

**Forest Management and Stump-to-Forest Gate Chain-of-Custody
Certification Evaluation Report for the:**

The Pingree Lands

Managed by:

Seven Islands Land Company

**Conducted under auspices of the SCS Forest Conservation Program
SCS is an FSC Accredited Certification Body**

**CERTIFICATION REGISTRATION NUMBER
SCS-FM/COC-00079N**

Submitted to:

Seven Islands Land Company

P.O. Box 0010

Bangor, ME 04402

Lead Author: David E. Capen

Date of Field Audit: 9-11 September 2009

Date of Final Report: 31 December 2009

By:

SCIENTIFIC CERTIFICATION SYSTEMS

2200 Powell St. Suite Number 725

Emeryville, CA 94608, USA

www.scscertified.com

SCS Contact: Dave Wager dwager@scscertified.com

Client Contact: Christopher Nichols, Vice-President, cnichols@sevenislands.com

Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the general public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and the results of the evaluation. Section A will be posted on the SCS website (www.scs-certified.com) no less than 30 days after issue of the certificate. Section B contains more detailed results and information for the use of the Seven Islands Land Company.

FOREWORD

Scientific Certification Systems, a certification body accredited by the Forest Stewardship Council (FSC), was retained by Seven Islands Land Company to conduct a certification evaluation of the company timberlands located in eastern Maine. Under the FSC/SCS certification system, forest management operations meeting international standards of forest stewardship can be certified as “well managed,” thereby enabling use of the FSC endorsement and logo in the marketplace.

In September 2009, an interdisciplinary team of natural resource specialists was empanelled by SCS to conduct the evaluation. The team collected and analyzed written materials, conducted interviews and completed a 2.5-day field and office audit of the subject property as part of the certification evaluation. Upon completion of the fact-finding phase of the evaluation, the team determined conformance to the 56 FSC Criteria in order to determine whether award of certification was warranted.

This report is issued in support of a recommendation to award FSC-endorsed certification to Seven Islands Land Company for the management of its Maine forest estate. In the event that a certificate is awarded, Scientific Certification Systems will post this public summary of the report on its web site (www.scs-certified.com).

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SECTION A- PUBLIC SUMMARY AND BACKGROUND INFORMATION

1.0 GENERAL INFORMATION

1.1 FSC Data Request

Applicant entity	Seven Islands Land Company
Contact person	Christopher Nichols
Address	P.O. Box 1168 Bangor ME 04402
Telephone	207-947-0541
Fax	207-945-5148
E-mail	cnichols@sevenislands.com
Certificate Number	SCS-FM/COC-00005N
Certificate/Expiration Date	31 December 2014
Certificate Type	Single FMU
Number of FMU's <i>if applicable</i>	1
Number of FMUs in scope that are	
less than 100 ha in area	0
100 - 1000 ha in area	0
1000 - 10 000 ha in area	0
more than 10 000 ha in area	1
Location of certified forest area	
Latitude	46.7 degrees N
Longitude	69.0 degrees W
Forest zone	<i>Northern coniferous (Acadian region)</i>
Total forest area in scope of certificate which is included in FMUs that:	
are less than 100 ha in area	<i>0 ha or ac</i>
are between 100 ha and 1000 ha in area	<i>0 ha or ac</i>
meet the eligibility criteria as <i>low intensity</i> SLIMF FMUs	<i>0 ha or ac</i>
Total forest area in scope of certificate which is:	
privately managed ¹	<i>820,000 acres (557,823 ha)</i>
state managed	<i>ha or ac</i>
community managed ²	<i>ha or ac</i>
Number of forest workers (including contractors) working in forest within scope of certificate	<i>50-100</i>
Area of forest and non-forest land protected from commercial harvesting of timber and managed primarily for conservation objectives	<i>1,200 ac (approx)</i>
Area of forest protected from commercial harvesting of timber and managed primarily for the production of NTFPs or services	<i>0 ha or ac</i>
Area of forest classified as 'high conservation value forest'	<i>3,000 (approx ST. John River Corridor w/ TNC)</i>
List of high conservation values present ³	<i>HCV 4</i>
Chemical pesticides used	<i>None</i>

¹ The category of 'private management' includes state owned forests that are leased to private companies for management, e.g. through a concession system.

² A community managed forest management unit is one in which the management and use of the forest and tree resources is controlled by local communities.

³ High conservation values should be classified following the numbering system given in the ProForest High Conservation Value Forest Toolkit (2003) available at www.ProForest.net

Total area of production forest (i.e. forest from which timber may be harvested)	722,000
Area of production forest classified as 'plantation' for the purpose of calculating the Annual Accreditation Fee (AAF)	0 ha or ac
Area of production forest regenerated primarily by replanting ⁴	0 ha or ac
Area of production forest regenerated primarily by natural regeneration	722,000
List of main commercial timber and non-timber species included in scope of certificate (botanical name and common trade name)	Red spruce (<i>Picea rubens</i>) Balsam fir (<i>Abies balsamea</i>) White pine (<i>Pinus strobes</i>) Eastern hemlock (<i>Tsuga Canadensis</i>) White cedar (<i>Thuja occidentalis</i>) Red maple (<i>Acer rubrum</i>) Sugar maple (<i>Acer saccharum</i>) American beech (<i>Fagus grandifolia</i>) Yellow birch (<i>Betula alleghaniensis</i>) White birch (<i>Betula papyrifera</i>) Black ash (<i>Fraxinus nigra</i>)
Approximate annual allowable cut (AAC) of commercial timber	> 100,000 cords
Approximate annual commercial production of non-timber forest products included in the scope of the certificate, by product type	None
List of product categories included in scope of joint FM/COC certificate and therefore 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.)	Softwood pulp Hardwood pulp Softwood saw logs Hardwood saw logs Hardwood chips for chipboard Cedar for timber and shingles

Conversion Table English Units to Metric Units

Length Conversion Factors

<u>To convert from</u>	<u>to</u>	<u>multiply by</u>
mile (US Statute)	kilometer (km)	1.609347
foot (ft)	meter (m)	0.3048
yard (yd)	meter (m)	0.9144

Area Conversion Factors

<u>To convert from</u>	<u>to</u>	<u>multiply by</u>
square foot (sq ft)	square meter (sq m)	0.09290304
acre (ac)	hectare (ha)	0.4047

Volume Conversion Factors

Volume

<u>To convert from</u>	<u>to</u>	<u>multiply by</u>
cubic foot (cu ft)	cubic meter (cu m)	0.02831685
gallon (gal)	liter	4.546

⁴ The area is the *total* area being regenerated primarily by planting, *not* the area which is replanted annually. NB this area may be different to the area defined as a 'plantation' for the purpose of calculating the Annual Accreditation Fee (AAF) or for other purposes.

1 acre	= 0.404686 hectares
1,000 acres	= 404.686 hectares
1 board foot	= 0.00348 cubic meters
1,000 board feet	= 3.48 cubic meters
1 cubic foot	= 0.028317 cubic meters
1,000 cubic feet	= 28.317 cubic meters
Breast height	= 1.4 meters, or 4 1/2 feet, above ground level

Although 1,000 board feet is theoretically equivalent to 2.36 cubic meters, this is true only when a board foot is actually a piece of wood with a volume 1/12 of cubic foot. The conversion given here, 3.48 cubic meters, is based on the cubic volume of a log 16 feet long and 15 inches in diameter inside bark at the small end.

