

Forests for Tomorrow

Annual Report 2008-2009



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Kelly Osbourne,
Forest Practices Branch, MFR.

Message from the Chief Forester

I am pleased to present the Forests for Tomorrow 2008-2009 Annual Report. The purpose of this report is to highlight FFT performance and key initiatives in 2008-2009, along with the progress of the program toward its long term goals of treating 400,000 ha of MPB impacted area. The Forests for Tomorrow program aims to improve the future timber supply in areas affected by large scale wildfires and the mountain pine beetle and reduce the risks to biodiversity, water fish and habitat through the strategic selection of treatment areas. Ultimately, the program aims to strengthen the resilience of British Columbia's forests to climate change, and contribute to growing healthy productive forests.

In 2008-2009 FFT initiated the development of a five year strategic plan that will set the strategic priorities, goals and performance measures that will guide the program in the future. The performance measures in this plan were used to build this annual report. This year FFT shifted its focus from wildfire toward MPB impacted areas. As a result, a number of initiatives were taken to facilitate more cost effective treatments of MPB impacted stands that would also increase utilization of the fiber. The FFT program continues to adapt to knowledge gained through treating MPB impacted areas, and to evolving government priorities around wood fiber, growing productive forests, and economic stability in rural communities. I am happy to report that FFT is continuing to increase the number of seedlings planted per year, from seven million in 2008-2009 toward a target of eighteen million trees in 2010-2011.

Sincerely,

Jim Snetsinger
Chief Forester



1. Program Overview

Forests for Tomorrow (FFT) was established in February 2005 to address the provincial government's concern with the growing area of understocked Crown forest land due to the impacts of wildfire and mountain pine beetle (MPB). FFT was designed to improve the future timber supply, and reduce risks to biodiversity, water, fish, wildlife, and habitat. The initial focus of the program was on the fire-affected areas of the southern interior; however, the program is now shifting its investment focus toward MPB-affected areas. Ultimately, the program aims to strengthen the resilience of British Columbia's forests to climate change and natural disturbances.

FFT is designed as a long-term program, supporting an annual reforestation target of 17 million seedlings, to achieve an end state of 400,000 ha in 23 years as outlined in the 2007 Business Case. The FFT program directly supports British Columbia's Mountain Pine Beetle Action Plan. FFT also supports the spirit of the New Relationship and First Nations Mountain Pine Beetle Working Group / Ministry of Forests and Range and Mountain Pine Beetle Response Team / Mountain Pine Beetle Commitments' Document, by providing an opportunity for First Nations businesses and employees to build capacity.

2. Highlights for 2008-2009

In 2008-2009 the FFT program embarked upon the first full scale MPB surveying and reforestation planning across the twenty-two impacted management units. The program expanded operations in the NIFR and initiated planting programs in MPB impacted areas in the Nadina, Prince George, and the Cariboo regions of the province. FFT has continued to collaborate with First Nations to expand opportunities for First Nations to work within the program, including evaluating capacity through the development of Community Integrated Investment Plans (CIIPS), the development of a targeted First Nations Capacity Building Fund, and the investment in a full time First Nations liaison officer in the SIFR. FFT has also initiated a working group with the First Nations Forestry Council to further the communication between the program and First Nations at multiple levels.

In 2008-2009 fiscal, FFT implemented two significant pilot projects in MPB impacted areas. The first pilot was to develop a contract for removing MPB impacted fiber with

a direct award Forestry Licence to Cut (FltC) to the successful bidder. This enables the FFT program to gain access to cheaper site preparation costs while facilitating the increased use of the wood. FFT also partnered with BCTS through an innovative timber sale license (ITSL) program that would allow for the eligible MPB impacted ITSLs to be reforested by FFT. Both of these pilots required significant time and resources to change regulations, update the Appraisal Manual, develop new standards and contracts, train recipients and staff, and build new relationships with BCTS.

In accordance with government's direction to better integration amongst government agencies as reflected by Resource Management Co-ordination Project, FFT enlists the assistance of the Ministry of the Environment and the Ministry of Culture, Tourism and the Arts in achieving the program's goals and objectives associated with non-timber values.

FFT fully achieved the majority of its planned goals as well as the target survey and sowing goals. In 2008-2009, FFT completed a Strategic Planning process in preparation of completing the Forests for Tomorrow (FFT) 2009 to 2014 Strategic Plan in 2009-2010. The approach included a workshop and future scenario sessions along with an outreach program to First Nations and Districts. This Strategic Plan will define the mission, goals, and performance measures that will guide decisions over the next five years, and will establish the framework for planning and operational activities under the program.



3. Report on Performance

The Forests for Tomorrow program has developed three Internal Management Measures which support the Ministry of Forests and Range service plan performance indicator of the ratio of area reforested to the total area either harvested or impacted by fire or pests. These measures include tracking the percentage of Forests for Tomorrow project areas that are: (1) affected by fire or pests and assessed; (2) treated compared to areas planned for treatment; as well as (3) the number of hectares declared free-growing in areas eligible for program funding.

Program Management Measures for Forests for Tomorrow are established to track progress on the work plan and other key strategic planning initiatives. The objectives, strategies and performance measures established in the 2009-2010 FFT Strategic Plan will be used to build to the annual report. For 2008-2009 not all performance measures will be reported out on due to the timing of the Strategic Plan release. In 2009-2010 all performance measures will be reported on and these are highlighted in this report.

The six strategic goals are outlined under sections 3.1 to 3.5., and 4.1 along with their associated strategies and performance measures set out to achieve them. In areas where a target had been set (i.e. sowing numbers, hectares surveyed) the Indicator will be measured. In other areas the accomplishments will form a baseline to develop more comprehensive performance measures as the program moves to report out on the Strategic Plan indicators.

