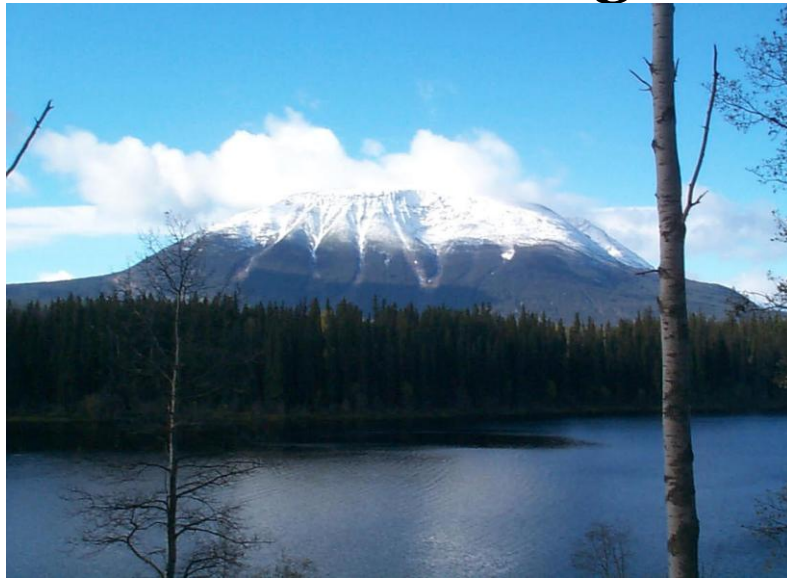


# Morice

## Sustainable Forest Management Plan



## 2011/12 Annual Report

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*Prepared by:*

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**Morice** Timber Supply Area  
British Columbia  
Canada

**Canadian Council of Forest Ministers'  
Criteria for SFM**

1. *Conservation of Biological Diversity*
2. *Maintenance and Enhancement of Forest Ecosystem Condition and Productivity*
3. *Conservation of Soil and Water Resources*
4. *Forest Ecosystem Contributions to Global Ecological Cycles*
5. *Multiple Benefits to Society*
6. *Accepting Society's Responsibility for Sustainable Development*



Photos: hiway16.com.

## 1.0 Introduction

This is the 2011/12 Annual Report for the Morice Sustainable Forest Management Plan (SFMP), covering the reporting period of April 1, 2011 to March 31, 2012. 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 standard<sup>1</sup>. The current signatories to the plan are:

1. BC Timber Sales, Babine Business Area
2. Canadian Forest Products Ltd. (Canfor), Morice Operations

The Morice SFMP includes a significant public involvement component. In developing the SFM Plans for the DFA, over 100 meetings were held with local participants who represented a wide range of stakeholder interests. Well over 200 people with an interest in how local resources are managed have contributed their knowledge and expertise to the development of the SFM Plans; they represented a cross-section of local interests including recreation, tourism, ranching, forestry, conservation, water, community and Aboriginals. These dedicated volunteers from the public have helped develop the goals, objectives and indicators needed to deliver the SFM Plans.

In the fall of 2010, the licensees started the transition to the Canadian Standards Association (CSA) Sustainable Forest Management (CSA Z809-08) standard.

The SFMP includes a set of values, objectives, indicators and targets that address environmental, economic and social aspects of forest management in the Morice 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 Morice Defined Forest Area SFMP.

It is important to note that the Morice 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 Morice Defined Forest Area (DFA). The DFA is the Crown Forest land base within the Nadina 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 Morice 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 Morice Sustainable Forest Management Plan document (March 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 Morice 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  
 LOWG – Landscape Objectives Working Group  
 MoFR – Ministry of Forest and Range

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

NDU – Natural Disturbance Unit  
 PAG – Public Advisory Group  
 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 33 indicators listed in Table 1, 24 indicators were met within the prescribed variances and 9 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 2011 to March 31st 2012**

