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<sup>&</sup>lt;sup>1</sup> Cover page Photo Credit – Aliette Seigel, RPF

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#### **Glossary and Acronyms**

Adaptive Management: A learning approach to management that recognizes substantial uncertainties in managing forests and incorporates into decisions the experience gained from the results of previous actions. Adaptive management can be simplified into "learning by doing."

Annual Allowable Cut (AAC): The allowable rate of timber harvest from a specified area of land. The Chief Forester sets specific AACs for Timber Supply Areas and Tree Farm Licences in accordance with Section 8 of the *Forest Act*.

Biogeoclimatic Ecosystem Classification (BEC): A hierarchical system of ecosystems that integrates regional, local and chronological factors and combines climatic, vegetation and site factors.

Biological richness (species richness): The number of species in a given area.

Coarse woody debris (CWD): Downed woody material of a minimum diameter or greater that is resting on the forest floor or at an angle to the ground of 45 degrees or less. CWD consists of sound and rotting logs and branches, and may include stumps when specified. Coarse woody debris provides habitat for plants, animals and insects, and a source of nutrients for soil development.

Criterion: A category of conditions or processes by which sustainable forest management may be assessed; characterized by a set of related indicators which are monitored periodically to assess change.<sup>1</sup>

Crown Forest Land Base (CFLB): Forested land managed by the Ministry of Forests and Range is referred to as the Crown forested land base. In the CFLB, specific conditions (e.g. a stand or a group of similar trees) are assigned either to the non-harvesting land base or to the timber harvesting land base. An area can only be removed for one reduction type; for example, the area of a stand that falls within a park, and also has sensitive soils, is assigned only once to the non-harvesting land base.

Customary use rights: The rights of First Nations peoples to use lands and resources based on culturally established patterns of utilisation and management which may include fishing; hunting; trapping; gathering of foods, medicines and materials for ceremonial, spiritual, sustenance, or fabrication (e.g. clothing, artwork, building, etc.) purposes.

Defined Forest Area (DFA): A specified area of forest, including land and water. The Defined Forest Area for the Sustainable Forest Management Plan is the Fort Nelson Forest District, excluding private land and woodlots.

Forest Management System (FMS): The FMS is a systematic means of identifying, addressing and managing environmental impacts and sustainable forest management commitments within Canfor's Woodlands operations.

Forest and Range Practices Act (FRPA): The *Forest and Range Practices Act* brings in the application of a results-based system for the management of forest and range resources. It will fully replace the *Forest Practices Code of British Columbia Act* by December, 2005.

General Development Permit (GDP): permit obtained by oil and gas sector to authorize limited development of an area in preparation for exploration activities for oil and gas.

Global ecological cycles: The complex of self-regulating processes responsible for recycling the Earth's limited supplies of water, carbon, nitrogen and other life-sustaining elements.

Inoperable: Lands that are unsuited for timber production now and in the foreseeable future because of a range of factors, including elevation; topography; inaccessible location; low value of timber; small size of timber stands; steep or unstable soils; or designation as parks, wilderness areas, or other uses incompatible with timber production.

Indicator: A measure of an aspect of the criterion; a quantitative or qualitative variable which can be measured or described and which, when observed periodically, demonstrates trends.

Landscape Unit: a planning area, generally up to about 100,000 ha in size, delineated according to topographic or geographic features such as a watershed or series of watersheds. It is established by the district manager.

Measure: A set of variable that provides quantitative information about the status/standard established for an indicator.

Natural disturbance: the historic process of fire, insects, wind, landslides and other natural events in an area.

Non Commercial brush (NCBR): Describes potential productive forest land that is covered with either 'Forest' or 'Brush'.

Natural Disturbance Unit (NDU): These units separate areas based on differences in disturbance processes, stand development, and temporal and spatial landscape pattern.

NHLB: Non-Harvestable Land Base This is area not considered part of the THLB. This includes areas excluded from contributing to timber supply during the TSR process, such as parks, riparian reserve areas, inaccessible areas, inoperable areas, non-merchantable

forest types, low productivity types, recreation features, and environmentally sensitive areas.

Old Growth Management Area (OGMA): areas which contain, or are managed to replace, specific structural old-growth attributes and which are mapped out and treated as special management areas.

Predictive Ecosystem Mapping (PEM): A computer, GIS and knowledge-based method that divides landscapes into ecologically-oriented map units for management purposes.

Recreation Opportunity Spectrum (ROS): a mix of outdoor settings based on remoteness, area size, and evidence of humans, which allows for a variety of recreation activities and experiences. The descriptions used to classify the settings are on a continuum and are described as: rural, roaded resource, semi-primitive motorized, semi-primitive non- motorized, and primitive.

Regeneration delay: the maximum time allowed in a prescription, between the start of harvesting in the area to which the prescription applies, and the earliest date by which the prescription requires a minimum number of acceptable well-spaced trees per hectare to be growing in that area.

Riparian: Area adjacent to a stream, river, lake or wetland. The FPC Riparian Management Area Guidebook defines it as "areas [that] occur next to the banks of streams, lakes, and wetlands and include both the area dominated by continuous high moisture content and the adjacent upland vegetation that exerts an influence on it".

Riparian Reserve Zone (RRZ): The portion of the riparian management area or lakeshore management area located adjacent to a stream, wetland or lake.

Seral: the stage of development of an ecosystem, from a disturbed, un-vegetated state (early-seral) to a mature plant community (late-seral).

Site Index: an expression of the forest site quality of a stand, at a specified age, based either on the site height, or on the top height, which is a more objective measure.

Snag: a standing dead tree, or part of a dead tree, found in various stages of decay—from recently dead to very decomposed.

Stream Crossing Quality Index: a field based hazard assessment of the potential for accelerated erosion and sediment delivery at stream crossings. The procedure evaluates and scores the potential for eroded sediment to reach the stream environment. A high score infers that there is a significant erosion problem which may in turn cause sediment related water quality problems.

Sustainable Forest Management (SFM): Management "to maintain and enhance the long-term health of forest ecosystems, while providing ecological, economic, social and cultural opportunities for the benefit of present and future generations"<sup>2</sup>

Target: A specific statement describing a desired future state or condition of measure. Targets should be clearly defined, time-limited and quantified, if possible.

Timber Harvesting Landbase (THLB): The area of the Defined Forest Area available for timber extraction.

Traditional Use Study (TUD): Compilation of data respecting historic use of the land and resources by First Nations

Acronyms

ACI OTTYTTS	
AAC Allowable Annual Cut	MOFR British Columbia Ministry of Forests and Range
ATA Archaeological Impact Assessment	MPS Market Pricing System
AMD Amendment	NSOGO Non Spatial Old Growth Order
AOA Archaeological Overview Assessment	NSR Not Satisfactorily Restocked
BCTS BC Timber Sales	NTFP Non-Timber Forest Products
BEC Biogeoclimatic Ecosystem Classification	OGMA Old Growth Management Area
BEO Biodiversity Emphasis Option	OHSC Occupational Health and Safety Committee
Canfor Canadian Forest Products Ltd.	OSB Oriented Strandboard
CHR Cultural Heritage Resource	PAG Public Advisory Group
CFS Canadian Forest Service	PEM Predictive Ecosystem Mapping
CFLB Crown forested land base	PMP Pest Management Plan
COPI Creating Opportunity for Public Involvement	PRISM Public Response for Informed Sustainable Management
CP Cutting Permit	RMZ Riparian Management Zone
DBH Diameter at Breast Height	ROS Recreation Opportunity Spectrum
EFG Early Free Growing	RRZ Riparian Reserve Zone
FDP Forest Development Plan	RVQC Recommended Visual Quality Class
FMS Forest Management System	SDE Spatial Data Engine
FG Free Growing	SFMP Sustainable Forest Management Plan
FIA Forest Investment Account	S150 Site Index for age 50
FPC Forest Practices Code	SOP Standard Operating Procedure
FSP Forest Stewardship Plan	Sx White Spruce
CENGEA Name for data management system	TBD To be determined
GIS Geographic Information Systems	THLB Timber Harvesting Land Base
GMZ/GRZ General Resource Zone	TSA Timber Supply Area
ILMB Integrated Land Management Bureau	TSR Timber Supply Review
ITS Incident Tracking System	UWR Ungulate Winter Range
KDC Kaska Dene Council	VRI Vegetation Resources Inventory
LFG Late Free Growing	VQO Visual Quality Objective
LRMP Land Resources Management Plan	WQCR Water Quality Concern Rating
LU Landscape Unit	WHA Wildlife Habitat Area
LUPG Landscape Unit Planning Guide	WTP Wildlife Tree Patch
MAI Mean Annual Increment	WTR Wildlife Tree Retention
MOA Memorandum of Agreement	

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<sup>&</sup>lt;sup>2</sup> The State of Canada's Forests 2001/2002, as cited by the CSA.

#### **Executive Summary**

Fort Nelson Defined Forest Area location

The Defined Forest Area (DFA) of the SFM Plan is the Fort Nelson Timber Supply Area (TSA) as described for the Timber Supply Review. The Fort Nelson DFA is located in the northeastern corner of British Columbia and covers approximately 9.8 million hectares, bordering Alberta to the east and the Northwest Territories and the Yukon Territory to the north. The Alaska Highway (Highway # 97) is the main access to the town of Fort Nelson and the only major service road within the DFA. The Alaska Highway leads travelers north from Dawson Creek, BC, through the Yukon to Fairbanks, Alaska. The 317 Road (Highway 77), so named because it begins 17 miles from Fort Nelson (Mile 300 on the Old Alaska Highway), is the only other year round road access to the Fort Nelson area, providing access to the Northwest Territories (source MOFR website).

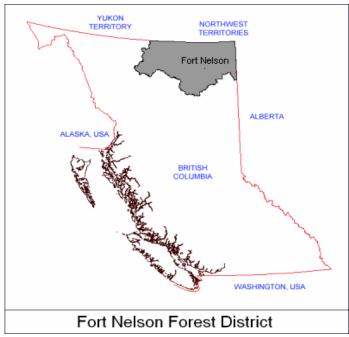


Figure 1: Fort Nelson Defined Forest Area

#### Purpose

This report is prepared as part of the annual assessment to confirm Canfor's continued implementation of the CSA SFM standard. This report is the 12th edition since registration to the CSA-Z809-02 standard in 2005 and provides a status from April 1, 2016 to March 31, 2017 of the locally developed measures of the SFMP. The SFM Annual Report target completion date is September 30<sup>th</sup> annually. In this report, each measure is re-iterated, and a brief status update is provided. For further reference to the intent of the measures, or the practices involved, the reader should refer to Canfor's Sustainable Forest Management Plan for the Fort Nelson DFA (SFMP, second edition April 1, 2011).

The development of an updated SFM Plan in conformance with the requirements of the CSA Z809-08 standard was concluded on April 1, 2011. This annual report will summarise performance under the indicators included in the revised SFMP second edition (April 1, 2011). Reporting for BC Timber Sales is provided in a separate report generated by BC Timber Sales.

#### Circumstances affecting SFM process

Canfor Corporation announced on January 18th, 2008 that due to poor wood product markets, a high Canadian dollar and record low oriented strand board (OSB) prices, its PolarBoard OSB and Tackama plywood mills in Fort Nelson would be closing indefinitely. The Polarboard closure took effect once the existing inventories were utilized and finished products shipped, which occurred in early June 2008. On February 26th, 2008 it was announced that Canfor's Fort Nelson Tackama mill would continue operations, largely because of the efforts of the United Steel Workers Union, employees, suppliers, the provincial government and contractors to identify means to reduce costs at Tackama and establish a business case to keep Tackama operating. Through the contributions of the union, employees, contractors and suppliers and policy changes announced by the provincial government a business case was made to continue operations at Tackama. The business case was predicated upon

Tackama realizing the intended cost savings and continued positive performance of plywood markets. Although Tackama had performed very well and achieved record production targets, Canfor Corporation reassessed Tackama's situation and announced on October 8th, 2008 that due to the continued poor demand and low prices for plywood across North America, it would be closing indefinitely the Tackama plywood plant in Fort Nelson. The market conditions and future outlook for plywood prices were not encouraging, with no evidence of a turnaround in the near future and consequently Canfor decided to curtail production to address the reduced market demand. The indefinite shutdown of the Canfor mills continued throughout 2009/2010, 2010/2011, 2011/2012, 2012/2013, 2013/2014, 2014/2015, 2015/2016, 2016/2017 and is expected to continue through the next few reporting years. As of the date of completion of this report, the Canfor mills in Fort Nelson remain indefinitely closed.

The closure of the PolarBoard mill, followed later by the closure of the Tackama mill affects local forest management and the PRISM Public Advisory Group in the following ways:

- Reduced and/or no operational harvesting activities affects reporting of certain measures, rendering reporting on current status of much of the indicators as static until resumption of harvest activity;
- Cessation of harvest activities reduces the economic benefit of forest management to the region;
- With the exception of the added meetings required to discuss revisions to the SFM plan, suspended harvesting activities has reduced the need to continue with frequent PAG meetings, resulting in reduced numbers of meetings and field tours;
- Difficulty in attracting new PAG members and promoting general interest in forestry in the community.

Overview of Canfor Achievements

For the 2016 reporting year the following list describes the results achieved:

- ✓ 45 of the 48 measures were achieved (93.7%),
- ✓ 2 measures are pending (4.2%),
- ✓ 1 of the indicator objectives were not met (2.0%).

The overview of target achievements in this section captures Canfor's performance measures. BC Timber Sales is responsible for reporting their achievements through their Annual Report. Figure 2 below compares the 2016 measure achievement to previous reporting periods and Table 1 shows the status of each individual measure. Very similar indicator performance for the 2016 reporting year is noticeable, with respect to the number of indicators either pending or not achieved. Measures that were not met will be discussed during the upcoming Management Review and actions will be identified that should result in improving trends.

