



British Columbia  
Community Forest  
Association

Box 1227 Kaslo, BC V0G 1M0  
Ph: (250) 353-2034 E-mail [info@bccfa.ca](mailto:info@bccfa.ca)  
[www.bccfa.ca](http://www.bccfa.ca)

---

## **British Columbia Community Forest Association 2nd Annual Conference and AGM**

**Community Forestry: Building the Road to Viability**  
**April 21-24, 2005 Creston, BC**

### **CONFERENCE REPORT**

The British Columbia Community Forest Association (BCCFA) held its 2005 Conference and Annual General Meeting: Building the Road to Viability, from April 22nd to 24th in Creston BC. The conference brought together over 100 participants to discuss the challenges and obstacles to viable community forestry in BC, with a focus on policy reform to support long-term sustainability.

#### Conference Objectives

- To showcase active community forest operations in BC;
- To facilitate comprehensive discussions of the barriers and lessons learned in the development of viable community forests;
- To provide a forum for community forestry practitioners and communities interested in community forestry to network and share information;
- To learn about the community forestry platform of the major provincial political parties; and
- To hold the 2005 BCCFA AGM.

#### Meeting participants included representatives from:

- Operational community forests including Community Forest Agreement (CFA) holders;
- Communities in the process of applying for CFAs;
- Communities seeking more information;
- Ministry of Forests staff including: Doug Konkin, Deputy Minister, Jim Langridge and Ron Greschner from the Provincial Resource Tenures and Engineering Branch, and other local and provincial MoF staff;
- Representatives from the Community Forestry Advisory Committee (CFAC);
- Academics and students.

The PowerPoint presentations, conference report and presenter's profiles can be found on the BCCFA website at [www.bccfa.ca](http://www.bccfa.ca)

## Table of Contents

<b>Acknowledgements .....</b>	<b>4</b>
<b>Thursday April 21 .....</b>	<b>5</b>
Harrop-Procter Community Forest Tour 1:00-4:00.....	5
<b>Friday April 22 .....</b>	<b>5</b>
Creston Special Features Tour 9:00-6:00.....	5
<b>Friday April 22 Evening Session 6:30 - 9:30 .....</b>	<b>6</b>
Official Welcome to the BCCFA 2nd Annual Conference .....	6
Joe Snopek, Mayor of Creston .....	6
Show & Tell - Presentations by 3 Operating Community Forests .....	6
Mc Bride Community Forest, Marc von der Gonna, General Manager.....	6
Ft St James Community Forest, Rob MacDougall and Ross Hamilton .....	6
Harrop-Procter Community Forest, Ramona Faust, General Manager.....	6
<b>Saturday April 23.....</b>	<b>7</b>
Opening Addresses .....	7
Robin Hood .....	7
John Thomas, Mayor Alternate Town of Creston.....	7
Susan Mulkey, BCCFA Extension Coordinator and Conference Program Manager .....	7
Margaret Teneese, Lower Kootenay Band .....	7
Chris Luke, Chief, Lower Kootenay Band .....	7
Update on the Expansion of the Community Forest (CFA) Program .....	7
Susan Mulkey, Extension Coordinator, BCCFA .....	7
Ron Greschner, Senior Timber Tenures Forester, Ministry of Forests .....	9
Doug Konkin, Deputy Minister, Ministry of Forests .....	11
Community Forests and The Road to Viability: Navigating the Bumps and Pot Holes.....	12
Marc von der Gonna, BCCFA Stumpage Options Committee.....	12
Rainer Muentner, Private Land Forester: Log Marketing and Value Added Innovation .....	13
Darcy A. Mitchell, PhD, Director, Centre for Non-Timber Resources Royal Roads University, Forest Practices Board.....	14
Jim Langridge, Director Resource Tenures Branch, Ministry of Forests .....	15
Ramona Faust, Harrop-Procter Community Forest .....	15

<b>Saturday Afternoon Workshops: Key Issues and Proposed Actions.....</b>	<b>16</b>
Workshop #1 Exploring Alternatives to Stumpage .....	16
Workshop #2 Log Marketing and Value Added Innovation .....	18
Workshop #3 CFAs, Beetles and Forest Health .....	19
Workshop #4 Implementing a Non-Timber Forest Products Program.....	19
Workshop #5 Developing a CFA Proposal .....	20
Workshop #6 5-Year Pilots and Evaluation of CFAs .....	21
<b>Saturday Evening Session 6:30 - 9:30 .....</b>	<b>22</b>
Presentations .....	22
Learning from the South: Take-Home Lessons for Community Forests in BC.....	22
Provincial Perspectives on Community Forests .....	22
Closing Comments .....	22
Robin Hood, BCCFA President .....	22
<b>Sunday April 24.....</b>	<b>24</b>
Moving Forward: Summary of Key Issues and Actions Identified in Saturday Workshops .....	24
<b>BCCFA Strategic Direction 2005-2006.....</b>	<b>25</b>
BCCFA Foundation Statements .....	25
Vision.....	25
Mission.....	25
Purposes .....	25
Guiding Principles.....	25
BCCFA Priorities.....	26

---

## Acknowledgements

The BCCFA 2005 Conference Report was compiled by Susan Mulkey with welcomed and much appreciated assistance contributed by Jennifer Gunter, Larianna Brown, and Lisa Ambus. The BCCFA would like to thank the following conference supporters: Western Economic Diversification; Forest Practices Board; Creston Valley Forest Corporation; Applied Science Technologists and Technicians of BC; Town of Creston; Creston and District Chamber of Commerce; Columbia Brewery; Overwaitea; The Chocolate Orchard; Garden Bakery; and the Creston Valley Bakery.



