

Project No. 012115-08

December 20, 2017

Mr. Gordon Cumming
Algonquin Forestry Authority (AFA)
222 Main Street W.
Huntsville, ON
CAN, P1H 1Y1

SUBJECT: REGISTRATION PROGRAM

Dear Mr. Cumming,

Please find attached the Audit Report raised as a result of our S2 Surveillance Audit of your management system to the CAN/CSA - Z809-2008 standard conducted in your Huntsville facility on Nov 06, 2017.

We thank you and your organization for the support and co-operation given during the audit.

Best regards,
SAI Global

Rod Seabrook

Team Leader
Encls.

SAI GLOBAL Confidential

SUSTAINABLE FOREST MANAGEMENT SYSTEM

CAN/CSA-Z809-2008

Auditee: Algonquin Forestry Authority (AFA)
Address: 222 Main Street W. Huntsville Ontario
CAN P1H 1Y1

Contact: Mr. Gordon Cumming
Date(s) of Audit: Nov 06, 2017 to Nov 09, 2017
Total Number of Audit Days: 4.00
Audit Team Leader: Rod Seabrook
Type of Audit: S2 Surveillance Audit
Audit Frequency: 6
SIC / NACE Code: 0851 A02.0

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REPORT DISTRIBUTION

Algonquin Forestry Authority (AFA)
SAI GLOBAL File
Rod Seabrook

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SECTION 1 - EXECUTIVE SUMMARY

Scope #	Scope Description
1	The Sustainable Forest Management System as it applies to the defined forest area which includes the entire Algonquin Provincial Park Forest.

Site:

Algonquin Forestry Authority (AFA)
222 Main Street W.
Huntsville
Ontario
CAN, P1H 1Y1

Summary of Audit Findings:

A 24 month surveillance audit was conducted on from November 6 to November 9, 2017 on the Algonquin Forestry Authority's (AFA) Algonquin Park Forest (the defined forest area) sustainable forest management system. One nonconformance and two Opportunities for Improvement were identified. The audit team found that the AFA's SFM system generally conforms to the requirements of CAN/CSA Z809-2008 and adheres to the company's requirements, with the exception of the noted nonconformity. Four positive attributes of the management system were also noted.

Recommendations:

The results of this Surveillance Audit indicate that the Management System of Algonquin Forestry Authority (AFA) is suitable and effective with the exception of the area of non-conformance identified during the audit. The AFA has developed corrective action plans to address the root cause of the non-conformity identified during the audit. The root cause analysis and proposed corrective actions have been reviewed by SAI Global to ensure that they are appropriate and fully address the identified deficiencies. At the next annual Re-registration audit a follow up on the implemented corrective actions will be done to confirm that the corrective actions were appropriate and effective in ensuring the non-conforming situation has not reoccurred.

SECTION 2 - DESCRIPTION OF THE DEFINED FOREST AREA (DFA):

Geographic Locations, Forest Types, Size, Legal Tenure and SFL Description:

Area of DFA: 680,749 hectares

Legal Tenure / Licence Description:

The entire Algonquin Park forest constitutes the Defined Forest Area (DFA). Forest management activities occur only within the Recreation and Utilization Zone (R/U zone) of the Park as defined in the Algonquin Provincial Park Management Plan.

Volume and Species Harvested: Apr 1, 2015 to Mar 31, 2016

Algonquin Park Forest	
Tree Species	Percentage of DFA Area
Pwr	17%
SPF	10%
TOL	49%
INT	8%
OC	8%
MXWD	9%
Total	100 %

Algonquin Park Forest	
	Volume Harvested (m3)
Conifer	188,339
Hardwood	234,553

SECTION 3 - ORGANIZATION:

Description of the DFA Workforce:

The AFA has approximately 30 permanent and seasonal staff. There are approximately 300 people involved in forestry operations in the Algonquin Park forest, most as contractors working directly for the AFA.