With the shutdown of the Canfor mills in Fort Nelson, no Canfor harvest activities took place in 2016/17. As a result, many measures directly linked to harvest activities do not contain new data and those often refer to the 2008 data (last year of harvesting activities) instead. It is anticipated that the upcoming 2017/18 Annual Report will continue to provide minimal new reporting of measures that are directly influenced by harvest activities. Table 1 identifies the measures that will receive minimal reporting and are recommended to be deferred for full reporting until harvesting activities resume.

## Summary of 2015 Measures Performance

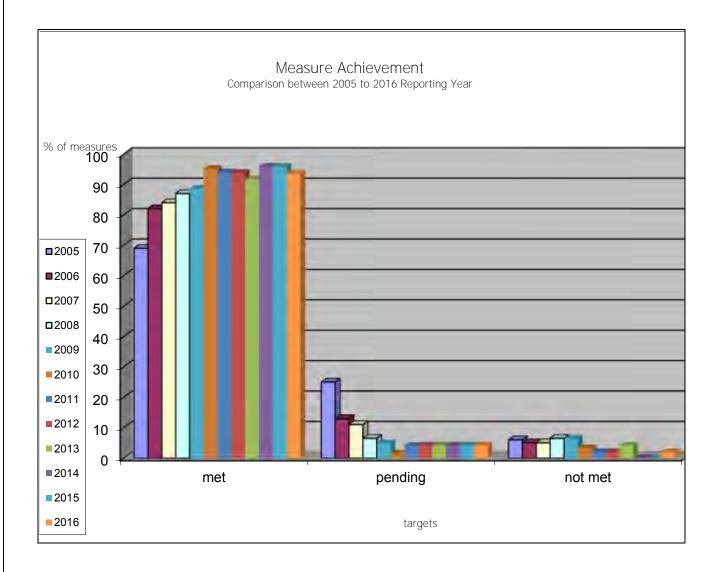


Figure 2: Comparison of measure achievement Canfor 2005 to 2016

Table 1: Summary of Canfor's 2016 Measure Status

	Measure	Target Met	Target Pending	Target Not Met	
1.1.1	Ecosystem area by type	7			7
1.1.2	Forest area by type or species	7			Ţ
1.1.3	Forest area by seral stage or age class	7			7
1.1.4.1	Degree of within stand structural retention – WTP Percentage	J			7
1.1.4.2	Degree of within stand structural retention – Dispersed Retention	7			Ī
1.1.4.3	Degree of within stand structural retention – Riparian Management	7			Ţ
1.1.5	Shrub Habitat	7			7
1.2.1 and	Degree of habitat protection for selected focal species including species at risk <b>and</b> degree of suitable habitat in the	7			7
1.2.3	Proportion of regeneration comprised of native species	7			
1.3.1	Percentage of stands artificially regenerated that are free of genetically modified organisms (GMOs)	7			
1.4.1	Proportion of identified sites with implemented management strategies	7			
1.4.2	Protection of identified sacred and culturally important sites	7			
2.1.1.1		7			
	Reforestation success – Regen Delay				
2.1.1.2	Reforestation success – Free Growing	-{_			
2.1.1.3	Percentage of silviculture obligation areas with significant detected forest health damaging agents which have	<u>.</u>			
2.1.1.4	Evidence of efforts being made to manage known significant forest health damaging agents	₹			
2.2.1	Additions and deletions to the forest area	<b>√</b>			<b>√</b>
2.2.2	Proportion of long term sustainable harvest that is actually harvested		J		1
3.1.1	Level of soil disturbance	1			1
3.1.2	Level of downed woody debris	4			1
3.2.1.1	Proportion of watershed or water management areas with recent stand replacing disturbance - Watersheds	1			1
3.2.1.2	Proportion of watershed or water management areas with recent stand replacing disturbance – Roads and road structures	1			1
4.1.1.1	Net carbon uptake – Total Carbon Storage	7			7
4.1.1.2	Net carbon uptake – Sequestration rate	J			7
4.1.2	Reforestation success – Covered by indicator 2.1.1	7			
4.2.1.1	Addition and deletions to forest area – Covered by indicator 2.2.1	7			
4.2.1.2	Evidence of best efforts to coordinate forest management activities with the oil and gas industry	7			
5.1.1.1	Quantity and quality of timber and non-timber benefits, products and services in the DFA – Timber – <b>Covered by</b> indicator 2.2.2		1		1
5.1.1.2	Quantity and quality of timber and non-timber benefits, products and services in the DFA – Non-timber	7			
5.1.1.3	Participants forest management activities will not negatively impact established recreational sites and trails	7			
5.1.1.4	Forest management activities will be consistent with Visual Quality Objectives (VQO's)	7			<del>_</del>
5.2.1.1	Level of investment in initiatives that contribute to community sustainability	7			7
5.2.1.2	Amount of stumpage paid in the Fort Nelson TSA	7			7
5.2.2	Level of investment in training and skills development	7			_
5.2.3	Level of direct and indirect employment	7			
		7			7
5.2.4	Level of aboriginal participation in the forest economy	7			
6.1.1	Evidence of good understanding of the nature of aboriginal title and rights	_		-{	
6.1.2	Evidence of best efforts to obtain acceptance of management Plans based on Aboriginal communities having a clear understanding of the plans	1			
6.1.3	Level of management and/or protection of areas where culturally important practices and activities (hunting/fishing/gathering) occur	1			
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	4			
6.3.1	Evidence that the organization has cooperated with other forest dependent businesses, forest users and the local community to strengthen and diversify the local economy.	1			
6.3.2	Evidence of cooperation with DFA related workers to enhance safety standards, procedures and outcomes in all DFA workplaces and affected communities	1			
6.3.3	Evidence that a worker safety program has been implemented and is periodically reviewed and improved	1			
6.4.1	Level of participant and Prism member satisfaction with the public participation process	7			
6.4.2	Evidence of efforts to promote capacity development and meaningful participation in general	7			
6.4.3	Evidence of efforts to promote capacity development and meaningful participation for Aboriginal communities –	7			
33	Covered by indicator 6.1.2	-			
6.5.1	Number of People reached through educational outreach	1			
	· · · · · · · · · · · · · · · · · · ·				
6.5.2	Availability of summary information on issues of concern to the public	J			
	Total	45	2	1	

#### Continuous Improvement

To facilitate reporting and continuous improvement of the measures and targets in the SFM Plan, and to ensure that data is collected in a timely and orderly fashion, each measure will be recorded and tracked. This will occur either in Canfor's Cengea Resources' module or in a separate database specific to the measure. CENGEA acts like a warehouse for most SFM tasks, tracking responsibilities, due dates, and progress comments.

#### Detailed Review of SFM Measure Performance

### Criterion 1.0 Biological Diversity

#### 1-1.1 - Ecosystem area by type

Measure 1-1.1		
Target	Results	
Based on a percent representation of ecosystem groups across the DFA:	Canfor did not complete any harvesting or road construction during the reporting period.	
A) 100% of the rare and uncommon ecosystems will have special management strategies associated with them (0%)	Therefore no activities were completed involving rare or uncommon ecosystems. This indicator is therefore considered to be achieved.	
B) 100% of the strategies for rare and uncommon ecosystems will be followed.		

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

The ecosystem representation analysis for the Fort Nelson DFA was updated in 2011/12. Prior to resumption of harvest activities the management strategies currently identified for rare and uncommon ecosystems and the SFMP table 16 Rare and Uncommon Ecosystems will be updated to be consistent with the revised 2011/12 ERA results. Those ecosystems found to be uncommon or rare in the NHLB will be subject to specific management strategies where they occur in the THLB.

#### References

Table 5: Rare and Uncommon Ecosystem Groups in the Fort Nelson **DFA** in Appendix 2.

1-1.2 - Forest area by type and species

Measure 1-1.2		
Target	Results	
Percent distribution of Forest type (treed conifer, treed   Canfor was not actively harvesting or constructing		
broadleaf, treed mixed) >20 years old across the DFA. roads during the reporting period. Accordingly,		
Target is to maintain baseline ranges and distribution in there was no effect on the forest type distribution		
the future (5%)  This indicator is considered met due to ze		
effect on the indicator.		

Target Met		
✓ Yes	No	Pending
Perommendations and Nevt Stens		

References

See Table 6: Forest Cover Type in Appendix 2.

None at this point.



Figure 3: Deciduous, conifer and mixed wood forest stands.

#### 1-1.3 - Forest area by Seral stage or age class

Measure 1-1.3		
Target Results		
Percent of late seral stage (old growth) distribution by	Canfor was not actively harvesting or constructing	
natural disturbance unit is maintained at the legal targe road during the reporting period. Accordingly		
for old growth as set by the Non-Spatial Old Growth there was no effect on the late seral stage for		
Objectives of the Fort Nelson Forest District Order	distribution across the DFA. This indicator is	
(NSLBOO) and spatially established OGMA's or to trend considered met due to zero net effect on the		
positive each year toward meeting the legal target.%) indicator.		

Target Met		
✓ Yes	No	Pending

# Recommendations and Next Steps

None at this point.

#### References

See Table 7: Required Percentage of Retention in the DFA, Figure 8: Natural Disturbance Units of the Fort Nelson DFA and Table 8: Current Percentage of Old Seral Stage by NDU in Appendix 2 for a summary of the data supporting this indicator. The seral status was updated in the 2015-2016 annual report.

#### 1-1.4.1 - Degree of within stand structural retention – WTP percentage

Measure 1-1.4.1		
Target	Results	
Percent of within stand structure retained across the	Canfor completed no harvesting activities in the	
DFA in harvested areas:	reporting period. No harvesting occurred since the	
A) 100% conformance with landscape level (LU) target	calculation of the 2010 baseline data for the 2011	
of 7% set by FRPA for all new harvesting (0%)	SFMP. Accordingly, there was no effect on the	
B) positive trend toward the baseline 7% in LU's where	percentage of WTP retention within the DFA and	
current level of retention is deficient	the trend was unaffected as well. This indicator is	
	considered met due to zero net effect on the	
	target.	

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

The Canfor Forest Stewardship Plan (FSP) WTP retention target was amended in 2012 to be consistent with the target noted in the SFMP.

#### References

See Table 9: Current Stand Level Retention Percentage in Appendix 2.

## 1-1.4.2 — Degree of within stand structural retention — Dispersed Retention

Measure 1-1.4.2		
Target	Results	
Percent of blocks meeting dispersed retention levels as prescribed in the site/logging plan, target of 100% (0%)	Canfor completed no harvesting activities during the reporting period. Accordingly there was no effect on the indicator target. This indicator is considered met due to zero net effect on the target.	

Target Met		
✓ Yes	No	Pending

	Recommendations and Next Steps	
None at this point.		
	References	

## 1-1.4.3 — Degree of within stand structural retention — Riparian management

Measure 1-1.4.3			
Target Results			Results
Number of non-conformances where forest operations are not consistent with riparian management requirements as identified in operational plans, target of 0 non conformances.  (Variance of 0)		the reporting non-conform requirement	leted no harvesting activities during g period. Accordingly, there were no lances with riparian management is in operational plans. This indicator is net due to zero net effect on the
Target Met			
✓ Yes	✓ Yes No		Pending

	Recommendations and Next Steps
None at this point.	

References	

#### 1-1.5 **– Shrub Habitat**

Measure 1-1.5			
Target Results			Results
A) Sustain current baseline shrub habitat percentage in the THLB (5%)		Canfor completed no harvesting or road construction activities during the reporting period therefore our forest activities had no effect on the	
B) Monitor shrub habitat percentage in the NHLB		•	entage in the THLB. This target is met due to zero net effect on the
Target Met			
✓ Yes	No		Pending

Recommendations and Next Steps		
None at this point.		
References		
See Table 10: Area in Stands Less than 20 Years Old and Polygons labeled as Shrub Area and		
Table 11: Areas in Stands with the Label NPBr in Appendix 2.		

- 1-2.1 Degree of Habitat protection for selected focal species including species at risk, and
- 1-2.2 Degree of suitable habitat in the long term for selected focal species including species at risk.

Measure 1-2.1 and 1-2.2		
Target Results		
Percentage of forest management activities consistent with management strategies for species of management concern, target of 100% conformance with management strategies.  (Variance of 0).		

larget Met		
✓ Yes	No	Pending
	Recommendations and Next Steps	
None at this point.		
	References	

## $1\text{-}2.3\,$ - Proportion of regeneration comprised of native species

Measure 1-2.3		
Target	Results	
Regeneration will be consistent with provincial regulation and standards for seed and vegetative material use. Target of 100% conformance with standards (0).	Canfor's planting activities during the reporting period were in conformance with the Chief Forester's Standards for Seed Use. Seedlings were planted from local seed collected in Fort Nelson in accordance with the Chief Forester's Standards for Seed Use. This target has been met.	

rarget Met		
✓ Yes	No	Pending
	1	J
	Recommendations and Next Step	DS .
None at this point.		
	References	

## 1-3.1 - Percentage of stands artificially regenerated that are free from genetically modified organisms (GMO's)

Measure 1-3.1	
Target	Results
100 percent of stands artificially reforested by participants will be free of GMO's. (Variance of 0%).	Canfor's planting activities during the reporting period were in conformance with the Chief Forester's Standards for Seed Use. All blocks were planted with seedlings grown from locally harvested seed as mentioned in indicator 1.2.3. No genetically modified organisms were used to reforest any areas in the DFA. This target has been met.