On the bus to the Creston Community Forest field tour.

---

## Thursday April 21

### Harrop-Procter Community Forest Tour 1:00-4:00

Tour Coordinator - Ramona Faust  
General Manager Harrop-Procter  
Community Forest

- Presentation on the background, business structure, forest management approach
- Tour of Alexander selective harvesting, Kosma blow down event and NTFP trials
- Mill Creek Enterprises

□



Forester Rodney Arnold explains their ecosystem-based approach to forest management in the Harrop Procter Community Forest.

---

## Friday April 22

### Creston Special Features Tour 9:00-6:00

Tour Coordinator - Jim Smith  
Forest Manager Creston Valley Forest Corporation (CVFC)

Jim Smith and Dan Murphy, CVCF Operations Manager, organized a day long tour by school bus attended by over 40 conference participants.

- Creston Value-Added Facilities: Lower Kootenay Band (LKB) industrial park and log yard - Including a discussion on log exports, LKB's agroforestry program, a visit to the log sort yard facilities, LKB's small mill and to the onsite log building operation
- Pine Profiles flooring plant: Tour through the value added operation's dry kiln and milling facilities
- CVFC forest management operations: Tour of CVFC's Goat Mountain wildfire/urban interface harvesting; Nancy Creek group selection, and Big Bear intermediate cutting in a highly constrained watershed using conventional and cable harvesting methods
- Columbia Brewery



Forester Jim Smith explains Creston's approach to managing for multiple community values.

---

## **Friday April 22 Evening Session 6:30 - 9:30**

### **Official Welcome to the BCCFA 2nd Annual Conference**

Robin Hood, BCCFA President BCCFA President and Coordinator of the Likely-Xat'sull Community Forest

Welcome to Creston!

I would like to take this opportunity to thank you and/or your organisation for taking part in our 2<sup>nd</sup> Annual Conference and AGM.

It is with a great deal of pride that I have witnessed the Community Forest Tenure grow from a dream at a kitchen table to the 30+ licences now coming to fruition.

By attending this conference there is a good chance that you are a leader in your community, a type "A" personality, so I shouldn't have to tell you to speak up and take an active role in our interactive, educational event this weekend.

There is a small army of partially paid staff and volunteers working very hard towards the success of this expanding new tenure. We invite you to join in and help make Community Forests become the pride of BC.

### **Joe Snopek, Mayor of Creston**

Mayor Snopek welcomed the participants and expressed his pride at serving as host for the event. He sits as the Town of Creston representative on the Creston Valley Forest Corporation board and continues to learn about the complexities of managing a community forest.

### **Show & Tell - Presentations by 3 Operating Community Forests**

Three pilot CFAs gave presentations on their operations. Common themes emerged: community based forest management is a challenge; it requires creativity and passionate dedication; is very worthwhile. Stories from these communities demonstrated three things: CFA holders are committed to managing their community forests for the long term; community forests are as diverse as the communities they represent; and all CFA holders are facing similar financial challenges in the first five years of receiving their licenses.

### **Mc Bride Community Forest, Marc von der Gonna, General Manager**

See PowerPoint presentation - *Mc Bride Presentation*

### **Ft St James Community Forest, Rob MacDougall and Ross Hamilton**

See PowerPoint presentation - *Ft St James Presentation (Photos)* and *Ft St James Presentation 2*

### **Harrop-Procter Community Forest, Ramona Faust, General Manager**

Ramona gave a slide show presentation of their operations.

---

**Saturday April 23**

## **Opening Addresses**

### **Robin Hood**

BCCFA President and Likely Xatsu'll Community Forest Coordinator  
Welcomed all participants

### **John Thomas, Mayor Alternate Town of Creston**

Gave words of welcome and encouragement.

### **Susan Mulkey, BCCFA Extension Coordinator and Conference Program Manager**

Susan reviewed the agenda for the day and reflected on the progress made since last year's conference in Revelstoke, when the CFA expansion was just beginning. Though we welcome the expansion and the new opportunities for communities to become involved in the CFA program, we recognize that there are serious barriers to ensuring viability of CFAs. This year's conference, Building the Road to Viability, will focus on an exploration of the key challenges for CFAs and explore participant's ideas to address them.

When the BCCFA last were together in December our growing organization thought it would be good to standardize the annual BCCFA event, and decided to hold it in the spring. We thought that it would be a good time, particularly this year before the slated May election. We visualized the Ministers here eager to participate, serve as after dinner speakers etc. However, with the writ dropped on the 19th, the politicians are now embroiled in a "job review" and will not be joining us. By choice and necessity, this conference is going to be more operational. We have some MOF staff here to assist with expertise, looking to understand the range of issues CFAs are facing.

### **Margaret Teneese, Lower Kootenay Band**

Told Ktunaxa Creation Story

### **Chris Luke, Chief, Lower Kootenay Band**

Welcomed everyone, and thanked Jim Smith for what he does for the local community and forest.

## **Update on the Expansion of the Community Forest (CFA) Program**

### **Susan Mulkey, Extension Coordinator, BCCFA**

See PowerPoint presentation - Susan Mulkey BCCFA Extension Update

April 2004

- 8 signed Community Forest Pilot Agreements
- BCCFA was a fledgling organization with many aspirations, lots of volunteer hours and no core funding.
- BCCFA membership included 12 operating community forests and 4 "wanna-be" community organizations.
- Rough draft of the Community Forestry Toolkit had been completed



#### April 2004 Revelstoke Conference

- Changes to the Forest Act - Government announcement to replace *pilot* with *probationary* agreement; allow for conversion of NRFLs to CFAs; allow for direct awards of CFAs.
- Community Forest Expansion - Government announcement to allocate 300,000m<sup>3</sup> to CFAs through the Forestry Revitalization Plan by Jan. 06.
- Allocation would be managed through a combination of competitive and direct awards.

