

Interfor Corporation Proposed Tenure Disposition in the Great Bear Rainforest North Timber Supply Area

Purpose of this Document

This document provides detail on a tenure transfer proposed by Interfor Corporation (Interfor) in the Great Bear Rainforest (GBR) North Timber Supply Area (TSA).

The tenure transfer requires the approval of decision makers in the Ministry of Forests (the "Ministry"). Details on the legal requirements for the approval and the process the ministry will employ to determine if the disposition should be approved, are within the document titled "Disposition of an Agreement Administrative Guide - Dec 8, 2021". The document is available on the Forest Tenures Branch website at: <u>https://www2.gov.bc.ca/gov/content/industry/forestry/forest-tenures/forest-tenure-administration/timber-tenure-transfer-disposition</u>.

For further information on the proposed transaction please contact Emma Neill, Senior Timber Tenures Forester at 778-974-2439 or Matthew Feagan, Timber Tenures Specialist at 250-739-8324 or by email at InterforDisposition2023@gov.bc.ca

Details of the Disposition Requests

The Ministry of Forests has received an application from Interfor to complete the following tenure transfers in the Great Bear Rainforest North TSA:

- The subdivision of Replaceable Forest Licence (RFL) A16850 with an allowable annual cut (AAC) of 83,382 m³/yr into an amended A16850 with an AAC of 20,846 m³/yr and the creation of two new RFLs, A99081 and A99841 with AACs of 41,691 m³/yr and 20,846 m³/yr respectively.
- 2. The transfer of the subdivided RFL A16850 with an AAC of 20,846 m³/yr to the Metlakatla First Nation or its wholly-owned corporate nominee.
- 3. The transfer of the new RFL A99081 with an AAC of 41,691 m³/yr to the Heiltsuk Tribal Council or its wholly-owned corporate nominee.
- 4. The transfer of the new RFL A99481 with an AAC of 20,846 m³/yr to the Lax Kw'alaams First Nation or its wholly-owned corporate nominee.
- 5. The transfer of three Timber Licences to Heiltsuk Tribal Council: T0474 (King Island), T0572 (Cousins) and T0608 (Labouchere).

What is a Replaceable Forest Licence and what rights are being provided?

RFL's are a form of forest tenure that provide harvesting rights in a TSA. RFLs are replaced every 10 years with a new term of 15 years. Details of the RFLs being subdivided and/or transferred follows:



RFL	Current Term	Replacement Date
A16850	2017-11-01 to 2032-10-31	2027-11-02
A82002	2017-11-01 to 2032-10-31	2027-11-02

Are there other Tenures or Permits that will be transferred?

Interfor has indicated that some road permits (RPs) cutting permits (CPs), and Licences of Occupation (permits issued under the *Land Act*) may be transferred in whole or in part to the new tenure holders.

Permits and licences that are to be transferred or assigned in whole or in part to new holders:

Associated	Permit #	New tenure holder	Operating Area and Location
Tenure			
A16850	R06279	Heiltsuk Tribal Council	MOS, MOS(TL), HOY
A99081	R06440	Heiltsuk Tribal Council	QUA (Quatlena)
A99081	R09263	Heiltsuk Tribal Council	King, King(TLs), Jen
A99081	R13881	Heiltsuk Tribal Council	King (TLs), (JEN?)
A99081	R10804	Heiltsuk Tribal Council	COU, COU (TL)

Licences of Occupation

File #	Expiry	Use	New Holder	Location
5406473	2021/01/21	Foreshore - dump, storage and camp tie-up	Transfer to Gwa'sala Nakwaxda Nation	Burnt Island Harbour
5406297	2019/01/31	Foreshore - log dump and stora	Transfer to Heiltsuk Tribal Council	Cousins Inlet
5406460	2022/07/14	Foreshore - float camp	Transfer to Heiltsuk Tribal Council	Wallace Bay
1413669	2022/12/05	Log Handling and dumping	Transfer to Heiltsuk Tribal Council	Labouchere
5401671	2017/11/19	Log dump, storage and float ca	Transfer to Heiltsuk Tribal Council	Jenny Inlet
5400883	2021/12/06	Foreshore - Log Dump	Transfer to Heiltsuk Tribal Council	Moses Inlet

Further details on these permits and licences are available on request and maps (shapefiles) are available on the FTP site located at:

https://www.for.gov.bc.ca/ftp/HTH/external/!publish/Interfor%20Transfer/.