Target Met		
✓ Yes	No	Pending

Recommendations and Next Steps		
None at this point.		
	References	

## 1-4.1 - Proportion of identified sites with implemented management strategies

Measure 1-4.1	
Target	Results
100 percent of forest management activities consistent	Canfor completed no harvesting or road
with management strategies for protected areas and	construction activities during the reporting period
sites of biological significance (Variance of 0%)	therefore no activities took place that would have
	the potential to impact protected areas or sites of
	biological significance. Silviculture activities were
	consistent with operational plans. This indicator is
	considered met due to zero impact on the target.

Target Met		
✓ Yes	No	Pending

## Recommendations and Next Steps

The indicator target and variance includes sites of cultural significance made known to the participants by First Nations and other parties.

References

## 1-4.2 - Protection of identified sacred and culturally important sites

Measure 1-4.2		
Target	Results	
100 percent of identified Aboriginal forest values,	Canfor completed no harvesting or road	
knowledge and uses considered in forestry planning	construction activities during the reporting period,	
processes (0).	accordingly no activities took place that would	
	have the potential to impact identified sacred or	
	culturally important sites. No sites of significance	
	to first nations to be addressed by planning or	
	silviculture processes were brought forward to	
	Canfor during this reporting period. This indicator	
	is considered met due to zero harvesting activities	
	having occurred.	

Target Met		
✓ Yes	No	Pending
	Recommendations and Next Step	OS .
Inherent in the SFMP description of this indicator is the understanding that the consideration of Aboriginal forest values, knowledge and uses in forestry planning also includes addressing the mitigation of potential negative impact of these items and known sites of cultural importance to First Nations by way of site level plans.		
References		

## Criterion 2.0 Ecosystem Condition and Productivity

## 2-1.1.1 - Reforestation success - Regen Delay

Measure 2-1.1.1		
Target Results		
100 percent of stands established annually will have an average regeneration delay of 3 years or less (variance Site Plan specific)  No blocks were due to be established in the reporting period. Fill planting of previously established stands occurred in 2016 to mai stocking within target thresholds. This target been met.		

-	larget Met		
	✓ Yes	No	Pending
	Recommendations and Next Steps		
- 1			

References

See Appendix 3 Table 13.

## 2-1.1.2 - Reforestation success - Free Growing

Measure 2-1.1.2		
Target Results		
100 percent compliance with free growing timelines prescribed in site plans (0)	100% of all blocks required to be free growing in 2016 achieved free growing status and were declared as free growing. This target has been met.	

Target Met		
✓ Yes	No	Pending

Recommendations and Next Steps		
References		
See Appendix 3 Table 12.		

## 2-1.1.3 - Percentage of silviculture obligation areas with significant detected forest health damaging agents which have treatment plans

Measure 2-1.1.3		
Target	Results	
100 Percent of sites with significant forest health damaging agents will have a treatment plan developed and initiated within one year of detection (0)	All blocks found to have a significant forest health damaging agent that threatens the survival of the stand have had treatment plans developed. The most significant damaging agent found in blocks surveyed in 2016 was competing vegetation. These blocks have been scheduled for vegetation management and/or fill planting treatments. This indicator target has been achieved.	

Target Met		
✓ Yes	No	Pending
	1.0	1 31131119

## Recommendations and Next Steps

Wildfires in the Kotcho area destroyed a number of Canfor's plantations in 2012. Action plans were developed in 2013 to deal with reforesting these areas.

References

See Appendix 3 Table 15

#### 2-1.1.4 - Evidence of efforts being made to manage known significant forest health damaging agents

Measure 2-1.1.4		
Target	Results	
a) Annually report out on percentage of harvest	Canfor completed no harvesting or road	
activity that is focused on the treatment of stands	construction activities during the reporting period,	
damaged by or susceptible to damage by natural	accordingly no harvest salvage or sanitation	
events or damaging agents	activities took place that would have the potential	
	to impact significant forest health damaging	
<b>b)</b> Annually report out on participation in management	agents. Canfor has implemented brushing	
efforts within the DFA (committees, Task Forces, etc.) fo	activities where required. Canfor staff were	
significant forest health damaging agents	members of the Fort Nelson Mountain Pine Beetle	
	Task Force during the reporting period. Therefore,	
	this indicator is considered to have been met.	

Target Met		
No	Pending	
Recommendations and Next Steps		
None at this point.		
References		
	Recommendations and Next Ste	

#### 2-2.1 - Additions and deletions to the forest area

Measure 2-2.1		
Target	Results	
Report out the percentage of gross forested landbase	Canfor completed no harvesting or road	
(CFLB) in the DFA converted to non-forest land use	construction activities during the reporting period,	
through forest management activities. Target of less	accordingly no forest management activities took	
than 3% of the gross forested landbase at any given	place that converted forest land to non forest land	
time (variance of 0%).	use. This indicator target is considered achieved.	

Target Met			
✓ Yes	No	Pending	
Recommendations and Next Steps			
None at this point.			
References			
See Appendix 3 Table 16.			

## 2-2.2 - Proportion of long term sustainable harvest level that is actually harvested

Measure 2-2.2		
Target	Results	
Percentage of volume harvested compared to the long term harvest level (AAC) with a target of 100 percent over 5 years (10%)	Canfor completed no harvesting or road construction activities during the reporting period. This indicator target is considered pending.	

	Target Met	
Yes	No	✓ Pending

## Recommendations and Next Steps

The PRISM has agreed that reporting of the Participants performance for this indicator will be waived pending the resumption of extensive timber harvesting by the Participants within the DFA.

References

## Criterion 3.0 Soil and Water

### 3-1.1 - Level of soil disturbance

Measure 3-1.1		
Target	Results	
Percentage of harvested blocks meeting soil disturbance objectives identified in plans. Target of 100 percent (variance of 0%)	Canfor completed no harvesting, mechanical site preparation or road construction activities during the reporting period. Therefore no negative soil disturbance was created. This indicator target is considered achieved.	

Target Met		
✓ Yes	No	Pending
Recommendations and Next Steps		
None at this point.		

References

## 3-1.2 - Level of Downed woody debris

Measure 3-1.2		
Target	Results	
Percent of cutblocks reviewed where post harvest coarse woody debris (CWD) levels are within the targets contained in plans. Target of 100% (10)	•	

Target Met		
✓ Yes	No	Pending
		· · · · · · · · · · · · · · · · · · ·

Recommendations and Next Steps		
None at this point.		
	References	

## 3-2.1.1 - Proportion of watersheds or water management areas with recent stand replacing disturbance – Watersheds

Measure 3-2.1.1		
Target Results		
Sensitive watersheds that are found to be above peak	Canfor completed no harvesting or road	
flow targets will have further assessment done and	construction activities during the reporting period.	
strategies created for water management prior to	Therefore no harvesting occurred in sensitive	
harvest within the watershed. Target of 100 percent (0)	watersheds. This indicator target is considered	
	achieved.	

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

Watersheds within the DFA will be analyzed to create a baseline of information identifying sensitive watersheds. The Interior Watershed Assessment procedures Guidebook and the advice of hydrologists will be considered in the analysis. This analysis will be completed prior to resumption of extensive harvest activities. Extensive harvest activities is considered to be a harvest level of 25% or greater of the AAC associated with the license under which the harvesting is proposed.

References

#### 3-2.1.2 - Proportion of watersheds with recent stand replacing disturbance - Roads and Structures

Measure 3-2.1.2		
Target Results		
Percentage of high hazard drainage structures on road permits in sensitive watersheds with identified water quality concerns that have mitigative strategies implemented. Target of 100 (0)	Canfor completed no harvesting or road construction activities during the reporting period. Therefore no harvesting occurred in sensitive watersheds. This indicator target is considered achieved.	

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

Prior to resumption of extensive harvest activities, an analysis will be conducted to identify sensitive watersheds within the Fort Nelson DFA. Harvesting conducted in sensitive watersheds utilizing roads held under permit by Canfor will be targeted for assessment of drainage structures as identified in the SFMP, to identify stream crossings considered to be of high potential hazard for sediment delivery to fish bearing streams. Mitigation strategies will be developed for high sedimentation hazard crossing structures. Early in the current harvest shut down, Canfor surrendered the majority of it's road permits for mainline roads to MFLNRO. These roads were then re-issued to various oil and gas companies, who took over maintenance responsibilities on the roads.

#### References

#### Criterion 4.0 Role in Global Ecological Cycles

#### 4-1.1.1 - Net carbon uptake - Total Carbon Storage

Measure 4-1.1.1		
Target Results		
Maintain or increase the CFS-CBM derived baseline of 1,752 mega-tonnes total ecosystem carbon on the productive CFLB (10%)	The total carbon storage for the Fort Nelson DFA was calculated in 2006 and came out to 1,752 MT of carbon in the DFA. This indicator is considered met as the data from the initial run is still the baseline and believed to be applicable. Timber harvesting activities shut down in 2008.	

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

This data is tied to inputs from the Timber Supply Review (TSR). The next run of the model may be completed in conjunction with the anticipated 2017 TSR for the Fort Nelson Timber Supply Area. Should new carbon storage data for the DFA become available prior to the TSR, it will be presented within the reporting year report when it was released. The lack of harvesting and road building activities by Canfor has resulted in no reductions in Carbon storage resulting from Canfor's forest management activities.

#### References

See Table 18: Summary of ecosystem carbon storage in the forested landbase over a 250 year period in Appendix 4 – Criterion 4 Supporting Data for a summary of the data from the carbon analysis report.

#### 4-1.1.2 - Net carbon uptake - Sequestration rate

Measure 4-1.1.2		
Target Results		
Maintain or increase the CFS-CBM derived baseline	The annual carbon sequestration rate for the Fort	
sequestration rate of 0.93 MT carbon per year in the	Nelson DFA was calculated in 2006 and came out	
THLB and 0.55 MT carbon per year in the NHLB (10%)	to 0.93 MT per year in the THLB and 0.55 MT per	
	year in the NHLB. This indicator is considered met	
	as the data from the initial run is still the baseline	
	and believed to be applicable. Timber harvesting	
	activities shut down in 2008.	

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

This data is tied to inputs developed under Timber Supply Review (TSR) analyses. The next run of the model may be completed in conjunction with the anticipated 2017 TSR analysis. Should new carbon sequestration rate data for the DFA become available prior to the TSR, it would be presented within the reporting year report when it was released. Canfor's reforestation activities have contributed to maintaining and / or increasing the Carbon sequestration rate.

#### References

See Table 19: Average carbon sequestration rate in the forested landbase over a 250 year period in Appendix 4 – Criterion 4 Supporting Data for a summary of the data from the carbon analysis report.

#### 4-1.2 - Reforestation Success

Measure 4-1.2			
Target Results			
Average regeneration delay for stands established annually will be 3 years or less (Variance site plan specific).	No stands were required to be established in the last 7 years, as no harvesting has occurred since 2008. Fill planting of previously established stands		
	occurred in 2016 to maintain stocking within target thresholds. This target has been met		

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

Cut block stocking will continue to be monitored and fill planting completed, where required to maintain stocking within target thresholds.

References

#### 4-2.1.1 - Addition and deletions to the forest area

Measure 4-2.1.1		
Target Results		
Percent of gross forested landbase in the DFA converted to non-forest land use through forest management activities. Target of less than 3% of gross forested landbase at any given time (0).	Canfor completed no harvesting or road construction activities during the reporting period, accordingly no activities took place that converted forest land to non forest land use. This indicator target is considered achieved.	

Target Met			
✓ Yes	No	Pending	
Recommendations and Next Steps			
None at this point.			
References			

### 4-2.1.2 - Evidence of best efforts to coordinate forest management activities with the oil and gas industry

	Measure 4-2.1.2		
	Target	Results	
A)	Share 100% of annual planned block and road	Canfor completed no harvesting or road	
	construction with the Oil and Gas Commission (0)	construction activities during the reporting	
В)	Report out the number of oil and gas referrals for	period, nor did Canfor complete any harvest	
	the Fort Nelson DFA responded to by each of the	planning activities. Accordingly, there was no	
	participants	annual operating plan to share with the OGC. This	
		indicator target is considered achieved.	
		During 2016 Canfor received and responded to 5	
		Fort Nelson based oil and gas project referrals.	
		There were no direct impacts to Canfor interests	
		and no opportunities to coordinate access or	
		forest management activities.	

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

Prior to resumption of extensive harvest activities, Canfor will share it's annual harvest plan with the Oil and Gas Commission. Canfor continues to comment on oil and gas project referrals received. See the BCTS Annual Report for the number of referrals responded to by BCTS.

#### References

A risk assessment of the impact of oil and gas activities on SFM targets was completed in 2012. **See Appendix 3 Figure 6**.

#### Criterion 5.0 Economic and Social Benefits

## 5-1.1.1 - Quantity and quality of timber and non-timber benefits, products and services produced in the DFA - Timber

Measure 5-1.1.1	
Target	Results
Proportion of the long term sustainable harvest level	Canfor completed no harvesting or road
that is actually harvested. Percentage of volume	construction activities during the reporting period.
harvested annually compared to long term harvest level	This indicator target is considered pending.
(AAC) with a target of 100 percent over 5 years (0)	

	Target Met			
I	Yes No ✓ Pending			

#### Recommendations and Next Steps

The PRISM has agreed that reporting of the Participants performance for this indicator will be waived pending the resumption of timber harvesting by the Participants within the DFA.

#### References

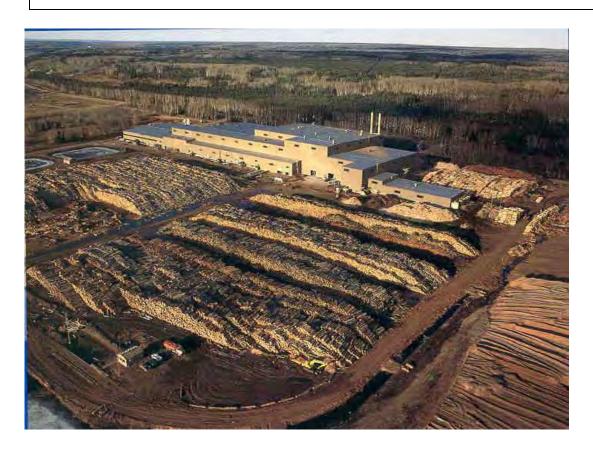


Figure 4: Canfor Polarboard OSB mill circa 2003.

