

Fort St James

Sustainable Forest Management Plan



2012/13 Annual Report



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1.0 Introduction

This is the 2012/13 Annual Report for the Fort St James Sustainable Forest Management Plan (SFMP), covering the reporting period of April 1, 2012 to March 31, 2013. The SFMP is a result of the combined efforts of one major licensee (Canadian Forest Products Ltd.) and British Columbia Timber Sales (BCTS) to achieve and maintain Canadian Standards Association (CSA) certification to the CSA Z809-08 standard¹. The current signatories to the plan are:

1. Canadian Forest Products Ltd. (Canfor).

The plan was concluded in the summer of 2012 to bring it up to the Canadian Standards Association (CSA) Sustainable Forest Management (CSA Z809-08) standard. Since the plan was completed after the reporting period was up there was not the ability to put systems in place to manage as we were managing under the old plan. This reporting year should technically reported out on the old indicators which were in effect, but it was agreed that after all the work on developing the new indicators that we would report out on them. Reporting was delayed as systems and reports were developed to meet these new reporting requirements.

Before this reporting period was concluded, BCTS indicated that they would no longer be part of the CSA process. As a result they are not reporting any results for this report.

The SFMP includes a set of values, objectives, indicators and targets that address environmental, economic and social aspects of forest management in the Fort St James Defined Forest Area. An SFMP developed according to the CSA standard sets performance objectives and targets over a defined forest area (DFA) to reflect local and regional interests. Consistent with most certifications, and as a minimum starting point, the CSA standard requires compliance with existing forest policies, laws and regulations. Changes to this annual report reflect the 2008 (CSA Z809-08) standard requirements as embodied in the Fort St James Defined Forest Area SFMP – July 2012.

It is important to note that the Fort St James SFMP is a working document and is subject to continual improvement. Over time, the document will incorporate new knowledge, experience and research in order to recognize society's environmental, economic and social values.

This Annual Report measures the signatories' performance in meeting the indicator targets outlined in the SFMP over the Fort St James Defined Forest Area (DFA). The DFA is the Crown Forest land base within the Fort St James Forest District and the traditional operating areas of the signatory licensees and BCTS, excluding woodlots, Parks, Protected Areas and private land. The intent of this Annual Report is to have sustainable forest management viewed by the public as an open, evolving process that is taking steps to meet the challenge of managing the forests of the Fort St James DFA for the benefit of present and future generations.

The following Table summarizes the results for the current reporting period. For clarification of the intent of the indicators, objectives or the management practices involved, the reader should refer to the Fort St James Sustainable Forest Management Plan document (July 2012).

1.1 List of Acronyms

Below is a list of common acronyms used throughout this annual report. For those wishing a more comprehensive list should consult the Prince George Sustainable Forest Management Plan.

BCTS – BC Timber Sales

BEC – Biogeoclimatic Ecosystem Classification

CSA – Canadian Standards Association

CE & VOIT- Criterion, Element & Value Objective Indicator Target

DFA – Defined Forest Area

FPPR – Forest Planning and Practices Regulation

¹ Carrier Lumber Ltd. announced its departure from the CSA SFM certification process in early October 2010.

FSJ – Fort St James
 LOWG – Landscape Objectives Working Group
 MoFR – Ministry of Forest and Range
 NDU – Natural Disturbance Unit
 PAG – Public Advisory Group
 PG – Prince George
 PG TSA – Prince George Timber Supply Area
 SAR – Species at Risk
 SFM – Sustainable Forest Management
 SFMP – Sustainable Forest Management Plan

1.2 Executive Summary

Of the 38 indicators listed in Table 1, 32 indicators were met within the prescribed variances, 0 are pending, and 6 indicators were not met within the prescribed variances. For each off-target indicator, a corrective and preventative action plan is included in the indicator discussion.

