

## Reregistration Audit Report

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**for:**

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**for the following certified forest area(s):<sup>1</sup>**  
Sudbury Forest

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Based on FSC-STD-20-007a V1-0 / FSC-STD-20-007b V1-0

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<sup>1</sup> In the case of group certification, the certificate holder is the group manager and the region in which the group is located must be specified.

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**SLIMFs –The element mark with an asterix (\*) in the table are not required in the case of certificates issued to single SLIMF FMUs but are required for all other certificates.**

## 1.0 DESCRIPTION OF FOREST MANAGEMENT

### 1.1 Basic Quantitative Information

<b>Type of certificate:</b>		<b># of group members</b>	
<input checked="" type="checkbox"/> single FMU	<input type="checkbox"/> multiple FMU	<input type="checkbox"/> Group	_____
Type of SLIMF			
<input type="checkbox"/> small SLIMF	<input type="checkbox"/> low intensity SLIMF	<input type="checkbox"/> Group SLIMF	_____
<b>Number of FMUs:</b>		<b>Location of the non-SLIMFs FMU (refer to the center of the FMU)</b>	
Less than 100 ha	_____	Latitude N/S	_____
100-1,000 ha	_____	_____ degrees	_____ minutes
1,000-10,000 ha	_____	Longitude E/W	_____
Over 10,000 ha	1	_____ degrees	_____ minutes
TOTAL	1		
<b>Forest zone:</b>	<b>Total forest area in scope of certificate that is:</b>		
Temperate <input checked="" type="checkbox"/>	Included in FMUs ≤100 ha _____		
Boreal <input type="checkbox"/>	Included in FMUs between 100 and 1,000 ha _____		
Subtropical <input type="checkbox"/>	Eligible as low intensity SLIMF FMUs _____		
Tropical <input type="checkbox"/>	Privately managed <sup>2</sup> _____		
	State managed 832,787 ha		
	Community managed <sup>3</sup> _____		
<b># of forest workers within scope of certificate including contractor</b>			
Male:	Female:	<b>Total:</b>	
<b>Forest Area:</b>			
Forest and non-forest land protected from commercial harvesting and managed primarily for conservation objectives			144,571 ha
Protected from commercial harvesting and managed primarily for the production of NTFPs or services			0
Classified as 'high conservation value forest'			
Production forest (from which timber may be harvested)			476,429 ha
Production forest classified as 'plantation'			0
Production forest regenerated primarily by replanting or by a combination of replanting and coppicing of the planted stems <sup>4</sup>			

<sup>2</sup> Includes state owned forests leased to private companies for management.

<sup>3</sup> The management and use of the forest and tree resources is controlled by local communities.

<sup>4</sup> Total are regenerated by replanting, NOT annual area. (This area may be different from the area defined as 'plantation' for the purpose of calculating the AAF).

<b>List of 'high conservation values'<sup>5</sup>:</b>
Category 1 - Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia)
Based on a review of habitat requirements, current threats, range maps, known occurrences on the Sudbury Forest, potential impacts from forest operations, the status of populations and a supplementary literature review, the HCV designations are as follows:
<ul style="list-style-type: none"> <li>• Red-shouldered Hawk (nest sites)</li> <li>• Bald Eagle (nest sites)</li> <li>• Peregrine Falcon (nest sites)</li> <li>• Wood Turtle (important habitat)</li> <li>• Eastern Massassaga snake</li> </ul>
Category 2 - Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance
At this time, there are no known concentrations of endemic species on the Sudbury Forest.
Category 3 - Forest areas that are in or contain rare, threatened or endangered ecosystems
<p><b><i>White-tailed Deer Winter Yarding Areas</i></b></p> <p>According to the FMP for the SF, deer yards occur mainly in the southern part of the forest, near Killarney Provincial Park. In deer yards, it is important to maintain the juxtaposition of food (deciduous browse) and conifer cover (see OMNR's <i>Forest Management Guidelines for the Provision of White-tailed Deer Habitat</i> by Voigt et al., 1997). Cedar and hemlock are the most common conifer species utilized for cover in local deer yards, and white pine and white spruce are locally important for deer winter shelter. Normally, harvesting is only permitted in yarding habitat where browse shortages have been identified and habitat enhancement can be expected as a result of forest operations. Modified hardwood removal is permitted with retention of conifers for cover and oak for mast production. The FMP contains an AOC prescription designed to maintain conifer cover while increasing the local availability of browse.</p> <p>Deer yards meet the definition of a "regionally significant seasonal concentration area" and are relatively uncommon in the SF. They are therefore considered to be HCV.</p>
Category 4 - Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control)
The eastern elk is thought to have been extirpated in Ontario. However, a free-ranging naturalized population of the western elk has occurred in the vicinity of the southern SF for some time, and a province-wide restoration effort has augmented the local elk population. Since 1996, more than 100 elk from Alberta have been released in the area in an effort to expand and revitalize the naturalized population. The status of the introduced animals will be monitored by MNR and others for the next several years. The local elk currently share their range with moose and, to a lesser extent, deer. The FMP for the SF explains that elk habitat will benefit from application of the moose guidelines, provisions for maintaining moose wintering areas, and forestry practices which generate winter browse. Because the elk is a focal species and is regionally rare, it is considered to be an HCV in

<sup>5</sup> Should be classified according to numbering system given in the [Glossary](#) of the FSC Principles and Criteria (FSC-STD-01-001)

the Sudbury Forest.

**Category 5 - Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health)**

The SF is in the transitional area between the Great Lakes-St. Lawrence and Boreal forest regions in Ontario. Tree cover reflects this shift in dominant species and is even reflected in different natural disturbance patterns across the forest (i.e., more frequent stand-replacing fires in the boreal portion, and more partial burns in the south). The net result is that a number of species are at the northern or southern limits of their ranges. Most of these species are secure according to national and provincial agencies (COSEWIC, NHIC). The animal species that may be HCVs have already been assessed under previous questions.

The Sudbury Forest includes some tree species that are not listed as species at risk but are relatively uncommon because they are at the edges of their geographic ranges. These qualify for assessment under this question.

Black cherry, hemlock, ironwood, red oak, and bur oak are at the northern limits of their ranges within the SF. The Forest Resource Inventory does not show any stands whose tree species composition is least 10% for red spruce, cherry, elm, or oak. However, 12 stands contained at least 10% white ash or ironwood; none of these was allocated in the current FMP. The 2005-2025 FMP for the SF includes strategies that will be used to maintain or enhance all of the above-listed these species in the forest if they are encountered.

**Category 6 - Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities)**

There are no protected or candidate UNESCO World Heritage Sites, Biosphere Reserves or RAMSAR Wetland Sites on the Sudbury Forest – not HCV.

Provincially significant wetlands within the boundaries of the SF on Crown land are considered to be HCVs.

OLL-designated provincial parks and conservation reserves on the Sudbury Forest have already been withdrawn from the operable land base and are protected from disturbance by forest management and other resource extraction activities – not HCV. Any candidate protected areas that may be identified through the Room to Grow process will be designated HCV. Candidate protected areas that might lose their status as a result of MNR's "disentanglement initiative" are also designated HCVs (Wolf Lake Old Growth Forest, Sturgeon River, Capreol/Hanmer, and Vermilion River Delta (Dowling/Fairbank).

**List of chemical pesticides used within the forest area:**

Product Name	Quantity of pesticides applied (l or Kg)	Area treated (ha)	Reason for use
Vision	459.6 l	116.8 ha	
Vision Max	5,210.8 l	1,797.5 ha	
Garlon XRT	1,373.4 l	545.7 ha	Primarily in white pine shelterwood renewal.
Vision Max/Garlon XRT Mix	347.7/265.7 l	133.7 ha	

Vision and Vision Max (Glyphosate-based herbicides) and Garlon XRT (Triclopyr-based herbicide) were used in the aerial applications. VisionMax was used for ground spray site preparation. Glyphosate is highly effective on poplar and birch, but not as effective on red maple. Triclopyr has the opposite efficacy and each herbicide is prescribed according to the dominant competition on the site. Typically, poplar and birch are the main competitors in boreal clearcuts, and red maple is typically the primary competition in white pine shelterwood renewal.

<b>List of main commercial timber and non-timber species included in scope of certificate:</b>			
<b>Common Name</b>	<b>Scientific Name</b>	<b>Approximate AAC (m3)</b>	<b>Non-timber (✓)</b>
Other conifer	Tsuga canadensis, Thuja occidentalis, Larix laricina	9,652	<input type="checkbox"/>
Poplar	Populus tremuloides, Populus balsamifera	123,870	<input type="checkbox"/>
Spruce-Pine-Fir	Picea mariana, Picea glauca, Pinus banksiana, Abies balsamea	254,510	<input type="checkbox"/>
Tolerant hardwood	Acer sp., Quercus sp., Fagus sp.	17,605	<input type="checkbox"/>
White pine and Red pine	Pinus strobus, Pinus resinosa	116,400	<input type="checkbox"/>
White birch	Betula papyrifera	58,050	<input type="checkbox"/>

<b>Non-timber forest products included in scope:</b>	
<b>Product</b>	<b>Approximate Annual Commercial Production</b>
N/A	

<b>List of product categories included in the scope certificate:</b>	
<b>Product</b>	<b>Description</b>
W1.1. Roundwood of hardwood and softwood,	
W1.2. Fuelwood,	
W3.1 Wood chips	

*Note: These products are available for sale as FSC® certified products (include basic description of product - e.g. round wood, pulp wood, sawn timber, kiln-dried sawn timber, chips, resin, non-timber forest products, etc.)*

### **1.2\* Legislative, Administrative and Land Use Context**

The Vermilion Forest Management Company Inc. (VFMC) manages the Sudbury Forest (SF) under the authority of a Sustainable Forest License (SFL) granted by the Government of Ontario. VFMC is a company that manages the Sudbury Forest. It is governed by a board of directors whose membership is comprised of forestry companies who have traditionally harvested forest products from Crown Land within the Sudbury Forest. In 1998, these companies formed a partnership and

were issued a Sustainable Forestry Licence (SFL) by the Ontario Ministry of Natural Resources (MNR).

