



Enhanced SFL Transition Application Form

EMAIL COMPLETE APPLICATION TO:

H. Maureen Kershaw, R.P.F.
Forestry Futures Committee Chair
c/o admin@forestryfutures.com

ASSIGNED ENHANCED SFL PROJECT NUMBER

Office Use Only

Secretariat: MNR

Proposed ESFL Name:

Names of Forests to be Included:

Existing Sustainable Forest Licence Numbers (if relevant):**

Contact Person (Name and title):

Address: (Street &\or P.O. Box\ City \ Province \ Postal Code):

Contact Information (Telephone \ Fax \ E-mail):

Application

Period Covered by this Application:

From: Day: _____ Month: _____ Year: _____

To: Day: _____ Month: _____ Year: _____

Summary of Conversion Funding Requested From Forestry Futures Trust

	A: Conceptual Business Arrangement Development	B: Legal Agreement Development	C: Business Plan Development	Total FFT Funding Requested
Year 1 (\$)				
Year 2 (\$)				
Total (\$)				

NOTES:

1. The Forestry Futures Trust Committee may fund all or part of eligible expenses incurred to establish an ESFL.
2. Applications may be made for multi-year conversion work for a maximum of two years.
3. The invoice authorization form must accompany all applications.
4. All applications must be submitted using Microsoft Word Version 6 or higher and Excel Version 97 or higher.
5. ** Ensure that where license number is not included above that a letter from the MNR District Manager endorsing the process is included with this application.

1. Description of the Enhanced SFL Process

Who will be involved in the new company/arrangement? How will it be organized? If you have already developed the Conceptual Business Arrangement document please attach it to the application. Applicant/s shall ensure there is enough information provided to allow a complete assessment by the Forestry Futures Committee related to the eligibility criteria.

- A. List the participants who are expected to participate in the Enhanced SFL transition process (full legal name).

- B. Describe the proposed management area and any relevant local factors that may influence that process.(e.g. status of management unit such as Crown or SFL).
 - Can use a complexity analysis to support this discussion (see template for Complexity Analysis)

- C. Discuss how this project will align with the “Principles for Enhances Sustainable Forest License Implementation” (Principles Document).
 - Can use a gap analysis to support this discussion (see template for Gap Analysis)

- D. Discuss the project Work Plan and budget sheet (see template for Work Plan)
 - Specify Enhanced SFL participant cash and in-kind contributions, other funding sources,.
 - Describe tasks and milestones

2. Signed Authorization

Signature of Enhanced SFL Participant 1

Name, Title and Organization
(Please Print)

Date
(Please Print)

Signature of Enhanced SFL Participant 2

Name, Title and Organization
(Please Print)

Date
(Please Print)

Note: At least two Enhanced SFL Participates must sign the application. These Enhanced SFL participants agree to implement the Work Plan as submitted, as revised from time to time, and to the payment schedule and list of payees.

INFORMATION COLLECTION NOTICE:

The information may be used by the Forestry Futures Committee, the Trustee of the Forestry Futures Trust, the Minister of Natural Resources or an independent auditor of the operations of the Forestry Futures Trust to evaluate, audit, prepare reports, or provide information as may be requested under the Crown Forest Sustainability Act

The information provided in this application is collected under the authority of the Crown Forest Sustainability Act and shall be considered public information.

Any questions related to the collection of this information should be directed to the Chair of the Forestry Futures Committee.

H. Maureen Kershaw, R.P.F.
Forestry Futures Committee Chair
c/o: admin@forestryfutures.com
(807) 343-8117

3. ESFL Transition Budget Sheet

(see attached Excel sheet)

1. Complete one sheet for each year.
2. Please check and ensure that the requested dollar values in the detailed Budget Sheet match the summary provided on page 1 of 5 of this application and Work Plan.



FORESTRY FUTURES TRUST ONTARIO

Invoice Authorization Form

Proposed ESFL Name:	Office Use Only ASSIGNED ENHANCED SFL PROJECT NUMBER:
Names of Forest Included:	
<p>The following payees, whose names and signatures are shown below, are authorized to submit an invoice to the Forestry Futures Committee for reimbursement from the Forestry Futures Trust Fund, <i>for</i> work described above. The Persons listed below agree to provide records to an independent auditor of the Forestry Futures Trust pertaining to the actual cost and work accomplished for the Enhanced SFL project described above.</p>	
Signature of Authorized payee	Name, Title and Organization Affiliation of Authorized payee
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Signature of Authorized payee	Name, Title and Organization Affiliation of Authorized payee
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Signature of Authorized payee	Name, Title and Organization Affiliation of Authorized payee
Signature of Authorized payee	Name, Title and Organization Affiliation of Authorized payee

NOTE: All claims for reimbursement will need to be approved by two authorized payees. One of these authorizations must be one of the two Enhanced SFL partners that sign the Application and Terms of Project Approval.