Where will the RFLs be allowed to operate?

The RFLs will provide the holder with the right to apply for CPs and RPs within the GBR North TSA. The approval of the CPs and RPs will require consultation with First Nations and the approval of the District Manager to ensure they meet all legal requirements. A map of the GBR North TSA is attached.

It is a common practice for tenure holders in a TSA to enter into an operating area agreement to restrict their operations to a certain area of the TSA. This arrangement avoids tenure holders from overlapping operations and helps to ensure orderly planning in the TSA. These operating area arrangements are business to business arrangements by tenure holders and are not mandated by the ministry.



It is expected that new tenure holders will operate within the operating area historically allocated to the RFL they acquire and any future operating area changes will be done through discussion with other tenure holders in the GBR North TSA.

What harvest rights have been provided in the GBR North TSA?

The GBR North TSA's current AAC is 803,000 m³/yr as of January 1, 2017. The GBR North TSA AAC was allocated (or apportioned) into Forest Licences and for use by BC Timber Sales as follows:

Tenure Type	Coniferous Volume	Deciduous Volume	Apportionment by Licence (m ³ /yr)
	(m^3/yr)	(m ³ /yr)	
Replaceable Forest Licences	619,263		Metlakatla, A16841 – 24,488
			Interfor, A16850 – 83,38
			Interfor, A82002 – 22,223
			Sonora Logging Limited, A16837 – 14,049
			Sonora Logging Limited, A16838 – 10,001
			SWC Holding Ltd., A16848 – 10,001
			Western Forest Products, A16845 – 136,029
			Western Forest Products, A16847 – 19,674
Non-Replaceable Forest Licences		5,000	Dean Channel Forest Products Ltd., A96670 – 5,000
First Nations Replaceable			Gitxaala Forest Products Ltd., A16820 – 66,472
Forest Licences			Kvamua Forestry Services Ltd., A82001 – 66,671
			Gwa'nak Resources Ltd., A938864 – 4,445
			Kitasoo Forest Company Ltd., A94009 – 25,000
			Kvamua Forestry Services Ltd., A94010 – 15,000
			Kvamua Forestry Services Ltd., A945515 – 9,400
			Kitasoo Forest Company Ltd., A94536 – 10,500
			Gitxaala Forest Products Ltd., A95624 – 8,528
			Gitga'at Forestry Inc., A95995 – 15,800
			Coast Tsimshian Resources Ltd., A97045 – 25,000
First Nations Non-Replaceable Forest Licences	55,898		Nuxalk Forestry Limited Partnership, A87259 – 30,898 and 31,302 Non-AAC lump sum volume
			Metlakatla Forestry Limited Partnership, A94773 – 17,000 Non-AAC lump sum volume
			Gitxaala Forest Products Ltd., - 75,000 Non- AAC lump sum volume
BC Timber Sales	117,976		



Are manufacturing facilities involved in the transaction?

There are no timber processing requirements with the RFL.

Is there contracting requirement associated with the RFLs?

There are no contractors with contractor rights associated with these RFLs.

What happens to existing obligations, such as for silviculture and roads?

If there are outstanding silviculture obligations accrued under the RFL from previous harvesting, the new holder of the RFL becomes responsible for all of these obligations once the transfer is completed.

Going forward, the new holder will also be responsible for all future silviculture requirements associated with their own harvesting under the RFL, as well as obligations to pay stumpage and annual rent.

Existing obligations associated with road permits are still being determined between Interfor and the intended recipients, as some road permits may be fully deactivated and some road sections may be removed from a permit.

Requests may also be made under the provisions of the *Forest and Range Practices Act* for a new holder to transfer outstanding silviculture obligations back to Interfor, where both parties agree to do so and have received the Minister's approval. This is a separate process from the transfer of the RFL.

How will harvest operations be conducted?

Interfor has advised the Ministry that the new tenure holders will be added to Interfor's existing Multi-Licensee Forest Stewardship Plan #675. Adding a new licensee to the Plan will require the process for a major amendment as stipulated under the *Forest and Range Practices Act*.



Ministry of Forests

Great Bear North - Timber Supply Area



