

## Katahdin Forest Management 2016 SFI Summary Audit Report

### Introduction

The SFI Program of Katahdin Forest Management of Millinocket, Maine has demonstrated continued conformance with the SFI 2015-2019 Standard and Rules®, Section 2 – Forest Management Standard, according to the NSF Certification Process.

Katahdin Forest Management (KFM) manages approximately 300,000 acres in Maine, of which over 280,000 are forested. This includes 9,000 acres of perpetual timber deeds. These timberlands are managed on a sustainable basis using sound business practices and accepted principles of sustainable forest management. Professional foresters who are part of a staff of ten people manage the timberlands.

KFM comprises the Maine operations of Acadian Timber Corp. Management objectives include:

- Long-term improvement in value and productivity of the land;
- Ensuring the continuous yield of forest products;
- Maintaining forest health and biological diversity;
- Conservation of significant recreational, ecological and wildlife resources.

Seventy percent of the total merchantable volume is softwood species, with red, white, and black spruce being the most significant. Over 80% of the spruce volume is sawtimber quality, while over 80% of the hardwood volume is pulpwood quality.

Most of the property is accessed by a private land management road system that is maintained by KFM and other private landowners in the region. A rail siding located at the eastern end of the Golden Road in Millinocket provides a rail link between the company's private road system and other points served by rail. Timberlands located around Millinocket, East Millinocket, Medway and Woodville are accessed by a combination of public and private road networks.

Maine has a long history of public use of private land for recreational purposes. Traditionally, recreational users have used private forestland in northern Maine for hunting, fishing, canoeing access, camping and hiking. Newer uses such as access for whitewater rafting and kayaking have grown in popularity in recent years. Between 150,000 and 200,000 people visit or travel through the company's timberlands each year.

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NSF initially certified Katahdin Forest Management to the SFI Standard on November 2, 2011, with follow-up surveillance audits each year, a re-certification audit in 2014 and an upgrade audit in 2015. This report describes the 2016 Surveillance Audit performed by NSF on September 15-16, 2016 by an audit team headed by Mike Ferrucci, Lead Auditor supported by Tucker Watts, Auditor. Audit team members fulfill the qualification criteria for conducting audits contained in SFI 2015-2019 Standards and Rules, Section 9 - Procedures and Auditor Qualifications and Accreditation.

The objective of the audit was to assess continuing conformance of the firm's SFI Program to the requirements of the SFI 2015-2019 Standard and Rules®, Section 2 – Forest Management. The SFI Standard was used without modifying any requirements. The scope of the audit included forest management operations on the company's land in northern Maine. Forest practices that were the focus of field inspections included those that have been under active management over the planning period of the past year. Practices conducted earlier were also reviewed as appropriate (regeneration and BMPs, for example). The audit focused on field operations and included SFI obligations to promote sustainable forestry practices, to seek legal compliance, the management review system and associated efforts to incorporate continual improvement systems. Use of the SFI logo and the requirement to provide a public of audit reports were also reviewed.

Several of the SFI Requirements were outside of the scope of Katahdin Forest Management's SFI program and were excluded from the SFI Certification Audit as follows:

- Indicator 2.1.5 involving planting in non-forested landscapes
- Performance Measure 8.2 involving tribal rights on public lands
- Indicator 10.1.2 involving research on genetically engineered trees
- Objective 13 for public land management.

### Surveillance Audit Process

The review was governed by a detailed audit protocol designed to enable the audit team to determine conformance with the applicable SFI requirements. The process included the assembly and review of audit evidence consisting of documents, interviews

and on-site inspections of ongoing or completed forest practices. Documents describing the range of activities were provided to the auditor in advance, and a sample of the available audit evidence was designated by the auditor for review.

During the audit NSF reviewed a sample of the written documentation assembled to provide objective evidence of SFIS Conformance. Field sites were selected for inspection based upon the risk of environmental impact, likelihood of occurrence, special features, and other criteria outlined in the NSF- SFI-SOP. NSF also selected and interviewed stakeholders such as contract loggers, regulators, and other interested parties, and interviewed employees within the organization to confirm that the SFI Standard was understood and actively implemented. The audit included 3 field days and 1.5 days off-site for planning and report-writing.

The possible findings for specific SFI requirements included Full Conformance, Major Non-conformance, Minor Non-conformance, Opportunities for Improvement, and Practices that exceeded the Requirements of the SFIS.

## Overview of Audit Findings

Katahdin Forest Management's SFI Program was found to be in full conformance with the SFIS Standard with no new non-conformances. There were no previous minor non-conformances and corrective action plans to be implemented by Katahdin Forest Management. As such the program was recommended for continuing certification.

