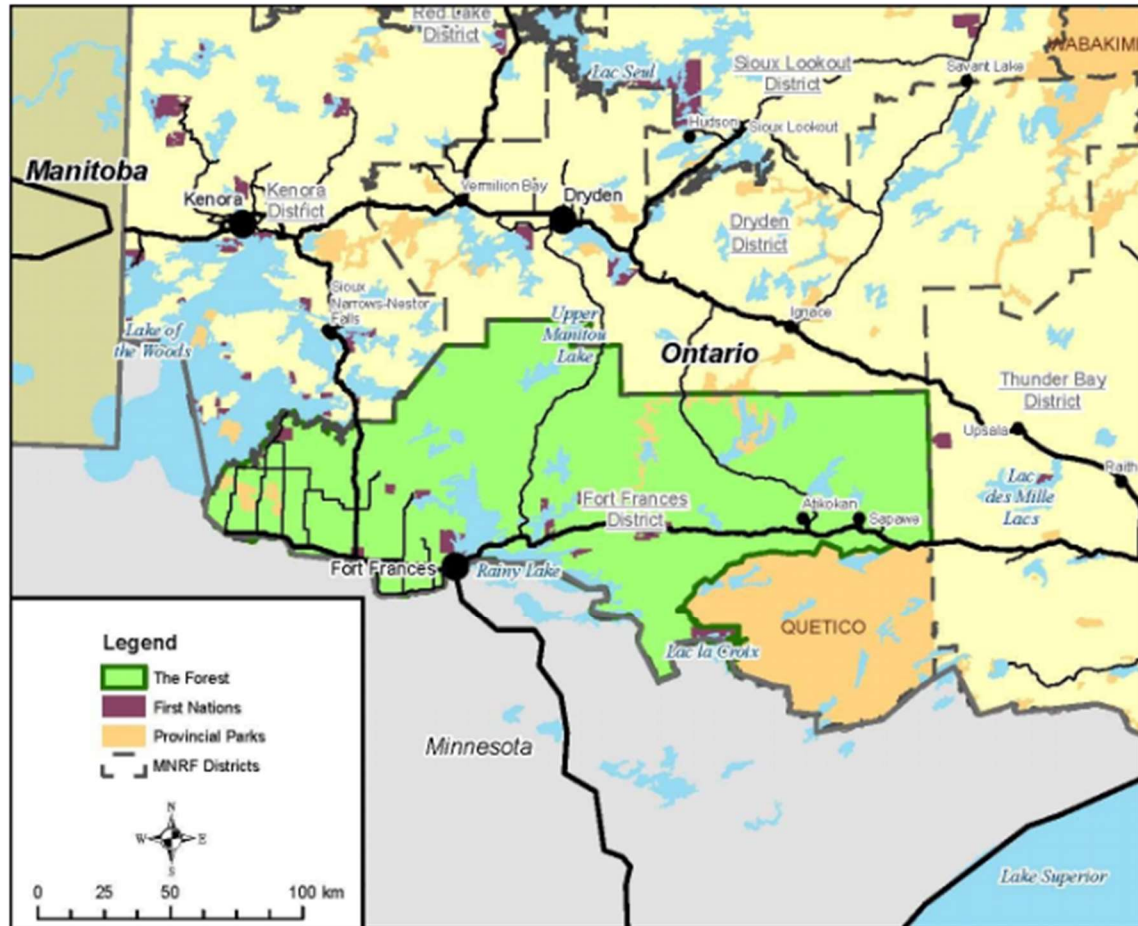
The auditors examine the audit criteria (Appendix A of the IFAPP), past audit findings, and relevant background materials to assess, through a risk assessment, whether additional time or resources will be necessary for a comprehensive audit. The risk assessment identified several issues: potential insufficiency in road maintenance, disagreements regarding issue resolution, and a possible gap between planning and operational staff resulting in frequent amendments. Furthermore, MNR's silviculture effectiveness monitoring may not meet required standards, and there could be insufficient staffing for adequate compliance monitoring at MNR. Past audits have also noted instances of aggregate pit noncompliance, challenges in harvest area clean-up, and inventory concerns that may persist.

The audit report outlines non-conformances as well as best management practices. Findings of non-conformances are observations by the audit team where requirements were not fully met or where a significant lack of effectiveness in forest management activities was identified. Best management practices are recognized when auditees' actions go beyond the legal requirements and result in positive outcomes for the forest and communities. IFA findings of non-conformances are addressed by the auditees in an action plan and the progress towards the completion of these actions will be reported in the Annual Reports (ARs) for the Forest Management Unit (FMU). Details on the audit plan and processes are provided in Appendix 4.

Caliber Forestry Consulting conducted the field audit in June 2025, utilizing a three-person on-site team. The auditors consisted of three professional foresters with substantial forestry experience. The qualifications for Janet Lane RPF, Jack Harrison RPF, and Peter Nitschke RPF are detailed in Appendix 6.

3.2 Management Unit Description

The BWF is in the MNR Northwest Region. The BWF SFL came into affect with the amalgamation of the Sapawe and Crossroute Forests on September 10, 2020. The Crossroute Forest was an amalgamation of the former Highrock Forest and Fort Frances-Flanders Forest that occurred in 2002.



Credit: 2020 - 2030 Boundary Waters Forest FMP

Figure 1 Boundary Waters Forest Map

The southern edge of the forest borders the United States of America, it shares a boundary with Quetico Provincial Park to the southeast, to the east by the Dog River Matawin Forest, and is bordered in the north by the Kenora, Wabigoon and English River SFL's. The town of Fort Frances is located within the southwestern portion of the Crossroute Forest. The town of Atikokan is located within the southeastern portion of the Crossroute Forest.

The following Indigenous Communities have traditional territories that are overlapping or adjacent to the BWF:

- Anishinaabeg of Naongashiing First Nation
- Animakee Wa Zhing #37 First Nation
- Couchiching First Nation
- Lac Des Mille Lac First Nation
- Lac La Croix First Nation
- Mishkosiminiziibiing First Nation
- Mitaanjigamiing First Nation
- Naicatchewenin First Nation
- Naotkamegwanning First Nation
- Nigigoonsiminikaaning First Nation

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Northwest Angle #33 First Nation
Ojibways of Onigaming First Nation
Rainy River First Nations
Seine River First Nation
Wabigoon Lake Ojibway Nation
MNO Atikokan and Area Métis Council
MNO Sunset Country Métis Council
MNO Lake of the Woods /Lac Seul/Rainy Lake Consultation
Committee

BWFMC has 16 shareholders from local mills, First Nations, Métis, independent loggers, and municipalities. The Board of Directors includes 12 members, with equal representation from communities and consumers/harvesters. The Forest has been officially certified by the Sustainable Forest Initiative (SFI).

The forest has a long history of management practices, fire prevention and small harvest patches in addition to insect infestation impacts. Forest harvest had declined since the turn of the century, resulting in an increased mixed wood composition and a decrease in the 60- and 70-year age classes with abundant mature forest types. The forest utilization has increased over the past decade and there are diverse markets for both the conifer and hardwood species.

Mining, trapping, tourist outfitting and general forest use by the local population is high. There are local citizens and First Nations representatives that have been very active on the forest and involved in the forest management planning, during open houses and as participants on the NRAC and RMAC.

The planning inventory shows that 86% of the management unit is Crown land (81% managed, 5% Crown Other) and 12% is Patent land. The forest spans 1.9 million hectares, but 223,872 hectares (12%) of patent land are excluded from the inventory and do not count toward the FMP harvest area.

Many physical, natural and historical factors influence the forest composition of today. The Forest lies within the Superior Structural Province of the Precambrian Shield. It is classified as Great Lakes-St. Lawrence Forest Region in the south transitioning to the Boreal Forest in the north. The northern section is generally dominated by boreal coniferous species like Spruce and Jack Pine, while the southern section has a higher component of hardwood species such as Poplar and Birch, alongside conifer species like Red and White Pine. The Rainy River Section features low relief with flat to undulating topography, with broad swamps being the dominant feature. Species in this section include Black Spruce, White Cedar, Trembling Aspen, Balsam Poplar, Balsam Fir, and White Spruce. White Elm, Basswood, Manitoba Maple, and Bur Oak are present on some riverbanks.

The forest has a nonregulated, forest age class with an abundance of forest in the 10 - 40-year age class and the 80 – 110-year age class. The BWF has a significant component of older forest areas comprised mostly of lowland spruce, some jack pine, conifer upland, big pine and mixedwood stands. Poplar and birch stands are not found in the older age classes as they have succeeded by 120 years of age.

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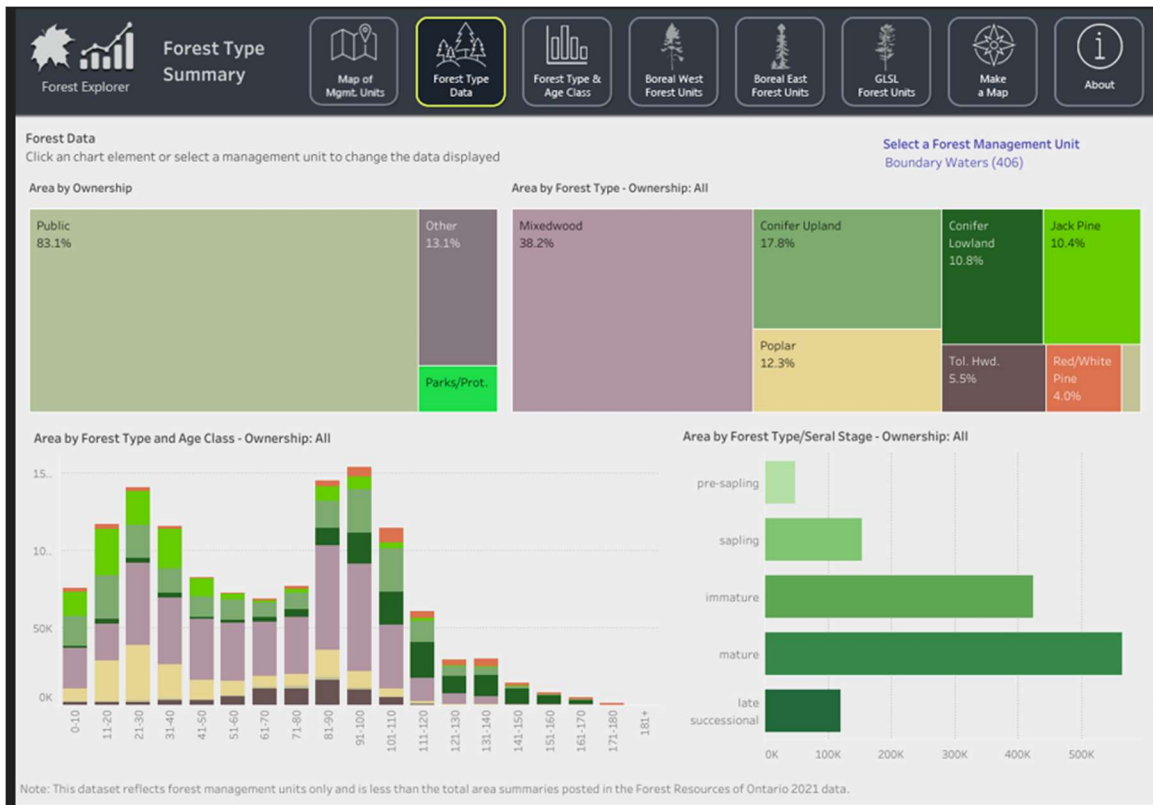


Figure 2. Crown Land Summary Boundary Waters Forest. (Source Forest Explorer)

4.0 Audit Findings

Regulatory Requirement A: Compliance

The process of forest management planning, implementation and monitoring must be conducted in an open and consultative fashion. The auditors looked for evidence that there was involvement by First Nations and Métis communities, the local citizens advisory committees, and other parties with an interest in the operations of the management unit.

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

Consultation for the forest management plan production were to follow the requirements in the 2017 Forest Management Planning Manual. There were nine First Nations communities listed as part of the planning team. First Nation and Métis communities were invited to identify Indigenous values and help prepare the Background Information Reports included in the supplemental documentation of the FMP. First Nations were present at the two desired forest and benefits meetings that were held to set objectives for the FMP.

There is no evidence that the MNR district manager contacted each First Nation and Métis community to offer the opportunity for a representative of the community to participate on the LCC.

Finding #1: There is no documented evidence that First Nation and Métis communities on or adjacent to the Boundary Waters Forest have been offered an opportunity for representation on the Resource Management Advisory Committee or the Natural Resources Advisory Committee.

The FMPM (2024) requires that each community be contacted during the annual work schedule (AWS) development and before approval of the AWS. This process was followed. All notices regarding prescribed burns and aerial herbicide applications have been followed.

A.1.2 Local citizens' committee (LCC)

The District Manager has two advisory committees for the BWF: Fort Francis NRAC and Atikokan RMAC. The auditor reviewed the terms of reference, meeting minutes and interviewed members of the advisory committees.

The advisory committees have a core of dedicated members. There are vacancies on both committees. They meet three to five times per year. The committees were represented on the FMP planning team, and review amendments, annual reports and annual work schedules as required. The FMPM (Part A section 2.2) outlines clear requirements for the structure and function of District Manager advisory committees, including membership documentation and transparency regarding representation and funding. The current terms of reference for each committee is in place. The terms of reference should be checked against the FMPM requirements and updated as required.

