



## British Columbia Community Forest Association

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### **BC COMMUNITY FOREST ASSOCIATION 2007 CONFERENCE SUMMARY**

#### *Diversifying Opportunities for Community Forests*

**Conference and Annual General Meeting  
June 1 – 3, 2007 McBride, BC**

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#### **Introduction**

The 2007 British Columbia Community Forest Association (BCCFA) Conference was designed to explore opportunities for economic diversification in community forests. Speakers, panels and workshops addressed the possibilities for innovation available in value added wood products, non-timber forest products (NTFPs) and bio-energy. With an outcome on pricing for community forest agreements (CFAs), now clarified, our members have confirmed their readiness to maximize the benefits and job creation potential from their area based tenures.

The conference is the primary annual community forestry event in BC. 70 people participated in the informative sessions and the lively exchange based on the on-the-ground experiences of community forestry practitioners. Participants included communities and individuals involved or interested in community forests (CF), community forest managers and board members, MOFR staff involved at the provincial, regional and district levels with community forest agreements, academics, and community economic development and forestry professionals.

#### **Conference Sponsors**

Conference sponsors included our excellent 2007 hosts, the McBride Community Forest Corporation, the Forest Research Extension Partnership (FORREX), and the Ford Foundation.

#### **Conference Summary Contributors**

The session summaries are a compilation of notes taken by Susan Mulkey, Jennifer Gunter, Lisa Ambus, Tony Pesklevits, Monika Singh, and Ajith Chandran.

Speaker presentations followed by an asterisk \* are available on the BCCFA website at:

<http://www.bccfa.ca/conferences.php>

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## Session Summaries

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### McBride Field Trip Friday June 1, 2007

In the heart of the Robson Valley, with temperatures in the high 20s and the Fraser river near to flooding its banks, participants piled into a school bus outside of the Elks Hall in downtown McBride. Our driver and chair of the McBride CF, Ken Starchuck, drove us to see value added manufactures operating in McBride with a site visit to three selectively harvested cut blocks in McBride's CF.

At Cedar Three Products we gained a sense of just how innovative people are utilizing grade 4 shell cedar. The primary product from this mill is split cedar post & rail fencing for export to the US market. The mill also produces cedar shake and shingle blocks, and is making planters from the shell cedar stumps.

Utilization is the rule even when dealing with waste and is turned into a mulch product.



At TRC Cedar we were able to tour the mill while in operation. 40 direct jobs are created from 2 loads of rotten, pulp cedar a day.

The tour also included a visit to Syncra Wood Flooring, a family run small-scale enterprise manufacturing specialty birch, fir and pine flooring.



### Marc von der Gonna, Ross Hamilton and the "pumpkins" in the McBride CF Sort Yard

Marc von der Gonna, Manager of the McBride CFA lead the tour to the community forest blocks which are located adjacent to private land and highly visible from town. The community forest has had to be innovative using partial, small-scale and single-tree harvest with multiple entries in order to manage for visual, recreational and tourism values. The tour included a visit to the community forest's sort-yard where Bob Elliott discussed issues around the sorting and marketing of cedar. The tour also included a visit to the McBride Community Hall, which was under construction. The McBride Community Forest is contributing a part of its 1.4 million dollar profit from 2006 towards the construction of the Hall. Profits are also being directed towards upgrades to the municipal water system and to fund a local economic development officer.



Thanks to Tolko, Valemount Forest Products, McBride Forest Industries and MOFR Robson Valley Fire Zone for the loan of the hardhats for the field tour.

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**Opening Session**  
**Friday Evening June 1, 2007**

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**Welcome to Conference Delegates**

**Robin Hood, BCCFA President**

**Mayor Mike Frazier, Village of McBride**

Community forestry in McBride had some significant challenges in the beginning, but it has turned out to be a huge success. Anyone interested in the chance for a community forest should run with it. It has diversified the local industry when the major mill closed and put the salvage guys to work. He thanked Minister Coleman for his part in making things happen for McBride. In community forestry everybody plays off each other; everybody is there to help.

**Marc von der Gonna, Manager, McBride Community Forest**

**Community Forest Agreement Showcase**

The three presentations given by CFA managers demonstrated the diversity of CFs in BC as they described the challenges facing their communities and operations from the mountain pine beetle stands in Fort St James, to the urban interface operations in Prince George, to the remote coastal drainages of Bella Coola.

**District of Fort St James\* – Ross Hamilton, RPF**

**Prince George\* – Mark Fercho, Environment Manager, City of Prince George**

**Bella Coola\* – Hans Granander, Bella Coola Resource Society**



L to R: Mark Fercho, Prince George Community Forest; Bella Coola Community Forest;  
Ross Hamilton, Ft. St. James Community Forest Manager at Stuart Lake.

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## Morning Session Saturday June 2, 2007

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### Conference Overview

#### Susan Mulkey, Conference Moderator

Susan welcomed all of the conference delegates and introduced the conference theme and program.

### Summary of 2006-2007 BCCFA and CFA Activities\*



**Robin Hood, BCCFA President**

**Jennifer Gunter, BCCFA Coordinator**

Timber pricing for CFAs was at the top of our priority list in the past year. The tabular rates that CFAs now enjoy are the result of 3 years of discussion and negotiation with the Ministry of Forests and Range. This arrangement relieves CFAs from all cruising requirements, 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. However, the work is not done and BCCFA will continue to work with the MOFR to develop new tabular rates based on MPS, and to resolve the problem with inequitable zoning on the Coast.