#### Building Capacity in the BCCFA

- One time seed funding is received from MOF to increase the capacity of BCCFA.
- Regular communication is established with MOF in Victoria.
- [www.bccfa.ca](http://www.bccfa.ca) and listserve are established.
- The Toolkit becomes the Guidebook and is published.
- Funding is received from Western Economic Diversification to take the Guidebook on the road.



Workshop discussions.

#### Community Forest Support Project Guidebook Sessions

- Delivered 12 sessions in MOF district and regional offices around BC.
- People from 40 different communities, 11 forest districts and the 3 forest regions attended sessions.
- Participants included municipal staff and elected officials, economic development professionals, chambers of commerce, community forest advocates, 1st Nations, and forestry consultants.

#### Challenges & Observations

- Determining the locations for the 10 sessions
- Getting the invitation to attend out to communities
- Dealing with the vagaries of the process and timing of reallocation
- Clarification of the role of the BCCFA. The sessions provided information sharing and clarification on numerous issues, including: how to calculate an AAC; clarification on location for a CFA; Clarification on the viable level of AAC for a CFA; Messages from the Ministers on the CFA process; First Nations Consultation; Implementation of the CFA expansion.
- Available AAC is insufficient to meet the interests of all communities wanting a CFA. Stressed that BCCFA are advocates of Community Forestry in the long term, and the current re-allocation is just one step towards our goals.

#### April 2005 CFA PROGRAM STATUS *(m<sup>3</sup> #s are approximate)*

- 25 New CFA Direct Invitations and Intent to Invite - 491,300 m<sup>3</sup>
- 3 New Signed PCFAs - 70,790 m<sup>3</sup>
- 6 Probationary CFAs - 284,124 m<sup>3</sup>
- 2 Signed 25 -Year CFA Tenures - 76,026 m<sup>3</sup>
- Total - 922,240 m<sup>3</sup>



- BCCFA now has 32 member communities

### **Ron Greschner, Senior Timber Tenures Forester, Ministry of Forests**

CFA Program Review and Update

See PowerPoint presentation - *MOF CFA Expansion Update*

Ron commented on the diversity of participants, communities and CFAs present. He observed that although each of the communities represented is so different from the other, what brings everyone together is a passion for community forestry.

#### Overview of Legislation Changes

- Forest and Range Practices Act (FRPA) FPC repealed; Community Forests have to do Forest Stewardship Plan (FSP) (under FPPR); Transition provisions- During transition Community Forests can submit FDP under FPC/WLFMR (Woodlot Regulation) or FSP under FRPA/FPPR
- Any FDP (existing or submitted during transition) is valid till its approval date expires or it is replaced with a FSP
- Transition period ends Dec 31, 2005.
- Bill 33 (Forest Act changes May 2004 creates option for direct awards, pilot to probationary)
- Community Tenures Regulation (under the Forest Act - describes who/what constitutes an eligible applicant, application requirements, evaluation of applications, assessment of PFCA, how Direct Invitations to apply works, when a change in area or boundary may occur
- Community Forest Agreement Regulation- Managed under FPC allows for Community Forests to use WLFMR for operational planning (FDP)

#### Accomplishments over the past year

- Grant to BCCFA
- CFPA (Old Community Forest Pilot Agreement) assessments
- CFPA activity
- CFA program expansion
- Website

#### Grant to BCCFA

- August 2005 MOF grants BCCFA \$25,000 as seed money to help guidebook delivery sessions, extension services, & develop website

#### CFA Activity 2004

- 312,00 m3 harvested
- \$1,444,400 stumpage revenue generated
- \$4.60/m3 avg (range \$.025 to over \$20)

New updated website:

[www.for.gov.bc/hth/community/index.htm](http://www.for.gov.bc/hth/community/index.htm)

#### CFA assessments

4 of the 8 active CFA's assessed in 2004

2 offered long term licences

2 offered extensions

#### Program expanded

CFAs	2004	2005
Issued	8	11
Offered	3	2
Invites	4	26
Total	15	37

#### Questions

What legislative changes do you think are required in order for CFAs to realize financial success?

Ron: Struggle of the start-up is one issue. Recommends gathering as much information as possible from experienced CFAs.

Robin: BCCFA has proposed changes to stumpage for CFAs to enable financial viability.

With clawback – does MOF purchase FDPs?

Doug Konkin answered: They do for BC Timber Sales (BCTS), but not other areas. They don't compensate licensees for "soft investments" like data, but do for infrastructure. CFAs could purchase, and then MOF would consider it in stumpage appraisal.

David Haley, Professor Emeritus, Dept of Resource Management. UBC, Community Forest Advisory Committee (CFAC)

David began with a reflection on development of community forestry in BC over the last 50 years, and the role of the Community Forest Advisory Committee.

CFAs should be long-term – David promotes 99-year licenses. This would truly send a message that CFAs are different. There should be revenue sharing between government and communities. There are very compelling reasons to change the stumpage system for CFAs.

David mused about how many of the direct invitations will receive offers, and of those, how many will be issued, and of those, how many will be successful. He expressed a concern the direct invitations may raise false expectations. The fact that it is a non-competitive process should not make application efforts any less rigorous. The process that is used by the CFAC to determine which of these will be awarded will be stringent.

CFAC was established in 1997 to make recommendations on what a CF tenure should look like. All recommendations were met in the process implemented by government.