Table 1: Summary of Indicator Status, April 1st 2012 to March 31st 2013

Indicator Number	Indicator Statement	Target Met	Pending	Target Not Met
1.1.1	Retention of rare ecosystem groups across the DFA	X		
1.1.2	Percent distribution of forest type (treed conifer, treed broadleaf, treed mixed) >20 years old across DFA	X		
1.1.3(a)	Percent late seral distribution by ecological unit across the DFA			X
1.1.3(b)	Maintain a variety of young patch sizes in an attempt to approximate natural disturbance.			X
1.1.4(a)	Percent of stand structure retained across the DFA in harvested areas	X		
1.1.4(b)	The number of cut blocks harvested that are not consistent with riparian management commitments.	X		
1.2.1 & 1.2.2	Percent of forest management activities consistent with management strategies (both landscape and stand level) for Species at Risk and/or Species of Management Concern.	X		
1.2.3 & 1.3.1 & 1.2.2	Regeneration will be consistent with provincial regulations and standards for seed and vegetative material use.	X		
1.3.1	See 1.1.2, 1.1.3(a), 1.1.3(b), 1.2.1, 1.2.3, 1.4.1	(refer to related indicators)		
1.4.1	Percent of forest management activities consistent with management strategies for protected areas and sites of biological significance.	X		
1.4.2	% of identified Aboriginal and non-aboriginal forest values, knowledge and uses considered in forestry planning processes.	X		
2.1.1	Average Regeneration delay for Stands Established Annually	X		
2.2.1a	Percentage of gross forest landbase in the DFA converted to non-forest land use through forest management activities.	X		
2.2.1 b	Existing areas of non-forested types artificially converted to forest types.	X		
2.2.2	Percent of volume harvested compared to allocated harvest level.	X		
3.1.1	Percent of harvested blocks meeting soil disturbance objectives identified in plans.			X
3.1.2	Percent of audited cut blocks where post harvest CWD levels are within the targets contained in Plans.	X		
3.2.1(a)	Sensitive watersheds that are above Peak Flow Index targets will have further assessment if further harvesting is planned..	X		

Indicator Number	Indicator Statement	Target Met	Pending	Target Not Met
3.2.1(b)	% of high hazard drainage structures in sensitive watersheds with identified water quality concerns that have mitigation strategies implemented	X		
3.2.1(c)	Percent of road related soil erosion events that introduce sediment into a stream identified in annual road inspections that are addressed.	X		
3.2.1 (d)	Percentage of crossing structures planned and installed on fish streams to a reasonable design and sediment control standard (allow for adequate fish passage - dependant on the presence/absence of fish).	X		
4.1.1 (a)	Percent of standards units declared annually that meet free growing requirements on or before the free growing date.	X		
4.2.1	See 2.2.1(a)	(refer to related indicators)		
5.1.1(a)	See 2.2.2, 4.1.1(a)			
5.1.1(b)	Conformance with strategies for non-timber benefits identified in plans	X		
5.1.1(c)	Total percentage of forest operations that are consistent with a landscape level strategy for the management of recreational, commercial and cultural trails as identified in the DFA.	X		
5.1.1(d)	Percentage of roads deactivated that meet the deactivation criteria.	X		
5.2.1(a)	Investment in local communities			X
5.2.2	Training in environmental & safety procedures in compliance with company training plans	X		
5.2.3	Level of direct & indirect employment	X		
5.2.4	Number of opportunities for First Nations to participate in the forest economy.			X
6.1.1	Employees will receive appropriate First Nations Awareness Training	X		
6.1.2	Evidence of best efforts to share interests and plans with Aboriginal communities	X		
6.1.3	% of forest operations in conformance with operational/site plans developed to address Aboriginal forest values, knowledge and uses.	X		
6.2.1	(see 1.4.2)	(refer to related indicators)		
6.3.1(b)	Effective communication and co-operation with non-timber resources users and interested parties that have expressed interest in forest planning.	X		
6.3.1(c)	The number of support opportunities provided in the DFA.	X		
6.3.2 & 6.3.3	Implementation and maintenance of a certified safety program	X		
6.4.1	Percent of PAG meeting evaluations completed during the reporting period that obtain a minimum average acceptability score of 3.	X		
6.4.2	Number of educational opportunities for information/training that are delivered to the PAG	X		
6.4.3	See 6.1.2	(refer to related indicators)		
6.5.1	The number of educational opportunities provided			X
6.5.2	SFM Annual report made available to the public.	X		
Totals		32	0	6

1.3 SFM Performance Reporting

This annual report will describe the success of the licensee in meeting the indicator targets over the DFA. The report is available to the public and will allow for full disclosure of forest management activities, successes, and failures. The BCTS will not be participating in this years annual report. Canfor is committed to work to fulfill the FSJ SFMP commitments including data collection and monitoring, participation in public processes, producing public reports, and continuous improvement.

2.0 SFM Indicators, Targets and Strategies

Indicator 1.1.1 Ecosystem area by type

Indicator Statement	Target and Variance
Retention of rare ecosystem groups across the DFA	<u>Target:</u> 0 hectares <u>Variance:</u> Access construction where no other practicable route is feasible.

Was the Target Met? Yes

The are no reported hectares harvested in the reporting year for Canfor.

