



British Columbia
**Community
Forest**
Association

local people, local forests, local decisions

British Columbia Community Forest Association Annual General Meeting May 24 2013

President's Report

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Submitted on behalf of the Board of Directors by President, Marc von der Gonna

In the past year the board and staff of the BCCFA have worked diligently to implement a new governance and operating structure. Part of this process was the creation of new five year Strategic Plan. Work on the Strategic Plan began with a member survey. The survey results were augmented by the priorities identified during the 2012 AGM & Conference. This feedback from our members provided the foundation for a facilitated strategic planning session where we reviewed the BCCFA's Mission, Vision, Purpose and Guiding Principles, and then distilled the organization's priorities into four key areas that will be the focus of the organization's work over the next five years. Within each of these areas of focus, desired outcomes were spelled out in the form of goals and objectives. The following report is organized according to these four key goals and describes the Association's achievements on the activities and projects undertaken to make progress towards the goals this past year.

BC Community Forest Association is a unified voice for the interests of all British Columbia communities engaged in community forest management, as well as those seeking to establish community forests. We are a member driven organization, and thank each and every member community, as well as our associate members, for their support and contributions to our work.

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External Relations and Government Policy

Goal: BCCFA objectives are reflected in the policies and decisions of government, and are supported by industry associations, non-governmental organizations and academic institutions.

1. Advocacy for Community Forest Management in BC

The BCCFA serves as an advocate for communities, and a communication link between government and those interested in and practicing community forestry.

The BCCFA has a mandate to:

- Serve as the voice and advocate for community forestry in B.C.
- Work with government to expand community forestry in B.C.
- Provide input to government to facilitate the success of community forest initiatives.
- Provide support and extension services to communities all around BC striving to obtain and successfully implement community forest initiatives.

The BCCFA has regular dialogue with government to ensure that our voice is heard and that community forestry becomes a viable feature on the BC forest management landscape. We are actively engaged with the BC Ministry of Forests, Lands and Natural Resource Operations both at the executive level in Victoria and in the regions and districts throughout the province in policy development and review that directly affects the long-term viability of community forests and to ensure that accurate, timely and relevant information is provided to members and communities.

2. Community Forest Program Expansion

One of the BCCFA's biggest concerns is that community forests be of sufficient size to be viable, diverse and meet local economic, environmental and social objectives. Given this, expansion of the Community Forest Program continued to be the first priority of our advocacy efforts this past year. The previous year, we worked in collaboration with the Ministry of Forests, Lands and Natural Resource Operations (FLNR) Tenures Branch on 7 potential mechanisms for expansion of the program:

1. Unused CFA AAC Apportionment
2. Unused other AAC Apportionment
3. Partnerships with First Nations
4. BCTS Cat 2 volume
5. Partnering of volume and area with BCTS to support MPS
6. Expansion or creation of CFA's through purchasing existing renewable AAC
7. CFA lead analysis of management units with AAC increases going toward CFA expansion

In 2012-2013, we focused predominantly on two fronts: First, with FLNR staff through the Community Forest Joint Working Group (JWG)¹. We agreed upon mechanism #1 (unused CFA AAC Apportionment) as the first priority for program expansion. The effort to move this volume into operating community forests is ongoing. Second, we broadened our scope and worked at a more strategic and political level to promote the concept of community forestry. Additionally, all members seeking a CFA or an expansion to an existing CFA were encouraged to make their wishes clear to both FLNR and elected representatives and later to candidates in the provincial election.

In the past year, we have seen the following progress:

- New CFA issued in 2012: Little Prairie Community Forest (Chetwynd) for 20 000 m3/yr.
- Invitation to Burns Lake Communities (Village, Regional District and 8 FNs) for 150 000 m3.
- Invitation to the Village of Fraser Lake for 45 000 m3.
- Promise to invite Vanderhoof for a 45 000 m3.
- Commitment to expand the Babine Lake Community Forest by 4,000 m3.
- Commitment to expand the Creston Community Forest by 10,000 m3.
- 3 PCFAs/ Pilot CFAs were converted to long term (25 yr. agreements)
 1. Tla'amin Timber Products Ltd. (Sliammon),
 2. Valemount Community Forest Company Ltd. (Valemount)
 3. Eniyud Community Forests Ltd. (Alexis Creek and Tatla)

3. Administrative Streamlining

After program expansion, the second focus area of our policy work was the creation of administrative efficiencies for CFAs. Members have told us that when it comes to tenure administration, the greatest obstacle is the amount of time it takes for cutting authority approval. This hinders their ability to respond to markets and to take advantage of opportunities to promote the economic vitality of their communities.