## 5-1.1.2 - Quantity and quality of timber and non-timber benefits, products and services provided in the DFA – Non-Timber

Measure 5-1.1.2		
Target	Results	
Conformance with strategies for non-timber benefits identified in plans. Target of 100 percent compliance (0).	Canfor completed no harvesting or road construction activities during the reporting period. Brushing and weeding activities were reviewed with First Nations and no important sites were identified. As such no plans were implemented that required strategies for provision of non-timber benefits. This indicator target is considered met.	

Target Met		
✓ Yes	No	Pending
Recommendations and Next Steps		
Reconfinentiations and Next Steps		
References		

## 5-1.1.3 - Participants forest management activities will not negatively impact established recreational sites and trails

Measure 5-1.1.3	
Target	Results
100 percent of Participants road building and harvesting	Canfor completed no harvesting or road
activities will take place outside of established construction activities during the reporting period	
recreation sites and trails. A variance is allowed in the As such there was no potential or actual impact to	
event there is a compelling forest health or safety	established recreation sites and trails. The
concern and that appropriate permissions are obtained. indicator is considered achieved.	

Target Met			
✓ Yes	V YAS I IND I PANDING		

## Recommendations and Next Steps

A variance, if required, would be requested from the appropriate designated decision maker.

#### References

See Table 20: Recreation sites and trails in the Fort Nelson DFA in Appendix 5 – Criterion 5 Supporting Data for a summary of Recreation sites and trails identified in the SFMP.

#### 5-1.1.4 - Forest management activities will be consistent with Visual Quality Objectives (VQOs)

Measure 5-1.1.4		
Target Results		
100 percent of Participants forest operations will be	Canfor completed no harvesting or road	
consistent with the established VQOs for the Fort construction activities during the reporting pe		
Nelson DFA. A variance is allowed in the event there is As such there was no potential or actual impa		
a compelling forest health or safety concern, and the	established VQOs. The indicator is considered	
appropriate permissions are obtained. achieved.		

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

A variance, if required, would be requested from the appropriate designated decision maker.

#### References

See Figure 9: Fort Nelson Visual Quality Objectives, Table 21: Visual Quality Objective Class, Table 22: Maximum Allowable Disturbance Percentage by VQO Class, Table 23: Percent Denudation for Established VQOs in Appendix 5 – Criterion 5 Supporting Data, for a summary of the background data from the 2011 SFMP.

#### 5-2.1.1 - Levels of investment in initiatives that contribute to community sustainability

Measure 5-2.1.1		
Target	Results	
Percent of total budget spent in local communities on a	Of Canfor's 2016 planning budget for Fort Nelson	
5 year rolling average. This will be a report out indicator	3% (\$12,706) was spent on local suppliers. Of	
until the PAG decides on an acceptable target and Canfor's 2016 silviculture budget 50% (\$395,687		
variance. Annual expenditures will also be reported out was spent on local suppliers. Of Canfor's 2016		
in this indicator	road maintenance budget 14% (\$5,500) was spent	
	on local suppliers. Overall, 34% (\$413,893) of	
	Canfor's 2016 budget was spent on local suppliers.	
	The 5 year rolling average is 41.8%	

Target Met		
✓ Yes No Pending		Pending

Recommendations and Next Steps		
None at this point.		
References		
See Appendix 5 Table 27.		

## 5-2.1.2 - Amount of stumpage paid in the Fort Nelson DFA

Measure 5-2.1.2		
Target Results		
This is a report out indicator requested by the Public Canfor completed no harvesting or road		
Advisory Group to show what revenues are being construction activities during the reporting period		
generated by the forest resource (timber extraction) in   As such there was no stumpage charged and none		
the DFA. As such there is no target or variance paid in the reporting period. The indicator is		
associated with it. considered to have been achieved.		

Target Met		
✓ Yes	No	Pending
	Recommendations and Next Step	OS
None at this point.		
·		
	References	

## 5-2.2 - Level of investment in training and skills development

Measure 5-2.2		
Target Results		
Training in environmental and safety procedures in In 2016 Canfor had 4 woodlands employees with		
compliance with company training plans. Target of 100 duties in Fort Nelson. All 4 employees received		
percent of company employees will have both required safety and environmental training. This		
environmental and safety training (5).	indicator target is considered to have been met.	

larget Met			
✓ Yes	No	Pending	
Recommendations and Next Steps			
None at this point.			

#### 5-2.3 - Level of direct and indirect employment

Measure 5-2.3	
Target	Results
Maintain current level of direct and indirect	During the reporting period Canfor had a total of 4
employment as expressed as a factor of current harvest	staff assigned to Fort Nelson duties. A total of 2.4
level (or using indirect job multipliers derived from the person years of employment were created through	
last TSR (variance of 10%)	Canfor's planning and reforestation activities in
	Fort Nelson. The TSR employment multiplier of
	1.25 yields a total of 5 direct and indirect jobs. This
	indicator target is considered to have been
	achieved.

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

With the sale of Canfor's panel manufacturing equipment in the spring of 2013, the 14 manufacturing staff assigned to Canfor Fort Nelson had their employment with the Company terminated. As of the writing of the 2013 report, Canfor had no manufacturing staff in Fort Nelson. At the time of preparation of the 2013 report Canfor had and continues to have 4 employees (Woodlands) with duties in Fort Nelson. This became the baseline level of direct employment to be maintained in the 2014 and subsequent reporting years.

References

#### 5-2.4 - Level of Aboriginal participation in the forest economy

Target	Results
Number of opportunities compared to the three year rolling average. There will be no set target for this indicator as the objective is to ensure that some consid opportunities are being made available to first nations within the DFA. No variance is prescribed with this contra	or maintained 1 MOU with Prophet River Nation. The provisions of the MOU are idered "on hold" until harvest operations me by Canfor. Canfor did not tender any racts for work in Fort Nelson in 2016. As this report out indicator it is considered to have

✓ Yes	No	Pending	
Recommendations and Next Steps			
None at this point.			
References			

Target Met

## Criterion 6.0 Societies Responsibilities

## 6-1.1 - Evidence of good understanding of the nature of Aboriginal title and rights

Measure 6-1.1		
Target Results		
100% of Canfor Forest Management Group (Fort Three of Canfor's four Fort Nelson Woodlands		
Nelson Woodlands) employees and 100% of all BCTS employees received First Nations awareness		
Fort Nelson Field Team staff will receive First Nations training. This indicator is not considered to have		
awareness training (variance of 0%)	been achieved.	

Target Met				
Yes ✓ No Pending				
Recommendations and Next Steps				
Canfor's aboriginal awareness training module was placed on the Eclipse training website in the form of a				
self administered training module in 2012.				
References				

## 6-1.2 - Evidence of best efforts to obtain acceptance of management plans based on Aboriginal communities having a clear understanding of the plans

Measure 6-1.2		
Target	Results	
100% of management plans exhibit evidence of best efforts to obtain acceptance by aboriginal communities	In the reporting period, Notices of Intent to Treat were shared with affected First Nations (Prophet River, Fort Nelson, Fort Liard) and invited to meet with Canfor reps to review the plans. Only Fort Nelson First Nation responded, asking for clarification of the herbicide program and it's effects. Canfor provided a response which addressed the First Nation's questions. No other communications from First Nation community member or trappers were received. No harvest plans were developed or shared during the 2016 reporting period. This indicator is considered to have been met.	

Target Met		
✓ Yes	No	Pending
Recommendations and Next Steps		

Recommendations and Next Steps		
None at this point.		
References		

## 6-1.3 - Level of Management and/or Protection of areas where culturally important practices and activities (hunting, fishing, gathering) occur

Measure 6-1.3		
Target	Results	
100 percent of forest operations in conformance with	Canfor completed no harvesting or road	
operational / site plans developed to address	construction activities during the reporting period.	
Aboriginal forest values, knowledge and uses (variance	Canfor's brushing activities were completed in	
of 0)	conformance with site plans & comments received	
	in response to the Pesticide Management Plan	
	(PMP) and Notice of Intent to Treat (NIT). No site	
	specific comments were received from First	
	Nations regarding the blocks proposed to be	
	treated with herbicide. The indicator is achieved.	

	rarget Met	
✓ Yes	No	Pending
	Recommendations and Next Step	S
None at this point.		
	References	

# 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

Measure 6-2.1		
Target	Results	
100 percent of identified Aboriginal forest values and uses considered in the forestry planning process	Canfor did not complete any harvesting or road construction activities during the reporting period. Canfor's brushing activities were completed in conformance with site plans and comments received from First Nations in response to the PMP and NIT consultation. The indicator is achieved.	

Target Met		
✓ Yes	No	Pending

#### Recommendations and Next Steps

Inherent in the SFMP description of this indicator is the understanding that the consideration of Aboriginal forest values and uses in forestry planning includes addressing the protection of these items in forest plans. Every affected trapper/guide/First Nation was notified of planned 2016 herbicide treatments, and in 2014 First Nations were contacted to comment on the PMP; any concerns are addressed prior to vegetation management activity taking place. In 2015 Canfor proposed the harvest of 2 cutblocks, comments received from the FNFN and PRFN were addressed in the Site Plans prepared for the 2 blocks. As of the writing of the 2016 annual report, cutting permits for these blocks have not been issued by the MFLNRO.

## References

## 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

Measure 6-3.1		
Target	Results	
Report out the number of purchase/Sale/Trade relationships with local forest dependent businesses where primary forest products and by-products are bought, sold or traded (Variance not applicable).	Canfor maintained an inactive purchase relationship with BCTS and other industrial suppliers in the Fort Nelson area, due to the indefinite closure of Canfor's mills. The indicator is considered to have been achieved.	

Target Met		
✓ Yes	No	Pending
Recommendations and Next Steps		
None at this point.		
References		

## 6-3.2 - Evidence of co-operation with DFA related workers to improve and enhance safety standards, procedures and outcomes in all DFA workplaces and affected communities

Measure 6-3.2		
Target	Results	
100 percent of Participants and their contractors and licensees (in the case of BCTS) will implement and maintain a certified safety program (10%).	Canfor maintained Safe Companies Certification in the reporting period. Canfor did not complete any harvesting or road construction activities during the reporting period. Silviculture contractors working for Canfor in the woods during the reporting period maintained certified safety programs. This indicator is considered to have been achieved.	

i di get iviet			
✓ Yes	No	Pending	
Recommendations and Next Steps			
None at this point.			
References			

## 6-3.3 - Evidence that a worker safety program has been implemented and is periodically reviewed and improved.

Measure 6-3.3			
Target	Results		
A) 100 Percent of non-conformities found during external audits will have an action plan developed and implemented in a manner and timeframe acceptable to the auditor (0).	<ul> <li>A) Canfor successfully underwent a surveillance audit of its safety certification, which was maintained during the reporting period. No non conformities were identified.</li> <li>B) A management review of Canfor's 2016 Forest</li> </ul>		
B) An annual management review of the safety program will be completed (0)	Management Group safety program was completed.  This indicator is considered to have been achieved.		

Target Met				
✓ Yes	No	Pending		
Recommendations and Next Steps				
None at this point.				
References				

## 6-4.1 - Level of Participant and PRISM satisfaction with the public participation process

Measure 6-4.1		
Target	Results	
80 percent or greater level of satisfaction indicated by a PRISM established and maintained satisfaction survey (10%)	The PRISM public participation process satisfaction survey was administered at the March 3 <sup>rd</sup> 2016 PAG meeting. Four surveys were returned and the average satisfaction level with the Public advisory process was rated as 4.8 out of 5 (96.0%). Therefore this indicator is considered to be met.	

Target Met				
✓ Yes	No	Pending		
Recommendations and Next Steps				

None at this point.

References

See Appendix 6 Table 28: Summary of 2016 Public Participation Process Satisfaction Survey

#### 6-4.2 - Evidence of efforts to promote capacity and meaningful participation in general

Measure 6-4.2	
Target	Results
1 or more educational opportunities for information/training are delivered to the PAG Annually	Four Educational opportunities were provided to the PAG during the reporting period:  1) October 6th, 2016 PRISM Meeting  a) Update on the provincial Boreal Caribou Implementation Plan  — Howard Madill  2) March 9rd, 2017 PRISM meeting  a) Update on boreal caribou research in northern BC — Megan Waters  3) June 24, 2016 PRISM Field Tour  This indicator is considered to have been met.

Target Met		
✓ Yes	No	Pending
Recommendations and Next Steps		

None at this point.

References

# 6-4.3 - Evidence of efforts to promote capacity development and meaningful participation for Aboriginal communities

Measure 6-4.3	
Target	Results
100 percent of management plans exhibit evidence of best efforts to obtain acceptance by Aboriginal communities (0%)	During the reporting period no harvesting plans and Notices of Intent to Treat were shared with affected First Nations (Prophet River & Fort Nelson First Nations) and invited to meet with Canfor reps to review the plans. FNFN provided comment regarding the NIT. This indicator is considered to have been met.