There are several areas where the Katahdin Forest Management programs exceed the SFI Requirements:

SFI Indicator 4.1.1 requires a "Program to incorporate the conservation of native biological diversity, including species, wildlife habitats and ecological community types at stand and landscape levels." Katahdin Forest Management has an exceptional program for the conservation of biological diversity including significant efforts at larger scales to support populations of Canada lynx, White-tail deer, Atlantic salmon, and Brook trout.

SFI Indicator 4.1.3 requires participants to "Document diversity of forest cover types and age or size classes at the individual ownership or forest tenure level, and where credible data are available, at the landscape scale. Working individually or collaboratively to support diversity of native forest cover types and age or size classes that enhance biological diversity at the landscape scale." Katahdin Forest Management exceeds the standard in its management for diversity of native forest cover types and age or size classes that enhance biological diversity at the landscape scale in part through the Maine Healthy Forests Reserve Program to provide Critical Lynx Habitat.

SFI Indicator 4.1.4 requires "Program Participants shall participate in or incorporate the results of state, provincial, or regional conservation planning and priority-setting efforts to conserve biological diversity and consider these efforts in forest management planning." Katahdin Forest Management exceeds the standard in its use of conservation planning at the landscape scale to manage for and protect biodiversity.

SFI Indicator 5.4.1 requires participants to "Provide recreational opportunities for the public, where consistent with forest management objectives." Katahdin Forest Management provides an exceptional level of support for public recreation on its lands.

In 2015 there was also one requirement for which conformance was found but there was also an opportunity to improve. Full conformance was found in 2016, with no significant rutting observed. SFI Indicator 2.3.3 requires "Post-harvest conditions conducive to maintaining site productivity".

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## General Description of Evidence of Conformity

NSF's audit team used a variety of evidence to determine conformance. A general description of this evidence is provided below, organized by SFI Objective.

### Objective 1 Forest Management Planning

To ensure forest management plans include long-term sustainable harvest levels and measures to avoid forest conversion.

**Summary of Evidence:** *The forest management plan for Katahdin Forest Management including supporting documentation, and the associated inventory data and growth models were the key evidence of conformance.*

### Objective 2 Forest Health and Productivity

To ensure long-term forest productivity, carbon storage and conservation of forest resources through prompt reforestation, afforestation, minimized chemical use, soil conservation, and protecting forests from damaging agents.

**Summary of Evidence:** Field observations and associated records were used to confirm practices consistent with the requirements. Katahdin Forest Management has programs for reforestation, for protection against insects, diseases and wildfire, and for careful management of activities which could potentially impact soil and long-term productivity.

### **Objective 3 Protection and Maintenance of Water Resources**

To protect the water quality of rivers, streams, lakes, wetlands and other water bodies through meeting or exceeding best management practices.

**Summary of Evidence:** Field observations of a range of sites were the key evidence. Auditors visited the portions of field sites that were closest to water resources and considered the level of protection afforded to water resources by KFM's implementation of BMP's and by following the regulations of Maine's Forestry Practices Act, Maine's Land Use Planning Commission (LUPC) and the Maine Department of Environmental Protection (DEP).

### **Objective 4 Conservation of Biological Diversity**

To manage the quality and distribution of wildlife habitats and contribute to the conservation of biological diversity by developing and implementing stand- and landscape-level measures that promote a diversity of types of habitat and successional stages, and the conservation of forest plants and animals, including aquatic species, as well as threatened and endangered species, Forests with Exceptional Conservation Value, old-growth forests and ecologically important sites.

**Summary of Evidence:** Field observations, written plans and policies, cooperation with field biologists from the Maine Department of Inland Fisheries and Wildlife, and regular staff involvement in conferences and workshops that cover scientific advances were the evidence used to assess the requirements involved biodiversity conservation.

### **Objective 5 Management of Visual Quality and Recreational Benefits**

To manage the visual impact of forest operations and provide recreational opportunities for the public.

**Summary of Evidence:** Field observations of completed operations and policies for visual quality were assessed during the evaluation. Katahdin Forest Management relies primarily on shelterwood systems, not silvicultural clear-cuts. Involvement in the North Maine Woods program and agreements for snowmobile, cross-county skiing, hiking, and multi-use trails helped confirm a strong recreation program.

### **Objective 6 Protection of Special Sites**

To manage lands that are geologically or culturally important in a manner that takes into account their unique qualities.

**Summary of Evidence:** Field observations of completed operations, records of special sites, training records, and written protection plans were all assessed during the evaluation.

### **Objective 7 Efficient Use of Fiber Resources**

To minimize waste and ensure the efficient use of fiber resources.

**Summary of Evidence:** Field observations of completed operations, contract clauses, and discussions with company foresters and with loggers provided the key evidence.

### **Objective 8 Recognize and Respect Indigenous Peoples' Rights**

To recognize and respect Indigenous Peoples' rights and traditional knowledge.