Indicator Number	Indicator Statement	Target Met	Pending	Target Not Met
1.1.1	Total hectares logged in rare and uncommon ecosystems			X
1.1.2	Percent distribution of forest type (treed conifer, treed broadleaf, treed mixed) >20 years old across DFA	X		
1.1.3 & 4.1.1	Percent late seral distribution by ecological unit across the DFA. & Maintain the retention of existing (or replacement of) old forest retention area.			X
1.1.4(a)	Percent of stand structure retained across the DFA in harvested areas	X		
1.1.4(b)	Percent of blocks meeting dispersed retention levels as prescribed in the site plan/logging plan	X		
1.1.4(c)	Number of non-conformance where forest operations are not consistent with riparian management requirements as identified in operational plans			X
1.1.5	Percent forest in each patch type by patch size class by BEC variant by licensee.			X
1.2.1 & 1.2.2	Percent of forest management activities consistent with management strategies for Species of Management Concern.	X		
1.2.3 & 1.3.1	Regeneration will be consistent with provincial regulations and standards for seed and vegetative material use.	X		
1.4.1	Percent of forest management activities consistent with management strategies for protected areas and sites of biological significance.	X		
1.4.2	Percent of identified Aboriginal forest values, knowledge and uses considered in forestry planning processes.	X		
2.1.1	The regeneration delay, by area, for stands established annually			X
2.2.1	Percent of gross forested landbase in the DFA converted to non-forest land use through forest management activities	X		
2.2.2 & 5.1.1 (a)	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 cutblocks reviewed where post harvest CWD levels are within the targets contained in plans	X		
3.2.1(a)	Sensitive watersheds that are above Peak Flow targets will have further assessment.			X
3.2.1(b)	Percentage of high hazard drainage structures in sensitive watersheds with identified water quality concerns that have mitigation strategies implemented.	X		

Indicator Number	Indicator Statement	Target Met	Pending	Target Not Met
4.1.1	See 1.1.3	(refer to related indicators)		
4.2	See 2.2.1	(refer to related indicators)		
5.1.1(a)	See 2.2.2	(refer to related indicators)		
5.1.1(b)	Conformance with strategies for non-timber benefits identified in Plans.	X		
5.2.1(a)	Investment in local communities			X
5.2.1(b)	Benefits directed into local communities by licensee (Local Indicator).			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 Aboriginals to participate in the forest economy	X		
6.1.1	Employees will receive Aboriginal awareness training	X		
6.1.2	Evidence of best efforts to obtain acceptance of management plans based on Aboriginal communities having a clear understanding of the plans.	X		
6.1.3	Percent 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(a)	Primary and by-products that are bought, sold, or traded with other forest-dependent businesses in the local area	X		
6.3.2 & 6.3.3	Implementation and maintenance of a certified safety program	X		
6.4.1	PAG established and maintained, and satisfaction survey implemented according to the Terms of Reference	X		
6.4.2	Numbers of educational opportunities for information and/or training that are delivered to the Public Advisory Group	X		
6.4.3	See 6.1.2	(refer to related indicators)		
6.5.1	Number of people to whom educational opportunities are provided.			X
6.5.2	SFM monitoring report made available to the public.			X
	<b>Totals</b>	<b>21</b>		<b>12</b>

### 1.3 SFM Performance Reporting

This annual report will describe the success of the licensee and BCTS 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. Each signatory to the SFMP has reported individual performance within its traditional operating areas as well as performance that contributes to shared indicators and targets across the plan area. Each signatory to the plan is committed to work together to fulfill the PG 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
Total hectares logged in rare and uncommon ecosystems	Target: Rare ecosystems groups as identified in the previous table will not be harvested. Variance: Harvesting may occur in rare ecosystems for access, forest health, or safety issues as rationalized and documented by a qualified professional.

**Was the Target Met? No**

BCTS reports no hectares harvested. Canfor reports 12.1 ha harvested in ESSFmc-07. The Canfor block layout, permitting and harvesting all occurred before this data was available.