We were very pleased this past year to see the completion of a collaborative pilot project between the BCCFA and FLNR, and the introduction of The Single Cutting Permit policy in October 2012. Five communities participated in the pilot project: North: Valemount and Dunster; South: Wells Gray and

¹ The Joint Working Group continues to be the primary mechanism through which the BCCFA works to improve the Community Forest Program, and the conditions under which CFAs operate. This group meets monthly via conference call. The members of the Working Group include representatives of the FLNR Tenures Branch in Victoria, the Ministry's CFA coordinators in all three Forest Regions, and the BCCFA Executive & ED.

Esketem'c; Coast: Powell River. Ron Greschner (FLNRO Senior Timber Tenures Forester) organized a working group that consisted FLRNO staff from the Regions and Districts involved. Marc von der Gonna represented the BCCFA in this group.

The intent of the policy is to support greater flexibility for harvesting operations and long term stewardship and to help Community Forests to be better positioned to respond to the needs of value added manufacturers.

4. Special Committee on Timber Supply (SCOTS)

In the summer of 2012, the provincial government's Special Committee on Timber Supply toured the BC Interior consulting with stakeholders and the public to find ways to address the pine beetle epidemic related loss of timber supply. The BCCFA made a written submission to the Committee, and directors Kevin Davie (President) and Marc von der Gonna (Vice President) made a presentation during the stakeholder meetings in Vancouver. They made the point that the Community Forest Agreement is the most fitting tenure instrument to employ when considering the forest lands surrounding BC communities. Community Forest Agreements are a critical component of any strategy to address the beetle epidemic-related loss of timber supply in the central interior. Our four recommendations to the Committee were:

1. Increase the number of Community Forest Agreements, making them broadly available to communities and First Nations that are committed to meeting the objectives and requirements of the Community Forest Program.
2. Ensure Community Forest Agreements are large enough to be efficient, economically viable and able to provide the maximum benefit to local economies.
3. Invest in updating forest inventories.
4. Encourage innovation by investing in new value added manufacturing initiatives.

5. Conversion of volume to area-based tenures

Following the release of the Special Committee's recommendations, the BCCFA was invited to comment on government's proposal to enable the surrender of Replaceable Forest Licences or Tree Farm Licences (TFLs) for new TFLs, or additions of Crown land to existing TFLs. Our position was that is crucial that the Ministry of Forests, Lands and Natural Resource Operations consider expansion of the Community Forest Agreement Program, and that any forthcoming tenure decisions not unduly constrain future opportunities for community forests. The proposed legislation was rescinded during the spring sitting of the Legislature, with a promise of greater public consultation on the matter. We will continue to participate in these discussions.

6. Additional Policy Work

Our aim is to respond to emerging policy and regulatory changes that impact community forests. In the past year, the BCCFA board & staff also worked on the following key policy issues:

Non Timber Forest Resources – For many years the CFA tenure was the only license in BC that granted the rights to develop and manage Non Timber Forest Resources (NTFRs). Section 43.3 of the Community Forest Legislation through the Forest Act gives rights to harvest and collect fees for NTFRs. Now, the new First Nations Woodlands Licence also grants this right. While the development of a regulation for NTFRs has not been a high priority for our members in the past few years, the topic was discussed during our strategic planning session in September 2012. It was decided that in light of the importance of NTFRs to First Nations, we should revisit this topic, and work with FLNR to develop a regulation in the next 5 years.

Open Burning Smoke Control Regulation - Director Grant Thompson has been involved in the stakeholder review of the proposed changes and continues to monitor the development of this regulation on behalf of the BCCFA. This winter we learned that MOE is continuing to integrate stakeholder concerns, and will be providing more information later this spring. BCCFA is continuing to monitor this file.