In June 2007, the Community Forest Program Review commissioned by the Ministry of the Forests and Range was completed. The BCCFA played a key role in developing the terms of reference for the Review, and contributed to it through interviews with the board, our staff, and individual CFAs. Thirty six recommendations were made on topics ranging from strategic planning for the program to probationary status of the CFA. The BCCFA Board has been consulted on the workplan developed to address these recommendations, and action is forthcoming on a number of fronts. We continue to work closely with the MOFR in a collaborative manner.

Through our Extension Project, we have worked to stay on top of issues encountered by the growing number of CFA applicants in the process. Efforts have been spent to assist them to sort through the application process, to serve as the conduit to convey their issues to MOFR and to achieve a fair and consistent roll out of the CFA program across the province. This work will be ongoing as the outcomes of the program review are addressed and changes to the application process are implemented.

As part of our commitment to supporting and advocating for forest worker safety, the BCCFA set out a priority to become involved in the work of the BC Forest Safety Council (FSC). In March of 2007, the BCCFA was successful in its application for a seat on the FSC and BCCFA director Kevin Davie was appointed to be our representative. We are representing the interests of CFAs on the Council, realizing that the certification process was set up for larger companies and key issues of cost effectiveness and administrative efficiency have yet to be addressed sufficiently for CFAs.

As part of the BCCFA's efforts to provide extension services to its members, we teamed up with the Forest Research Extension Partnership (FORREX) to develop educational materials on the Forest Safety Council and the new Safe Companies certification process. These materials will form a new chapter in our Community Forestry Guidebook. A draft has been completed, and the final version should be ready this summer. In addition to the Guidebook chapter on Safety, a special Safe Companies workshop was coordinated by the BCCFA for CFAs. The workshop was held in Kamloops in March 2007.

BCCFA internal organizational development was also a focus this past year. The Board adopted Terms of Reference for all 8 BCCFA Committees and a communication strategy that included how the Pricing Committee would put to use a method of communication that would be efficient while being inclusive.

A major activity of the past year was the development of a new system for the administration of the Forest Investment Account (FIA) for CFAs. The Small Tenures Program of FIA came to an end, and CFAs joined the Land Based Investment Program. BCCFA board and staff negotiated a deal that would “give us our cake and eat it too”. Key elements of the deal included:

- A mechanism for CFAs and Woodlots to retain a separate funding allocation from the majors
- Keeping the per metre allocation high in relation to other tenures.
- BCCFA will continue to administer FIA funds on behalf of CFAs
- CFAs will have access to the full list of eligible activities
- CFAs will retain the right to reallocate funds amongst themselves.

Special funds were made available by the MOFR for CFA orientation and for the development of Investment Rationales. The BCCFA administered FIA funds in 06/07 for 7 CFAs, totalling \$386,000. With the expansion of the CF Program, our allocation for 07/08 has increased to \$457,000.

Other activities included presentation of a collective position on BC's Log Export Policy Review, involvement with FORREX's Socio-Economics Working Group, BC Forum on Forest Economics and Policy and collaboration with an interdisciplinary group of researchers at Simon Fraser University. As well, our staff devoted considerable effort to fundraising for NTFPs, research, and for extension and support to our members.



### **Forest Safety Certification\***

#### **Tanner Elton, CEO, BC Forest Safety Council**

The BC Forest Safety Council (FSC) is designed to be an industry organization, not quasi government. It is operating on the premise that if you are part of the problem you are part of the solution and seeks to have all aspects of the forest industry involved. The BC forest sector has the worst safety records in North America yet is the largest exporter of lumber. Forestry is important to the economy of BC with a multiplier of 6 spin off jobs for each forestry job. In 2005, the accounting of accidents and fatalities was restructured and now includes federal, ICBC cases to and from work, and mills that were not counted before. There were improvements in 2006. The primary goal of the FSC is to eliminate fatalities and then will look to soft tissue, sprains and strains. The FSC programs are coming on line quickly, and may require adjusting based on sector feedback. From what we are hearing, the Safe Companies program may need to be adjusted for CFAs.

### **Keynote Speakers**

#### **Hon. Shirley Bond, MLA-Prince George-Mt Robson, Minister of Education and Deputy Premier**

Community Forestry has been a big topic over the past 6 years and is clearly important to rural communities in BC. Rural communities need infrastructure for long term sustainability & self sufficiency. The role of Government is to give people tools and resources to diversify their economies. Community forests are about community benefits and are important for communities and for the province.

Government is firmly committed to make sure that CFs succeed in BC and to make more fibre available for CFs. Minister Coleman made it clear that he was going to find a long term stable solution for pricing. The Softwood Lumber Agreement was the biggest challenge in finding a solution. Now there is a long term, stable pricing formula for CFAs that will reflect the concerns brought to the table, removing uncertainty for those who manage CFs.

There are still challenges in the future. The Canadian dollar may be at par with the US by Christmas. There is not a lot of policy that can be utilized to address this issue. CFs are a way to find some benefit in light of the new attention to the environment. BC is a resource rich province, and how these resources are dealt with is the future. Ms. Bond complimented the CFs on the work accomplished and encouraged continued communication of all concerns.



**Hon. Pat Bell, MLA-Prince George North, Minister of Agriculture and Lands**

The forest industry is a key economic driver in BC now and will be into the future, despite the challenges. The world is different and will be even more so in the next 5 years. The BC government has just initialled an agreement with the Haida. A draft Strategic Land Use Agreement (SLUA) initialled by the government and the Council of the Haida Nation moves the Haida Gwaii/Queen Charlotte Islands a large step closer to resolution of long-standing land use and resource management issues. This is a very significant deal with the Haida.