1.2 Management Context

As a land management and harvesting enterprise located in the Acadian Forest Region in eastern Maine, management of the Seven Islands Land Company Forest is subject to a host of local, state and federal regulations. The principal regulations of greatest relevance to forest managers in the Northeastern US are associated with the following statutes:

Pertinent Regulations at the Federal Level:

- Endangered Species Act
- Clean Water Act (Section 404 wetland protection)
- Occupational Safety and Health Act
- National Historic Preservation Act
- Archaeological and Historic Preservation Act
- Americans with Disabilities Act
- Forest Resources Conservation and Shortage Relief Act
- National Resource Protection Act
- National Environmental Protection Act
- National Wild and Scenic River Act
- Occupational Safety and Health Act of 1970
- Archeological and Historic Preservation Act
- National Historic Preservation Act
- Native American Grave Protection and Repatriation Act
- Rehabilitation Act
- Architectural Barriers Act
- U.S. ratified treaties, including CITES and ILO

Pertinent Regulations at State and Local Level:

At the state level, the principal regulations governing forest management include the following:

- Maine Forest Practices Act
- Maine Forest Service Rules, Chapter 20
- Maine Land Use Regulation Commission Laws and Statues, Ch. 10
- Maine Land Use Regulation Commission, Comprehensive Land Use Plan
- Maine Endangered Species Act
- Maine Natural Resources Protection Act
- Erosion and Sedimentation Control Act

- Protection and Improvement of Water Act
- Maine Human Rights Act

County and local regulations, especially those related to road use and scenic viewsheds, are part of the regulatory landscape and are relevant, but do not typically play a prominent role as compared to state and federal regulations. Notably, a portion of the Seven Islands Land Company's forestlands are subject to regulation of the Maine Land Use Regulation Commission (LURC). This Commission was established by the State legislature in 1971 to serve as the planning and zoning authority for the state's townships, plantations and unorganized areas. The Commission has land use regulatory jurisdiction over these areas because they have no form of local government to administer land use controls, or they have chosen not to administer land use controls at the local level. LURC rules and standards cover a number of areas relevant to the management of the defined land holdings, including policies covering timber harvesting, deer yard issues, erosion control on logging jobs, roads and water crossings. LURC permits are required for certain activities within certain designated protection zones (i.e., wetlands, fish/wildlife zones and aquifer protection areas). Other policies/regulations pertinent to BP&L are found in LURC's Lake Management Program, amended 1990, and Rivers with Special Protection Plan.

Maine also has a set of forest practice regulations, promulgated and administered by the Maine Forest Service. These regulations require that the Forest Service be notified of all commercial timber harvests, and that areas and volumes harvested be reported annually. All clearcuts over 5 acres require separation zones; clearcuts over 20 acres must have a silvicultural justification on file; clearcuts over 75 acres require prior review by the Forest Service and more detailed management plans.

Aside from the state forest practice regulations, the overriding and most influencing body of regulations governing management of the defined lands is the federal Endangered Species Act. Of particular significance are recent listings under the federal Endangered Species Act for anadromous runs of Atlantic salmon. Under both the state Forest Practices Regulations and the federal Endangered Species Act, there is a focus placed on long-term management planning.

1.2.1 Environmental Context

About 90 percent of Maine's total land area is forested (17.7 million acres or 7.2 million ha), and 95 percent of this area (16.9 million acres/6.8 million ha) is considered productive forestland. In addition to being the most heavily forested state, Maine has the highest percentage of forestlands in private ownership at 95 percent. Small, non-industrial private forest landowners manage 37 percent of the productive land, mostly in the southern and central portions of the state, whereas large private forest landowners manage about 59 percent, mainly in the north and northeast regions of the state. State and County governments own approximately 4 percent of the productive forestland.

1.2.2 Socioeconomic Context

The forests of Maine play a major role in shaping the State's economy and environment. They are a vital source of raw materials for the forest products industry while supporting a wide variety of recreational activities. Together these activities generate 18 percent of the gross state product, approximately \$6 billion. In addition to their economic significance, Maine's forests host a wide array of plant and animal species and play a critical role in maintaining water quality and aquatic habitat.

Maine's coastal towns, including the City of Portland, have experienced substantial economic growth since the 1980s. These regions are currently experiencing renewed growth in response to national

economic patterns. Aroostook County and other regions encompassing the Pingree Heir lands, however, are part of what some term the “other” Maine that has been bypassed by the economic boom. In addition, several central Maine pulp mills have changed ownership in recent months with some of these transfers resulting in separate owners for mills and forestlands. It has been, therefore, a particularly unsettling time for some workers in the forest products industry. Many Maine residents are also concerned about public access on these recently sold lands, which have a long history of public recreational use. With these land transactions, the Pingree Heir’s represent one of the region’s oldest landowners and many appreciate the company’s stated intent to manage the forest for the long-term.

Maine is home to four federally recognized Native American or First Nation peoples. These are the Penobscot, Passamaquoddy, Maliseet, and Micmac. In 1980 the *Maine Indian Claims Settlement Act* was signed into law. At the time, the Act was the largest Native American settlement of its kind in the U.S. and was the first to include provisions for the reacquisition of tribal lands. Under the terms of the Settlement, the Penobscots and Passamaquoddies gave up future claims to their aboriginal lands in exchange for over \$80 million in Federal trust fund and land acquisition monies. The Settlement also provided a smaller amount of land acquisition funds and Federal recognition for the Houlton Band of Maliseets. The Aroostook Band of Micmacs and those Maliseets who were not members of the Houlton Band also claimed title to parts of present day Maine. Under the terms of the Act, however, these groups received no land or money, and their claims were extinguished. Subsequently, in 1991, the Aroostook Band of Micmacs received Federal recognition as an official tribe.

1.3 Forest Management Enterprise

Seven Islands Land Company is a full-service forest management company based in Bangor, Maine. Established in 1964 by the Pingree family, Seven Islands administers and oversees the day-to-day management of the timberlands owned by the Pingree family heirs, 785,000 acres. The Pingree timberlands are described as follows in the management plan:

The ownership history of the lands managed by Seven Islands Land Company starts in 1841 with David Pingree. Maine had recently become a state, having previously been part of Massachusetts. The area that is now Northern Maine had been divided into six-mile square townships and was being sold at auction. The land was purchased in the traditions of seafaring captains who dared not shoulder all of the risk associated with a ship and its cargo. Instead, groups pooled their resources and purchased land to be held “in-common-and-undivided.” This ownership form spread the risk of natural disaster, so that no single owner would be ruined by a disastrous fire or outbreak of insect or disease.

Around the turn of the twentieth century, some of the traditional family ownerships were sold to corporations that used the land to supply lumber and paper mills. The Pingree family maintained its ownership and became an “in-common-and-undivided” partner with these corporations. Over the decades, the family’s conservative approach to forest management began to conflict with some of the corporate objectives. The family orchestrated a separation of ownerships during the 1960’s, 70’s and 80’s until it had consolidated the ownership into 100% owned blocks, all under central management. From over two million acres of joint ownership, there emerged just under 1 million acres owned outright. Beginning in 2004, two branches of the Pingree Family, Phillips and Wheatlands, further separated ownership interests within the Northern Maine lands, selling lands in the Top of Maine to a timber investment company. Although these lands are still managed by a Seven Islands Land Company subsidiary company, they are no longer part of the Pingree forest or the certified land base relevant to this re-assessment.

The Pingree family formed Seven Islands Land Company to professionalize management of the land. The name comes from at least three separate clusters of islands on different rivers all within the ownership. The best known of these was, in river driving days, a major logging support farm on the St. John River.

In 1990, the Pingree family deeded over 5,000 acres to the Nature Conservancy for the Big Reed Forest Reserve. In 2001, the family partnered with the New England Forestry Foundation to protect approximately 80 percent of the Pingree forest from development, while continuing the focus on keeping the timberlands productive. Seven Islands has also pioneered cooperative management agreements with the State of Maine and other landowners to protect valuable wildlife habitat such as deeryards, heron rookeries, falcon and eagle nesting sites, and unique natural areas for rare and endangered species such as the Furbish lousewort. We support and encourage research projects such as the Manomet's study of migratory bird populations in selectively managed forests currently being conducted in our forest. The forest lands are open to the public for traditional recreational use.

1.3.1 Land Use

The Pingree lands are comprised of two larger management units, northern Maine and Rangeley. The northern Maine management unit is made up of three individual management regions Ashland East, Ashland West and St. Pamphile. The northern forest of Maine is commonly referred to as the North Maine Woods and encompasses approximately 10 million acres of contiguous woodlands, 95% of which is privately owned. Within that footprint is the Pingree ownership both in the northern Maine and Rangeley regions. The northern Maine region is nearly completely contained within the North Maine Woods bounded by the Canadian border to the north and west and Rt. 11 to east. The lands in this region have been part of the industrial, forest landscape for over the past century. Names associated with Maine's distinguished timber history include Great Northern Paper Company, Irving Woodlands, Champion Paper Company and the Pingree Family. Much of the forestland has changed hands several times since the 1970s, but the dominant land use still is managed forests.