CFAC believes very strongly that the same criteria and rigour should be used to evaluate the current round of direct invitation applications as were used in the pilot program. CFAC will then make recommendations to government on each of the applicants. CFAC wants to ensure that their recommendations are taken seriously, and that they won't simply be rubber-stamping any of the applications.

There are two significant elements in the Applications

Community support from all stakeholders, and there must be concrete evidence of this.

Business Plan. Must prove to be viable

## Doug Konkin, Deputy Minister, Ministry of Forests

Considering the Future Opportunities of CFAs

Now that the writ has been dropped in BC and we are in the lead up to an election, Doug contemplated the question : What issues would the bureaucrats brief a new minister on?

### SOCIAL

- How is province changing demographically? Rural areas are shrinking, and urban populations are growing. First Nations populations are growing, and they are also becoming more urban. The urban rural split is expanding and the connection to the land is diminishing.
- Aging population means that there is growing pressure on the ministry to deliver the revenue.
- Decline in the number of people entering forestry profession.
- Liberal Government wants forest sector to be driven by market forces.
- Need a new way of working with First Nations. What is currently being done is not working.

### ENVIRONMENTAL

- Increasing footprint of cities and environmental degradation. Illegal harvesting is a global problem.
- Pressure to manage our forests sustainably continues. Climate change: more severe fire seasons, drought, and insect infestations. How do we want to manage the risks associated with climate change?
- 35-50 year effect of beetle = decrease in AAC in interior
- Mentioned work on mid & north coast regarding ecosystem management.
- Clearcutting method is utilized in 50% of BC logging.
- Need to promote environmental benefits of using wood in construction over other materials.



The Creston Community Forest field tour.

### ECONOMIC

- China, after the US is the next highest producer and consumer of wood in the world.
- Consolidation: happening in every aspect of every commodity sector.
- Competition: Getting tougher. The interior forest region of BC is reasonably competitive; the coast has a long way to go.
- Bubble will burst soon and prices will go down.
- We don't put enough money into research and development. Other jurisdictions are ahead on this. BC needs to become more of a learning centre: more research & innovations, collaborative efforts.
- Have to change grading system. Grade 3 (dead wood) pays \$0.25 wood, in some areas, Grade 3 is 70%. New grading system will be introduced.

- Need to aggressively pursue alternative uses for chips and by-products. There is immense potential in bio-energy.
- Marketing efforts need to continue – especially in China.
- Got to get the per capita use of wood up in the US.
- Need a margin added approach. Need to focus on value-added side.
- Need to finish implementation Forest Revitalization Plan
- Need a trade agreement with US. To continue on the current path could get really ugly.
- Must address Interior Pricing System, and get grades fixed. There is a timing element connected to Softwood.

Doug's personal ideas regarding the future of community forestry:

- Community forests are a great way to build & maintain connection between communities and forests. They can help promote the use of wood and sustainability of wood products. Can also use it to stimulate interest in forestry among young people.
- Alternative Ownership Regimes
- Can't just give CFs a break on stumpage, because it isn't equitable and it will raise questions from trade partners.
- But, can we establish different options for community ownership.
- There are many issues including aboriginal rights and title issues, revenue, wildlife management which is managed on a larger basis
- Will more community management increase or decrease ability to respond to climate change?
- Smaller tenures do have higher costs. Viability depends on management decisions & approach.
- Room for evolution in increasing range of management rights.
- Whistler – There have been questions exploring if there an option for BCTS to be delivered through the community forest? How would this work?
- CF is about preserving connection with the local forest, meaningful participation, and local benefits.

## **Community Forests and The Road to Viability: Navigating the Bumps and Pot Holes**

Speaker Panel

### **Marc von der Gonna, BCCFA Stumpage Options Committee**

Current Stumpage System and the Impact on CFAs.

See PowerPoint presentation - *Stumpage Presentation*

The situation for CFAs is much worse than navigating bumps and potholes; actually it is at the level of "Danger – Bridge Out!"

CFAs: We came to the program with Great Expectations - We are different and have unique opportunities including -

- Area with highest degree of "constrained" timber
- Innovative forest management
- Greater degree of public involvement and consultation
- Revenue to the community
- Make pails of money

But, to be successful you must do this under an appraisal system that approximates average, industrial forestry.

But we don't want to approximate "average forest management". We sell logs, not lumber and chips.

Our (BCCFA) stumpage options paper follows up on recommendations of CFAC back in 1998. Alternative fiscal arrangements must be studied.

The impact on CFAs:

- Any enhanced forest management is supported externally (volunteers, really understanding financiers, other sources of funding)
- Communities in debt
- Not harvesting the profile
- Simply, not harvesting

Options must:

- Work for communities (to be \$ viable)
- Work for the crown (need to look at range of revenue avenues, not just stumpage)
- Work for the Americans

BCCFA Stumpage Options Paper presented 3 options

- No stumpage and land rental
- Rental based on natural productive capacity of the land
- Revenue Sharing

A bright future:

Put money back into the communities, and good things will happen.

### **Rainer Muentert, Private Land Forester: Log Marketing and Value Added Innovation**

See PowerPoint presentation - *Marketing Presentation*

Member of the Private Forest Land Association (PFLA)

Recommendation:

Cooperation on the provincial level could pool logs from CFA members, PFLA members, woodlots, other private (mostly members of BC Cattlemen), and First Nations.

Is cooperation on a local level possible?

- Serious trust issues develop quickly
- Log selling co-ops are easy to break by monopolies and oligopolies.
- Organizations carry no weight below a 200 000 m3 AAC threshold.
- There is no market leverage in an over-supplied market.
- The independent contractors and private landowners have a culture of fierce independence and competition.