A detailed discussion of the projects and dollars managed under the program are set out in Section 5 and 6 of this report. Section 7 summarizes the planned future of the program.

3.1 Improvement in the long term timber supply and the establishment of resilient forest ecosystems and habitat, through reforestation.

3.1.1 Focus reforestation and restoration activities on the most productive sites in larger management units, with the highest impact and risk to forests.

Performance Indicator:

- a) Number of MPB Impacted Management Units (TSA) with updated Type II Silviculture Strategies completed in 2008-2009
- Target: 5
 - Achieved: 3

Results/ Comment: Type Two strategies for Morice, Lakes, and Williams Lake were completed and 100 Mile House Okanagan TSA's initiated in 2008-2009 with FFT funds. The total number of MPB impacted TSA's with updated Type II Silviculture Strategies by 2009-2010 is now 13.

3.1.2 Update forest resource information that supports accurate timber and habitat supply forecasting and silviculture planning in MPB impacted areas.

Performance Indicator:

- a) Number of Management Units with MPB Impact Mapping complete
- Target by 2008-2009: 22
 - Achieved: 22 (initiated a regional training program with multiple stakeholders)
- b) Hectares of MPB Impacted young stands surveyed for Forest Health
- Target: 45,000 ha
 - Achieved: 47,321 ha
- c) Number of MPB Impacted Management Units with updated SIBEC Site Index (BEC) funded by FFT
- Achieved: 3 (WL, 100 MH, and Quesnel TSA's)

- d) Hectares of at risk areas assessed and treated for environmental impacts to Fisheries Sensitive Watersheds (FSW)
- Achieved: Risk Assessment on 4 FSW (156,908 ha) in the Thompson, Kootenay and Okanagan regions. Assessment and treatment plan for 1 FSW in Chehischic Ck.
- e) Hectares of at risk areas assessed and treated for environmental impacts to Ungulate Winter Ranges (UWR) and Wildlife Habitat Areas (WHA)
- Achieved UWR: Impact assessments on 4 and treatment development for 1 wetland buffers of moose UWR. An additional 852 ha of candidate area was assessed to determine suitability of advanced regeneration. Detailed assessment and prescription for Savory Ridge UWR (800 ha). Impact assessment, treatment and monitoring protocol and a pre-burn treatment for pine-lichen habitat in caribou UWR 40 ha.
 - Achieved WHA: Review of LEWO habitat requirements and 100 ha of WHA assessed and habitat monitoring plots completed. Assess area for complete a broadcast burn treatment on 1700 ha, and a complete and impact assessment and treatment development for Lewis' Woodpecker WHA in Thompson. Overstorey assessment and preliminary treatment evaluation of caribou WHA in Cariboo region.

Results / Comment: A digital camera sampling pilot project was undertaken in 2008-2009 to conduct understory assessment in Quesnel. In 2009-2010 this pilot will be expanded. Assessed areas will be transferred to FFT recipient holders as candidate sites for treatment, and locations were used to identify sites for operational trial in 2009-2010.



3.1.3 Utilize the Multiple Accounts Decision Analysis Framework (MADA) to target sites that optimize economic, environmental, and social values.

Performance Indicator:

- a) Implement Multiple Accounts Decision Analysis (MADA) framework
 - Target: Full MADA completed on all 13 active MPB operating MU
 - Achieved: 6 MU with fully integrated MADA and 5 MU with initiated overview analysis

Results/ Comment: In 2008-2009 not all Recipients were required to complete the MADA, where FFT opportunities were limited so that prioritization was not really necessary (I.e. areas with treatment focused mainly on fires). In 2009-2010 a continuous improvement process of the MADA will be conducted to recommend improvements. Additional key measures can then be tracked and reported out in upcoming Annual Reports.

3.1.4 Ensure that young stands established under FFT develop into healthy forests by selecting the right regimes in treatment prescriptions.

Performance Indicator:

- a) Seedlings planted and hectares (ha)
 - Target 7.0M seedlings and 6941 ha
 - Achieved 7.140M seedlings (SPAR) and 6995 ha (RESULTS)
- b) Backlog Impeded Ha of File Review (FR) and Free Growing (FG)
 - Target: FR 7560 hours plus 175,500 ha
 - Achieved: FR 240,615 ha, FG (HELI) 88,260 ha (RESULTS)
- c) MPB_Wildfire Impacted and Backlog Impeded ground surveys
 - Target: 159,397 ha and 65,246 ha (FG)
 - Achieved: 193,288 ha (RESULTS)
- d) Ha Site Prepped
 - Target: mechanical SP 4108 ha and DTA 9727 DTA ha (DTA often added into planting for MPB so not reported in RESULTS as a separate activity)
 - Achieved: MSP 2875 ha and DTA 2593 ha, and Harvest 756 ha (RESULTS)
- e) Ha Brushed
 - Target: 1712 ha
 - Achieved 543 ha (RESULTS)

- f) Average Incremental Volume gained through treatments per year (cumulative)
- Reported in 2009-2010

Results / Comment: Areas surveyed for MPB can be counted in the Impeded surveys where the areas assessed were MPB leading with signs of MPB attack. Total area surveyed in 2008-2009 exceeds the targets when this factor is taken into account.

3.1.5 Ensure that species and spatial diversity is being achieved at the stand and landscape level, including using genetically improved seed with superior growth, form, and pest resistance.

