

# BCCFA 2006 Conference Highlights and Recommendations

Presentations are available on the BCCFA website at  
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## Presentations

### *Minister of Forests and Range, Hon. Rich Coleman*

- The Minister places a "pretty big value on Community Forests."
- In the reallocation to Woodlots and CFAs, a priority was placed on CFAs because they have a greater impact on more people.
- They have a goal to be a proactive Ministry that gets to solutions and moves forward streamlining things wherever possible.
- Stumpage issues were brought forward last year (with the Mayor of McBride talking the loudest) and short-term change was implemented. It will be tested for a year. It will be looked at in light of the beetle, the trade file, forest safety and a demonstration of community benefit.
- Pricing & administration: "We will look at the whole package. The stumpage adjustment has worked, and I imagine we will look at a long-term relationship. We want to look at expansion of CFs, and figure out how this can be accommodated."
- Currently a CFA review is underway. BCCFA will be consulted on the outcomes before determining action.
- Announcement of funds for Forest Service roads, and roads in & out of communities in the north. Will look at utilizing Northern Development money.
- Goal to get past the probationary period and to get to the long term opportunities in the tenure.
- Safety: All companies and individuals by Sept 2007 working in the woods must be properly trained. If they are not certified safe, they will not get a single contract on BCTS. There is an expectation that any tenure relationship will meet the same standards, and if they do not, they will not be doing work on the land base. "The most important asset on the land is not the tree, it is the people."
- MPS will come into effect in the interior on July 1<sup>st</sup>. Want it on the front end of any circumvention.

- Softwood: Met Mike Wilson (Canadian Ambassador) last fall.  
The deal:
  - 7 years of certainty, with 2 years of extension
  - High value cap – which will create opportunities for value-added.
  - Deal recognizes the Coast & Interior as two separate regions
  - Brings stability & opportunity for CFs

***Ministry of Forests and Range (MOFR) The CFA Program - Overview of Changes and Accomplishments Jim Langridge, Director, Tenures Branch and Ron Greschner, Senior Tenures Forester***

PowerPoint presentations available at <http://www.bccfa.ca/conferences.php>

- MOFR has been consumed with MPS and log grade changes and CFA program review is overdue.
- Program Review report will be reviewed and MOFR will engage with BCCFA to discuss changes to the tenure. Recommendations will go to the minister with outcomes anticipated in the fall..
- Interim Pricing Fix - MOFR recognized a need for special consideration for CFAs
- MPS will be implemented in the interior July 1
- CFAC - Role has become less clear and they serve now more in a volunteer consultant role. Future will be decided after the review.
- FRPA implemented. CFAs must now do FSP.
- Interface Fuel Management Tenure. Objective is to improve community safety and reduce risk of property damage. Treatments are based on an approved Community Wildfire Protection Plan. Area is defined by the plan. Harvesting is only part of prescribed treatments. Tenures range from direct award FLTC to competitive NRFLs. Potential role of CFAs or WFs unclear.
- McBride recently received a long-term tenure. Likely and Cheslatta will be complete soon. June decision for Harrop-Procter.
- Applications submitted by Sechelt, Powell River, Terrace, Wells Gray, Lower North Thompson, and Prince George. Sechelt issued last week.
- Status - 12 CFAs issues; 26 invites = 38; 5 invites waiting FN consultation.

***Making the Community Forest Tenure Truly Experimental Presenter: Bruce Fraser, Chairperson BC Forest Practices Board***

Full text available <http://www.bccfa.ca/conferences.php>

**Recommendations for the Short Term**

- Reduce the fibre recovery imperative, particularly during the time that MPB timber supplies have produced a glut in the market
- Reduce the tenure costs to allow earnings to be re-invested in the asset base of the community forest area
- Widen the range of productive uses of the forest estate that the CFAs allow and provide for extended time scales for development of such uses; e.g. Non-timber forest products
- Allow for development of community amenity that does not necessarily provide immediate financial benefits that can be taxed
- Lengthen the duration of the tenure to allow for longer term developments
- Pay the forest holders for a range of beetle recovery, interface management, ecosystem restoration, watershed management or other such infrastructure programs as governments may be supporting
- Focus funded silviculture experimentation in community forests and pay local stewards to maintain the security of experimental areas
- Fund a chair of community forest development at each of the provinces college and university faculties of forestry or resource management
- Charge a government ministry, or group of ministries as with the MPB initiatives, with the task of supporting the broad social and economic evolution of community forests