VFMC employs a Registered Professional Forester, licensed under the Professional Foresters Act 2000, to author and update the FMP. A multidisciplinary Planning Team, in conjunction with additional company and government Advisory/Support Staff has been assembled to assist in gathering information and writing sections of the Plan. The 2010-2020 FMP was prepared according to the requirements of the Forest Management Planning Manual for Ontario's Crown Forests (FMPM) (OMNR 2004). The Plan will be updated and Phase II operations prepared according to the requirements of the Forest Management Planning Manual for Ontario's Crown Forests (FMPM) (OMNR 2009).

### **1.3 Description of Land Ownership and Use**

#### 1.3.1 Ownership and Use Rights of Parties Other than the Certificate Holder

"Sustainable Forest Licensee" means a person to whom a Sustainable Forest Licence has been granted pursuant to section 26 of the Crown Forest Sustainability Act, or a person who is, pursuant to section 74 of the Crown Forest Sustainability Act, deemed to have been granted such a licence.

Vermillion Forest Management Company Ltd has been granted a sustainable forest management license on the Sudbury Forest (#542442). VFMC has entered into a shareholder agreement with the companies harvesting timber on the Sudbury Forest before the license was granted to VFMC.

The shareholders are the following:

Domtar inc., Eacom timber Corporation, Gervais Forest Products Ltd, Goulard Lumber (1971) Ltd, G.W. Sutherland Contracting Co. Ltd, H&R Chartrand Lumber Co. Ltd, Lahaie Lumber Limited, N'Swakamok Forestry Corporation Inc.

These shareholders all have overlapping licenses to conduct forest management activities on the Sudbury Forest.

#### 1.3.2 Summary of Non-Forestry Activities

Non-timber uses and users of the Sudbury Forest are wide ranging and occur on every corner of the Forest. They include both remote and non-remote tourism operators, anglers, hunters, canoeists, hikers, wildlife and bird watchers, ATV enthusiasts, aggregate industry, mining industry, power generation, berry pickers and other food gatherers, trappers, BMA operators, and baitfish harvesters. Of all the forest management activities that are carried out on Crown Land, forest access probably has the highest, both positive and negative, impact on other uses of the Forest.

### **1.4 Description of Area(s) Excluded from Scope of Certification**

#### 1.4.1 Excision of areas from the scope of certification

N/A – All the forest land managed by VFMC is included in the scope of this certificate.

#### 1.4.2 Partial certification of large ownership

N/A

### **1.5 Management Plan Summary**

#### 1.5.1 Management Objectives

Work completed by the planning team and the Sudbury LCC considering and refining the DFBW consultation, as well as the FMPM and all other applicable forest management guides and guidelines, yielded 32 objectives and 64 indicators, providing over 1000 measures of sustainability. The planning team set a desired level, or a specific number, range or trend for an indicator, to be

achieved and maintained over time. Accompanying the desired level is a target, with a specific number, range or trend and a timeframe for achievement. One or more desired levels and targets have been identified for each indicator. The desired level is intended to reflect the planning team's interpretation of moving towards the emulation of natural processes on the landscape, or meeting a series of environmental, economic or social values. The target may be the same as, or different from, the desirable level of the indicator, but it has remained consistent with or established movement toward, the desired level. Rationale for all desired levels and targets has been documented by the planning team, and is contained in Appendix of the long term management plan. A subset of objectives and indicators that required measurement through time was assessed using SFMM, and balanced as part of the requirements of the proposed management strategy. A total of 11 objectives and 23 indicators were assessed for achievement of sustainability by the LTMD. Included are four objectives, assessed outside of the SFMM model, to evaluate spatial disturbance pattern and preferred wildlife habitat as a result of selecting the preferred allocation on the landscape. The assessment of these four objectives will continue until operational planning is completed and the selected areas of operations are in place. The remaining objectives will be assessed through the implementation of the Plan, in the year 3, 7 and 10 Annual Reports for the Forest.

**Operational prescriptions for areas of concern.** An area of concern is defined as a “geographic area associated with an identified natural resource feature, land use or value that may be affected by forest management activities”. In order to prevent, minimize or mitigate any potential adverse effects of forest management activities to these values, detailed area of concern (AOC) prescriptions are developed. Specific areas identified as areas of concern contain operational prescriptions that may vary from those identified for normal operations. AOC planning is done on all areas, including those contained within harvest blocks, primary roads, branch roads, operational road boundaries and aggregate extraction areas. The prescription includes a description of the area of concern (the specific value(s) to be protected), the operational prescription for harvest, renewal and tending activities and a monitoring program if required.

### 1.5.2 Forest resources

The utilization task team developed the desired levels for wood supply objectives on the Forest, with consideration given to MNR accepted business plans, wood supply commitments of the Sustainable Forest Licence, as well as open market demand based on trends from the previous ten years of operations. Although historic trends are considered in the development of the desired levels, the Forest is now a more reliable wood supply source for forest industry than other traditional means (purchase wood, other management units, etc). Shareholder agreements and business to business arrangements were also considered. Forest industry intends to rely on and utilize the Forest's supply more so than in the past, and in addition, the opportunity for new economic development has to be considered by the planning team when setting these levels.

Once the proposed management strategy was finalized, and had considered the balance of numerous management objectives, the non-spatial projection of harvest area by forest unit, ageclass and silviculture intensity were identified on the landscape. The FMPM requires that the identification of preferred harvest areas consider MNR's applicable Forest Management Guide for Natural Disturbance Pattern Emulation. Several additional criteria were considered in the identification of preferred and optional harvest areas, including, but not limited to:

- a) Maturity of forest stands (Ageclass)
- b) Operability and accessibility
- c) Areas of Concern
- d) Wildlife Considerations
- e) Stage of Management (Shelterwood Harvest Prescriptions)
- f) Traditional Operating Areas



### 1.5.3 Silvicultural Systems

The current Compliance Plan, along with the Annual Compliance Plans that will be prepared during the ten-year period of the plan, will guide and direct activities conducted by VFM, all Overlapping Licensees and all Contractors. These activities include:

- Forest harvesting using the three Provincial Silvicultural Systems (clear-cut with standards, shelterwood and selection),
- Primary, branch and operational road construction & maintenance activities, and
- All forest renewal activities such as site-preparation, tree planting, mechanical tending, thinning, etc.

Silviculture ground rules (SGRs) are defined as specifications, standards, and other instructions that direct harvest and silvicultural activities on the Forest for the 10-year period of the FMP. The activities include type of silviculture system, harvest method, regeneration standards, and renewal and tending treatments. SGRs were developed in Phase I for the most common forest unit-ecosite combinations on the Forest. The most common SGR implemented on the Sudbury Forest are the following (in no particular order):

- Clear cut, natural regeneration
- Shelterwood, 2-cut
- Single tree selection
- Clear cut – planting – chemical tending
- Clear cut – mechanical site preparation – planting – chemical tending
- Shelterwood 2 cut – chemical site preparation – fill planting – chemical tending

### 1.5.4 Management strategy for the identification and protection of rare, threatened and endangered species

The strategy for the identification and protection of rare, threatened and endangered species is defined in the Sudbury forest HCVF assessment report. A table listing all the species that are considered to be “at risk” (special concern, threatened, or endangered) nationally (COSEWIC) or provincially (COSSARO), as well as other species that are not “at risk” but are considered to be “rare” according to Ontario’s Natural Heritage Information Centre (NHIC). For this assessment, the NHIC database, the Ontario Breeding Bird Atlas, the Ontario Reptile Atlas, and the Forest Management Plan were the primary sources of information. Known occurrences are recorded in the geographic information system, therefore available on maps used during the planning process.

### 1.5.5 Management Structures

Board of Directors - appointed by the Shareholders - sets Company policies, approves budgets, approves staff hiring. The Shareholders represent the local forest Industry and five local First Nations.

General Manager - reports to the Board of Directors, supervises staff, prepares annual reports and budgets, responsible for all financial transactions, liaise with MNR, local First Nations, local stakeholders and general public.

Planning Forester - prepares Forest Management Plans, Annual Work Schedules and Annual Reports in accordance with Provincial Requirements.

Silvicultural Forester & Silvicultural Technician - plan and oversee the implementation of the silvicultural program. Conduct compliance inspections on silvicultural contractors work to ensure

compliance with the Forest Management Plan and numerous Acts and Regulations. Also responsible to track and report on regeneration success/failures.