Natural Resource Roads Act – Director Grant Thompson is monitoring the development of this new Act on behalf of the BCCFA. BCCFA is staying in touch with the NRRRA project manager. We will advise the membership of any clarifications or decisions should they be forthcoming.

Affiliation of Community Based Forestry Businesses - We are a founding member and continue to collaborate with the members on forest policy issues of common interest. The members are as follows: BCCFA; Federation of BC Woodlot Associations; Central Interior Loggers Association; Truck Loggers Association; Western Silviculture Contractors Association; Interior Loggers Association; Independent Lumber Remanufacturers Association; Northwest Loggers Association.

Safety - BCCFA director Jack McLeman represents the BCCFA on Forest Safety Council Board.

7. Measuring the Benefits of Community Forestry

We have initiated work to develop a methodology to collect information on the benefits generated from community forests activities. Everyone working in community forestry knows that community forest tenures provide economic, social and environmental benefits. Some of these benefits are readily quantified, others not as easy to assess. Yet when totaled they tell an important story of the multiple benefits to the community, to the region and to the province. During the 2012 BCCFA conference, the membership reached agreement that finding a way to measure and track the benefits of community forests annually will be of great value to the BCCFA, to individual community forests, to the Province of British Columbia, and to the public.

To create a framework to quantify the benefits, we have started to bring together expert advisors from academia, government and non-government sectors. We are looking to develop a system that is simple, affordable, credible with stakeholders, engaging, and compatible with government objectives. A workshop will be held during the conference in Smithers to begin to brainstorm design ideas with the membership.

Membership

Goal: Community Forest Organizations have access to the resources they need to be successful.

8. BCCFA Members

We are pleased to welcome Cortes Community Forest Cooperative as a new member of the Association. Our membership numbers have declined since last year. As of May 2013, we count 47 full members. Of the 57 communities involved in the CFA program, there are 10 that are not members of the Association². Nine are operating CFAs, one is in the application stage and one has an “intention to invite”. This means that 82% of the communities involved in some stage of community forestry are members of the BCCFA.

Four of the non-member communities were formerly members of the BCCFA. The key reason for their withdrawal is financial. Some are burdened as new licensees with the current policy requiring organizations to pay the full fee once the licence document is signed, yet they are still without revenue and hold a fair amount of debt. Without the ability to pay and unwilling to accumulate additional debt, they regretfully withdraw. One community forest manager sent this message: "Although we recognize the value of BC Community Forest Association, at the present time we are not in a financial position to be able to renew our membership in the BCCFA.".

9. Members Services: Extension and Communications

The BCCFA's Manager of Extension and Communication, Susan Mulkey, undertakes a number of activities to serve the BCCFA membership. These include:

- Extension: Provision of extension services to new and existing community forests, applicants and communities seeking community forest agreements.
- Communications: Maintaining & updating BCCFA member website, coordinating and distributing BCCFA newsletter, conducting & compiling results of members' surveys as requested. We delivered 14 newsletters and updates to a public list of 648 people and 18 member's only versions. We conducted 2 surveys last year, one as input to the Special Committee on Timber Supply and the other input to the BCCFA strategic planning. The website is updated regularly and had over 16,000 reads last year.
- Member Management and Recruitment: Managing the member database and recruiting of new members through extension and communications work.

10. BCCFA Conference

Every year we put on a conference in conjunction with our AGM. These are held in a community with a community forest, and serve a central function in our work to provide educational and networking

² Note that some of our members have yet to receive invitations to apply, or they operate other forms of tenure.

opportunities to community forest practitioners. In May 2012, we held the event in Kaslo to celebrate the 10th anniversary of the BCCFA.

11. Extension Project

The BCCFA's (CDP) Extension Project, funded by the Agriculture and Agri Food Canada's Community Development Program and a private foundation through the UBC Alex Fraser Research Forest concluded in December 2012. Along with visits with communities, the project focused on the development of the *Community Forest Guidebook II* which includes practical guidance on community forest governance and forest management. The Guidebook provides information, planning tools and policy guides required for achieving efficiencies and long term sustainability for Community Forests at all stages of development and operation.

We are very pleased to report that the "The Guidebook II: Effective Governance and Forest Management" is now available in print and online. Part One examines some of the basics of community forest organizational governance and policy. Part Two explores various aspects of operational community forest management. Since the Guidebook was posted on the BCCFA website in March, there have been over 1400 hits.

