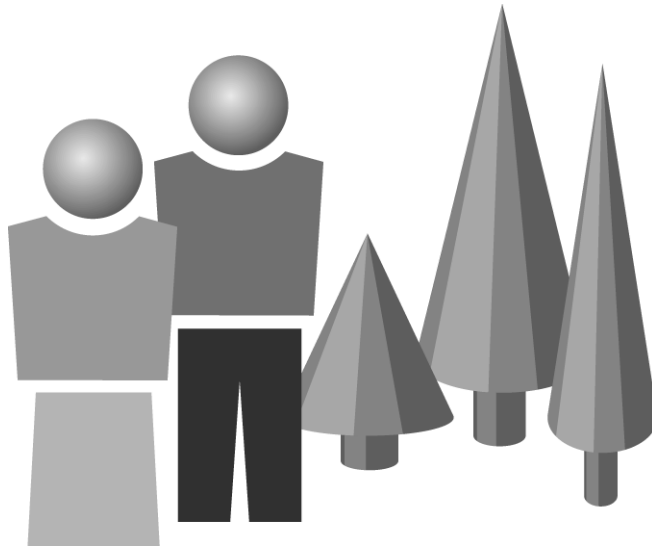


Community Forest Pilot Project

Background Discussion Paper 1

Designing a Community Forestry Tenure for British Columbia



Cortex Consultants Inc.



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1 Introduction

As part of British Columbia's Jobs and Timber Accord, the government has committed to design a community forest tenure and to pilot community forests. The purpose of this initiative is to increase the direct participation of communities and First Nations in the management of local forests and to create sustainable jobs.

The minister has appointed a committee to advise him on how to implement this initiative. The advisory committee is comprised of individuals with experience and knowledge about community forest management who represent communities and key forest sector stakeholders from around British Columbia. The committee's tasks include development of:

- possible models for a community forest tenure
- criteria for selection of pilot community forests
- recommendations regarding which communities are suitable for community forest pilots
- a process for monitoring the pilots and evaluating final outcomes.

The intent of this report is to provide the advisory committee with background material on the topic of community forestry, and to outline some issues for discussion.

Section 2 introduces the goals and objectives that communities have expressed for their local forests.

Section 3 outlines several forms of community forests through which community forestry is being pursued in British Columbia. These include existing timber tenures held by communities (forest licences, tree farm licences, woodlot licences) as well as private land. Each form is discussed in terms of its attributes, objectives, and suitability for community forestry purposes.

Section 4 identifies some policy issues to be addressed in designing a new community forest tenure.

Section 5 identifies some key attributes to be defined in the process of designing a community forest tenure.

Appendix 1 contains a partial list of community forest initiatives in British Columbia.

Section 6 introduces some of the ways that a community forest tenure might differ from existing tenures in British Columbia. It summarizes several new models for community forest tenure and governance as background to the particular characteristics that a community forest tenure must enable.



2 Community Forestry: Definitions, Motivations, Goals¹

This section is a brief introduction to the goals and objectives for community forestry that have been expressed by some communities in the province. It is intended as a starting point for the advisory committee to develop a set of objectives that a community forest tenure might serve.

2.1 What is Community Forestry?

In British Columbia, community forestry can be loosely defined as community involvement in local forest lands for community benefit. Community forestry is touted as a means of maintaining forest-related community lifestyles and values, while providing jobs and revenue that contribute to community stability.

In the context of community forestry, a “community” is often described by its geographic location (e.g., village, unincorporated town, municipality, regional district) and the spectrum of interests represented by the people who live there.

British Columbia is a collection of communities. Community forests may benefit the province by stimulating economic growth, enhancing community stability, creating jobs and opportunities for multiple outputs from the same landbase, encouraging sustainable forest practices, and enhancing long-term timber supply. It is unlikely, however, that community forests in themselves will satisfy a community’s needs for economic diversification, jobs, or economic return. More likely, community forests will complement other economic and social development initiatives to strengthen communities and reduce regional disparities.

2.2 Motivation for Community Forests

Interest in community forests in British Columbia appears to be partly a reaction to public discontent with large-scale industrial timber production. This discontent relates to issues such as the scale at which harvest planning and scheduling takes place and on which the assessment of sustainable yield is based, the prevalence of clearcutting, and the distribution of benefits from commercial timber production. In general, many communities wish to obtain more economic benefit from timber harvesting in their locales.