Operations Forester & Operations Technician - plan and prepare forest operation prescriptions for areas to be harvested. Works with Licensees conducting the harvest to ensure prescriptions are followed. Conducts compliance inspections on harvested areas to ensure compliance with Forest Management Plan and numerous Acts and Regulations.

Contractors/consultants - provide regeneration services such as tree marking, tree planting, site preparation, manual tending, and ground and aerial chemical tending, as well as GIS services.

Local Citizens Committee - The primary role of the local citizens committee is to communicate local interests to the planning team and to the District Manager, to discuss management options with the planning team and the District Manager and to advise the District Manager on issue resolution. Refer to Supplementary Documentation 8.9.19 for the updated Terms of Reference for the second five-year term of this FMP.

### 1.5.6 Monitoring Procedures

#### **Assessment of Regeneration Success**

A total of 21,466 ha that is planned to have an assessment of Regeneration Success during Phase II. This area is based on the expected timing of attainment of free-to-grow status of each forest unit allocated and harvested in the 2010 – 2020 FMP as well as catch up on 9,000 ha of backlog identified at time of plan production. An important update was done for the 3-year Annual Report in 2012/2013. As the result of an Independent Forest Audit Recommendation, the status of the XYZ lands done. Of the 32,324 ha, 22,427 ha or 69 percent had current free-to-grow stand attributes. Another 6,664 ha (21%) was identified as old enough and well-stocked enough to be suitable for update in the ongoing FRI update of the Sudbury Forest. About 1,200 ha (4%) was identified in need of surveying, and the final 1,900 ha (6%) was unaddressed. Most of this area is slivers that were not expressly identified to be captured in the FRI update, but are expected to be addressed in that fashion.

#### **Compliance Monitoring**

The Sudbury Forest 10-year strategic compliance plan has been developed in accordance with the requirements of the MNRF's Guideline for Forest Industry Compliance Planning, and MNRF's 2008 Forest Compliance Handbook which can be found at:

<http://www.MNRF.gov.on.ca/en/Business/Forests/2ColumnSubPage/247009.html> In general, the compliance plan describes the methods, intensity and frequency of forest operation prescriptions, particular circumstances for which inspections will be conducted, and the submission of inspection reports to the MNRF. The compliance plan provides further information and detail for unique situations, past, present and anticipated compliance problems, compliance goals, objectives strategies and expected results, corrective actions, inspection techniques, and roles and responsibilities. The compliance plan is located in supplemental documentation section 6.1.24. A more detailed compliance plan, which is consistent with the 10-year strategic compliance plan, is developed annually and included as part of the annual work schedule. The Sudbury District MNRF will follow provincial direction and audit ten percent of forest operations including harvest, access and renewal and maintenance. The District uses an approach for inspections, which considers the specific values and AOC on the individual sites and the compliance history of the licensee to determine which inspections are audited annually. The Forest Operations Information Program (FOIP), which is a MNRF web-based program, will be used to document inspections, compliance issues and, if required, to track whether remedial actions have been completed. Both VFM and MNRF provide a summary report to the LCC at each monthly LCC meeting. Copies of FOIP reports are also provided to LCC members when requested.

#### **HCVF monitoring**

Overview of HCV identified on Sudbury, responsibilities for inventory and monitoring, detailed management prescriptions and procedures for evaluating the effectiveness of management prescriptions can be found in the Sudbury Forest HCVF assessment report.

### **Roads and stream crossings**

Water crossing structures will be regularly inspected, with bridges inspected annually, and culverts every 3 years. Road monitoring will be ongoing during active operations. Otherwise, roads and crossings will be inspected after severe weather events (such as extreme wind storms or precipitation).

#### 1.5.7 Environmental safeguard

## **1.6 Maximum Sustained Yield for main commercial species**

### 1.6.1 Assumptions

The management strategy is a balance in the achievement of management objectives and is a component of the Long-Term Management Direction (LTMD). The LTMD was endorsed by MNR's Northeast Regional Director on July 8, 2009.

The available harvest area generated by the management strategy, in combination with other spatial considerations such as wildlife habitat, natural disturbance pattern emulation and area of concern prescriptions, was used to drive the selected allocations for the Plan. The management strategy and the preliminary determination of sustainability were presented to the Sudbury LCC and endorsed by the planning team.

The management strategy SFMM model run is included in digital format in the Analysis Package. The modeling outputs project how the Forest will develop through time, in terms of its structure and composition, and the projected types and levels of activities required to achieve the management objectives.

Intolerant hardwood is being reduced over time on the Forest by 1%. The white birch forest unit shows a reduction over the 100 year period of approximately 50% or 39,213 ha. This is a reflection of the current age class structure succeeding on the forest, as well as the desire of the planning team to shift the overall level of intolerant species on the Forest to better reflect the historic levels. This change has an effect of the projected available birch volume in the long-term, as had been forecasted in the last two FMPs. Offsetting this trend, the poplar forest unit is set to increase over the 100-year term, a reflection of the management decision to reduce the amount of white and red pine restoration in this forest unit. This decision was made because the sites available for restoration have been the least favourable of those targeted for restoration (rich and productive – leading to high levels of competition). This increase will provide local mills with a steady supply for veneer and oriented strand board products into the future.

Spruce/Fir/Cedar trends illustrate a decline which is consistent with the planning team objectives and the natural benchmark. This is trend is created by the decline in the spruce fir forest unit, illustrating a drop over the 100-year term. The Spruce Fir forest unit changes by a 38% reduction overall. This forest unit represents a transitional state of the forest, and can be expected to fluctuate heavily through time. The cedar forest unit representing high cedar component of this cover type increases by nearly 10%. This change will hopefully provide an increase in biodiversity on the Forest. The final forest unit in this group is the spruce lowland conifer, which shows a slight but insignificant reduction.

Mixedwoods are projected to increase nearly between 15% and 19% over the 100-year term. Beyond the 100 year mark – the condition is projected to begin a decline to current levels. The MW1 and MW2 forest units are important from a biodiversity standpoint for several wildlife habitat

conditions. These forest units both follow the trends of the natural benchmark with a slight intermediate increase, returning to current levels in the long term.

The tolerant hardwood cover type is expected to maintain itself over the course of the management strategy. There is little change expected in the long-term projections for the hardwood selection forest unit, due to its uneven-aged cyclical nature. The desire to increase the levels of rarer trees species in hardwood (and other mid-tolerant hardwood species) is illustrated by a 22% increase over the course of 100-year period in the hardwood shelterwood forest unit. This change will hopefully provide an increase in biodiversity on the Forest, as well as provide a higher quality of hardwood species to local veneer and sawmills. The hemlock forest unit has been projected to maintain its current level. Since little of this forest unit is managed for timber supply, this maintenance may allow for some new markets; however, biodiversity is the prime objective for this forest unit. The lowland hardwood forest unit is expected to increase by 6% over the 100-year period. This trend will increase the biodiversity range in the tolerant hardwoods, offering more species like ash and other lowland hardwoods.

Mixed pines are anticipated to decline on the forest by 14%. The decline is directly related to the reduction in the Jack Pine/Black spruce mix forest unit. Jack pine/spruce forest units are projected to decline over the 100-year term, by 50%. Replacing this condition on the landscape will be more pure pine conditions like Jack and Red Pine forest units, which will both increase significantly in the 100 year term. Jack pine increases are desired by local forest industry that relies on a good supply of this species to support several mills in the local area. The red pine forest unit is increased by just over 3,000 hectare through the 100-year term. This is the result of site restoration to red pine and will have a positive effect on the supply of high quality sawlog to local mills. Also, the trend will contribute to the restoration of an element of biodiversity on the Forest that had been present in the past. The overall reduction in this cover type is supported by recent science examining the natural condition on the management unit.

The white pine seedtree forest unit is set to decline just over 14% over the 100-year term, amounting to a 4,450 hectare decline. The majority of the decline is a result of white and red pine restoration efforts within this forest unit to a shelterwood condition.

The white pine shelterwood forest unit is expected to rise by 9% over the 100-year term, reflecting the desire to increase this condition on the Forest consistent with many objectives set in the strategic direction of the Plan. Management implications of this increase would be the satisfaction of the social desire to see more white pine in the province, restoring an element of biodiversity to the Forest that has been present in the past. Local saw and pulp mills should expect an increase in available white pine volume as a result.

### 1.6.2 Source Data

There are two inventory products. The planning inventory comprised of the planning composite (PCI) and forecast depletions, and the base model inventory (BMI). The planning inventory and base model inventory provide information required for forest management planning, including forest modelling, habitat modelling, forest diversity analyses and operational planning.