All the requirements for public notification outlined in the FMPM were followed. The FMP development, annual work schedule, aerial herbicide and prescribed burn public notification requirements were met. The MNR has an extensive contact public contact list.

The MNR has fulfilled AWS notification requirements and directly emailed affected stakeholders, including private landowners, about nearby harvesting. On March 17, 2025, Eva Lake area stakeholders were personally informed of proposed harvest plans. This notification prompted discussions between the forest manager and stakeholders about timing and access, though final agreements are still pending. The forest manager has agreed to delay activity until further consultation and plan revisions occur. Timely notification fosters public trust, reduces future conflicts, and demonstrates proactive, constructive engagement beyond regulatory standards; while consultation outcomes are unresolved, the process is exemplary.

Best Management Practice #1: The MNR District's direct notification of known affected stakeholders at the AWS review stage is a best practice.

A.2 Issue resolution

Public stakeholders raised concerns during the FMP process, most of which were addressed. Two requests from tourism operators sought public access restrictions near remote tourism lakes. The issue resolution process outlined in the FMPM (2017) was followed. The Regional Director resolved these concerns, and the FMP was updated before final submission.

A.3 Plan production activities

The development of the forest management plan was affected by the merger of the Sapawe and Crossroute Forests into the Boundary Waters Forest. Due to delays in receiving a new forest resources inventory (FRI) suitable for FMP planning, a three-year Contingency Plan (CP) was implemented for the former Crossroute Forest. This action also aligned the planning schedules for both forests now part of the Boundary Waters Forest. The CP used existing LTMD and non-contentious areas, adhering to FMPM requirements. No significant issues were reported, and final Ministry of Environment endorsement was granted on February 16, 2017.

The development of the 2020 Forest Management Plan for Boundary Waters Forest was further delayed due to FRI quality issues, resulting in all project checkpoints being late by up to six months. Checkpoint 6 was completed nearly three months after its target date, but the FMP was ultimately signed a week ahead of schedule. Apart from FRI delays, no other significant issues occurred, and the Planning Team effectively addressed timing setbacks. Inventory problems have also hampered the plan's execution. Forest licence holders reported that harvested areas often yield less than planned, mainly because inventory misclassifies unproductive stands as productive and they were subsequently allocated by the model for harvest.

Completing a project of this size and complexity on schedule is a significant achievement, especially given the inventory issues and complexity of the forest. Planning team members were able to resolve problems and differences in a manner which did not disrupt overall plan production needs.

A.4: Assess the proper development of the FMP

Auditors examined two plans and their amendments. The Crossroute Forest CP met requirements, was approved, and implemented on schedule. The 2020 Boundary Waters FMP met FIM and FMPM requirements and received approval on schedule.

This is a large and complex forest with pressure from many recreational and tourism users. The FMP contains 25 AOC prescriptions which were developed by the planning team to address a wide range of these users and uses (e.g. trapper cabins, hydro corridors, visual buffers), biological values (e.g., trumpeter swan, species at risk) and features (e.g., Quetico Park Boundary) where no specific direction is provided by the various guides used.

Most prescriptions were developed through negotiation with other agencies and guidance from MNR staff. In at least 10 cases, alternatives were not evaluated, and the reasons for the chosen protection zone sizes were often unclear in the Supplemental Documentation. This highlights the need for more rigorous analysis to justify AOC prescription scales. The Planning Team should review AOC prescriptions to ensure operational restrictions and zone sizes appropriately protect values.

Finding #2: AOC prescriptions developed by the Planning Team do not consistently consider alternative prescriptions.

Many factors can influence the number of amendments required and the length of time it takes for them to be reviewed and approved. Factors influencing this process include, but are not limited to, the size and complexity of the forest, the reliability of inventory data, the thoroughness of the submission, and staff turnover. Since the 2020-2030 BWF FMP was approved, 41 amendments have been processed, eight of which were minor. The field audit revealed amendment approvals can take over 400 days in some cases. Both the high volume of submissions and lengthy approval times need improvement.

Finding #3: The number of amendments being submitted and the time for review and approval could be improved.

Regulatory Requirement B: Meeting FMP Objectives

B.1 Areas of concern (AOC)

The field audit reviewed a selection of AOCs that were both planned and implemented during the audit period. Planned AOC locations were compared on plan maps with actual harvest boundaries as shown on depletion maps and observed in the field. The prescriptions, conditions applied, and operational results corresponded to the specified locations and operational requirements detailed in the FMP and AWS, reflecting current site conditions. The field audit documented shore harvesting activities, which were carried out according to prescribed standards. Shoreline protection objectives were addressed while maintaining conditions comparable to natural disturbances along the shoreline.

B.2 Access

The FMP contains all the required documentation for road planning, development, maintenance, and decommissioning. However, there are some shortcomings in the clarity of the intent and the implementation of the requirements.

The auditors observed that Public Land Act restrictions are often applied to the forest roads in response to tourism operators' concerns. The use of public access restrictions considers both public rights and the effects on tourism businesses. In addition, local recreational users reported to the IFA audit team that in fall 2024, new signs were posted on Rogers Rd., Grit South Rd., and Duke South Rd. stating “The Road network is closed to public use. No unauthorized access beyond this point.” Previously, only a sign restricting access to specific waterbodies existed. Users noted berms blocking many access roads, limit truck access but still allow ATV use for hunting. The auditors found that the FMP roads supplemental documentation does not clearly state what restrictions will apply to these roads or when they will take affect. The signage does not adequately inform the public of the conditions of the restrictions.

The audit team further reviewed the Crown Land Use Policy Atlas for the area in question as this was the justification given for applying the restriction. The Greytrout CLUPA prioritizes recreational use at a low density. The use of physical barriers and access signage aligns with this goal, but the use of PLA signs to close the road network is not supported by the CLUPA or the FMP.

Finding #4: The Ministry of Natural Resources did not follow the direction outlined in the Greytrout CLUPA or the Boundary Waters Forest 2020–2030 FMP by posting signage in 2024 that permanently closed Rogers, Grit South, and Duke South Roads to public use.

The field audit examined access structures, including roads, water crossings, aggregate pits, and decommissioning. Most operations met required standards, and road decommissioning and monitoring were effective. An RMAC member noted concerns about road maintenance, which declined after 2017 but has been improving since 2022.

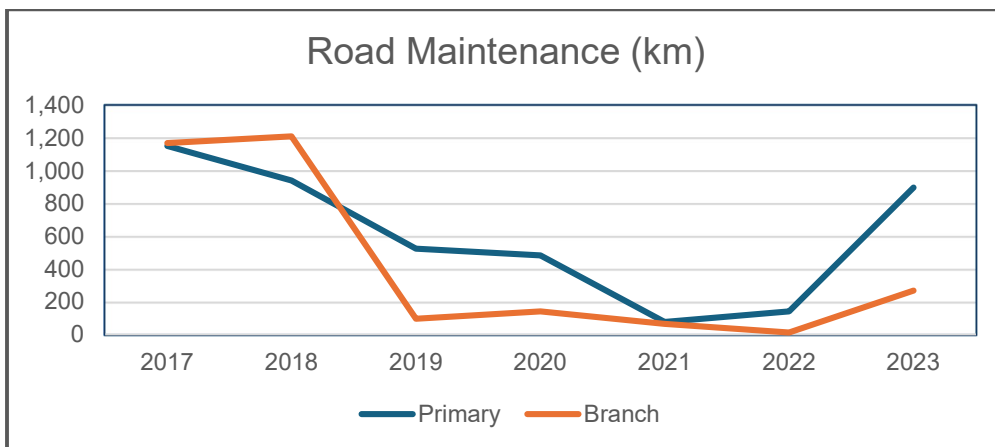


Figure 3. Road maintenance reported in annual reports.

The BWF has an extensive road network. The field audit found that road maintenance was sufficient to maintain forest access. All roads traveled had appropriate signage.

The risk assessment identified forest aggregate pits as a focus area for this IFA, primarily due to previous audit findings in the 2017 audits of the Sapawe and Crossroute Forests. The current FMP includes operational standards for forestry aggregate pits; however, the field audit found these standards were not consistently met. The field audit examined 19 active forest aggregate pits and 16 closed forest aggregate pits. Four pits were not consistent with the requirements specified in the 2024 FMPM Appendix III and the FMP.

Finding #5: FMP operational standards for forestry aggregate pits were not consistently met.

B.3 Harvest

The field audit examined a sample of the harvest planned and implemented during the scope of the audit. During the scope of the audit 58,622 ha were reported as harvested. This is about 52% of the annualized area in the 2020-2030 BWF FMP. Most of the area was harvested using the clear-cut silviculture system with only minor amounts of seed tree and strip cut silviculture systems employed. Planned harvest locations were examined on the plan maps and compared to the actual harvest boundary on depletion maps and in the field on the ground. The harvest areas appeared to have the required wildlife tree retention, and no site disturbance was noted. The harvest was in compliance with the conditions on regular operations specified in the FMP.

Year	Actual Volume*	FMP Annual Planned Volume	% of Planned Volume	Regular Area	FMP Planned Area	% of Planned Area	Bridging Area
2024/25*	NA	1,297,642	NA	10,817*	11,340		316
2023/24	610,627	1,297,642	47%	4,971	11,340	44%	55
2022/23	608,871	1,297,642	47%	5,046	11,340	44%	151
2021/22	650,190	1,297,642	50%	5,555	11,340	49%	78
2020/21	999,060	1,297,642	77%	6,514	11,340	57%	1,396
2019/20	796,118	1,607,675	50%	6,616	15,632	42%	
2018/19	968,610	1,607,675	60%	6,692	15,632	43%	
2017/18	1,221,309	1,607,675	76%	9,434	15,632	60%	
2016/17	932,020	1,607,675	58%	8,438	15,632	54%	1,071

Table 2. Harvest area and volume³

Significant by-pass area remains within some blocks. This occurrence has been attributed to unproductive stands being classified as productive forest and subsequently allocated in the FMP. Certain wood supply commitment holders related to the Auditors that small-diameter timber was not harvested in some instances because licence holders with the first right of refusal elected not to release this material for harvest and delivery to other fibre users, even when there was market demand. **(Finding #9)**

³ Source Forest Explorer Does not include biofibre ** 2024 harvest areas are an estimate and volume summaries are not available.

Bridging operations were conducted within the timeframe of this audit. Certain areas were identified in the FMP, while others were incorporated through an amendment. Amendment 1 introduced additional areas that were actively being harvested for completion. A total of 14,394 hectares of bridging harvest area was specified in both the FMP and the amendment. During the audit period, approximately 1,996 hectares of these designated bridging areas were harvested. A summary of bridging activities is included in each annual report.

Between 2017 and 2024, 168 hectares were salvaged. In 2020, wind damaged 2,354 hectares near Lawrence Lake, including part of the Conservation Reserve. Amendment 6 designated 784 hectares for salvage. The drought halted harvest in summer 2021, and contractors were not willing to salvage the wood in the subsequent years resulting in only 64 hectares being harvested.

The risk assessment highlighted slash management due to issues found in a previous audit of Sapawe Forest. At that time, it was identified that the practice of burning linear rows of slash did not effectively reduce slash and prevent the loss of productive forest land. The Boundary Waters 2020-2030 FMP addressed this with specific measures (CRO-9), but the field audit revealed inconsistent application of these measures. Some areas had effective piling, successful burns, followed by planting of the burnt areas. Other areas had no piling or flat piles. In one instance seedlings were planted next to unburned slash, risking their survival.

Finding #6: The slash management strategy identified in the forest management plan has not been consistently applied.

B.4 Renewal

There is a robust renewal program on the BWF. The areas identified as requiring site preparation are treated the year following harvest. The majority of the site preparation was with a power disc trencher or passive bracke however, more recently, a power bracke spot scarifier has been used. Some areas with heavy competition have been chemically site prepared. Annually, more chemical site preparation is being used (488 ha) than planned (300 ha). Site preparation levels are tracking as planned. The current plan level of site preparation was 35% of the harvest area and the actual is 30% of the harvested areas.

More than half of the area reported received artificial renewal using planting and seeding. The renewal effort has exceeded the planned level of artificial regeneration for all plans.

Renewal Method	Total Hectares Treated	%	FMP-17 Target
Tree Planting	23,161	42%	34%
Seeding	6,204	11%	5%
Natural Regeneration	26,302	47%	61%
Total	55,667		

Table 3. Renewal activity on the BWF 2020-2024 compared to planned

Renewal Method	Total Hectares Treated	%	FMP-17 Target
Tree Planting	424	32%	33%
Seeding	244	19%	13%
Natural Regeneration	645	49%	54%
Total	1,313		

Table 4. Renewal activity on the Sapawe Forest 2017-2019 compared to planned.

Renewal Method	Total Hectares Treated	%	FMP-17 Target
Tree Planting	8,887	45%	32%
Seeding	3,548	18%	24%
Natural Regeneration	7,200	37%	44%
Total	19,635		

Table 5. Renewal activity on the Crossroute Forest 2017-2019 compared to planned

The annual reports indicate that renewal activities are site-specific, with an increased number of upland conifer locations requiring artificial regeneration following harvesting. Renewal practices are closely aligned with harvest operations; site preparation typically occurs soon after harvesting, and tree planting or seeding is generally completed within two years of harvest completion.