Forest operations that are required to meet sustainability objectives over large areas such as timber supply areas (TSAs) and tree farm licences (TFLs) are not necessarily sustainable on smaller areas such as individual watersheds or distinct land areas, such as islands. Corporate goals such as operational efficiency and maximum productivity in the context of global competitiveness are often best achieved by developing one area within a management unit before moving to the next. This strategy can be at odds with community goals such as local long-term employment and maintaining scenic landscapes despite the fact that it “balances out” such values at a forest management unit level (e.g., TSA, TFL). As well, historical improvements in operational efficiency from technological innovation and mechanization have reduced the financial and employment return to many communities from resource development in their immediate areas.

¹ Many of the ideas in this section first appeared in the 1996 *Feasibility Study: Prince George Community Forest*, produced by Cortex Consultants Inc. with funding from Forest Renewal BC, Prince George City Council, and seven Prince George forest companies.



2.3 Goals and Objectives of Community Forests

Common goal themes expressed by communities in British Columbia include sustainability, multiple resource use, benefits for current and future generations, and financial self-sufficiency. Specific goals and objectives vary according to individual community needs and aspirations.

In general, communities want more control over the type, size, location, and scheduling of harvesting operations. They want to maintain forest values such as visual quality, recreational opportunities, and environmental integrity; and they want to control their financial well being.

Many small communities feel that their forest resource wealth is exported to benefit companies and shareholders elsewhere. Communities currently pursuing community forests feel that by controlling timber harvesting they will gain first claim on harvest-related employment and associated monetary benefits. They believe this will enable them to sustain existing manufacturing facilities, provide their young people with jobs, and promote new ventures in their community such as value-added manufacturing.

In general, communities express a desire to manage their local forests for a wide range of values. Their management objectives include specific goods such as timber and botanical forest products; non-consumptive services such as wildlife viewing, nature interpretation, and ecotourism; ecosystem-based values such as air quality, water and soil, climate, and biodiversity; as well as scenic, cultural, and spiritual values.



3 Forms of Community Forests

This section outlines the major Crown land and private land agreements under which community-managed forestry is taking place in British Columbia. It presents the three major timber tenures used to provide access to Crown lands and discusses their limitations with respect to meeting some of the community forest goals presented in Section 2. Two tables are included in this section: Table 1 lists the characteristics of the three timber tenures; Table 2 is intended to be used by the committee as a framework for assessing the extent to which the three tenures and three private land agreements meet current objectives. It is hoped that Table 2 will be a useful format for committee members to clarify those community forest objectives that a new community forest tenure must serve.

3.1 Community-managed Forests: Different Forms or Different Needs

British Columbia has several established community forests and many others in various stages of initiation and development. Appendix 1 summarizes many of these initiatives.

A variety of other areas in the province are managed for community values, including:

- production and storage of domestic water (e.g., Vancouver, Victoria)
- research (e.g., UBC Research Forests in Maple Ridge and Williams Lake)
- education (e.g., British Columbia Forestry Association Woodlot Licence in Williams Lake)
- demonstration (e.g., Canadian Institute of Forestry Demonstration Forest in Prince George; Seymour Demonstration Forest in North Vancouver).

The federal Model Forest Program also serves diverse forest management goals articulated by communities and forest sector organizations across Canada. British Columbia's model forests—McGregor Model Forest in Prince George and Long Beach Model Forest on western Vancouver Island—offer useful prototypes for multi-stakeholder involvement and administrative structure. These model forests are not tenure types; they are management models overlaid on existing tenures (e.g., the McGregor Model Forest shares boundaries with TFL 30).

3.2 Timber Tenures used for Community Forestry

British Columbia's current forest tenure system was established under the 1979 *Forest Act*. Most of the ten tenures specified under the Act were designed primarily for commercial timber production. Table 1 summarizes the major characteristics of the three tenures (forest licence, tree farm licence, woodlot licence) and private land designations under which communities are pursuing community forestry.

3.2.1 Forest Licence

Forest licences (FLs) convey the right to harvest an annual volume of timber located within a timber supply area. The licence normally carries a term of 15 years, though non-replaceable FLs are often of shorter duration. While the licence does not convey the exclusive right to manage the forests, it does carry substantial management responsibilities. These include operational planning, road building, and reforestation. If specified in the original licence, the licensee must also maintain a manufacturing facility.



The FL is a traditional timber harvesting tenure. This may make it less desirable to communities who wish to be involved in managing for a range of forest values, goods, and services. In addition, the “volume-based” nature of the licence may present limitations to communities seeking a long-term, personal relationship with the land. Currently in British Columbia, non-replaceable forest licences have been the most prevalent tenure offered to communities for forest management.