**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	Target: Canfor (Treed conifer: 85-95%; Treed Broadleaf: 2.5-7.5%; Treed Mixed: 2.5-7.5%) BCTS (Treed conifer: 80-90%; Treed Broadleaf: 5-10%; Treed Mixed: 5-10%) Variance: None below proposed targets

**Was the Target Met? Yes**

Table 1: Forest area by type

Percent distribution of forest type (coniferous, broadleaf, mixed) >20 years old across the DFA			
Report Year	Forest type	BCTS	Canfor
2011	Coniferous	82.8%	90.6%
	Broadleaf	8.3%	3.2%
	Mixed	8.8%	6.1%

**Indicator 1.1.3 Forest area by seral stage or age class**

Indicator Statement	Target and Variance
Percent late seral distribution by ecological unit across the DFA	Target: As per table. Variance: As per table.

**Was the Target Met? No**

The high biodiversity target for SBSdk is not met for BCTS and Canfor.

Table 2: Old Forest by Natural Disturbance Unit Merged BEC

Licensee	LRMP Area-specific Management	BEC	Seral Stage	Current Status	Forecasted Target	Variance	Achieve Target by
Canfor	High Biodiversity Emphasis Area	ESSF mc & ESSF mv3	Old	82%	>= 42%	0	Immediately
		ESSF mk	Old	96.1%	>= 84%	-6%	Immediately
		SBS dk	Old	13.6%	>= 16%	0	Period 3
		SBS mc2 and SBS wk3	Old	42.1%	>= 26%	0	Immediately
	General Forested Area	ESSF mc & ESSF mv3	Old	76.2%	>= 34%	0	Immediately
		ESSF mk	Old	78.5%	>= 82%	0	Immediately

	SBS dk	Old	21.2%	>= 8%	0	Immediately
	SBS mc2 and SBS wk3	Old	37.1%	>= 17%	0	Immediately

Licensee	LAMP Area-specific Management	BEC	Seral Stage	Current Status	Forecasted Target	Variance	Achieve Target by
BCTS	High Biodiversity Emphasis Area	ESSF mc & ESSF mv3	Old	51.7%	>= 42%	0	Immediately
		SBS dk	Old	7.79%	>= 16%	0	2033
		SBS mc2 and SBS wk3	Old	54.3%	>= 26%	0	Immediately
	General Forested Area	ESSF mc & ESSF mv3	Old	56.3%	>= 34%	0	Immediately
		SBS dk	Old	22.6%	>= 8%	0	Immediately
		SBS mc2 and SBS wk3	Old	32.5%	>= 17%	0	Immediately

Canfor and BCTS will establish recruitment strategies that will return SBS dk Old percentage up to target levels by 2033.

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

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

Stand level retention consists primarily of wildlife tree patches (WTP) and riparian management areas. WTP are forested patches of timber within or adjacent to a harvested cutblock while riparian management areas are associated with water features within or adjacent to the harvest cutblock. Stand retention provides a source of habitat for wildlife, sustains local genetic diversity, and protects important landscape or habitat features, such as mineral licks and raptor nesting sites. Maintenance of habitat through stand retention contributes to conservation of ecosystem diversity by conserving a variety of forest age classes, stand structure and unique features at the stand level.

Licensees and BCTS manage stand level retention for each cut block. Retention levels in each block are documented in the associated Site Plan, recorded in the Licensee/ BCTS database systems and reported out in RESULTS (Ministry of Forests and Range data base) on an annual basis.

The current status for average stand level retention for all cutblocks completed harvesting between April 1, 2011 and March 31, 2012 in the DFA is found in Table 2.

**Table 2: Stand Level Retention in Harvested Areas, 2011/12**

Licensee	Total Gross area harvested between April 1 <sup>st</sup> and March 31 <sup>st</sup>	Total retention in blocks harvested between April 1 <sup>st</sup> and March 31 <sup>st</sup>	Percentage
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Canfor	6530.2	947.2	14.5
BCTS	1240	109	8.8
<b>TOTAL</b>	<b>7770.2</b>	<b>1056.2</b>	<b>13.6</b>

Average % Retention = (Total WTRA / Total Block Area) X 100

#### Indicator 1.1.4(b) Degree of within-stand structural retention

Indicator Statement	Target and Variance
Percent of blocks meeting dispersed retention levels as prescribed in the site plan/logging plan	<u>Target:</u> 100% of the blocks <u>Variance:</u> 0
<b>Was the target met? Yes</b>	