This is a time of change like no other in history due to how we think about the environment and climate change. The challenge is to find the opportunities in this change that can be taken advantage of to create economic benefits, such as how can incremental value from BC wood be created.

Community Forests own the principle of social license. CFs have the ability to pilot ideas and innovate in the way they manage their land base and have an opportunity like no other tenure in the past.

At the present time, there is no tenure mechanism for NTFPs. Government needs to need to turn to CFs for support in figuring out how to create those mechanisms in a way that works for CFs. Tenuring NTFPs is the way of the future. The Integrated Land & Resource Registry – part of Lands Ministry – is a new database housed in Front Counter BC of all tenures that are on the land base. This thinking can be extended into NTFP tenures.

Small tenures play a key role on the land base and there is a good opportunity for expansion. There will continue to be challenges ahead with streamlining and growing the program. The land base is about how we change, grow & adapt. As communities, when there is a decision to reinvest into the land base, communities get the incremental benefit of that investment. Government fundamentally supports the work CFs are doing.

Question from Kevin Davie, Sunshine Coast CF: On the point of taking products out of the land base, including NTFPs, there is an ongoing reduction in the forest land base. How can there be more certainty for the working forest so that it is not taken away for parks, agriculture or subdivisions?

Answer: Pat Bell – There is discussion about an LRMP for Sunshine Coast this fall. Part of that will involve targeting the timber resource and setting a target. In Land Use Planning government now works across sectors and ministries looking to balance all values

Question from Bill Young, Esketemc FN: On timber pricing solution and administrative efficiencies the biggest challenge is selling the bulk of our timber into a consolidated log market. If there is more consolidation in this part of the interior, it will have a negative impact on the CFAs ability to do business. Answer Pat Bell: Steps need to be taken to stimulate more new entrants into the business and for the value added sector to the business.

Shirley Bond: There is no overnight fix, but it is definitely on the radar screen. Government has not gotten everything right. What are the mechanisms to provide incentives and opportunities for new entrants? It is a topic for ongoing discussion and policy work.

Question from Ramona Faust, Harrop Procter CF: There is a large amount of fallow farm land in BC that could be utilized for NTFPs. There needs to be an incentive to open this up.

Answer Pat Bell: Congratulations to HP CF – heard lots of good things about it (NTFPs, FSC certification). There is a new piece of legislation – Part of the Miscellaneous Statutes Amendment Act. In late 90s the Supreme Court made a decision that any lease longer than 3 years was not legal. Because of the new legislation, there is a mechanism for long term leases of any length of time on unsubdivided private agricultural land. This opens up opportunities to grow longer term crops like blueberries and grapes.

Question from Dan McLemon, Port Alberni: Regarding private forest lands – Would you talk to main holders regarding land swaps when we want to expand our CF area?



Answer Pat Bell: Sure. But as an underpinning principle, we do respect private land owners in BC.

Question Brian McNaughton, Federation of BC Woodlot Associations: Evaluation of BCTS is needed. Private enterprise is competing with its own government. This needs to be part of the discussion.

Answer Pat Bell: We gave BCTS the mandate to act like a business and they are. We hear your suggestion to take a look at BCTS and maybe it is time.

Shirley Bond: Part of our job is to hear the concerns and take it back to Rich. We recognize there is a gap and that the current situation does not benefit to small operators. We have put BCTS in an awkward position. We can convey the concern to Minister Coleman.

Susan Mulkey: Ministry staff, in particular Jim Langridge and Ron Greschner, have been cooperative and professional in working with CFs. Please pass this on to Minister Coleman.



FRONT ROW: Susan Mulkey, BCCFA Extension Coordinator; Hon. Shirley Bond, Minister of Education and Deputy Premier; Jennifer Gunter, BCCFA Coordinator; BACK ROW - Robin Hood, BCCFA President; Hon. Pat Bell, Minister of Agriculture and Lands; Marc von der Gonna, McBride Community Forest General Manager



### **Ministry of Forests and Range (MOFR) Update \*** **Jim Langridge, MOFR, Director, Tenures Branch**

#### Market Status

Bill 18 passed in the house a week ago has a provision through which we can restrict the competition of non replaceable forest licenses (NRFLs) to certain sectors, which means they can limit the major licensees from accessing NRFLs. In general the market is bad. There are factors outside our control that make all tenures vulnerable, and affect the viability of CFs.

#### Softwood Lumber Agreement (SLA)

The Minister made a courageous decision on the pricing arrangement for CFAs after a pause for additional thought. It is unsure if this policy will be challenged under SLA. Any policy changes that we make to pricing & forest management must be reported to the US within 45 days. There is an unlimited amount of time for them to request consultation. If through consultation they find problems, they can arbitrate through the London Court of International Arbitration (LCIA). The SLA specifies that the Arbitration Tribunal will work to have a decision within 180 days after tribunal is appointed.

#### Market Pricing

Representative timber is auctioned competitively. Auction prices are used to set stumpage and to determine what licensees pay. CFAs are outside of that, 4 year cutting permit, take or pay.

#### Mountain Pine Beetle (MPB)

The volume of trees infested (red- and grey-attack) has increased substantially. It is affecting 582 million cubic meters of timber in 2006, up from 411 million cubic meters in 2005. The MPB Action Committee a coalition of government and community has laid out a 5-year plan to address the epidemic.

## MPB Action 2006 – 2011

### Goal

To sustain long-term community, economic and environmental well-being while dealing with the short-term consequences of the epidemic.