Lands surrounding Rangeley have undergone similar land ownership changes. Some previous major regional timberland owners were Brown Company, Crown Vantage, Mead, Mead-Westvaco, and International Paper. Current owners include Black Bear Forest, Bayroot, Kennebec West and the Pingree Associates. The Rangeley area, however, has seen more conversion of managed timberland to uses associated with the popularity of the area for outdoor recreation.

Management and harvest operations have been largely driven by the spruce-budworm epidemic through the end of the 1970s and early 1980s. There was also an expansion of forest products milling capacity in the region. The industrial landowners expanded their investments in intensive silviculture - planting, density spacing and herbicide spraying. This change in management focus and intensity combined to significantly change the Northern Maine forest landscape. The management techniques used by the major forest owners and managers in the region vary. Several have maintained a conservative approach to management while others have aggressively pursued intensive forest management models.

1.3.2 Partial Certification- Land Outside Scope of Certification

Seven Islands Land Company has not excluded any lands under ownership or management from the scope of certification.

1.4 Management Plan

The Management Plan for Pingree lands was revised extensively in 2009, prior to the re-assessment. The following information was excerpted from the Forward of the plan:

The 2010--2059 Pingree Strategic Forest Management Plan is a continuing effort of Seven Islands Land Company to strategically plan, document and carry-out management activities on the Pingree family timberlands. The five-year planning process has proven to be a valuable and enlightening management tool. It has provided a periodic point of reference to review past performance as well as a starting point for implementing a strategic plan for the future.

This document is similar to five-year plans of the past but in many ways, it is different. This plan builds on the foundation of past plans through continual improvement in the identification and development of goals, strategies, and recommendations to achieve the landowners' goals and objectives.

The plan is to identify and describe the three broad categories of resource planning: Management Planning; Timber Resource Management; and Ecological Resource Management (non-timber). Through further refinement of these categories we address how this forest will be managed to meet the needs of the landowners, Seven Islands, and society consistent with the principles of sustainable forestry.

A secondary intent of the document's format is to address the topics that are required by the newest revision of the Forest Stewardship Council's (FSC) Standards. FSC outlines expectations of information to be included in a forest management plan "relative to scope and size of the ownership."

1.4.1 Management Objectives

The public summary of the Seven Islands management plan for Pingree lands (2009) describes landowner objectives as follows:

The management program for the Pingree lands is designed to achieve a set of clearly defined landowner objectives: (1) To protect landowner rights as well as land and timber values; (2) To protect aesthetic values; (3) To provide an after tax return that is comparable over the long-term with competitive uses of capital; (4) To manage the lands as a commercial forest to provide for multiple use of the forest; and (5) To increase utilization per acre and to develop new markets for forest products.

Two elements of the forest management program provide the basis for program design and implementation. They are the management philosophy and the management objective.

Management Philosophy: The management philosophy is guided by our recognition that the forests of the northeast are unique; that they have an unusual ability to respond to well designed and deliberate management. The abundance of shade tolerant species lends itself to management using selection and shelterwood systems mimicking natural forest processes.

The historical treatment of the lands for the past 160 years is equally important in the design of the management program. The use of partial harvest regimes, reliance on natural regeneration, and understanding natural forest processes have been hallmarks of the management of the Pingree lands.

Management Objectives: The goal of the management program is to work with natural forest processes to grow sawtimber of superior quality and value over the long-term, while always seeking to enhance the underlying value of the asset.

1.4.2 Forest Composition

The Pingree lands are located in the transition zone between the northern hardwood region, which is dominated by beech, birch, and maple, and the boreal spruce-fir forest. This transition zone, called by some the Acadian Forest, is rich in species diversity and micro-site variation. Boreal species, such as balsam fir, white and black spruce, tamarack, and white birch, tend to be at the southern end of their range in this area, while species such as red spruce, hemlock, and white and red pine tend to be at the northern end of their ranges. The western Maine property is closest to the northern hardwood type, but with spruce-fir dominating the harsher sites. The area in northern Maine west of the Allagash and extending to the top of Maine is dominated by purer spruce-fir types with hardwoods and mixed-woods prevalent on better-drained sites. Indicative of the transition zone in which the property lies, however, most all townships will contain stands in the full continuum from softwoods to mixed-woods and hardwoods.

1.4.3 Silvicultural Systems

A full array of silvicultural techniques is employed to achieve management objectives. Practices typically include crown thinnings, cleanings, weeding, and regeneration cuttings including clear-cutting, group selection, shelterwood or other appropriate system consistent with meeting planned outcomes. The northern forest is designed to naturally regenerate itself. Adequate moisture, heavy soils with a deep organic layer, species that produce abundant and copious amounts of seed, and regeneration that will persist for long periods in the understory until released, are conducive to a natural forest management system that capitalizes on these characteristics.

Management works to emulate the processes of succession and regeneration that occur naturally in this forest, not the patterns or timing of those processes. Naturally occurring successional and development patterns, inherent to the Acadian forest, create boom and bust cycles or waves of growth; whereas, the managed forest's goal is to regulate age classes, achieve target diameter distributions and target species composition. The silvicultural philosophy emerges from the belief that this forest can be managed naturally to meet the economic goals and demands of ownership consistent with the ecological and social objectives.

1.4.4 Management Systems

The Pingree Lands are managed as a single forest management unit, but are divided into three management districts, each with a unit manager and a staff of 2-4 management foresters. Seven Islands Land Company maintains a central office in Bangor, and field offices in Rangeley and Ashland. Field offices and residential camps are located in St. Pamphile and Thoroughfare Brook. The company has a President, a Vice-President, a Land Use Manager (Public-use Specialist), Chief Silviculturalist, GIS specialist, harvest modeling specialist, and appropriate personnel for management of budgets and human resources. In addition, a member of the Pingree Family resides in the Bangor Office and interacts regularly with Seven Island Land Company.

Seven Islands uses the contract logging system for harvest contracting. The company has maintained numerous long-term relationships with harvest contractors, negotiating new contracts on an annual

basis. Contracts stipulate a guaranteed volume and price to the logger, but Seven Island maintains ownership of the harvested products until they are delivered to mills.

1.4.5 Monitoring System

Monitoring of the Pingree Forest is almost constant. A portion of the lands is inventoried each year, with a 5-year rotation, to maintain information on volume, species, and size class. On 10-year intervals, renewed mapping and type delineations are contracted. Numerous items of an informal nature are routinely recorded by management foresters and transferred to the company's GIS database. Monitoring of game species is done in cooperation with Inland Fisheries and Wildlife. Public use information is gathered through the Maine North Woods cooperative.

1.4.6 Estimate of Maximum Sustainable Yield

Modified from the 2010 Management Plan:

The use of computer models by Seven Islands Land Company to predict annual allowable harvest levels is an on-going process; an art as well as a science. The goal is to mimic forest growth, mortality, regeneration and harvesting and pre-commercial practices as accurately as possible. The company has stayed current in modeling technology. In 1987, Seven Islands used an even-aged forest model, HARVEST, to calculate an Annual Allowable Cut (AAC). The model is very crude by today's standards, but provided an essential first step in regulating the harvest. From 1995 through 1999, the ForMaine Model to calculate an AAC. In 1999, the company began working with the Woodstock Model to develop the AAC. The Woodstock model was much more flexible and powerful than the ForMaine Model. Woodstock was used in conjunction with a linear programming model (C-Whiz) that allowed solving for optimum solutions given a set of goals and constraints.

In the recently revised management plan, Seven Islands' staff developed a strategic forest management model for its Maine forest utilizing Woodstock forest modeling software, growth and yield models (FVS and GNY), a range of silvicultural alternatives, forest management objectives, constraints, and an appropriate stratification scheme. Woodstock is a flexible modeling environment that allows for a wide-range of silvicultural treatments, detailed tabular and graphical reports on outputs, and relatively easy integration with other analytical tools.