- Seek a portion of MPB recovery and of FIA funds and allocate them specifically for community forest development in areas affected by major disturbances
- Make explicit commitments for limitation of liability, particularly for the start-up years of a community forest operation

Whatever we do in the near future with the community forest, it should build ownership, stewardship and relationship – linking the people of rural communities with the land and water that sustain them.

### **Recommendations for the Long Term - Land Grant System**

For each rural, forest resource-based community of the province, including those primarily held by First Nations, provide an allocation of forested land and a financial endowment enabling the establishment of a “Community Forest” with the purpose of providing for economic diversification, land and resource stewardship and public education, leading to a permanent and sustained relationship between the people of the community and their surrounding forested commons.

Make the development of a community forest system in the province the joint responsibility of the relevant land, resource and educational ministries, providing for a lead agency through which accountability to the legislature would be ensured. Set standards for the ownership and governance of a community forest on which formal management duties and relationships with citizens would be based.

Establish eligibility criteria to define the appropriateness of land grants based on organizational integrity, economic necessity, land assembly potential and community enthusiasm for the enterprise. Base the land content of the grant on forested areas with multiple resource potential, not solely on the basis of commercially valuable timber supply or any other single value.

Link each community forest with a community college or university-college with a view to establishing educational and research programs that teach both diploma and degree students and members of the community at large about the ecosystems of the forest and the means of their sustainable use and ultimate conservation. Further link the community forests and the responsible colleges with regional or provincial university, government, model forest and industrial forest research programs designed to provide the scientific underpinning of sustainable forest management and the socio-economic models necessary to manage the human dimension.

Provide funding and organization to support a provincial association of community forests, as sponsors of an extension service designed to foster the continuing development of community forests and to share and apply the research information arising from the experience of all members.

Provide endowment and annual funding to support the work of the community forests and make the rules of engagement flexible enough to allow financial benefits derived from the community forests to be re-invested as well as to provide a share of proceeds to the crown. Provide that the basic land entitlement shall not be sold, but may be tenured in a variety of ways to enable development of revenue streams supportive of the fundamental purposes of the community forest.

### ***Ensuring Life after Beetle Presenter: Ben Parfitt, Canadian Centre for Policy Alternatives***

PowerPoint presentation available at <http://www.bccfa.ca/conferences.php>

Battling the Beetle: Taking Action to Restore BC's Interior Forests  
Report available: [www.policyalternatives.ca](http://www.policyalternatives.ca)

Forestry is a partnership. In recent years, we have seen a retreat on the part of government from this partnership.

## Recommendations

- Provincial government needs to step up to the plate in a meaningful way to spend money on reforestation. There is currently no public money being spent on reforestation.
- There is a widening deforestation gap between land reforested and land denuded.
- History has shown that when government has come forward and spent money on reforestation, the returns are significant.
- The rate of beetle attack has been increasing, but at the same time, public spending on NSR has gone down.
- Government strategy is to get companies to drastically increase their harvest, and they are on the hook for reforestation. This only works if the markets are good. This strategy is resting on a fragile foundation.
- Any downturn in the market, with so much extra product, has huge impacts.
- Create a five year 500 million reforestation and restoration fund, with matching funds from Ottawa.
- Provincial government should act regardless of the federal government's contribution
- Create a five year 100 million intensive silviculture fund
- District forest health teams
- Increases in forest conservation: we need to know how forests respond over time to events like the beetle outbreak.
- Need to get minds around new tree-planting strategies.
- Entire biogeoclimatic zones in BC are going to change in next 80 years. Knowing that climate is changing, means that we should be planting tree species that might not be perfectly suitable today, but will be down the road.
- End clearcut “salvage logging” in mixed forests.
- Initiate more controlled burning
- Quickly identify areas of highest reforestation priority.
- A stand-alone reforestation and restoration account funded with stumpage revenues.
- Transfer a portion of stumpage fees to forest-dependent communities, rather than plowing it into general revenue – how do we want to spend this one time bonus?
- Enact new “partnership sales” to stimulate more value added production.
- Transfer a greater portion of tenures to communities and First Nations.

