

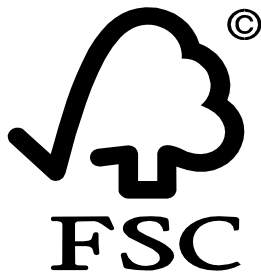
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# SmartWood

*Practical conservation through certified forestry*

## Forest Management Certification Assessment Report for:

Nagaya Forest Restoration Ltd.  
in  
Dieppe, New Brunswick

Certificate code:	SW-FM/COC-NTFP000214
Auditors:	Bruce Byford R.P.F.
Audit Dates:	April 21-23, 2008
Report Finalized:	May 12, 2008
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Operation	Nagaya Forest Restoration Ltd.
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## INTRODUCTION

This report presents the findings of an independent certification assessment conducted by a team of specialists representing the SmartWood Program of the Rainforest Alliance. The purpose of the assessment was to evaluate the ecological, economic and social performance of Nagaya Forest Restoration Ltd. forest management as defined by the Forest Stewardship Council.

This report contains four main sections of information and findings and several appendixes. The whole report plus appendixes will become public information about the forest management operation that may be distributed by SmartWood or the Forest Stewardship Council (FSC) to interested parties. The remainder of the appendixes are confidential, to be reviewed only by authorized SmartWood and FSC staff and reviewers bound by confidentiality agreements.

The purpose of the SmartWood program is to recognize conscientious land stewardship through independent evaluation and certification of forestry practices. Forestry operations that attain SmartWood certification may use the SmartWood and FSC labels for public marketing and advertising.

# 1. SCOPE OF THE CERTIFICATE

## 1.1. Scope of the certificate

The certificate encompasses the forest management and chain of custody activities of the Resource Manager – Nagaya Forest Restoration Ltd. for the management of 25 properties (3,197 ha) in New Brunswick, Nova Scotia, and Prince Edward Island. This assessment was a re-certification audit. The audit was also to evaluate the organization for the inclusion of NTFP in the certificate.

## 1.2. Exclusion of areas from the scope of certificate

<b>X</b>	<b>Applicability of FSC partial certification and excision policy</b>		
<input checked="" type="checkbox"/>	All forest land owned or managed by the FME is included in the scope of this evaluation.		
<input type="checkbox"/>	FME owns and/or has management involvement in other forest land/properties (forest management units) not being evaluated. Provide description of other forests below:		
<input type="checkbox"/>	Is any portion of the forest management unit (s) under evaluation for certification being excluded? If yes, complete all sections below.		
Comments / Explanation for exclusion:	NA		
Control measures	NA		
<b>Other Forest area</b>	<b>Location</b>	<b>Size (ha)</b>	
NA			

## 2. ASSESSMENT PROCESS

### 2.1. Certification Standard Used

Certification Standards for Best Forestry Practices in the Maritimes Region – Standards for Small and Low Intensity Forests (January 2008). The NFTP assessment utilized the Non-Timber Forest Products Addendum for the Certification of Maple Sugaring Operations in Canada - March 2007 version

### 2.2. Assessment team and qualifications

**Bruce Byford R.P.F.** – Bruce Byford is a Licensed Professional Forester (Ontario) and the President of Arbex Forest Resource Consultants Ltd. He has 29 years of experience as a consulting forester and project manager. Bruce has been Lead Auditor on thirteen Independent Forest Audits in Ontario. As a consultant to SmartWood he has participated as a Lead Assessor, Forest Management Specialist and/or First Nations and Socioeconomic assessor on certification and annual assessments. These assessments have taken place in Ontario, New Brunswick, Nova Scotia and Quebec. He has completed ISO 14001 Lead Auditor Training and has completed the Forest Assessor Training delivered by SmartWood.