Target Met		
✓ Yes No Pending		Pending

Recommendations and Next Steps		
None at this point.		
References		



Figure 5 PRISM Discussion of Fire Impacts, Field Tour June 2016

## 6-5.1 - Number of people reached through educational outreach

-5.1 - Number of people reached through educational outreach		
Measure 6-5.1		
Target	Results	
50 or greater people to whom educational	Following is a summary of the Participants'	
opportunities have been offered (variance of -10	educational outreach activities and the	
people)	attendance:	
	Spring Trade Show – 57 people	
	Summer 2016 Field Tour - 4 people	
	Community Forest Tour – BCTS – 16 people	
	October 6 <sup>th/16</sup> PRISM Meeting – 5 people	
	March 9 <sup>th/17</sup> PRISM Meeting – 7 people	
	Fort Nelson public library (unsure of number of	
	people reached)	
	Total People reached via educational outreach –	
	89+ people	
	As total is within the 10 person variance, this	
	indicator is considered to have been met.	

Target Met		
✓ Yes	No	Pending
Recommendations and Next Steps		

Recommendations and Next Steps		
None at this point.		
References		



Figure 6 PRISM Field Tour June 2016

#### 6-5.2 - Availability of summary information on issues of concern to the public

Measure 6-5.2	
Target	Results
Previous years' annual report must be made available to the public via the web prior to March 31 <sup>st</sup> of the current reporting year (no variance).	Canfor posted the 2015 annual report to it's external website. The 2015 SFM annual report was submitted to the Fort Nelson public library. This indicator has been met.

Target Met		
✓ Yes No Pending		Pending

#### Recommendations and Next Steps

The 2016 SFM annual report will be posted to Canfor's external website and a copy will be provided to the Fort Nelson public library.

References

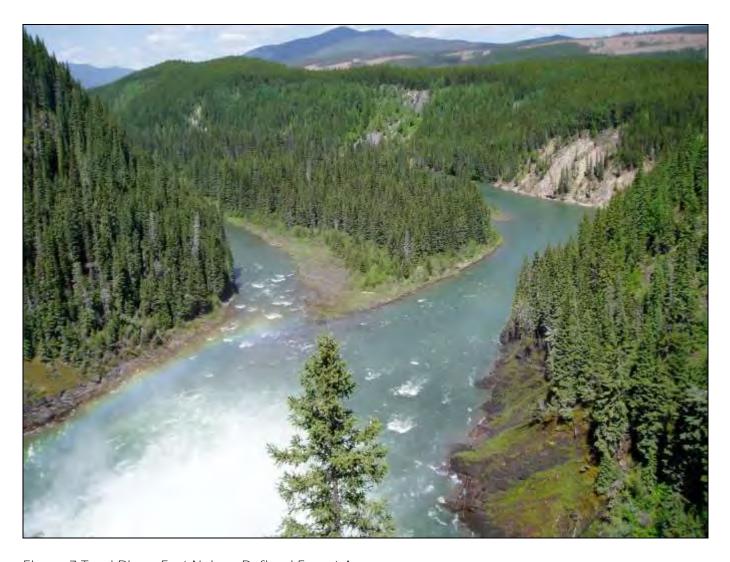


Figure 7 Toad River, Fort Nelson Defined Forest Area.

Questions regarding the 2016 SFM annual report may be directed to Canfor:
Darrell Regimbald RPF
Planning Coordinator North
250 787-3651

# **Appendix 1 – SFMP Change Tables**

Table 2: Summary of Changes to Criteria from the 2004 SFMP to the 2011 SFMP

Table 3: Summary of changes from 2004 Measures to 2011 Indicators

Table 4: Dropped Measures from the Amended 2004 SFMP

Table 2: Summary of Changes to Criteria from the 2004 SFMP to the 2011 SFMP

2004 Criteria	CSA Z809-08 Criteria
C1 Biological richness and its associated values are	C1 Biological diversity
sustained in the defined forest area (DFA)	
C 2. The productive capability of forest ecosystems	C2 Ecosystem Condition and Productivity
within the Timber Harvesting Land Base (THLB) are	
sustained	
C 3. Forest ecosystem contributions to global	C3 Soil and Water
ecological cycles are sustained within the DFA	
C 4. The flow of economic benefits from forests	C4 Role in Global Ecological Cycles
through the forest industry is sustained	
C 5. The flow of marketed non-timber economic	C5 Economic and Social Benefits
benefits from forests is sustained	
C 6. Forest management contributes to a	C6 Society's responsibility
diversified local economy	
C 7. Decisions guiding forest management on the	
DFA are informed by and respond to a wide range	
of social and cultural values	
C 8. Forest management sustains or enhances the	
cultural (material and economic), health (physical	
and spiritual) and capacity benefits that First	
Nations derive from forest resources	
C 9. Forest management sustains ongoing	
opportunities for a range of quality of life benefits	

Table 3: Summary of changes from 2004 Measures to 2011 Indicators

CSA Z809-08 Core indicator or Local	Measure replaced from the 2008 update of
Indicator	the 2004 plan
1.1.1 Ecosystem area by type	1-1.1 Ecosystem Representation
1.1.2 Forest area by type or species composition	1-2.1 Habitat elements
1.1.3 Forest area by seral stage or age class	1-1.2 Seral stage
1.1.4.1 Degree of within stand structural retention	1-2.1 Habitat elements
- WTP percentage	1 211 Habitat elements
1.1.4.2 Degree of within stand structural retention	1-2.1 Habitat elements
Dispersed Retention	1 212 Habitat elements
1.1.4.3 Degree of within stand structural retention	1-2.1 Habitat elements
- Riparian Management	
1.1.5 Shrub Habitat	1-2.1 Habitat elements
1.2.1 Degree of habitat protection for focal species	1-3.1 Vertebrate species populations
including species at risk	1-3.2 SAR management strategies
morading species de risk	1-4.1 Operations in parks, reserves and PA's
	1-4.2 Special sites of biological significance
	1-4.3 Management activities consistent with the
	Muskwa-Kechika management area
	1-4.4 Management activities consistent with legal
	objectives
1.2.2 Degree of suitable habitat in the long term	1-2.1 Habitat elements
for selected focal species including species at risk	1-3.1 Vertebrate species populations
	1-4.1 Operations in parks, reserves and protected
	areas
	1-4.2 Special sites of biological significance
	1-4.3 Management activities consistent with the
	Muskwa-Kechika management area
	1-4.4 Management activities consistent with legal
	objectives
1.2.3 Proportion of regeneration comprised of	1-6.1 Conifer seed use in accordance with
native species	regulation
	1-6.2 Aspen regeneration – Natural regeneration
1.3.1 Percentage of stands artificially regenerated	New Measure with no equivalent from the older
that are free of genetically modified organisms	plans
1.4.1 Proportion of identified sites with	1-4.1 Operations in parks, reserves and protected
implemented management strategies	areas
	1-4.2 Special site of biological significance
	1-4.4 Management activities consistent with legal
	objectives
	9-3.1 compliance with documented strategies
1.4.2 Protection of identified sacred and culturally	8-2.1 Percentage of specific/confirmed culturally
important sites	important sites identified by first nations
2.1.1.1 Reforestation success – Regen Delay	2-3.1 Regeneration delay
	2-3.2 Compliance with regeneration standards
2.1.1.2 Reforestation success – Free Growing	2-3.3 Compliance with free growing
2.1.1.3 Percentage of silviculture obligation areas	4-6.2 Management strategies for damaging events
with significant detected forest health agents	or agents

CSA Z809-08 Core indicator or Local Indicator	Measure replaced from the 2008 update of the 2004 plan
which have treatment plans	·
2.1.1.4 Evidence of efforts being made to manage known significant forest health damaging agents	4-6.1 Assessment of damaging events or agents
2.2.1 Addition and deletions to the forest area	2-2.1 forest converted to non-forest use
2.2.1 Addition and deletions to the lorest area	2-2.3 Landslides
2.2.2 Percentage of long term sustainable harvest	4-1.1 Harvested Volume
level that is actually harvested	4-1.2 Timber supply certainty
3.1.1 Level of Soil disturbance	22.2 Long term detrimental soil disturbance
3.1.2 Level of downed woody debris	1-2.1 Habitat elements
3.1.2 Level of downed woody debits	2-1.2 Coarse woody debris
3.2.1.1 Proportion of watershed or water	1-5.1 Stream crossings – WQCR
management areas with recent stand replacing	1-5.2 Stream crossings – installed/removed to
disturbance - Watersheds	design/standard
	1-5.3 Stream crossings - inspections
3.2.1.2 Proportion of watershed or water	1-5.1 Stream crossings – WQCR
management areas with recent stand replacing	1-5.2 Stream crossings – installed/removed to
disturbance - Roads	design/standard
	1-5.3 Stream crossings - inspections
4.1.1.1 Net Carbon Uptake – Total Carbon Storage	3-1.1 Carbon stored in trees and non-tree
	vegetation
	Note this measure was pulled directly across
4.1.1.2 Net Carbon Uptake – Carbon sequestration	3-3.1 Carbon Sequestration
rate	Note this measure was pulled directly across
4.1.2 Reforestation success	As per indicator 2.1.1
4.2.1.1 Additions and deletions from to the forest	As per indicator 2.2.1
area 4.2.1.2 Evidence of best efforts to coordinate	2-2.4 Information requests – oil and gas industry
forest management activities with the oil and gas	2-2.4 information requests – on and gas moustry
industry	
i maasti y	
5.1.1.1 Quantity and Quality of timber and non-	As per indicator 2.2.2
	As per indicator 2.2.2
5.1.1.1 Quantity and Quality of timber and non-	
<ul><li>5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA</li><li>5.1.1.2 Quantity and Quality of timber and non-</li></ul>	5-1.1 Potential for marketed non-timber resource
5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in	5-1.1 Potential for marketed non-timber resource benefits
<ul><li>5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA</li><li>5.1.1.2 Quantity and Quality of timber and non-</li></ul>	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource
5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity
5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.3 Participants forest management activities	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity 9-1.1 Number of forest recreation sites/facilities
<ul> <li>5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA</li> <li>5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA</li> <li>5.1.1.3 Participants forest management activities will not negatively impact established recreational</li> </ul>	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity
5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.3 Participants forest management activities will not negatively impact established recreational sites and trails	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity 9-1.1 Number of forest recreation sites/facilities maintained
5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.3 Participants forest management activities will not negatively impact established recreational sites and trails 5.1.1.4 Forest management activities will be	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity 9-1.1 Number of forest recreation sites/facilities
5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.3 Participants forest management activities will not negatively impact established recreational sites and trails	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity 9-1.1 Number of forest recreation sites/facilities maintained 9-2.1 Compliance with Visual Quality Objectives
5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.3 Participants forest management activities will not negatively impact established recreational sites and trails 5.1.1.4 Forest management activities will be consistent with Visual Quality Objectives (VQO's) 5.2.1.1 Level of investment in initiatives that	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity 9-1.1 Number of forest recreation sites/facilities maintained 9-2.1 Compliance with Visual Quality Objectives New Measure with no equivalent from the older
5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA  5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA  5.1.1.3 Participants forest management activities will not negatively impact established recreational sites and trails  5.1.1.4 Forest management activities will be consistent with Visual Quality Objectives (VQO's)  5.2.1.1 Level of investment in initiatives that contribute to community sustainability	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity 9-1.1 Number of forest recreation sites/facilities maintained 9-2.1 Compliance with Visual Quality Objectives  New Measure with no equivalent from the older plans
5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA 5.1.1.3 Participants forest management activities will not negatively impact established recreational sites and trails 5.1.1.4 Forest management activities will be consistent with Visual Quality Objectives (VQO's) 5.2.1.1 Level of investment in initiatives that	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity 9-1.1 Number of forest recreation sites/facilities maintained 9-2.1 Compliance with Visual Quality Objectives New Measure with no equivalent from the older
<ul> <li>5.1.1.1 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA</li> <li>5.1.1.2 Quantity and Quality of timber and non-timber benefits, products and services produced in the DFA</li> <li>5.1.1.3 Participants forest management activities will not negatively impact established recreational sites and trails</li> <li>5.1.1.4 Forest management activities will be consistent with Visual Quality Objectives (VQO's)</li> <li>5.2.1.1 Level of investment in initiatives that contribute to community sustainability</li> <li>5.2.1.2 Amount of stumpage paid in the Fort</li> </ul>	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity 9-1.1 Number of forest recreation sites/facilities maintained 9-2.1 Compliance with Visual Quality Objectives New Measure with no equivalent from the older plans
5.1.1.1 Quantity and Quality of timber and non- timber benefits, products and services produced in the DFA  5.1.1.2 Quantity and Quality of timber and non- timber benefits, products and services produced in the DFA  5.1.1.3 Participants forest management activities will not negatively impact established recreational sites and trails  5.1.1.4 Forest management activities will be consistent with Visual Quality Objectives (VQO's)  5.2.1.1 Level of investment in initiatives that contribute to community sustainability  5.2.1.2 Amount of stumpage paid in the Fort Nelson DFA	5-1.1 Potential for marketed non-timber resource benefits 5-1.2 Amount of marketed non-timber resource activity 9-1.1 Number of forest recreation sites/facilities maintained 9-2.1 Compliance with Visual Quality Objectives New Measure with no equivalent from the older plans 4-3.1 Fees paid by the Forest Industry