Management Objectives and Responsibilities on the DFA:

Forestry on Crown lands in Ontario is governed by the requirements of the Crown Forest Sustainability Act (1994). The purpose of the Act is ‘to provide for the Sustainability of Crown forests and, in accordance with that objective, to manage Crown forests to meet social, economic and environmental needs of present and future generations.’

The AFA sets management objectives consistent with the requirements of the CFSA during forest management planning. The four key objectives set within the plan cover biodiversity, forest cover, social and economic requirements, and silviculture. Further objectives are set within the sustainable forest management plan developed by the AFA for Algonquin Park. They cover the six criteria required by CAN/CSA Z808-08.

The AFA is responsible for planning and implementation of the forest management plan, while Ontario Parks is responsible for approval and oversight of the AFA's activities.

Aboriginal Consultation Process:

First Nations are consulted throughout the development and implementation of the Forest Management Plan for the Algonquin Park forest. First Nations are either involved through regular public consultation opportunities or through a customized process defined by the community. First Nation members are actively involved with the forest management planning team, the local citizens committee and the forest certification advisory group. There are no identified Metis interests in the Algonquin Park Forest.

The AFA Sustainable Forest Management Policy contains a commitment to working cooperatively with local Aboriginal communities to identify and implement ways of achieving a more equal participation by Aboriginal communities in the benefits provided through forest management planning in Algonquin Park. Throughout the development of the 2012 SFM Plan the AFA held discussions with Algonquin communities. Aboriginal VOITs were revised in response to Algonquin concerns and updates were made to socio-economic targets. Negotiations between the Algonquins and the Crown were ongoing with respect to an Aboriginal land claim that affects a major portion of the DFA. A signed Agreement-in-Principle between the Algonquins of Ontario and the Federal Government is in place. The AFA has stated that it is committed to monitoring the progress of land claim negotiations and expressed a willingness to recognize associated treaty rights once finalized and where possible, contribute to any economic benefits.

SECTION 4 - AUDIT FINDINGS:

Scope #	Registration Scope Description
1	The Sustainable Forest Management System as it applies to the defined forest area which includes the entire Algonquin Provincial Park Forest.

Audit Objective:

Stage 2 – 24 Month Surveillance

To confirm the management system complies with the applicable elements of the Standard; to confirm the organization complies with its own policies and procedures; to confirm the management system is suitable for the organization; to confirm that the management system is suitable and effective, and enables the client to achieve its own objectives.

Audit Criteria: CSA Z809:2008

Audit Scope: Facilities/organizational units/functional units audited are located

- **222 Main Street W. Huntsville, Ontario Canada, P1H 1Y1**
- **Algonquin Park Forest**

Description of SAI Global and the SAI Global Audit Team:

SAI Global is a third party management system certification Registrar. Established in 1984, SAI Global has worked with thousands of organizations in North America and around the world, issuing registration certificates to those that meet international and national management system standards.

The SAI Global Sustainable Forest Management audit team members bring with them considerable experience in the area of sustainable forest management and environmental management systems auditing. Audit teams are comprised of certified auditors and registered professional foresters. All audit team members are subject to strict confidentiality and conflict of interest agreements. The following personnel conducted this audit:

Audit Team

<u>Position</u>	<u>Name</u>
Team Leader	Rod Seabrook

Audit Coverage:

Noted Deviations from the Audit Plan:

Operations / Cut-Blocks Visited during the field audit include:

Algonquin Park Forest	
Block / Road Number / Name	Type of Operation Observed
Square Lake	Water crossing removal/rehabilitation; aggregate pit
Clouthier Lake Rd.	Contractor equipment; emergency spill kit; road maintenance
Black Bass Rd.	Active harvest area; training and awareness; fuel management, tree marking; emergency preparedness; AOC protection, site protection; communications; waste management
Narrowbag Rd.	Active harvest area; training and awareness; fuel management, emergency

	preparedness, training and awareness; communications; AOC protection; waste management
Achray Rd.	Water crossing replacement

AFA Personnel (ie Staff/contractors) interviewed in the field:

- Area Manager
- Roads Assistant (acting Operations Supervisor)