### 2.3. Assessment schedule (including pre-assessment and stakeholder consultation)

Date	Location /main sites	Main activities
April 21, 2008	Dieppe, New Brunswick  Corey Steeves Woodlot, Elgin New Brunswick	Interview Group Manager/Record D Document Review NFTP Certification Assessment of Maple Syrup Production
April 22, 2008	J.A. Taylor and Sons (1987) Ltd. Kevin & Susan Veniotte Woodlot Bridgewater, Nova Scotia	COC Assessment Forest Management Assessment
April 23, 2008	William & Dian McKay Woodlot Dieppe New Brunswick	Forest Management Assessment
May 15	Offsite	SmartWood's certification decision
Total number of person days used for the audit:2.5 = number of auditors participating 1 times total number of days spent for the audit 2.5		

### 2.4. Evaluation strategy

Nagaya's membership pool consists of 25 properties with a forest area of 3,197 hectares. A 26<sup>th</sup> property was being processed for inclusion in the membership pool at the time of the assessment. The poll membership includes properties located within New Brunswick, Nova Scotia, and Prince Edward Island.

The forestry observations of the Group may be characterized as low impact and small scale. The calculated allowable cut for the pool properties is approximately 6,490 m<sup>3</sup>. The reported actual harvest from pool properties in 2007 was 3,280 m<sup>3</sup> (51% of the calculated total).

The documents reviewed and the interviews conducted verified that the Nagaya management system is designed to restore Acadian Forests to a natural forest in terms of species composition and a forest structure appropriate to the site. Silvicultural strategies reviewed within the management plans (Steeves, Livingston, and Brison Properties) were appropriate to the documented forest conditions and plan objectives.

### List of management aspects reviewed by assessment team:

Type of site	Sites visited	Type of site	Sites visited
Road construction	3	Illegal settlement	
Soil drainage	3	Bridges/stream crossing	2
Workshop		Chemical storage	
Tree nursery		Wetland	
Planned Harvest site	3	Steep slope/erosion	
Ongoing Harvest site	3	Riparian zone	3
Completed logging	3	Planting	1
Soil scarification		Direct seeding	
Planting site	1	Weed control	
Felling by harvester		Natural regeneration	3
Felling by forest worker	3	Endangered species	
Skidding/Forwarding	3	Wildlife management	3
Clearfelling		Nature Reserve	
Shelterwood management	1	Key Biotope	
Selective felling	3	Special management area	1
Sanitation cutting	2	Historical site	
Pre-commercial thinning		Recreational site	1
Commercial thinning		Buffer zone	
Logging camp		Local community	

## 2.5. Stakeholder consultation process

The purpose of the stakeholder consultation strategy for this assessment was threefold:

- 1) To ensure that the public is aware of and informed about the assessment process and its objectives;
- 2) To assist the field assessment team in identifying potential issues; and,
- 3) To provide diverse opportunities for the public to discuss and act upon the findings of the assessment.

This process is not just stakeholder notification, but wherever possible, detailed and meaningful stakeholder interaction. The process of stakeholder interaction does not stop after the field visits, or for that matter, after even a certification decision is made. SmartWood welcomes, at any time, comments on certified operations and such comments often provide a basis for field assessment.

In the case of Nagaya Forest Restoration Ltd. prior to the actual assessment process, a public consultation stakeholder document was developed and posted on the SmartWood and FSC Canada Websites. Comments on the forest management activities of Nagaya were solicited from the Ecology Action Centre and Nagaya individual Nagaya certified pool members. No other comments were received about Nagaya's operations.

### 3. ASSESSMENT FINDINGS AND OBSERVATIONS

#### 3.1. Stakeholder comments received

No stakeholder issues were brought forward for review during this assessment. The representative from the Ecology Action Centre indicated that the organization was very supportive of Nagaya and were of the opinion that Nagaya’s forest management activities were an exceptional example of good forest management for the restoration of the Acadian forest type.