### Objectives

Community sustainability

Public safety

Recovering value

Conserve long-term forest values

Limit further damage

Restore forest resources

Co-ordinated planning and mitigation

### Actions

Forests for Tomorrow Program

Future Forest Ecosystems Initiative

Investment in highways

Provincial economic development in sectors

Reduction of fire hazards near communities

### Bio-energy Initiative

There is a culture shift going on in forestry. We must get our heads around the fact that we have a new product - a fuel log. It constitutes approximately 30-40% of our stands. The BC Energy Plan released on February 27th seeks to use, in addition to other sources (agriculture and municipal waste etc), wood residue and MPB timber to generate electricity. Our power prices are among the lowest in North America. If bioenergy is going to be successful, we have to be prepared to pay more. MOFR is working with industry to remove policy barriers inhibiting usage of waste wood. Discussions are taking place to assess how we can align our tenures – MOFR and Hydro and MEMPR.

### Non-timber Forest Products

There is no mention of NTFPs in the Forest act, nor any legislation for managing them. NTFPs are alluded to in the CFAs but it is just a shell since there is no granting of rights in any legislation. First Nations have expressed serious concerns about NTFP management and the locations of case studies proposed by the Interagency Committee on NTFPs for Burns Lake, the South Island and one in the Kootenays. The Case studies are intended to explore how to enable communities to develop an NTFP sector that is ethical, equitable and sustainable.



### **Update on the CFA Program \***

**Ron Greschner, MOFR**

It is clear from working with people in community forestry, that they are clearly passionate about the tenure and with what they are doing in their communities. It has been a rollercoaster ride on the pricing front and now there is a firm commitment using the tabular rates.

Over this past year there have been a number of staffing changes in the regional offices and in Victoria. Dave Haley will be increasingly involved in CFAs from Victoria.

The CFA is not a pilot anymore but is now operational. Except for CFAs with a Forest Development Plan (FDP) that has not yet expired, all CFAs are now required to operate under the Forest and Range Practices Act (FRPA) and complete a Forest Stewardship Plan (FSP). The Program Review completed last year made recommendations to eliminate the probationary licence and to change the term of a CFA to 25 years. The Executive has approved the proposed legislation to go forward to be debated in 2008. Other Program Review recommendations include the elimination of the Community Forest Advisory Committee (CFAC). CFAC helped form the program into what it is today; contributing tons of volunteer time, guidance etc... and now with the program operational, the Minister has determined their role is no longer required. MOFR will work with BCCFA to implement the other recommendations including streamlining the application process.

The CFA program has continued to grow over the last year. In 2006 there were a total of 38 CFAs either operating or in the application process. Today there are a total of 46 tripling the size of the program since 2004.

Average stumpage rates paid by CFAs over the last few years:  
2004: \$4.56/m<sup>3</sup> 2005: \$4.80/m<sup>3</sup> 2006: \$2.52/m<sup>3</sup> 2007: \$2.53/m<sup>3</sup>

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**Value Added Wood Products: Global Context \***  
**David H. Cohen, UBC, Wood Science Program**

It is apparent that there are many opportunities for diversification away from the dimensional lumber markets. The successful business model for value added in Canada is likely in smaller operations that focus on opportunities that are not being serviced by the conventional forest industry or China. Globally China has emerged over the last 8 years as a giant in the value added sector and is the largest wood importer of logs and the largest exporter of wood products in the world.

Despite an uncertain global situation, opportunities abound for community forests and value added. There is clearly unified support for community forestry in the BC government with growing support from foundations, NGO's, World Bank, etc. There is a growing customer niche in the LOHAs (Lifestyle of health and sustainability) group who will pay more for wood sustainably managed by a community. The regional market has opportunities for small players because it does not interest the large player. What does Jasper need that McBride has? There is also great opportunity in the fact that rural BC communities have a great capacity for entrepreneurship, innovation, adaptability and "mistakes as portals to discovery" that can be utilized to add value to wood harvested from community forests.

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**Value Added Wood Products - How to Choose the Right Dessert\***  
**John Lerner, John Lerner and Associates**

A reality check on the Value Added (VA) Context shows that: Many of the VA sectors require a SIGNIFICANT investment of resources (financial, human, technological, and physical). Skilled labour is scarce and labour costs are increasing. Transportation costs are increasing. The Canadian \$ is increasing in value and could be at par with the US\$ in the near future. All of the VA sectors now compete in global markets. China and SE Asia are competing in every sector and imports are expanding every year. The US market is still growing but housing starts are slowing and expected to slow through to 2008. However the good news is that the US housing and wood products market is still very large. And the western Canadian economies are expected to do well into 2008. There is a growing demand for "green" and "healthy" wood products (low emission), especially in California.

Value-added opportunities for community forests or rural communities exist. Opportunities have the most potential when: The product is unique and consistent with the organization's capacity (\$\$, human, technological); there is provision of strong customization and service orientation; the product targets the high-end with a green or healthy orientation; the product uses the strengths of local wood supply and is transportable at a reasonable cost.

High value timber frame and log homes and their components might be a good match (more details in presentation). Do your homework before investing. Don't try to market in general: target. So far there is not a significant demand for the FSC product because marketing has not targeted the consumer but the large supplier.



### **Financing**

**Don Zurowski, Manager, CFDC of Fraser Fort George**

We are socially and environmentally more conscious when we have a strong economy. The key in any business venture is to know that we must be able to service any loan. Debt is best repaid with profit. Debt can not be paid with operational money and when it becomes the plan for debt repayment, it becomes the cause for business failure. Community forests are a good opportunity for rural communities. The \$1.4 million profit made by McBride CF last year has been repatriated.