The strategic forest management model presented in this report details harvest timing, acres, and volumes for overstory removals and thinnings over a planning horizon of 50-years detailed in 5-year periods. This schedule is a subset of a 100-year planning horizon used in the Woodstock model. The convention for harvest scheduling models is to extend the planning horizon to eliminate artifacts due to "end of planning horizon" effects that are common to all planning models.

1.4.7 Estimated, Current and Projected Production

As described above, Seven Islands has recently revised the management plan for Pingree Lands based on enhanced modeling methods and new inventory data. The plan simulates allowable harvest and growth for a 50-year period. These estimates for allowable harvest will, of course, be revised annually as the model is calibrated with new information. Specific data on stocking and harvest are considered to be confidential by Seven Islands' managers, and as such as not included in this public summary of the certification report.

1.4.8 Chemical Pesticide Use

Seven Islands's Management Plan contains the following statement regarding use of chemicals in the forest: "Seven Islands generally avoids the use of forest chemicals. It use of chemicals since 1967 has been limited to experimental applications, with the exception of the use of Bt for budworm control in the early 1980s."

2.0 GUIDELINES/STANDARDS EMPLOYED

As the applicant forest property is located in Maine, the certification evaluation that is the subject of this report was conducted against the duly-endorsed FSC Northeast Regional Standard (Version NE Final 9.0, 2/10/05). The standard is available at the FSC-US web site (www.fscus.org) or is available, upon request, from Scientific Certification Systems (www.sccertified.com).

3.0 THE CERTIFICATION ASSESSMENT PROCESS

3.1 Assessment Dates

The field assessment was conducted on 31 August through 4 September 2009. Preparation for the field audit involved a review of reports from previous audits, maps and spreadsheets of areas where harvest activities occurred during the past 3 years, and review of a revised management plan (2009).

3.2 Assessment Team

A four-person team conducted the assessment. David Capen was the Lead Auditor; he was a member of the team for the 2005 re-assessment and has conducted annual surveillance audits each year since that time. Gerald Grossman was a member of the FSC team, but also conducted a concurrent surveillance audit for Seven Island's SFI certification. Jessica Leahy participated in the entire audit, met before the audit with Sarah Medina, to discuss public use of Pingree lands, and also spent time contacting stakeholders. Finally, Robert Seymour was asked to do a special analysis of the portion of the revised management plan that presented details of the harvest strategy and modelling of AAC. He did this review outside of the dates of the audit, but met with the rest of the team during the audit to discuss his findings.

David Capen: Dave is a Professor Emeritus in the Rubenstein School of Environment and Natural Resources at the University of Vermont. He has a B.S.F. degree in Forestry from the University of Tennessee, an M.S. degree in Wildlife Management from the University of Maine, and a Ph.D. in Wildlife Science from Utah State University. He has been a faculty member at the University of Vermont since 1976, having recently retired from teaching. David is a Certified Wildlife Biologist, and was formerly a Certified Forester (2002-2008). He has conducted numerous FSC audits in Massachusetts, Maine, Michigan, Indiana, New York, and Minnesota.

Gerald Grossman, ACF & CF, is a SFI Lead Auditor for NSF – International Strategic Registrations. Gerald has led or participated in over 40 Sustainable Forest Initiative (SFI) certifications throughout the Eastern United States. Gerald has a B.S. in Forestry from the University of Michigan and a M.S in Forestry and M.B.A. from Michigan State University. He has been President of Grossman Forestry Company, a full service consulting forestry firm located in the

Eastern Upper Peninsula of Michigan, since 1990. The Grossman Forestry Company employs 7 full time foresters and manages over 260,000 acres of timberland for a wide variety of landowners.

Jessica Leahy is an Assistant Professor in the School of Forest Resources at the University of Maine. She is also a Tourism Fellow at the Maine Center for Tourism Research and Outreach. She has an Honors B.S. degree in Forest Recreation Resources from Oregon State University with a concentration in environmental interpretation, an M.S. degree in Forest Resources from Oregon State University with a minor in environmental and resource economics, and a Ph.D. in Natural Resources Science and Management from the University of Minnesota in the economics, policy, society and management track. Jessica teaches in the Parks, Recreation and Tourism program offering courses in outdoor recreation management, environmental interpretation, and issues and ethics of parks, recreation & tourism. Her research is broadly in the human dimensions of natural resources field and includes studies in: social psychological aspects of family forest landowners (including forest certification), trust in natural resource organizations, social capital and civic engagement in public involvement processes, media effects, and land use change impacts on parks, recreation and tourism.

Robert Seymour is the Curtis Hutchins Professor of Silviculture, in the Department of Forest Ecosystem Science at the University of Maine, where he teaches courses in silviculture, the spruce-fir industrial ecosystem, and forest stand dynamics. His research interests include production silvicultural practices, forest canopy structure, and ecologically based silvicultural systems. He has 25 years of experience in research and management of forests in the Acadian region of northeastern North America. He has authored or coauthored over 50 refereed publications and four book chapters. Prior to assuming the Hutchins Professorship in 1987, he worked as the timber management program leader for the Cooperative Forestry Research Unit from 1981-1987. He has served on FSC certification evaluation teams for six landowners in North America totaling over 8 million acres. He holds a B. S. in forestry from Ohio State University, and a Master of Forestry and Ph. D. in silviculture from the Yale School of Forestry and Environmental Studies.

3.3 Assessment Process

3.3.1 Itinerary

31 August 2009

7:30am: Audit team meeting, Comfort Inn, Bangor Maine

9:00am: Opening meeting, Seven Islands Land Company Office, Bangor Maine

Attendees: John McNulty, Chris Nichols, Greg Davis, David Capen, Jessica Leahy, Jerry Grossman

Agenda Items: Introductions; review agenda; overview of Seven Islands Land Company and its management; legal requirements; stakeholders; personnel; working conditions and benefits; management systems; silviculture; inventories, data systems, and calculation of allowable harvest.

1:00pm: Audit team members split up to meet with Steve West, GIS specialist; Ian Prior, harvest modeling specialist; and Terri Triandafillou, Treasurer.

4:30—6:30pm: Meeting with Robert Seymour to discuss review of harvest modeling.

6:30—9:00pm: Travel to Ashland.

1 September 2009

8:00 --10:00am: Opening Meeting, Seven Island's office in Ashland, Maine

Attendees: Christopher Nichols, Greg Davis, Roland Taggett, Ken White, Ian Prior, Pat Boyd, Sean Bugbee, Stan Perry, John Jondreau, David Capen, Jessica Leahy, Jerry Grossman

Agenda Items: Job descriptions and training of personnel present; safety record and safety procedures; interaction with local businesses and landowners; road construction and maintenance; contractors and their performance; BMP training for contractors; revised management plan and increase in annual harvest; deer-yard management and other wildlife/biodiversity issues; discussion of field sites selected for audit.

10:00am-1:00pm: Visit to concentration yard in Nashville Plantation to observe procedures for maintain control of custody. Visit to Scale House, interview with Ryan Wishart, scale manager, about record keeping for logs delivered for lumber mill and chip mill and chain-of-custody procedures for certified products.

1:00—6:00pm: Visit to field sites in Ashland East district. Travel to Thoroughfare Brook camp in Ashland West.

2 September 2009

7:00-9:00am: Travel to St. Pamphile district.

9:00-10:00am: Interviews with district staff, St. Pamphile office and camp.

Attendees: Christopher Nichols, Greg Davis, Francois Quirion, Scott Stevens, David Capen, Jessica Leahy, Jerry Grossman.

Agenda Items: Silviculture in spruce-fir; winter deer yards, road and bridge construction; challenges for workers from Quebec commuting daily; training, safety records, dispute resolution; selection of field sites.

10:00am—4:00pm: Inspection of harvest sites in St. Pamphile district.

4:00—6:00pm: Travel back to Thoroughfare Brook camp

3 September 2009

7:00--8:30am: Interviews with staff of West Ashland district and Unit Manager of St. John Unit.