12. UBC Extension Project

In partnership with Ken Day Manager of the UBC Alex Fraser Research Forest, new funds have been secured to carry out extension work for Community Forests throughout BC and bring community forestry to UBC Forestry students through participation in the FRST 424 course.

13. New UBC Forest Internship Program

We were extremely pleased this past year to be a part of the creation of a new program to link UBC forestry interns with community forests. A private foundation has offered the UBC Faculty of Forestry funding for four undergraduate internships, to be placed at two community forests in the summer of 2013. In this first year, five communities expressed interest in the program. The two successful community forests are Nakusp and Esketem'c.

14. Finding the Fit – Exploration of Data Management Technology for Community Forests

With funding support from the National Research Council's Digital Technology Adoption Pilot Program (DTAPP), the BCCFA initiated a project this winter to bring providers of digital technology for forestry data management (systems, software producers, technical experts) together with community forest professionals and volunteer boards with a goal to improve productivity and business tracking and to engage and enable forward thinking. Through the project we want to assist Community Forest organizations to access appropriate digital technology and expertise to streamline administration, create efficiencies, and improve productivity and to engage and enable forward thinking. The project is linking directly with the BCCFA 2013 Conference and AGM, and will be completed in October 2013.

15. First Nations Dialogue

BCCFA is seeking to better understand the specific needs of First Nations involved in community forestry and to build its capacity to provide outreach and support for their success. At the BCCFA's conference in 2011, the First Nations Dialogue session concluded that our aim to build cooperation and connections is best addressed at the local level by individual community forests. We continue to encourage our members to foster partnerships and meaningful dialogue

With the new First Nations Woodland Tenure, it is clear that there are many commonalities with the Community Forest Agreement. We look forward to listening, learning and working together to further a meaningful connection to the land for native and non-native communities

16. Adding Value

Since 2010 we have been working with a group of partners on a series of projects to support the development of the small scale forest sector and add value to community forest products. With the completion of the project entitled "Bridges: Linking Resources for Community Forests", we have been working with FLNR to enhance WoodSourceBC.com, and we are also supporting Bridges II: Creating More Regional Economic Value from Regional Forests. In addition, we have recently started to work with FP Innovations on the development of a new program to provide technical support to community forests. These projects are described here:

17. WoodSourceBC.com and the integration of Fibre Connections

WoodsourceBC.com is our new interactive website that connects buyers and sellers of forest products. This website provides up to date information on current and future availability of wood fibre from community forests and woodlot licences. The overall goal of WoodSourceBC.com is to assist the small scale forest community to gain access to the appropriate resources, tools, information and relationships that will help them to improve their productivity and stimulate new opportunities to develop durable and sustainable economic activities. This website seeks to develop more demand for logs by communicating directly with value added businesses about long and short term supply and by using the availability of those logs as an incentive to establish and operate value-added business in local communities.

Once WoodSourceBC.com was launched, the provincial government saw the opportunity to integrate all Fibre Connections resources into the site. This past year, The Competitiveness and Innovation Branch of the Ministry of Forests, Lands & Natural Resource Operations partnered with the BCCFA to have Fibre Connections moved to the WoodSourceBC site. All of these enhancements were completed as of March 31 2013.

18. BRIDGES II: Creating More Regional Economic Value from Regional Forests

The BCCFA is one of several partners in Bridges II, a project lead by the Southern Interior Beetle Action Coalition, along with

1. Omineca Beetle Action Coalition
2. The Federation of BC Woodlot Associations
3. Ministry of Jobs, Tourism and Skills Training
4. Columbia Basin Trust

Bridges I was successful in consulting with representatives of small tenure holders and value-added sectors, identifying impediments to increase business activity, and the successful creation and launch of the WoodSourceBC.com website (described above). However, during the regional consultations it was noted again and again, that to actually build and deliver more formal collaboration between small tenure holders and value from regional fibre supplies - it will require additional and focused resources to work with regional stakeholder groups to identify and act on new opportunities.