Performance Indicator:

- a) Number of trees sown per year, % Class A, % gain in genetic worth (GW)
- Target: 17 million trees
 - Achieved: 16.784 million trees, 43% Class A, 14% average GW (SPAR)
- b) Percent of area planted with more than one species per year 2007-2008 – 82.2%
- Achieved: 76.4%
- c) Percent of planted seedlings that are lodgepole pine 2007-2008 – 49%
- Achieved: 14%
- d) Percent of post –treatment stand composition that is lodgepole pine 2007-2008 – 41%
- Achieved: 23% of the area treated had natural regeneration of lodgepole pine.
- e) Area-weighted mean dominant species percent in silviculture labels. This will give an indication of the degree of within-polygon species diversity 2007-2008 76.2%
- Achieved: 71.4%

Results / Comment: These indicators were developed in the FFT Policy #1 Management of Tree Species Composition. The 2007-2008 numbers are reported out as baselines to track annual performance.

3.1.6 Ensure that sufficient seed is available to reforest FFT eligible areas

Performance Indicator:

- a) Amount of FFT owned seed (potential seedlings)
- Achieved: NIFR (MOF 28) 71,734,500
SIFR (MOF 27) 41,174,400

Results / Comment: Reporting out on the total FFT owned seed includes tracking all additions through wild cone collections and purchase from seed orchards, MFR Operations Division existing seed supplies (MOF 01 and 20) BCTS and private owners; and deletions through sowing requests or sales.

In the southern interior region, an estimated 1.8 M potential high elevation Lodgepole Pine (Pli) seedlings and an additional 34.5 M potential Pli seedlings were purchased/ collected to complete an estimated 10 year supply of class B Pli seed. An additional .458 M potential Yellow pine seed was also purchased. Class A Douglas Fir (Fdi), White pine (Rust Resistant) .223 M and 2.9 M seedling worth of Pli seed were purchased. In addition, 1.6 M Larch (Lx) and 2.6 M Spruce (Sx) were also purchased with the highest available genetic gain. Available A class seed were purchased for specific sowing at 1.8 M potential seedlings that were primarily Sx.

The northern interior region purchased 6.4 M potential seedlings worth of orchard seed, species purchased were: Sx, Fdi, Pli, Lx. Aerial reconnaissance by helicopter was carried out in the fall of 2008 to determine if there were viable wild cone crops for Fdi, Bl, and Pl, and 2008 season was a poor cone crop for all species. The NIFR also supported the Forest Genetics Council by making recommendations on funding for seed orchard management, and providing input into species plans for orchard development.

3.1.7 Align silviculture practices with anticipated future needs, Forest Health and Climate Change initiatives (Carbon), and investigate opportunities for synergies with other funding initiatives.

Performance Indicator:

- a) Number of leveraged projects
 - Report out in 2009-2010

3.2 Improve long term economic stability within MPB impacted communities.

3.2.1 Ensure that local representatives are invited to local meetings and annual strategic planning meetings to provide input into program plans. Increase community awareness and involvement in FFT through local information sharing and workshops.

Performance Indicator:

- a) Number of information sharing workshops and /or local meetings per year
 - Report in 2009-2010

3.2.2 Work with local districts, and agencies responsible for the restoration of non timber values to integrate their plans into FFT operational direction (e.g. BC Wildland Fire Management Strategy & Ecosystem Restoration.)

Performance Indicator:

- a) Number of integrated operational plans
 - Target: 5 year plans completed on 22 MU
 - Achieved: 5 year plans on 22 MU's but will update in 2009-2010 to tailor into broader integrated TSA level planning and MADA.

Results/Comment: In 2009-2010 the MADA continuous improvement review and updated standards will include mandatory consultation with and inclusion of broader provincial strategies focusing on land base activities such as identified in the above strategy. This 5 year integrated operational plan will be based on and directly linked to the MADA process. This will standardize the communication and input requirements for all Management Units to ensure additional plans are included and aligned with the outputs.

3.2.3 Facilitate the prompt rehabilitation of dead MPB or WF stands for multiple benefits.

Performance Indicator:

- a) Jobs, or person-day, employment opportunities (forest sector dependent) created by FFT operational expenditures per year
 - Achieved: \$24.554 M = approx 700 worker years (150,000 worker days)*. In 2009-2010 direct numbers will be collected in PINES for more accurate accounting.
- b) Number of MPB or WF damaged recreation sites and campsites planted per year
 - Achieved: 44 sites (20,000 trees to replace 21,000 trees removed) - planting, ripping landings, site preparing, seeding and some environmental concerns addressed.
- c) Hectares of at risk assessed and treated for environmental impacts to community watersheds (CW)
 - Achieved: Assessed Tranquille 45,000 ha, Trout Creek 75,500 ha, Hydraulic Creek 9,500 ha, Mission 60,150 ha, Trepanier 23,400 ha, Penticton 17,400 ha, and Lambly / Bear 22,400 ha

Results/Comment: In 2008-2009 the employment factors were developed using the operational dollars as a surrogate from community employment. Future years will have more refined numbers from Recipients. MoE also completed understory regeneration sampling and ECA analysis to support Okanagan community watershed risk analysis.

3.2.4 Promote community access to the fiber supply that would otherwise remain uneconomic on eligible and impacted areas.

Performance Indicator:

- a) Volume of dead or damaged timber salvaged by FFT per year (ITSLs and FLTCs)
 - Achieved: FLTC SIFR 110,354 m³ (757 ha) NIFR 54500 m³ (480 ha)
 - Achieved: ITSLs SIFR 59,074 m³ NIFR 62,557 m³

Results/Comment: The FltC and the ITSL processes were in the pilot stage in 2008-2009, with full implementation in 2009-2010. Prince George has four FFT ITSLs that were advertised in 2008-2009 but awarded in 2009-2010 that will be counted in 2009-2010 for a carry forward total of 156, 279 m³.