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### **Working Beneath the Trees: Non-Timber Resources\***

**Wendy Cocksedge, Centre for Non-Timber Resources, Royal Roads University**

NTFPs are one part of a list of non-timber resources: water, wildlife, carbon, biodiversity, and aesthetics. "Product" – doesn't necessarily mean commercial: it is also traditional, recreational etc. Non-timber forest products are a growing part of the BC economy and because they are not regulated it is difficult to estimate the scale (estimates at \$150-250 million). In rural BC non-timber forest products have the potential to help individuals supplement their income and can be a large factor in sustaining communities. Discussion on regulating the sector continues and one of the most challenging issues to deal with is the conflict with First Nations traditional use.

Community Forest Tenures enable access management opportunities for NTFPs. How do we provide access and benefits to all who value the resource? In planning for the sector, we need to include ALL users in the discussion to create a critical mass to move forward.

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### **Afternoon Session Saturday June 2, 2007**

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*The workshop sessions are intended to focus on discussion and practical information.*

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### **Workshop 1 – Forest Worker Safety**

**SAFE Companies and the Community Forest Agreement\***

**Tanner Elton, Forest Safety Council**

This session included discussion of issues raised in a draft paper on worker safety in community forests written by Susan Mulkey with FORREX support. This draft will become a new chapter of the *Community Forestry Guidebook*, a BCCFA/FORREX collaboration.

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### **Workshop 2 – Alternative Energy**



### **Ray Greene - Turning Residual Wood into Energy \***

Local Biomass energy initiatives can substantially reduce fossil fuel use by utilizing local available residual wood which otherwise may go to a land fill. This technology is a good fit to heat community buildings such as a school or nursing home. A school the size of McBride School will require an investment of \$ 200,000 for installation. A 40 km distance from source of waste residue to its final use is a safe distance while looking at feasibility. Waste residues of processed woods are turned to woodchips that is ground into fuel and transported to boiler. These initiatives can be planned and installed in a 6 month period between March and August.

A boiler with a solar panel to capture the extra heat is useful especially in the spring when it can save the school money. With this technology a facility can save 30% annually. Existing incentives include carbon credits, federal and provincial subsidies.



### **Don Scarlett, Micro Hydro\***

Many community forestry watershed areas have potential for using micro hydro generated electricity. There are generators for different uses such as a remote lodge or small value added mill. The kilowatt generated can range between 7-8 kW (lodge) to 200 watt (for charging a battery). A non grid connected project can be \$ 4000 per kW and a grid connected one is about \$ 2500.

Generation potential depends on the amount of water flow based on size of pipe and the height. 4 feet per second of water is a good amount. Settling tanks or screens are used to clean the water. The design and construction of the project has aspects of engineering, environment assessment and contracting.

The project development steps involve the assessment of potential for cost effective power generation, accessibility to the area, addressing sustainability and environmental issues, determining how the power would be disposed, application for licences, obtaining equipment and expertise to construct. Thompson from Kimberley makes good equipment, but may have a long delivery time.

Key factors to consider in micro hydro project evaluation include:

- Selling power for revenue is generally not a feasible idea because of contractual obligation issues.
- There is a need for insurance coverage
- There are pricing issues
- Selling power to grid requires at least 10 mega watts of power
- Influence is required to arrive at an agreement.

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## **Workshop 3 – Taking Non-Timber Forest Products to the Next Level**

### **Wendy Cocksedge, Centre for Non-Timber Resources, Royal Roads University\***

The NTFP sector is still small which forces it to be interdisciplinary. Though there are many researchers, there is a lack of knowledge of the benefits and uses of NTFPs; however the knowledge exists within First Nations traditional knowledge.

As a beginning step for CFAs, existing imagery and vegetation data are used to study potential inventory. Without baseline data it is difficult to develop a management plan that can be sustainable. Most often volunteers collect ecological data that may not be of the desired accuracy. Developing community based inventory of NTFP data is a good first step.

There is a need to develop quality criteria for NTFP management. The quantity of a product is not a substitute for quality. Cultivation verses collection from the wild is a potential issue – there would be difference in the quality of the product. There is also a need to make a distinction between commercial use and cultural use. There is a need to develop tools like education and training to provide for safe and sustainable use and extraction. Patenting of NTFPs or use of these is a potential issue – already an issue in some other countries. This is especially in case of cultural use of NTFPs.

There is no legislation for use and extraction of NTFPs, which leading to sustainability issues. Though CFAs and First Nations have the right to produce non-timber products, they do not have the right to restrict access.



**Ted Traer, Moose Meadows Farm, Quesnel\***

The key business aspects of an NTFP business are:

- finding a niche market
- customer care,
- word of mouth advertising
- development of a range of compatible products

In a small NTFP enterprise the level of pay offered is low and there are low and peak seasons, making a family operation a viable model. Experience says it is best to start small and only diversify and expand slowly: Pilot ideas before expanding. Investments are best kept low, at least initially. When it is recognized that endeavors are not meeting standards or are not economically viable, they are best left alone.

Knowledge and awareness of legislation, finances, advertisement, people management, licenses and insurance that will affect your operation is essential. Innovation in seeking opportunities is promoted, not just for products but also for areas like tourism. People pay to get an experience. Branding is important.

Collaboration and networking at regional, national and international levels may increase business and is useful for NTFP product promotion, for procuring raw material and marketing. Association memberships are an example of networking opportunities.

The source of raw material must be sustainable. At present there is no legislation for NTFP management and it is possible to collect from the wild or grow one's own. It is also possible for individual entrepreneurs to get some licenses that are required (e.g. for Christmas trees).

