

**MEMORANDUM OF UNDERSTANDING (MOU)  
FORT NELSON COMMUNITY FOREST AGREEMENT (FNCFA) and  
BRITISH COLUMBIA TIMBER SALES PROGRAM (BCTS)  
ADMINISTRATION GUIDELINES**

**DRAFT (V13)**

**May 2, 2018**

The development of Fort Nelson Community Forest included some area within the BCTS pricing unit areas. As a result, a volume reservation for BCTS has been determined within the Community Forest commensurate with the pricing unit area overlap.

The following guidelines will be used in the administration of the BCTS program during the term of Management Plan 1 for the FNCFA. This MOU will form the foundation of a cooperative and efficient working relationship between BCTS and the holders of the FNCFA.

**1.0 BCTS Plans**

- 1.1 The FNCFA holder will include blocks in the FNCFA operating plan to meet the volume reservation requirements for the BCTS.
- 1.2 BCTS requires a harvesting block plan that provides a minimum of 3 – 5 years of suitable block volume that can be reviewed by both parties.
- 1.3 BCTS will reimburse the FNCFA holder proportionally for all costs associated with bringing the blocks to an agreed upon level of planning. See Addendum A for the approach to be used between for the parties.
- 1.4 BCTS recognizes the FNCFA holder's need for a continuous, level of activity for the term of the Plan. BCTS will consider this need in the scheduling of sales within the FNCFA area-based tenure boundary.
- 1.5 The BCTS Operating Plan will be consistent with the management objectives and strategies of the FNCFA Management Plan and will meet the objectives of BCTS and the FNCFA within the FNCFA area-based tenure boundary.
- 1.6 The resolution of issues with other resource users and resource agencies will be the responsibility of the FNCFA holder at the MP/FSP level. A copy of the stakeholder engagement log will be provided to BCTS to assess whether their statutory engagement and consultation requirements have been adequately met. BCTS will be responsible to ensure that the stakeholder engagement is complete prior to issuing any cutting authority.

## **2.0 Selection of Timber**

- 2.1 The average profile of timber in the stands selected for the BCTS program will be comparable to the average timber profile of the FNCFA holders harvesting program and will conform to the principles of priority stand harvesting as outlined in the FNCFA MP.

BCTS and the FNCFA will agree to develop a process to ensure that the blocks offered in the 3 – 5 year harvesting block plan are a fair and equitable representation of the timber harvesting land base in the general operating area.

With the general harvesting criteria provided by BCTS, BCTS staff will propose a detailed 2-year harvest plan and the FNCFA tenure holder will propose a detailed 3 – 5 year harvest plan for review and general agreement by BCTS.

Both parties will consider if BCTS and/or the FNCFA tenure holder would conduct the required field recce to confirm the accuracy of the proposed paper harvesting plans prior to inclusion of the representative blocks in the harvesting plan. This may require a combination of aerial overviews and where appropriate field site inspections. All applicable access costs and FNCFA staff time will be covered by BCTS.

- 2.2 The FNCFA holder will provide a supporting rationale (i.e. timber cruise report) as needed, to confirm the BCTS volume within the FNCFA area-based tenure boundary.

The rationale will document the timber profile and priority stand harvesting considerations to allow comparison of the BCTS blocks to the FNCFA holder's harvest blocks within the FNCFA tenure.

## **3.0 TSL Establishment**

- 3.1 The Silviculture Prescription/Site Plans will be the responsibility of BCTS.
- 3.2 Utilization standards stated in the Provincial Logging, Residue and Waste Procedures shall provide the basis for utilization requirements for BCTS TSLs.
- 3.3 BCTS will prepare the TSL package and post to BC bid for auction.

- 3.4 BCTS will ensure the certification and eligibility of the successful bidder, prior to the award of the sale.

#### **4.0 Silviculture Responsibilities**

- 4.1 BCTS and FNCFA will assume responsibilities for reforestation and free to grow for their respective harvested areas and managing openings consistent with site plans and the license documents.
- 4.2 BCTS agrees to comply with the stocking standards prescribed in the FNCFA FSP for all harvest openings located within the FNCFA area-based tenure boundary.

#### **5.0 Primary Access Roads**

- 5.1 BCTS will be responsible for the construction of primary access roads to a suitable standard where the roads will be used exclusively by BCTS. A cost sharing agreement to cover road development costs and a road use agreement will be considered where a primary access road is used by both tenure holders.