3.3 Improving decision-making in delivering forest reforestation and restoration activities.

3.3.1 Support change monitoring to assess the performance of FFT plantations and incorporate the results into future policy through adaptive management.

Performance Indicator:

- a) Build FFT treatments regime matrix for the most common BEC Zones to guide decisions on proposed areas.
 - Achieved: 8 Initial Specimen Standardized Regimes by common BEC zones were designed and posted on the FFT website under Decision Support Tools.

3.3.2 Enhance relationships with multiple silviculture stakeholders, and First Nations to develop an understanding of silviculture challenges and issues.

Performance Indicator:

- a) Number of outreach projects with external research and stakeholders held per year
 - Achieved: Two AM workshops in 2008-2009 with full reporting in 2009-2010

3.3.3 Analyze and understand the cost-benefit of proposed incremental silviculture treatments prior to executing them.

Performance Indicator:

- a) Update Provincial Resource Management Planning
 - Achieved: All completed silviculture strategies updated August 2009

3.3.4 Review and update the return on investment process to ensure that the right types of stands are managed to achieve a targeted return on investment.

Performance Indicator:

- a) Number of Return on Investment (ROI) evaluations reviewed per year (% of total)
 - Achieved: Report out in 2009-2010
- b) Update and fully implement a FFT cost benchmarking process and program budgeting review process.
 - Achieved: Report out in 2009-2010

Results / Comment: As part of the repatriation process in 2009-2010 a cost benchmarking process will be developed. An initial set of ROI evaluations will be completed in 2009-2010 also.

3.3.5 Expand and fully integrate the science-based adaptive management program to include a broader environmental protection lens.

Performance Indicator:

- a) Number of FFT research or adaptive management (AM) projects funded per year
 - Achieved: FFT AM Field Workshop; FFT AM Strategy Development; 9 AM synthesis reports; 2 AM small mammal trials; AM metadata template and project reporting template; 1 brushing to reduce hare damage trial

Results / Comment: Moving forward, in 2009-2010 operation trials will be focused on underplanting effects to further decision tools. Field based training may follow.

3.3.6 Establish a web-based newsgroup where people can discuss FFT issues.

Performance Indicator:

- a) Updated Website Completed
 - Achieved: Yes; A discussion group is currently available for FFT staff, Recipients and Contractors. The discussion group was used regularly for the first few months of its creation but its use has tapered off and discussions have once again returned to email exchanges.

3.4 Promote quality program development through ongoing business improvement with a people focus.

3.4.1 Implement a process to drive gains in efficiencies for every dollar spent.

Performance Indicator:

- a) Average cost / ha of restored forest land
 - Achieved: \$2600 / ha
- b) Average Cost / ha of developed salvaged m3
 - Report out in 2009-2010 (not enough data in 2008-2009)
- c) Percent of total program expenditures allocated to overhead per year
 - Achieved: 8.9%

Results/ Comment: Costs are average by PINES data reports and will vary as the program is ramping up due to increased costs for Site Preparation activities completed in a previous year on a larger land base than the hectares planted. Costs are anticipated to go down through FFT partnerships with BCTS and the full implementation of the FltC process. A review of the Forests for Tomorrow program overhead was completed by PWC for the 2008-2009 fiscal year. The review encompassed approximately 70% of the allocation under the program for the past fiscal year.

3.4.2 Review, evaluate, and share best practices for reforestation of damaged stands.

Performance Indicator:

- a) Number of Extension notes and best practices documents created per year
 - Achieved: 10

Results/ Comment: Adaptive Management extension notes; BC Forest Professional Magazine article; AM synthesis papers; seed selection guidance.

3.4.3 Update, evaluate and improve FFT standards with respect to increasing efficiency and risk management.

Performance Indicator:

- a) Number of reviewed and updated standards per year
 - Achieved: All were reviewed. Changes were made to FFT Survey Standard where all survey standards were amalgamated and updated; to the FFT RESULTS Field Data Capture Standard to address overlapping; and to the Planting Standard to standardize the Quality Assurance system (implemented April 15, 2009).

Results/ Comment: In 2009-2010 multiple standards will be developed due to the FltC and ITSL programs ramping up, and the FFT repatriation process.

3.4.4 Conduct regular program audits, evaluations and monitoring in a continuous learning framework.

Performance Indicator:

- a) Percent of program audits with no major non-conformances per year
 - Report out in 2009-2010

Results/ Comment: A total of 100 projects with a total value of \$13.98 M were performance audited throughout the 2008-2009 fiscal year in the form of an interim performance audit or upon project completion, as a final performance and financial audit. Also a total of 142 projects with a total value for \$19.77 M were financially audited. Audits on 2008-2009 activities will be reported out in the next fiscal Annual Report, along with the indicator above. Performance audits are targeted at the works on the ground while financial audits focus on the Recipient's accounting and administration of the FFT funds.

3.4.5 Develop consistent protocols for Quality Assurance (QA) across the program. Evaluate third party Certification.

Performance Indicator:

- a) Number of Standards with QA built into them
 - Report out in 2009-2010

3.4.6 Review strategic and tactical plans annually to determine their relevance to changing factors.

Performance Indicator:

- a) Number of plans reviewed
 - Report out in 2009-2010

3.5 Safety is a fundamental component of all FFT activities and considerations

3.5.1 Utilize companies with "Safe Company" Certification.

Performance Indicator:

- a) Percent of FFT contracts and subcontracted companies that are "Safe Company" Certified cumulative
 - Target: All Recipients
 - Achieved: All Recipients

3.5.2 Work with safety partners to develop strategies to mitigate the risks associated with stands that are considered high hazard due to the potential for increased incident of windthrow.