Planted areas demonstrate good growth and high survival rates. Seeded sites typically regenerate as expected. Natural hardwood regeneration is abundant, while lowland spruce regeneration proceeds at a slower, anticipated pace. The BWFMC maintains an effective system for tracking renewal efforts, with documented evidence of frequent visits to regenerating sites by the SFL holder to assess progress, supplementing the ongoing regulated monitoring program.

B.5 Tending and protection

Both manual and chemical methods have been utilised to safeguard young stands from competing vegetation, thereby enhancing plantation survival rates. The application of herbicides is recognised as an effective technique in plantation management to promote successful forest regeneration. All herbicides were applied according to the label and by qualified contractors in accordance with the Crown Forest Sustainability Act and the Pesticides Act. Aerial herbicides were applied to 19,592 hectares during the audit. Under the BWF 2020-



Figure 4. Aerial herbicide striping.

2030 FMP, 7,778 hectares have been treated to date which is an average of 1,556 hectares per year, below the target of 3,398 hectares. While a few different brand names have been used, only glyphosate has been applied for tending purposes. To address the concerns the SFL has been trying novel approaches to herbicide applications. Aerial herbicide application was reduced by striping, with the aim that the remaining stripes of hardwood will not impede objective achievement of meeting conifer targets and future forest units. This approach has received positive feedback from public stakeholders, MNR and LCC.

While the 2020 FMP estimated that 447 hectares of manual tending would be complete only 65 ha has been done to date. The annual reports indicate that pre-commercial tending has been reduced due to contractor shortages during the COVID-19 pandemic. It further indicated that suitable stands that would benefit from tending have not been identified.

B.6 Renewal support

The BWFMC is a member of the Superior Woods Tree Improvement Association (SWTIA). The auditors stopped at a black spruce progeny trial. The trial was well tended and had good survival. The BWFMC has an adequate seed supply but like other forests, they are having difficulty getting cone collectors for wild stand collections.

B.7 Assessment of FMP Objectives

The 2010-2020 Sapawe Forest FMP objectives were evaluated in the enhanced 2019-2020 AR. Some objectives were unmet due to lower harvest levels, which does not affect sustainability given economic and industry shifts. Two objectives could not be assessed as they lacked defined measurements or documented data, making evaluation impossible.

The Crossroute Forest objectives were not assessed, as the Contingency Plan (CP) annual reports do not include this requirement. The final report for year three provides a summary of CP operations and compares planned versus actual activities. Although this approach does not fully address all aspects, it shows that harvest and silviculture activities were carried out as outlined in the CP.

The BWF 2020-2030 FMP objectives met the requirements in the forest management planning manual in affect during the writing of the FMP. However, some of the objectives are not assessed and summarized within the FMP table. (FMP-10). Objective assessment within the table should provide an adequate assessment of the status for those objectives that can be assessed at plan submission.

Objective 7 is not worded consistent with the 2017 FMPM. The FMPM Page 38 “Percent of forest operation inspections in non-compliance by activity and remedy type.” However, the Objectives table states “Percent of hectares harvested, by block, with forest operation inspections in compliance, for the protection of natural resource features, land uses or values dependent on forest cover.” There is an important difference between % of inspections vs % of hectares.

Objective 8.1 is not fully assessed as stated. The updating of First Nations and Métis Background information, incorporation of First Nations values, and the report on the Protection of First Nation and Métis Values for the preparation of the 2020-2030 FMP has not been documented as assessed.

Objective 8.2 does not have a target. The NRAC and FMAC self evaluation survey results of meaningful participation was documented (75%) but there was no target set. While the FMPM does indicate a standard, just having the survey is not an affective way of measuring the objective of involvement in forest management planning.

The FMPM (2017) instructions required assessment of objectives 1, 2, 4, 5, and 7 in both the enhanced annual reports and the final annual report for the forest management plan. However, the BWF FMP-10 specifies that evaluation of these objectives will take place in the Year 10 annual report. This assessment schedule does not correspond with the FMPM guidelines, and the lack of a mid-term evaluation results in insufficient monitoring of objective achievement.

Regulatory Requirement C: Planned Versus Actual

C.1 Annual Reports

The annual reports (ARs) contain all required information, with consistent structure and tables each year for easy access. BWFMC submitted all reports on or before November 15th and the MNR reviewed the reports. BWFMC shared the content of the ARs with the advisory committees.

The annual report relies on accurate information being available from MNR for wood measurement and forest operations compliance through the internet Timber Resource Evaluation System (iTrees) and the Forest Operations Information Program (FOIP). The FOIP system is based on timely reporting and approvals to ensure accurate information. Auditors identified discrepancies in compliance data presented in the annual reports. For instance, although full compliance was indicated in the 2020-2021 annual report, the MNR reported a harvest violation and BWFMC was issued a fine, in May of 2022 well after the deadlines for the 2020 AR reporting period. At the time of the writing of the 2020-2021 Annual Report the issue was a status of pending. The annual reports should reflect the current status of all compliance issues not only those finalized in the FOIP system.

C.2 Enhanced Annual Reports

Enhanced ARs include SF 2019/2020; however, no enhanced AR was completed for the Crossroute Forest CP. The FMP objectives table quantified disturbance as required during plan production, but disturbance sizes are not aligning with stand and site guide targets. The author notes that achieving significant progress within a ten-year period presents challenges.

The report provides an overview of silviculture operations completed to date, including expenditures, strata, and the implications for forest-level objectives, as well as progress towards planned regeneration assessments and harvest/regeneration trends. The AR recommends reducing regeneration delay for conifer-dominated stands. Additionally, an increase in conifer dominance is anticipated to result in higher costs and greater renewal efforts.

The review of the assumptions underlying the management direction was included in the AR. The review recognized the lack of harvest to planned levels have impacted the ability to meet disturbance and renewal assumptions.

C.3 District compliance planning and associated monitoring

A review of the MNRF District Compliance Plans showed that although there were clear strategic documents and assessment guides, implementation was weak. The first year (2017/18) had a strong Annual Compliance Operations Plan (ACOP), but in the following seven years, ACOPs or targets were missing or incomplete.

MNR mainly used helicopter surveys to complete FOIP reports, rarely conducting ground field visits. This resulted in just one operational issue for Access, Aggregate, Renewal, and Maintenance categories, which required field verification.

MNR failed to meet 'Field Verification' response targets, leaving many operational issues unresolved and creating gaps in the compliance status shown in annual reports. Silviculture effectiveness monitoring (SEM) was also inconsistent. MNR failed to meet the intent of the Forest Compliance handbook Inspection, Monitoring and Reporting Procedures in relation to Operational Issue Verification as well as compliance monitoring targets identified in the FMP compliance strategy.

Finding #7: Ministry of Natural Resources failed to meet the intent of the Forest Compliance Handbook Inspection, Monitoring and Reporting Procedures in relation to Operational Issue Verification as well as compliance monitoring targets identified in the FMP compliance strategy.

The MNR SEM program was not conducted in 2019/2020, 2020/2021, 2021/22, or 2022/23. When completed, results were:

- 2017/18: seven blocks surveyed; four matched SFL results
- 2018/19: six blocks surveyed; two matched SFL, with discrepancies mainly in hardwood amount
- 2023/24: three blocks surveyed; two matched SFL, one differed in species composition and FTG FU.

The MNR is not required to continue the SEM program, which previously verified SFL monitoring outcomes and assessed the renewal program's effectiveness.

C.4 SFL holder compliance planning and associated monitoring

FMP Compliance Plan, annual plans, and FOIP reports were reviewed. The annual plans addressed previous issues and showed strong collaboration between MNR and BWF to tackle non-compliance. The SFL compliance plan was effectively developed and implemented in line with SFL, FMPM, and FIM requirements.

C.5 Compliance responsibilities delivered by qualified overlapping licensees

Qualified Overlapping Licensees, as specified in the 2020-2030 Boundary Waters Forest Management Plan, have designated responsibilities related to forest compliance. A review of compliance history indicates that these licensees are fulfilling the requirements of the SFL Compliance Plan.

C.6 Silviculture standards and assessment program

The auditors applied the Silviculture Obligations Assessment (SOA) tool to review the SFL's progress in completing silviculture assessments. According to the SOA tool, a large portion of harvested areas received treatment, but a notable amount of area harvested in 2007 and 2008 had not yet undergone silviculture monitoring.

The Sapawe Forest had a target of 95% successful regeneration to the projected forest unit. This was not achieved as only 50% were regenerated to the projected forest unit. The final annual report explained that the change in forest units from one plan to another, the change in renewal methods and the method of assessment influenced this outcome. Of all the areas assessed as free to grow (FTG) during this plan period, all have been successfully regenerated.

The gap in monitoring covers more than 18,000 hectares. The SOA data did not include monitoring from summer 2024 because it had not yet been reported. Auditors reviewed available information from the 2024 monitoring and found that an additional 124 hectares were surveyed from the 2008 depletions. This does not address the monitoring gap for areas harvested in 2007 and 2008.

Finding #8: A significant area that was depleted in 2007 and 2008 has not been assessed.

Regulatory Requirement D: Action plan

D.1 Action plan development

The 2017 Sapawe and Crossroute Forests IFA action plans were completed and documented in the respective annual reports. However, it remains unclear whether these action plans were finalized within the required timeframe, as there is no available record of the action plan request date from MNR corporate or the approval correspondence from the Northwest Regional Director.

Action plans have not effectively addressed several 2017 IFA findings. The audit shows ongoing inventory problems, unresolved slash management issues, and inconsistent compliance at forest aggregate pits. MNR compliance programs still do not meet manual, policy, or procedural requirements. Renewal monitoring remains backlogged for areas harvested over 15 years ago.

The MNR Regional Planning Unit Supervisor was designated to support planning teams in advocating for timely delivery of the forest resource inventory in accordance with technical specifications. Evidence indicates that advocacy efforts occurred, though they did not produce complete effectiveness. The inventory used for developing the 2020 BWF FMP contained several issues, some of which impact the operational execution of the plan. The classification of site class 4 stands as productive land resulted in bypasses and resource misallocation. Development for the 2030–2040 FMP is scheduled to start in 2027, and forest resource inventory serves as essential information for planning. Substantial improvements to the inventory should commence promptly.

D.2 Reporting on progress towards completion of actions

The 2020 status report is included on the Ontario IFA webpage⁴ for 2017 IFAs for the Sapawe and Crossroute Forests. The action plan status was reported as required in the 2020-2021 AR, the 2021-2022 AR and the 2022-23 AR. The auditors reviewed action plans and status reports during risk assessment development and included procedures in the audit plan to verify these actions achieved the intended results.

Regulatory Requirement E: Licence

E.1 Sustainable Forest Licence (SFL)

The Boundary Waters Forest supplies a variety of forest products manufacturers. It is fortunate to have a market for most, if not all of the forest resources. As such, utilization of the forest resource should be maximized.

The auditors contacted all wood supply agreement holders. The auditors received comments from West Fraser, Derden Forest Products, B & D Robinson Contracting Ltd., Rainy Lake Tribal Resource Management Inc. and Manitou Forest Products. One wood supply agreement holder did not have any concerns with the execution of the agreements as they did not harvest wood but were wood supply recipients. The others expressed a concern with a lack of harvest opportunity related to blocks not being released for harvest.

The forest is organised into four regions, each with wood supply agreement holders who have designated rights. There is an arrangement whereby any area not scheduled for harvest in a given year may be made available for others to harvest. FRI data limitations, the inclusion of non-operable areas, and stand selection in Forest Management Planning (FMP) have resulted in some regions not producing the expected volumes, leading some wood harvesters to fall short of their commitments. While the Sustainable Forest Licence (SFL) indicates there are sufficient resources in the Boundary Waters Forest for all parties until the plan's conclusion, area-based harvest regions have posed challenges. Allowing unharvested wood from the Highrock and Sapawe regions to be accessed by all allocation holders when it is not being utilized could result in more effective use of forest resources.

Utilization of the forest resource is one of the key measures of achieving the objectives in the forest management plan. The landscape patterns rely on harvesting according to the plan as much as possible.

⁴ <https://www.ontario.ca/page/independent-forest-audits>

The Boundary Waters Forest Management Corporation requires flexibility in its shareholders agreements to align wood harvest with the objectives set out in the forest management plan. Currently, some wood supply agreement holder's express dissatisfaction with the available harvest areas, while other holders retain their designated areas without releasing them for harvesting.

Finding #9: With additional cooperation between Shareholders, it would have been possible to harvest more volume from the forest.

E.2 Ontario Crown Timber Charges payments

The BWF Renewal Trust Fund (FRT) is well above its minimum required balance, with a healthy surplus. Although most years show small arrears at year end, Forestry Futures Trust and stumpage fees continue to be paid.

Arrears are amounts that have been invoiced but remain unpaid and uncollected. In this instance with Ontario Shared Services, the payment was made; however, it was not properly assigned to the corresponding invoice.

E.3 FRT eligible silviculture work

The review of the 2023-2024 silviculture expenditures from the Boundary Waters Forest Renewal Trust found a minor invoice discrepancy, credits for unused chemicals, and small reporting errors. The field audit confirmed that areas were treated as stated, with field sampling validating reported and mapped activities.

All annual Forest Renewal Charge Analyses reviewed during the audit period were found reasonable and received yearly approval from the MNR.

E.4 SFL conclusion in final audit report

Overall, the audit team concludes that the management of the Boundary Waters Forest was generally in compliance with the legislation, regulations, and policies that were in effect during the period covered by the audit, and the Crown Forest was managed in compliance with the terms and conditions of the Crown Forest Sustainability Act and the sustainable forest licence held by Boundary Waters Forest Management Corp. The forest is being managed consistent with the principles of sustainable forest management, as assessed through the IFAPP.