This was the rationale for creating the Bridges Phase II Project. This 2 year project is working intensively in two sub-regions of the MPB epidemic zone. The two selected sub-regions are:

- (i) the McBride to Barriere corridor
- (ii) the West Kootenay Lake corridor region centered around Kaslo

The major goals of this project are to identify and implement a series of actions that will result in at least one of the following goals in each of the two sub-regions the project works in:

- (i) increase the profitability of small tenure holders;
- (ii) increase the amount of fibre flowing from regional small tenure holders to regional value-added businesses;
- (iii) create new longer term fibre supply contracts between regional small tenure holders and regional wood manufacturing businesses;
- (iv) create new regional forest products and businesses that can be supported by regional fibre supplies;
- (v) create new markets for existing regional forest products and fibre supplies; and/or
- (vi) increase the regional economic benefits derived from regional fibre supplies.

19. FPInnovations: BC Communities, Forest Sector Technical Support Services

In 2012 the BCCFA began collaborating with FPInnovations to create a new program to support communities. FPInnovations is working to provide technical advice and implementation support for communities to enhance their forest sector opportunities. The approach will result in increased capacity and skills development at the community level. Projects will result in community driven deliverables on natural resource opportunities such as:

- Wood supply
- Traditional & non-traditional forest products
- Bioenergy and Bio-products
- Processing/manufacturing
- Value added
- Business development
- Market intelligence

Projects in communities began before Christmas 2012 on a modest scale with Likely and Lower North Thompson. FPInnovations and the BCCFA are seeking the support of the Government of British Columbia for a full program.

20. Agroforestry: Increasing partnerships and extending information

This past winter, the BCCFA worked with the Centre for Livelihoods and Ecology (CLE) at Royal Roads University on a project proposal to the Agroforestry Industry Development Initiative. The project was aimed at improving awareness of agroforestry amongst community forests, and at promoting diversification and the development of new business relationships, increasing outreach to and dialogue with First Nations. Unfortunately our proposal was unsuccessful; however through the proposal development process we have opened the door to future work with the CLE.

Education

Goal: British Columbians are knowledgeable about community forestry, and the benefits that community forests bring to communities in BC.

21. Events & Tradeshow

The BCCFA had a booth at the Truck Loggers Association Trade Show in Victoria January 16 & 17. Our booth also featured WoodSourceBC. During the week, directors and staff met with a number of elected officials and government staff to discuss and promote community forests.

The BCCFA participated in the annual Aboriginal Business Match held in Penticton Feb 19-21. This was an important event in that it addressed a number of our strategic plan focus areas. We met with over 30 First Nations leaders that included chiefs and economic development professionals. We were able to provide educational materials, promote the work of the BCCFA and learn a tremendous amount about First Nations needs and interests on the land base in over 30, 20 minute “speed-dating” type sessions.

22. Speaking Engagements in BC

To raise awareness of and increase support for community forest, the BCCFA directors and staff made presentations this spring at the following BC Local Government Area Associations Conventions:

1. The 2013 AVICC Convention held April 12-14 in Sooke – Jack McLeman presented.
2. The 2013 NCLGA Convention held May 1-3 in Quesnel – Gord Chipman presented.
3. The 2013 AKBLG Annual General Meeting held April 17-19 at Copper Point Resort near Invermere – Susan Mulkey presented.

23. Speaking Engagements Outside of BC

Every year, the BCCFA is approached by groups outside of BC to tell the story of community forestry.³ This past year our staff and directors made the following presentations:

- Jennifer Gunter presented the BC Community Forest model at a gathering for the Upper Miramichi Community Forest initiative in New Brunswick last June.
- Ken Day gave a presentation on behalf of the BCCFA at the Halifax Community Forest Conference in June.
- Logan Lake Community Forest and manager, Don Brown, hosted a delegation of senior officials from the Province of Nova Scotia provincial government who were seeking to learn from BC as they committed to the launch of their own provincial community forest tenure.
- Susan Mulkey participated in the United Nations' Major Groups session in Rio de Janeiro Brazil in March recruited through a call for proposals on international examples of successful projects related to forests and economic development. The event, held, focused on the theme - Forest and Economic Development: Positioning Forests to Contribute to Sustainable Development. People from 22 countries participated in the discussions. Canadians Sashi Kant, U of T and Ben Cashore from Yale along with Susan, served as expert resources to inform the discussions. The outcomes of the session were delivered to the UN Forest Forum in Istanbul 2013 where international forest policy was discussed with a goal to facilitate implementation of forest-related agreements and foster a common understanding on sustainable forest management.
- Susan Mulkey and director Erik Leslie presented at the Community Forest Conference in Sault Ste Marie, Ontario to discuss the growth of Canadian community forestry and to develop a national network for analysis and policy engagement. More than 150 delegates including First Nations, government and industry representatives, community forest practitioners, NGOs and researchers from across Canada were hosted by the NORDIK Institute and the Northern Ontario Sustainable Communities Partnership (NOSCP).