Possible solutions:

#### **1. Market organization**

Westwood is a network of managed private forests, ranches & woodlots, first nation management contracts.

#### **2. Increase sophistication**

- Statistical evaluation of all log sales
- New customer development
- Increase utilization

### 3. Diversify Markets

**Darcy A. Mitchell, PhD, Director, Centre for Non-Timber Resources Royal Roads University, Forest Practices Board**

Implementing a Non-Timber Forest Products Program (NTFPs)

See PowerPoint presentation -

What are NTFPs and why do they matter?

- Botanical and mycological resources and associated services of the forest other than timber, pulp wood etc.
- NTFPs include mushrooms, greenery, syrups, crafts, medicinal and nutraceuticals, landscaping & restoration plants, tourism & education and many more
- First Nations in BC have a renewed interest
- NTFPs make a \$250 million contribution to BC's economy, could reach 1 billion
- Policy shift in recognition of forest values
- Challenges: lack of institutional arrangements that create incentives for investment and stewardship in non-timber products; inadequate inventory knowledge; very broad and complex sector; forest managers not trained to deal with NTFPs or with those who use NTFPs. CFAs are little islands in a sea of forest land.

Recommendations from the BC Forest Practices Board Special Report 2005-04-23

- Government should conduct inventory research
- Explore options for managing / stewarding
- Establish objectives for NTFPs under the Land Act
- Gov & professional associations should build knowledge

Brief Status Report

- Research on economic contribution is happening
- Professional education
- New Kootenay Forest Innovation Centre (Michael Keefer)
- McGregor Model Forest developing guide on how to manage compatible timber harvesting
- This year there will be a conference and trade show.



Jim Smith talks about fire interface management in the Creston Community Forest.

What are compatible management examples?

- Whole Plant salvage
- Project found average 32-44\$/hour
- Bough pruning
- Thinning

Questions for workshop discussion:

- What is the current status of community forest activity?
- Where do NTFPs fit in the big picture, i.e. beetle, fire interface?
- What would have to happen in order for communities to get involved?

**Jim Langridge, Director Resource Tenures Branch, Ministry of Forests**

CFAs, Beetles and Forest Health

See PowerPoint presentation - Jim Langridge Beetle Presentation

Currently there is no chemical or biological control for mountain pine beetles. MoF estimates that in the next ten years as much as 700,000 ha of forested land may be harvested for pine and will therefore be inoperable in the future

The short and long-term challenges for community forests to effectively managed infected pine forests were identified.

- In the short term the AACs will be increased in areas where there are beetle infestations;
- If CF's do not harvest infected pines as required by MoF, the District Manager has the authority to harvest them;
- CFA applicants should be aware of the management commitments that will be required of them if they are awarded a CFA area with beetle infestations. MoF is open to negotiating the forest area awarded to CFA applicants, to avoid awarding licenses for areas that have extreme infestations;
- Over the next ten years markets will be flooded with pine wood increasing competition for CFAs;
- To respond to this issue CFAs should manage for a diversity of tree species and age classes;
- In the long term markets will be hard pressed to absorb the reduced pine availability.

Impacts:

- 20-40% AAC reductions in mature pine dominated management units;
- 80% of pine volume attacked by 2013;
- Potentially > 200 million m<sup>3</sup> of unsalvaged beetle wood in 10-15 years;
- Harvest levels will decline by over 50% in some areas once the beetle wood is either harvested or no longer of economic value.

Leo Rankin Forest Health Specialist, MOF, Williams Lake will serve as a resource person for workshops

**Ramona Faust, Harrop-Procter Community Forest**

Planning for Success: 5 Year Pilots and Evaluation of CFAs

See full text - Planning for Success Presentation Ramona Faust

Obtaining a Probationary or Community Forest Pilot Agreement (CFA) is a phenomenal opportunity for communities to integrate community values and economic opportunities in a dynamic new way. British Columbia has become a national leader in community forestry by making this opportunity available to communities across the province. Diversity in community



proposals between large and small and differences in business focus has created a mosaic of models that we should be proud of and continue to encourage.

The community forest concept is an economic development engine that has endless possibilities for community affluence. The five-year pilot or probationary agreement has unique business and forest planning challenges. To insure the success of the community forest pilot and probationary program, communities and government must come to terms with some of the limitations of the five-year period. These issues are reflective of the new and novel nature of the program, changing government regulations, and the interface between community forestry and the traditional milieu of business and forestry.

Nevertheless, pilot and probationary community forests are expected to navigate these challenges and be evaluated against their initial proposal to government and other factors. A clear and objective evaluation process is required to ensure the success of pilot and probationary community forests as they develop their programs. New and creative ways of assigning economic value and return are also possible and could be considered within the evaluation process. It is clear that from well before the first day a community is awarded a CFA, the agreement holder must focus on obtaining long-term tenure.

---

## Saturday Afternoon Workshops: Key Issues and Proposed Actions

### Workshop #1 Exploring Alternatives to Stumpage

Prior to and during the conference the stumpage system was identified as the single most important factor affecting the viability of community forests. In some cases high stumpage prices force community forests to postpone or stop harvesting. In 2004, \$1.44 million was generated from stumpage revenues by CFAs, an average of \$4.60/m<sup>3</sup>.

Negative implications of the current stumpage system were identified and alternative options for a more appropriate system were discussed. These discussions focused on a paper prepared by the BCCFA titled "Alternative Stumpage Arrangements for Community Forest Agreements" which was recently presented to Minister de Jong in early April 2005. This paper built on a discussion paper prepared by David Haley for conference in Revelstoke in April 2004 called "Sharing the Wealth: Stumpage Arrangements for Community Forest Agreements in BC".