The PCI is comprised of the photo interpreted Forest Resource Inventory in combination with annual updates published in annual reports which detail forest management activities. At the beginning of the planning cycle, a landbase is created and used to prepare each forest management plan. The PCI is updated to the beginning of the plan term. The current FRI is based on 1989 aerial photography. The ages of forest stands are projected to the start of the plan term, but other stand information in unmanaged areas are left intact and will reach the 25-year age limit (set out in the FMPPM, 2004) during the course of this forest management plan. The inventory information will reach 20 years of age during the period of a forest management plan and therefore, strategies to inventory the productive forest area on licensed Crown lands within the Forest have been in place since 2006, and it is expected that VFM will receive the results of this

inventory from the MNR in time for the next planning cycle. Subsequent to the release of the 2004 FMPM, on September 29, 2005 the OMNR announced plans to redesign the FRI. As part of the announcement OMNR shifted the responsibility for the production of the FRI from the SFL to OMNR. As part of taking over the responsibility for updating the FRI OMNR has committed to completing a re-inventory on a 10-year cycle instead of the traditional 20-year cycle. The new inventory will include the productive forest on the Sudbury comprised of various forest types and will be completed using the latest high resolution digital acquisition techniques, combined with new softcopy on-screen interpretation techniques. Digital aerial imagery acquisition for the Sudbury Forest occurred during the summer of 2008 with any required re-flights taking place over 2009. Calibration Plot installation and air photo interpretation are currently scheduled to commence in 2012 with a scheduled completion date of 2014.

The PCI for the Plan was spatially updated to 2010 using annual reporting data and forecasted depletions for the remaining years in the current 2005-2010 FMP. Actual depletions, silvicultural activities and previously depleted area declared "free-to-grow" formed the basis of the annual updates to the landbase. Interim attribute updates, such as height, species composition and stocking have also occurred for stands managed under the shelterwood and selection silviculture systems based on post-harvest survey information. In addition to these normal inventory projects, a significant portion (more than 60,000 ha) of the landbase was re-typed in preparation for the development of the 2010 forest management plan. This exercise was completed to address some of the concerns related to localized inventory accuracy problems on the Forest. This continuous inventory management has allowed for more accurate estimates in managed areas on the forest.

### **1.7 Current and Projected Annual Harvest by Species (main commercial)**

Refer to the above table entitled **List of main commercial timber and non-timber species included in scope of certificate.**

### **1.8 Eligibility as a SLIMF**

N/A. This is not a SLIMF.

### **1.9 Scope of certification**

Forest management activities - planning, harvesting, transportation and silviculture on the Sudbury Forest in Ontario.

Product types: W1.1. Roundwood of hardwood and softwood, W1.2. Fuelwood, W3.1 Wood chips.

## **2.0 THE STANDARD**

### **2.1 Standard Used**

For this audit we have used the following standard:

SAI Global generic standard adapted to the Great Lakes St-Lawrence (GLSL) region.

You may get a copy of the standard at the following address:

<http://www.saiglobal.com/assurance/forestry/FSC.htm?regid=2> for the generic SAI Global Great Lakes St-Lawrence.

### **2.2 \* Description of Local Adaptation of Generic Standard**

The SAI Global generic standard was modified to include the indicators found in the Great Lakes St-Lawrence standard. This generic standard was subject to a public consultation before its official usage.

### 3.0 EVALUATION

<b>Evaluation dates:</b>	Dec 21, 2015, January 11, 2016.
<b>Task</b>	<b>Person days (excluding travel)</b>
Pre-evaluation	0.5 days
Preparatory Work	5.5 days
Documents, Records and Fieldwork	5 days
Stakeholder Interviews	1 day
<b>TOTAL</b>	<b>12 days</b>

<b>EVALUATION TEAM</b>	
Lead auditor: Daniel Martin	
<p>Daniel Martin is a consultant offering specialized services in sustainable forest management, chain of custody and environmental management system certification. Daniel is a registered Forest Engineer in the Province of Quebec (11-014) and is an ISO 14001 lead assessor and a FSC® FM lead auditor. He has conducted more than 40 FSC FM audits in the Maritimes, Boreal and Great Lakes/St-Lawrence forest types.</p> <p>He has experience in the forest industry as a supervisor and manager, specifically in silviculture, harvesting and fiber procurement for sawmills in New Brunswick and Nova Scotia. Furthermore, Daniel has cumulated experience in the management of an engineered wood products facility in the province of Quebec and he was a lecturer at the <i>Université de Moncton</i>. These experiences have allowed for development of skills ranging from forest management, health and safety, budgeting, contract negotiations and human resource management.</p>	
Auditor: Hervé Bescond	
<p>Hervé Bescond specializes in forest ecology. He graduated from Université du Québec à Montréal with a Master's degree in biology, and also holds a French forestry diploma. During his Master's program, Hervé studied the impact of harvesting during the first half of the 20th century on stand structure and composition in the mixed forest. For almost 10 years he took part in research work in sustainable forest management, looking at the implementation and impact of adapted silvicultural practices in the boreal forest, from the twin standpoints of silviculture and biodiversity. He was also interested in the structure of residual stands, windthrow, deadwood and the diversity of understory vegetation. Since 2010 he has taken part in audits in the boreal and mixed forest.</p>	
Technical expert: N/A	
Observer: N/A	

Peer reviewer(s)	N/A – This is a reregistration audit.
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### 3.1 Description of Evaluation

#### 3.1.1 Itinerary

The audit consisted of 4 days of off-site review of documentation. Furthermore, a stakeholder consultation was launched as per the FSC auditing requirements. Once on site, the audit consisted of meetings with stakeholders, interview of staff, review of records, field visit as well as attendance of the Local Citizen's Committee meeting.

After the LCC meeting, the auditors got the opportunity to discuss openly with the members of the LCC. This discussion was held in the absence of the representatives of Vermillion Forest Management and DNR.

#### 3.1.2\* Approach

The audit assessed conformance with the SAI Global generic standard adapted to the GLSL region as well as Vermillion's forest management program utilizing the following techniques:

- Review of the Vermillion policies and procedures
- Review of the Vermillion documentation and records
- Review of correspondence and communications
- Interviews with staff
- Interviews with contractors
- Interviews with Aboriginal contacts
- Interviews with Stakeholders
- Field assessment of conformance
- Review of previous audit findings
- Review of the current Forest Management Plan

#### 3.1.3\* Selected FMUs and Rationale

The field visit consisted of inspection of active and past operations on the sole FMU included in the certificate scope. Sampling is in compliance with directives and formulas listed in FSC-STD-20-007 V3-0, Annex 1.

#### 3.1.4\* Sites Visited

Sites visited				
Management unit	Site #	Location	Audited activities	Indicators assessed
Sudbury Forest, Sustainable Forest Licence # 542442	1	Halifax Road	Road improvement. Issues raised in regards to excessive ditching.	1.1.1, 4.1.2, 4.1.5, 4.2.1, 4.2.2, 4.3.1, 4.4.1, 5.2.1, 5.3.1, 5.3.2, 5.4.1, 5.5.1, 6.1.4, 6.1.7, 6.2.2, 6.3, 6.5, 6.7, 6.9, 7.3.1, 8.3, 9.3.1
Sudbury Forest, Sustainable Forest Licence # 542442	2	Halifax Road	Soil extraction.	1.1.1, 4.1.2, 4.1.5, 4.2.1, 4.2.2, 4.3.1, 4.4.1, 5.2.1, 5.3.1, 5.3.2, 5.4.1, 5.5.1, 6.1.4, 6.1.7, 6.2.2, 6.3, 6.5, 6.7, 6.9, 7.3.1, 8.3, 9.3.1
Sudbury Forest, Sustainable Forest Licence # 542442	3	Halifax Road, Licensee N'Swakamok Forestry Corporation inc.	Block layout, road layout, full tree harvesting, delimiting, slashing, trucking, road building, trucking, inspection of service truck, fuel handling, worker health and safety,	1.1.1, 4.1.2, 4.1.5, 4.2.1, 4.2.2, 4.3.1, 4.4.1, 5.2.1, 5.3.1, 5.3.2, 5.4.1, 5.5.1, 6.1.4, 6.1.7, 6.2.2, 6.3, 6.5, 6.7, 6.9, 7.3.1, 8.3, 9.3.1

Sudbury Forest, Sustainable Forest Licence # 542442	4	Halifax Road, Block #53, Halifax Road, Licensee N'Swakamok Forestry Corporation inc.	Block layout, road layout, tree length harvest, manual felling, cable skidder, fuel handling, worker health and safety	1.1.1, 4.1.2, 4.1.5, 4.2.1, 4.2.2, 4.3.1, 4.4.1, 5.2.1, 5.3.1, 5.3.2, 5.4.1, 5.5.1, 6.1.4, 6.1.7, 6.2.2, 6.3, 6.5, 6.7, 6.9, 7.3.1, 8.3, 9.3.1
Sudbury Forest, Sustainable Forest Licence # 542442	5	Block #66, Licensee Lahaie Lumber	Block layout, road layout, full tree harvesting, delimiting, slashing, trucking, road building, trucking, inspection of service truck, fuel handling, worker health and safety,	1.1.1, 4.1.2, 4.1.5, 4.2.1, 4.2.2, 4.3.1, 4.4.1, 5.2.1, 5.3.1, 5.3.2, 5.4.1, 5.5.1, 6.1.4, 6.1.7, 6.2.2, 6.3, 6.5, 6.7, 6.9, 7.3.1, 8.3, 9.3.1
Sudbury Forest, Sustainable Forest Licence # 542442	6	Block 45	Felling, skidding, road construction, water crossing installation Cut to length	1.5.1, 4.1.1, 4.1.6, 4.2.1, 5.3.1, 6.2.6, 6.3.10, 6.3.17, 6.5.1, 6.7.1
Sudbury Forest, Sustainable Forest Licence # 542442	7	Wabigoon Forest Block 2562	Full tree harvesting. Slasher	1.5.1, 4.1.1, 4.1.6, 4.2.1, 5.3.1, 6.2.6, 6.3.10, 6.3.17, 6.5.1, 6.7.1
Sudbury Forest, Sustainable Forest Licence # 542442	8	Wabigoon Forest Block 2579	Felling, skidding, road construction and hauling. Full tree harvesting.	1.5.1, 4.1.1, 4.1.6, 4.2.1, 5.3.1, 6.2.6, 6.3.10, 6.3.17, 6.5.1, 6.7.1

### 3.1.5\* Stakeholder Consultation

Interest group of stakeholders contacted	# of stakeholders contacted	# of stakeholders having made comments	Observations resulting from stakeholder consultation
FSC® National Initiative	1		
Provincial Department of Natural Resources / State Forest Service or equivalent	2		
Federal/National Agencies such as the Department of Fisheries and Oceans or equivalent.			
Associations / Clubs / Outfitters	1		
Private stakeholders	2	1	
NGOs that are active in respect to social or environmental aspects of forest management – National or Regional	8	2	Proposed bridge across the Sturgeon River. No non conformance has been raised on this issue since no activities have been conducted on the ground. The audit team will ensure to follow-up on this issue during the next surveillance audit.  Intact forest in Northeastern part of the Sudbury Forest (North of Sturgeon River).