#### **6.0 Service Agreements**

- 6.1 Where mutually agreeable, the FNCFA holder and BCTS may enter into agreements for the delivery of services on the FNCFA.

#### **7.0 Cut Control**

- 7.1 All volumes harvested, regardless of source (FNCFA or BCTS) within the FNCFA area-based tenure boundary, must be accounted for under either FNCFA AAC or BCTS apportionment.
- 7.2 All volumes being administered by the FNCFA Partners Company will be assigned to FNCFA for the purposes of cut control.
- 7.3 All volumes being administered by BCTS within the FNCFA area-based tenure boundary will be assigned to BCTS.
- 7.4 BCTS is not subject to cut control but administers its apportionment within a 5 year Business Cycle. BCTS will make best efforts to develop and issue its full apportionment within the FNCFA within each 5 year Business Cycle, however any unused BCTS apportionment remaining at the end of each cycle will carry forward into the next cycle, consistent with current

government policy. To ensure transparency and awareness, BCTS will provide FNCFA with an annual summary of volume issued and unused apportionment remaining.

**8.0 Annual Report**

8.1 BCTS will provide to the FNCFA tenure holder reports and information of an acceptable standard concerning BCTS activity or use in annual or other reports as required in the Community Forest Agreement.

**9.0 Miscellaneous**

9.1 BCTS and the FNCFA will consider the benefits of including the CFA within an appropriate third- party forest certification scheme. Should the parties decide to move forward with third party certification the most efficient and effective approach will be identified to achieve this objective.

9.2 This MOU is effective for the term of Management Plan 1 for the FNCFA. Both Parties will work collaboratively to review and update the agreement where required on an annual basis or as mutually agreed to.

9.3 The BCTS volume reservation will be expressed as a percentage of the AAC for the community forest.

For Fort Nelson CFA Partners

For BC Timber Sales

-FNFN signature info-----

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-NRRM signature info-----

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## A Potential Procedure for Harvest Planning and Development on the CFA

1. Create a 5-10 year "paper" harvest plan using VRI and TLHB data including "clearance review info" for proposed harvest areas
2. Verify and refine plan with a heli recce and remove unsuitable areas
3. Conduct on the ground block recce and remove unsuitable areas
4. Create final 5-yr harvest plan
5. Carry out initial consultation work
6. Allocate blocks to BCTS (for planning purposes)
7. Develop blocks (cruising, layout, SP) (final block trading with may need to occur pending cruise data)
8. Carry out final consultation work
9. Confirm BCTS allocated blocks
10. Apply for CFA CP and Road permits and other authorizations
11. Sell timber, harvest and carry out reforestation obligations.

Regarding equity of the timber harvest profile:

- an initial BCTS allocation could be done in step 6 above with timber recce data
- a final BCTS allocation could be made when layout and cruising is complete
- overall timber quality equity could be tracked over time with a ledger system

## Appendix 2

### Terminology

- BCTS- BC Timber Sales
- FNCFA- Fort Nelson Community Forest Agreement
- Harvest Plan- a spatial and temporally defined plan of what the CFA and BCTS plan to harvest or auction respectively.
- Management Plan (MP): the legally required plan for the Community Forest Association
- Forest Stewardship Plan (FSP)- legally required plan required by Forest and Range Practices Act, and further defined in the Forest and Range Practices Regulation.
- Forest Operating Plan- BCTS plan that shows the details plans for BCTS' blocks and roads; not necessarily an annual plan.
- Forest Certification Scheme: a non-legal is a mechanism for forest monitoring, tracing and labeling timber, wood and pulp products and non-timber forest products, where the quality of forest management is judged against a series of agreed standards.
- Timber Profile- description of the timber that can include, but not limited to species composition, volume per hectare, piece size, diameter
- Apportionment: The minister's apportionment is a forward-looking vision of how the minister would like to see the allowable annual cut of a management unit distributed amongst the forms of agreement.
- Allowable annual cut (AAC) is the rate of timber harvesting specified in the agreement, as increased or reduced under this Act;
- Cut Control: The holder of a licence must ensure that the volume of timber harvested during the term of the licence does not exceed a limit equal to the sum of the allowable annual cuts for the period of the original term of the licence.