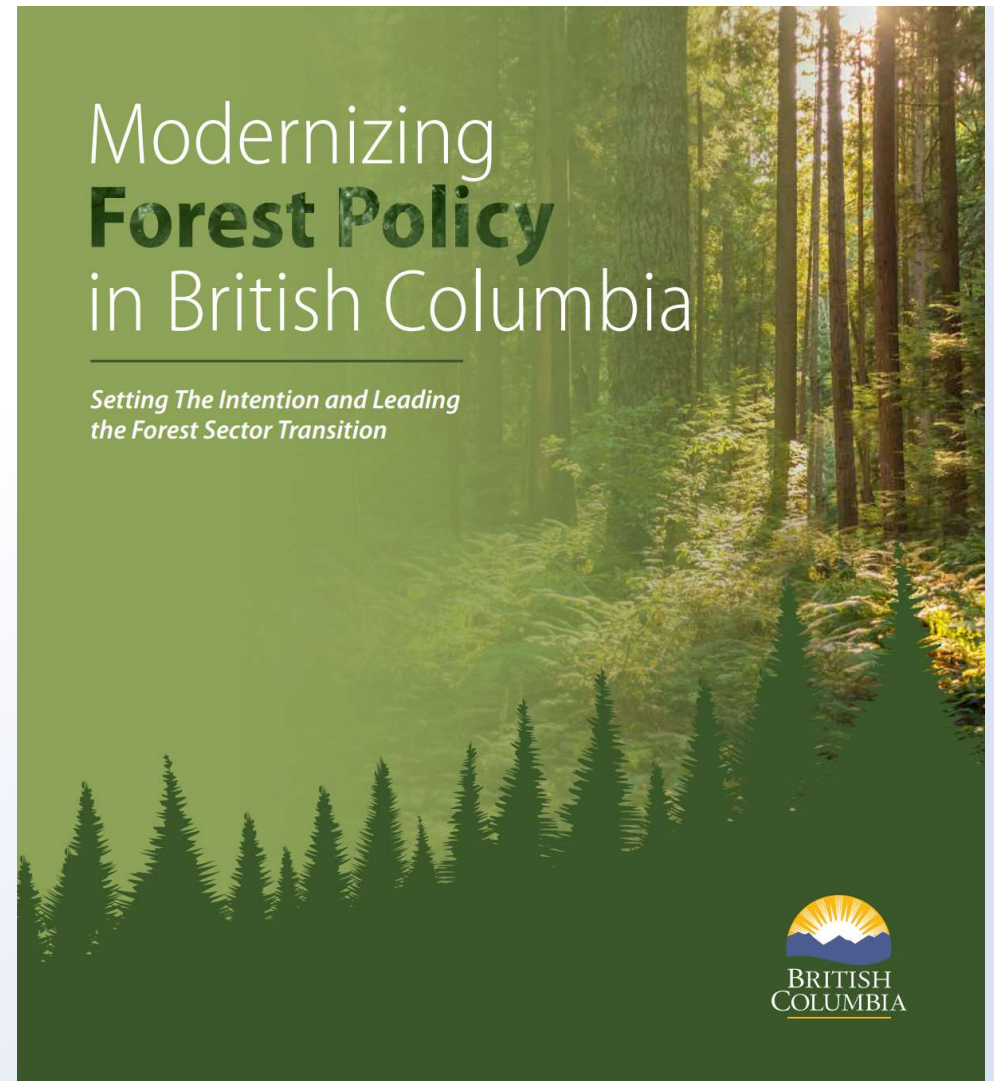




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Government Intentions to Modernize Forest Policy – Engagement Grouping 1 topic overview

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Why Do We Need Change?

The provincial forestry policy framework is inadequate to meet goals, address obligations, and meet current & future challenges

Current State

- The Declaration Act requires us to advance policy change with Indigenous peoples. This means *consultation* and *cooperation*.
- Government has committed to implementing the 14 recommendations of the Old Growth Strategic Review – ushering in a paradigm shift for forestry
- Timber supply is decreasing because of wildfires, beetle salvage, and withdrawals from the timber-harvesting land base
- Community connections to the forest sector have changed, social contract has evolved and left communities without many opportunities for participation or to have their say
- Current forest tenure holdings and the policy framework limit the Province's ability to achieve its objectives such as diversifying the sector and focusing on more diverse and higher value manufacturing



Policy change grounded in previous engagement

Modernizing Forest Policy intentions build on conversations with **Indigenous Nations, local government, industry, labour, interest groups, and the general public**