**Table 3: Dispersed Stand Level Retention in Harvested Areas, 2011/12**

Licensee	Number of blocks with dispersed retention	No. those Blocks that were in Conformance	Percent
Canfor	0	Na	100
BCTS	0	Na	100
<b>TOTAL</b>	<b>0</b>	<b>Na</b>	<b>100</b>

#### Indicator 1.1.4(c) Degree of within-stand structural retention

Indicator Statement	Target and Variance
Number of non-conformance where forest operations are not consistent with riparian management requirements as identified in operational plans	<u>Target:</u> 100% of the blocks <u>Variance:</u> 0
<b>Was the target met? No</b>	

Canfor reported a non conformance in January of 2011. A buncher operator missed the flagging on a machine free zone in heavy blowing snow conditions. When the operator notice the ribbon he pulled out of the area and reported the incident. No damage was done to the channel.

#### Indicator 1.1.5 Degree of habitat connectivity (local indicator)

Indicator Statement	Target and Variance
Percent forest in each patch type by patch size class by BEC variant by licensee.	<u>Target:</u> Trending toward <u>Variance:</u> None
<b>Was the target met? No</b>	

**Table 4: Current status by patch type and class and BEC, 2011/12**

Licensee	BEC Variant	Patch Type	Patch Size Class (ha)	Current Status (2012)	Forecasted Target (trend toward)
BCTS	ESSF	Early	Large	25.2%	50% - 60%
		Early	Small	46.1%	15% - 25%
	SBS	Early	Large	40.2%	50% - 60%
		Early	Small	15.3%	20% - 30%
Canfor	ESSF	Early	Large	52.6%	50% - 60%
		Early	Small	18.9%	15% - 25%
	SBS	Early	Large	60.0%	50% - 60%
		Early	Small	10.2%	20% - 30%

Age criteria for patch types are as follows:

- Early <=20 year old forest.
- Mature/old >=100 year old forest

Patch size classes are as follows:

- Small >1 and <=40
- Medium >40 and <=250 No targets set.
- Large >250

Canfor is generally trending toward targets but need to create more small patches in the SBS. BCTS is trending away. In the ESSF and the SBS there are a shortage of large patches and too many small patches. With an emphasis on mountain pine salvage (pine partition) it is difficult to control patchsize. In this case two different objectives are in conflict (partition versus patchsize) and the pine partition has been given priority until winter 2016 when the pine partition ends.

### 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 current Best Management Practices for Species of Management Concern	Target: 100% Variance: 0%
<b>Was the target met?</b> 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 and BCTS 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 and BCTS 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.

No incidents or conformance issues reported.

### 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: none

#### **Was the Target Met?** Yes

Adherence to the Chief Forester's Seed Use Standards is crucial for sustainable forest management as the standards are designed to establish healthy stands composed of ecologically and genetically appropriate trees. Planting unsuitable genetic stock could result in stands that will not meet future economic and ecological objectives.

Table 5 details the areas planted within the DFA in accordance with the Chief Forester's Standards for Seed Use for this reporting period.

**Table 5: Compliance with Chief Forester's Standards for Seed Use, 2011/12**

Licensee	Total Area Planted Seedlings	Area Planted in Accordance with Chief Forester's Standards*	Total % DFA**
Canfor	4,929,488	4,929,488	100%
BCTS	1,660,160	1,660,160	100%
<b>TOTAL</b>	<b>6,589,648</b>	<b>6,589,648</b>	<b>100%</b>

*Reported based on the number of seedlings planted.*

#### 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 sites of biological significance	Target: 100% Variance: 0%
<b>Was the target met?</b> Yes	

Canfor and BCTS 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.

No incidents or conformance issues reported.