			<p>A minor NC was raised under criterion 9.1.1 (NC 2016-04).</p> <p>Old Growth forest around the Wolf Lake Forest Reserve and the presence of attributes of HCV. Due to the timing of the comments, the audit team will ensure follow-up on this allegation during the field visit at the next surveillance audit.</p> <p>Allegation of non-conformance in a harvest block. Due to the timing of the comments, the audit team will ensure follow-up on this allegation during the next surveillance audit.</p>
Representatives of Indigenous Peoples	6		
Representatives of forest-dwelling or forest-using communities			
Labour organizations or unions of forestry sector workers	1		
Contractors who provide services to the forest operation to be assessed	7		
Employees	4		
International NGOs that have requested to be contacted in respect of evaluations in particular regions or countries	2		
Municipalities			
University/College			

### 3.1.6 \*Additional Evaluation Techniques

No additional techniques were used during this audit.

## 4.0 OBSERVATIONS

<b>PRINCIPLE #1: COMPLIANCE WITH LAWS AND FSC PRINCIPLES</b>
<p>Criterion 1.1 Compliance with national and local laws and administrative requirements.</p> <p>Legislation is made available on the internal server at the VFM offices. The planning forester is responsible for keeping legislation up to date. Records were available and verified during the audit.</p> <p>Verification of records of FOIP records for the 2013 and the 2014 harvest seasons have demonstrated a satisfactory record of compliance with legal and administrative regulations regarding forest management.</p>

Strength Legal and other requirements are available on the server, including archives.	Weakness
<b>Criterion 1.2 Payment of fees, taxes etc.</b>	
Overlapping licensees are responsible for payment of the stumpage to the province.  Verified statement of provincial and federal taxes, as well as statements from the WSB. There are no outstanding legally prescribed fees.	
Strength None identified	Weakness None identified
<b>Criterion 1.3 Compliance with international agreements</b>	
Ontario and Canada laws and regulation include provisions for international agreement. The audit team confirmed that the certificate holder and contractors are in compliance with the laws, which is sufficient to demonstrate conformance with this standard.	
Strength None identified	Weakness None identified
<b>Criterion 1.4 Documenting of conflicts with laws.</b>	
There are currently no conflicts between this FSC standard and Ontario legislation.	
Strength None identified	Weakness None identified
<b>Criterion 1.5 Protection from illegal activities</b>	
Verified Policy #003 - Illegal Settlement and Other Unauthorized Activities on Crown land. VFM and its Shareholders will immediately report to the local Sudbury District MNR any illegal use and other unauthorized activities on the Sudbury Forest as soon as they are discovered.	
Strength None identified	Weakness None identified
<b>Criterion 1.6 Adherence to FSC principles.</b>	
VFM policies were developed to meet FSC requirements.  VFM managers also manage the Nipissing forest, which is also certified to the FSC standard.  Domtar, EACOM, Lahaie Lumber and Goulard Lumber all have FSC Chain of Custody.	
Strength None identified	Weakness None identified
<b>PRINCIPLE #2 TENURE AND USE RIGHTS AND REPSONSIBILITIES</b>	
<b>Criterion 2.1 Evidence of forest use rights.</b>	
Vermillion Forest Management are authorized to manage and use its forest resources. This was confirmed by interview of the MNR District Manager.	
Strength None identified	Weakness None identified
<b>Criterion 2.2 Local communities with use rights can protect their rights and resources.</b>	
Customary and other use rights are adequately identified in area of concerns. Applicable	

<p>prescriptions for forest management activities around AOC are defined and implemented.</p> <p>MNR in the development of the FMP contacted known adjacent land owners and received notification of the plan's development.</p>	
<p>Strength None identified</p>	<p>Weakness None identified</p>
<p><b>Criterion 2.3 Appropriate mechanisms to resolve disputes.</b></p>	
<p>Issue resolution process are integrated in the forest management planning and implementing process.</p> <p>The audit allowed to verify examples of issues resolution. There is no evidence of outstanding disputes of substantial magnitude involving a significant number of interests in relation to tenure claims and use rights on the management unit.</p>	
<p>Strength Ontario forest management planning process integrating issue resolution processes.</p>	<p>Weakness None identified</p>
<p><b>PRINCIPLE #3 INDIGENOUS PEOPLES' RIGHTS</b></p>	
<p><b>Criterion 3.1 Indigenous peoples shall control forest management on their lands and territories unless they delegate control with free and informed consent to other agencies.</b></p>	
<p>The Sudbury MNR provided notice to all of the above noted Aboriginal communities of preparation of the Phase 2 of the 2010-2020 Sudbury Forest Management Plan through letters, telephone calls and e-mail. Communities were invited to express their interest in involvement in the planning process such as develop a consultation approach, appoint a representative to the planning team, prepare community Background Information Report and Values map.</p> <p>Two communities, Dokis First Nation and Wikwemikong identified representatives for participation on the planning team. FN representatives on the planning team are provided with per diems and associated out of pockets costs associated with FMP planning, paid for by MNR.</p> <p>Five communities had provided Aboriginal Background Information Reports for Phase 1 of the 2010-2020 Plan, including; Dokis, Wikwemikong, Mattagami, Wahnapiatae and Henvey Inlet. For Phase 2 of the Plan, Dokis First Nation and Henvey Inlet First Nation requested to provide updates to their Background Information Reports/Values Maps and a Wahnapiatae FN is also considering updating their information.</p>	
<p>Strength None identified</p>	<p>Weakness None identified</p>
<p><b>Criterion 3.2 Forest management shall not threaten or diminish, either directly or indirectly, the resources or tenure rights of Indigenous Peoples.</b></p>	
<p>FN Communities have identified and mapped their Native Values - these values are considered very sensitive and MNR and VFM Staff (who need to know) have been provided special training for protecting this information.</p> <p>Workers are provided with training aimed at bringing to the attention of managers special sites that are discovered during the implementation of forest management activities.</p>	

Strength None identified	Weakness None identified
Criterion 3.3 Sites of special cultural, ecological, economic or religious significance to Indigenous People(s) shall be clearly identified in cooperation with such Peoples, and recognized and protected by forest managers.	
Background information on FMP is done by the MNR in consultation with affected First Nation communities.	
Monitoring activities are ensured by the staff at Vermillion Forest Resource, and are deemed satisfactory.	
Strength None identified	Weakness None identified
Criterion 3.4 Indigenous Peoples shall be compensated for the application of their traditional knowledge regarding the use of forest species or management systems in forest operations. This compensation shall be formally agreed upon with their free and informed consent before forest operations commence.	
There is currently no use of traditional knowledge in forest management. This was confirmed by interview with relevant stakeholders, including First Nations representatives.	
Strength None identified	Weakness None identified
<b>PRINCIPLE 4 COMMUNITY RELATIONS AND FOREST WORKERS' RIGHTS</b>	
Criterion 4.1 The communities within or adjacent to the forest management area should be given the opportunity for employment, training, and other services.	
Vermillion Forest Management Company Ltd. have demonstrated that they encourage the local communities by procuring goods and services from local suppliers. They are actively working with the local community to develop a new biomass project.	
Strength None identified	Weakness None identified
Criterion 4.2 Forest management should meet or exceed all applicable laws and/or regulations covering health and safety of employees and their families.	
A process for resolving disputes with employees on occupational health and safety is in place. The process has never been used. A worker was working alone in block #53. The supervisor was not aware that the worker was there. The worker did not have his FM radio as required.	
Strength None identified	Weakness Minor NC 2016-01 4.2.1 – There is evidence that the manager did not ensure that all workers were complying with all relevant provincial occupational health and safety requirements.
Criterion 4.3 The rights of workers to organize and voluntarily negotiate with their employers shall be guaranteed as outlined in Conventions 87 and 98 of the International Labour Organization (ILO).	
Employees are aware of the rights of workers to organize and voluntarily negotiate. There is currently no union in the staff, and neither in any of the contractors. There are currently no willingness of employees to unionize.	
Strength	Weakness