Across several forestry related initiatives

Coast Forest
Sector
Revitalization

Old Growth
Strategic
Review

*Forest and
Range
Practices Act
Improvement
Initiative*

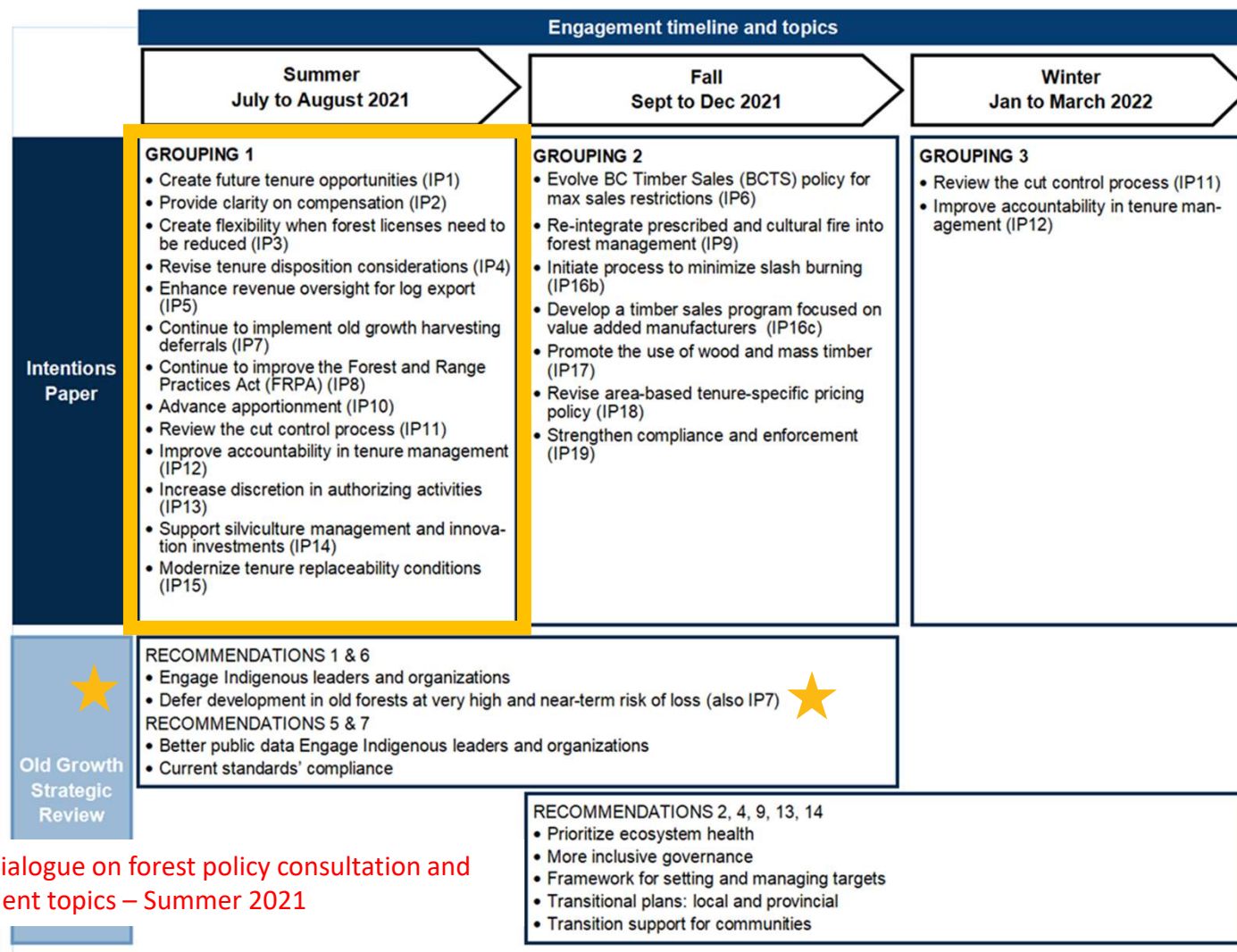
Interior Forest
Sector
Renewal

Modernizing
Forest Policy
Intentions

First
Nations
Forest
Strategy

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A Phased Engagement Approach



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Policy for Consultation – Grouping 1

Intentions Paper Topics

- **Creating future tenure opportunities**
- **Providing clarity on compensation**
- **Creating flexibility when forest licenses need to be reduced**
- **Enhancing revenue oversight for log exports**
- **Committing to implement further deferrals of old growth forests**
- **Continuing to improve the *Forest and Range Practices Act***



Creating future tenure opportunities

Why? - Goal of tenure diversification requires a clear mechanism

Intent

The Province needs tool(s) to redistribute tenure to:

- Support reconciliation with Indigenous Nations
- Enhance diversification
- Support BC Timber Sales in delivery of the Market Pricing System

Considerations

1. Current inventory information required to make compensation decisions
2. Redistribution requires suspension or cancellation of existing harvesting rights



Providing clarity on compensation

Why? - Predictability and fairness in compensation calculations

Intent

Create a framework of where and under what circumstance compensation for lost harvesting rights would occur.