Includes delineation of protected areas (eg. parks, ecological reserves) to achieve the geographic and ecological goals of provincial Protected Areas Strategies (PAS), through representation of a cross-section of ecosystems and old forest attributes. At the stand level, sites of biological significance include fisheries sensitive features (e.g. waterfalls, staging area, spawning area); significant mineral licks and wallows; bird stick nests (e.g. Bald Eagle, Osprey, Great Blue Heron, Goshawk); bat hibernating and roosting areas; dens (e.g. bear, fisher, wolverine); hot springs; goat cliff and avalanche chutes. Unique areas of biological significance are identified in the field during the planning phase and are managed through avoidance (either by relocating the road and/or harvest area or by protecting it with a wildlife tree retention area) or using an appropriate conservation management strategy such as timing of harvest.

#### Indicator 1.4.2 Protection of identified sacred and culturally important sites

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

### Indicator 2.1.1 Reforestation success (regeneration delay)

Indicator Statement	Target and Variance
Average regeneration delay for stands established annual	<u>Target:</u> CFP less or equal 2.5 years and BCTS less or equal to 4.0 years. <u>Variance:</u> CFP: +0.5 years, BCTS no variance
<b>Was the target met?</b> No	

Year	Average years to declare regeneration delay following the start of harvesting.
2011	Canfor 1.93
2011	BCTS 4.3

Due to the fact BCTS reforestation success should be measured from the Harvest Completion date, for the next reporting period the analysis criteria will be corrected and BCTS will be within targets after this correction is made.

### Indicator 2.2.1 Additions and deletions to the forest area

Indicator Statement	Target and Variance
Percentage of gross forested land base in the DFA converted to non-forest land use through forest management activities	<u>Target:</u> <2.2% for Canfor and less than 3.0% for BCTS. <u>Variance:</u> None
<b>Was the target met?</b> Yes	

Canfor is reporting 1.26% and BCTS 1.56% for 2011.

### 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 cut control period as defined by Timber supply forecast harvest flow. <u>Variance:</u> 10% for Canfor and 50% for BCTS.
<b>Was the target met?</b> Yes	

The cut control period for Canfor just concluded and the cut level achieved was 100%. BCTS is at 93.8 for their 2011 reporting year.

### 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%
<b>Was the target met?</b> No	

Canfor had two separate ITS incidents relating to soil disturbance in the summer of 2011. The two strategies that Canfor implemented for corrective/preventative actions are as follows: 1. Get equipment operators trained to achieve desired results and 2. Have training session with Contractor supervisors and skidder operators. Canfor also notified FLNRO's Compliance and Enforcement. Canfor has rehabilitated one of the two sites. The remaining site did not have suitable site conditions at time of initial proposed treatment, the new proposed treatment date is fall of 2013. No ITS incidents reported or BCTS.

**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%
<b>Was the target met?</b> Yes	

100% compliance for BCTS and Canfor.

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

Indicator Statement	Target and Variance
The percentage of watersheds with active operations that have had a watershed assessment completed	<u>Target:</u> 100% <u>Variance:</u> 0%
<b>Was the target met?</b> No	

Mountain Pine Beetle landscape level impacts and resulting forest management activities have left 4 sensitive watersheds exceeding the the ECA threshold of 30%. Therefore Canfor and BCTS require a change to the indicator statement as follows; "sensitive watersheds that are above Peak Flow targets will have mitigation measures instituted". These mitigation measures include; Stream crossing quality surveys, Inventory reviews (ground review of disturbed areas to determine hydrologic recovery), Deactivation to manage runoff and ditch flow by the follow specific features or tools, Ditch blocks, Sumps ,Silt fences, Cross drains, Grass seeding the cut or fill slopes and the road bed and Water bars.

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

Indicator Statement	Target and Variance
Conduct inventory of high hazard drainage structures within sensitive watersheds and develop mitigation strategy for each of the structures. Action plans with respect to the identified drainage structures are being implemented.	<u>Target:</u> 100% <u>Variance:</u> 0%
<b>Was the target met?</b> Yes	

There were no identified high hazard drainage structures for this reporting period.