CSA Z809-08 Core indicator or Local Indicator	Measure replaced from the 2008 update of the 2004 plan
5.2.3 Level of direct and indirect employment	4-2.1 Direct employment in the forest industry 4-2.2 Indirect and induced employment
5.2.4 Level of Aboriginal participation in the forest economy	4-4.1 Opportunities for first nations 4-4.2 Opportunities for first nations (BCTS)
6.1.1 Evidence of good understanding of the nature of Aboriginal title and rights	New Measure with no equivalent from the older plans
6.1.2 Evidence of best efforts to obtain acceptance of management plans based on Aboriginal communities having a clear understanding of the plans	8-1.1 Percentage of cutblocks where information sharing took place 8-2.1 Access to resources for first nations 8-3.1 First nations opportunities to comment 8-3.2 Percentage of archaeological impact assessments sought
6.1.3 Level of management and/or protection of areas where culturally important practices and activities (hunting, fishing, gathering, Etc.) occur	8-1.1 Percentage of cutblocks where information sharing took place 8-2.1 Access to resources for first nations 8-3.1 First nations opportunities to comment
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	8-1.1 Percentage of cutblocks where information sharing took place 8-2.1 Access to resources for first nations
6.3.1 Evidence that the organization has co- operated with other forest dependant businesses, forest users and the local community to strengthen and diversify the local economy	New Measure with no equivalent from the older plans
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 workplaces and affected communities	<ul><li>9-4.1 Safe company registration and certification</li><li>9-4.2 safety incidences</li><li>9-4.3 Number of serious injuries</li><li>9-4.4 Number of fatalities</li></ul>
6.3.3 Evidence that a worker safety program has been implemented and is periodically reviewed and improved	9-4.1 Safe company registration and certification
<ul><li>6.4.1 Level of Participant satisfaction with the public process</li><li>6.4.2 Evidence of efforts to promote capacity</li></ul>	<ul><li>7-1.3 Effective public advisory group</li><li>7-1.4 Equitable and inclusive deliberation process</li><li>7-1.2 Methods used for public communication</li></ul>
development and meaningful participation in general	7-1.3 Effective public advisory group 7-1.5 perceptions of members of the Fort Nelson public advisory group
6.4.3 Evidence of efforts to promote capacity development and meaningful participation for Aboriginal communities	New Measure with no equivalent from the older plans
6.5.1 Number of people reached through educational outreach	7-1.2 Methods used for public communication
6.5.2 Availability of summary information on issues of concern to the public	New Measure with no equivalent from the older plans

Table 4: Dropped Measures from the Amended 2004 SFMP

Dropped Measure	Reason for deletion
2-1.1 Site index	This measure was dropped because of the high variability in the methodology of measuring Site Index for any given site. There are three methods for calculating SI, and there is no way of knowing how the original SI was derived. This makes any comparison to a newly calculated SI very difficult to reconcile.
2-4.1 Treatment plans for natural disturbance events	As natural disturbance events are not under the control of the Participants, neither is the legal responsibility for management of these events which are not triggered by the actions of the participants. The treatment of such areas would have to be voluntary. Such losses to natural disturbance would be taken into account by the TSR process, resulting in downward pressure on AAC in the short term.
2-4.2 Percent of catastrophic natural disturbance events due to forestry activities	If forestry activities were to result in a catastrophic natural disturbance or to exacerbate a natural disturbance, the Participants would be required to help with the mitigation as a matter of law.
4-2.3 Dollar value of BCTS timber sales and total	This measure did not really fit in with any of the
timber volume advertised by BCTS	elements from the 6 CSA criteria.
4-3.2 Personal income taxes paid	This measure did not fit in with any of the elements from the 6 CSA criteria, and was considered inappropriate by the Participants as it was reporting personal information.
4-5.1 Perceptions of Canfor and BCTS	This measure did not really fit in with any of the elements from the 6 CSA criteria.
4-5.2 Competitive primary milling facility	This measure was removed as the presence of a competitive primary milling facility is controlled by the lumber market, which is beyond the control of the Participants to influence.
6-1.1 Employments by broad sector	This measure is out of the scope of control of the Participants and as such not appropriate for the SFMP
6-1.2 Employment by industry	This measure is out of the scope of control of the Participants and as such not appropriate for the SFMP
7-1.1 Stakeholder database	This measure did not really fit in with any of the elements from the 6 CSA criteria. The stakeholder database has been retained as a tool to be used by the participants to assist in efforts to inform the public about the SFM activities of the participants.

#### **Appendix 2 – Criterion 1 Supporting Data**

Table 5: Rare and Uncommon Ecosystem Groups in the Fort Nelson DFA

Table 6: Forest Cover Type

Table 7: Required Percentage of Retention in the DFA Table 8: Current Percentage of Old Seral Stage by NDU Table 9: Current Stand Level Retention Percentage

Table 10: Area in Stands Less than 20 Years Old and Polygons labeled as Shrub Area

Table 11: Areas in Stands with the Label NPBr

Figure 9: Natural Disturbance Units of the Fort Nelson DFA

Table 5: Rare and Uncommon Ecosystem Groups in the Fort Nelson DFA\*

Rare Ecosystems in the NHLB	Forest Area (ha)
Group #	
7 - BWBS dk1 (02), SBS mk1 (03), SBS mk2 (02)	532
73 - BWBS dk1 (06)	2,397
71 - BWBS dk1 (07)	704
74 - BWBS dk1 (08)	74
69 - SWB mk (09)	346
Uncommon Ecosystems in the NHLB	Ecosystem Description
3 - SWB mk (02)	5,695
36 - ESSF mc (05)	8,158

<sup>\*</sup>from 2011 ecosystem analysis conducted by Canfor

**Table 6: Forest Cover Type\*** 

				Baseline %
Cover Type	CFLB (ha)	THLB (ha)	NHLB (ha)	of CFLB
Pure hardwoods	1,071,994	657,375	414,619	19.0%
Hardwood-leading mixed	452,116	205,060	247,055	8.0%
Pure conifers	3,583,672	1,123,399	2,460,273	63.6%
Conifer-leading mixed	532,327	302,898	229,428	9.4%
Total Area	5,640,109	2,288,732	3,351,375	100%

<sup>\*</sup>From 2011 SFMP analysis.

**Table 7: Required Percentage of Retention in the DFA** 

¶	¶	1	1
Natural⋅ Disturbance⋅Unit¤	Landscape·Units¤	Age∙orrold¤	Minimum-%-of-CFLB¶ retained-as-Old-Forest¶ ¤
¶ Alluvial¤	¶ 1···Liard·River¶ 2···Liard·River·Corridor·Park¶ 3···Nelson·Forks¶ ¤	¶ Conifer······140¶ Deciduous····100¶ ¤	¶ ¶ 44¤
¶ ¶ ¶ ¶ Northern·Boreal· Mountains¤	¶ 4···Sharktooth¶ 5···Major·Hart¶ 6···Boreal¶ 7···Kechika¶ 8···Rabbit¶ 9···Netson¶ 10·Muncho¶ 11·Churchill¶ 12··Sulpher/8·Mile¶ 13··Tuchodi¶ 14··Gathto¶ 15··Prophet¶ 16··Smith¶ 17··Hyland¶ 18··Beaver¶ 19··Irene¶ 20··Kledo¶ 21··Holden¤	¶ ¶ ¶ ¶ ¶ 140¶ ¤	¶ ¶ ¶ ¶ ¶ ¶ ¶ 37¤
¶ ¶ ¶ Boreal·Plains· Uplands¤	¶ 22-Klowee¶ 23-Cridland¶ 24-Klua¶ 25-Clarke¶ 26-Sandy¶ 27-Kiwigana¶ 28-Petitot¶ 29-Kotcho¶ 30-Shekilie¶ ¶	¶ ¶ ¶ Conifer······140¶ Deciduous····100¶ ¤	¶ ¶ ¶ 17¤

Figure 8: Natural Disturbance Units of the Fort Nelson DFA

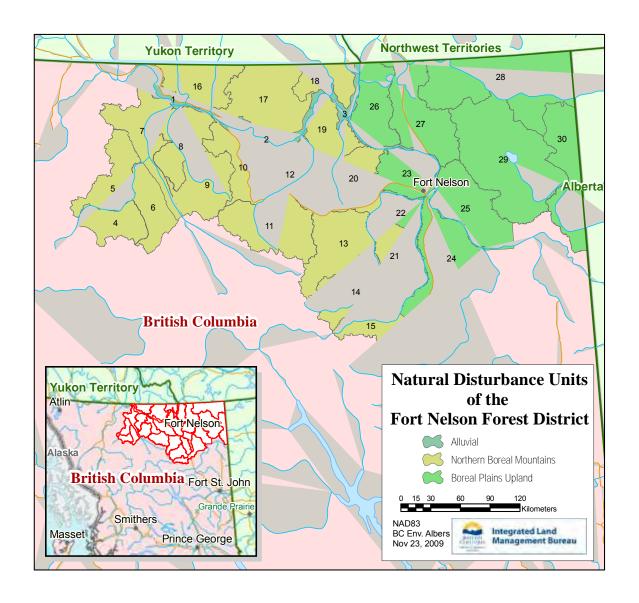


Table 8: Current Percentage of Old Seral Stage by NDU and LU\*

NDU & LU	< 40yrs		40-100yrs		100-140yrs		>140	>140yrs		Surplus / Deficit	Total Forested area
	(ha)	%	(ha)	%	(ha)	%	(ha)	%	%	(ha)	(ha)
Conifer & Deciduous											
Northern Boreal Mountains NDU											
Beaver	9,952	9%	16,878	16%	8,097	8%	71,952	67%	37%	32,407	106,879
Boreal	0	0%	13,625	28%	18	0%	35,647	72%	37%	17,410	49,290
Churchill	66	0%	15,880	37%	449	1%	27,029	62%	37%	10,962	43,424
Gathto	1,574	1%	62,748	57%	2,734	2%	42,790	39%	37%	2,147	109,846
Holden	9,484	6%	98,416	67%	3,930	3%	36,084	24%	37%	-18,645	147,915
Hyland	12,833	6%	115,199	50%	8,087	4%	94,372	41%	37%	9,090	230,491
Irene	1,033	1%	12,217	12%	9,569	9%	82,983	78%	37%	43,836	105,801
Kechika	35,821	13%	82,785	30%	5,689	2%	147,665	54%	37%	47,040	271,959
Kledo	4,651	4%	39,306	30%	12,173	9%	73,173	57%	37%	25,331	129,303
Major Hart	1,843	2%	31,597	34%	1,212	1%	59,194	63%	37%	24,471	93,847
Muncho	120	0%	45,031	70%	161	0%	19,383	30%	37%	-4,554	64,695
Netson	1,492	1%	15,983	15%	1,165	1%	90,210	83%	37%	49,935	108,851
Prophet	0	0%	8,743	24%	563	2%	27,819	75%	37%	14,082	37,125
Rabbit	6,098	3%	143,722	68%	300	0%	60,785	29%	37%	-17,250	210,905
Sharktooth	627	2%	4,073	14%	54	0%	24,647	84%	37%	13,769	29,401
Smith	42,920	19%	116,683	52%	14	0%	64,399	29%	37%	-18,487	224,017
Sulpher/8mile	7,972	5%	54,968	35%	5,182	3%	89,933	57%	37%	31,453	158,054
Tuchodi	833	1%	45,995	53%	1,923	2%	38,446	44%	37%	6,183	87,197
Northern Boreal Mountains Total	137,320	6%	923,849	42%	61,321	3%	1,086,5 11	49%	37%	269,181	2,209,001
Coniferous											
Alluvial NDU											
	26 161	420/	14 707	240/	0	00/	10.640	220/	440/	6.070	60.518
Liard River	26,161	43%	14,707	24%	0	0%	19,649	32%	44%	-6,979	60,518
Liard River Corridor Park	371	1%	14,097	47%		0%	15,499	52%	44%	2,314	29,967
Nelson Forks	6,073	16%	4,645	12%	0	0%	26,647	71%	44%	10,206	37,365
Alluvial Conifer Total	32,606	26%	33,449	26%	0	0%	61,795	48%	44%	5,541	127,850
Deciduous		1									
Alluvial NDU											
Liard River	8,700	75%	421	4%	0	0%	2,549	22%	44%	-2,586	11,670
Liard River Corridor Park	1,893	6%	11,960	37%	0	0%	18,857	58%	44%	4,465	32,710
Nelson Forks	4,971	11%	10,610	22%	0	0%	31,592	67%	44%	10,836	47,174
Alluvial Deciduous Total	15,564	17%	22,991	25%	0	0%	52,998	58%	44%	12,715	91,553
Coniferous											

NDU & LU	< 40y	rs	40-100	)yrs	100-14	0yrs	>140y	ırs	Target	Surplus / Deficit	Total Forested area
	(ha)	%	(ha)	%	(ha)	%	(ha)	%	%	(ha)	(ha)
Boreal Plains NDU											
Clark	1,107	2%	25,497	53%	0	0%	21,610	45%	17%	13,414	48,214
Cridland	7,151	19%	10,619	29%	0	0%	19,484	52%	17%	13,151	37,254
Kiwigana	1,224	2%	42,590	60%	0	0%	27,134	38%	17%	15,073	70,949
Klowee	10,555	23%	13,823	30%	0	0%	22,272	48%	17%	14,341	46,650
Klua	2,402	3%	40,324	48%	0	0%	41,608	49%	17%	27,271	84,334
Kotcho	4,119	3%	86,465	67%	0	0%	37,706	29%	17%	15,897	128,290
Petitot	289	0%	70,388	75%	0	0%	22,647	24%	17%	6,782	93,324
Sandy	2,578	6%	23,109	53%	0	0%	17,950	41%	17%	10,532	43,638
Shekilie	2,331	4%	41,513	64%	0	0%	21,253	33%	17%	10,187	65,097
Boreal Plains Conifer Total	31,757	5%	354,329	57%	0	0%	231,664	38%	17%	126,647	617,750
Deciduous											
Boreal Plains NDU											
Clark	3,270	3%	77,337	72%	0	0%	26,086	24%	17%	7,948	106,692
Cridland	5,279	6%	28,731	35%	0	0%	47,935	58%	17%	34,004	81,945
Kiwigana	1,742	1%	72,538	61%	0	0%	44,461	37%	17%	24,275	118,742
Klowee	10,961	17%	17,841	28%	0	0%	34,978	55%	17%	24,135	63,780
Klua	4,909	5%	60,836	58%	0	0%	39,643	38%	17%	21,727	105,388
Kotcho	9,001	5%	145,822	86%	0	0%	15,637	9%	17%	-13,341	170,461
Petitot	616	1%	59,168	84%	0	0%	11,024	16%	17%	-1,013	70,808
Sandy	2,405	3%	36,368	50%	0	0%	34,650	47%	17%	22,168	73,423
Shekilie	17,176	15%	94,243	83%	0	0%	2,371	2%	17%	-16,973	113,790
Boreal Plains Deciduous Total	55,360	6%	592,884	66%	0	0%	256,785	28%	17%	102,930	905,029

<sup>\*</sup>From 2016 seral analysis.