None identified	None identified
Criterion 4.4 Management planning and operations shall incorporate the results of evaluations of social impact. Consultations shall be maintained with people and groups directly affected by management operations.	
Public consultation was carried out for the Phase II of the Sudbury forest management plan. The consultation was open and publicized. Consultations continues through the LCC whose meeting are held every month. The adjacent properties owners are informed of the management plan and have the opportunity to comment the planned activities.	
Strength None identified	Weakness None identified
Criterion 4.5 Appropriate mechanisms shall be employed for resolving grievances and for providing fair compensation in the case of loss or damage affecting the legal or customary rights, property, resources, or livelihoods of local peoples. Measures shall be taken to avoid such loss or damage.	
The issue resolution process described in the FMP manual covers the requirement in regards to forest planning.	
Strength None identified	Weakness None identified
<b>PRINCIPE 5 BENEFITS FROM THE FOREST</b>	
Criterion 5.1 Forest management should strive toward economic viability, while taking into account the full environmental, social, and operational costs of production, and ensuring the investments necessary to maintain the ecological productivity of the forest.	
<p>The staff of Vermilion Forest Management Company consist of:</p> <ul style="list-style-type: none"> <li>- General Manager</li> <li>- Planning Forester</li> <li>- Administrative Assistant</li> <li>- Operations Forester</li> <li>- Silviculture Forester</li> <li>- Forest Technologists</li> </ul> <p>Contractors are used as support as needed.</p> <p>The Vermilion Forest Management Company prepares the management plan and supervises the forest management activities.</p>	
Strength None identified	Weakness None identified
Criterion 5.2 Forest management and marketing operations should encourage the optimal use and local processing of the forest's diversity of products.	
All fibre from the Sudbury forest is processed at local and regional mills. A variety of products are produced from the raw logs.	
Strength None identified	Weakness None identified
Criterion 5.3 Forest management should minimize waste associated with harvesting and on-site processing operations and avoid damage to other forest resources.	
Requirements for leaving residual standing trees are specified in the FMP. Both are monitored during compliance inspections.	

Strength None identified	Weakness None identified
Criterion 5.4 Forest management should strive to strengthen and diversify the local economy, avoiding dependence on a single forest product.	
Non-timber uses and users of the Sudbury Forest are wide. They include tourism operators, anglers, hunters, canoeists, hikers, wildlife and bird watchers, ATV, aggregate industry, mining industry, power generation, berry pickers and other food gatherers, trappers, BMA operators, and baitfish harvesters. AOC prescriptions are designed to protect values of interest to stakeholders.	
Strength None identified	Weakness None identified
Criterion 5.5 Forest management operations shall recognize, maintain, and where appropriate, enhance the value of forest services and resources, such as watersheds and fisheries.	
AOC prescriptions are designed to protect values of interest to stakeholders.	
Strength None identified	Weakness None identified
Criterion 5.6 The rate of harvest of forest products shall not exceed levels which can be permanently sustained.	
Vermilion Forest Management Ltd. is currently implementing the approved 2010 Forest Management Plan which applies a strategic direction for the 10-year period 2010-2020. The Plan contains two 5-year operational Phases. VFM is now implementing the Phase II 5-year operating term from April 1, 2015 to March 31, 2020	
2013-14 & 2014-15 actual harvest levels were ~33% of planned harvest allocation.	
Strength None identified	Weakness None identified
<b>PRINCIPE 6 ENVIRONMENTAL IMPACT</b>	
Criterion 6.1 Environmental impact assessments.	
A method for assessing environmental impact is implemented on the Sudbury Forest. The applicant has collected data on of ecosystems, fragile Eco sites, soil types, forest cover, natural disturbance, HCVFs, known native heritage sites. The natural benchmark was used to determine appropriate desired levels and targets for objectives designed to represent natural features of the Forest.	
Strength None identified	Weakness None identified
Criterion 6.2 Safeguards must exist which protect rare, threatened and endangered species and their habitats (e.g., nesting and feeding areas).	
There is a list of species at risk that could potentially be found in the Sudbury Forest in the Forest Management Plan. The section on Wildlife-Species at Risk lists the AOC stated in the management plan for species at risk. This information is integrated in the FMP. The FMP is designed to generate prescriptions in case that habitat for species at risk is identified.	
Strength None identified	Weakness None identified
Criterion 6.3 Ecological functions and values shall be maintained intact, enhanced or restored.	

Strength	Weakness
<p>Criterion 6.4 Representative samples of existing ecosystems within the landscape shall be protected in their natural state and recorded on maps, appropriate to the scale and intensity of operations and the uniqueness of the affected resources.</p>	
<p>There are presently fifteen provincial parks, nine conservation reserves, and three forest reserves within the Sudbury Forest landbase. A gap analysis has been complete, detailed maps and data are available. There are currently no activities in protected and candidate protected areas.</p>	
Strength	Weakness
None identified	None identified
<p>Criterion 6.5 Written guidelines shall be prepared and implemented to: control erosion; minimize forest damage during harvesting, road construction, and all other mechanical disturbances; and protect water resources.</p>	
<p>The detailed instructions in the FMP cover this requirement.</p>	
<p>The field inspection demonstrates that implementation is effective.</p>	
Strength	Weakness
None identified	None identified
<p>Criterion 6.6 Management systems shall promote the development and adoption of environmentally friendly non-chemical methods of pest management and strive to avoid the use of chemical pesticides.</p>	
<p>The use of herbicides is based on five elements that balance social, environmental and forest resource aspects. The approach used by the applicant involves steps to characterize and map candidate sites according to the need for vegetation management.</p>	
Strength	Weakness
None identified	None identified
<p>Criterion 6.7 Chemicals, containers, liquid and solid non-organic wastes including fuel and oil shall be disposed of in an environmentally appropriate manner at off-site locations.</p>	
<p>Operators working on the Forest are knowledgeable of procedures for mitigating environmental impact when dealing with spills. All equipment viewed during active operations were in good condition. There was no spill kit available on one of the site visited during the audit. N.C. 6.7.3.</p>	
Strength	Weakness
None identified	NC 2016-02 6.7.3 – No spill kit was available in a harvest block (Halifax Lake area).
<p>Criterion 6.8 Use of biological control agents shall be documented, minimized, monitored and strictly controlled in accordance with national laws and internationally accepted scientific protocols. Use of genetically modified organisms shall be prohibited.</p>	
<p>There have been no recent application of biological control agents. No GMO have been used on the Sudbury Forest.</p>	
Strength	Weakness
None identified	None identified
<p>Criterion 6.9 The use of exotic species is carefully controlled and actively monitored to avoid adverse ecological impacts.</p>	
<p>No exotic species have been used. The forest manager has no intention of using exotic tree species in the future.</p>	
Strength	Weakness

None identified	None identified
<p>Criterion 6.10 Forest conversion to plantations or non-forest land uses shall not occur, except in circumstances where conversion:</p> <p>a. Entails a very limited portion of the forest management unit; and</p> <p>b. Does not occur on high conservation value forest areas; (HCVF) and</p> <p>c. Will enable clear, sustainable, additional, secure long-term conservation benefits across the forest management unit.</p>	
<p>There have been no conversions to plantations in the Sudbury Forest. Plantation as defined by the FSC are not planned.</p>	
Strength None identified	Weakness None identified
<b>PRINCIPE 7 MANAGEMENT PLAN</b>	
<p>Criterion 7.1 Content of management plan.</p> <p>A complete copy of the 2010-2020 FMP including text, tables, appendices and supplementary documentation was provided.</p> <p>Information was found to be in compliance with the standard requirement.</p>	
Strength None identified	Weakness None identified
<p>Criterion 7.2 The management plan shall be periodically revised to incorporate the results of monitoring or new scientific and technical information, as well as to respond to changing environmental, social and economic circumstances.</p> <p>Management plans cover 10 year periods with an update at the five year point. The current FMP is in Phase II.</p> <p>The planned operations for phase II have been prepared in an open consultative fashion by a multi-disciplinary planning team. A diverse team of representatives, appointed by the District Manager, developed the forest management plan. A local citizens committee (LCC) helped prepare the FMP and will continue to advise the District Manager throughout Plan implementation. The primary role of the local citizens committee is to communicate local interests to the planning team and to the District Manager, to discuss management options with the planning team and the District Manager and to advise the District Manager on issue resolution.</p>	
Strength None identified	Weakness None identified
<p>Criterion 7.3 Forest workers shall receive adequate training and supervision to ensure proper implementation of the management plan.</p> <p>Verified records of the annual spring compliance meeting for 2015. During this meeting, items discussed (among other things) was the 2015-2016 annual work schedule, changes to AOC, operating on shoreline areas, species at risk, residual forest planning, skid trail coverage, review of compliance issues.</p> <p>Most of the workers interviewed during the field visit demonstrated good knowledge and awareness of the relevant requirements that must be followed during the implementation of the FMP.</p> <p>NC 2016-03 7.3.1 – There is evidence that not all forest workers have received adequate training to ensure they meet the standard's requirements. The issues raised are in regards to rutting.</p>	