**Indicator 4.1.1 Net Carbon Uptake**

Indicator Statement	Target and Variance
Maintain the retention of existing (or replacement of) old forest retention area	<u>Target:</u> As per indicator 1.1.3 <u>Variance:</u>
<b>Was the target met?</b> See indicator 1.1.3	

### Indicator 4.2 Forest Land Conversion

Indicator Statement	Target and Variance
Maintain the retention of existing (or replacement of) old forest retention area	<u>Target:</u> As per indicator 2.2.1 <u>Variance:</u>
<b>Was the target met?</b> See indicator 2.2.1	

### 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	<u>Target:</u> No non-conformances for site level plans <u>Variance:</u> 0
<b>Was the target met?</b> Yes	

### Indicator 5.2.1(a) Level of investment in initiatives that contribute to community sustainability

Indicator Statement	Target and Variance
Investment in local communities	<u>Target:</u> >=45% for Canfor and 21% for BCTS (5 year rolling average) <u>Variance:</u> -10%
<b>Was the target met?</b> No	

Licensee	2007 Status	2008 Status	2009 Status	2010 Status	2011 Status	Average
Canfor	39.51%	52.17%	45.0%	48.0%	79.8%	52.9%
BCTS	38.48%	15.48%	18.0%	9.89%	9.0%	18.17%

BCTS investment in local communities is limited by government procurement policy.

### Indicator 5.2.1(b) Level of investment in initiatives that contribute to community sustainability

Indicator Statement	Target and Variance
Amount of benefits directed into local communities	<u>Target:</u> \$38,000 for canfor - 5-year rolling average <u>Variance:</u> -10%
<b>Was the target met?</b> No	

Licensee	2007 Status	2008 Status	2009 Status	2010 Status	2011 Status	5-yr rolling average
Canfor	\$29,000.00	\$28,248.20	\$34,390.00	\$8,113.25	\$20,289.93	\$24,008.28
BCTS	N/A**	N/A**	N/A**	N/A**	N/A**	N/A**

\*\* This is an indicator that BCTS did not report on due to it being a government ministry.

On June 18, 2013 Canfor presented information council regarding CSA, this indicator specifically, and requested suggestions for legacy project funding. Currently Canfor has not heard back from Houston town council formally.

### 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	<u>Target:</u> 100% of company employees and contractors will have both environmental & safety training. <u>Variance:</u> -5%
<b>Was the target met? Yes</b>	

Licensee	2011 Status	Target
Canfor Employees	98% <sup>1</sup>	100%
Canfor Contractors	100%	100%
BCTS Employees	100%	100%
BCTS Contractors	100%	100%

<sup>1</sup> See Houston training report. Although training in 2011 is 98%. 100% of contractors received training through annual pre-work training and SAFE company certification.

### Indicator 5.2.3 Level of direct and indirect employment

Indicator Statement	Target and Variance
Maintain average level of direct and indirect employment	<u>Target:</u> Canfor: = 940,424m <sup>3</sup> * 2.65jobs/1000m <sup>3</sup> = 2492 direct and indirect jobs BCTS: = 339,410m <sup>3</sup> * 2.65 jobs/1000m <sup>3</sup> = 899 direct and indirect jobs <u>Variance:</u> Canfor: -10% or 249 jobs per year BCTS: -40% or 360 jobs per year
<b>Was the target met? Yes</b>	

Canfor volume:

	2007	2008	2009	2010	2011	Total	Percent
AAC	940,424	1,017,484	1,017,484	1,017,484	1,017,484	5,010,360	
Total Cut	476,719	632,716	1,119,788	1,008,560	1,773,047	5,010,830	100%

$5,010,360/5=1,002,072 * 2.65 \text{ jobs}/1000\text{m}^3= 2655 \text{ jobs}$

BCTS Volume:

	2007	2008	2009	2010	2011	Total
AAC	339410	339410	339410	339410	339410	1,697,050
Total Cut	457410	332588	359,530	325326	318534	1,793,388

$1,793,388/5=358,678 * 2.65 \text{ jobs}/1000\text{m}^3= 950 \text{ jobs}$

### Indicator 5.2.4 Level of Aboriginal participation in the forest economy

Indicator Statement	Target and Variance
Number of opportunities for Aboriginals to participate in the forest economy.	<u>Target:</u> >= number of realized opportunities from baseline assessment (3-year rolling average) <u>Variance:</u> -10% of baseline
<b>Was the target met?</b> Yes	

