

**Amendment of the  
NANWAKOLAS Reconciliation Protocol**

**BETWEEN**

**MAMALILIKULLA-QWE'QWA'SOT'EM FIRST NATION  
TLOWITSIS FIRST NATION  
DA'NAXDA'XW AWAETLALA NATION  
GWA'SALA-'NAKWAXDA'XW FIRST NATION  
K'OMOKS FIRST NATION**

(Each a "First Nation" and collectively the "Nanwakolas First Nations")

**AND**

**THE PROVINCE OF BRITISH COLUMBIA**

(The "Province")

As represented by the

Minister of Aboriginal Relations and Reconciliation and  
Minister of Forests, Lands and Natural Resource Operations

**AND**

**THE NANWAKOLAS COUNCIL SOCIETY**

(The "Nanwakolas Council")

Collectively referred to as the "Parties"

**WHEREAS**

- A. The Parties have entered into the Nanwakolas Reconciliation Protocol, dated July 29, 2011, attached to this Amending Agreement as Appendix 1, (the "Protocol").
- B. Paragraph 1.1 of Section 1 Forestry of Schedule B of the Protocol contemplated the Parties developing a more comprehensive forestry schedule, which the Parties have now done and now wish to amend the Protocol by replacing paragraphs 1.1 to 1.3 of Section 1, Forestry of Schedule B (the "Original Forestry Schedule") with the paragraphs 1.1 to 9.1 of Section 1, Forestry of Schedule B set out in Appendix 2 of this Amending Agreement (the "New Forestry Schedule").
- C. The Parties also wish to add the Minister of Lands, Forest and Natural Resource Operations as a signatory to the Protocol for the purposes of implementing the New Forestry Schedule.

**THEREFORE, the above Parties, including the Minister of Forests, Lands and Natural Resource Operations, agree as follows:**

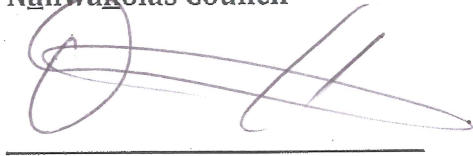
- 1.0 By signing this Amending Agreement, the Minister of Aboriginal Relations and Reconciliation, agrees to the Minister of Forests, Lands and Natural Resource Operations becoming a Party to the Protocol for the purposes of implementing the New Forestry Schedule.
- 2.0 By signing this Amending Agreement, the President of the Nanwakolas Council and all five Chiefs of the Nanwakolas First Nations listed on page one of this Amending Agreement agree to the Minister of Forest, Lands and Natural Resource Operations becoming a Party to the Protocol for the purposes of implementing the New Forestry Schedule.
- 3.0 By signing this Amending Agreement, the Parties, including the Minister of Forests, Lands and Natural Resource Operations, agree to replace the Original Forestry Schedule with the New Forestry Schedule.
- 4.0 This Amending Agreement may be signed in counterparts and exchanged by electronic means of transmission. Together, all counterparts constitute one Amending Agreement.
- 5.0 This Amending Agreement takes effect on the later of November 28, 2011, or the date that it is signed by all seven Parties to it.

6.0 Except as expressly amended by this Amending Agreement, the Parties confirm that the Protocol and this Amending Agreement shall be read and construed as one document.

Signed this 28<sup>th</sup> day of November, 2011.

On behalf of the Parties

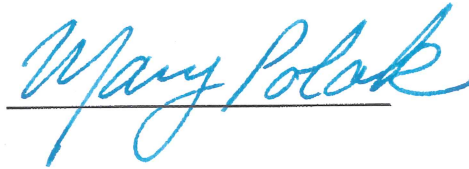
Nanwakolas Council



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On Behalf of the Parties

Minister of Aboriginal Relations and Reconciliation



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K'omoks First Nation



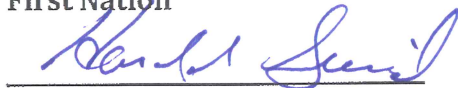
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Minister of Forests, Lands and Natural Resource Operations



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Mamalilikulla-Qwe'Qwa'Sot'Em First Nation



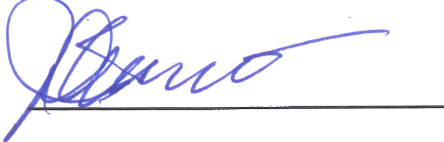
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Gwa'sala-'Nakwaxda'xw First Nation



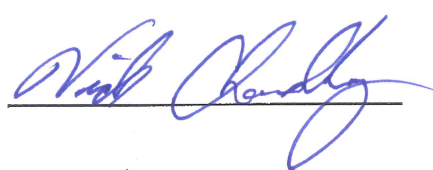
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Tlowitsis First Nation



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Da'naxda'xw Awaetlala First Nation



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## Appendix 2

### Schedule B

#### 1. Forestry

##### Forestry Working Group

- 1.1. The Parties have established a forestry working group comprised of senior representatives from the Nanwakolas Council, Ministry of Forests, Lands and Natural Resource Operations and Ministry of Aboriginal Relations and Reconciliation that will be responsible for overseeing the implementation of the commitments set out on paragraphs 2.1 to 9.1 of this Schedule.
- 1.2. Representatives from the major forest licensees will be invited to participate as required in the forestry working group's discussions.