Regulatory Requirement F: Sustainability

F.1 Determination of sustainability

The only enhanced annual report available was produced for the Sapawe Forest 2010-2020 FMP. There is no requirement to produce a final annual report for a contingency plan.

The forest diversity as measured by forest composition, age and landscape pattern were assessed. The trends were measured by comparing plan start for the 2010-2020 Sapawe Forest FMP with the data analyzed for the preparation of the 2020 FMP. The comparison of forest composition and age is complicated by summarizing different inventories. There are no significant differences noted.

Some social and economic objectives are described in the AR as difficult to measure. The road density calculation could not be replicated as the method had not been documented in the FMP. However, a summary of roads built and decommissioned demonstrated that the target was likely reached. The productive land base measurement was also not repeatable, but a comparable calculation demonstrated that the productive land base had likely not been reduced more than 2% for roads, landings and other disturbances such as flooding or aggregate pits.

Other social and economic objectives were not realized as the mill utilization, harvesting (47%) and silviculture (29%) are all well below the plan and do not meet the objectives in the plan. While this does not affect the sustainability of the forest, the resource is being underutilized. The assessment of the silviculture that had been undertaken indicated that the silviculture was not consistent with the harvest level. However, since the 2020 Sapawe Forest amalgamation into the BWF, silviculture treatments have caught up with harvesting. The data in forest explorer indicate that the majority of the harvested areas have been reported as treated. The compliance summarized in the enhanced annual report indicates that the target for the protection of water quality and tourism values has been met.

The 2019-2020 SF AR does make recommendations for FMP improvement and has evaluated the progress on the action plan from the past 2017 IFA. The components of the action plan that pertain to objective achievement and sustainability have been implemented.

F.2 Monitoring indicators of forest sustainability

The indicators of sustainability in the BWF 2020- 2030 FMP are in place. A compliance program is fully described, the silviculture assessment program as described in the plan is being implemented and the appropriate data is being fully reported in the annual reports each year.

BWFMC has a mature data collection system that includes additional silviculture monitoring. Regenerated sites are monitored regularly. A drone is used to capture data on an ad hoc basis.

F.3 Assessment of long-term trends

Activities on the forest are reported through regular annual reports. Enhanced annual reports summarizes the progress towards plan implementation. A tool developed by the MNR called the Forest Explorer amalgamates spatial data from annual reports to provide a clear current snapshot of the progress. Significant trends and consistency with annual report data have been assessed.

Forest Condition

There are a few complications when comparing the forest condition through time. The new inventory contained new attributes and age estimations. The change in forest unit definitions to the standard regional forest units has reduced the overall amount of area defined as a pure conifer forest unit and increased the area defined as mixedwood. In addition to the amalgamation of the SF and CRF and change to new forest units in the BWF FMP all make detailed forest condition assessments suspect.

The total crown productive forest for the BWF in the 2020-2030 FMP does not equate to the addition of the SF and the CF as there were changes to the unit boundaries, withdrawals for a mine and change in classification method.

Harvest

The planned harvest is 11,342 hectares per year. This is significantly more than the current harvest level illustrated in Figure 4. The harvest area summary includes bridging areas. Bridging areas are those areas where operations are started in one plan and finished in the next plan. The bridging areas are accounted for in the plan that they were initiated.

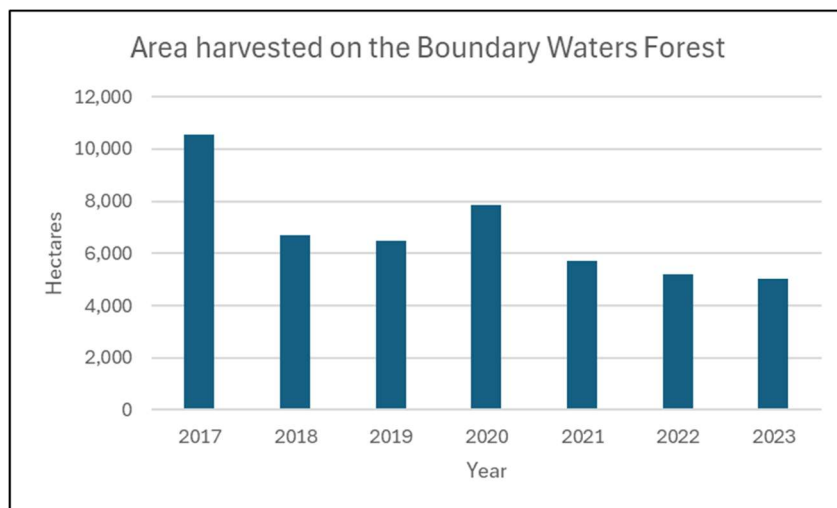


Figure 5. Area harvested by year. (Source Forest Explorer)

The volume recorded from the area is also about half of the planned volume. The projected volume yield in the 2020-2030 FMP was 114 m3/ha. and the actual yield has been 121 m3/ha.

Year	Actual Volume*	FMP Annual Planned Volume	% of Planned Volume	Regular Area	FMP Planned Area	% of Planned Area	Bridging Area
2024/25*	0	1,297,642	0%	10,817*	11,340		316
2023/24	610,627	1,297,642	47%	4,971	11,340	44%	55
2022/23	608,871	1,297,642	47%	5,046	11,340	44%	151
2021/22	650,190	1,297,642	50%	5,555	11,340	49%	78
2020/21	999,060	1,297,642	77%	6,514	11,340	57%	1,396

Table 6. Volume harvested during the 2020-2030 BWF FMP implementation (Source Forest Explorer) (*2024/2025 information is gross area)

The Sapawe and Crossroute Forests harvest volumes and area has been summarized in Table 2. The average volume yield from those years was also 121 m3/ha.

Site preparation

Various types of site preparation were used during the scope of the audit. Most recently only aerial chemical and mechanical site preparation have been used.

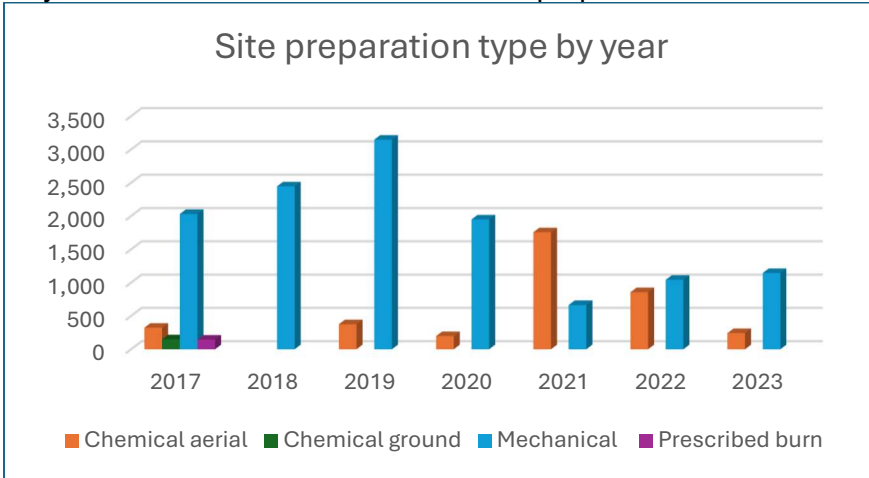


Figure 6. Site preparation summary (Source Forest Explorer)

Site preparation depends on the forest type and planned renewal. The plan calls for 3,417 hectares of mechanical and 300 hectares of chemical site prep annually. Since actual harvest is about half of what was planned, the site preparation matches expectations.

Renewal

As summarized in Table 3, Table 4 and Table 5, the actual forest renewal is consistent with the 2020-2030 BWF FMP planned renewal from FMP-17. Planting is slightly higher than planned. The renewal activities varied by the amount and forest type harvested according to the silviculture ground rules.

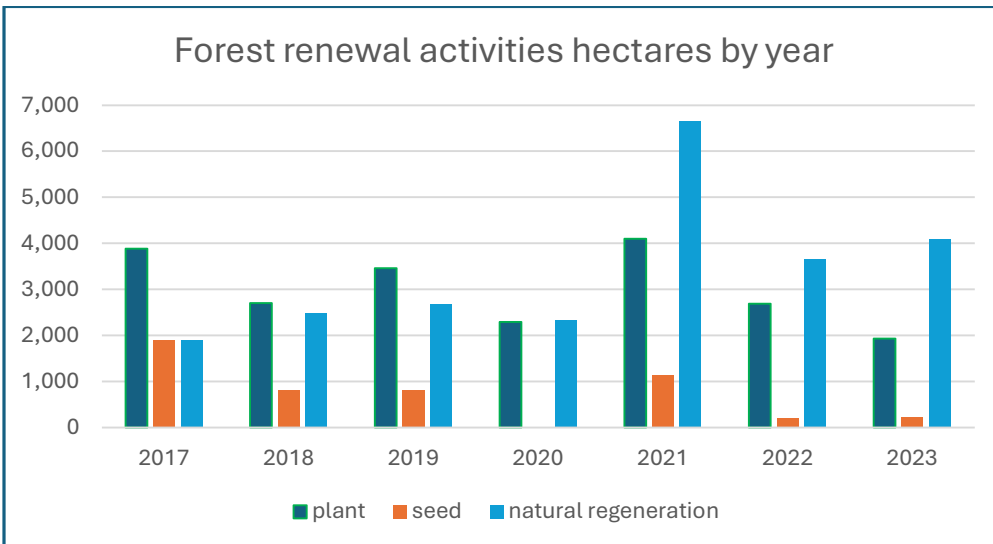


Figure 7. Forest renewal (Source Forest Explorer)

Tending

Type of Tending	2017	2018	2019	2020	2021	2022	2023	Scope
Chemical aerial	3,153	4,297	2,864	1,590	2,765	1,994	1,429	18,093
Thinning	82	126	174	64	0	0	1	447
Total per year	3,235	4,424	3,039	1,654	2,765	1,994	1,430	18,541

Table 7. Hectares of area tended (source Forest Explorer)

The plan FMP-17 projected that 3,498 hectares would be tended with aerial chemical tending, and 100 hectares would be thinned per year. Considering the actual harvest is half of the projected harvest, the tending is on track.

Regeneration monitoring

The auditors used the Silviculture Obligations Assessment (SOA) tool to examine the SFL progress towards completion of silviculture assessment. The SOA tool indicated that while a high percentage of areas of areas harvested were treated, a significant amount of area harvested in 2007 and 2008 had not received silviculture monitoring.

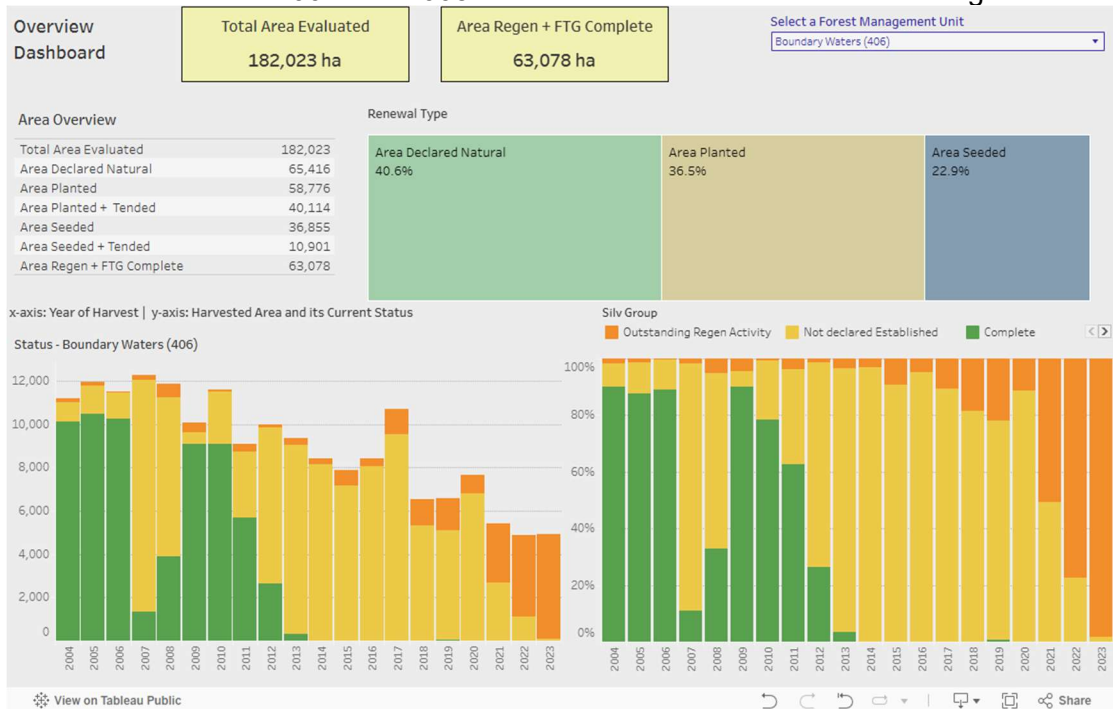


Figure 8. Graph of harvested, renewed, and assessed harvest area. (Source Silviculture Obligations Assessment Tool)

The SFL did not provide further information to suggest that the SOA was inaccurate. Consequently, auditors have determined that silviculture monitoring in these areas remains necessary and identified as a finding.