Work Plan Template for Enhanced SFL Transition Funding Application

Enhanced SFL participants will include a completed version of this work plan template as part of the application for SFL conversion funding to support transition to an Enhanced SFL. The work plan will lay out milestones under each of the steps, describe in detail each of the tasks per milestone, and provide expected start date and duration (as appropriate). Applicants will be expected to report milestone achievements, and provide an explanation of variances if applicable, to ensure continued flow of FFT funding.

WORK PLAN	Expected Start Date	Duration/ End Date	Responsible Party	Explanation	Eligible Expenses
Step A: Conceptual Business Arrangement					
Tasks:					
Milestones:					
Interim/Final Reports:					
Step B: Business Agreements (Shareholder /Partnership)					
Tasks:					
Milestones:					
Interim/Final Reports:					
Step C: Development of Business Plan					
Tasks:					
Milestones:					
Interim/Final Reports:					

Assessment to Determine Complexity

The following is a worksheet for Enhanced SFL Participants to determine expected complexity of an Enhanced SFL transition process.

CATEGORY	ELEMENT	DESCRIPTION OF COMPLEXITY	
		CURRENT ANALYSIS	IMPACT ON COMPLEXITY
Proposed Management Area	Number and size of Management Units		
	Type of Management Units in proposed Management Area: <ul style="list-style-type: none"> • Single-entity vs Shareholder vs. Crown • Timing of amalgamation proposed? 		
Forest Industry	Forest Industry with commitments and business arrangements		
	Competition for species and products		
	Nature of business relationships amongst Local Forest Industry		
	Willingness of Local Forest Industry to participate		
	Number of Independent Harvesters		
Local Aboriginal Communities	Number of Local Aboriginal Communities within or adjacent to proposed Management Area		
	Current Aboriginal participation in forestry within proposed Management Area		
	Known interest and capacity of Local Aboriginal Communities related to forestry		
	Nature of any current relationships		

CATEGORY	ELEMENT	DESCRIPTION OF COMPLEXITY	
		CURRENT ANALYSIS	IMPACT ON COMPLEXITY
Local Communities	Number of Local Communities within proposed Management Area		
	Dependence of Local Community on the Local Forest Industry		
	Known willingness and interest to participate		
Transitional Considerations	Status of forestry industry on the Management Area (e.g. current demand, level of harvesting, etc.)		
	Impact of FMP term as it may relate to proposed Management Unit amalgamations		
	Forest Renewal Trust account status and rates		
	Roads funding considerations		
	Status and type of current forest certification and future requirements (conditions)		
	Results of independent forest audits that may impact complexity		
	Existing union and other relevant business relationships within the proposed Management Area that may impact complexity		
	Other transition considerations that may impact complexity (e.g. liabilities, FMP preparation, etc.)		
	Forest renewal backlog		
	Other liabilities (infrastructure, land tenure, etc)		

Assessment to Determine Gaps

The following is a worksheet to determine gaps between the existing governance structure/s for a proposed Management Area and the Enhanced SFL characteristics, as described in MNR's Principles Document for Enhanced SFLs.

POLICY AREA	SELF ASSESSMENT QUESTION	PROPOSED MANAGEMENT AREA ANALYSIS
Forest Management Delivery	<p><u>Enhanced SFL Characteristic</u> Is general management, including forest management, conducted by an Independent General Manager on behalf of the SFL Company?</p>	
Governance	<p><u>Enhanced SFL Characteristic</u> Does the Enhanced SFL Company have a board of directors where:</p> <ul style="list-style-type: none"> – The opportunity has been provided for a minimum of one Local Aboriginal Community Outside Director and one Local Community Outside Director? – Outside Directors have a vote in all decisions? – There is not one party or shareholder that will directly or indirectly control the Enhanced SFL Company? – All board directors have a fiduciary duty to make decisions in the best interest of the Enhanced SFL Company – The board of directors shall provide high level leadership, strategic planning, compliance and stewardship oversight, set objectives and evaluate performance of the Independent General Manager 	
Aboriginal Community Involvement	<p><u>Enhanced SFL Characteristic</u> Does the business agreement provide for the opportunity for at least one Outside Director on the board that is reserved for a Local Aboriginal Community representative(s)?</p>	
Local Community Involvement	<p><u>Enhanced SFL Characteristic</u> Does the business agreement provide for the opportunity for at least one Outside Director on the board that is reserved for a Local Community representative(s)?</p>	

**Wood Supply
Use and New
Opportunities**

Enhanced SFL Characteristic

Do the Business Agreement and other applicable documents for the SFL include provisions to make unused available Wood Supply available for use by others thereby promoting the sustainable use of the full available Crown Wood Supply?

New Entrants

Enhanced SFL Characteristic

Does the Business Agreement and other applicable documents provide opportunities for membership changes including attrition and recruitment of new shareholders and provisions for new entrants to:

- Access unused available Wood Supply, and
- Become shareholders in the SFL company (where applicable)?