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**Workshop 4 – Exploring Value Added Wood Opportunities**  
**David H. Cohen, Professor UBC, Department of Wood Science**  
**John Lerner, John Lerner & Associates**  
**Don Zurowski, Manager, CFDC of Fraser Fort George**

Not all CFs are created equal and not all CFs are created for the same reason. The potential for VA varies with specific CF contexts including timber profile, market access and access to capital (\$ and human).

VA is a moving target – It is relative, not absolute. It will mean different things in different contexts:  
In the 1940s pulp mills were VA.

CFs can attract VA operations or create them. The best option for a CF depends upon the capacity and desire of the community. What are the objectives of the community? Does the community expect the CF to create direct jobs or to invest in community projects? Communicate with business groups. Find out who existing VA are selling to; where is their wood going and could any stages in the value chain be pulled back into the community? Explore partnerships with existing businesses. Local entrepreneurs can play an important role. CFAs need not necessarily expand into manufacturing. Stay away from financial incentives. A VA business must be sufficiently developed.

A CF looking into VA must have clear, simple objectives. Does VA fit with what the CF wants to achieve? It is best to have the primary operations of the CF solid before taking strategic risks with VA. Start simple and small. Just sorting logs into type and size is adding value.

Rural BC has challenges. Location and transportation costs can be prohibitive. Typically as you move up the value chain, buyers are located closer to the cities. VA needs skill sets, but typically VA wages are lower compared to logging.

Before pursuing VA do your homework:

- Know your markets (pre and post VA) and target them.
- Establish relationships with buyers and communicate often.
- VA producers buy products, not ideas. Pitch appropriately. Find out who the customers are and what they want.

Next Steps: What do we do on Monday?

- Conduct regional visioning to define potential products.
- Link with the BC Wood Specialties Group to explore marketing opportunities.
- Publicize CFs: take the CF show on the road to increase awareness of CFs potential to supply VA markets.
- Work to access funding for VA feasibility studies based on assets (e.g. timber profile and existing businesses) of individual CFs.
- Explore branding options for CF products.



### **Workshop 5 – An Overview of the Forest Investment Account\***

**Ian Brown, P.Eng., MBA, Senior Manager, Land Base Investment Program**

**Dennis B. Sabourin, Manager Forest Investment Account**

**PricewaterhouseCoopers LLP**



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**Evening Session and Banquet  
Saturday June 2, 2007**

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**Celebrating Success**

A map showing the location of all CFAs, applicants, and BCCFA members was presented to the BCCFA board, staff and MOFR partners as a token of appreciation for their contributions over the past year.



**Ajit Krishnaswammy, Forrex**

**Presentation: “A Journey of Passion on the Community Forestry Wagon:  
From India and USA to BC with Elephants, Aboriginal Peoples, Mushroom  
Harvesters, and Rural Communities”**

Ajit compared community forestry in India, USA and Canada illuminating the principles of “local land, local people, local decisions” as a shared issue of social justice in all of the initiatives.

**2008 Conference Host Presentations**

**Sechelt – Kevin Davie**

**Port Alberni – Jack McLeman**

Sechelt and Port Alberni both made a pitch to host the 2008 BCCFA Conference and AGM.



**1<sup>st</sup> Annual BCCFA Silent Auction**

Items for the silent auction were donated by Moose Meadows Farm, the City of Port Alberni, Hans Granander, Robin Hood and Likely Xatsu’l CF, Burns Lake CF, Ft St James CF, Cedar Three Products of McBride and the BCCFA. \$600 was raised through the bidding that will go towards honorariums for the 2008 Conference.

*For information on how to order a Lady Bug Fence from Western Three Cedar Products go to:  
<http://www.cedar3products.com/flowerfencing.html>*

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## **Morning Session and AGM Sunday June 3, 2007**

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More information on the Strategic Priorities identified for 2007-2008 and for the draft minutes of the 2007 AGM, please contact Jennifer Gunter at [info@bccfa.ca](mailto:info@bccfa.ca)

### **Conference Summary and BCCFA Annual Planning**

Susan Mulkey, Jennifer Gunter

### **BCCFA AGM**

Jennifer Gunter, BCCFA Coordinator

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## **Speaker Bios and Contact Info**

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### **Wendy Cocksedge, Coordinator for Research and Extension, Acting Director, at the Centre for Non-Timber Resources at Royal Roads University**

Wendy Cocksedge is the Coordinator for Research and Extension, and currently acting Director, at the Centre for Non-Timber Resources at Royal Roads University. Over the past eight years she has worked with both the biological and socio-economic aspects of the NTFP sector. Because of the diversity of the sector, Wendy has been fortunate to be able to work with a vast array of collaborators, including long-time harvesters, researchers, policy makers and community members from every facet of the sector, exploring opportunities for the sustainable use of NTFPs. Wendy's particular focus is on the inclusion of NTFPs into resource management, including inventory and compatible management. She is currently working with others to develop inventory methods for NTFPs in order to better understand their habitats and abundance, and allow for sustainable use and protection of the species.

Contact Info: [Wendy.Cocksedge@RoyalRoads.ca](mailto:Wendy.Cocksedge@RoyalRoads.ca)

### **David H. Cohen, Professor, Faculty of Forestry, University of British Columbia**

Professor David Cohen has been at UBC since 1989 since completing his Ph.D. at Virginia Tech University (USA) in 1989. He had over a decade of work in the wood industry in the interior of BC prior to his academic career.

Lately David has focused on sustainability and globalization. Recent research has focused on ethical investment funds, consumer behaviour and green building and the shift to ecosystem forest management. Prior to this, his principal research area was in the global marketing and management of forest products with a strong focus on Asian (China and Japan) and North American markets. His research focuses on fundamental drivers of demand such as demographics, cultural shifts and impacts of globalization. He has completed research projects in Asia, Europe, North America and Oceania.