F.4 Conclusions regarding sustainability of the forest

Overall, the audit team concludes that the management of the Boundary Waters Forest was generally in compliance with the legislation, regulations, and policies that were in effect during the period covered by the audit, and the Crown Forest was managed in compliance with the terms and conditions of the Crown Forest Sustainability Act and the forest resource licence held by Boundary Waters Forest Management Corp. The forest is being managed consistent with the principles of sustainable forest management, as assessed through the IFAPP.

Appendix 1
Findings and Best Practices

Independent Forest Audit – Record of Finding

Finding #1

Regulatory Requirement A: Compliance

Audit Criterion A1.1:

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

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:

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.

Background Information and Summary of Evidence:

There are two advisory committees for the Boundary Waters Forest. The Resource Management Advisory Committee (RMAC) which represents the eastern portion of the forest and the Natural Resources Advisory Committee (NRAC) which represents the western interests in the forest.

FMPM (2017) was followed for the development of the 2020-2030 BWF FMP. The 2017 FMPM Part A 3.3 (page 107) requires the District Manager contact each First Nation and Métis community to offer the opportunity for a representative of the community to participate on the LCC or advisory committee.

While the district staff stated that District Resource Liaison Specialist would have contacted each First Nation and Métis community at least nine months prior to the commencement of the formal public consultation process and during the five formal stages to inform the community of the opportunities to be involved in the preparation and implementation of the FMP. There is no documented evidence of the contacts and no evidence that the invitation included membership to the advisory committees.

Discussion and Conclusion:

The auditors could find no evidence that invitations were sent to the First Nation and Métis communities for membership on the advisory committees. While committee records indicate recent discussions about seeking new members, no documentation shows that these communities were approached or offered representation. No evidence was available or provided to the auditors that the First Nation and Métis communities have been invited to join the advisory committees even though the advisory committees are seeking new members.

Finding #1: There is no documented evidence that First Nation and Métis communities on or adjacent to the Boundary Waters Forest have been offered an opportunity for representation on the Resource Management Advisory Committee or the Natural Resources Advisory Committee.

Independent Forest Audit – Record of Finding

Finding #2

Regulatory Requirement A: Compliance

Audit Criterion A.4: Assess the proper development of the FMP.

Procedure:

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.

Background Information and Summary of Evidence:

Numerous tourism values were noted during the field audit.

A review of Table FMP-11 was undertaken. This review identified 25 AOC prescriptions which were developed by the planning team to address a wide range of other forest users and uses (e.g. trapper cabins, hydro corridors, visual buffers), biological values (e.g., trumpeter swan, species at risk) and features (e.g., Quetico Park Boundary) where no specific direction is provided by the various guides used.

Prescriptions 17-6, 17-6-1, 18-1, 40-1, 40-2, 52, 55, 57, 59-1, 59-2, 147, 150 have no alternative prescriptions presented in the supplemental documentation and none were analyzed.

Discussion and Conclusion:

These prescriptions were developed mainly through negotiation with other agencies (e.g., Hydro One) and advice from MNR regional staff and program specialists. In many cases, no alternative prescriptions were analyzed. The rationale for the size of the protection zone was not always clearly stated in the Supplemental Documentation. The absence of clear rationale for protection zone sizes in some cases suggests the need for a more rigorous analysis of alternatives to ensure that the scale of AOC prescriptions is justified. AOC prescriptions developed by the Planning Team should be reviewed to ensure operational restrictions and AOC size are appropriate to value protection.

Finding #2: AOC prescriptions developed by the Planning Team do not consistently consider alternative prescriptions.

Independent Forest Audit – Record of Finding

Finding #3

Regulatory Requirement A: Compliance

Audit Criterion A.4: Assess the proper development of the FMP

Procedure: 1. The FMP has been prepared in accordance with the FMPM, the FIM, and relevant policies and obligations.

Background Information and Summary of Evidence:

Discussions took place during the field audit regarding the timelines for reviewing and approving FMP amendments. As of June 30, 2025, a total of 41 FMP amendments has been published on NRIP. Of these, eight were classified as minor. Discussions during the field audit indicated a potential problem regarding the length of time for amendment approval – in one case over 400 days.

Ten amendments were selected at random and reviewed in greater detail on NRIP. The ones selected were all classed as administrative and dealt with ORB adjustments (5), adding AEAs (2), adding blowdown harvest areas (2) and AOC wording adjustments (1). The FMPM (2020) Part C section 2. describes the process for amendments. It provides 15 days to the review the amendment request, and additional 15 days to review the amendment itself. In seven cases, the time it took for the request to be approved for submission exceeded 15 days, and in three instances the time to approve the amendment itself exceeded 15 days. The total time for this process to unfold ranged from 12 to 67 days in this sample.

For the 8 amendments classed as Minor, the times required for the amendment to be reviewed and approved ranged from 68 to 458 days.

A total of 41 amendments has been processed to date for the 2020 FMP. The volume of amendments in four other forests in the northwest region in 2019 and 2021 planning cycles was also examined. The number of amendments published on NRIP for these forests ranged from 9 to 28, much lower than for BWF. There is no standard associated with this measure.

Discussion and Conclusion:

Many factors can influence the number of amendments required and the length of time it takes for them to be reviewed and approved. These include but are not limited to the size and complexity of the forest, the quality of underlying inventory information, the completeness of the submission, and turnover of staff. Both the number of amendments being submitted and the time for review and approval could be improved.

Finding #3: The number of amendments being submitted and the time for review and approval could be improved.

Independent Forest Audit – Record of Finding

Finding #4

Regulatory Requirement B: Meeting FMP Objectives

Audit Criterion B.2: Access

Procedure:

Review and assess in the field the implementation of approved access activities. Include the following:

- 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).

Background Information and Summary of Evidence:

Local recreational users contacted the IFA audit team to inform them that signs were erected on the Rogers Rd., Grit South Rd. and Duke South Rd. in the fall of 2024 that stated, "The Road network is closed to public use. No unauthorized access beyond this point." They had been utilizing the area for hunting for the last 8 years and the only sign they had seen was "Use of any road beyond this sign to access the following waterbodies or connecting waterways is prohibited." They indicated that berms had been erected on many of the access roads, which limited their truck use but not their ATV and they were able to continue hunting. No warning signage or restrictive signage was installed regarding the berms or the use by ATVs.

The area that was closed to the public in 2024 is in the Greytrout CLUPA: Selected texts are as follows:

Land Use Intent: Logging operations will be of primary importance in this area, the maintenance of the lake trout, moose and deer populations, and the enhancement of associated tourism and recreational opportunities will also be a priority.

Areas of Concern will be identified to ensure the protection of the lake trout fishery and associated tourism opportunities. Road access to the area will be restricted to ensure a low level of general public use.

Road Development and Maintenance, Existing: Road access to the area will be managed for resource production and low-density recreation use. Road guidelines will apply on tourist lakes and lake trout lakes subject to topographic constraints.

Road Development and Maintenance, New: Road access to the area will be managed for resource production and low-density recreation use. Road guidelines will apply on tourist lakes and lake trout lakes subject to topographic constraints.

Recreation Activities and Facilities

Hunting: Permitted: Yes. Hunting is permitted in accordance with Fish and Wildlife Conservation Act and regulations.

Road Use (public): Permitted: Yes. Public use of forest access roads is governed by road use strategies contained in the applicable Forest Management Plan, which specifies road use, abandonment and any restrictions which may apply.

The Boundary Waters Forest 2020-2030 FMP has the following Road Use Management Strategy for the area: 3A.

General Access Provisions

Due to tourism values in this area and as a result of negotiations between the company and stakeholders, a number of measures are planned to limit new access to this area.

A temporary physical barrier(s) will be applied to this road during inactive periods when it is not required for harvest or renewal operations, generally from May 1 to November 1 to limit/discourage access into this area. (However, if upon consultation with the stakeholder, it is determined that the physical barrier is not required for some/all of this time period, this will be documented in writing between the license holder and the stakeholder – and the barrier will not be implemented during this agreed upon time period.)

These physical barriers may include any of the following techniques, but are not limited to: water crossing removals, physical barriers such as boulders and/or piling slash on the road.

Specific details regarding the location and type of barrier will be based on input from ongoing stakeholder discussions, site conditions and a field visit. These will be documented and identified in the appropriate Annual Work Schedule.

Furthermore, to limit public access to these tourism areas during all periods, the company will install an informational sign when the road is constructed. This temporary sign, displayed while operations are ongoing until decommissioning, will notify the public that the road ahead may be impassable. Specific details regarding the location and wording of the sign will be determined at a later date based on discussions between the company and the stakeholders with input from MNRF.

Finally, once forest management activities in the areas have been completed, the long-term plan is to decommission and transfer the road to MNRF.

There was specific information in the BWF 2020-2030 FMP for each of the 3 roads that the public were using. They are as follows:

Primary Road-Existing

Duke South Rd: Sign and physical barrier(s). IG-076: Sign on Duke South Road (English River Forest) posted under PLA. “Access restricted to Doan Lake via the Duke South Road.” AT-011: Planned sign on Duke South Road restricting access beyond that point to protect tourism values (e.g. Doan and Gamble Lakes). The location and wording of the sign has yet to be determined (e.g. on the English River Forest or Sapawe Forest) and is subject to MNRF/DM approval. Physical barrier: Temporary physical barrier(s) will be applied to this road during inactive periods or when it is not required for harvest or renewal operations, to limit/discourage access into the area.

Branch Road-Existing

Grit South Rd: AT-010: Planned sign: To be determined. Subject to MNRF/DM approval. Physical barrier(s).

Branch Road-New

Rogers Road: PUBLIC LANDS ACT: The road network is closed to public use. No unauthorized access beyond this point.

AT-011: Planned sign: To be determined. Subject to MNRF/DM approval.

Upon completion of harvest and renewal activities, the road will be rendered physically impassable at a point not less than 610m from Doan Lake.

The Rogers Road may have the same access restrictions as Duke South Road or a sign at the beginning of the road.

Discussion and Conclusion:

The Greytrout CLUPA makes recreational use one of its priorities and allows public access for recreational activity such as hunting, however it gives direction that it is to be at a “low-density”. The FMP through the Road Use Management Strategy is the vehicle to put this direction into action.

The General Access provisions for RUMS-3A states that temporary physical barriers may be used to limit/discourage access into the area during periods of inactive forestry operations. This follows the direction of the Greytrout CLUPA. However, there were no information signs posted informing the public that the road ahead may/will be impassable, even though from time-to-time physical barriers were erected and taken down during the last 8 years.

Duke South Road: Specific information in the Road Supplemental Documentation speaks to “not accessing Doan Lake” and “sign on Duke South Road restricting access beyond that point to protect tourism values”, but “The location and wording of the sign has yet to be determined (e.g. on the English River Forest or Sapawe Forest) and is subject to MNRF/DM approval.” This does not give the public any direction in the FMP what or where the ‘restrictions’ will be and then goes on further to state “Physical barrier: Temporary physical barrier(s) will be applied to this road during inactive periods or when it is not required for harvest or renewal operations, to limit/discourage access into the area.” This appears to give the impression that the road will be open to the public during forestry activity, however physical barriers maybe in place to “limit/discourage” public access. The member of the public would most likely surmise that the “restricting access” meant a physical barrier. This action is consistent with the Greytrout CLUPA, however placing a PLA sign that “The Road network is closed to public use. No unauthorized access beyond this point.” does not appear to be the direction of the CLUPA, the RUMS 3-A or specific direction in the FMP.

Grit South Road: Specific information in the Road Supplemental Documentation states, “AT-010: Planned sign: To be determined. Subject to MNRF/DM approval. Physical barrier(s).” This text does not give any direction regarding what, when or where a signage will be posted. The general public would assume from this statement that a signage in relation to a physical barrier as per the general access provisions of RUMS 3-A. This action would be consistent with the Greytrout CLUPA, however placing a PLA sign that “The Road network is closed to public use. No unauthorized access beyond this point.” does not appear to be the direction of CLUPA, the RUMS 3-A or the specific direction in the FMP.

Rogers Road: Specific information in the Road Supplemental Documentation states, “PUBLIC LANDS ACT: The road network is closed to public use. No unauthorized access beyond this point. AT-011: Planned sign: To be determined. Subject to MNRF/DM approval.” This direction is specific, but the planned sign is “to be determined” and does not state what the sign will read or where the point where this location would be. It further states, “Upon completion of harvest and renewal activities, the road will be rendered physically impassable at a point not less than 610m from Doan Lake.” It seems a bit contradictory to the public that the road is closed to the public yet specifically states it will be made impassible at 610 m. from Doan Lake. What is the point of making the road

impassable at a certain point if it is closed to the public? Public perception could be that the signage will be at that point, restricting traffic.

The last statement “The Rogers Road may have the same access restrictions as Duke South Road or a sign at the beginning of the road.” Adds more confusion. Are these restrictions in addition or in place of the ones described above?

The posted signage implies permanent road closures, whereas FMP direction only supports temporary or conditional restrictions.

The Greytrout CLUPA has a priority for recreational use, however at a low-density level. Restricting access to tourism lakes through access signage (i.e. No accessing the following lakes from this road...) and the use of physical barriers when forestry activity is occurring limits/discourages recreational activity as it meets the direction of achieving a ‘low-level’ density. However, the action to use the PLA to close the road network to the public, in addition, to this other PLA signage is not supported by the Greytrout CLUPA or the BWF 2020-30 FMP.