Makwa

- Contractor
- Feller (2)
- Skidder Operator (2)

Jones

- Contactor
- Skidder/Feller Buncher operator

Members of the public participation process interviewed:

- Representing Country of Renfrew
- Ontario Federation of Anglers and Hunters
- Canadian Forestry Service (via email)
- Representing Cultural/Heritage interests

Provincial Government personnel interviewed:

- Forestry Technical Specialist – Algonquin Park

Aboriginal People interviewed:

- Makwa Community Development Corporation - General Manager; harvest contractor and field personnel

VOITs verified (field & office)

Indicator	Description	Field and/or Office	Improvement
6.3.3 Soil and Water			
3.1.1.1.1	Level of soil disturbance	Office	Target met - no reports of non-compliance for excessive soil disturbance in FOIPs or in 2015-16 Table AR-6
3.1.1.1.2	Level of downed woody debris	Office	Target met - verified tree marking inspections conducted by AFA
3.1.2.1.1	Compliance with FMP operational standards for forestry aggregate	Office	Target met - no reports of non-compliance for

	pits		aggregate activities in 2015-16
3.2.1.1.1	Proportion of water crossings that are properly installed and removed	Office	Target met - no reports of non-compliance for water crossings in 2015-16 Table AR-6
3.2.1.1.2	Compliance with prescriptions developed for the protection of water quality and fish habitat	Office/Field	Performance within permissible variance - one non-compliance report was recorded from both Industry & MNR reports. Reviewed letter Apr 26, 2016 from Ont Parks Zone Manager to AFA GM re: unauthorized road construction within a cold water stream AOC – references FOIP #673170, issue #277555. Issue was reported by AFA to ON Parks and remediation/mitigation work was undertaken by AFA
3.2.1.1.3	Number of spills that enter water bodies	Office/Field	Target met - no spills reported to water – no evidence of spills to water during field audit
3.2.1.1.5	Proportion of watershed or water management areas with recent stand-replacing disturbance	Office	Long term indicator - next report 2020
6.3.5 Economic and Social Benefits			
5.1.1.1.1	Quantity and quality of timber benefits, products, and services produced in the DFA: Long-term projected available harvest volume by product	Office	FMP planning indicator - next assessment 2017
5.1.2.1.1	Quantity and quality of non-timber benefits, products, and services produced in the DFA: Number of documented public complaints about forestry impacts on back-country recreation	Office	Performance within permissible variance - verified records of complaints and discussions that were documented as result – complaints dated Sep 8, 2016 (noise) and Aug 17, 2016 re: haul trucks
5.1.2.1.2	Provision of information with respect to location of planned forest operations on the AFA	Office	Target met - verified that AWS map is publicly available on AFA

	website		website
5.1.3.1.1	Compliance with the cottage/lease AOC's	Office	Target met - no non-conformances for AOCs reported in 2015-16 Table AR-6
5.1.4.2.1	Establishment of website linkages to information (within the constraints of confidentiality) and promotion of cultural heritage events	Office	Target met - web linkages to other agencies/organizations maintained on AFA website
5.1.5.1.1	Compliance with Area of Concern prescriptions which schedule operations such that there is a separation in time and/or space between wilderness recreation and forestry operations	Office	Target met - no non-conformances for AOCs in 2015-16 Table AR-6
5.2.1.1.1	Managed Crown Forest area available for timber production	Office	Target not met - The 2013 Lightening the Footprint amendment to the Algonquin Park Management Plan resulted in a 44,214 ha (9.2%) reduction in the total production forest area available for forest management, which exceeds the allowable 5% variance
5.2.1.1.2	Level of investment in initiatives that contribute to community sustainability	Office	No report for 2015-16 – next report in 2017
5.2.1.1.3	Level of direct and indirect employment	Office	No report for 2015-16 – next report in 2017
5.2.1.2.1	Number of local production facilities that utilize wood fibre from the DFA	Office	No report for 2015-16 – next report in 2017
5.2.1.3.1	Available wood volume offered to local production facilities (wood supply commitment holders)	Office	Target met - verified in 2015-16 Table AR-2 Annual Report Of Wood Utilization By Mill and AFA year-end sales report
5.2.1.3.1	Level of investment in training and skills development	Office	Target met - no training related non-conformances identified in the 2015 registrar audits. – Verified 2015 RR audit findings were not training related
5.2.3.1.1	Level of Aboriginal participation in the forest economy:	Office/Field	Target not met – progress made however