#### 3.2. Main strengths and weaknesses

Principle	Strengths	Weaknesses
<b>P1: FSC Commitment and Legal Compliance</b>	There is a clear long term commitment to and support of FSC principles and philosophy within the pool membership.	No weakness resulting in a non compliance with the FSC standard.
<b>P2: Tenure &amp; Use Rights &amp; Responsibilities</b>	Private property ownership is ascertained by the Resource Manager upon entry into the pool. There are no documented instances of disputes over tenure claims or use rights.	No weakness resulting in a non compliance with the FSC standard.
<b>P3 – Indigenous Peoples’ Rights</b>	N/A	No weakness resulting in a non compliance with the FSC standard.
<b>P4: Community Relations &amp; Workers’ Rights</b>	The low level of forestry activity is conducive to local employment. Nagaya encourages pool members to employ other pool members which ensures compliance with the Nagaya and FSC philosophies for woodlot management.	No weakness resulting in a non compliance with the FSC standard.
<b>P5: Benefits from the Forest</b>	Forest health and productivity are maintained through the conservative determination of allowable cuts, the maintenance of ecological services of the woodlots etc.	No weakness resulting in a non compliance with the FSC standard.
<b>P6: Environmental Impact</b>	The small scale and low intensity of forest operations within the pool ensures that environmental impacts at the forest and landscape level will be minimal. The pool membership is strongly committed to sustainable forest management and an environmental ethic.	No weakness resulting in a non compliance with the FSC standard.
<b>P7: Management Plan</b>	The management plans prepared promote the restoration of the Acadian Forest and environmentally appropriate use of the woodlots. Allowable harvest calculations adopt a precautionary principle where	The management plan does not adequately cover the requirements of the NTFP standard for Maple. CAR 01/08 is issued.

	<p>reduction factors are applied to the calculated level of harvest.</p> <p>Plans are appropriate to the scale of the woodlots and promote the restoration of the Acadian Forest through appropriate silvicultural strategies. The use of uneven age management strategies should assist in the attainment of criterion related to patch size and natural disturbance patterns, canopy closure, age class and diameter distributions etc.</p> <p>Plans reflect local knowledge and conditions.</p>	
<b>P8: Monitoring &amp; Assessment</b>	<p>Woodlots are monitored on an annual basis by the RM. This level of monitoring is compatible with the level of management activity occurring on the properties. The pool members collaborate in information sharing and monitoring of their individual holdings.</p>	<p>Documentation was not available to enable monitoring of the maple bush operations. CAR 02/08 is issued.</p>
<b>P9: Maintenance of High Conservation Value Forest</b>	<p>Special management areas have been identified within the pool properties. Management of these sites occurs in accordance with the management plans.</p>	<p>No weakness resulting in a non compliance with the FSC standard.</p>
<b>P10 - Plantations</b>	<p>The mission statement of Nagaya includes a reference to the restoration of the Acadian Forest, as such no conversions of land to plantations has occurred since the FM certificate was issued.</p>	<p>No weakness resulting in a non compliance with the FSC standard.</p>
<b>Chain of custody</b>	<p>Records are maintained by pool members and the Resource Manager. This system appears to function effectively.</p>	<p>No weakness resulting in a non compliance with the FSC standard.</p>
<b>Group Certification Requirements</b>	<p>Nagaya is an experienced group manager.</p>	<p>No weakness resulting in a non compliance with the FSC standard.</p>

### 3.3. Identified non-conformances and corrective actions

A non-conformance is a discrepancy or gap identified during the assessment between some aspect of the FME’s management system and one or more of the requirements of the forest stewardship standard. Depending on the severity of the non-conformance the assessment team differentiates between major and minor non conformances.

- **Major non-conformance** results where there is a fundamental failure to achieve the objective of the relevant FSC criterion. A number of minor non-conformances against one requirement may be considered to have a cumulative effect, and therefore be considered a major nonconformance.
- **Minor non-conformance** is a temporary, unusual or non-systematic non-conformance, for which the effects are limited.

Major non conformances must be corrected before the certificate can be issued. While minor non-conformances do not prohibit issuing the certificate, they must be addressed within the given timeframe to maintain the certificate.

Each non-conformance is addressed by the audit team by issuing a corrective action request (CAR) CARs are requirements that candidate operations must agree to, and which must be addressed, within the given timeframe of a maximum of one year period.