<p>Workers are trained to report issues to their supervisor. The issue will be reported to VFM staff if it cannot be fixed at the local level.</p> <p>There are no known instances of forest workers being penalized for reporting non-compliances. This was confirmed by interview of forest workers.</p>	
<p>Strength None identified</p>	<p>Weakness Minor NC 2016-03 (7.3.1) - There is evidence that not all forest workers have received adequate training to ensure they meet the standard's requirements.</p>
<p>Criterion 7.4 While respecting the confidentiality of information, forest managers shall make publicly available a summary of the primary elements of the management plan, including those listed in Criterion 7.1.</p>	
<p>A Public Summary of the 2015 FMP was developed and made available in French &amp; English on the Vermillion Forest Management website.</p>	
<p>Strength None identified</p>	<p>Weakness None identified</p>
<p><b>PRINCIPE 8 MONITORING AND ASSESSMENT</b></p>	
<p>Criterion 8.1 Frequency and intensity of monitoring.</p>	
<p>The Provincial Forest Operations Inspection Program (FOIP) is the routine program to monitor compliance to the FMP – regular inspections of in-progress and completed operations are conducted. The FMPM requires periodic reporting on FMP achievement (i.e. Yr 3, Yr 7 and Yr 10 ARs).</p> <p>Monitoring programs are comprehensive and the information generated is used to modify practices and improve performance.</p>	
<p>Strength None identified</p>	<p>Weakness None identified</p>
<p>Criterion 8.2 Forest management should include the research and data collection needed to monitor, at a minimum, the following indicators: a) Yield of all forest products harvested. b) Growth rates, regeneration and condition of the forest. c) Composition and observed changes in the flora and fauna. d) Environmental and social impacts of harvesting and other operations. e) Costs, productivity, and efficiency of forest management.</p>	
<p>Yields are projected during planning and monitored during harvest and the Annual reports summarize wood deliveries to receiving mills. Ongoing surveys of regeneration are being conducted to monitor the condition of the forest. The FMP considers the current forest condition including habitat feature changes and factors habitat supply into modeling and management decisions. Updates to values in operating areas is ongoing, in particular during tree marking, and changes in key habitat values are communicated to MNR and adjustments to operations are performed accordingly.</p> <p>Several monitoring programs are undertaken by VFM. Exceptions to guideline requirements are monitored and reported in the ARs. Routine compliance monitoring of forest operations is conducted and renewal programs are regularly monitored.</p> <p>Areas of concern are monitored during operations under the FOIP reports. Regeneration monitoring checks are conducted. Prescriptions for values are adjusted during forest</p>	

management planning to account for new information and understandings and are incorporated into the new FMP. Area of Concern prescriptions for cultural heritage values are implemented during operations and monitoring takes place under FOIP.	
Strength None identified	Weakness None identified
Criterion 8.3 Documentation shall be provided by the forest manager to enable monitoring and certifying organizations to trace each forest product from its origin, a process known as the "chain of custody."	
VFM have implemented tracking procedures. Wood movement is tracked using the MNR's Scaling & Billing system.	
Strength None identified	Weakness None identified
Criterion 8.4 The results of monitoring shall be incorporated into the implementation and revision of the management plan.	
Prescriptions for values are adjusted during forest management planning to account for new information and understandings and incorporated into the new FMP. This discussion is held during the annual reporting process.	
MNR science and tech division is a key centre for research into forestry impacts and adjustment to mandatory management guides – e.g. Stand and Site Guide	
Strength None identified	Weakness None identified
Criterion 8.5 While respecting the confidentiality of some information, forest managers shall make publicly available a summary of the results of monitoring indicators, including those listed in Criterion 8.2.	
Compliance inspection reports are available for review by the public & are summarized in the Annual Reports.	
Each Annual Compliance Plan documents previous compliance concerns and identifies steps/training required to prevent re-occurrence.	
Strength None identified	Weakness None identified
<b>PRINCIPLE 9 HIGH CONSERVATION VALUE FORESTS</b>	
Criterion 9.1 Assessment to determine the presence of the attributes consistent with High Conservation Value Forests will be completed, appropriate to the scale and intensity of forest management.	
Vermillion Forest Management used the assessment process defined in appendix E of the standard in determining the presence of attributes of high conservation value forests.	
Comments from stakeholders : - There are intact forests on the north-east part of the Sudbury forest. Are these intact forest identified in the HCVF report? If so, what is the management strategy for the conservation of that value.	
The existence of intact forest is acknowledged in the HCVF report. However, the VFM consider that intact forests are adequately protected in the neighboring Lady Evelyn Smoothwater	

Provincial Park protected area.

A minor NCR has been raised on this issue.

Minor NC 2016-04 - There is evidence of High Conservation Values (HCV) in Block 2010-007. The HCV has been identified in the HCV assessment report (version 3, August 2010). The management strategy has not been defined and a credible, independent, technically qualified review of the HCVF assessment (and applicable management strategy) and related recommendation has not been conducted.

Strength

None identified

Weakness

Minor NC 2016-04

Criterion 9.2 The consultative portion of the certification process must place emphasis on the identified conservation attributes, and options for the maintenance thereof.

There are four components to the HCVF consultation consisting of:

Broad review, based on the FMP process, to determine forest values generally in the SF which will include as a minimum individuals, local stakeholder representatives including the Local Citizen's Committee, communities „ Consultation with technical experts about species, ecosystems or values that are HCVF

Focused review by regional, provincial and national stakeholders of the values and the management approach

Open door policy – new HCVs and new management approaches will be considered at any time OMNR's requirements for public consultation in bullet point 1, are documented in detail as part of the FMP process, and as part of the public record in the Appendices to the plan. This will also serve as part of the HCVF documentation process. The other three steps of the consultation process will be documented in this report and in subsequent updates to this report. After the initial circulation of Version 1 (consultation with regional stakeholder, bullet 3), there were comments provided by World Wildlife Fund (Vermilion response in Appendix 2). A number of modifications occurred based on the WWF comments. Other groups have been invited to comment and new comments will be considered at any time. In this version of the report, there have not been significant changes from the original. There was an opportunity to obtain reviews from environmental stakeholders (bullet three) in 2007. The SF HCVF report was part of a regional review for Ontario conducted by WWF Canada (Clark, T. and A. Hayes 2007). The results of this were presented to a workshop sponsored by The Nature Conservancy (U.S.) in Toronto, which brought together a number of ENGOs to review the progress and problems with HCVF reporting in Ontario. In addition to TNC and WWF, participants included Forest Ethics, Nature Conservancy of Canada, and Ontario Nature. Specific comments related to SF were not received from the latter groups. As well, individual consultation is done with interested ENGOs who respond when copies of the report are sent to them (Ducks Unlimited, Wildlands League).

Strength

None identified

Weakness

None identified

Criterion 9.3 The management plan shall include and implement specific measures that ensure the maintenance and/or enhancement of the applicable conservation attributes consistent with the precautionary approach. These measures shall be specifically included in the publicly available management plan summary.

All HCVs receive protection through Land Use direction (Enhanced Management Areas), Acts & regulations (Parks & other protected areas) and AOC prescriptions (for species at risk).

Strength None identified	Weakness None identified
Criterion 9.4 Annual monitoring shall be conducted to assess the effectiveness of the measures employed to maintain or enhance the applicable conservation attributes.	
HCVs are monitored through the regular Compliance monitoring program.	
The 2010 Forest Management Plan provides the direction for HCV management. The prescriptions are integrated into the plan. There is no separate list of prescriptions or objectives for HCV.	
Monitoring for HCV attributes are described in Table 13 of the HCVF assessment report.	
Strength None identified	Weakness None identified
<b>PRINCIPE10 – PLANTATIONS</b>	
Criterion 10.1 The management objectives of the plantation, including natural forest conservation and restoration objectives, shall be explicitly stated in the management plan, and clearly demonstrated in the implementation of the plan.	
There are no plantations (as defined by the FSC) on the Sudbury Forest.	
Strength None identified	Weakness None identified
Criterion 10.2 The design and layout of plantations should promote the protection, restoration and conservation of natural forests, and not increase pressures on natural forests. Wildlife corridors, streamside zones and a mosaic of stands of different ages and rotation periods, shall be used in the layout of the plantation, consistent with the scale of the operation. The scale and layout of plantation blocks shall be consistent with the patterns of forest stands found within the natural landscape.	
There are no plantations (as defined by the FSC) on the Sudbury Forest.	
Strength None identified	Weakness None identified
Criterion 10.3 Diversity in the composition of plantations is preferred, so as to enhance economic, ecological and social stability. Such diversity may include the size and spatial distribution of management units within the landscape, number and genetic composition of species, age classes and structures.	
There are no plantations (as defined by the FSC) on the Sudbury Forest.	
Strength None identified	Weakness None identified
Criterion 10.4 The selection of species for planting shall be based on their overall suitability for the site and their appropriateness to the management objectives. In order to enhance the conservation of biological diversity, native species are preferred over exotic species in the establishment of plantations and the restoration of degraded ecosystems. Exotic species, which shall be used only when their performance is greater than that of native species, shall be carefully monitored to detect unusual mortality, disease, or insect outbreaks and adverse ecological impacts.	
There are no plantations (as defined by the FSC) on the Sudbury Forest.	
Strength None identified	Weakness None identified
Criterion 10.5 A proportion of the overall forest management area, appropriate to the scale of the plantation and to be determined in regional standards, shall be managed so as to restore the site to a natural forest cover.	
There are no plantations (as defined by the FSC) on the Sudbury Forest.	
Strength	Weakness

