



Forest Act Bulletin

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Temporary Transfer of Cutting Rights Authorized Under A Forest Licence or Timber Sale Licence To Another Timber Supply Area

Summary

This bulletin describes the interpretation, application, and considerations for using Section 18 of the *Forest Act (FA)* to approve the temporary transfer of all or part of the harvesting rights from one timber supply area (TSA) to another TSA.

Definitions

“*cutting authority*” means a cutting permit or a road permit issued pursuant to the licence,

“*cutting rights*” means all or part of the allowable annual cut specified in the licence or the volume estimate of timber that may be harvested under the licence,

“*licence*” means a timber sale licence that makes provision for one or more cutting permits, or a replaceable or non-replaceable forest licence,

“*licensor*” means the applicable regional manager or district manager for the licence,

“*target TSA*” means the timber supply area (TSA) to which the rights under the licence are being transferred,

“*TSA*” means the TSA specified in the licence.

Interpretation

The Cutting Rights in a licence may be transferred from a TSA to a Target TSA, where:

- the minister has given approval for the transfer pursuant to section 18 of the *Forest Act*, and
- the licensor and the licensee have entered into an amendment to the licence evidencing the terms and conditions of the transfer.

Application

Timing

An application to transfer Cutting Rights will be given consideration:

- to the extent of uncommitted AAC, undercut volumes, or unsold volumes available in the Target TSA,
- if the minister determines the transfer is in the public interest, and
- if it is consistent with all relevant higher level plans,

Or

- if the transfer would address an emergency situation;
 - to salvage damaged timber, or
 - to control or dispose of insects, diseases, animals or abiotic factors that are causing, or are likely to cause imminent damage to a forest, and the minister determines the transfer is in the public interest.

Term

The transfer of harvesting rights will be approved for a period of time determined by the minister.

The term of the approval may not exceed the term of the licence and should reflect the nature and objectives of the transfer.

The effective date of the transfer cannot be set retroactively.

Conditions

1. The amendment to a licence will have to specify cutting rights transferred to the target TSA.
2. The authorization should be provided through an *FS3 Contract Amendment* form, signed by both parties.
3. The authorization should include the following information:
 - identification of authorized licence(s),
 - the effective term of the authorization, limited to a prescriptive time frame,
 - authorization for the licensee to apply for cutting and road permits in a described area(s) and timber type(s),
 - the amount of cutting rights (m³) transferred to the target TSA, and
 - other terms and conditions consistent with the objective of the transfer and with the licence.

Review of Application

Upon receipt of an application, the regional manager should prepare a decision briefing note for the minister's consideration. Before preparing a briefing note, the regional manager should consult with stakeholders who may be affected by the proposed transfer including, but not restricted to, contractors, local communities, labour organizations, and First Nations.

The briefing note should include the following:

- the result of consultation with the various stakeholders,
- the availability of AAC or volume in the target TSA,
- impacts on operational plans in the target TSA,
- the social and economic implications for both TSAs,
- implication with respect to timber processing requirements,
- impact on the fibre flow to mills,
- the implications on the cut control requirements in the Licence, and
- the implications for forest certification initiatives.

Consultation

Consultation is required when there are significant economic or social impacts to the contractors, local communities, labour organizations, First Nations or other groups. The type of consultation must reflect the expected impact on the identified groups or communities. Consultation may involve private meetings, public meetings, or invitations for written submissions. If major impacts are identified the public consultation process must include public and private meetings and invitations for written submissions.

Administration

Cut Control

The volume harvested under the transferred rights will form an integral part of *the volume of timber harvested during a calendar year* for the Licence. The cut control requirements of the Licence will remain in effect regardless of the source of the timber.

Issuance of Cutting Authority in Target TSA

The licence holder will submit an application for a cutting permit, road permit, or road use permits issued under the licence to the District Manager responsible for the area where the harvesting will take place.

References

Forest Act, Part 3, Div. 2, Section 18

Contacts

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