Licensee	2010 Status	2011 Status	Target
Canfor	4	5	≥5
BCTS	12	27	>2

### 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 Aboriginal awareness training	<u>Target:</u> 100% <u>Variance:</u> -10%
<b>Was the target met?</b> Yes	

Licensee	2011 Status	Target
Canfor	100	100%
BCTS	100	100%*

### 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 obtain acceptance of management plans based on Aboriginal communities having a clear understanding of the plans.	<u>Target:</u> >=3 approaches/Aboriginal community within the DFA, for 100% of management plans, as required <u>Variance:</u> None
<b>Was the target met?</b> Yes	

### 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
Percent of forest operations in conformance with operational/site plans developed to address	<u>Target:</u> 100% compliance with operational plans and corresponding results and strategies. 100% of blocks and roads that have had a CHR assessment completed.



Aboriginal forest values, knowledge and uses	100% of blocks and roads have a completed consultation record. <u>Variance: -0%</u>
<b>Was the target met? Yes</b>	

Licensee	2011 Status	Target
Canfor	100%	100%
BCTS	100%	100%

BCTS 12 TSL's with 12 consultation records.  
Canfor 81 blocks with consultation records  
No non conformances.

### 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	<u>Target:</u> 100% of blocks and roads have consultation and a cultural heritage resource assessment. <u>Variance:</u> 0%
<b>Was the target met? Yes</b>	

All blocks go through an information sharing and the culture heritage values are reviewed. High potential areas or areas with any resource values identified go through a field archaeological impact assessment. This is a check at the planning stage and the permitting stage. The ministry also does an independent review of all our submitted permits and info sharing packages.

### Indicator 6.3.1 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
Primary and by-products that are bought, sold, or traded with other forest-dependent businesses in the local area.	<u>Target:</u> Maintain $\geq 13$ relationships, 85 bidders <u>Variance:</u> -20%
<b>Was the target met? Yes</b>	

Product	Number of opportunities	Organization
Logs	8	Decker Lake, HPLP, Hunky Dory, Tahtsa Timber, Kermodei, Steve Corneau, Clark Milling, Groot Bros.
Trim Blocks	3	Kyah, D7H, Brinks/PVR
Sawdust/shavings	1	Houston Pellet (HPLP)
Chips	1	Canfor Pulp limited Partnership
Total	13	

BCTS bidders: 85

**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**

**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	<u>Target:</u> 100% <u>Variance:</u> 0%
<b>Was the target met? Yes</b>	

All safe certification has been maintained for both BCTS and Canfor.

**Indicator 6.4.1 Level of participant satisfaction with the public participation process**

Indicator Statement	Target and Variance
PAG established and maintained, and satisfaction survey implemented according to the Terms of Reference.	<u>Target:</u> PAG meeting satisfaction score of $\geq 4$ <u>Variance:</u> 0
<b>Was the target met? Yes</b>	

PAG Meeting Number - Date	Average Meeting Score
70 – April 2011	4.2
71 –May 2011	4.0
72 – August 2011	4.1
73 – October 2011	4.1
74- March 2012	4.3

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

Indicator Statement	Target and Variance
Numbers of educational opportunities for information and/or training that are delivered to the Public Advisory Group	<u>Target:</u> $\geq 1$ (annual) <u>Variance:</u> None
<b>Was the target met? Yes</b>	

Durring the March 14, 2012 meeting Lars Hobenshield provided a invasive plant presentation and another presentation regarding mountain pine beetle resistance lodgepole pine trees.

**Indicator 6.5.1 Number of people reached through educational outreach**

Indicator Statement	Target and Variance
Number of people to whom educational opportunities are provided.	<u>Target:</u> =50 people <u>Variance:</u> -10
<b>Was the target met? No</b>	

**Indicator 6.5.2 Availability of summary information on issues of concern 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
<b>Was the target met?</b> No	

Although completed reports have been posted on a public site and there is no specified due date in the plan. This report is considered late and is not consistent with our process going forward. The report was delayed due to a new standard and reports being developed to obtain data. The next report is due on September 30, 2013.

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