Finding #4: The Ministry of Natural Resources did not follow the direction outlined in the Greytrout CLUPA or the Boundary Waters Forest 2020–2030 FMP by posting signage in 2024 that permanently closed Rogers, Grit South, and Duke South Roads to public use.

Independent Forest Audit – Record of Finding

Finding #5

Regulatory Requirement B: Meeting FMP Objectives

Audit Criterion B.3: Access

Procedure:

1. Review and assess in the field the implementation of approved access activities.

Background Information and Summary of Evidence:

The risk assessment identified aggregate pits as a focus area for this IFA, primarily due to previous audit findings in the 2017 audits of the Sapawe and Crossroute Forests. The current Forest Management Plan (FMP) includes operational standards for forestry aggregate pits; however, the field audit found these standards were not consistently met.

The field audit examined 35 active and closed aggregate pits.



Figure 8. Activity in this aggregate pit dug within 15 meters of the Brooks Road. (block 243)

FMP Operational Standards for Forestry Aggregate Pits

5. When operating within 15 metres of a proposed roadside ditch, no excavation is to take place below the elevation of the planned depth of the proposed ditch; all excavations must be immediately sloped to no steeper than a 2:1 (horizontal: vertical) angle.



Figure 9. Aggregate pit with steep embankment

An aggregate pit on block 849. Very recently, the road was dug to get gravel, and they left a steep embankment and berm for safety. (Photo was taken looking up from where gravel was taken towards the road on top of the hill.)



Figure 10, Aggregate pit close to road with steep ditch line

Aggregate pit alongside the road. (2023-05)

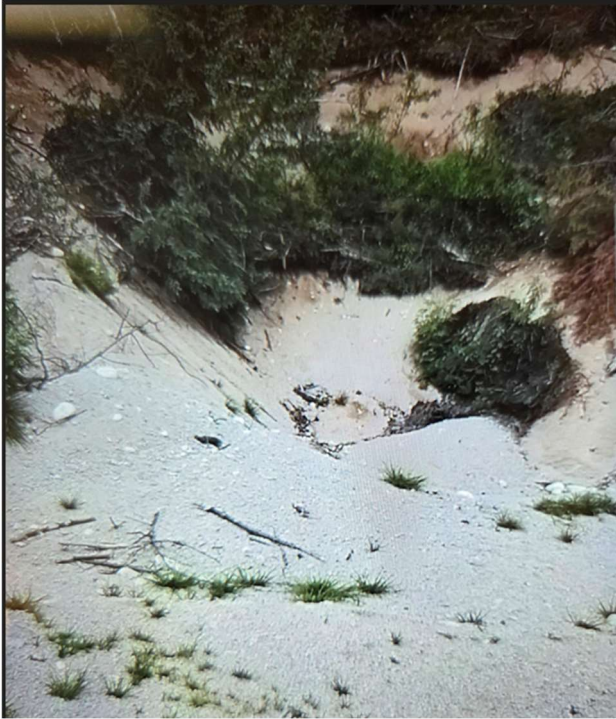


Figure 11. Aggregate pit with trees falling onto the face

Pit 23-23 off the Muddy Road had trees falling down the face of the pit and into it.

Discussion and Conclusion:

Thirty-five pits were audited. The field audit identified four aggregate pits that were not in conformance with the Operational Standards for Forestry Aggregate Pits (page 318 of the FMP). This was a small sample of the total open and rehabilitated aggregate pits on the forest.

Finding #5: FMP operational standards for forestry aggregate pits were not consistently met.

Independent Forest Audit – Record of Finding

Finding # 6

Regulatory Requirement B: Meeting FMP Objectives

Audit Criterion B.3: Harvest

Procedure:

1. Review and assess in the field the implementation of approved harvest operations.

Background Information and Summary of Evidence:

The risk assessment identified slash management as a focus for this IFA mainly because of a previous audit finding.

The Sapawe 2017 Independent Forest Audit finding:

2. The slash management strategy of igniting linear rows of slash was ineffective in reducing the loss of productive forest land.

The Boundary Waters 2020-2030 FMP included a condition on regular operation that spoke to slash management. CRO-9 identifies steps that will be taken to limit the loss of productive land. Our audit found an inconsistent effort was applied to slash management. There were examples of very good burns and follow-up planting in some areas. Other piles were planted right up to the piles even before the piles were burnt which will lead to a loss of seedlings.

Slash piling and burning were not consistently completed.



Figure 12. Poor piling observed in block 1327 (2020 harvest)



Figure 13. Example of good piling in block 1328 (2023 harvest)



Figure 14. Mixed quality of piling observed in block 1259

This occurred even within the same blocks with poor piling in the foreground and poor piling in the background of block 1259.

The auditors also had a comment from the public regarding slash piles not being burnt in a timely manner leading to a build-up of areas requiring burning.

Discussion and Conclusion:

Slash management was a focus area for the field audit. The auditors found examples of very good slash piling, burning and planting of burnt pile areas. However, the audit also found poorly piled debris and older piles that had not been burnt.

Finding #6: The slash management strategy identified in the forest management plan has not been consistently applied.

Independent Forest Audit – Record of Finding

Finding #7

Regulatory Requirement C: Planned vs Actual

Audit Criterion C.3: District compliance planning and associated monitoring

Procedure:

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.

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 Forest Compliance Handbook.

Background Information and Summary of Evidence:

The MNR created a Fort Frances District Compliance Delivery Strategy document in January 2019. This is a very comprehensive strategic document and outlines the Purpose, Roles and Responsibilities, Annual Compliance Operations Planning (ACOP), District Compliance Committee (DCC) and District Inspector and Officer Appointments. In December 2019 a Guidance Document for the Fort Frances District Compliance Committee: Using the informed judgement matrix as an index of criteria for non-compliances to be referred to the District Compliance Committee was created.

Here is a summary of the Compliance monitoring for the scope of the audit:

- 2018/19 - no ACOP created however 49 FOIP reports were completed by the MNR.
- 2019/20 - an ACOP created with no targets or results recorded, however there were 23 FOIP reports completed.
- 2020/21 - an ACOP was created with limited targets met. However, there were 58 FOIP reports completed.
- 2021/22 - an ACOP was in place, however only FOIP reports had a target, and it was met.
- 2022/23 - no ACOP completed, however there were 20 FOIP reports carried out during this period.
- 2023/24 - an ACOP was created with no targets or results, however there were 30 FOIP reports completed.
- 2024/25 - no ACOP created, however there were 15 FOIP reports completed.

During the Audit period 265 Harvest, 1 Aggregate, 0 Access, 0 Renewal and 0 Maintenance FOIP reports were completed. In addition, the main Inspection method was through Air (helicopter) with 253 vs Ground at 13.

A review of the “pending” status during the audit period revealed a total of 73 FOIP reports that are “overdue” as per the MNR Compliance Inspection Handbook. The “overdue” status currently ranges from approximately 88 days to 2,956 days overdue.

The MNR issued 3 non-compliances during the audit period, however none were recorded in the AR-6 of the year that they occurred.

MNR completed an Annual Compliance Operations Plan (ACOP) for 2017/18 and met their Forestry targets. No ACOP was prepared for 2018/19, 2022/23 or 2024/25. ACOPs were prepared for 2019/20 and 2023/24 however no results were recorded. ACOPS for 2020/21 and 2021/22 were created, however compliance targets were minimal or non-existent due to COVID pandemic and restrictions placed on staff to perform compliance activities in the field.

MNR SEM program was not consistently completed. 2019/2020, 2020/2021, 2021/22, 2022/23 no SEM program was done.

Years where the program was done had these results:

- 2017/18 – seven blocks were surveyed and four agreed with SFL results,
- 2018/19 – six blocks surveyed and two of the six agreed and the issue was mostly hardwood amount,
- 2023/24 – three blocks done two agree with SFL one is different in species comp and FTG FU,

Discussion and Conclusion:

A review of the MNR District Compliance Plans during the audit period found that there was a well laid out strategic document and non-compliance assessment guide, however the implementation was lacking. The first year (2017/18) had a robust ACOP and the Targets were met. In the proceeding 7 years there were either no ACOP, or incomplete targets created and incomplete results generated.

The MNR relied heavily on helicopter viewing of Harvest blocks to complete FOIP reports, it very infrequently relied on ground field visits to inspect operations. Although aerial reconnaissance may be utilised for compliance inspections, Access, Aggregate, Renewal, and Maintenance FOIP require on-site field visits to accurately verify compliance with the activity being inspected. The absence of ground-based inspections resulted in only one FOIP report being produced for these four categories during the audit period.

The inability of the MNR to meet their 'Field Verification' response targets has left a large number of identified Operational Issues waiting to be either addressed or closed off. The result is an incomplete picture of the Compliance Status of many activities when viewing the Annual Report Table AR-6 Annual Report of Forest Compliance Inspection Reports, Non-Compliance and Remedies Applied.

The MNR SEM program was not consistently completed. No SEM program was conducted in 2019/20, 2020/21, 2021/22, or 2022/23.

Finding #7: Ministry of Natural Resources failed to meet the intent of the Forest Compliance Handbook Inspection, Monitoring and Reporting Procedures in relation to Operational Issue Verification as well as compliance monitoring targets identified in the FMP compliance strategy.

Independent Forest Audit – Record of Finding
Finding #8

Regulatory Requirement C:

Audit Criterion C.6 Silviculture standards and assessment program

Procedure:

3. Assess the actual level of the overall monitoring program including whether:

- The amount of area eligible for survey is consistent with past levels of harvest and whether all areas are being addressed.

Background Information and Summary of Evidence:

The auditors used the Silviculture Obligations Assessment (SOA) tool to examine the SFL progress towards completion of silviculture assessment. The SOA tool indicated that while a high percentage of areas harvested were treated, a significant amount of area harvested in 2007 and 2008 had not received silviculture monitoring.

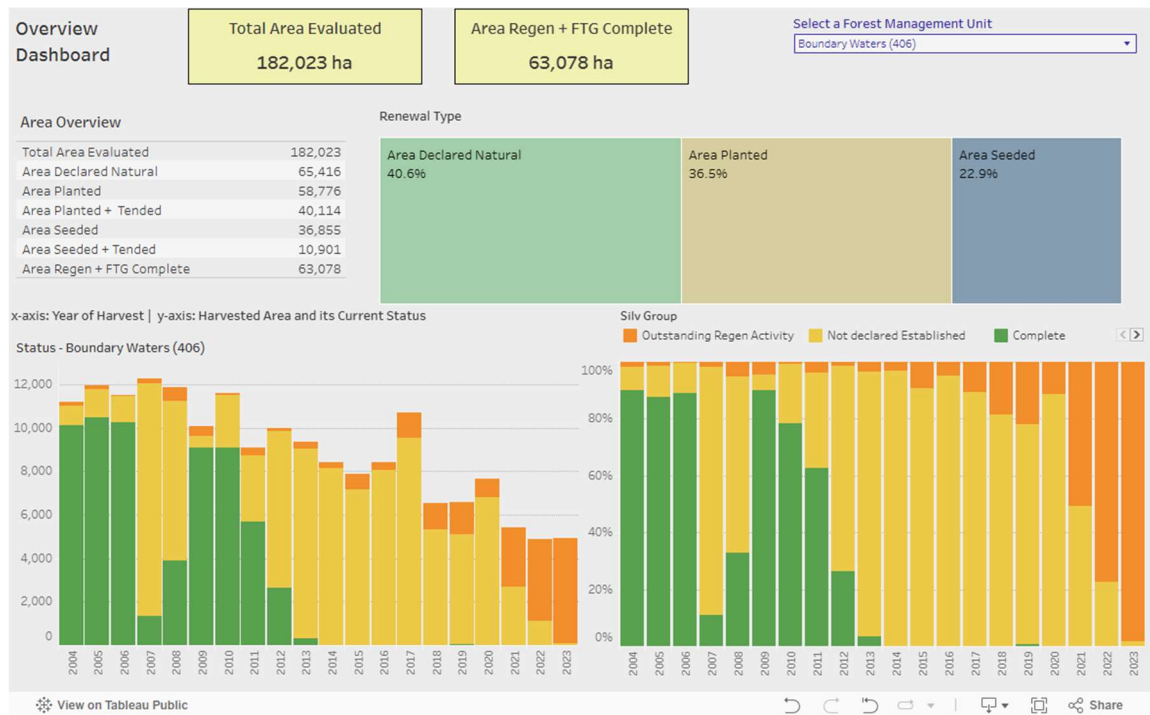


Figure 15. Silviculture Obligations Analysis results

This gap in monitoring represents over 18,000 hectares.

The information in SOA did not include monitoring done in the summer of 2024 since it was not yet reported. The auditors examined the information they had from 2024 monitoring and determined that an additional 124 hectares were surveyed from the 2008 depletions.

Year	Hectares
2008	143.3
2009	111
2010	546

2025 Boundary Waters Forest IFA Final Report

2011	686
2012	3682
2013	2310
2014	504
2015	12
Total	7994.3

This does not account for the gap in monitoring of the areas harvested in 2007 and 2008.

Discussion and Conclusion:

The SFL did not provide any additional information to suggest that the SOA data was inaccurate. Monitoring regeneration is required for accurate inventory classification, so auditors conclude that silviculture monitoring must be completed in these areas.

Finding #8: A significant area that was depleted in 2007 and 2008 has not been assessed.

Independent Forest Audit – Record of Finding

Finding #9

Regulatory Requirement E:

Audit Criterion E1: Licence

Procedure: Review terms and conditions as set out in SFL, 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.