Key points from these papers include the following:

- The unique qualities of CFA are grounds for an alternative stumpage system for CFA's
- CFA's are different than TFLs and FLs because of the extensive social and ecological
- There are high expectations and requirements surrounding their management;
- In order to provide CFA holders incentive to invest in silviculture they must be allowed to capture a portion of the economic benefits from



Bob Clarke of Revelstoke summarizes the discussions held in the stumpage workshops.

harvesting;

- The appraisal procedure used to identify the net value of timber concerned relative to the average value (determined by the Comparative Value Timber Pricing system (CVTP)), does not acknowledge the special features of community forests that impose extraordinary costs on their holders;
- Stumpage rates which are determined based on prices for lumber and chips, are not appropriate for community forests that sell logs, and not lumber or chips.

Three alternative stumpage arrangements have been proposed by the BCCFA's Stumpage Committee:

- Option 1 – no stumpage or land rental
- Option 2 – Rental charge based on the natural productive capacity of the land
- Option 3 – Application of current stumpage system with government providing a (70%) rebate of the stumpage paid by CFA's back to the communities.
- Prior to the conference, the BCCFA recommended Option #3 to Minister de Jong.



Members of the Federation of BC Woodlot Associations participate in workshops.

#### Key Issues from the Workshop Discussions

- Don't call what CFAs pay stumpage. Call it something else, because it is too political.
- For equity – need to acknowledge higher costs involved with our tenure.
- Land Rent was the favoured approach in the workshops. May need to do a study to figure out what it would look like.
- Land Rent would work in NTFPs. Could CFAs get exclusive rights to harvest commercially?

#### Option #1 No Stumpage/Rental

- Fear of government downloading
- Without a competitive market for logs, buyers will discount CFA log price to account for no stumpage
- US would call this a direct subsidy

#### Option #2 Land Rental

- Already pay rental, part of present system
- Gives CFAs cost certainty
- Will incur an annual cost
- Big benefit is incorporating all values
- Gives communities flexibility in deciding how to manage
- Incentive to do intensive forest management if you get to keep the increases from investment

#### Option #3 Revenue Sharing

- Recognizes the value that government is receiving from CFAs (taking on areas that are difficult to manage)
- Could put stumpage revenue against specific projects ie. Fireproofing

#### Option #4 Fixed Stumpage

- Royalty rate - certainty for all parties

#### Option #5 Low volume cost additive

- Woodlot model

#### Proposed Actions

- Option #2 gained the most support from conference participants. This option is similar to land rent already paid by present area-based tenure holders. Such a system would provide increased incentives for CFAs to make enhanced silviculture investments and to invest in other revenue generating activities from natural resources in the tenure area.
- It was also agreed that whatever alternative stumpage arrangement is made it should meet the following three objectives: 1) benefit communities; 2) provide substantial revenue to government; and 3) be framed so that it is not mistaken as a subsidy to avoid trade issues with the US.
- Request a pilot study to be carried out on one or more CFAs to determine if the land rent option will meet government and community forestry objectives.
- Stumpage Committee should continue to lobby MoF for higher level discussions on the issue.

## Workshop #2      Log Marketing and Value Added Innovation

#### Key Issues

- Size matters, and we don't have it. Economy of scale is a key issue for log sales and value added opportunities
- Work with all independent log suppliers (other small tenure holders and private land owners)
- Minimum for a sort yard begin 50 000 m<sup>3</sup>, but sorting in the bush, can go with 150 000 m<sup>3</sup>
- Barriers to cooperative marketing. Mills have their quota. BCTS does not work.
- Aligning ourselves with First Nations with Forest and Range Agreement tenures would be beneficial. They are facing the same issues we are as small volume licensees.
- Could lift export restrictions for CFAs giving leverage in an artificially low domestic market. Wood is still available for local markets if they pay fair price.



Touring Pine Profiles value added facility in Creston.

- Opportunities to develop niche market with local processors.
- Certification: costs are high; may not be a price premium; challenge that markets assume certification means high quality and won't buy low quality; benefits remain to be seen; presently not perceived to be worth the cost in most areas.

#### Proposed Actions

- This is a BIG topic and requires more discussion. BCCFA should put on a specific workshop/conference to focus specifically on marketing.
- Consider a marketing network as an extension service of BCCFA to share information on marketing connections and niche markets.
- Establish regional cooperation amongst independents much like a marketing board. Could approach WED for funding of a pilot.
- Consider a BCCFA brand.
- Guidebook could be updated to include more information on marketing and value added.
- Policy: Separate harvesting from manufacturing.

### Workshop #3 CFAs, Beetles and Forest Health

Resource People: Jim Langridge; Paul Jean, Burns Lake CF



Paul Jean from Burns Lake shows a round of beetle infested wood.

#### Key Issues

- Get it early!
- Plan: Susceptibility assessments; Identify a vision for 10+ years;
- Reforestation strategies - Create species mix;
- Beetle proofing; harvest site index
- Align plan to circumstances: control/suppression; salvage; catastrophic emergencies
- Upfront costs due to forest health agents

#### Proposed Actions

- Endowment Fund - Burns Lake Community Forest is currently making a considerable profit from their extensive harvesting of infested pine beetle trees. These profits are being stored in a trust for future years when the community's AAC will dramatically drop once infected pines are harvested.
- For key resource see MoF website -

[www.for.gov.bc.ca/hfp/mountain\\_pine\\_beetle/](http://www.for.gov.bc.ca/hfp/mountain_pine_beetle/)

- Develop alternative revenue streams through NTFPs, ecotourism, agroforestry
- Access extension services through FIA funding

### Workshop #4 Implementing a Non-Timber Forest Products Program

Resource People: Darcy Mitchell, Michael Keefer

Darcy Mitchell from Royal Roads University spoke about Non-Timber Forest Products (NTFPs) during a plenary session and workshop. NTFPs include a diverse range of products and can be sold into the following markets: wild edibles, floral greens, crafts, medicinal and natural health

products, and native plants for horticulture and natural restoration. First Nations initiatives to re-establish harvesting and using forest plants are one of the driving forces behind the emergence of NTFPs.

