



Ref: 15381

January 26, 2016

Mr. Tim Sheldon, Chair  
Board of Directors  
Forestry Innovation Investment  
1200 - 1130 West Pender Street  
Vancouver, BC V6E 4A4

Dear Mr. Sheldon:

This Mandate Letter confirms your organization's mandate, provides government's annual strategic direction and sets out key performance expectations for the 2016/17 fiscal year.

On behalf of the Province of British Columbia (BC), thank you for your leadership and the contributions made by Forestry Innovation Investment over the past year and congratulations on the efforts made towards the following achievements:

- Developing a five-year strategic plan that will provide a strategic focus in key existing markets, while continuing to undertake pioneering work in frontier regions and markets where the opportunities for greater use of BC wood products is substantial.
- Implementing the restructuring of in-market operations in China to better align with the revised strategy and focusing on developing the market in India for BC wood products.
- Your collaboration with industry associations, the federal government and research organizations by leveraging funding and expertise to ensure international sales of BC forest products are enhanced.

Last year, government established a common set of principles for the BC Public Sector Organizations (PSO). The intent of the Taxpayer Accountability Principles (TAP) is to strengthen accountability and promote cost control. These principles instill a common frame of reference to inform decisions and ensure that the actions taken and services provided meet public policy objectives established by government on behalf of the citizens of BC. All PSO's are expected to understand the responsibility they have to the citizens of BC and how it is complimentary to the fiduciary duty to their organizations.

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Ministry of International Trade and Office of the Minister  
Minister Responsible for  
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One of government's core values is respect for the taxpayer's dollar. It is critical that PSO's operate as efficiently as possible, in order to ensure British Columbians are provided with effective services at the lowest cost possible. This requires constant focus on maintaining a cost-conscious and principled culture through the efficient delivery of services that stand the test of public scrutiny and help develop a prosperous economy in an environmentally sustainable manner. The foundation of this work is the government's commitment to controlling spending and balancing the budget.

Government provided the following mandate direction to Forestry Innovation Investment under the *Business Corporations Act* to position BC as a global supplier of world-class environmentally friendly forest products; actively maintain, create and diversify demand for BC forest products in Canada and in key world markets; help break down non-tariff trade and market barriers to ensure opportunities for BC forest products; work with the forest industry to promote BC's forest products and forest management to the global marketplace; and help to ensure that the forest sector, through product development and strong international sales, continues to be a leading contributor to the BC economy.

To achieve this mandate, Forestry Innovation Investment is directed to take the following strategic actions:

- Retain a strong focus on building markets in Asia through:
  - Ensuring programs reflect China's changing economic realities and continue to advance the use of BC wood in construction and other applications;
  - Aligning Forestry Innovation Investment's market development activities with government's three-year market strategy for India; and,
  - Working with the forest industry in identifying and advancing opportunities in Southeast Asia.
- Implement the five-year strategic plan FII developed last year, and the organization's updated Service Plan performance measures.
- Collaborate with the Ministry of Forests, Lands and Natural Resource Operations to jointly develop and implement an action plan for the Value Added Wood Products sector and align FII's activities with government's forest sector commitments under the BC Jobs Plan, Forest Sector Competitiveness Strategy.

To achieve this, several actions as detailed in the 2014 TAP Transition Letter are to continue to be implemented and refined, such as, on-going orientation, the joint strategic engagement plan, and the evaluation plan. For detailed information about TAP directives, please refer to the following link, [Taxpayer Accountability Principles](#).

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In addition, it is expected that your organization will continue to be diligent in ensuring familiarity with and adherence to statutory obligations and policies that have broad application across the public sector. Please refer to the following link for a summary of these accountabilities, [PSO Accountability Summary](#).

Government is committed to continuing to revitalize the relationship between government and PSOs. This strong focus on increased two-way communication supports and ensures a common understanding of government's expectations. Timely communication of any issues which may affect the business of Forestry Innovation Investment and/or the interests of government is critical to building trust and the effective delivery of public services, including information on any risks to achieving financial forecasts and performance targets.

Each board member is required to acknowledge the direction provided in the Mandate Letter by signing this letter. The Mandate Letter is to be posted publicly on your organization's website and a copy signed by all board members provided to the Ministry of International Trade and made available to the public upon request.

I look forward to our regular meetings focusing on strategic priorities, performance against the TAP, key results and working together to protect the public interest at all times.

Sincerely,



Teresa Wat  
Minister

Enclosure: Taxpayer Accountability Principles



Tim Sheldan  
Chair, Forestry Innovation Investment



Shannon Baskerville  
Vice Chair, Forestry Innovation Investment



Sandra Carroll  
Director, Forestry Innovation Investment



Dave Peterson  
Director, Forestry Innovation Investment

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pc: Honourable Christy Clark  
Premier

Mr. John Dyble  
Deputy Minister to the Premier and Cabinet Secretary

Ms. Kim Henderson  
Deputy Minister  
Ministry of Finance

Ms. Cheryl Wenezenki-Yolland  
Associate Deputy Minister  
Ministry of Finance

Ms. Shannon Baskerville  
Deputy Minister  
Ministry of International Trade, and  
Vice Chair  
Forestry Innovation Investment

Ms. Sandra Carroll  
Deputy Minister  
Ministry of Advance Education, and  
Director  
Forestry Innovation Investment

Mr. Dave Peterson  
Director  
Forestry Innovation Investment

Mr. Michael Loseth  
A/Chief Executive Officer  
Forestry Innovation Investment

## BC Taxpayer Accountability Principles

Further information available at: <http://gov.bc.ca/crownaccountabilities>

- 1 Cost Consciousness (Efficiency)**

Strengthen cost management capabilities and foster a culture of cost-consciousness at all levels of public sector organizations. Provide public services and programs as efficiently and effectively as possible to “bend the cost curve” and support sustainable public policies and programs as a lasting legacy for generations to come.
- 2 Accountability**

Transparently manage responsibilities according to a set of common public sector principles in the best interest of the citizens of the province. By enhancing organizational efficiency and effectiveness in the planning, reporting and decision making, public sector organizations will ensure actions are aligned with government’s strategic mandate.
- 3 Appropriate Compensation**

Comply with a rigorous, standardized approach to performance management and employee compensation, which reflects appropriate compensation for work across the public sector that is consistent with government’s taxpayer accountability principles and respectful of the taxpayer.
- 4 Service**

Maintain a clear focus on positive outcomes for citizens of British Columbia by delivering cost-efficient, effective, value-for-money public services and programs.
- 5 Respect**

Engage in equitable, compassionate, respectful and effective communications that ensure all parties are properly informed or consulted on actions, decisions and public communications in a timely manner. Proactively collaborate in a spirit of partnership that respects the use of taxpayers’ monies.
- 6 Integrity**

Make decisions and take actions that are transparent, ethical and free from conflict of interest. Require the establishment of a strong ethical code of conduct for all employees and executives. Serve the citizens of British Columbia by respecting the shared public trust and acting in accordance with the taxpayer accountability principles.