Performance Indicator:

- a) Hold workshops with WCB, Recipients and FFT Staff to discuss ongoing safety concerns around FFT activities such as the Danger Tree Assessment program in Wildfire and MPB impacted stands, and Planting camp standards
 - Achieved: The changes to procedures in how Danger Trees are addressed after the 2007-2008 workshops have mitigated the identified risks. FFT has implemented a mandatory requirement for all recipients and contractors to be SAFE certified which has an element of continued review and improvement to these procedures.

3.5.3 Track and measure safety performance and strive to eliminate workplace injuries.

Performance Indicator:

- a) Benchmark and track accidents and incidents
 - Achieved: 3 workplace injuries occurred across FFT funded program in 2008-2009

3.5.4 Maintain an effective FFT health and safety program, to which all employees are accountable. Ensure that clear communications structures are in place at all levels to facilitate safety knowledge sharing.

Performance Indicator:

- a) Have a program in place
 - Achieved: MFR Occupational Health and Safety Program and Safe Certification Requirements for external contractors.



4. First Nations

FFT commits to “lend tangible expression to the New Relationship”. The FFT program commits that ensuring that First Nations will be engaged to provide guidance and input into Forests for Tomorrow at the strategic and operational levels.

Under the First Nations Mountain Pine Beetle Working Group / Ministry of Forests and Range and Mountain Pine Beetle Response Team / Mountain Pine Beetle Commitments' Document, the Ministry of Forests and Range commits to policy change that will enable, for fiscal 2007-2008, to provide up to \$4 million worth of Forest for Tomorrow contracts that can be directly awarded to qualified First Nations companies. This work will include survey work, site preparation work, reforestation and productivity enhancement work. For fiscal 2008-2009, as First Nations capacity and expertise ramps up, the direct awards to qualified First Nations companies will be doubled to \$8 million per year, subject to the ability of these companies to deliver the program requirements.

As a means of enabling the achievement of this target, recipients are directed to award 25% of their investment schedule to First Nations, where qualified First Nation's contractors are available for the work and costs can be negotiated comparable to competitively awarded work.

4.1 Achieve a high level of meaningful First Nations engagement

4.1.1 Conduct an annual review of the FFT First Nations engagement strategy and information sharing consultation guidelines.

Performance Indicator:

- a) Annually review and update
 - Achieved: To complete in 2009-2010

Results / Comment: Aboriginal Youth Intern project for 2009-2010. Recommendations and outputs will be incorporated in upcoming annual reports and new indicators.

4.1.2 Establish and implement an FFT Strategy for increasing First Nations Engagement

Performance Indicator:

- a) Support a silviculture benchmarking survey of First Nations led by the First Nations Forestry Council
 - Target: Completed Report
 - Achieved: Initiated in 2008-2009 will complete in 2009-2010
- b) Develop a Strategic Plan for FN engagement and initiate a FN Engagement Working Group
 - Target: Complete final report in 2009-2010
 - Achieved: Have created a full time Funded FN Liaison member in the SIFR; engaged the FNFC and the FN MBPI in a FN Engagement Working Group

Results/ Comment: The Strategic Plan for FN Engagement will be completed in 2009-2010 in consultation with FN communities and representatives and as part of the FN Youth Intern Project.

4.1.3 Invite First Nations to attend key workshops, and planning meetings.

Performance Indicator:

- a) Number of First Nations knowledge transfer workshops and meetings per year
 - Achieved: FNFC FFT Committee, Getting in the Game session held in Prince George, and several CIIP planning workshops

Results/ Comment: Local meetings are not currently included in this indicator, but further refinement in 2009-2010 may result in expanding the inputs.

4.1.4 Encourage First Nations participation in FFT through providing employment and business opportunities.

Performance Indicator:

- a) Program operation activities expenditures to First Nations per year and cumulative dollars
 - Target: For 2008-2009 \$8M
 - Achieved: \$4.2 M due to lower operational dollars available
- b) Number of First Nations employed by delivery partners (full or part time) per year
 - Report out in 2009-2010

Results/ Comment: In 2009-2010 the Performance Indicator for (a) will be adjusted to a percent of the operational dollars for the FFT program (25%).

4.1.5 Support building capacity of First Nations to participate in silviculture.

Performance Indicator:

- a) Number of local First Nations Capacity Building Initiatives completed and dollars invested per year and cumulative (\$ invested will be reported out on in 2009-2010)
 - Achieved: Nicola Tribal Association, Simpcw, Skeetchestn, and Lillooet Tribal Council
- b) Number local First Nations trained through the Capacity Building Initiatives per year
 - Report out in 2009-2010

Results/ Comment: In 2009-2010 FFT revised the process and tracking procedures for First Nations Capacity projects and has implemented a more robust measurement factor for linking performance indicators a and b together.

4.1.6 Work collaboratively with First Nations and other agencies to leverage funding opportunities from a range of sources beyond FFT.

Performance Indicator:

- a) Number of joint ventures or partnerships established with local First Nations per year
 - Achieved: 3 Okanagan Nation Alliance and Alkali Community Forest (Esketemc) are recipient agreement holders and Nupqu Development Cooperation partnership with Arbourtech

Results/ Comment: Further refinement of the tracking process will result in better accounting in 2009-2010.

4.1.7 Improve the FFT tender process to evaluate bidders on tendered contracts who build and maintain First Nations involvement.

Performance Indicator:

- a) Number of innovative contracts tendered with FN evaluations
 - Report out in 2009-2010

Results/ Comment: Further refinement of the tracking process will result in the ability to track in 2009-2010.