Indicator 1.1.2 Forest area by type or species composition

Indicator Statement	Target and Variance
Percent distribution of forest type (treed conifer, treed broadleaf, treed mixed) >20 years old across DFA	<u>Target:</u> Douglas-fir to 2% with in 20 years; Treed Broadleaf: >1%; Treed Mixed: >4% <u>Variance:</u> None below proposed targets

Was the Target Met? Yes

Table 1: Forest area by type or species

Forest Type	Forest Area (ha)	Forest Area (%)
Coniferous	918,903	93.3
Broadleaf	26,366	2.6
Mixed	50,777	5.1
Total	996,045	100

The numbers above have been netted down to Canfors DFA only. Canfor's DFA has a much lower Fd percentage at 1% than did the BCTS area (6.2%). Canfor has a greater proportion of the operating area north of the Fd range. With BCTS pulling out this target around Fd will need to be reviewed.

Indicator 1.1.3(a) Forest area by seral stage or age class (late seral)

Indicator 4.1.1 Net carbon uptake

Indicator Statement	Target and Variance
Percent late seral distribution by ecological unit across the DFA	<u>Target:</u> 100% old forest, old forest interior and none pine targets as per Jan. 2012. <u>Variance:</u>)%

Was the Target Met? *No*

The E1 ESSFmv1 unit was under target due to a recent re-inventory and some age adjustment to some stands. This is not due to harvesting in this area. A recruitment strategy will be developed as per the LOWG group and at this time no cutting permits will be submitted in this NDU merged BEC unit.

Table 2: Old Forest by Natural Disturbance Unit Merged BEC

NDU/Merged Biogeoclimatic Units	Unit Label	CFLB Area (ha)	Targets		Current Status	
			% Target	Target Area (ha)	Current Area (ha)	Current Percentage (%)

NDU/Merged Biogeoclimatic Units	Unit Label	CFLB Area (ha)	Targets		Current Status	
			% Target	Target Area (ha)	Current Area (ha)	Current Percentage (%)
Moist Interior - Mountain ESSFmv 1	E1	18,669	41%	7,654	7,261	39%
Moist Interior - Plateau SBS dk	E2	26,458	17%	4,498	10,273	39%
Moist Interior - Plateau SBS mc 2	E3	61,259	17%	10,414	27,937	46%
Moist Interior - Plateau SBS mk 1	E4	186,349	12%	22,362	45,702	25%
Moist Interior - Plateau SBS dw 3	E5	216,913	12%	26,030	77,602	36%
Northern Boreal Mountains ESSFmc	E6	109,727	37%	40,599	90,259	82%
Northern Boreal Mountains SWB mk	E7	28,559	37%	10,567	22,096	77%
Northern Boreal Mountains SBS mc 2	E8	35,857	26%	9,323	29,357	82%
Omineca - Mountain ESSFwv	E9	24,939	58%	14,465	21,205	85%
Omineca - Mountain ESSFmc	E10	97,439	41%	39,950	80,512	83%
Omineca - Mountain ESSFmv 3	E11	368,308	41%	151,006	250,037	68%
Omineca - Valley SBS dk	E12	10,840	16%	1,734	4,968	46%
Omineca - Valley ICH mc 1	E13	13,113	23%	3,016	11,866	90%
Omineca - Valley BWBSdk 1	E14	65,170	16%	10,427	42,043	65%
Omineca - Valley SBS mc 2	E15	105,171	16%	16,827	77,079	73%
Omineca - Valley SBS mk 1	E16	265,503	16%	42,481	114,291	43%
Omineca - Valley SBS wk 3	E17	358,503	16%	57,361	133,979	37%
		1,992,780		468,714	1,046,465	

The percent late seral interior forest distribution by ecological unit across the DFA is indicated in the following table (2011 baseline data):

NDU/Merged Biogeoclimatic Units	Unit Label	CFLB Area (ha)	Targets		Current Status	
			% Target	Target Area (ha)	Current Area (ha)	Current Percentage (%)
Moist Interior - Mountain ESSFmv 1	E1	18,669	40%			108%
Moist Interior - Plateau SBS dk	E2	26,458	10%			212%
Moist Interior - Plateau SBS mc 2	E3	61,259	10%			242%
Moist Interior - Plateau SBS mk 1	E4	186,349	25%			182%
Moist Interior - Plateau SBS dw 3	E5	216,913	25%			279%
Northern Boreal Mountains ESSFmc	E6	109,727	40%			214%
Northern Boreal Mountains SWB mk	E7	28,559	40%			211%
Northern Boreal Mountains SBS mc 2	E8	35,857	25%			298%
Omineca - Mountain ESSFwv	E9	24,939	40%			138%