Attendees: Christopher Nichols, Greg Davis, Bill Brown, Larry Hamilton, Jon Pinette, David Capen, Jessica Leahy, Jerry Grossman

Agenda Items: Hiring and training for new employees; company benefits; management within the Allagash Wilderness Waterway; biodiversity issues and endangered species management; Critical Habitat for Canada lynx, road construction; selection of field sites.

8:30am--2:00pm: Visit field sites in Ashland West district

3:00—6:00pm: Audit team returns to Bangor

4 September 2009

8:00—11:00am: Audit team discusses findings and prepares for closing meeting

11:00am--12:30pm: Closing meeting.

Attendees: Christopher Nichols, Ian Prior, David Capen, Jessica Leahy, Jerry Grossman

3.3.2 Evaluation of Management System

The management system of Seven Islands Land Company was evaluated by meeting in the company office in Bangor, Ashland, Thoroughfare Brook, and St. Pamphile, where auditors conducted interviews with numerous company employees (see attendees listed above). While in the company office, numerous records were requested to verify and complement information presented in the company's recently updated management plan. The evaluation then moved to company lands, where 19 sites were visited (see below). Further evaluation of the management system took place through interviews with logging contractors, local business owners, and other stakeholders.

3.3.3 Selection of FMU's, Management Blocks to Evaluate

Lands managed by Seven Islands Land Company comprise a single FMU, composed of lands in three units. Two of the units are in northern Maine, the focus of the audit after leaving the company's Bangor office. The other unit is a 3-hour drive in the other direction; it was not visited during the re-assessment, but was the focus of a surveillance audit in 2008, conducted by two of the three members of the assessment team.

Prior to the assessment, the lead auditor requested from Seven Islands Land Company a complete listing of all blocks where management activities had occurred in the past three years. From that list, the auditor selected a random list of units, and then further refined the list to assure a variety of forest types and harvest activities. The list included 18 sites, 6 in each of the districts visited: Ashland East, Ashland West, and St. Pamphile. The list was modified slightly in the field, to reduce distances between sites.

3.3.4 Sites Visited

1 September 2009

- **Nashville Twp concentration yard.** Procedures for delivering hardwood logs, sorting by product, and transport to nearby mill. Mill is shut at present because of slow markets for lumber, but some piles of logs have been delivered recently. Inspected some logs set aside as birds-eye maple and veneer maple.
- **Scale House in Nashville.** Interview with Ryan Wishart, who records weight of loaded trucks, enters all relevant information into computer, takes all copies of trip tickets, then waits until truck returns empty when he records total weight of load, keeps 2-3 copies of trip ticket, returns one to trucker. He then sends tickets to SILC offices for payment. Produces weekly reports.
- **T13 R8.** Fall 2008 harvest; Sullivan contractor, OSR with feller-buncher. Deer yard with a variance for harvest; worked with Rich Hoppe, IFW, on prescription to increase vigor of

- **T13 R8 Hairpin North Road.** Fall 2008 harvest by Sullivan. Chipping taking place on the landings today, but not part of the harvest operation. Chips are for biomass use at the Boralax Plant in Ashland. Otherwise, the landing area had been adequately cleaned up. Walked some harvest trails and inspected waterbars. Waterbars were basic, but closely spaced and adequate. Pat Boyd was the forester.
- **T11 R 9 Dow Camp Road.** Culvert installation in 2008. Squashed culvert with 54" diameter; well installed and nicely grassed in.
- **T11 R9/T11R8 Lovejoy Ridge.** Drove by 4-yr-old PCT, tornado damage more than 20 years ago with amazing pole-sized hardwood regeneration. Inspected and walked through large harvest area conducted over winters of 2008-09; Nadeau Lumber was the contractor and Greg Davis was the forester. A series of block cuts where most of the overstory was removed, interspersed with blocks of no harvest. This was an effort to avoid windthrow if heavy selection was used. Will return to this harvest area in less than 10 years. Inspected wooden culvert, which was installed in winter. Culvert was not in good shape; end of winter 2008 produced heavy run-off that washed some plants downstream and much of the gravel topping of culvert

2 September 2009

T15 R15. Visit to active PCT site and interview with foreman of mixed crew of Mexicans and Hondurans. Santiago spoke decent English, is from Mexico, and has worked in Maine for last 4 summers. He reported that all workers wear required safety gear (boots, chaps, gloves, ear and eye protection, and hardhat. Said the crew works 40 hours/week; Mexicans live in St. Pamphile, but Hondurans have to stay in US and commute farther to work. We observed one worker, who was operating safely.

T15 R15. Quick stop at bridge where a log truck struck a grader 2 weeks ago and both ended up in river. About 60 gals of fuel were spilled in or near the water. DEP was called; they recommended a boom in the water and absorbent material on the rocks where fuel had spilled. François canoed the river several days later to look for evidence of oil.

T15 R15. 2008 clearcut (decent retention) done by Robinson Lumber using processor and forwarder. Lots of regeneration and will be evaluated in 1-2 years for possible herbicide application.

T15 R15 90 degree Road. Spring 2009 harvest by Robinson Lumber, mostly OSR. Landings were cleaned up with bulldozer in early spring, a bit messy with piles of soil, but acceptable. François wants future cleanup to be done with excavator.

T15 R14/T15 R15 . Stopped at town line property boundary to inspect blazes and paint used to mark boundary lines. This one was painted in 2005. SILC still maintains boundary marks on a 10-year cycle.

T15 R15. Spring 2009 YCT (young commercial thinning) by Conifor Inc., using small processor and medium-sized forwarder. Harvested only fir <6 inches, leaving other stems, including low value species to provide support for high value trees. Excellent result; lots of DWD, narrow trails, no soil damage.

3 September 2009

T8 R14 Narrow Ridge. Harvested winter 2009 by Germaine Roy crew; review of PEP form for this site; hardwood improvement cut, mostly large trees, but nice, diverse stand structure remains.

T8 R14 Narrow Ridge. Same crew as above, but a current operation, using feller-buncher and skidder; inspected abundant waterbars and noted plenty of residual basal area, numerous snags, and abundant woody debris.

T9 R13, Snare Brook. March 2009 harvest; within 1-mile buffer of Eagle Lake, part of Allagash Waterway. Cut-to-length processor used, taking larger spruce and fir. No landings were used, logs taken to roadside in winter; wet ground, but careful layout of harvest and little evidence of the harvest was visible from the road. Germaine. Roy was the contractor.

T8R12, Dunphy Ridge. Area blew down in 1979; a large salvage operation left a 450-acre clearcut. Herbicide was applied in 1985, then PCT in 1993. A “young commercial thinning” operation took place on part of the area during summer 2009.

T8 R11, Big Pillsbury Pond. Late 2008-2009 harvest by G. Roy using large cut-to-length processor. A bog was studied recently by naturalists looking for the endangered Clayton’s Copper Butterfly, which lays eggs only on a single plant species, Shrubby Cinquefoil. Observed a bald eagle at the site.

T8 R11, Haymock Lake. Inspected a camp lease site; discussed permit need to build a drive to the camp. B&L Logging contractor conducted a summer 2008 harvest in a mixed spruce, sugar maples, and yellow birch stand; prescription was for overstory removal with reserves.

3.3.5 Stakeholder Consultation

Pursuant to SCS protocols, consultations with key stakeholders were an integral component of the evaluation process. Consultation took place prior to, concurrent with, and following the field evaluation. The following were distinct purposes to the consultations: (1) to solicit input from affected parties as to the strengths and weaknesses of Seven Islands Land Company’s management, relative to the standard, and the nature of the interaction between the company and the surrounding communities; and (2) to solicit input on whether the forest management operation has consulted with stakeholders regarding identifying any high conservation value forests.