	Percentage of total volume harvested by Algonquins of Ontario communities/organizations/people		level of harvest volume slightly below target level of 16%
5.2.3.1.2	Level of Aboriginal participation in the forest economy: Percentage of silviculture completed by Algonquins of Ontario communities/organizations/people	Office/Field	Target met - tree marking conducted by Algonquin community contractor – procurement opportunities advertised by AFA
5.2.3.1.3	Level of Aboriginal participation in the forest economy: Percentage of total direct program costs paid to Algonquins of Ontario communities/organizations/people	Office	Target not met - AR reports increase of 6.6% from 2014-15 reporting year but still below target of 19% – interview with Makwa representative confirms harvest volume is being made available by AFA
5.3.1.1.1	Crown timber stumpage paid to government consolidated revenues	Office	Target met - verified record of Crown dues paid \$1,163,792
5.3.2.1.1	Increased participation (of Aboriginal organizations/people)	Office/Field	Verified benefits are accruing to Algonquin people through economic opportunities with Makwa Development Corporation; verified MNRF Condition 34 report for 2015-2016
5.3.3.1.1	Level of maintenance of public forest access roads in Algonquin Park	Office/Field	Target met - verified Public Access Road Agreement 2015-2020 between AFA and MNRF dated Dec 31, 2014 in place and roads being maintained
6.3.6 Society's Responsibilities			
6.1.1.1.1	Evidence of a good understanding of the nature of Aboriginal title and rights	Office	Target met – verified continued participation of AFA in discussions related to forest management planning and operations; Aboriginal Background Information Report; MNRF Condition 34 report
6.1.1.1.2	Evidence of best efforts to obtain	Office	Target met - verified

	acceptance of management plans based on Aboriginal communities having a clear understanding of the plans		continued participation of AFA in discussions related to forest management planning and operations; FMP planning team and FCAG membership; MNRF Condition 34 report
6.1.1.1.3	Level of management and/or protection of areas where culturally important practices and activities (hunting, fishing, gathering) occur	Office	Target met - verified Algonquin membership on FCAG advisory committee; planning team members as listed in the approved FMPs/Aboriginal Background Information reports; MNRF Condition 34 report - verified AFA correspondence with Algonquin representative re: location of potential white birch canoe trees – pictures of construction and finished canoe
6.2.1.1.1	Evidence of understanding and use of Aboriginal knowledge through the engagement of willing Aboriginal communities, using a process that identifies and manages culturally important resources and values	Office	Target met - verified continued participation of AFA in discussions related to forest management planning and operations; FMP planning team and FCAG membership; MNRF Condition 34 report
6.3.1.1.1	Evidence that the organization has co-operated with other forest-dependent businesses, forest users, and the local community to strengthen and diversify the local economy	Office	Target met – verified sample of cooperative efforts re: local economy (e.g. meetings with LCC, log deliveries to open market clients)
6.3.1.2.1	Evidence of co-operation with DFA-related workers and their unions to improve and enhance safety standards, procedures, and outcomes in all DFA-related workplaces and affected communities	Office/Field	Verified records of safety awards program; AFA Emergency Response Plan June 5, 2017 and ERP Map May 24, 2017