Omineca - Mountain ESSFmc	E10	97,439	40%			202%
Omineca - Mountain ESSFmv 3	E11	368,308	40%			149%
Omineca - Valley SBS dk	E12	10,840	25%			265%
Omineca - Valley ICH mc 1	E13	13,113	40%			390%
Omineca - Valley BWBSdk 1	E14	65,170	25%			391%
Omineca - Valley SBS mc 2	E15	105,171	25%			410%
Omineca - Valley SBS mk 1	E16	265,503	25%			268%
Omineca - Valley SBS wk 3	E17	358,503	25%			234%

1,992,780

The percent late seral non-pine distribution by ecological unit across the DFA is indicated in the following table (2011 baseline data):

NDU/Merged Biogeoclimatic Units	Unit Label	CFLB Area (ha)	Targets		Current Status	
			% Target	Target Area (ha)	Current Area (ha)	Current Percentage (%)
Moist Interior - Mountain ESSFmv 1	E1	18,669	33%	6,161	6,157	33%
Moist Interior - Plateau SBS dk	E2	26,458	13%	3,440	8,827	33%
Moist Interior - Plateau SBS mc 2	E3	61,259	10%	6,126	18,737	31%
Moist Interior - Plateau SBS mk 1	E4	186,349	4%	7,454	30,682	16%
Moist Interior - Plateau SBS dw 3	E5	216,913	6%	13,015	56,838	26%

Thresholds for Action in Other NDU's

The following definitions are paraphrased from the LLOWG Memorandum of Understanding:

1. If a **large amount** of surplus old and interior forest exists within the NDU/BEC (200% surplus or >5000 ha surplus), licensees can proceed with planned and new development with no communication or interaction required with other signatory licensees.
2. If a **moderate amount** of surplus old and interior forest exists within the NDU/BEC (150% surplus or 1000-5000 ha), licensees can proceed with planned and new development with little communication or interaction expected. However, if a large amount of new development is planned prior to the next updating of LOWG data, the licensee will query other licensees in the unit to establish whether the combination of harvest activities will result in a deficit, and determine a means to resolve the deficiency.
3. If only a **small amount** of surplus old and interior forest exists within the NDU/BEC (<150% or <1000 ha), licensees may only proceed with planned development (that which has already been included in the most recent LOWG analysis). If a deficiency was forecast due to new harvest planning, the proponent would either resolve the deficiency with other signatory licensees in the unit, or develop and seek approval from the applicable Ministry for a recruitment strategy.
4. Where a **deficiency** in old or interior forests exists within the NDU/BEC, licensees will not apply for new cutting permits until the deficiency is resolved, or a recruitment strategy is approved for the unit.

Indicator 1.1.3(b) Forest area by seral stage or age class (young patch)

Indicator Statement	Target and Variance
Maintain a variety of young patch sizes in an attempt to approximate natural disturbance	<u>Target:</u> As per the "Landscape Biodiversity Objectives for the PG TSA" <u>Variance:</u> As per the "Landscape Biodiversity Objectives for the PG TSA"

Was the Target Met? No

A patch is a forest unit with identifiable boundaries and vegetation different from its surroundings. Often patches are even-aged forests established from natural disturbances such as fire, wind or pest outbreaks, or harvesting. Natural disturbances maintain plant and animal diversity over time and space by creating structural complexity within stands, and by influencing the size distribution, edge characteristics, and dispersion of stands across the landscape (Zackrisson, 1977).

Table 3: Young Patch Distribution, as of March 31st 2011

Natural Disturbance Unit	Patch Size Category (ha)	Current Status March 31, 2010*	Target (%)	Trend	Future Condition (2015)
Moist Interior Plateau	≤ 50	10.9%	5%	Toward	12.9%
	50-100	12.5%	5%	Toward	15.4%
	100-1000	22.7%	20%	Toward	35.2%
	>1000	53.9%	70%	Toward	36.5%
Moist Interior Mountain	≤ 50	0%	40%	No change	0%
	50-100	91.9%	30%	Away	78.6%
	100-1000	8.1%	10%	Away	21.4%
	>1000	0%	20%	Away	0%
Omineca Valley	≤ 50	0%	20%	No change	0%
	50-100	91.9%	10%	Away	78.6%
	100-1000	8.1%	30%	Away	21.4%
	>1000	0%	40%	Away	0%
Omineca Mountain	≤ 50	12.5%	5%	Away	16.3%
	50-100	21.1%	5%	Toward	20.4%
	100-1000	39.7%	30%	Toward	42.4%
	>1000	26.7%	60%	Toward	20.8%
Northern Boreal Mountains	≤ 50	17.5%	20%	Toward	20.6%
	50-100	32.7%	10%	Away	32.1%
	100-1000	31.9%	30%	No change	25.4%
	>1000	17.9%	40%	Away	21.8%

According to the 5 year patch analysis results delivered in 2011, some of the units are trending away.