Principal stakeholder groups of relevance to this evaluation were identified based upon information from previous audits, lists of stakeholders from the Seven Islands Land Company, and additional stakeholder contacts from other sources (e.g., chair of the regional FSC working group). The following types of groups and individuals were determined to be principal stakeholders:

- Seven Islands Land Company employees, including headquarters and field
- contractors for forest harvesting and road construction
- lease holders
- nearby property owners
- pertinent Tribal members and or representatives
- Members of the Northeast FSC Working Group/National Initiative
- FSC International
- Local and regionally-based environmental organizations and conservationists

- Local and regionally-based social interest organizations
- Forest industry groups and organizations
- Purchasers of logs harvested on Seven Islands Land Company forestlands
- Local, State and Federal regulatory agency personnel
- User groups, such as hikers, ATV users, and others
- Other relevant groups

Prior to, during, and following the site evaluation, a wide range of stakeholders from the regional area were consulted in regard to their relationship with the Seven Islands Land Company, and their views on the management of the Pingree Forest. Stakeholders included FSC contact persons, government and non-government organizations involved in forest management, local citizens and groups, employees, contractors, and others. Stakeholders were contacted with a notification mailing soliciting comment and/or phone contact. Comments were received via meetings and personal interviews “face-to-face”, phone interviews (“Interview”), and through written responses. An online survey was distributed 30 days prior to the field audit. Seven survey responses were recorded. Four stakeholders provided names, while three chose to remain anonymous. Three stakeholders were from public agencies, one environmental organization, one contractor, and two unspecified affiliations. Except for one stakeholder, all stakeholders gave neutral to strongly agree responses, or no opinion, for all items on the survey. Individuals or groups not offering feedback are labeled “no response” (“NR”). Additional comments may have been received from individuals not wishing to reveal their identities.

Name	Affiliation	Consultation
John Buffum	New England Forest Rally	Interview
Tom Charles	ME Bureau of Parks and Lands	Written
Al Cowperthwaite	North Maine Woods, Inc.	Interview
Andy Cutko	Maine Natural Areas Program	Interview/Written
Bill Galbraith	Land Use Regulation Commission	Interview
Joy Harvey	ATV Maine	Interview
Regional Biologist	Maine Dept. Inland Fisheries & Wildlife	Written
---	Huber Resources	NR
---	Logging Contractor	NR
---	Logging Contractor	NR
---	Logging Contractor	NR
---	Logging Contractor	NR
---	Logging Contractor	NR
---	Maine Audubon	NR
---	Maine Dept. Inland Fisheries & Wildlife	NR
Patrick Stauch	Maine Forest Products Council	Interview
---	Maine Sustainable Forestry Initiative	NR
---	Maine TREE Foundation	NR
---	Manomet Center for Conservation Sciences	NR
Spencer Meyer	Cooperative Forestry Research Unit	Face-to-face
Bob Meyers	Maine Snowmobile Association	Interview
Tom Morrison	Maine Bureau of Parks and Lands	Interview
Bill Patterson	The Nature Conservancy	Interview
Chris Pryor	New England Forestry Foundation	Interview
---	Prentiss & Carlisle	NR
---	Private consultant	NR

Carol Redelsheimer	Baxter State Park	Face-to-face
Russell Roy	Penobscot Indian Nation	Interview
John Rust	Maine Professional Guides Association	Interview
---	The Nature Conservancy	NR
Tom Whitworth	Maine Forest Service	Interview

3.3.5.1 Summary of Stakeholder Concerns and Perspectives and Responses from the Team Where Applicable

A summary of the comments on the standard (where applicable) and major perspectives and concerns expressed by the stakeholders that were consulted during the course of this evaluation include:

Economic Concerns

Comment/Concern	Response
<ul style="list-style-type: none"> Seven Islands is an active participant in the Maine Forest Products Council and SFI Implementation Committee 	Comments noted
<ul style="list-style-type: none"> The Company practices forestry in a manner that shows regard for rivers, lakes, and ponds, which are critical to the regional economy. 	Comment noted
<ul style="list-style-type: none"> The company contracts with qualified service providers (two respondents). 	Comment noted
<ul style="list-style-type: none"> The company follows good business practices (two respondents). 	Comment noted
<ul style="list-style-type: none"> The company procures goods and services locally. 	Comment noted

Social Concerns

Comment/Concern	Response
<ul style="list-style-type: none"> Seven Islands supports local businesses and contributes to local educational activities. 	Comment noted
<ul style="list-style-type: none"> I've worked for Seven Islands for many years and they have always treated me fairly—they are one of the top two or three forest management companies in Maine to work for. 	Comment noted
<ul style="list-style-type: none"> From Tribal Representative: We have no interests in Seven Islands' lands, but they do contact me on occasion. 	Comment noted
<ul style="list-style-type: none"> "Seven Islands is the most considerate landowner in the state with regard to forest management and community engagement." 	Comment noted
<ul style="list-style-type: none"> Seven Islands has been a good partner—have worked with them on the Tourism Commission and Sportsman's Forest Landowner Alliance. 	Comment noted
<ul style="list-style-type: none"> Seven Islands have been great in dealing with New England Forest Rally, better than some other landowners. 	Comment noted

<ul style="list-style-type: none"> • Seven Islands does not allow ATVs on Pingree lands, but they are active on boards of organizations involved with outdoor recreation and state their positions professionally. 	Comment noted
<ul style="list-style-type: none"> • Bonded Canadian laborers and Latin American workers are taking woods jobs for Americans. 	The audit team focused on this issue. Seven Islands is in compliance with state laws. Contractors from Canada and Mexico are registered to do business in Maine. Pre-commercial thinning work is not sought out by local workers.

Environmental Concerns

Comment/Concern	Response
<ul style="list-style-type: none"> • There have been no recorded violations of LURC regulations in the last 5 years. 	Comment noted
<ul style="list-style-type: none"> • Seven Islands had an inadvertent violation of clear-cutting regulations several years ago, but they were very cooperative in addressing the violation and participating in training for employees. 	Comment noted
<ul style="list-style-type: none"> • The Company maintains a quality road system (three respondents). 	Comment noted
<ul style="list-style-type: none"> • In recent years, Seven Islands has cooperated in allowing ecologists from MNAP to conduct surveys on Pingree lands. 	Comment noted
<ul style="list-style-type: none"> • Seven Islands sometimes cooperates with MIFW on deer yard management, but they seem reluctant to work with state biologists. 	Comment noted
<ul style="list-style-type: none"> • TNC cooperates with Seven Islands on a voluntary plan for management of St. John River property; contacts are infrequent, but have not heard any negative comments about the company. 	Comment noted
<ul style="list-style-type: none"> • Seven Islands is an active participant in Cooperative Forest Research Unit and has a history of providing research sites and hosting graduate students. 	Comment noted
<ul style="list-style-type: none"> • Seven Islands works very cooperatively with Maine Bureau Parks and Lands and is active on advisory committees. One of the most cooperative landowners in the state. Very professional regarding the Allagash Wilderness Waterway harvesting restrictions. 	Comment noted
<ul style="list-style-type: none"> • New England Forestry Foundations holds the conservation easement on Pingree lands; there have been no violations. Any disagreements on allowable uses have been settled professionally. 	Comment noted

Seven stakeholders responded to an on-line survey that asked for strongly agree... ..strongly disagree responses to a number of statements about management practices of Seven Islands Land Company. Some of the responses are reflected in the tables above, and most of the answers were “no opinion.” One individual, a long-time forester in Maine, was strongly supportive of Seven Island’s management. These statements were countered, however, by another person who was quite negative about Seven Islands, especially their efforts toward biodiversity, BMPs, and being open to suggestions from interest groups. Comments by that respondent were considered as the audit team compiled other information on the strengths and weaknesses of Seven Islands.

3.3.6 Other Assessment Techniques (only include if necessary and not needed for single SLIMF)

3.4 Total Time Spent on audit

The lead auditor spent 1 day in preparation for the audit, and 3.5 days conducting the field and office audit. A second auditor spent 1 day contacting stakeholders and 3.5 days for the field audit. The third auditor spent 3.5 days during the field audit, and the fourth auditor allocated 1 day for the review of harvest modelling. Thus, a total of 13.5 person days were allocated by the audit team to the re-assessment of Seven Islands Land Company, not including travel and report writing. The relatively short audit duration was due to this being Seven Island’s 2nd 5-year recertification assessment. Additionally, there were no outstanding CARs at the start of the audit.