4.1.8 Incorporate First Nations input into the Multiple Account Decision Analysis framework.

Performance Indicator:

- a) Percentage of MADA with FN input
 - Report in 2009-2010



5. Program Analysis

The 2008-2009 Forests for Tomorrow work plan was developed in consultation with Regional FFT, Recipient Agreement Holders, and PwC staff. The initial FFT budget was \$44 M, and after reductions for staff salaries (\$1.61 M), and a pre year end surplus of \$1.5 M, the 2008-2009 FFT net operational budget was \$40.8 M.

For 2008-2009 PricewaterhouseCoopers delivered 62% of the operational program allocation through a third party administration delivery agreement with the Ministry, while the remaining budget was directly administered by the Forest Practices Branch, the Northern and Southern Interior Forest Regions, FIAB, and MOE and MTCA.

Table 1: Summary Table of Net Operational Funding for FFT, 2008-2009

	ACTUAL (\$)
Ministry of Forests and Range	\$15,669,667
Third party administration (PwC)	\$25,154,855
TOTAL	\$40,824,522

5.1 Ministry of Forests and Range and Agency Delivery

The Forest Practices Branch administered the \$11.076 M (including FRPA s. 108 payments) with the NIFR Regional staff, and the SIFR Regional staff administering \$.945 M, and \$1.926 M respectively. Forest Analysis and Inventory Branch was allocated \$.904 M and \$.037 M was allocated to Tree Improvement Branch. The Ministry of Environment was allocated \$697 M, and the Ministry of Tourism, Culture, and the Arts received \$.085 M. A detailed summary of the MFR expenditures is presented in Appendix C – Detailed Summary of FFT Funds Administered by the Ministry of Forests and Range and Agencies in 2008-2009. In addition, the FRPA s. 108 areas funded by Licensee are located in Appendix B- Section 108 Areas Funded in 2008-2009, by Licensee.

5.2 Third party Administration

In 2008-2009 PwC administered \$25.155 M of provincial funds on behalf of the Ministry of Forests and Range (“MFR”), including nine District Manager approved Section 108 eligible claims at \$.291 M. During the fiscal year, PwC approved 303 projects, at \$24.86 M, for eligible FFT Recipients. Over 80% of the funding allocation was expended on planting, survey and site preparation projects, while other silviculture activities such as Backlog/ Impeded assessments and treatments were completed in the eligible management units identified by the MFR. A summary of the dollar value of PwC administered projects approved by the end of the fiscal year, by delivery agent, is found in Appendix D Summary of FFT-Approved Projects Administered by a Third Party in 2008-2009, and Appendix E – FFT Allocation to Recipients by Region and Management Unit in 2008-2009

The majority of projects approved under FFT were focused on the Stand Establishment and Treatment component (93%). Under this component, surveys, site preparation, and planting, especially in Mountain Pine Beetle and other pest infested stands in the Southern Interior Forest Region, made up over 80% of the 2008-2009 funding. SIFR Recipients spent nearly 39% of their funding on survey projects aimed at identifying future areas requiring planting under the FFT program. SIFR Recipients also spent approximately \$5.1 million on planting (26% of their allocation) and \$2.8 million (14%) on site preparation work during the fiscal year. In the Northern Interior Forest Region, Recipients continued to ramp up their activities during 2008-2009 and expended nearly 45% of their funding on survey projects. NIFR Recipients also spent approximately \$1.8 million on planting (34% of their allocation) and \$0.6 million (11%) on site preparation work during the fiscal year.

Planning was finalized for the 2008-2009 performance audits in the fourth quarter. PwC contacted Recipients who were to be audited under the FFT program prior to the end of the fourth quarter, and had anticipated that the audit work will be finalized by August 2009. Reporting on audit findings will be provided to the FPB upon completion of these audits.

A total of 100 projects with a total value of \$13.98 M were performance audited throughout the 2008-2009 fiscal year in the form of an interim performance audit or upon project completion, as a final performance and financial audit. Also a total of 142 projects with a total value for \$19.77 M were financially audited. The interim audit focused on field activities and was conducted to ensure FFT field activities were being performed to acceptable standards and to provide guidance to any projects that missed performance standards requirements. The performance audit at the end of the fiscal year focused on administrative systems and field work while the financial audit consisted of reviewing expenditures.

6. Looking Forward

Forests for Tomorrow is continuing to shift focus from the 2003 and 2004 major wildfires toward targeting MPB impacted stands. FFT is also expanding its relationships and investment in First Nations capacity projects in 2009-2010 with local FN communities, and the FNFC to gain a better understanding of how the program could increase FN's access to FFT silviculture opportunities. In 2009-2010 the FLTC pilots will continue to form a larger portion of the targeted areas for MPB rehabilitation as FFT continues to meet the Minister's direction to create opportunities to treat more land and to offer opportunity to utilize the fiber. In addition, the partnerships with BCTS on eligible ITLS will be expanded into all FFT operating areas. This will lead to a cost saving to the FFT program, by enabling access to cleared land ready for planting. In addition the recent 2009 wildfires will impact the FFT budget as FRPA s.108 claims are funded through FFT. In 2009-2010, FFT initiated a repatriation of program administration responsibilities back to the MFR. This has resulted in some changes to operating procedures as well. Further repatriation opportunities may be evaluated as the Ministry embarks upon a Business Transformation process. A breakdown of the forecasted program profile is provided in Table 2 below.