The rationale for not trending towards the target within the Omineca Mountain NDU can be broken into the following categories:

Harvest Activity:

Shifts in harvesting activity to cover mountain pine beetle salvage in other areas. Wetter zones with less pine are not getting much harvest activity.

Conflicting Management Objectives:

As noted above, with the current harvest priorities focused on the mountain pine beetle killed timber, managing for patch size has, to a certain degree, become a conflicting management objective.

When taking into consideration the multitude of constraining objectives (i.e. visual management, species at risk and midterm timber supplies), the ability to manage for patch size becomes increasingly difficult. In addition, it has been a major focus for Government as well as Licensees to salvage as much MPB killed timber as possible.

In doing this, patch distribution becomes more of a function of species distribution. With the recently announced Annual Allowable Cut (AAC) partition within the PGTSA (January 2011), the licensees' ability to manage for the patch size objective has become even more of a challenge.

Strategy to Achieve Objective

As already noted, with the recent partition announcement within the PGTSA, impacts to patch size will mainly be a result of natural occurrences (i.e. young patches aging and moving out of the "young" category). Therefore, trends within this NDU may not be influenced by harvesting activities until late in the next reporting period (2010–2015) or quite possibly not until the reporting period after that (2015–2020) when harvesting switches back to primarily green timber.

Indicator Discussion: As harvesting continues, it is anticipated that the distribution of patches will mimic the natural range of patch size distribution. While current trends will move most patch size distributions toward targets, others will be further from achieving objectives due to previous harvesting patterns and the effects of the massive infestation of mountain pine beetle. This indicator has a five-year measurement criterion (2005-2010) as established in the PG TSA LOWG Reporting Protocol.

Indicator 1.1.4(a) Degree of within-stand structural retention (stand-level retention)

Indicator Statement	Target and Variance
Percent of stand structure retained across the DFA in harvested areas	<u>Target:</u> greater than 7% across the DFA <u>Variance:</u> 0%
<i>Was the target met? Yes</i>	

Stand level retention consists of wildlife tree patches (WTP), dispersed retention and riparian management areas. Refer the chief foresters guidance on landscape and stand level retention. Large retention levels related to some larger openings.

Table 4: Stand Level Retention in Harvested Areas, 2012/13

Licensee	Net Area Harvested (ha)*	Associated Total Retention (ha)	Average % Retained **
Canfor	6482.5	1073.8	16.6%

Indicator 1.1.4(b) Degree of within-stand structural retention (riparian management requirements)

Indicator Statement	Target and Variance
The number of cut blocks harvested that are not consistent with riparian management commitments.	<u>Target:</u> 0% <u>Variance:</u> 0%
<i>Was the target met? Yes</i>	

Canfor completed harvesting on 67 blocks during the reporting period, with no incidents relating to riparian requirements occurring.

Indicator 1.2.1 Degree of habitat protection for selected focal species, including species at risk

Indicator 1.2.2 Degree of suitable habitat in the long term for selected focal species, including species at risk

Indicator Statement	Target and Variance
Percent of forest management activities consistent with management strategies (both landscape and stand level) for Species at Risk and/or Species of Management Concern.	Target: 100% Variance: 0%
Was the target met? Yes	

This indicator evaluates the success of implementing specific management strategies for Species of Management Concern, including Species at Risk, as prescribed in operational plans. Appropriate management of these species and their habitat is crucial in ensuring populations of flora and fauna are sustained in the DFA.

Canfor must ensure:

- Key staff are trained in Species at Risk (SAR) identification;
- SAR listings are reviewed and management strategies are updated periodically
- Strategies are implemented via operational plans.

Canfor currently have systems in place to evaluate the consistency of forest operations with operational plans. Tracking this consistency will ensure problems in implementation are identified and corrected in a timely manner.

Table 5: Forest Operations Consistent with Species and or management concern, 2012/13

Licensee	Identified SAR or species of concern in plans	Consistent with plans	Percent
Canfor	0	03	
TOTAL	0	0	100

Indicator 1.2.3 Proportion of regeneration comprised of native species

Indicator 1.3.1 Genetic diversity (*not a core indicator*)

Indicator Statement	Target and Variance
Regeneration will be consistent with provincial regulations and standards for seed and vegetative material use	Target: 100% Variance: 0%

Was the Target Met? Yes

Table 6 details the areas planted within the DFA in accordance with the Chief Forester's Standards for Seed Use for this reporting period.