##### Socio-economic forestry objectives for the Nanwakolas First Nations

- 2.1 The Parties share the following socio-economic objectives for the Nanwakolas First Nations, collectively and individually:
  - (a) to share in economic development initiatives within the Traditional Territories of the Nanwakolas First Nations that facilitate, over time, the individual members of the Nanwakolas First Nations obtaining a quality of life that is equal to or better than the national Canadian average;
  - (b) to become full partners with the Province (i.e. to the fullest or maximum extent possible) in the forest sector within the Traditional Territories including, but not limited to, opportunities for shared decision-making, forest tenures and revenue sharing;
  - (c) to develop significant involvement with the forest industry operating within their Traditional Territories, through the development of measures that will facilitate new relationships with industry;
  - (d) to significantly increase employment opportunities in the forest industry, over time, for Nanwakolas First Nations members, within their Traditional Territories; and
  - (e) to consider the value of forest resource development in the Traditional Territories of Nanwakolas First Nations when developing appropriate strategies for full Nanwakolas First Nations participation in the management and operation of the forest resource sector in the Traditional Territories.

## General Provisions Governing Forest Tenure Opportunities in British Columbia

- 3.1 (a) Non-replaceable volume tenures (including licenses) previously offered to Nanwakolas First Nations under the original Forest and Range Agreement (FRA) or Forest and Range Opportunity Agreement (FRO) programs remain open for acceptance during the term of the licence documents.
- (b) Where the above licence documents have not been signed, the individual Nanwakolas First Nations are expected to sign the licence documents, within a reasonable time.
- (c) Existing licences that have been signed and issued are subject to the term of the licence documents.
- (d) The Minister of Forests, Lands and Natural Resource Operations will consider extending the term of the licences, to give the Nanwakolas First Nations sufficient time to harvest the previously-awarded volumes.
- 3.2 Nanwakolas Council and the Minister of Forests, Lands and Natural Resource Operations will, as soon as possible, work to identify measures that may be taken to assist with the viability of the economic opportunity of Nanwakolas First Nations forest tenures issued after the effective date of this Amending Agreement. Issues that may be considered include, but are not limited to:
- (a) tenure location and size;
- (b) profile of operating/tenure area forest cover;
- (c) potential for pooling of tenure volumes;
- (d) potential for business partnership with BC Timber Sales;
- (e) 'manufacture in the Province' provisions; and
- (f) addressing potential new-entrant barriers.
- 3.3 Staff with the Ministry of Forests, Lands and Natural Resource Operations (FLNR) will work directly with each Nanwakolas First Nation, as soon as possible, to identify operating areas for unplaced FRA/FRO licences and for all Nanwakolas First Nations tenures, that are, to the extent possible, located in any preferred economic zones which have been identified by the Nanwakolas First Nations in the Traditional Territories. Identification of operating areas will consider the economics of the potential areas and the spirit and intent of the Protocol.

- 3.4 Prior to completing the work in 3.3, the Minister of Forests, Lands and Natural Resource Operations will consider government market pricing objectives, and the interests of other affected licensees in the management unit, including First Nation licensees not party to this Protocol, to achieve, to the extent possible, fair and equitable chart/tenure area distributions that reflect economic challenges associated with small new entrants.
- 3.5 In carrying out 3.3 and 3.4, the Parties will seek to avoid compensation obligations for the Province.
- 3.6 From time to time, the Parties will discuss future opportunities to access additional volume. Where Nanwakolas First Nations have an interest in purchasing or acquiring additional replaceable volume from other forest licence holders, Ministry of Forests, Lands and Natural Resource Operations staff will work with Nanwakolas First Nations to facilitate such transfers, in accordance with applicable legislation.