### ***Preparing Now for the Future - Practical Issues and Opportunities for the Small Tenure Holder Presenter: Greg Halseth, University of Northern BC***

PowerPoint presentation available at <http://www.bccfa.ca/conferences.php>

Community forests are small enterprises at the centre of Community Economic Development  
Rural voice is sectoral. BE INCLUSIVE - You never know where a good idea will come from.

#### Small Enterprises: Key Messages

- There are quick and there are dead
- Scale UP
- Must be bold, not conservative
- The global economy is a “knowledge” economy.

Change is integral. We do not like change, but it happens, and has happened. Successful companies are quick and bold in meeting challenges.

#### Context

- What is special about our “place,” as space becomes less important in the global economy?
- We are enveloped in the global economy. Being placed within it has challenges.
- “Rural voice” is less visible – it’s difficult for our voice to get heard on the policy agenda. Media is concentrated in urban centres.
- We must pay attention to the characteristics of the global economy:
  - It is a capital economy driven by profit.
  - Increasing number of low cost competitors.

- Driven by affluent developed world consumers: What do they want that we do?

#### Community engagement

- This is OUR community tenure
- Economic strength – economy needs to be inclusive of cultural, economic, environmental & economic.

#### Local well-being rests on stewardship of our resources

- Consumer driven marketplace is demanding “green” products
- Branding: Many consumers want to feel good about what they are buying
- Community-based products will have appeal
- Attach a price premium

#### Scaling up

- We need to find ways, where they work for us, to build strategic alliances. Opportunities in technical areas, shipping/trading, marketing/research.
- Cooperation brings opportunities
- We are small, and the people we are going to compete with in the marketplace have already formed these alliances.

#### Marketing

- Opportunities in flexible, small scale production.
- Niche marketing with fast turnover.
- “multifunctionality” – diversified business

#### Need steady renewal of skills & workforce

- Rural communities have young people looking for skills, and older people with skills and knowledge to pass on – sometimes skills that are being lost.
- Need to develop skills and knowledge – both high tech but also knowledge of the forest.
- How you train people can also become a product.

#### Change is the norm

- We must be flexible – and we are built for this – we are small and responsive.

### ***BCCFA Presentation: Update of 2005-2006 Activities Robin Hood, BCCFA President and Jennifer Gunter, BCCFA Coordinator***

#### **Introduction**

- Title of last year’s conference in Creston was “Building the Road the Viability” We’ve come a long way on that road since last spring!
- Major growth & progress over the past year
- Now have 41 member community organizations, and 12 associate members
- 35 invitees announced as part of the Forestry Revitalization Plan

#### **Highlights**

##### **Spring 2005**

Participants at the Creston conference agreed upon priorities for year that followed. These included:

- Advocating for a solution to stumpage crisis
- Take a proactive approach to policy changes, including the application & evaluation processes, our own regulation, and removal of the probationary period for CFAs.

##### **Summer 2005**

- Advice also received in Creston was that we are a small organization in a big world, and that in order to be seen and heard we needed to build alliances with other organizations. We joined a coalition of provincial organizations who share common issues. The Central Interior Logging Association, Federation of BC Woodlot Associations, Interior Logging Association,

North West Loggers Association, Western Silvicultural Contractors' Association, BC Community Forests Association and BC Cattlemen's Association, also known as "The Group of Seven" met with Minister Coleman and Deputy Minister Konkin in Williams Lake

- Over the summer of 2005, we worked with the Village of Burns Lake to put forward a motion to the Union of BC Municipalities. It was passed at the convention in September 25. It said:

BE IT RESOLVED that the Province of British Columbia be petitioned for:

- 1) Revisions to the current community forest regulations and policies to facilitate achievement of the stated goals of the Community Forest Agreement program.
- 2) Allocation of sufficient timber volume to address issues of economies of scale and viability for existing and new agreements.