Table 6: Compliance with Chief Forester's Standards for Seed Use, 2012/13

Licensee	Total Seedlings Planted	Seedlings Planted in Accordance with Chief Forester's Standards*	Total % DFA**
Canfor – FSJ District	2,810,125	2,810,125	100.0%

* Measured in terms of number of trees purchased ** % = (Area planted in accordance with Chief Forester's Standards for Seed Use / total area planted) X 100

Indicator 1.4.1 Proportion of identified sites with implemented management strategies

Indicator Statement	Target and Variance
Percent of forest management activities consistent with management strategies for protected areas and sites of biological significance as contained in operational plans	Target: 100% Variance: 0%
Was the target met? Yes	

Table 7: Proportion of identified sites with implemented strategies

	Canfor	
Category	# of forest management activities with prescribed management strategies for:	# of forest management activities consistent with management strategies for:
Protected areas	0	0
Sites of Biological Significance	1	1
Totals	1	1
Total %		100%

Indicator 1.4.2 Protection of identified sacred and culturally important sites

Indicator 6.2.1 Evidence of understanding and use of Aboriginal knowledge through the engagement of willing Aboriginal communities, using a process that identifies and manages culturally important resources and values

Indicator Statement	Target and Variance
% of identified Aboriginal forest values, knowledge and uses considered in forestry planning processes	Target: 100% of known forest values, knowledge and uses considered Variance: 0%
Was the target met? Yes	

Table 8: Protection of sacred and culturally important sites

	Canfor
--	--------

	# of Aboriginal forest values, uses & knowledge gathered during planning process	# of Aboriginal forest values, uses & knowledge considered during planning process
Knowledge	0	0
Uses	18	18
Values	0	0
Total	18	18
Total %		100%

Cache pits and cultural depressions were removed from blocks. Trails were removed from blocks and protected with machine free where they could not be avoided. CMT's were targeted for WTP's or identified and stubbed were they could not be removed.

Indicator 2.1.1 Reforestation success (regeneration delay)

Indicator Statement	Target and Variance
The regeneration delay, by area, for stands established annually	<u>Target:</u> Regeneration established in 3 years or less <u>Variance:</u> 1
Was the target met? Yes	

Table 9: Regenation Delay

Licensee	Average regeneration delay
Canfor	1.1

Indicator 2.2.1 (a) Additions and deletions to the forest area

Indicator Statement	Target and Variance
Percentage of gross forest land base in the DFA converted to non-forested land use through forest management activities	<u>Target:</u> <3% of the gross land base in the DFA <u>Variance:</u> 0%
Was the target met? Yes	

	Current Status
PCT of Gross Forest Area	1.0 %

The numbers are based on Canfor's DFA area only.

Indicator 2.2.1 (b) Additions and deletions to the forest area

Indicator Statement	Target and Variance
Existing areas of non-forested types artificially converted to forest types.	<u>Target:</u> 0 hectares <u>Variance:</u> 0 hectares
Was the target met? Yes	

Canfor reports zero hectares in this indicator.

Indicator 2.2.2 Proportion of the calculated long-term sustainable harvest level that is actually harvested

Indicator Statement	Target and Variance
Percent of volume harvested compared to allocated harvest level	<u>Target:</u> 100% over 5 years <u>Variance:</u> as per cut control regulations, BCTS 50%
Was the target met? Yes	

Canfor:

Canfor harvested 2,430,121 m³ out of an AAC of 1,597,771 in their first year of cut control off their A40873 license.

Year	2012	2013	2014	2015	2016	Total
Harvest volume	2,430,121					2,430,121
Cut control	1,597,771					1,597,771

Indicator 3.1.1 Level of soil disturbance

Indicator Statement	Target and Variance
Percent of harvested blocks meeting soil disturbance objectives identified in plans	<u>Target:</u> 100% of blocks meet soil disturbance objectives <u>Variance:</u> 0%
Was the target met? No	

One block out of 67 harvested was over the 5% disturbance limits. Site rehab was complete to bring the disturbance under 5% on MOS12A.

Indicator 3.1.2 Level of downed woody debris

Indicator Statement	Target and Variance
Percent of cut blocks where post harvest CWD levels are within the targets contained in Plans	<u>Target:</u> 100% of blocks harvested annually will meet targets <u>Variance:</u> -10%
Was the target met? Yes	

100% compliance for Canfor.

Indicator 3.2.1(a) Proportion of watershed or water management areas with recent stand-replacing disturbance

Indicator Statement	Target and Variance
Sensitive watersheds that are above Peak Flow Index targets will have assessment if harvesting planned.	<u>Target:</u> 100% <u>Variance:</u> 0%
Was the target met? Yes	

No harvesting occurred in “sensitive watersheds” (*i.e.* watersheds that were above Peak Flow Index targets).