Operations and Governance

Goal: BCCFA board and staff demonstrate professional standards of excellence and accountability in all aspects of personal, board, staff, financial and organizational governance.

24. Organizational Development

Over the past year, we continued the work we started in 2011 to review and improve of the Association's governance structures and processes. With the help of Vince Battistelli of The Governance Group, we determined how work more effectively and efficiently, and to enhance our ability to meet the many challenges we face.

³ The BCCFA's participation in these events was funded by the host organization.

We have implemented many of Vince's recommendations, and we are now operating under the model of a Policy Board. This means that the board of directors sets the strategic direction & policies of the organization, and staff, under the direction of the Executive Director, is responsible for implementation.

Key outcomes of our governance work to date include:

1. Adoption of the Policy Board model
2. Updated Society Bylaws (passed at AGM in Kaslo May 25 2012)
3. A new 5 year Strategic Plan
4. A Board Manual, including:
 - Board and Directors Terms of Reference
 - Organization Core Values
 - Board Governing Principles
 - Board Rules
 - Key Responsibilities of Board of Director Executive Positions
 - Code of Conduct
 - Confidentiality Agreement
 - Conflict of Interest Policy and Disclosure Statement

The next step is to orient new directors to the board, and then to work on compiling a comprehensive policy manual for the Association.

25. Annual Finances

The board of directors oversees the Association's financial wellbeing and approves the core budget. Each year we enlist the services of the accounting firm Gadicke Minichiello Carr to conduct a Year End Review of our finances. This was completed May 10th 2012 and will be submitted to the membership at the AGM May 24, 2013.

26. Association Financial Sustainability

The scope of our activities has grown and continues to grow, and we operate on a very limited budget that doesn't cover all our needs. In the 2011-2012 year, we explored the possibility of a levy for CFAs; however our research found that the rules that govern the collection of levies in BC make this model unlikely to meet our objectives.

The Association's first and most reliable source of revenue is the Membership Dues. The second source is modest profits generated from the annual Conference. The third and least reliable source of revenue is from special projects. While the Staff and Directors are always watching for opportunities to enhance the services delivered to our members by taking on special projects such as management of the Land Based Investment program, these opportunities are often short lived. We also recognize that the last five years have been extremely challenging for all of our membership financially and for that reason membership dues have remain unchanged.

With the mounting pressure on our Association to deliver services to a highly diverse and growing membership and to ensure we can effectively manage threats and source opportunities for our members the Board of Director believes the prudent action is to increase membership dues. As a result, the May 24th 2013 AGM includes a Special Resolution to increase membership dues in 2014.

27. Land Based Investment Program

The Province's Land Based Investment (LBI) Program was redesigned in 2010 with the creation of a new Land Based Investment Strategy. For 2012-13, eligible activities for community forests funding fell under the Mid Term Timber Supply Investment Category of the Strategy, and were focused on planting, spacing, and brushing. The funding criteria for this program are set by the Ministry of Forests Lands and Natural Resource Operations, and projects are approved by the Program Administrator, PricewaterhouseCoopers.

The BCCFA administers the funding to eligible community forests. The Ministry allocated \$640,000 to the BCCFA for the fiscal year. Collectively community forests spent \$611,800 in projects, and therefore did not use the full allocation.

The current program is designed to implement the government's strategy to improve the midterm timber supply. We work hard to facilitate the development of project proposals that meet the specific criteria, and we recognize that despite this, many community forests are excluded from the program as it is currently constructed. We continue to advocate for a broader scope of eligible activities.

Funding for community forests for the 2013-2014 year was cut to \$0. We are working with FLRN to re-integrate community forests into the program in 2014-2015.