

File: 140-20/*Forest Act* Apportionment Guide
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September 15, 2023

To: Associate Deputy Minister
Assistant Deputy Ministers
Chief Forester
Regional Executive Directors
District Managers
BC Timber Sales Executive Director
BC Timber Sales Managers

From: Doug Kelly, Director, Forest Tenures Branch

Re: Forest Licence Allowable Annual Cut Reduction and Apportionment Guide

Apportionment of the allowable annual cut (AAC) is a discretionary decision of the minister under Section 10 of the *Forest Act* that typically occurs following the determination by the chief forester of a new AAC for a given timber supply area (TSA); however, the minister can exercise this authority anytime. Apportionments specify the AAC available for granting under various forms of licence agreements referred to in Section 12 of the *Forest Act*.

Legislative guidance to the minister informing discretionary decisions is provided by Section 4 of the *Ministry of Forests and Range Act*, which sets out the purpose and functions of the ministry responsible for the *Forest Act*, and by the *Interpretations Act*, which plays a role in determining how legislation, including the *Forest Act*, is interpreted.

The Minister of Forests, as decision maker, is charged with ensuring that licence reduction and apportionment are done in a fair and honourable way, and in accordance with legislation. As a result of the significant decline in the AAC, it is a challenge to meet all expectations for volume in the various categories with the reality of not being able to meet all current commitments. The decision maker is required to turn their mind to competing interests in times of declining AAC and volume availability and determine how best to implement their vision with parameters enable through the current legislative tools.

The 2021 Modernizing Forest Policy initiative included an intention to improve the apportionment process and I am pleased to inform you that the [Forest Licence Allowable Annual Cut Reduction and Apportionment Guide](#) (Guide) was approved by the deputy minister on May 18, 2023.

Forest Licence Allowable Annual Cut Reduction and Apportionment Guide

To support overall sustainability, the Guide now recommends that a Section 63 forest licence AAC reduction is completed before an apportionment decision in those TSAs where existing forest licence AACs need to be reduced to align with a new lower TSA AAC as determined by the chief forester. An apportionment process will then occur after the Section 63 forest licence reduction and be used for more strategic conversations on how a TSA AAC could be distributed moving forward to meet other government objectives. If a Section 63 decision is not required, then the Guide recommends starting work on the apportionment decision process immediately.

The Guide was created through the input and collaboration of various ministry staff. Engagement was solicited from First Nations and organizations through the Modernizing Forest Policy initiative and incorporated where applicable.

Although approved for general use at this time, the Guide is still considered a living document subject to change and updating as the new process is tested and information is obtained. Staff will be gathering feedback and input from First Nations, industry stakeholders, communities, and other organizations, and if required, will update the Guide to reflect any applicable learnings.

If you have any questions on the Guide, please contact Tony Kang, A/Senior Timber Tenures Forester, Forest Tenures Branch.

Yours truly,



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