Indicator 3.2.1(b) Proportion of watershed or water management areas with recent stand-replacing disturbance

Indicator Statement	Target and Variance
% of high hazard drainage structures in sensitive watersheds with identified water quality concerns that have mitigation strategies implemented	<u>Target:</u> 100% <u>Variance:</u> 0%
Was the target met? Yes	

Canfor had no structures installed in sensitive watersheds..

Indicator 3.2.1(c) Proportion of watershed or water management areas with recent stand-replacing disturbance

Indicator Statement	Target and Variance
Percent of road related soil erosion events that introduce sediment into a stream identified in annual road inspections that are addressed.	<u>Target:</u> 100% <u>Variance:</u> 0%
Was the target met? Yes	

Canfor had one report of sediment entering a non classified drainage and possibly a fish stream. Issues was addressed under ITS-PG-0544.

Indicator 3.2.1(d) Proportion of watershed or water management areas with recent stand-replacing disturbance

Indicator Statement	Target and Variance
Percentage of crossing structures planned and installed on fish streams to a reasonable design and sediment control standard (allow for adequate fish passage - dependant on the presence/absence of fish).	<u>Target:</u> 100% <u>Variance:</u> 0%
Was the target met? Yes	

Canfor had 2 bridges installed on fish steams. Both met fish passage and sediment control.

Indicator 4.1.1 Net carbon uptake

Indicator Statement	Target and Variance
Percent of standards units declared annually that meet free growing requirements on or before the free growing date.	<u>Target:</u> 100% <u>Variance:</u> 0%

Was the Target Met? Yes

.All canfor standard units made free growing requirements.

Indicator 5.1.1 (b) Quantity and quality of timber and non-timber benefits, products, and services produced in the DFA

Indicator Statement	Target and Variance
Conformance with strategies for non-timber benefits identified in Plans.	Target: 100% Variance: 0

Was the Target Met? Yes

	Canfor		
Value	plans	Non conform	pct
Recreation	0	0	100%
VQO	1	0	100%
Archaeological	18	0	100%
Trapper	11	0	100%
Other	2	0	100%
	32	0	100%

Other included a range barrier and watershed research.

Indicator 5.1.1 (c) Quantity and quality of timber and non-timber benefits, products, and services produced in the DFA

Indicator Statement	Target and Variance
Total percentage of forest operations that are consistent with a landscape level strategy for the management of recreational, commercial and cultural trails as identified in the DFA.	Target: 100% Variance: -10%%

Was the Target Met? Yes

Canfor had 100% on this indicator.

Indicator 5.1.1 (d) Quantity and quality of timber and non-timber benefits, products, and services produced in the DFA

Indicator Statement	Target and Variance
Percentage of roads deactivated that meet the deactivation criteria.	Target: 100% Variance: -10%%

Was the Target Met? Yes

One trapper reported that a road had not been deactivated to the accepted standard. The deactivation was reviewed with the stakeholder and corrective actions made. This calculates at $66/67 = 98.5\%$

Indicator 5.2.1 Level of investment in initiatives that contribute to community sustainability

Indicator 6.3.1 (a) Evidence that the organization has co-operated with other forest-dependent businesses, forest users, and the local community to strengthen and diversify the local economy

Indicator Statement	Target and Variance
Investment in local communities	Target: 5 year rolling average Variance: -20%%

Was the Target Met? No

Due to divisional differences in accounting systems Canfor can verify the local contractor spend, but not the total spend by DFA (the denominator for the percent determination). Canfor will propose changing to total local spend indicator. With the current information available we can not verify that this indicator is met.

Indicator 5.2.2 Level of investment in training and skills development

Indicator Statement	Target and Variance
Training in environmental & safety procedures in compliance with company training plans	Target: 100% Variance: -5%%

Was the Target Met? Yes

Canfor reports 100% on this indicator.

Indicator 5.2.3 Level of direct and indirect employment

Indicator Statement	Target and Variance
Level of Direct & Indirect Employment	Target: cut allocation X 1.72/1000m3 (3994) Variance: as per 2.2.2

Was the Target Met? Yes

Canfor:

Canfor harvested 2,430,121 m3 in 2012

Total = 2,430,121 X 1.72/1000 = 4179 jobs

Indicator 5.2.4 Level of Aboriginal participation in the forest economy

Indicator Statement	Target and Variance
Number of opportunities for First Nations to participate in the forest economy	Target: 9 on a 5 year rolling average Variance: -1

Was the Target Met? No

This indicator was based on a combined effort of BCTS and Canfor. With BCTS not longer contributing numbers the average has fallen below target. This indicator will be reviewed interally and with the PAG group. New contract opportunities are being explored.