Dr. Cohen has served as a Director to associations (Canadian Wood Council) and companies (Formation Forest Products). He has acted as a consultant to many companies and government organizations in North America, New Zealand, China, Japan, and Europe.

Currently Dr. Cohen is teaching both in the Faculty of Forestry and Commerce. He has been instrumental in developing the new stream in the UBC Sauder School of Business MBA Program in Business and Sustainability and teaches courses in that program. Contact Info: [David.Cohen@ubc.ca](mailto:David.Cohen@ubc.ca)

### **Tanner Elton, CEO Forest Safety Council**

Tanner is a lawyer. He has held senior positions in both the public and private sector before becoming the BC Forest Safety Council's first CEO. In the public sector he has worked in the federal government for the Law Reform Commission of Canada, the Ministry of Justice and the Ministry of the Solicitor General. In Manitoba he held a number of senior positions including Deputy Attorney General, Deputy Minister of Justice, Deputy Minister of Labour and Deputy Minister of Environment.

He was instrumental in establishing the Manitoba Law Foundation, the International Institute for Sustainable Development (IISD) and while it's Chair, he developed the Canadian Council of Ministers of Environment (CCME) and relocated it to Winnipeg, Manitoba.

In the private sector, Tanner has been a member of a number of law firms and has served as a senior executive with BC Tel, TELUS and a number of environmental technology companies. He has consulted widely with government and has managed a number of major policy initiatives.

Tanner managed the Forest Safety Task Force, which set out a detail action plan to improve safety in the Forest Sector and recommended a permanent forest safety infrastructure. Tanner then worked with industry to set up the Council. He was interim director until Spring 2005 when he became chief executive officer. He is married, with three daughters and two grandchildren. Contact Info: [elton@bcforestsafe.org](mailto:elton@bcforestsafe.org)

### **Ray Greene, Sustainable Energy Solutions Consultant**

Ray Greene has spent his entire life trying to figure out how to spend less energy. He therefore naturally fell into a career path that has allowed him the maximum amount of time to simply watch trees grow. When not so engaged with staring at the wonder of it all, he can be found somewhere near the kitchen in Old Arrow Park, West Kootenays, where he and wife, Penny, operate a small farm on an 800 watt micro hydro system.

Ray is acting CEO for Nakusp Energy Corporation, a small start-up alternative energy supply company. He is also part of a team working on a small footprint - 150 kw electric/500,000 Btu hot water - combined heat and power biomass initiative for the District of Port Hardy and nearby First Nations communities. These projects are the culmination of more than a decade of effort, working along side many others, to try to help establish small-scale alternative energy solutions for small communities throughout BC. For further information please contact [raygreene@gmail.com](mailto:raygreene@gmail.com)

### **Ajit Krishnaswamy, FORREX Socio-economics Extension Specialist**

Ajit provides extension services that assist FORREX partners to access research in the human dimensions of resource management. Ajit is based at SFU in Burnaby. Prior to this, Ajit was working as the Director of the National Community Forestry Center at the National Network of Forest Practitioners in the USA for 5 years. Ajit also was the Senior Researcher of the Institute for Culture and Ecology located at Portland, Oregon, and the Project Manager of the World Commission on Forests and Sustainable Development at the International Institute of Sustainable Development in Winnipeg. Ajit worked for the Indian Forest Service in Bihar state for several years. Ajit completed his PhD in Forest Resources (Social Sciences) from the College of Forest Resources, University of Washington at Seattle, and a Master's in Forest Management from the Indian Forest College in Dehra Dun, India. Ajit has published several papers on community forestry, land use planning, and international forest policy.

Contact Info: Email: [Ajit.Krishnaswamy@FORREX.org](mailto:Ajit.Krishnaswamy@FORREX.org) Phone: 778-782-8080 Cell: 604-838-4514

### **John Lerner, John Lerner + Associates**

John Lerner, principal of John Lerner + Associates, is based out of Vancouver, BC is an independent consultant. He has worked in the field of community development, market research and business development for over 14 years. He has extensive market research experience in the North American furniture and cabinet sectors as well as the seniors' housing sector.

Mr. Lerner has also managed the BC Centre for Wood Products Design, undertaking design and market research with many small and medium-sized furniture and timber frame companies in BC. During this

term he also developed various marketing resources for the furniture sector in BC, led various furniture trade missions in Canada and the US and networked with much of the BC furniture industry. He has also undertaken US market research for several BC timber frame companies in the areas of hybrid timber frames and furniture spin-offs.

Most recently Mr. Lerner has undertaken market research for the cabinet industry in California, examining opportunities for high-end cabinet sales in the resort industry and in the “green” building movement. He also explored the benchmarking of BC furniture industry competitiveness in the Pacific Northwest. Contact Info: [jlerner@telus.net](mailto:jlerner@telus.net)

#### **Don Scarlett**

Don was born in Brantford, Ontario in 1948 and received a B.Sc. in Mechanical Engineering at M.I.T. in Cambridge, Massachusetts in 1969. He has lived in Kaslo since 1972, self-employed as an electrical contractor since 1973 and is a member of the Association of Professional Engineers and Geoscientists of BC. Since 1992 his business has specialized in design and construction of small and micro-hydro power plants, ranging in size from 150 W to over 150 kW. He is active as a public interest advocate in the energy field, participating as a residential customer representative on the 1991-1994 BC Hydro Conservation Potential Review, the 1995 BC Hydro Integrated Energy Plan and the 2007 BC Hydro Conservation Potential Review. He is active in electricity customer and energy policy organizations, and a frequent intervener at BC Utilities Commission hearings. Contact Info: [descarlet@telus.net](mailto:descarlet@telus.net)

#### **Ted Traer, RPF, Moose Meadows Farm**

Ted is originally from New Brunswick and has lived in British Columbia since 1990. He resides in Quesnel with his wife, Heloise Dixon-Warren and their two girls. During the week he works for the Ministry of Forest & Range in the Woodlot Program.