Table 2: Summary Table of FFT Accomplishments to date and 5 year reforestation targets

		2004 /05	2005 /06	2006 /07	2007 /08	2008 /09	*	2009 /10	2010 /11	2011 /12	2012 /13
MFR	Planting (000 ha)		0.35	.83	6.5	7.0		12	17	13	16
	Seedlings (M)		0.35	.88	7.0	7.14		13.8	18.3	16.1	17
	Surveys (000 ha) excluding File Review but inc. Air (FG)		76.6	32.8	60.1	115		80	95	95	95
	Funding (M)	\$12.5	\$26.0	\$14.1	\$21.07	\$44.0		\$42.4	\$42.4	\$42.4	\$42.4
FRPA s 108	Seedlings (M)	6.0	1.6	2.0	1.1	1.0		0.0	2.0	2.0	1.0
	Total Funding (M)			FRPA s.108 seedlings vary by year funds are paid out.							

* 2009/10 forward is forecast only and subject to funding and FRPA s.108 claims.

Appendix A – Sowing Requests in 2008-2009, by Regional Area and Species

Table 3: Summary of Sowing Request

REGION	TSA	SPECIES	CLASS A	CLASS B	TOTAL
RNI	Lakes	Fdi		250,000	250,000
	Morice	Lw	20,000		20,000
	Prince George	Pli	883,000		883,000
	Bulkley	Sx	1,395,000		1,395,000
		Sxs		110,000	110,000
		Hw		50,000	50,000
		Bl		70,000	70,000
	TOTAL RNI		2,298,000	480,000	2,778,000
REGION	TSA	SPECIES	CLASS A	CLASS B	TOTAL
RSI	Quesnel	Fdi	183,200	1,772,400	1,955,600
	Williams Lake	Lw	248,000		248,000
	100 Mile House	Pli	337,700	986,600	1,324,300
		Sx	2,411,200		2,411,200
		Cw		106,300	106,300
	TOTAL CARIBOO		3,180,100	2,865,300	6,045,400
REGION	TSA	SPECIES	CLASS A	CLASS B	TOTAL
RSI	Arrow	Fdi	33,400	1,261,600	1,295,000
	Boundary	Lw	82,500	227,200	309,700
	Kootenay Lake	Pli	352,200	2,911,000	3,263,200
	Merritt	Sx	1,299,700	1,171,400	2,471,100
	Lillooet	Cw		20,100	20,100
	Kamloops	Py		544,600	544,600
	Okanagan	Bl		56,900	56,900
	Invermere				
	Cranbrook				
	TOTAL REMAINDER RSI		1,767,800	6,192,800	7,960,600
GRAND TOTAL	GRAND TOTAL		7,245,900	9,538,100	16,784,000

Appendix B – Section 108 Areas Funded in 2008-2009, by Licensee

Table 4: Summary of FRPS s.108

LICENSEE	ACTUAL (\$)
Tembec Industries Ltd.	\$ 101,821
Atco Wood Prodcuts Ltd.	\$ 382,373
International Forest Products Ltd.	\$ 174,044
Weyerhaeuser Company Ltd.	\$ 25,308
Tolko Industries Ltd.	\$ 45,169
Hauer Bros. Lumber Ltd.	\$ 37,673
Springer Creek Forest Products Ltd.	\$ 468,971
Louisiana Pacific Canada Ltd.	\$ 8,393
Candian Forest Products LTD.	\$ 110,976
Babine	\$ 57,072
BCTS	\$ 45,832
Northwest Squamish Forestry Ltd	\$ 33,900
Coast Tmishian	\$ 4,004
TOTAL	\$1,495,536

Appendix C – Detailed Summary of FFT Funds Administered by the Ministry of Forests and Range and Agencies in 2008-2009

Table 5: Summary of MFR Administered FFT funds

	ACTUAL (\$)	
FOREST PRACTICES BRANCH		
FFT Planning - Support Admin	\$ 361,877	
Sowing Request	\$ 1,157,408	
Seedlings on Line	\$ 2,885,593	
Cone Collection or Seed Purchase	\$ 1,288,697	
FRPA s.108	\$ 1,173,133	
NRFL SSSP Reforestation	\$ 33,900	
UBC Vole and Research	\$ 180,000	
Forest Health	\$ 1,200,000	
Adminstration and Audit	\$ 1,242,354	
FFEI Projects	\$ 318,638	
RESULTS Data Project – Carbon Accounting	\$ 469,938	
TSA Level Planning	\$ 25,000	
Alvin Final Report	\$ 20,000	
FSL SSSP Reforestation	\$ 97,823	
FNFC	\$ 75,000	
Program Fiscal YR end (additional \$\$ returned from PWC October 2009)	\$ 546,399	
		\$11,075,760
SOUTHERN INTERIOR FOREST REGION		
Program Support	\$ 419,363	
Seed Collection	\$ 217,405	
First Nations Projects Capacity Building	\$ 111,662	
WF/Mountain Pine Beetle Evaluation and Monitoring	\$ 53,914	
RESULTS QA	\$ 60,000	
Silviculture Strategies	\$ 228,270	
Planting Kamloops TSA NRFL	\$ 545,042	
Infrastructure Support - Roads and Access	\$ 48,885	
Young Pli MPB Impact Research	\$ 241,016	
		\$1,925,557