#### Direct-Award Replaceable Tenure

- 4.1 The Minister of Forests, Lands and Natural Resource Operations will negotiate agreements with the Nanwakolas First Nations that include a commitment to invite the First Nations to apply, on a non-competitive basis, for a replaceable, long term (volume or area-based) forest tenure for volumes outlined below:

<b>Nanwakolas First Nations</b>	<b>Current Management Unit</b>	<b>Replaceable Volume (m3 per year)</b>
Gwa'sala Nakwaxda'xw	Kingcome TSA	18 811
Da'naxda'xw Awaetlala	Kingcome TSA	4 710
Tlowitsis	Pacific TSA	10 255
Mamalilikulla Qwe'Qwa Sot'Em	Pacific TSA	11 007
K'omoks	Woodlots W1968 and W2030 – (already awarded)	8 210

- 4.2 Over the next five years, beginning on the effective date of this Amending Agreement, the Parties will make best efforts to increase the direct-award tenures to 8% of the allowable annual cut within the Nanwakolas First Nations Traditional Territories.
- 4.3 The Nanwakolas First Nations, collectively or individually, may request and the Minister of Forests, Lands and Natural Resource Operation may consider converting direct-award replacement tenures agreed to under this Schedule, to area-based tenures.

#### **Direct-Award Non-Replaceable Tenure**

- 5.1 To support the Nanwakolas First Nations goal of securing additional volume, after issuance of tenure opportunities as outlined in section 4.1, the Minister of Forests, Lands and Natural Resource Operations will consider additional non-replaceable tenure opportunities, for each five year period, from unused volume:
- (a) consistent with sections 3.3 and 3.4, where feasible operating areas can be identified; and
  - (b) where unused volume is available in economic zones or areas of interest of the First Nations and management units.
- 5.2 The total volume of additional tenure will be determined for each five year period commencing April 1, 2010. The volumes available for 2010 – 2015 are outlined below:

<b>Management Unit</b>	<b>Total lump sum unused volume</b>
TFL 39, Block 2,	122 285
Mid Coast TSA	75 000

- 5.3 For the Mid Coast TSA, the first priority will be to consider the feasibility of the Piper/Nekite area outlined on the map attached as Figure 1 to this Schedule.

## **Forest Revenue Sharing in the Traditional Territories of Nanwakolas First Nations**

- 6.1 The Parties agree current revenue sharing is based on the Province's new Forest and Range Revenue Sharing Agreements, developed in 2010.
- 6.2 Prior to the expiry of the current three-year Forest and Range Revenue Sharing Agreements, the Parties will explore changes to the current revenue-sharing formula, so that:
  - (a) it reflects the value of timber harvested from the Nanwakolas First Nations Traditional Territories, as stated in the Working Roundtable Report, to try to eliminate any 'water-bedding' of forest revenue out of the Nanwakolas First Nations Traditional Territories; and
  - (b) revenue from the stumpage pay-back portion of the revenue-sharing formula considers other allocation models that are not based on a per capita allocation of direct-award replaceable volume.
- 6.3 The Minister of Forests, Lands and Natural Resource Operations agrees that if there should be insufficient volume available to meet the intent of direct-award replaceable tenures (see section 4.1 above), the Parties will discuss the option of amending the revenue-sharing formula over time, to account for this shortfall.
- 6.4 The Minister of Forests, Lands and Natural Resource Operations agrees that if there should be an increase in forest revenues (above the revenue accounted for in the new three-year Forest and Range Revenue Sharing Agreements), as a result of improvements to the forest economy, the Parties will discuss opportunities to include a portion of this incremental revenue in new revenue-sharing agreements.

## **Transformative Change Accord Progress Indicators**

- 7.1 The Province and the Nanwakolas Council will assess annual progress in:
  - (a) increasing Nanwakolas First Nations employment opportunities in the forest industry;
  - (b) meeting revenue and tenure targets outlined above; and
  - (c) implementing shared decision-making.



### **Working Roundtable Progress Indicators**

- 8.1 The Province and the Nanwakolas Council will:
- (a) establish quantifiable targets that reflect desired outcome for Nanwakolas First Nations as full partners in forestry;
  - (b) measure annual progress towards full partnership targets;
  - (c) define size and location parameters for economic forest tenures;
  - (d) measure annual progress towards providing economic tenure opportunities;
  - (e) measure annual progress in government initiatives to encourage business partnerships and capacity building; and
  - (f) measure annual progress towards implementing revenue-sharing provisions outlined in above.

### **Certainty, Stability and Significant Involvement for Nanwakolas First Nations**

- 9.1 Within six months of the effective date of this Amending Agreement, and utilizing the senior level working group referred to in section 1.1, the Parties will negotiate and attempt to reach agreement on:
- (a) a new revenue-sharing agreement, to take effect within the next five years, that provides Nanwakolas First Nations with a significantly increased share of the forestry revenue from their Traditional Territories, the specific amount dependent on the degree of certainty and stability agreed to in (b) below;
  - (b) provisions to enhance the certainty and stability for ongoing forest operations that can be provided by the Nanwakolas First Nations to the Province and to the forest industry; and
  - (c) shared decision-making models for strategic forest management decisions, such as allowable annual cut determinations and the development of land use objectives.

Figure 1  
Piper/Nekite Area