In his home life they own and operate Moose Meadows Farm which is the first agritourism accredited farm in the Cariboo – Chilcotin Region of British Columbia. They market products and experiences which include: evergreen products, choose and cut Christmas trees, alpaca and llama fibre products, free range eggs, summer horse pasture, wreath decorating workshops and Birthday in the Barn. In 2007, they added birch syrup and “sugaring off boreal forest style” to their activities they tapped over 160 birch trees. Contact Info: [mmfarm@goldcity.net](mailto:mmfarm@goldcity.net) or through [www.moosemeadowsfarm.ca](http://www.moosemeadowsfarm.ca)

#### **Don Zurowski General Manager Community Futures Development Corp., Prince George**

Don Zurowski is a long-term resident of Prince George, and spent 20 years building a successful, multi-location retail and wholesale tire distribution company. Don has a strong background in sales, marketing and human relations. He has served on numerous industries and community boards of directors. His community involvement and business contacts are invaluable in community development and he has been involved with Community Futures since 1992. Don was elected as a municipal councillor with the City of Prince George for a third term in the fall of 2005. Don is also a second term Director of the Regional District of Fraser Fort George and the new Chair of the Regional Hospital District. Don is a Director of the Northwest Corridor Development Corporation and Member of the provincial Minister of Transportation Advisory Committee. Contact Info: [don@zurowski.bc.ca](mailto:don@zurowski.bc.ca)

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## Background Information on Conference Topics

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### Value Added Resources

Competitive Success Factors and Current Success Debra Delong, Robert Kozak & David Cohen 2005

[http://www.bc-forum.org/\\_media/Delong\\_Cohen\\_Kozak\\_Competitive\\_Success\\_Factors.pdf](http://www.bc-forum.org/_media/Delong_Cohen_Kozak_Competitive_Success_Factors.pdf)

Can Canada be a Global Competitor in the Secondary Wood Manufacturing Sector?

A Current Assessment of the Canadian Secondary Wood Products Sector in a Global Context. David Cohen, Debra Delong & Robert Kozak Prepared for the Canadian Forest Service July 1, 2005

[http://www.bc-forum.org/\\_media/Cohen\\_Delong\\_Kozak\\_SecondaryCompetition.pdf](http://www.bc-forum.org/_media/Cohen_Delong_Kozak_SecondaryCompetition.pdf)

05-01: "Towards a Value Focused Forest Sector in British Columbia"

Robert Kozak and Thomas Maness, University of British Columbia 8pp. (.pdf | 19KB)

[http://www.bc-forum.org/\\_media/IB0501ValueFocusedForestry.pdf](http://www.bc-forum.org/_media/IB0501ValueFocusedForestry.pdf)

Extension Note BC Journal of Ecosystems and Management

Adding value, innovating, and collaborating: Lessons learned through economic diversification in forest-dependent communities Julie Taylor Schooling and Victor Cumming

[http://www.forrex.org/publications/jem/ISS31/vol6\\_no2\\_art7.pdf](http://www.forrex.org/publications/jem/ISS31/vol6_no2_art7.pdf)

### Non-Timber Forest Products

Centre for Non-Timber Resources

<http://www.royalroads.ca/programs/faculties-schools-centres/non-timber-resources/>

Ted Traer, Moose Meadows Farm <http://moosemeadowsfarm.ca/>

### Micro Hydro

Don Scarlett

[http://www.hpcommunityforest.org/hp\\_forest\\_greenforum/Presentations/Don%20Scarlett%20Presentation.pdf](http://www.hpcommunityforest.org/hp_forest_greenforum/Presentations/Don%20Scarlett%20Presentation.pdf)

### Bioenergy Using Forest Resources

[http://www.for.gov.bc.ca/hts/bioenergy/biofuel\\_supply.htm](http://www.for.gov.bc.ca/hts/bioenergy/biofuel_supply.htm)

### Forest Safety

Forest Safety Council <http://www.bcforestsafe.org/>

Forest Worker Safety on Community Forests, DRAFT Article

[http://www.bccfa.ca/pages/files/file-4636684e14c38-](http://www.bccfa.ca/pages/files/file-4636684e14c38-Draft%20Safety%20Chapter%20BCCFA%2007%2004%2013.pdf)

[Draft%20Safety%20Chapter%20BCCFA%2007%2004%2013.pdf](http://www.bccfa.ca/pages/files/file-4636684e14c38-Draft%20Safety%20Chapter%20BCCFA%2007%2004%2013.pdf)

This article is in draft form and is currently being circulated for review and comment. We invite your comments. Please direct them to Susan Mulkey at [smulkey@bccfa.ca](mailto:smulkey@bccfa.ca). or to Ajit Krishnaswamy at

[Ajit.Krishnaswamy@forrex.org](mailto:Ajit.Krishnaswamy@forrex.org) Once completed, the document will become a new chapter in the Community Forestry Guidebook: Tools and Techniques for Communities in British Columbia. BCCFA

would like to acknowledge the support of FORREX Forest Research Extension Partnership in the development of this document.