<b>CAR 01/08</b>		<b>Reference Standard &amp; Criteria: 7.1 MAPLE</b>
<b>Nonconformance</b>		Technical information with respect to the maple operation is referenced as an Appendix to the Plan but the Appendix was not attached to the plan document. The tapping rule was not documented and information on the number of allowable taps per size class, the depth of taps and the placement of taps on the tapping band was not specified in the management plan. The plan did not provide a rationale or justification for the equipment used.
<b>Major</b>	<b>Minor X</b>	
<b>Corrective Action Request:</b>		
The forest management plan will be amended to include and incorporate the requirements of criterion 7.1. MAPLE		
<b>Timeline for conformance:</b>		Prior to next annual audit
<b>Evidence to close CAR:</b>		Pending
<b>CAR Status:</b>		OPEN
<b>Follow-up Actions (if app.):</b>		

<b>CAR 02/08</b>	<b>Reference Standard &amp; Criteria: 8.3 Maple</b>
<b>Nonconformance</b>	

<b>Major</b>	<b>Minor X</b>	Documentation was not available to enable monitoring of the maple bush operations. Written sales invoices were not used. Other information related to annual production (number of taps, product volume by grade etc.) was not documented by the producer or maintained by the RM.
<b>Corrective Action Request:</b>		
The maple producer and the Resource Manager will meet the documentation requirements outlined in Criteria 8.3 MAPLE including sales invoices and information on grades of product produced and sold.		
<b>Timeline for conformance:</b>		Prior to next annual audit
<b>Evidence to close CAR:</b>		Pending
<b>CAR Status:</b>		OPEN
<b>Follow-up Actions (if app.):</b>		

### 3.4. Observations

**Observations** are very minor problems or the early stages of a problem which does not of itself constitute a nonconformance, but which the auditor considers may lead to a future nonconformance if not addressed by the client. An observation may be a warning signal on a particular issue that, if not addressed, could turn into a CAR in the future (or a pre-condition or condition during a 5 year re-assessment).

<b>OBS 01/08</b>	<b>Reference Standard &amp; Requirement: 7.2 MAPLE</b>
The landowner does not currently follow research and development related to maple sap and syrup production	
<b>Observation:</b>	
While the producer has considerable knowledge and expertise but the enterprise would benefit from the monitoring of research and developments related to maple sap and syrup production.	

### 3.5. Certification Recommendation

Based on a thorough review of FME performance in the field, consultation with stakeholders, analysis of management documentation or other audit evidence the SmartWood assessment team recommends the following:

<b>Certification requirements met, certificate should be issued</b>	<input checked="" type="checkbox"/>
<b>Certification requirements not met, major CARs must be met prior to certificate issuance.</b>	<input type="checkbox"/>
FME has demonstrated that their described system of management is being implemented consistently over the whole forest areas covered by the scope of the evaluation	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: The documents reviewed, interviews conducted and site visits verified that the Nagaya management system is designed to restore Acadian Forests to a natural forest in terms of species composition and a forest structure appropriate to the sites visited.	
FME's management system, if implemented as described, is capable of ensuring that all the requirements of the certification standards are met across the scope of the certificate	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments: The low level of forest management activity, the small size of the forest holdings and the strong commitment of the Resource Manager and pool membership to Forest Stewardship Council principles and criteria and the Nagaya philosophy are conducive to long term sustainable forest management	
Issues identified as controversial or hard to evaluate.	Yes <input type="checkbox"/> No <input type="checkbox"/>
Comments:	
Certificate type recommended:	<input checked="" type="checkbox"/> Forest management and Chain of custody <input type="checkbox"/> Forest management only (no CoC)

In order to maintain certification, the FME will be audited annually on-site and required to remain in conformance with the FSC principles and criteria as further defined by regional guidelines developed by SmartWood or the FSC. The FME will also be required to fulfill the corrective actions as described below. Experts from SmartWood will review continued forest management performance and conformance with the corrective action requests described in this report, annually during scheduled and/or random audits

## **4. CLIENT SPECIFIC BACKGROUND INFORMATION**

### **4.1. Ownership and land tenure description**

The Nagaya pool membership consists of 25 properties situated on private land within New Brunswick, Nova Scotia and Prince Edward Island. The forest area is 3, 197 ha.

Nagaya meets FSC SLIMF (Small and Low Intensity Managed Forest) eligibility criteria.