In 1985 over 200 NTFPs were harvested from BC's forests. These numbers are expected to grow with the Canadian Forest Service estimating that the NTFP industry could become a billion dollar industry in the next few years. The growth of NTFPs markets raises the issue of how to manage for NTFPs to ensure communities benefit and resources are harvested sustainably. Currently the knowledge base to support appropriate management of NTFPs is limited and requires more research.

#### Key Issues

The following issues were raised as challenges for community forests interested in harvesting NTFPs:

- NTFPs are currently an unregulated resource.
- CFAs give license holders exclusive rights to timber but do not grant exclusive rights to NTFPs and other botanical products.
- It is not yet defined how the provincial government would collect economic rents from NTFPs.
- While it is expected that there will be increased demand for NTFPs in the near future CFAs still may find it difficult to find markets.

#### Proposed Actions

- The BCCFA should initiate an NTFP committee that will coordinate resources for training CFAs to manage NTFPs and collaborate with MoF to initiate NTFP research and development projects.
- MoF's Jim Langridge stated that he was interested in exploring how MoF could support CFAs to sustainably manage NTFPs.
- There may be funds available from the Federation of BC Woodlot Association for agricultural research associated with NTFP's pilots and trials. This should be investigated.

### Workshop #5      Developing a CFA Proposal

Resource People: Ron Greschner

#### Key Issues

CFA holders and applicants identified a number of challenges with the CFA application process:

- The 102 days for submission of an application is a constraint even though it is widely understood that it can be extended. Invitees rely largely upon volunteers and the short timeframe creates undue stress. It should be made to be realistic. Consider 6 months.
- It is unclear what the requirements or procedures are for conducting community and First Nation consultation.
- Communities need assistance from MoF to access soft information, such as maps and surveying information.
- MoF Districts have provided varied levels of support to help communities determine appropriate areas for the community forest.
- Communities have received varied degrees of support from MoF Districts to help them determine their annual allowable cut.
- For CFAs to be successful they must build strong relationships with their local MLAs and District Managers.

"Communities should find an area for a CFA that they can wrap their hearts around".  
Ft St James

- A number of CFAs identified that despite the challenges of operating in ecologically sensitive or socially controversial forests, community forests are the most qualified to manage for community values, and if the areas are granted through tenures, should be awarded to the local community.

#### Proposed Actions

- BCCFA will coordinate information sharing between existing CFAs and new community applicants;
- The Community Forest Advisory Committee (CFAC) could be a resource to applicants once their application has been submitted;
- The BCCFA is being considered for a 2 year grant from the Ford Foundation to support extension services and capacity building for community forests in BC.

Abel Hood from the Bella Coola Nuxalk Community Forest offered a perspective on how to approach 1st Nations consultation:

- Make sure that the individual 1st Nations are educated in the extent and intent of the forest development process.
- Make sure they are made aware that if they do not support local control then multi-national corporations will have control.
- Make sure that they are aware of the aspect of community forestry that supports local economies.
- Try to develop protocols or MOUs outlining the relationship on social, economic and environmental fronts.

### **Workshop #6      5-Year Pilots and Evaluation of CFAs**

Resource People: Ron Greschner, David Haley

Ramona Faust led the workshop to discuss the five year evaluation process of the pilot CFAs.

#### Key Issues

- The five year period was justified for the pilot CFA's, as they were an experiment, but there was no substantial reason for requiring a five year probationary period for new CFAs.
- CFA holders identified that the five year probationary period limited their financial security as it inhibited them from securing long term funding and accessing markets that required long term supplies of products.

#### Proposed Actions

- Recommendation to eliminate the five year probationary period. Instead, CFAs should be awarded a license for 25-99 years after successfully completing a rigorous evaluation in the application process involving the CFAC.
- Ron Greschner was very supportive of this recommendation as it would streamline the process of awarding long term tenures to CFAs: a benefit to both government and communities



---

## Saturday Evening Session 6:30 - 9:30

### Presentations

**A Tribute to Jim Smith** on his upcoming retirement.

### Learning from the South: Take-Home Lessons for Community Forests in BC

Lisa Ambus  
Global Caucus on  
Community Based Forest  
Management  
See PowerPoint  
presentation - *Learning  
From the South*

Lisa spoke about her  
experience of the 60+  
communities practicing  
some form of community-  
based forest management  
and 4 Take Home Lessons:

- Political  
commitment
- Access to land
- Community  
involvement
- Economic viability



### Provincial Perspectives on Community Forests

The three main BC political parties were invited to send a representative to speak to conference delegates on their party's platform and perspectives on the future for community forestry.

Green Party Nelson-Creston Candidate Luke Crawford and NDP Nelson-Creston Candidate Corky Evans spoke to delegates. The Liberal Party headquarters declined participation.

### Closing Comments

#### Robin Hood, BCCFA President

Robin acknowledged Tom Goyert from Kitimat who drove the longest distance to attend the conference - 1760 km.

He thanked the presenters and resource people for their contributions.