3.5 Process of Determining Conformance

FSC accredited forest stewardship standards consist of a three-level hierarchy, principle, then the criteria that make up that principle, then the indicators that make up each criteria. Consistent with SCS Forest Conservation Program evaluation protocols, the team collectively determines whether or not the subject forest management operation is in conformance with every applicable indicator of the relevant forest stewardship standard. Each non-conformance must be evaluated to determine whether it constitutes a major or minor non-conformance at the level of the associated criterion or sub-criterion. Not all indicators are equally important, and there is no simple numerical formula to determine whether an operation is in non-conformance. The team must use their collective judgement to assess each criterion and determine if it is in conformance. If the forest management operation is determined to be in non-conformance at the criterion level, then at least one of the indicators must be in major non-conformance.

Corrective action requests (CAR’s) are issued for every instance of non-conformance. Major non-conformances trigger major CAR’s and minor non-conformances trigger minor CAR’s

Interpretations of Major CAR’s (Preconditions), Minor CARs and Recommendations

Major CARs/Preconditions: Major non-conformances, either alone or in combination with non-conformances of other indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant FSC Criterion given the uniqueness and fragility of each forest resource. These are corrective actions that must be resolved or closed out prior to award of the certificate. If major CAR’s arise after an operation is certified, the timeframe for correcting these non-conformances is typically shorter than for minor CAR’s. Certification is contingent on the certified operations response to the CAR within the stipulated time frame.

Minor CARs: These are corrective action requests in response to minor non-conformances, which are typically limited in scale or can be characterized as an unusual lapse in the system. Corrective actions must be closed out within a specified time period of award of the certificate.

Recommendations: These are suggestions that the audit team concludes would help the company move even further towards exemplary status. Action on the recommendations is voluntary and does not affect the maintenance of the certificate. Recommendations can be changed to CARs if performance with respect to the criterion triggering the recommendation falls into non-conformance.

4.0 RESULTS OF THE EVALUATION

Table 4.1 below, contains the evaluation team's findings as to the strengths and weaknesses of the subject forest management operation relative to the FSC Principles of forest stewardship. The table also presents the corrective action request (CAR) numbers related to each principle.

Table 4.1 Notable strengths and weaknesses of the forest management enterprise relative to the P&C

Principle/Subject Area	Strengths Relative to the Standard	Weaknesses Relative to the Standard	CAR/REC #s
P1: FSC Commitment and Legal Compliance	<ul style="list-style-type: none"> ▪ Seven Islands employees are knowledgeable about relevant local, state, and federal laws that pertain to forest management. ▪ No violations of relevant statutes have been reported in recent years. ▪ Company owners and employees demonstrate a long-term commitment to forest conservation that is consistent with FSC Principles. The management plan articulates this commitment. ▪ SI senior personnel have a longstanding track record of active involvement in FSC standard setting and policy formation, which reduces the likelihood of conflicts arising. The company has been FSC certified for more than 15 years. ▪ SI is a founding member of North Maine Woods, an effective mechanism for managing public use and providing quality recreational experiences along with resource protection. ▪ Long-term strategies and silvicultural treatments are clearly outlined in the management plan. 	<ul style="list-style-type: none"> ▪ None 	<ul style="list-style-type: none"> ▪

P2: Tenure & Use Rights & Responsibilities	<ul style="list-style-type: none"> ▪ Public access is allowed for a variety of recreational activities. Legal rights to company lands are clearly established; boundaries are well marked, and road are signed. ▪ Pingree heirs have owned forest land in Maine for over 150 years; there is no question as to the ownership status of the land certified under the Seven Islands certificate ▪ SI field personnel, through daily informal contacts, maintain awareness of community and neighbor perspectives on management activities and policies 	<ul style="list-style-type: none"> ▪ Consultation with interested stakeholders varies. Some respond that the company is quite open; others say that Seven Islands is reluctant to discuss management planning. 	
P3: Indigenous Peoples' Rights	<ul style="list-style-type: none"> ▪ Over the year, Seven Islands has initiated numerous affirmative actions intended to encourage the involvement of local Indian tribes in management planning, but there has been little or no interest. ▪ There are no complaints or claims directed by tribes towards Seven Islands and the Pingree Lands ▪ SI field staff have good knowledge of where archeological and cultural sites are located on the Pingree Lands and take appropriate efforts to protect these sites during management operations. ▪ There is no evidence to suggest that management activities are adversely impacting sites of current or traditional significance 		

<p>P4: Community Relations & Workers' Rights</p>	<ul style="list-style-type: none"> ▪ Employees of Seven Islands Land Company express satisfaction with wages, benefits, and working conditions. Tenure of employees confirms favorable working conditions. ▪ Contractors have long-term relationships with Seven Islands and indicate that they are treated fairly. ▪ Contracts with workers specify compliance with safety regulations and workman's compensation. The record of safety is excellent. ▪ All workers on company lands are local; the local community is international, however, as some of the Pingree lands, and one of their field offices, lie along the border of Quebec and far from any Maine communities. • Seven Islands is clearly committed to protecting the health and safety of their employees. ▪ Methods of dispute resolution appear to be informal, but effective. Contractors first contact Unit managers, then the Woodlands Manager. The longevity of contractor relationships suggests that the process is adequate. Likewise, a clear hierarchy of dispute resolution is understood by the staff of Seven Islands. 	<ul style="list-style-type: none"> ▪ None 	
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<p>P5: Benefits from the Forest</p>	<ul style="list-style-type: none"> ▪ Seven Islands Land Company has made numerous investments in infrastructure, such as a stable road system and bridges, stand mapping and inventories, and capabilities for GIS and harvest modeling. ▪ The forest is well stocked and will be more so in the future, as desirable stand conditions are achieved through careful improvement cutting. Pre-commercial thinning of softwood stands is a common practice. ▪ Great care is taken to avoid damage during harvest operations. ▪ Utilization of products is excellent, and local markets are diverse. ▪ Seven Islands Land Company is committed to protection of water quality and watersheds; they establish substantial buffers—larger than required—to protect streams, rivers, and ponds. State conservation personnel recognize the company for its cooperation in managing the corridor along the Allagash Wilderness Waterway. ▪ The Company continues to improve estimates of allowable cut by accumulating better data and using more sophisticated models. 	<ul style="list-style-type: none"> ▪ None 	<ul style="list-style-type: none"> ▪
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<p>P6: Environmental Impact</p>	<ul style="list-style-type: none"> ▪ Consideration of potential short term environmental impacts is a consistent and routine practice with unit managers and field foresters. An excellent GIS database allows initial screening for sensitive areas, watercourse, and soil conditions. Additional assessments are made in the field before laying out the harvest. Harvest contractors are now using GPS technology in the field to identify boundaries of harvest areas and sites to be protected from entry. ▪ Desired future conditions have been established to achieve natural landscape patterns and ecological functions. ▪ Rare communities and unique stand types have been reserved. ▪ Standards for in-stand habitat features are included in the management plan and implemented in forest harvesting. ▪ Numerous safeguards protect water and soil; harvest contractors understand the importance of such efforts. ▪ Forest management seeks to restore and maintain natural stand dynamics; chemicals are used sparingly, and only native species are encouraged. 	<ul style="list-style-type: none"> ▪ In the recent revision of the management plan, Seven Islands has not addressed specific management practices for habitat of the Canada lynx, a federally listed species. ▪ Seven Islands has completed a revised assessment of on-site representative reserves, but has not included a brief description of in the public summary of the management plan. 	<ul style="list-style-type: none"> ▪ CAR 2009.1 ▪ CAR 2009.2
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P7: Management Plan	<ul style="list-style-type: none"> ▪ The management plan for Seven Islands Land Company is current (revised in 2009) and addresses all elements required by the standard: (1) goals, objectives, guiding principles, and actions; (2) descriptions of the forest resource being managed, including environmental limitations, adjacent lands, and socio-economic conditions; (3) detailed descriptions of silvicultural prescriptions and harvesting techniques; (4) rationale for the rate of annual harvesting and projections of harvest levels; (5) environmental safeguards, rare species and communities, and areas managed as reserves; and a detailed GIS database that depicts stand boundaries, roads, protected areas, and sensitive sites. ▪ The plan is especially outstanding in its presentation of harvest modeling methods and results, projecting future conditions of the forest for 50 years. ▪ A public summary of the management plan is available to the public upon request. ▪ Company staff and contractors are well trained, participate actively in continuing educational activities, and are fully capable of implementing the plan. 	<ul style="list-style-type: none"> ▪ The newly revised management plan omitted a section on Native American Issues, which should be a part of socio-economic considerations. 	<ul style="list-style-type: none"> ▪ CAR 2009.3
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P8: Monitoring & Assessment	<ul style="list-style-type: none"> ▪ Careful records are maintained of harvest volumes. ▪ Surveys for insect damage and disease are carried out in cooperation with the Maine Forest Service. ▪ Monitoring of game species is done by Maine Inland Fisheries and Wildlife. Maine Natural Area Program conducts regular searches for rare species and communities. ▪ Monitoring activities take place continually, and are incorporated into the allowable harvest calculations each year. ▪ Post-harvest close-out activities constitute a form of monitoring that is relevant and responsive to this criterion. ▪ Each administrative unit conducts a detailed inventory of standing timber and related resource attributes on a 5-year cycle, with annual updates from a smaller sample. ▪ SI maintains records of harvest and production in great detail, and is facilitated by company-owned concentration yards where a majority of harvested products are taken for sorting and distribution. ▪ As a holder of a FM/CoC certificate for many years, SI personnel are generally quite aware of their CoC obligations 	<ul style="list-style-type: none"> ▪ None 	<ul style="list-style-type: none"> ▪
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<p>P9: Maintenance of High Conservation Value Forest</p>	<ul style="list-style-type: none"> ▪ The Pingree Lands are a large forest tract that is protected by a conservation easement; it is managed for a diversity of forest types and age classes; it is important in protecting significant portions of key watersheds; it is undeveloped except for a small number of recreational sites; is protected by gated roads; it is free of invasive species; and provides habitat for the Canada lynx, a listed Threatened species. ▪ Following an FSC re-assessment in 2005, the company conducted a thorough review of the elements of HCVF and addressed the findings in an addendum to the management plan. An updated review was conducted immediately following the 2009 re-assessment, and another addendum was prepared. ▪ The company takes a conservation approach to management in areas of high conservation value, especially softwood cover important as cover for deer and habitat for Canada lynx, and riparian habitat along streams, rivers, lakes, and ponds. ▪ Seven Islands management policies, coupled with the conservation easement, clearly are effective at maintaining the most important conservation attribute—a working forest landscape of approximately 800,000 acres. 	<ul style="list-style-type: none"> ▪ None 	
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4.2 Preconditions