Considerations

1. Certainty for all parties on compensation valuations
2. Fair market assessment of the tenure value, with no compensation for fixed improvements (already accounted for in the stumpage appraisal system)



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Creating flexibility when forest licences need to be reduced

Why? - A more flexible licence reduction model is needed as AACs decrease

Intent

Revise the Province's licence reduction model

Considerations

1. Flexibility for regional circumstances
2. Treat the same organizations holding multiple licences as one
3. Consider diversification

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Enhancing revenue oversight for log exports

Why? - Enhance due diligence in the log export process

Intent

To ensure the Province receives accurate fees there needs to be the ability to audit fee-in-lieu payments

Considerations

1. Recognize that exports are critical for forest companies in BC
2. Increasing the value of BC forest products is important
3. Reducing the potential for lost revenue



Committing to implement further deferrals of old growth forests

Why? - Pause harvesting activities in old growth high biodiversity areas

Intent

Until a new old growth strategy is implemented, defer development in old forests where ecosystems are at very high and near-term risk of irreversible biodiversity loss.

Considerations

1. Work directly with Indigenous Nations
2. Create a potential new designation category - possible name: 'Special Forest Resource Management Area'



Committing to implement further deferrals of old growth forests

Old Growth Strategy implementation timeline at a glance:



Old Growth Strategic Review – The Path Forward

MAY 2021 - ONGOING

IMMEDIATE MEASURES

1. Commitment to partnership with Indigenous Nations
5. Better public data
6. Deferral of old growth at risk of irreversible loss
7. Compliance with current standards

SUMMER/FALL 2021 - ONGOING

ELEMENTS REQUIRED TO SUPPORT CHANGE

2. Prioritize ecosystem health
4. More inclusive governance
9. Framework for setting and managing targets
13. Transition plans: local and provincial
14. Transition support for communities

2023 - ONGOING

MODERN OLD GROWTH STRATEGY

3. Three zone management
8. Funds for monitoring and evaluation
10. Updated biodiversity targets and guidance
11. Better inventory and classification
12. More innovative practices

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Continue to improve FRPA

Why? - Recognition of work that was completed in 2019 and 2020, and creating opportunity for shared decision making

Intent

Improve forest management through legislative amendments including introduction of Forest Landscape Planning framework.

Considerations

1. Move from Forest Management Planning to Landscape Planning framework
2. Enable future shared decision making through agreements (section 7, *Declaration on the Rights of Indigenous Peoples Act*)



Policies for engagement – Grouping 1

Intentions Paper Topics

- **Revising tenure disposition considerations**
- **Advancing Apportionment**
- **Reviewing the cut control process (Grade 4 credits)**
- **Improving accountability in tenure management (attribution)**
- **Increasing discretion in authorizing activities**
- **Supporting silviculture management and innovation investments**
- **Modernizing tenure replaceability conditions**



Revising tenure disposition* considerations

Why? - Improve the tenure transfer process based on experience

Intent

- Build on Bill 22.
- Emphasize local interests

Considerations

1. Local level flexibility
2. Continuous improvement

* Described as tenure transfer and change of control



Advancing apportionment

Why? - Apportionment processes are complex and not timely

Intent

- Timely decisions
- Sustainable harvest rates
- Local interests

Considerations

1. Focus on sustainability
2. Consider regional interests
3. New licence reduction approach (see IP3)



Reviewing the cut control process*

Why? - Grade 4 credit system needs reconsideration to address sustainability

Intent

- The large-scale salvage effort for mountain pine beetle has largely concluded.
- New tools (or modify existing tools) required to facilitate the use of low-quality fibre sources.

Considerations

1. Respect existing business to business relationships created using Grade 4 to enhance fibre utilization
2. Grade 4 process does not measure all fibre harvested

* B.C. Interior policy only



Improving accountability in tenure management

Why? - Attributions are a partnership opportunity yet can create harvest sustainability risk

Intent

- Initiate complex topic on attribution policy
- Maintain harvest sustainability while minimizing risk

Considerations

1. Support business-to-business relationships
2. Outline clear expectations and requirements
3. Timely decisions



Increasing discretion in authorizing activities

Why? - Statutory decision makers have limited ability to refuse permit issuance

Intent

- Ensure permits are aligned with local Indigenous and public interests
- Statutory decision makers could refuse a permit, or approve with conditions

Considerations

1. Clear conditions on what could trigger a permit refusal
2. Authorization refusal should come with a written rationale



Supporting silviculture management & innovation investments

Why? - There is no legal mechanism to prevent harvesting in enhanced investment areas

Intent

Ensure investment areas reach their full, intended potential (from tax dollars)

Considerations

1. Clear illustration of investment areas
2. Understanding the benefits of fully realizing silvicultural investments
3. Climate change mitigation
4. Ability to say no to authorizations in areas of investment



Modernize tenure replaceability conditions

Why? - Communities (Indigenous and others) want to have a voice in tenure replacement

Intent

- Licence holders cannot maintain long ago issued tenures in perpetuity
- Conditions to meet re-issuance expectations have not changed for decades, do not meet contemporary times

Considerations

1. Timely decisions
2. Maintain current and include new requirements
3. Stewardship and sustainability
4. Rights and title holder contribution to decisions (UNDRIP)



Next Steps - Engagement Approach

*Submit insight
and input
through online
portal*

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