Background Information and Summary of Evidence:

The Boundary Waters Forest supplies a variety of forest products manufacturers. It is fortunate, that there are markets for most, if not all the forest resources. As such, the forest resource should be utilized as much as possible to meet the FPM expectations.

The auditors contacted all licensees and wood supply commitment and Forest Resource Licence holders. The auditors received comments from West Fraser, Derden Forest Products, B & D Robinson Contracting Ltd., Rainy Lake Tribal Resource Management Inc. and Manitou Forest Products. One wood supply commitment holder did not have any concerns with the execution of the agreements as they did not harvest wood but were wood supply recipients. The others (FRL's) expressed a concern with a lack of harvest opportunity related to blocks not being released for harvest.

While the Auditors are not privy to the Shareholder agreement, FRL holders described the impact of the agreement on wood utilization. When the Boundary Waters Forest Management Corporation (SFL Holder) was formed the various shareholders divided the forest into four historic regions. This was done to establish which FRL Holders had harvest rights in each region. There is an understanding that when an area is not planned for harvest in any one year the area will be released for others to harvest. FRI inaccuracies, inclusion of non-operable areas and stand selection in FMP have led to areas not yielding the expected volumes and is leaving some FRL Holders short of their commitment. While the SFL states that there is enough wood on the Boundary Waters Forest to keep everyone going to the end of the plan, the restrictions due to harvest rights in the various regions has created a problem. If the wood is released from any of the four regions to all FRL Holders when it is not being harvested, the forest would have greater utilization of the forest resources.

Utilization of the forest resource is one of the key measures of achieving the objectives in the forest management plan. The landscape patterns rely on harvesting according to the plan as much as possible.

3.0 WOOD SUPPLY COMMITMENTS AND OVERLAPPING LICENCES

- 3.1 Subject to complying with the wood supply commitments described in Appendix "E" and the special conditions described in Appendix "F", the Company shall be entitled to harvest and utilize the full available harvest described in the Forest Management Plan for the **Boundary Waters Forest**.
- 3.2 If the allowable harvest levels permitted by a Forest Management Plan will not permit a sufficient amount of forest resources to be supplied from the Licence Area to satisfy the wood supply commitments described in Appendix "E", the amount of forest resources available shall be shared in a manner prescribed by the Minister unless the Company and the affected beneficiaries identified in Appendix "E" otherwise agree on the manner of sharing subject to the following:
- (a) If an agreement on the manner of sharing is reached, the beneficiaries identified in Appendix "E", who are parties to the agreement, shall acknowledge that the Minister's obligations with respect to the wood supply commitments which are the subject of the agreement are satisfied by the agreement;
 - (b) If the Minister is required to prescribe the manner in which the available harvest shall be shared, the Minister will take into consideration, among other things, the traditional wood supplies of those affected by such deficiency.
- 3.3 The Minister may grant an overlapping licence on the **Boundary Waters Forest** pursuant to section 38 of the Crown Forest Sustainability Act.

The forest resource should be utilized as much as possible and as planned for the benefit of the people of Ontario, employment in the area and viability of local businesses.

Discussion and Conclusion:

The Boundary Waters Forest Management Corporation should have the flexibility in their shareholder agreements to maximize wood harvest and harvest as planned in the forest management plan. At this time, some FRL holders are not satisfied with the area that is made available to harvest while others who have surplus do not release the areas for harvest in a timely fashion.

Finding #9: With additional cooperation between Shareholders, it would have been possible to harvest more volume from the forest.

Independent Forest Audit – Record of Finding

Best Management Practice # 1

Regulatory Requirement A: Compliance

Audit Criterion A.1.3 Public consultation

Procedure:

1. 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.

Background Information and Summary of Evidence:

The MNR has sent out the AWS notifications as required and have gone beyond the requirement to send an email directly to affected stakeholders when they have identified an area of interest.

It is considered good practice to inform private landowners of harvesting activities near their property, as the MNR did for the 2025/26 AWS on March 17, 2025. Stakeholders in the Eva Lake areas were notified personally of the harvest proposed in the AWS.

Discussion and Conclusion:

The notification of a planned area of harvest in the vicinity of Eva Lake has led to specific discussions of harvest timing and access to the harvest area by the forest manager and the stakeholder.

While the stakeholder and forest manager have not concluded discussions or agreed to conditions for the harvest in the Eva Lake area, there is an agreement to finalize before the harvest occurs. The MNR relayed to the stakeholder that the forest manager had committed that no activity would commence in this area without further consultation and review of the adjusted plans. The follow-up on this concern will be outside of this audit's scope.

Informing land and business owners about relevant forest activities builds trust, reduces conflict, and strengthens relationships.

Best Management Practice #1: The MNR District's direct notification of known affected stakeholders at the AWS review stage is a best practice.

Independent Forest Audit – Concluding Statement

Several factors complicated forest management during the audit, including an imperfect inventory, the merger of Crossroute and Sapawe into a larger forest, and COVID protocols that restricted travel, reduced training, and disrupted projects.

The audit team concludes that the management of the Boundary Waters Forest was generally in compliance with the legislation, regulations and policies that were in effect during the period covered by the audit, and the Forest was managed in compliance with the terms and conditions of the Sustainable Forest Licence held by Boundary Waters Forest Management Corp. The forest is being managed consistent with the principles of sustainable forest management, as assessed through the Independent Forest Audit Process and Protocol.

Appendix 2
 Management Objectives Table
Management Objective/Assessment
 2010-2020 Sapawe Forest Management Plan

	Auditors Assessment	Auditor Comments
1.1 Landscape Pattern: Percent frequency distribution of forest distribution by size class	Not Achieved	At plan end, two size classes are moving towards the template: three size classes are moving away from the template; with no movement in the >5,000 ha size classes. This is largely due to the lower than planned harvest levels and the inability to influence these metrics within a short timeframe. This is not a sustainability concern.
1.2 Marten Core: Percent of suitable marten habitat arranged in core areas.	Achieved	No identified Marten cores were harvested.
2.1 Total Area of Crown Productive Forest by forest unit	Partially Achieved	The desirable levels and targets were not all achieved within 10 years. Lower than planned harvest levels have notably impacted the ability to meet the target for several forest units. The change in forest unit definitions has also impacted the result. This is not a sustainability concern.
2.2 Total Area of Crown Productive young forest by forest unit	Partially Achieved	Most forest units are moving towards targets. This is not a concern.
2.3 Total Area of Crown Productive mature forest by forest unit	Partially Achieved	Most forest units are moving towards targets. This is not a concern.
2.4 Total Area of Crown Productive old growth forest by forest unit	Achieved	Target levels for all forest units were met.
3.1 Habitat for forest dependent provincially and locally featured species in Ontario	Achieved	There was no discernable change in the amount of selected wildlife species habitat.
3.2 Monitor the area of preferred habitat for Least Flycatcher over time.	Not assessed	The objective was to be assessed in 2030, the AR assessment assumed that there was no change.
3.3 Maintain 10-20% of the capable marten habitat in suitable condition within core areas over time.	Not assessed	The objective was to be assessed in 2030, the AR assessment assumed that there was no change.
3.4 Area of habitat for forest dependent species at risk in Ontario. No net loss of habitat.	Achieved	There were no new known habitats identified during the plan period. Several new AOCs and CROs were added to the

	Auditors Assessment	Auditor Comments
		phase II plan to account for the possibility of species habitat being identified.
4.1 Long-term projected available harvest area by forest unit.	Achieved	The desirable and target levels were achieved.
4.2 Long term projected available harvest by species groups.	Achieved	The desirable and target levels were achieved.
4.3 Percent of forecast volume utilized by mill(s)	Not Achieved	59% utilization compared to a 90% target Lower than planned harvest levels it was not possible to meet the target identified at plan start. All volume harvested during the plan term was utilized by mills. This is not a sustainability concern.
4.4 Available & forecast harvest area by forest unit. Maximize the available harvest area.	Achieved	The desirable and target levels were achieved.
4.5 Forecast & actual harvest area, by forest unit.	Not Achieved	Targets were not met due to lower than planned (47%) harvest levels. Lower harvest levels are influenced by a number of variable factors, many out of the control of the FMP, such as overall economic conditions (local and global), operating mills and requirements, contractor availability/capacity, stumpage rates etc. This is not a sustainability concern.
4.6 Available & Forecast harvest volume by species group	Achieved	The desired level and associated target levels were achieved.
4.7 Forecast and Actual volume, by species group.	Not achieved	Targets were not met due to lower than planned (47%) harvest levels, resulting in lower than planned realized volumes (41%). This is not a sustainability concern.
5.1 Percent of treated forest area assessed as free-growing and successfully regenerated. Target 100%	Not Achieved	Of the area assessed for FTG status during the term of the plan, 3% did not meet a height and/or stocking standards as defined in the FMP or required tending treatments. This is a low amount and is not a concern.
5.2 Percent of treated forest area successfully regenerated to the projected forest unit and assessed as free growing	Not achieved	The target of 95% successful regeneration to the projected forest unit was not achieved (50%). While this is a large difference, it appears the change in forest unit definition

	Auditors Assessment	Auditor Comments
		was the main cause. This is not a concern.
6.1 Percent of annual forest operations inspections in compliance with prescriptions developed for the protection of water quality and fish habitat and the prevention, maintenance, or mitigation of site damage.	Achieved	96% of operations have followed the prescriptions against a target of 95%
6.2 Percent of annual forest operations inspections in compliance with AOC prescriptions developed for the protection of resource-based tourism values.	Achieved	There were 0 non-compliances issued therefore compliance was achieved against a target of 100%
7.1 Kilometers of SFL-responsible forest access roads (Primary, Branch and operational) per square kilometer of Crown managed forest	Not assessed	0.39 km/km ² at plan start This was not assessed at plan end because the source data was not clearly identified. FMPs should clearly identify the method and information of objective measurement.
7.2 Minimize & stabilize the conversion of managed Crown Forest area available for timber production to non-forest land over time.	Not assessed	This was not assessed at plan end because the source data was not clearly identified. FMPs should clearly identify the method and information of objective measurement.
7.3 Contacting each of the Aboriginal communities in or adjacent to the Sapawe Forest (Lac des Milles Lac, Wabigoon Lake Ojibway Nation, Lac LaCroix & Seine River) at least six months prior to the commencement of public consultation, with respect to their participation in the planning process, customized consultation & the continual effort to engage the communities.	Achieved	Achieved during plan development.
7.4 Provide opportunity for representation on the planning team (2010-2020 FMP), through the creation of a position for each of the Aboriginal Communities in or adjacent to the Sapawe Forest: Lac des Milles Lac, Wabigoon Lake Ojibway Nation, Lac LaCroix & Seine River.	Achieved	Achieved during plan development.

	Auditors Assessment	Auditor Comments
7.6 Incorporate/consider the updated Aboriginal Background Information Reports & updated information regarding the identified Aboriginal Values, as provided to the planning team, in the preparation of the 2010-2020 FMP.	Achieved	At time of LTMD preparation, two of the four Aboriginal communities have provided updated Aboriginal Values information, & each of the communities have provided Aboriginal Background Information Reports. Achieved during plan development.
7.6 Opportunities for involvement provided to the general public and local stakeholders in plan development	Achieved	Achieved during plan development.
12.2 Provide local employment opportunities in the forest industry	Achieved	Achieved more recently as the activity on the forest has increased.
13.1 Local citizens committee members self-evaluation of their effectiveness in plan development	Achieved	The effectiveness survey results indicate that the desirable level and target were achieved. 79% of LCC survey respondents indicated they have effectively participated in the development of the FMP (against a target of 60%)

Management Objective/Assessment

2020-2030 Boundary Waters Forest Management Plan

	Auditors Assessment	Auditor Comments
1. 1 Forest Structure	Met	This objective is met. Levels move towards the range in the short term and are maintained within the desired range over the medium and long terms.
1.2 Amount and Distribution of Old Growth Forest	Met	The targets and desired levels for all of the old growth classifications have been met.
1.3 Red and white pine	Met	Plan start levels are above the 1995 levels and red/white pine forest unit area increases over time to reach the range as determined by the Planning Team.
1.4 Upland conifer forest.	Met	Plan start levels are below the range and gradually increase over time. Target and desired levels are met.
1.5 Young Forest	Met	Levels of young forest are maintained within the desired range over the planning horizon, objective met.

	Auditors Assessment	Auditor Comments
1.6 Forest Pattern: Texture of Mature and Old Forest	Partially Met	There was movement towards in two classes and movement away in three classes. Movement away from the mean is due to a number of factors and change at the level required will take a number of years to accomplish. It is not possible to completely change the texture of a forest in a 10-year timeframe. This is not a concern.
1.7 Forest Pattern: Texture of young forest	Partially Met	There was movement towards in four classes and movement away in four classes. One stayed the same. Movement away from the mean is due to a number of factors and change at the level required will take a number of years to accomplish. It is not possible to completely change the texture of a forest in a 10-year timeframe. This is not a concern.
2.1 Amount of Crown productive forest that is browse-producing habitat (as per MEA query) within the moose emphasis areas.	Met	Plan start levels of moose browse habitats are above the lower range and are projected to be maintained above the lower range for 60 years, therefore, plan objective is met
2.2 Amount of Crown productive forest that is mature conifer-dominated forest within the moose emphasis area.	Met	Plan start levels of moose mature conifers are above the lower range and are projected to be maintained above the lower range for 60 years.
2.3 Amount of Crown productive forest that is hardwood-dominated or mixedwood forest within the moose emphasis areas.	Met	Plan start levels of moose hardwood habitat is above the lower range and are projected to be maintained above the lower range for 60 years, therefore plan objective is met.
2.4 To maintain a minimum area of 5,206 ha of critical thermal cover for deer habitat within the deer emphasis area	Met	The desirable levels were achieved for the two terms.
2.5 To maintain a current list of forest dependent Species at Risk known to exist on the Boundary Waters Forest and ensure appropriate	Met	The plan contains a list of species at risk and area of prescriptions are included in the plan.