### **4.2. Legislative and government regulatory context**

The Nagaya pool properties are privately held. Federal and provincial regulations with respect to environmental protection (i.e. protection of water quality, rare and endangered species etc.) apply.

### **4.3. Environmental Context**

The Nagaya philosophy seeks to restore the Acadian Forest type. There is a strong commitment within the pool membership to the Forest Stewardship Council principles and criterion which is conducive to long term sustainable forest management.

### **4.4. Socioeconomic Context**

The forestry operations of the Nagaya Group can be characterized as low impact and small scale. Most harvesting is undertaken by pool members or local hires. The calculated allowable cut is 6,490 m<sup>3</sup>. In 2007, 3,280 m<sup>3</sup> was harvested, with a considerable portion of the harvest being utilized for personal use. A group member also produces and sells maple products (i.e. maple syrup, maple butter). The maple operation is small scale producing approximately 700 litres annually.

## APPENDIX I: Public summary of the management plan

<p>Main objectives of the forest management are: Restoration of Acadian Forests          Primary priority: Restore Structure and Integrity of Acadian Forest          Secondary priority: Restore Biodiversity and Ecological Function          Other priorities: Promote human relationships with natural world ; ;</p>															
<p>Forest composition:          Tolerant and intolerant mixedwood Acadian Forest species</p>															
<p>Description of Silvicultural system(s) used:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Silvicultural system</th> <th style="text-align: center;">% of forest under this management</th> </tr> </thead> <tbody> <tr> <td>Even aged management</td> <td style="text-align: center;">0 ha</td> </tr> <tr> <td>  Clearfelling (clearcut size range )</td> <td style="text-align: center;">1 ha</td> </tr> <tr> <td>  Shelterwood</td> <td style="text-align: center;">0 ha</td> </tr> <tr> <td>Uneven aged management</td> <td style="text-align: center;">90 ha</td> </tr> <tr> <td>  Individual tree selection</td> <td style="text-align: center;">60 ha</td> </tr> <tr> <td>  Group selection (group harvested of less than 1 ha in size)</td> <td style="text-align: center;">30 ha</td> </tr> </tbody> </table>		Silvicultural system	% of forest under this management	Even aged management	0 ha	Clearfelling (clearcut size range )	1 ha	Shelterwood	0 ha	Uneven aged management	90 ha	Individual tree selection	60 ha	Group selection (group harvested of less than 1 ha in size)	30 ha
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Individual tree selection	60 ha														
Group selection (group harvested of less than 1 ha in size)	30 ha														
Other types of management (explain)	ha														
<p>Harvest methods and equipment used: Oxen, horse, farm tractor, ATV porter</p>															
<p>Estimate of maximum sustainable yield for main commercial species: 6,490 m3</p>															
<p>Explanation of the assumptions (e.g. silvicultural) upon which estimates are based and reference to the source of data (e.g. inventory data, permanent sample plots, yield tables) upon which estimates are based upon.          Inventory by owner and use of provincial volume tables.          Observation and accumulated experience on the woodlots</p>															
<p>FME organizational structure and management responsibilities from senior management to operational level (how is management organized, who controls and takes decisions etc.)          Resource Manager manages the properties on behalf of pool membership. Plans are prepared by a Registered Professional Forester and approved by the Resource Manager.          Woodland operations are primarily conducted by landowners, contractors or hired help.</p>															
<p>Structure of forest management units (division of forest area into manageable units etc.)          Small private woodlots with average size ranging from 2-15 ha.</p>															
<p>Monitoring procedures (including yield of all forest products harvested, growth rates, regeneration, and forest condition, composition/changes in flora and fauna, environmental and social impacts of forest management, costs, productivity and efficiency of forest management)          Harvest reports are filed with Resource Manager. Annual inspections completed by Resource Manager. Group meetings are held annually to discuss FM issues.</p>															
<p>Environmental protection measures, e.g. buffer zones for streams, riparian areas, etc., protection measures for Rare Threatened and Endangered Species and habitat          Riparian and other buffer zones are maintained (i.e. habitats). Protected areas are designated within management plans.</p>															

Other Sections may be added by the FME