6.3.1.2.2	Evidence that a worker safety program has been implemented and is periodically reviewed and improved	Office	Verified records of safety awards program; reviewed graph of annual lost time and medical aids from 1987-88 to 2015-16 showing overall improvement
6.4.1.1.1	Level of participant satisfaction with the public participation process	Office	Verified FCAG member satisfaction during interviews with sample of membership
6.4.2.1.1	Evidence of efforts to promote capacity development and meaningful participation in general and for Aboriginal communities	Office	Target met – verified access to procurement opportunities and AWS on AFA website; verified AFA Twitter feed
6.5.1.1.1	Number of people reached through educational outreach	Office	Target met – estimated total of over 80,000 people reached through educational outreach in 2015-16 – verified sample of activities (e.g. AFA Twitter feed; Algonquin College harvesting tour, AFA bursary opportunities)
6.5.1.1.2	Availability of summary information on issues of concern to the public	Office	Target met – verified information made available by AFA to public (e.g. SFM plan; FMP summary, procurement opportunities)
6.5.1.2.1	Certification status	Office	Target met - Verified successful re-registration in 2015
6.5.1.3.1	Efforts made to create awareness of certification designation on the DFA	Office	Target met - verified on AFA website and Twitter feed

Review of Changes:

No significant changes have occurred since the previous audit.

Summary:

The findings were discussed with Mr. Gordon Cumming. The Audit Team Leader commenced the closing meeting by thanking the Algonquin Forestry Authority (AFA) staff for the cooperation and courtesy extended to the audit team during the audit. In addition,

the Audit Team Leader detailed the registration process, the requirements for future surveillance audits, and the re-assessment process. The official closing meeting was attended by the personnel listed in Attachment #2.

The SAI Global Audit Team recorded the following audit results:

Documentation Review:

The audit team reviewed the SFM documentation (SFM monitoring report, SFM plan). The monitoring report was completed for the 2015-2016 operation year and covered all VOITs. The report is publicly available on the AFA internet site. No changes to the SFM plan were made.

Status of any previously recorded non-conformances (NCRs)

The implementation and effectiveness of corrective actions relating to the following previously recorded NCRs were verified, accepted, and the NCRs cleared. The relevant comments were recorded on the individual NCRs.

NCR Nos. now closed:

NCR Nos. 2016-01, 2016-02, 2016-03

Positive Aspects of the Management System:

- Gravel screening to better utilize aggregate resource – pit #7331-5096
- Water crossing rehabilitation at Square Lake (#20111231)
- Comprehensive internal audit and management review
- AFA involvement in and support of activities promoting forestry

Non-conformances:

NCR No.	Clause No.	Clause Description	Type	Response Due
2017-01	7.5.2	Corrective and preventive action	Minor	Jan 8, 2018

Corrective Action Plans

The AFA has developed corrective action plans to address the root cause of the non-conformity identified during the audit. The root cause analysis and proposed corrective actions have been reviewed by SAI Global to ensure that they are appropriate and fully address the identified deficiencies. At the next annual Re-registration audit a follow up on the implemented corrective actions will be done to confirm that the corrective actions were appropriate and effective in ensuring the non conforming situation has not reoccurred.

Opportunities for Improvement (OFI):

- Consider whether the direction provided in the Handling and Dispensing Fuel Supplement WI is complete with respect to requirements for tanks with 450 litre capacity
- Consider reviewing Procedure 4.4.2 to determine whether the process for verification of non-core training records is fully described and effective

SECTION 5 - GENERAL ASSESSMENT AND RECOMMENDATION:

Based on the review of the company's SFM program, and the audit results, the following recommendation is made:

Surveillance Audit:

The results of this Surveillance Audit indicate that the Management System of Algonquin Forestry Authority (AFA) is suitable and effective with the exception of the area(s) of non-conformance identified during the audit. The AFA has developed corrective action plans to address the root cause of the non-conformity identified during the audit. The root cause analysis and proposed corrective actions have been reviewed by SAI Global to ensure that they are appropriate and fully address the identified deficiencies.

Next Scheduled Audit:

Date(s): July 2018

Type of Audit: Reassessment and Upgrade to CAN/CSA Z809-16

No. of Persons: 1

No. of Audit Days Required: 5

Forest Areas for the Next Audit:

- Huntsville and Pembroke operations

Rod Seabrook
SAI Global
Team Leader

Date: December 20, 2017