	Auditors Assessment	Auditor Comments
prescriptions are developed in the FMP as required/as known sites identified to ensure the protection of their habitat.		
3.1 Long-term projected available harvest area by forest unit.	Met	The projected available harvest level was fully allocated.
3.2 Long term projected available harvest volume by species group.	Met	The projected available harvest level was fully allocated.
3.3 Long-term projected available harvest volume by broad size/product group.	Met	The projected available harvest level was fully allocated.
3.4 Provide a predictable, continuous and stable supply of harvest volume over the planning horizon for forest product industries that rely on fibre from the Boundary Waters Forest.	Met	The supply of harvest volume over the planning horizon did not vary significantly.
4.1 Actual harvest area, by forest unit (% of planned harvest area)	To early to assess	Future assessment of achievement will be measured for the Year 10 Annual Report.
4.2 Actual harvest volume by species group (% of planned harvest volume).	To early to assess	Future assessment of achievement will be measured for the Year 10 Annual Report.
5.1 Managed Crown productive forest available for timber production.	To early to assess	Future assessment of achievement will be measured for the Year 10 Annual Report. (no more than 2% reduction for roads, landings and debris was noted during the field audit)
5.2 Kilometres of SFL responsible forest access roads per square kilometre of Crown Managed Forest.	To early to assess	Current Levels of Primary + Branch Roads: 2,146 km / km ² (As of Oct 10, 2018) with a target of less than a 5% change. Current Levels of Operational Roads: 2,822 km / km ² (As of Oct 10, 2018) with a target of less than 10% change.
6.1 Percent of harvest forest area assessed as successfully established by forest unit.	On Track	The target is 80% and the current assessments have exceeded 80% silviculture success.
6.2 Planned and actual percent of harvest area treated by silvicultural strata.	On Track	The target is 80% of the area planned for treatment by silviculture strata. The proportions of area treated are consistent with the planned levels.
6.3 Planned and actual percent of area successfully regenerated to the target forest unit by forest unit.	On Track	The target is 80% of the area planned for treatment by silviculture strata. The proportions of area treated are consistent with the planned levels.

	Auditors Assessment	Auditor Comments
7.1 Forest Compliance: Percent of hectares harvested, by block, with forest operation inspections in compliance, for the protection of natural resource features, land uses or values dependent on forest cover.	On Track	The target is 90% of hectares harvested, by block, with forest operation inspections in compliance, for the protection of natural resource features, land uses or values dependent on forest cover during the plan period (2020-2030). This is a generous target.
7.2 Forest Compliance: Percent of hectares harvested, by block, with forest operation inspections in compliance, with management practices that prevent, minimize or mitigate site damage.	On Track	The target is 90% of hectares harvested, by block, with forest operation inspections in compliance, for the protection of natural resource features, land uses or values dependent on forest cover during the plan period (2020-2030). This is a generous target.
7.3 Forest Compliance: Percent of hectares harvested, by block, with forest operation inspections in compliance, with management practices that protect water quality and fish habitat.	On Track	The target is 95% of hectares harvested, by block, with forest operation inspections in compliance, for the protection of natural resource features, land uses or values dependent on forest cover during the plan period (2020-2030). This is a generous target.
8.1 Provide opportunities for involvement of First Nation and Métis communities in the development of the forest management plan	Met	The District Manager contacted all First Nation and Métis communities 9 months prior to the commencement of public consultation for the 2020-2030 FMP. Positions have been made available on the Planning Team for a representative from each First Nation and Métis community located within and adjacent to the SFL as identified by the MNRF. To date, 6 communities have representation on the Planning Team. The incorporation of updated background reports completed as indicated in the FMP text (section 3.7).
8.2 Local Citizens Committee members' self-evaluation of their effectiveness in plan development	Met	Results of the LCC's self-evaluation survey shows that of the members that responded, 75% felt they had meaningful involvement in the development of the FMP.

Appendix 4 Audit Process

The Crown Forest Sustainability Act, through Ontario Regulation 319/20, requires that each management unit in Ontario be audited at least once every ten to twelve years. The audits are conducted by independent audit firms selected through a competitive bidding process. Both the Forest manager and the MNR are audited. The Independent Forest Audit Process and Protocol provides guidance in meeting the requirements of Ontario Regulation 319/20 made under the CFSA.

The IFA consisted of the following elements:

Risk Assessment: A risk assessment was completed in May 2025 to determine whether there were any aspects of the forest that would require extra effort. The risk assessment was based on a review of the 2017 IFA action plans and status reports and the additional information provided by the auditees and interviews with the advisory committees and initial discussions with First Nations and Métis Communities. The Risk assessment report was submitted to the Forestry Futures Trust and MNR Divisional Support Branch for review and approval. The risk assessment revealed that action plans to address findings from the 2017 IFA should be examined to verify that aggregate pits and slash management were consistent with requirements and objectives.

Audit Plan: An audit plan describing the schedule of audit activities, audit team members, audit participants and the auditing methods was prepared and submitted to BWFMC, MNR Dryden, Fort Frances, Atikokan District, MNR Northwest Region Office, the MNR Divisional Support Branch, the Forestry Futures Trust Committee and the advisory committees in May 2025. The audit plan was presented to the auditees and Forestry Futures Committee and provided to the NRAC, RMAC as well as First Nations and Métis Communities that requested it.

Field Site Selection: BWFMC provided digital information on the activities within the scope of the audit period. The lead auditor randomly selected more than a 10% sample of each activity and regeneration survey reported to the MNR. Sites were selected in accordance with the guidance provided in IFAAP. The field sample was reviewed by the BWFMC and MNR district during a virtual meeting in May. Some additional sites were suggested by the advisory committees.

Field Audit: The site audit was conducted the week of June 23, 2025. The auditors were divided into two teams for the truck audit for three days and one team member conducted the aerial reconnaissance of silviculture surveys and inaccessible sites for two days with a representative from the SFL. The field audit achieved a minimum of 10% sample of activities that occurred during the audit period and the silvicultural surveys submitted. A sample of the areas invoiced in the Forest Renewal Trust Specified Procedures Report was included to verify work was performed.

IFA Field Sampling Intensity on the Boundary Waters Forest

2025 Boundary Waters Forest IFA Final Report

Activity	Total Area (ha)	Sample (ha)	Sample %
Harvest – clearcut	58,310	6324	10.9%
Harvest – seed tree	281	32	11.4%
Harvest – strip	31	17	54.8%
Site Prep – mechanical	13,074	1584	11.4%
Site Prep – chemical	4,084	440	13.9%
Site Prep – Prescribed Burn	559	78	12.16%
Tree Planting	23,161	2424	10.5%
Seeding	6,204	709	11.4%
Natural Regeneration	26,302	2964	11.3%
Manual Tending	447	48	10.7%
Chemical Tending Air	19,592	1980	10.1%
Regeneration assessment (FTG)	94,059	9484	10.1%
		Sample # or KM	
Road Construction	259 km	Manomin (7.3), Entwine (12.2), Dogfly (8)	10.6%
Water Crossings New	1 bridge and 136 culverts	15	10.22%
Water Crossing Decommissioned (not ice)	1 bridge and 32 culverts	4	12.12%
Aggregate Pits - opened	180	19	10.56%
Aggregate pits - closed during scope	154	16	10.39%

This selection includes the following sample of the silviculture activities that were charged to the Forest Renewal Trust in the 2023-2024 fiscal year and assessed as a Specified Procedures portion of the IFA.

Activity	2023- 2024 Total (hectares)	Sample selected (hectares)	Sample %
Site Prep – mechanical	1,145	134	11.70%
Site Prep – chemical	242	39	16.12%
Tree Planting	1,930	227	11.76%
Seeding	232	24	10.34%
Natural Regeneration	4,085	426	10.43%
Manual Tending	1	1	100.00%
Chemical Tending Air	1,429	175	12.25%
Regeneration assessment (FTG)	7,935	809	10.20%

The closing meeting was held on July 10, 2025.

The field audit covered a random sample of operations during the audit period as visiting all operations is not practical. Individual sites are selected to represent an activity but all associated activities that occurred on the site are assessed and reported in the sample table above. The audit team inspected the area of concern prescription application, forestry aggregate pits, bridges, water crossing installations and water crossing removals. In addition, the auditors visited a tree improvement tree improvement test site.

Summary of Opinions and Input to the Audit Team

Public Consultation

The public were notified that an audit was being conducted. Notices were placed in the Fort Francis Times, Atikokan Progress, and the Fort Francis Daily Bulletin inviting the public to contact the auditors with concerns or complements regarding forest management on the Boundary Waters Forest. The Township of Ignace posted a notice on their web page. The MNR posted a notice on Facebook and X. Several responses were received. Two individuals expressed a concern with using herbicide for forest tending. Two respondents were concerned with harvest close to private land and along visible areas such as the highways and along waterways.

The District Manager receives feedback from two advisory committees concerning the Boundary Waters Forest: The Natural Resources Advisory Committee (NRAC) from Fort Francis and the Resource Management Advisory Committee (RMAC) from Atikokan. The auditors spoke with both advisory committees and gave an introductory presentation prior to the field audit. The advisory committees were concerned about road maintenance, road closures and bypass of undesirable harvest areas. Advisory committee members also accompanied the field audit.

First Nations and Métis Communities

A contact list of First Nations and Métis Communities was supplied by the MNR District Resource Liaison Specialist. All communities were emailed regarding the opportunity to provide feedback to the auditors. Two communities responded. One was able to accompany the field audit. Two requested the audit plan, a presentation of the findings and the audit report. One community wanted to be involved in the action plan review.

Licensees, Contractors and Commitment Holders

All wood supply commitment holders were emailed and six responded. Most were concerned about having access to the wood supply. Many cited inventory inaccuracies as a cause of not being able to harvest their commitment.

Auditees (MNR and SFL)

MNR District, Region and Divisional Support Branch staff participated in all aspects of the audit, including the field audit and interviews. Several follow up meetings were held with applicable staff to clarify draft audit findings.

BWFMC, Rainy Lake Tribal Council and Domtar representatives participated in all aspects of the audit including providing key information, field audit organization, and interviews.

Appendix 5
List of Acronyms

AOC	Area of Concern
ACOP	Annual Compliance Operations Plan
AR	Annual Report
AWS	Annual Work Schedule
BLG	Boreal Landscape Guide
BWF	Boundary Waters Forest
BWFMC	Boundary Waters Forest Management Corp.
B.Sc.F.	Bachelor of Science in Forestry
CFSA	Crown Forest Sustainability Act
CP	Contingency Plan
CRO	Conditions on Regular Operations
FRI	Forest Resource Inventory
FFTC	Forestry Futures Trust Committee
FIM	Forest Information Manual
FMP	Forest Management Plan
FMPM	Forest Management Planning Manual
FMU	Forest Management Unit
FOIP	Forest Operations Information Program
FOP	Forest Operations Prescription
FRL	Forest Resource Licence
FRT	Forest Renewal Trust
FTG	Free-to-grow
FU	Forest Unit
Ha	Hectare
IFA	Independent Forest Audit
IFAPP	Independent Forest Audit Process and Protocol
KM	Kilometre
LTMD	Long-Term Management Direction
MNR	Ministry of Natural Resources
M ³	Cubic Meters
M.Sc. F.	Master of Science in Forestry
MU	Management Unit
NRIP	Natural Resources Information Portal
NRAC	Natural Resources Advisory Committee
R.P.F.	Registered Professional Forester
RMAC	Resource Management Advisory Committee
SAR	Species at Risk
SFL	Sustainable Forest Licence
SGR	Silvicultural Ground Rule

Appendix 6
Audit Team Members and Qualifications

Name	Role	Responsibility	Credentials
Janet Lane, R.P.F.	Lead Auditor Public Participation including First Nations & LCC Participation in Forest Management Planning. Field Audit Harvest, Access and Renewal Assessment of Achievement of Forest Management Objectives	Audit Management and Coordination Liaison with forest manager, MNR & FFTC. Review documentation and practices related to forest management Planning and public participation. Review the function of RMAC and NRAC. Review and inspect harvest and silvicultural practises Determination of Objective Achievement Determination of Sustainability	B.Sc.F. 3 years auditing
Peter Nitschke R.P.F.	Forest Management Planning Harvest and Silviculture Auditor	Review Forest Management Plan production and review and inspect harvest and silviculture practices Review of operational compliance to AOC implementation Determination of Sustainability	M.Sc. F. 1 year auditing
Jack Harrison, R.P.F.	Forest Compliance Monitoring Harvest and Silviculture Auditor	Review and inspect the documentation related to contractual compliance. Review and inspect AOC documentation and practices Review of operational compliance to AOC implementation Review of the planning and delivery of the operational compliance program Review and inspect harvest and silvicultural practises Aerial sampling of renewal success Determination of Sustainability	B.Sc.F. 4 years auditing