- In the summer, staff fundraised and secured 2 years of funding from the Ford Foundation and Western Economic Diversification for our Community Forest Support Project.
- Created the position of Extension Coordinator, Susan Mulkey

### **Fall 2005**

- Following up on a recommendation made during the Creston Conference, we had a significant presence at the UBCM convention in Vancouver. Susan put on an educational clinic on the CFA, and we had a display booth at the Tradeshow.
- We saw the momentum working in our favour, when in our meeting at UBCM Minister Coleman committed to solving the stumpage crisis facing CFAs.
- Entered into negotiations immediately thereafter, and had a new pricing deal in place by January 1 2006. Stumpage committee evolved from Creston to represent the 11 operating CFAs
- This deal, what we call the "short-term fix", is providing a short-term solution to the stumpage crisis faced by many CFAs. This deal removes all cruising requirements for CFAs, and provides an 85% rate reduction to the Interior Appraisal Manual Table 6.1 and a 70% reduction to the Average Sawlog Stumpage Rates for the Coast Forest Region. This deal was critical to the viability of many CFAs, and is allowing them to begin to return benefits to their community.
- Always wanting to maximize our face to face time, we put on a Wildfire Regulations Workshop the day before our pricing gatherings in Kamloops in late November.

### **Winter**

- Continued our monthly conference calls with MOFR executive
- Result of these calls has been a recognition from MOFR that a number of policy issues need to be addressed.
- Contributed to Terms of Reference of the Community Forest Program Review, which will be making recommendations on the above issues, along with a number of others central to the CFA.
- Made recommendations to MOFR about the CFA application and the evaluation criteria
- Contributed to evaluation process for Pilots
- Networking with other organizations working with rural communities. Presentation at the CEDNet Conference, a national community economic development conference, telling the story of community forestry movement in BC and our role in communities.
- Raised the profile of BCCFA as an effective grassroots organization working successfully with government

### **Spring 2006**

- Administered Forest Investment Account funds in 05/06 for 5 CFAs, totaling \$ 176,685
- Successfully lobbied for increase of more than double the funds for 06/07. Thanks to Vice President Marc von der Gonna, our allocation has gone up to nearly \$423,000.
- Have now begun internal discussions on long-term pricing arrangement & regulatory change, and have given preliminary recommendations to Minister Coleman.
- Have MOU with FBCWA to collaborate where appropriate on policy development

## **CFA PROGRAM STATUS**

- 2 25-Year CFA Tenures
- 9 Probationary CFAs
- 32 New Direct Invitations and Intent to Invite
- Potentially 43 communities with a CFA
- And over 1 million cubic metres in a CFA

## **Workshops**

### ***CFA Applicant Information and Support - Resource Persons - Ron Greschner, Senior Tenure Forester; Patrick Russell, NIFR and Gary Gwilt, Coast Region, MOFR***

- Timelines are confusing. Many variables that have impact on timelines and require clarification.
- There are application requirement discrepancies between regions.
- A document, *Managing Your New Tenure*, put together by the Coast Forest Region is a good source for guidance on the post application approval requirements.
- Request for more information on how to assess community support, pros and cons of various administrative structures, particularly for municipalities with tax implications.
- Areas where Applications are showing weakness: demonstration of community support; clarification of how profits will be spent; and how the community will be involved in the management of the CFA.

### **Follow up required:**

- Clarify application process and timelines following the report outcomes of the CFA review
- Develop measurable indicators for determining community support
- Identify the pros and cons of the range of legal administrative/structural options for holding a CFA, including native/non-native partnerships.
- BCCFA will post *Managing Your New Tenure* on the website.