**Table 9: Current Stand Level Retention Percentage\*** 

	Canfor		встѕ				
LU#	% THLB in WTP	*FSP Retention Target %	LU#	% THLB in WTP	FSP Retention Target %		
3	16.2	7	9	9.30	3		
19	6.8	7	12	4.56	3		
20	4.38	7	14	5.05	5		
24	0	7	15	6.73	6		
25	4.82	7	16	8.71	4		
26	8.8	7	17	4.38	2		
			19	5.03	4		
			20	9.47	6		
			22	5.50	7		
			23	12.34	6		
			38	4.23	6		
			39	3.09	4		
			66	8.00	10		
All LUs combined retention	7.8						

<sup>\*</sup>From 2013WTP retention analysis.

FSP retention targets revised in February 2013 to reflect the consolidated landscape units.

Table 10: Area in Stands Less than 20 Years Old and Polygons labeled as Shrub Area\*

	CFLB (ha)	THLB (ha)	NHLB (ha)
Stands < 20 years	47,414.8	38,413.1	9,001.7
old	(100%)	(81.0%)	(18.9%)
VRI Shrub stands	186,708.8	18,267.6	168,441.3
(SL and ST)	(100%)	(9.7%)	(90.2%)
TSA Total Area	5,741,211.7	1,432,268.4	4,308,943.3
(ha)	(100%)	(24.9%)	(75.1%)
% of total area in			
stands <20 years			
old	4.0%	3.9%	4.1%

<sup>\*</sup>From 2016 SFMP shrub analysis.

These numbers will become the new baseline data as they are based on the 2016 VRI data set and TSR 3 data.

Table 11: Areas in Stands with the Label NPBr\*

	CFLB (ha)	THLB (ha)	NHLB (ha)					
Stands labeled Shrub	186,708.8	18,267.6	168,441.3					
low and shrub tall	(100%)	(9.7%)	(90.2%)					
% of total TSA area in								
stands labelled Shrub-								
low and Shrub-high	3.2%	1.3%	3.9%					

<sup>\*</sup>From 2016 SFMP analysis.

Please note in the 2011 VRI data it appears that the designation of NCBr (Non-commercial brush) has been combined with Shrub Low and Shrub High.

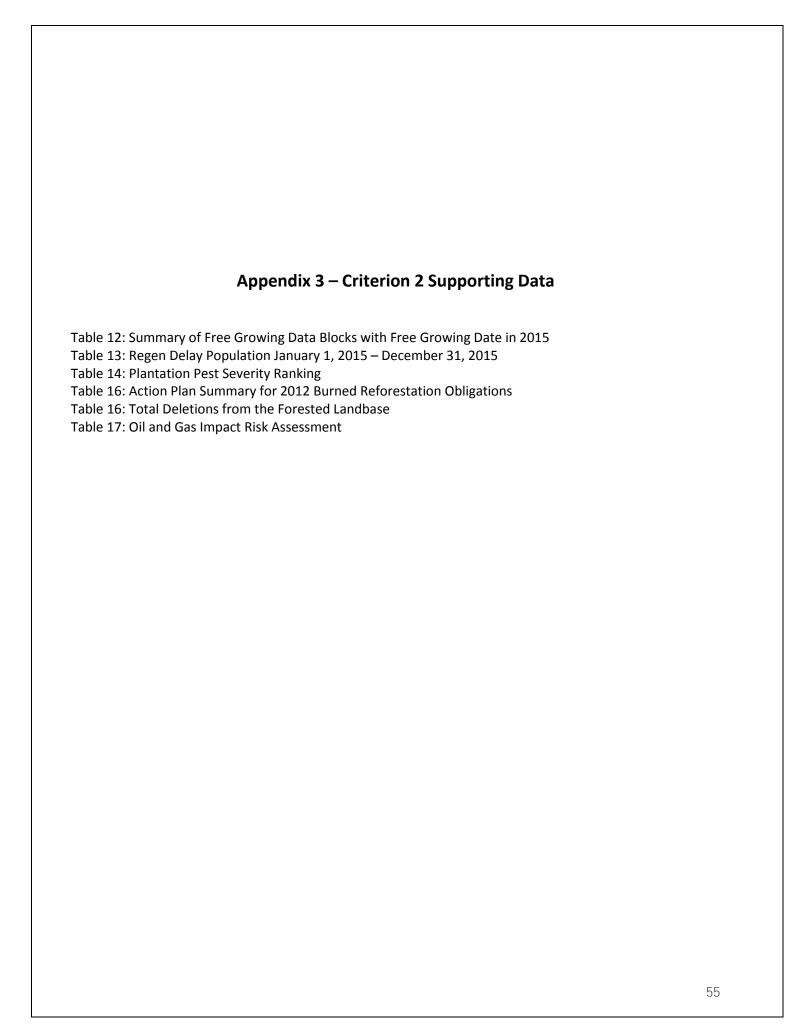


Table 12: Summary of Free Growing Data Blocks with Free Growing Date in 2016

<u>Licence</u>	CP/TSL	<u>Block</u>	Area	Milestone Met
A17007	84	139	49.7	Yes
A17007	84	140	35.7	Yes
A17007	89	436	8.4	Yes
A17007	90	1094	24.8	Yes
A17007	90	1099	13.5	Yes
A17007	90	1100	26.9	Yes
A17007	94	1080	15.0	Yes
A17007	132	1178	59.9	Yes
A17007	133	1183	52.9	Yes
A17007	552	579	53.8	Yes
A17007	111	629D	18.0	Yes
A56314	APR-56314	P237	4.1	Yes
A17007	193	2352B	57.5	Yes
A17007	193	2352C	54.1	Yes
A67177	APR-67177	P1673	26.8	Yes
A17007	111	629B	8.5	Yes
A17007	158	2035	21.9	Yes
A17007	191	908D	1.6	Yes
A17007	454	2614	61.0	Yes
A17007	77	590	3.4	Yes
A17007	160	4641	15.9	Yes
A17007	587	238	45.8	Yes
A17007	132	1163	33.3	Yes
A69684	APR-69684	P128	139.5	Yes
A17007	180	3150	19.5	Yes
A17007	191	908E	22.1	Yes
A17007	180	448	30.4	Yes
A65226	APR-65226	P3319	20.5	Yes
A67177	APR-67177	P5915	33.3	Yes
A17007	113	1948	18.9	Yes
A17007	111	629A	1.8	Yes
A17007	111	629A	2.8	Yes
A17007	111	629C	10.3	Yes
A17007	180	445	28.8	Yes
A67177	APR-67177	P5913	44.5	Yes
A17007	458	5838	17.8	Yes
A17007	165	Н8	2.0	Yes
A17007	113	1960	20.1	Yes
A17007	150	4900C	17.2	Yes

A17007	153	4964	8.6	Yes
A17007	153	2055	26.2	Yes
A54025	APR-54025	KLDP22	20.8	Yes
A17007	163	2725	14.9	Yes
A17007	316	685	16.9	Yes
A17007	316	687	18.2	Yes
A17007	565	542	52.9	Yes
A17007	565	577	46.8	Yes
A17007	353	3367	20.2	Yes
A62089	APR-62089	P4646	367.3	Yes
A54025	APR-54025	KLDP23	8.8	Yes
A17007	593	901J	29.3	Yes
A54025	APR-54025	KLDP23	21.0	Yes
A17007	87	134A	30.4	Yes
A17007	162	2036	19.7	Yes
A17007	587	1462	60.1	Yes
A17007	587	3106	54.7	Yes
A62091	APR-62091	P5200	202.8	Yes
A54025	APR-54025	KLDP25	7.8	Yes
A70449	APR-70449	TSO912	156.2	Yes
A65226	APR-65226	RBY890	31.1	Yes
A65228	APR-65228	P5000	21.3	Yes
A70416	APR-70416	IRNP36	181.3	Yes
A17007	353	3366	45.5	Yes
A67215	APR-67215	KIW2226	126.5	Yes
A17007	204	H6	2.5	Yes
A70448	APR-70448	KIW2216	39.5	Yes
A74693	APR-74693	TSO5839	44.5	Yes
A17007	543	215B	34.5	Yes
A17007	543	235	41.5	Yes
A17007	163	2048	30.1	Yes
A17007	565	2991	40.9	Yes
A17007	204	H4	2.1	Yes
A17007	204	H5	2.4	Yes
A17007	576	3137A	61.6	Yes
A17007	576	538	36.4	Yes
A17007	581	493	14.2	Yes
A17007	592	901C	44.0	Yes
A17007	107	1020	44.5	Yes
A17007	113	1959	13.8	Yes
A17007	191	2385A	69.0	Yes

A17007	191	2385B	56.7	Yes
A70417	APR-70417	IRN2612	32.2	Yes
A74696	APR-74696	TSO932	53.7	Yes
A17007	85	2382A	10.4	Yes
A17007	113	631B	21.3	Yes
A56319	APR-56319	P3140	26.6	Yes
A17007	113	631C	7.7	Yes
A69685	APR-69685	NDD137	180.6	Yes
A62092	APR-62092	P4913A1	41.0	Yes
A17007	85	2382B	57.7	Yes
A17007	121	882	6.5	Yes
A17007	133	1182	54.2	Yes
A54028	APR-54028	P4803	14.6	Yes
A54028	APR-54028	P4805	1.7	Yes
A17007	160	4644	54.8	Yes
A17007	107	1022	9.8	Yes
A17007	132	1171	11.0	Yes

Table 13: Regen Delay Population January 1, 2016 – December 31, 2016

<u>CP/TSL</u>	<u>Block</u>	<u>Area</u>	Regen Delay Date	Milestone Met
	Total	0		

There were no blocks with a regen due date during the reporting period.

Table 14: Plantation Pest Severity Ranking\*

Plantation Pests	Code	Potential Severity
		Ranking
Eastern spruce budworm	IDE	Very High
White pine weevil	IWS	Low-Medium
Venturia spp.	DLV	Low
Harwood Truck Rot	DDH	Very low
Red ring rot	DDP	Very low
Aspen Truck Rot	DDT	Very low
Tomentosus root rot	DRT	Very low
Stem Disease	DS	Very low
Warren's root collar weevil	IWW	Very low (due to small
		% of planted PL)

<sup>\*</sup>From 2011 SFMP analysis.

**Table 15: Action Plan Summary for 2012 Burned Reforestation Obligations** 

CP/TSL	Block	<u>SU</u>	Area	<u>Area</u>	Action Plan
				<u>Burned</u>	
76	592	2	4.50	4.50	Apply for relief of obligation under FRPR Section 108 in 2013
601	593	1	145.90	145.90	Apply for relief of obligation under FRPR Section 108 in 2013
601	598	1	139.20	139.20	Apply for relief of obligation under FRPR Section 108 in 2013
63	597A	1	81.00	81.00	Apply for relief of obligation under FRPR Section 108 in 2013
62	999ABC	1	15.10	15.10	Apply for relief of obligation under FRPR Section 108 in 2013
88	1050	1	27.70	27.70	Apply for relief of obligation under FRPR Section 108 in 2013
88	3220	1	17.00	17.00	Apply for relief of obligation under FRPR Section 108 in 2013
88	3219A	1	23.10	23.10	Apply for relief of obligation under FRPR Section 108 in 2013
139	KLU2321	Α	30.30	4.00	Fill-plant burned area 2014
62	600B	2	5.80	5.80	Apply for relief of obligation under FRPR Section 108 in 2013
62	600A	Α	76.30	76.30	Apply for relief of obligation under FRPR Section 108 in 2013
542	536B	1	25.50	4.00	Fill-plant burned area 2014
Total Ar	ea		591.4	543.6	

Table 16: Total Deletions from the Forested Landbase\*

Category of deletion	Hectares
Permanent roads	48,381
Landings	2001
Transmission Lines	767
Seismic	103,648
Landslides resulting from forest management activities	0
Pipelines	7,635
Urban & camps	1,779
GRAND TOTAL	164,211
CFLB	5,741,212
% of CFLB deleted from all industrial activities	2.86%
% of CFLB deleted from forest management activities	.87%

<sup>\*</sup>From 2011 SFMP analysis.

Table 17: Oil and Gas Impact Risk Assessment\*

	Total Area	Total Volume
2011/12 Fiscal Year	(ha)	(m3)
Oil & Gas Harvest Activity		
Total New Cut Area - Oil & Gas	979.1	
Total Merchantable Volume Cut - Oil and Gas		149,071.51
Potential Forest Licensee Harvest Activity		
Total Annual Cut Area - BCTS & Canfor	4502.72	
Total Merchantable Volume Cut - BCTS & Canfor		1,463,384.00

<sup>\*</sup>Data provided by OGC Nov 26, 2012

TSA Impact - Classification	Total Area (ha)	Total Volume (m3)	O&G Cut % of Area	O&G Cut % of AAC	Participants Cut % of Area	Participants Cut % of AAC
TSA area	9,868,067		0.010%		0.046%	
Area not in DFA (private, federal, indian, woodlots, etc)	29,927					
Area managed by MFLNRO (DFA)	9,838,140		0.010%		0.046%	
non productives areas (non forest, alpine, existing roads and trails, non commercial cover)	4,096,928					
Productive crown forest landbase	5,741,212		0.017%		0.078%	
NHLB area	4,308,943					
THLB area	1,432,269		0.068%		0.314%	
TSA AAC		1,625,000		9%		90.1%
Non certified tenures AAC		101,000				
Certified tenures						
BCTS AAC		299,668				
Canfor AAC		1,163,716				
Total Certified Participants AAC	979.1	1,463,384		10%		100%

#### **Discussion:**

O&G harvest activity averages approximately 979 ha per year of a combination of NHLB and THLB CFLB. This area includes road construction, well sites, seismic areas and pipeline areas. O&G timber harvest impact on DFA amounts to 0.01 % of the total DFA area annually. This is compared to forest industry impact on the DFA of 0.05% of the total DFA which is primarily comprised of THLB area.