And the Conference Planning Committee members:

- Jim Smith, Dan Murphy and Pernita Armstrong of the Creston Valley Forest Corporation
- Robin Hood, BCCFA President and Likely Xatsu'll Community Forest
- Jennifer Gunter, BCCFA Coordinator
- Susan Mulkey, BCCFA Extension Coordinator and Conference Coordinator
- Ramona Faust, Harrop-Procter Community Forest



- Bob Clarke, Revelstoke Community Forest
- Hans Granander, Bella Coola Nuxalk Community Forest
- Wendi Legyell and Diana Koenig of the Creston Chamber of Commerce
- Joe Snopek, Mayor of Creston

Robin also gave appreciation to the conference supporters who helped to make the conference a reality:

- Western Economic Diversification
- Forest Practices Board
- Creston Valley Forest Corporation
- Applied Science Technologists and Technicians of BC
- Town of Creston
- Creston and District Chamber of Commerce
- Columbia Brewery
- Overwaitea
- The Chocolate Orchard
- Garden Bakery
- Creston Valley Bakery

---

**Sunday April 24**

### **Moving Forward: Summary of Key Issues and Actions Identified in Saturday Workshops**

Workshop facilitators presented a summary of each of the workshops. Proposed Actions (recorded above) were prioritized and were shaped into a strategic direction for BCCFA activities for 2005-2006 (see BCCFA Strategic Direction 2005-2006)

The Conference adjourned and the BCCFA AGM followed.  
AGM notes are available as a separate document.



BCCFA Members determine priorities for the coming year.

---

## **BCCFA Strategic Direction 2005-2006**

### **BCCFA Foundation Statements**

#### **Vision**

Our vision is a network of diverse community forest initiatives, where local people practice ecologically responsible forest management in perpetuity, fostering and supporting healthy and vibrant rural communities and economies.

#### **Mission**

Our mission is to promote and support the practice and expansion of sustainable community forest management in BC.

#### **Purposes**

The purposes of the Association are to:

1. Work to ensure the viability of community forest initiatives in First Nation's and other rural communities.
2. Provide education on community forestry issues.
3. Assist community forest practitioners in accessing resources required to succeed.
4. Promote community forest management as a strategy for community economic development.

#### **Guiding Principles**

The guiding principles of the Association are to promote:

1. Culturally, ecologically, and economically sustainable forestry.
2. The management and practice of community forest initiatives in a manner which respects First Nation rights and cultural values, and which fosters understanding and cooperation between rural communities and First Nations.
3. Meaningful representation of community members in community forest initiatives.
4. Informed public participation in community forest decision-making.
5. Leading edge forest practices.
6. Local forest-based employment.
7. The restoration of forest ecosystems as a basis for social, ecological, and economic health.
8. Community responsibility for land use and allocation decisions.

## BCCFA Priorities

The following priorities and activities are based on input from the conference discussions and the Sunday morning BCCFA Strategic Planning Session. These will be further refined and developed by the BCCFA Board of Directors along with a set of indicators to measure progress.

Strategic Priority	Linkage to BCCFA Mission, Purpose and Values	Specific Actions	Lead
#1 Advocacy for Alternatives to Stumpage	Mission - Direct link to sustainable CFs Purposes 3.1 Viability 3.3 Assist to succeed 3.4 Vehicle for economic development Principles 4.1 Economically sustainable	The BCCFA Stumpage Committee to explore merits of Option #2 of land rent to replace stumpage for CF's.	Stumpage Committee
#2 CFA Advocacy	Mission - Direct link to sustainable CFs Purposes 3.1 Viability 3.3 Assist to succeed 3.4 Vehicle for economic development Principles 4.1 Economically sustainable	Take a proactive approach to policy changes: Evaluation Changes to evaluation process of CFAs. Request to drop the evaluation process and probationary aspect of the CFA tenure. Ensure a rigorous application assessment process by CFAC and then grant a long term tenure like woodlots. Regulation CFAs need their own regulation like woodlots. Clarification required from MoF Area identification and timber supply analysis Requirements for negotiating with other licensees Access to soft information Land liabilities  Networking/Collaboration with other organizations UBCM in October - Booth and presentation with professional materials and targeted messaging Look to next year's AGM to focus on networking	BCCFA Executive

#3 Marketing and Innovation	Mission - Direct link to sustainable CFs Purposes 3.1 Viability 3.3 Assist to succeed 3.4 Vehicle for economic development Principles 4.1 Economically sustainable	Hold a special event in a central location to further discuss. Make connections with other independents to leverage economies of scale	BCCFA Coordinator to organize
#4 Extension Coordination	Mission - Support the practice and expansion of community forestry  Purposes 3.2 Provide education on issues 3.3 Assist to succeed	BCCFA to provide information and networking to invitees through regional sessions within the 120 day period Clarify consultation requirements for application Listserve as a vehicle for information exchange Coordinate information on Beetle initiatives where appropriate.	BCCFA Extension Coordinator
#5 NTPFs	Essential to achieve core organizational mandate	Initiate an NTFP steering committee; recruit MoF, Royal Roads and Kootenay group to discuss possible next steps for CFA NTFP implementation and potential for a NTFP pilot project. Clarify CFA management rights Facilitate coordination of available resources and events. Encourage CFAs to put NTFP management in their Management Plan Schedule B Coordinate with Woodlots' agro forestry program (George Powell) Go after opportunities that may be time sensitive, but recognize that NTFPs are a secondary priority for CFA viability after stumpage.	BCCFA Coordinator
#6 BCCFA Organizational Development		Hold face-to-face meetings with Board and Advisory Group 2 times per year. Set up financial management and budget tracking systems	