### ***Practical and Performing CFAs - Pricing and Beyond Workshop Resource People - Marc von der Gonna and Robin Hood***

- Pros and cons of the current tabular rate were discussed
  - Pros include - Rates are known; Approvals are not required (no crusing); The better rate gives an ability to access other markets.
  - Cons include - Does not recognize very high cost development; Variation in benefits around the province
- Communications are required to tell the story of CFA benefits and rationale of why they should get special treatment through pricing. BCCFA is accountable to report on the special nature of CFAs.
- Target UBCM - Tell story of what CFAs are doing in community economic development. Anticipate criticisms about offloading costs ("CFAs are a cash grab").
- More BCCFA internal sharing of expertise to avoid reinventing the wheel (Guidebook, Contacts, Website, face to face meetings, sharing of info between CFAs)
- BCCFA has looked at the WARRT – Woodlot Administrative Review and Recommendation as a potential model for CFA administrative streamlining. It includes 1 cutting permit, a woodlot license plan, a tabular rate and no electronic submissions.

### **Follow up required:**

- Continue to work with MOFR on the long-term negotiation for pricing and administrative streamlining.
- The topic of costs of "downloading" by higher levels of governments to communities needs further discussion to reach consensus on messaging.
- Explore ramifications and potential of a Land Trust model as an alternative to current CFA tenure including:
  - Pricing mechanisms

- Liability
- Multi resource tenure
- First Nations rights
- Research and develop tools to report (and build the case) of the stewardship role of CFAs in rural communities and the tangible and intangible benefits that CFAs contribute.
- Safety high priority.
- Marketing - link trends on value added and wood supply; regional and cooperative marketing

***Building a Relationship with Local First Nations (FN) Workshop Resource People - Hans Granander (Bella Coola) and Mike Robertson (Cheslatta)***

- There are 3 groups in a FN community
  - Elected Chief and Council - deal with what is on the reserve and all financial and administrative issues. Recognize they have many duties and responsibilities.
  - Hereditary Chief - Traditional /family systems that deal with the band, the territory and the culture
  - Band population
- Understand the FN history and their decision making process
- FN involvement must happen from the beginning. Start the relationship as a business. Trust and friendship take time.
- The relationship must be a two-way street. Clarify why you are trying to establish a relationship with a FN. Is the band interested?
- Patience and flexibility is required. Add time to your business planning.
- Where is a band at in the treaty process? Many bands have not resolved these issues and it could have impact on the relationship.
- Many bands do not have forestry capacity and are short on resources. Training should be on the job paid work.
- There is not a checklist for how to approach FN. Most importantly, "they are your neighbors."
- Focus on common ground. There are many shared values between community forests and FN communities. Come back to this when things get tough and build on it.
- Building a relationship with FN must be informal and genuine engagement. It takes nurturing and checking in.
- FNs tend to see "benefits" as more than just financial. Profit is seen as jobs and community wholeness, not just financial gain.

**Issues where follow up is required:**

NIFR identified that a letter of support in the form of a resolution from Chief and Council is becoming required as a criterion the CFA application process. Participants in the workshop were very concerned that in a number of situations, especially where a band is not in the treaty process that a FN would see the resolution as an infringement of their rights and will not participate, even if they do support the CFA. This issue requires further discussion with BCCFA and MOFR to determine a workable way to measure FN support while acknowledging FN rights (without prejudice to treaty)

***Forest Worker Safety and Safe Companies - Keith Rush, Forest Safety Council***

PowerPoint presentations available at <http://www.bccfa.ca/conferences.php>

- SAFE Companies Program is a major BC Forest Safety Council initiative to improve forest industry safety.
- SAFE stands for Safety Accord Forestry Enterprise
- SAFE Companies program provides forest companies with clear, practical standards to assist them to establish their own health and safety programs.
- A company that qualifies for SAFE is eligible for at least a 5% reduction in their WCB payments
- It is anticipated that SAFE will become an industry required standard.

***Overview of the Forest Revenue Audit Program Jason Kruger, Ministry of Small Business and Revenue and Harry De Vries, Manager, Forest Revenue Operations***

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- Audit Program gives Ministry authority to audit, inspect, and assess a person who harvests the Crown timber.
- Ministry is working with MOFR to develop and implement a forest revenue plan that will be fair, effective and efficient.
- Discussion on potential liabilities to CFA /board of directors particularly in first year or not profitable as of yet.