	2007/08	2008/09	2009/10	2010/11	2011/12	Average
Fort st James	9	9	9	6	6	7.8

Indicator 6.1.1 Evidence of a good understanding of the nature of Aboriginal title and rights

Indicator Statement	Target and Variance
Employees will receive appropriate First Nations Awareness Training	Target: 100% Variance: -10%

Was the Target Met? Yes

Canfor reports 100% on this indicator.

Indicator 6.1.2 Evidence of best efforts to obtain acceptance of management plans based on Aboriginal communities having a clear understanding of the plans**Indicator 6.4.3 Evidence of efforts to promote capacity development and meaningful participation for Aboriginal communities**

Indicator Statement	Target and Variance
Evidence of best efforts to share interests and plans with Aboriginal communities	Target: 100% Variance: -10%

Was the Target Met? Yes

Canfor 67 blocks harvested were all referred. Canfor also started a program hire local first nations representation on block recce's and archeological assessments.

Indicator 6.1.3 Level of management and/or protection of areas where culturally important practices and activities (hunting, fishing, gathering) occur

Indicator Statement	Target and Variance
% of forest operations in conformance with operational/site plans developed to address Aboriginal forest values, knowledge and uses.	Target: 100% Variance: -10%

Was the Target Met? Yes

	Canfor	
	# of Aboriginal forest values, uses & knowledge gathered during planning process	# of Aboriginal forest values, uses & knowledge considered during planning process
Knowledge		
Uses	18	18
Values		
Total		
Total %		100%

Conformance 100%

Cache pits and cultural depressions were removed from blocks. Trails were removed from blocks and protected with machine free where they could not be avoided. CMT's were targeted for WTP's or identified and stubbed were they could not be removed.

Indicator 6.3.1 (b) Evidence that the organization has co-operated with other forest-dependent businesses, forest users, and the local community to strengthen and diversify the local economy

Indicator Statement	Target and Variance
Effective communication and co-operation with non-timber resources users and interested parties that have expressed interest in forest planning	Target: 100% Variance: -10%

Was the Target Met? Yes

For Canfor results summarized/tracked by division not by DFA. Both PG and Vanderhoof met this indicator that included communications with FSJ.

Indicator 6.3.1 (c) Evidence that the organization has co-operated with other forest-dependent businesses, forest users, and the local community to strengthen and diversify the local economy

Indicator Statement	Target and Variance
The number of support opportunities provided in the DFA.	Target: 6 Variance: -1%

Was the Target Met? Yes

Type	#	Details
Cash donation	2	Nak'azdli Tl'azten Nation Northern United Way
Product donation	2	Donated truck loads to Na'azdli for fire wood
Time or resource donation	2	Graveling of road into Great Beaver Lake Grading for access Great Beaver Lake
Community events	0	
Total	6	

Indicator 6.3.2 Evidence of co-operation with DFA-related workers and their unions to improve and enhance safety standards, procedures and outcomes in all DFA-related workplaces and affected communities

Indicator 6.3.3 Evidence that a worker safety program has been implemented and is periodically reviewed and improved

Indicator Statement	Target and Variance
Implementation and maintenance of a certified safety program.	Target: 100% Variance: -10%

Was the Target Met? Yes

Canfor reports 100% on this indicator.

Indicator 6.4.1 Level of participant satisfaction with the public participation process

Indicator Statement	Target and Variance
Percent of PAG meeting evaluations completed during the reporting period that obtain a minimum average acceptability score of 3.	Target: 100% Variance: -10%

Was the Target Met? Yes

Indicator 6.4.2 Evidence of efforts to promote capacity development and meaningful participation in general

Indicator Statement	Target and Variance
Number of educational opportunities for information/training that are delivered to the PAG.	Target: =>1 Variance: 0%

Was the Target Met? Yes

One session on ecosystem restoration was conducted for the PAG group.

Indicator 6.5.1 Number of people reached through educational outreach

Indicator Statement	Target and Variance
The number of educational opportunities provided	Target: 5 Variance: -1

Was the Target Met? No

Types of Opportunities	# of Opportunities
PAG field tour	0
PAG meeting presentations	1
Grade 5 hike	1
Public viewing	
Other (FSJ Road/Traffic Concerns Meetings - BCTS)	1
Total opportunities	3

BCTS and Canfor had combined to make this indicator successful in the past. With BCTS not reporting this year numbers were not achieved. Canfor will have to adjust their program to meet results in the future.

Indicator 6.5.2 SFM Annual report made available to the public

Indicator Statement	Target and Variance
SFM Annual report made available to the public.	<u>Target:</u> SFM monitoring report available to public annually via the web. <u>Variance:</u> None

Was the Target Met? Yes

Posted on external Canfor Website. Posted on SFM PG TSA SFM Website.

This latest report is due September 30, 2013.