When Canfor is operating, the majority of merchantable timber harvested by O&G is purchased by Canfor, which serves to reduce the total volume harvested under Canfor's forest tenures.

Therefore the impact on the AAC is minimal. Of the 2 non certified tenures identified in the AAC apportionment, no forest planning has occurred consequently, no forest harvesting has occurred. No harvest activity is expected under these non certified tenures.

#### **Conclusion:**

Given the small annual impact on the total DFA area from O&G activity, there is little risk to the participant's of not achieving SFMP landscape level ecological commitments as a result of O&G harvest activity.

Annondix 4 — Critorian 4 Supporting Data	
Appendix 4 – Criterion 4 Supporting Data	
Table 18: Summary of ecosystem carbon storage in the forested landbase over a 250 year period	
Table 19: Average carbon sequestration rate in the forested landbase over a 250 year period	
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Table 18: Summary of ecosystem carbon storage in the forested landbase over a 250 year period\*

Carbon Pool	Current Carbon (MT)	Average Carbon Over 250 Years (MT)	Minimum Carbon (MT)	% Difference from Current Carbon	Year at Minimum	Maximum Carbon (MT)	9% Difference from Current Carbon	Year at Maximum
Tree- aboveground	473	466	416	-12%	125	526	11%	50
Tree- belowground	112	109	97	-13%	125	123	10%	50
Deadwood	265	312	265	0%	0	342	29%	60
Litter	90	95	88	-2%	5	100	11%	50
Soil Soil	811	916	811	0%	0	998	23%	250
Total	1,752	1,898	1,752	0%	0	2,005	14%	240

<sup>\*</sup>From 2004 carbon budget analysis completed for Fort Nelson DFA.

Table 19: Average carbon sequestration rate in the forested landbase over a 250 year period\*

Carbon Pool	Current Sequestration Rate <sup>1, 2</sup>	Base Case	Harvest without Natural Disturbance	No Harvest with Natural Disturbance	Base Case with Modified Natural Disturbance
Timber Harvesting	0.93	0.07 to 0.93	0.07 to 0.93	0.38 to 1.43	0.25 to 4.56
Land Base		(-92% to 0%)	(-92% to 0%)	(-73% to 1%)	(-95% to 0%)
Non-Harvestable	0.55	-4.53 to 4.29	1.52 to 6.53	-6.79 to 4.26	0.08 to 0.93
Land Base		(-929% to 685%)	(-70% to 24%)	(-908% to 408%)	(-92% to 0%)
Total Forested	1.47	-3.96 to 5.00	1.70 to 7.02	-5.66 to 5.69	0.13 to 3.63
Land Base		(-369% to 239%)	(-72% to 16%)	(-349% to 151%)	(-97% to 0%)

<sup>\*</sup>From 2004 carbon budget analysis completed for Fort Nelson DFA.

### **Appendix 5 – Criterion 5 Supporting Data**

Table 20: Recreation sites and trails in the Fort Nelson DFA

Figure 9: Fort Nelson Visual Quality Objectives

Table 21: Visual Quality Objective Class

Table 22: Maximum Allowable Disturbance Percentage by VQO Class

Table 23: Percent Denudation for Established VQOs

Table 24: Canfor Direct and Induced Employment

Table 25: Indirect and Induced Employment multipliers from 2006 TSR

Table 26: Number of Opportunities offered to First Nations by year

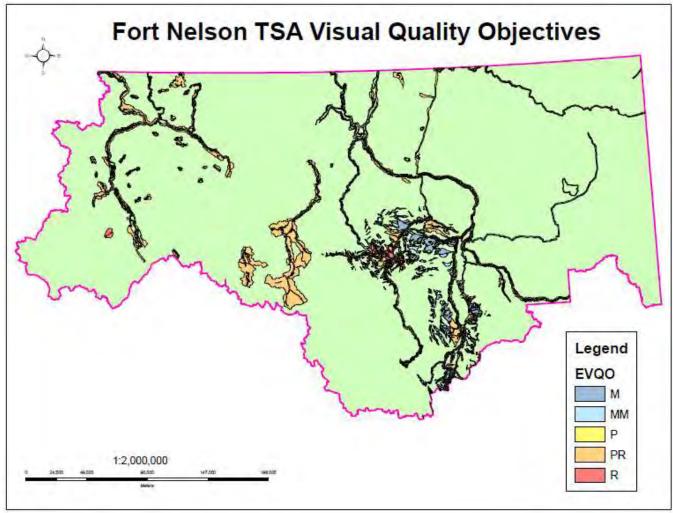
Table 27: Proportion of Local Spend

Table 20: Recreation sites and trails in the Fort Nelson DFA\*

Recreation Sites	Recreation Trails
West Lake	Teetering Rock trail
Muskwa Boat Launch	Tetsa Bridge #1 trail
Tuchodi River	Stone Mountain Park trails
Gathto Creek	MacDonald Creek trail
Beaver Lake	Babba Creek Trail
Fort Nelson Recreation Demonstration Forest	Wokpash trail
Parker Lake	Boulder Canyon trail
Recreational Motorized Routes	Peterson Canyon trail
Wokpash Corridor	Muncho Lake trails
Yedhe Trail	Mineral Lick trail
West Toad Corridor	Teeter Creek trail
Nonda Creek Corridor	Smith River Falls trail
Liard River Corridor	Tsimeh Lakes trail
Mould Creek Tower Road	Fort Nelson Community Forest trails
Smith River Road	Dunedin trail
Fort Nelson Snowmobile Trails	Summit Ridge trail
Fort Nelson Motorized Community Trail system	Stone's Sheep trail
Non Legally Established Recreation Sites	Parker/Evie Lake trail
Alaska Highway 372 km borrow pit	Summit Peak trail
Alaska Highway km 384 borrow pit 3	Erosion Pillar trail
Alaska Highway km 391 borrow pit 5	"The Cutt" trail
Alaska Highway borrow pits 6, 7, 9, 10	Red Rock Canyon trail
Alaska Highway km 416	Old Alaska Highway trail
Muskwa River Bridge Recreation Site	
Poplar Hills Emergency Warming Shelter	
Fort Nelson Motorized Community Trail system	

<sup>\*</sup>Updated in 2016 with data from MFLNRO





**Table 21: Visual Quality Objective Class** 

Visual Quality Objective Class	TSA Area (ha)*	Crown Forested Land Base Area (ha)	Timber Harvesting Land Base Area (ha)
Established Preservation VQO	879	814	99
Established Retention VQO	32,518	25,470	6483
Established Partial retention VQO	502,325	357,716	113,431
Established Modification VQO	127,342	105,816	38,080
Established Maximum modification VQO	14,028	11,661	4,410
Subtotal:	677,090	501,477	162,503
Recommended Preservation VQO	0	0	0
Recommended Retention VQO	19,528	7,268	113
Recommended Partial retention VQO	8,246	5,172	2,083
Recommended Modification VQO	168,037	87,778	15,056
Recommended Maximum modification VQO	31,625	14,151	7,242
Subtotal:	195,811	100,219	17,252
Total:	872,902	601,696	179,755

**Table 22: Maximum Allowable Disturbance Percentage by VQO Class** 

Resource Emphasis Zone	Total Crown forest area (ha)	Timber harvesting land base (ha)		Applies to:
Established Preservation VQO	879	814	0	CFLB
Established Retention VQO	32,518	25,470	1.1 – 5	CFLB
Established Partial retention VQO	502,325	357,716	5.1 – 15	CFLB
Established Modification VQO	127,342	105,816	15.1 – 25	CFLB
Established Maximum modification VQO	14,028	11,661	25.1 – 40	CFLB
Recommended Preservation VQO	0	0	0	CFLB
Recommended Retention VQO	19,528	7,268	1.1 – 5	CFLB
Recommended Partial retention VQO	8,246	5,172	5.1 – 15	CFLB
Recommended Modification VQO	168,037	87,778	15.1 – 25	CFLB
Recommended Maximum modification VQO	31,625	14,151	25.1 – 40	CFLB

**Table 23: Percent Denudation for Established VQOs** 

VQO Category	Percent Denudation Range	Low VAC	Medium VAC	High VAC
Preservation	0-1	0.25	0.5	0.75
Retention	1.1 – 5	2.07	3.05	4.02
Partial Retention	5.1 – 15	7.57	10.05	12.52
Modification	15.1 – 25	17.57	20.05	22.52
Maximum Modification	25.1 – 40	28.82	32.55	36.27

**Table 24: Canfor Direct and Induced Employment** 

Canfor Direct Employment as on March 31, 2014	Indirect and induced employment multiplier	Total jobs; direct, indirect and induced
4	1.25	5
Baseline from 2014 Annual Report	Indirect employment multiplier	Total jobs; direct, indirect and induced
4	1.25	5

Table 25: Indirect and Induced Employment multipliers from 2006 TSR\*

	Indirect and Induced Employment Ratio	Indirect Employment Ratios
Logging	1.25	1.15
Wood Manufacturing	1.35	1.20
Mining	1.34	1.25
Agriculture	1.17	1.11
Tourism	1.12	1.09
Public Sector	1.19	1.13
Construction	1.22	1.14

BC Stats. 2001a. The indirect and induced employment ratio assumes no migration with safety net in place.

Table 26: Number of Opportunities offered to First Nations by year

Participant	Year	Number	Form of	Rolling	Rolling	Rolling 3	Rolling	Rolling
		of	Opportunity	3 year	3 year	year	3 year	3 year
		opportun		average	average	average	average	average
		ities		2012	2013	2014	2015	2016
	2007	5	4 contracts	Not in				
			1 MOU	data set				
	2008	4	3 contracts	Not in				
			1 MOU	data set				
	2009	1	0 contract	Not in				
			1 MOU	data set				
	2010	1	0 Contract					
			1 MOU					
	2011	1	0 Contract	1.0				
Canfor			1 MOU	1.0				
Callion	2012	1	0 Contract		1.0			
			1 MOU		1.0			
	2013	1	0 Contract			1.0		
			1 MOU					
	2014	1	0 Contract				1.0	
			1 MOU					
	2015	1	0 Contract					1.0
			1 MOU					
	2016	1	0 Contract					
			1 MOU					

<sup>\*</sup>From 2011 SFMP analysis.

**Table 27: Proportion of Local Spend 5 year Rolling Average** 

Participant	Year	Road	Planning	Silviculture	5 Year Rolling
		Maintenance	Proportion of Local	Proportion of Local	Average*
		Proportion of	Spend (%)	Spend	Proportion of Local
		Local Spend (%)			Spend
Canfor	2011		46%	50%	48%
	2012	98.9%	17.1%	50.8%	51.2%
	2013	100%	36.1%	34.1%	35.6%
	2014	100%	18.0%	46.5%	46.8%
	2015	92.4%	17.0%	41.5%	41.4
	2016	14%	3%	50%	34%
				5 Year rolling	41.8%
				average	

<sup>\*</sup>Starting in 2011



Table 28: Summary of 2016 Public Participation Process Satisfaction Survey, Administered March 3<sup>rd</sup> 2017

Question	Average Rating
1. I have a good understanding of the purpose of the advisory group and my role as part of that group.	5.0
2. My concerns related to SFM values and objectives are being adequately listened to at the Advisory Group meetings.	4.6
3. Efforts have been made to incorporate my concerns related to SFM values and objectives into the SFM Plan.	5.0
4. My concerns related to SFM indicators and targets are being adequately listened to at the	4.6
5. Efforts have been made to incorporate my concerns related to SFM indicators and targets	4.8
6. Information provided in advance of meetings is adequate and organized to allow for me	5.0
7. Advisory Group Meetings are run efficiently and effectively.	5.0
8. The meeting agenda allows for inclusion of any related sustainable forestry issues of	4.8
9. The meeting minutes capture important aspects of the meeting.	5.0
10. Additional information I ask for is provided to me.	5.0
11. The Participants encouraged open communication.	5.0
12. The outputs generated through discussion with the public advisory group (SFM Plan and	4.5
13. The Participants strived for consensus based decision making.	5.0
14. A broad cross-section of interests is represented at Public Advisory Group meetings.	4.2
15. The Participants have made an effort to recruit new members as needed.	4.2
16. The Participants are proactive about sharing new information to the PAG members regarding topic issues related to environment, sustainability, forestry, etc	5.0
17. Your overall level of satisfaction with the Public Participation Process	5.0

#### March 3, 2017 Survey Comments:

- I continue to be very satisfied with the efforts of the participants and the other PAG members. Well Done.
- Recruitment of new members continues to be an issue but not something that the Participants can resolve easily. I think if forestry returns to the community then there might be renewed interest in PAG.
- Always a good meeting. Good group and information sharing. It's never just SFMP but also related issues. Good stuff. We will miss Jane. Thank you so much for your time with this group. It has really set a strong foundation!
- We will greatly miss Jane's many contributions to the process.