Preconditions are major corrective action requests that are placed on a forest management operation after the initial evaluation and before the operation is certified. Certification cannot be awarded if open preconditions exist.

No preconditions were placed on Seven Islands Land Company during the assessment.

5.0 CERTIFICATION DECISION

5.1 Certification Recommendation

As determined by the full and proper execution of the SCS Forest Conservation Program evaluation protocols, the evaluation team hereby recommends that the Seven Islands Land Company be awarded FSC certification as a “Well-Managed Forest” subject to the corrective action requests stated in Section 5.2. Seven Islands Land Company has demonstrated that their system of management is capable of ensuring that all of the requirements of the Northeast Standard are met over the forest area covered by the scope of the evaluation. Seven Islands Land Company has also demonstrated that the described system of management is being implemented consistently over the forest area covered by the scope of the certificate.

5.2 Initial Corrective Action Requests

Non-conformance: Non-conformance: The USFWS has designated approximately 9,500 square miles of land in Maine as Critical Habitat for the federally-listed (Threatened) Canada lynx (<i>Lynx canadensis</i>). The critical habitat designation means the area is deemed essential for the conservation and management of the species. Indicator 6.2.a requires that <i>appropriate protection and/or management measures are implemented</i> and Indicator 6.2.b. requires establishment of conservation zones <i>to enhance the viability of habitats</i> . Seven Islands has not addressed this in their management plan and has not presented evidence that sufficient actions are being taken to address 6.2.a. and 6.2.b. with respect to critical lynx habitat.	
CAR 2009.1	Seven Islands Land Company must identify Critical Habitat for lynx in its management plan, assess current management practices, and promote any specific measures for conserving or enhancing lynx habitat.
Deadline	By the date of the 2010 annual audit
Reference	Indicator 6.2.a and 6.2.b

Non-conformance: Seven Islands has completed a revised assessment of on-site representative reserves, but has not included a brief description of in the public summary of the management plan.	
CAR 2009.2	Seven Islands Land Company must revise the public summary of the management plan to include a description of the assessment of on-site representative reserves.
Deadline	By the date of the 2010 annual audit
Reference	Indicator 6.4.e

Non-conformance: The management plan identifies a number of socioeconomic issues and has a clearly labeled section of the plan, 3.7, for this purpose. In the introduction to this section, a bulleted list of sub-elements is presented, including “Native American Issues.” However, there is no further discussion of this topic, unlike the others in the list.	
CAR 2009.3	Seven Islands shall revise the management plan to address Native American Issues, an apparent oversight in the recent revision of the management plan.

Deadline	By the date of the 2010 annual audit
Reference	Indicator 7.1.b.3

6.0 SURVEILLANCE EVALUATIONS

If certification is awarded, surveillance evaluations will take place at least annually to monitor the status of any open corrective action requests and review the continued conformance of Seven Islands Land Company to the Northeast Standard or any new standard that may replace the current Northeast Standard. Public summaries of surveillance evaluations will be posted separately on the SCS website (www.scscertified.com).

7.0 SUMMARY OF SCS COMPLAINT AND APPEAL INVESTIGATION PROCEDURES

The following is a summary of the SCS Complaint and Appeal Investigation Procedures, the full versions of the procedures are available from SCS upon request. The SCS Complaint and Appeal Investigation Procedures are designed for and available to any individual or organization that perceives a stake in the affairs of the SCS Forest Conservation Program and that/who has reason to question either the actions of SCS itself or the actions of a SCS certificate holder.

*A **complaint** is a written expression of dissatisfaction, other than **appeal**, by any person or organization, to a certification body, relating to the activities of staff of the SCS Forest Conservation Program and/or representatives of a company or entity holding either a forest management (FM) or chain-of-custody (CoC) certificate issued by SCS and duly endorsed by FSC, where a response is expected (ISO/IEC 17011:2004 (E)). The SCS Complaint Investigation Procedure functions as a first-stage mechanism for resolving complaints and avoiding the need to involve FSC.*

*An “**appeal**” is a request by a certificate holder or a certification applicant for formal reconsideration of any adverse decision made by the certification body related to its desired certification status. A certificate holder or applicant may formally lodge an appeal with SCS against any adverse certification decision taken by SCS, within thirty (30) days after notification of the decision.*

The written Complaint or Appeal must:

- *Identify and provide contact information for the complainant or appellant*
- *Clearly identify the basis of the aggrieved action (date, place, nature of action) and which parties or individuals are associated with the action*
- *Explain how the action is alleged to violate an SCS or FSC requirement, being as specific as possible with respect to the applicable SCS or FSC requirement*
- *In the case of complaints against the actions of a certificate holder, rather than SCS itself, the complainant must also describe efforts taken to resolve the matter directly with the certificate holder*
- *Propose what actions would, in the opinion of the complainant or appellant, rectify the matter.*

Written complaints and appeals should be submitted to:

*Dr. Robert J. Hrubes
Senior Vice-President
Scientific Certification Systems
2200 Powell Street, Suite 725
Emeryville, California, USA94608
Email: rhrubes@scscertified.com*

As detailed in the SCS-FCP Certification Manual, investigation of the complaint or appeal will be confidentially conducted in a timely manner. As appropriate, corrective and preventive action and resolution of any deficiencies found in products or services shall be taken and documented.