**Summary of Evidence:** The company has a policy for respecting tribal knowledge and rights and for responding to requests, as well as a record of cooperative relationships regarding maintenance of common boundary lines

### **Objective 9 Legal and Regulatory Compliance**

To comply with applicable federal, provincial, state and local laws and regulations.

**Summary of Evidence:** Field reviews of ongoing and completed operations, systems to ensure compliance, and the regulatory record were the most critical evidence.

### **Objective 10 Forestry Research, Science and Technology**

To invest in forestry research, science and technology, upon which sustainable forest management decisions are based and broaden the awareness of climate change impacts on forests, wildlife and biological diversity.

**Summary of Evidence:** Financial records for dues, contributions, and memberships, and research sites and activities on lands within the scope were documented. Meetings and seminars provide awareness and understanding of research for sustainable forest management decisions.

### **Objective 11 Training and Education**

To improve the implementation of sustainable forestry practices through appropriate training and education programs.

**Summary of Evidence:** Training records of selected personnel, records associated with harvest sites audited, and stakeholder interviews were the key evidence for this objective.

### **Objective 12 Community Involvement and Landowner Outreach**

To broaden the practice of sustainable forestry through public outreach, education, and involvement, and to support the efforts of SFI Implementation Committees.

**Summary of Evidence:** Evidence of support for the Maine SFI Implementation Committee and long-time involvement in the Maine Forest Products Council, North Maine Woods, Maine TREE Foundation, Keeping Maine's Forests and many other organizations were sufficient to assess conformance with the requirements.

### **Objective 13 Public Land Management Responsibilities**

To participate and implement sustainable forest management on public lands.

**Summary of Evidence:** Katahdin Forest Management does not manage public lands, so this Objective is not applicable.

### **Objective 14 Communications and Public Reporting**

To increase transparency and to annually report progress on conformance with the SFI Forest Management Standard.

**Summary of Evidence:** Katahdin Forest Management documents with the appropriate information and records of past SFI reports were sufficient to determine conformance.

### **Objective 15. Management Review and Continual Improvement**

To promote continual improvement in the practice of sustainable forestry by conducting a management review and monitoring performance.

**Summary of Evidence:** Records of program reviews, agendas and notes from management review meetings and contractor meetings, and interviews with personnel from all involved levels in the organization were used to determine conformance.

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## **Relevance of Forestry Certification**

Third-party certification provides assurance that forests are being managed under the principles of sustainable forestry, which are described in the Sustainable Forestry Initiative Standard as:

### **1. Sustainable Forestry**

To practice sustainable forestry to meet the needs of the present without compromising the ability of future generations to meet their own needs by practicing a land stewardship ethic that integrates reforestation and the managing, growing, nurturing and harvesting of trees for useful products and ecosystem services such as the conservation of soil, air and water quality, carbon, biological diversity, wildlife and aquatic habitats, recreation and aesthetics.

### **2. Forest Productivity and Health**

To provide for regeneration after harvest and maintain the productive capacity of the forest land base, and to protect and maintain long-term forest and soil productivity. In addition, to protect forests from economically or environmentally undesirable levels of wildfire, pests, diseases, invasive exotic plants and animals and other damaging agents and thus maintain and improve long-term forest health and productivity.

### **3. Protection of Water Resources**

To protect water bodies and riparian areas, and to conform with forestry best management practices to protect water quality.

**4. Protection of Biological Diversity**

To manage forests in ways that protect and promote biological diversity, including animal and plant species, wildlife habitats, and ecological or natural community types.

**5. Aesthetics and Recreation**

To manage the visual impacts of forest operations, and to provide recreational opportunities for the public.

**6. Protection of Special Sites**

To manage lands that are ecologically, geologically or culturally important in a manner that takes into account their unique qualities.

**7. Responsible Fiber Sourcing Practices in North America**

To use and promote among other forest landowners sustainable forestry practices that are both scientifically credible and economically, environmentally and socially responsible.

**8. Legal Compliance**

To comply with applicable federal, provincial, state, and local forestry and related environmental laws, statutes, and regulations.

**9. Research**

To support advances in sustainable forest management through forestry research, science and technology.

**10. Training and Education**

To improve the practice of sustainable forestry through training and education programs.

**11. Community Involvement and Social Responsibility**

To broaden the practice of sustainable forestry on all lands through community involvement, socially responsible practices, and through recognition and respect of Indigenous Peoples' rights and traditional forest-related knowledge.

**12. Transparency**

To broaden the understanding of forest certification to the SFI Standard by documenting certification audits and making the findings publicly available.

**13. Continual Improvement**

To continually improve the practice of forest management, and to monitor, measure and report performance in achieving the commitment to sustainable forestry.

*Source: Sustainable Forestry Initiative® (SFI) Standard, 2015–2019 Edition*