NORTHERN INTERIOR FOREST REGION		
FFT Planning - Support Admin	\$	117,862
Backlog Impeded Projects DPC – DMK	\$	322,401
DJA -NRFL Planting Project	\$	53,808
MPB Salvage Stands Surveys DPG	\$	78,375
Age class 2,3 recce and surveys DVA/DPG	\$	145,660
WF Surveys RG DJA	\$	1,756
Seedling Purchase DVA and cone Recce	\$	45,092
FltC Pilots Site Preparation DPG_DVA	\$	73,792
RESULTS QA	\$	28,482
Aleza Lake RF – Surveys and Brushing	\$	74,950
Planting DMK	\$	2,808
		\$944,986
FOREST ANALYSIS BRANCH		
Program Support	\$	50,044
Timber Supply Impacts – MPB AAC Uplifts	\$	93,014
Update Red and Grey Attack Mapping	\$	130,000
Understorey Mapping (DCS)	\$	118,239
SIBEC and PEM Updates	\$	500,000
Training and Extension Services	\$	12,281
		\$903,578
TREE IMPROVEMENT BRANCH		
Pli seed utilization study	\$	12,737
Pli seed - assess quantity and quality in MPB stands	\$	24,408
		\$37,145
MINISTRY OF ENVIRONMENT		
Evaluate High Risk CW_FSW and WHA_UWR	\$	451,945
Develop Treatment Prescriptions	\$	155,696
Treatments of 1 UWR	\$	10,000
Monitoring of areas	\$	80,000
		\$697,641
MINISTRY OF TOURISM SPORT AND THE ARTS		
Planting 44 Campground Sites (20,000 trees)	\$	85,000
		\$85,000
		\$15,669,667

Appendix D – Summary of FFT-Approved Projects Administered by a Third Party in 2008-2009

Table 6: Summary of PwC Administered FFT funds

ACTIVITY	NO.	ACTUAL (\$)
INFRASTRUCTURE ROADS		
Access Management Planning	10	\$ 235,261
Road Reactivation_Deactivation	4	\$ 41,428
	14	\$ 276,689
STAND ESTABLISHMENT AND TREATMENT - BACKLOG		
Overview Planning and Surveys	22	\$ 1,173,764
Site Preparation	1	\$ 56,888
Planting	3	\$ 51,024
	26	\$ 1,281,676
STAND ESTABLISHMENT AND TREATMENT - IMPEDED		
File Review	10	\$ 493,320
Surveys	13	\$ 1,217,857
Brushing	1	\$ 62,701
	24	\$ 1,773,878
STAND ESTABLISHMENT AND TREATMENT - ENHANCEMENT AND TIMBER		
Cone Collection	1	\$ 57,789
Surveys	1	\$ 9,973
Spacing	1	\$ 16,222
	3	\$ 83,984
STAND ESTABLISHMENT AND TREATMENT - WILDFIRE		
Overview Planning and Surveys	34	\$ 2,532,347
DTA	6	\$ 1,043,418
Site Preparation	4	\$ 720,792
Planting	22	\$ 2,959,591
Brushing	3	\$ 147,194
	69	\$ 7,403,342

STAND ESTABLISHMENT AND TREATMENT – MPB (SSS)		
Overview Planning and Surveys	56	\$ 5,683,626
DTA	6	\$ 427,217
Site Preparation	20	\$ 3,802,637
Planting	31	\$ 2,669,274
Brushing	6	\$ 259,305
	119	\$ 12,842,059
STAND MAINTENANCE (FFT INVESTMENT AREAS)		
Surveys	3	\$ 84,099
Brushing	1	\$ 39,889
	4	\$ 123,988
FIRST NATIONS		
Capacity Building Projects	4	\$ 52,196
	4	\$ 52,196
PROGRAM LEVEL PROJECTS		
Adaptive Management	1	\$ 33,542
Silviculture Strategies	3	\$ 94,123
Budget and Administration	24	\$ 363,434
Traning and Meetings	12	\$ 225,441
	40	\$ 716,540
TOTAL APPROVED	303	\$ 24,554,352

Appendix E – FFT Allocation to Recipients by Region and Management Unit in 2008-2009

Table 7: Summary of FFT Allocations to Recipients

MGMT UNIT	RECIPIENT HOLDER	ACTUAL (\$)
TSA_TFL	NORTHERN INTERIOR FOREST REGION	
Bulkley	Forsite	\$ 47,182
Lakes	Forsite	\$ 1,000,549
	Tweedsmuir	\$ 45,444
Morice	Forsite	\$ 230,972
	Tweedsmuir	\$ 35,979
Prince George DPG	Erafor	\$ 1,638,795
	Canfor	\$ 761,327
Prince George DVA_DJA	Pope and Talbot	\$ 1,339,963
Dawson Creek	Industrial Forestry Services	\$ 44,840
Mackenzie	Industrial Forestry Services	\$ 54,375
FL 30	Canfor	\$ 156,354
		\$ 5,355,780
TSA_TFL	SOUTHERN INTERIOR FOREST REGION	
Quesnel	BA Blackwell and Associates	\$ 2,359,125
100 Mile House	BA Blackwell and Associates	\$ 616,607
Williams Lake	BA Blackwell and Associates	\$ 2,068,745
Esketemc Community Forest	Esketemc	\$ 42,418
Kamloops	Forsite	\$ 3,496,228
Merritt	Forsite	\$ 1,935,934
Lillooet	Forsite	\$ 945,399
Okanagan	Okanagan Nation Alliance	\$ 1,714,831
Arrow	True Blue	\$ 358,581
Boundary	True Blue	\$ 118,235
Kootenay Lake	True Blue	\$ 1,691,448
Cranbrook	ArbourTech	\$ 2,005,830
Invermere	ArbourTech	\$ 404,153
TFL 18	Canfor	\$ 836,038
TFL 23	Interfor	\$ 188,323
TFL 35	Weyerhaeuser	\$ 26,194
TFL 49	Tolko	\$ 243,240
TFL 52	West Fraser	\$ 99,100
TFL 55	Lousiana Pacific	\$ 48,143
		\$ 19,198,572
Total (\$)		\$ 24,554,352