None identified	None identified
Criterion 10.6 Measures shall be taken to maintain or improve soil structure, fertility, and biological activity. The techniques and rate of harvesting, road and trail construction and maintenance, and the choice of species shall not result in long term soil degradation or adverse impacts on water quality, quantity or substantial deviation from stream course drainage patterns.	
There are no plantations (as defined by the FSC) on the Sudbury Forest.	
Strength None identified	Weakness None identified
Criterion 10.7 Measures shall be taken to prevent and minimize outbreaks of pests, diseases, fire and invasive plant introductions. Integrated pest management shall form an essential part of the management plan, with primary reliance on prevention and biological control methods rather than chemical pesticides and fertilizers. Plantation management should make every effort to move away from chemical pesticides and fertilizers, including their use in nurseries. The use of chemicals is also covered in Criteria 6.6 and 6.7.	
There are no plantations (as defined by the FSC) on the Sudbury Forest.	
Strength None identified	Weakness None identified
Criterion 10.8 Appropriate to the scale and diversity of the operation, monitoring of plantations shall include regular assessment of potential on-site and off-site ecological and social impacts (e.g., natural regeneration, effects on water resources and soil fertility, and impacts on local welfare and social well-being), in addition to those elements addressed in Principles 8, 6 and 4. No species should be planted on a large scale until local trials and/or experience have shown that they are ecologically well-adapted to the site, are not invasive, and do not have significant negative ecological impacts on other ecosystems. Special attention will be paid to social issues of land acquisition for plantations, especially the protection of local rights of ownership, use or access.	
There are no plantations (as defined by the FSC) on the Sudbury Forest.	
Strength None identified	Weakness None identified
Criterion 10.9 Plantations established in areas converted from natural forests after November 1994 normally shall not qualify for certification. Certification may be allowed in circumstances where sufficient evidence is submitted to the certification body that the manager/owner is not responsible directly or indirectly for such conversion.	
There are no plantations (as defined by the FSC) on the Sudbury Forest.	
Strength None identified	Weakness None identified

## 5.0 CERTIFICATION DECISION

### 5.1\* Non-Conformances

NC#	2016-01	Grade- Major/Minor	Minor
<b>Requirement:</b>			
4.2.1 The manager ensures that all forest workers comply with all relevant provincial occupational health and safety requirements.			
<b>Non-conformance:</b>			
There is evidence that the manager did not ensure that all workers were complying with all relevant provincial occupational health and safety requirements.			
<b>Justification for Major or Minor</b>			
The audit team consider this to be an isolated issue and therefore concluded that this non-conformance be raised at the level of minor. The field visit allowed to verify a number of active harvesting operations and this is the only safety issue that was raised.			

<b>Evidence provided to close the non-conformance</b>	
<b>Status Closed or Open</b>	Open

<b>NC#</b>	<b>2016-02</b>	<b>Grade- Major/Minor</b>	<b>Minor</b>
<b>Requirement:</b>			
6.7.3 In the event of a hazardous product spill, the manager shall immediately contain the product, notify the appropriate authorities, and begin cleanup and product elimination with the assistance of qualified personnel.			
<b>Non-conformance:</b>			
No spill kit was available in a harvest block (Halifax Lake area).			
<b>Justification for Major or Minor</b>			
The audit team consider this to be an isolated issue and therefore concluded that this non-conformance be raised at the level of minor. The field visit allowed to verify a number of active harvesting operations and this is the only site that was missing a spill kit.			
<b>Evidence provided to close the non-conformance</b>			
<b>Status Closed or Open</b>	Open		

<b>NC#</b>	<b>2016-03</b>	<b>Grade- Major/Minor</b>	<b>Minor</b>
<b>Requirement:</b>			
7.3.1 The applicant ensures that forest workers receive adequate training to ensure they meet this standard's requirements. Training is tailored to their roles and responsibilities. Training material and courses address the following topics, among others:			
<ul style="list-style-type: none"> <li>a. How to avoid damage to the environment, in particular to residual stands, streams, and sites of cultural significance</li> <li>b. Assessment of log quality and destination</li> <li>c. Appropriate implementation of the management plan</li> <li>d. The relevant sections of international agreements (see Criterion 1.3)</li> <li>e. Health and safety requirements</li> <li>f. Implementation of ecosystem-based management (e.g. harvesting and site preparation)</li> <li>g. Use and handling of pesticides</li> <li>h. Identify species at risk and other species listed in 6.2.1</li> </ul>			
<b>Non-conformance:</b>			
There is evidence that not all forest workers received adequate training to ensure they meet the standard's requirements. Not all forest workers have received adequate training in regards to rutting.			
<b>Justification for Major or Minor</b>			
The audit team concluded that this non-conformance should be graded at the level of minor because no rutting was witnessed during the field visit. When the auditor asked forest workers what was the VFM definition of a rut, and what should be done to prevent rutting and minimize soil disturbance, the answers received were not consistent.			
<b>Evidence provided to close the non-conformance</b>			
<b>Status Closed or Open</b>	Open		

NC#	2016-04	Grade- Major/Minor	Minor
<b>Requirement:</b>			
9.1.1 The manager undertakes efforts to, or makes use of existing efforts to, identify and map the presence of HCVFs by means of a process that meets the characteristics and intent of the assessment process in Appendix E.			
9.1.1a For large operations, FME shall:			
<ul style="list-style-type: none"> <li>a) Produce written HCVF assessment(s) that identify(ies) HCVs or HCVF and proposes strategies to ensure their protection; and,</li> <li>b) Conduct credible, independent, technically qualified review of the HCVF assessment and related recommendations to address HCV threats and protection; and,</li> <li>c) Demonstrate that credible actions are being taken to address HCV/HCVF protection and/or threat reduction.</li> </ul>			
<b>Non-conformance:</b>			
There is evidence of High Conservation Values (HCV) in Block 2010-007. The HCV has been identified in the HCV assessment report (version 3, August 2010). The management strategy has not been defined and a credible, independent, technically qualified review of the HCVF assessment (and applicable management strategy) and related recommendation has not been conducted.			
<b>Justification for Major or Minor</b>			
The audit team concluded that this non-conformance should be graded at the level of minor because no harvesting has yet occurred in block 2010-007. This issue was brought to the attention of the audit team by stakeholders. There is concern that the HCV in the area will be threatened by harvesting.			
<b>Evidence provided to close the non-conformance</b>			
<b>Status Closed or Open</b>		Open	

## 5.2 Element difficult to assess

There were no elements particularly difficult to assess. Stakeholder comments allowed the audit team to focus on specific issues. However, follow-up on some allegations from stakeholders will need to be undertaken at the next surveillance audit. The field visit will be aimed at verifying some of the allegations brought to the attention of the audit team. The audit has been scheduled to allow this field verification.

## 5.3 Certification Decision Statement

### Reregistration audit

Vermillion Forest Management has demonstrated, subject to the correction of the non-conformities, that the described system of management is being implemented consistently over the whole forest area covered by the scope of the certificate with the exception of the non-conformance(s) identified during the audit and documented in the attached Non-conformance Report(s).

As discussed during the closing meeting, please submit a root cause analysis and an action plan

for approval within 30 days for both the major and minor non-conformances. Major non-conformance(s) must be closed within 90 days. Implementation of corrective actions for Minor non-conformance(s) will be reviewed at the time of the first surveillance audit or at the latest 12 months after the NC reports have been issued.

A recommendation to maintain the registration is on hold pending the receipt, review and acceptance of the corrective action plan for all non-conformances and the closure of the major non-conformance(s).

## **6.0 TRACKING OF CERTIFIED FOREST PRODUCTS**

### **6.1 Risk**

### **6.2 Control System**

## **7.0 ADDITIONAL REQUIREMENTS FOR GROUP CERTIFICATIONS**

N/A – This is not a group certification.



**Group Membership:**

N/A

## **8.0 COMPLAINTS, DISPUTES AND APPEALS**

On receiving a complaint the relevant details are recorded on a complaint register by the person receiving the complaint.

A SAI Global person is responsible for the handling of complaints/appeals, and forwards the complaint on to the respective Manager in charge of SAI Global FSC Program for resolution.

An initial response, including an outline of the proposed course of action to follow up on the complaint, will be sent within two (2) weeks of receiving the complaint.

SAI Global will keep the complainants informed of progress in evaluating the complaint.

An investigation of the allegations and all its proposed actions in response to the complaint/appeal will be dealt within three (3) months of receiving the appeal. Upon completion of the investigation a full report of the investigation and its findings are then sent to the complainant.

Full implementation of actions and confirmation of implementation (e.g. correction and closing out of non-compliances that may have been identified as a result of the complaint) outlined in the final report will be completed.

SAI Global ensures that the persons engaged in the appeals, complaints and disputes handling processes are different from those who carried out the audits, made the certification decisions and the day to day implementation.

If the issue has not been resolved through the full implementation of SAI Global's procedures the person or organization raising the complaint/dispute/appeal has the opportunity to refer their complaint/dispute/appeal to FSC's dispute resolution process.

## **9.0 NEXT AUDIT**

Next Scheduled Audit:

Date: November 14, 2016

Audit time: 8 days

**END OF REPORT**