Examples of communities holding non-replaceable forest licences and other tenures are described in Appendix 1.

3.2.2 Tree Farm Licence

Tree farm licences (TFLs) convey the exclusive right to manage forests and harvest an allowable annual cut from the area under licence, which usually includes both private and Crown lands. TFLs carry substantial management responsibilities including the maintenance of resource inventories, strategic and operational planning, road building, and reforestation. TFLs require the highest commitment of forest management and, therefore, experience the highest management costs.

Mission TFL 26 (established in 1948), Tanizul Timber Limited TFL 42 (established in 1985), and Revelstoke TFL 56 (established in 1993) are three community-managed TFLs. Information on these, and other community-held tenures, are found in Appendix 1.

3.2.3 Woodlot Licence

Woodlot licences (WLs) have often been described as miniature TFLs, although each form of tenure has unique features (e.g., cut control and contracting arrangements). WLs are usually issued to rural residents to manage a specific area of Crown timber in conjunction with their adjacent private woodlands. The Crown portion of a WL may not exceed 600 ha (interior WLs) or 400 ha (coastal WLs). Licensees must file a management plan with the Ministry of Forests and harvest at a predetermined rate.

Individuals or corporations can apply for WLs; societies are not eligible. Municipalities interested in applying for a WL must form a separate community forest corporation. Since a WL is designed to combine Crown land with private land, it may also be necessary for the municipality to deed some of its municipal lands to the corporation to qualify for application.

Clinton and 100-Mile House are examples of communities holding woodlot licences. More details on these, and other community-held tenures, are found in Appendix 1. Some 25 Native Bands, schools, a ski club, and a few societies (from the time when societies were eligible) also hold WLs.

3.2.4 Legislative Obligations of Existing Tenures

Forest practices on community forests established as woodlot licences, tree farm licences, or forest licences are subject to standards that apply to all such tenures. Thus, the administrative board for a community forest must be well informed and aware of its responsibilities and liabilities. Professional staff must be retained to oversee specific tasks as required under the major acts; and monitoring must be carried out and feedback incorporated into the overall plan for the forest to ensure that management objectives are being achieved. All activities, from inventory and planning to implementation and evaluation, must comply with Forest Practices Code legislation.



Activities on the existing tenures are also subject to Forest Practices Board audits and public scrutiny. These obligations represent great risk to tenure holders, whether they are industrial corporations or communities.

3.2.5 Appropriateness of Existing Tenures to Community Forestry Objectives

Forest tenures in British Columbia were primarily designed to transfer timber-harvesting rights to forest companies and individuals. Each tenure represents particular benefits and drawbacks to a community. Licences that designate a specified landbase (e.g., WLs, TFLs) provide more opportunities for resource stewardship than do rights to harvest a specified volume of timber. In particular, most prevalent form of community-managed tenure – the volume-based FL – does not allow its holder to:

- regulate timber harvesting rates within specific locations
- levy fees for services and harvest or issue licences to harvest non-timber products (e.g., wildlife, mushrooms, florals, berries)
- defer areas from timber harvesting
- construct recreational facilities
- control access
- determine landscape issues
- determine all forms of land use, including mining and water storage.

The cut control requirements² of replaceable FLs and TFLs, which are legislated under the *Forest Act*, are often cited as limiting a community's flexibility to achieve some of its objectives. However, cut control requirements for non-replaceable FLs are specified under the licence itself, and can be negotiated between the licensee and the regional manager to meet specific management needs to some degree. The WL has the most flexible cut control policy and is therefore best suited to taking advantage of favourable market cycles for wood products. However, due to their small size, it is unlikely that WLs could generate sufficient revenue to support the broad-based objectives of community forestry. A community forest WL would likely depend on ongoing, in-kind services (such as clerical, accounting, legal, and forestry expertise) from community businesses and associations.

3.3 Other Existing Models of Community Forest Management in B.C.

3.3.1 Private Land, North Cowichan Municipal Forest³

The Municipality of North Cowichan owns some 25% of the land within its boundaries. These lands occur in six major blocks and were acquired for non-payment of taxes during the 1930s and early 1940s. The Municipality incorporated the lands as a forest reserve under a by-law passed by the Council in June 1946, and minor additions and deletions to the reserve occurred until 1960. In that year, a timber inventory was conducted and a forest management plan prepared. Under the

² Cut control requires the licensee to harvest within 50% of the specified AAC each year, and within 10% over 5 years.

³ Allen, K. and D. Frank. 1994. Community forests in British Columbia: models that work. *The Forestry Chronicle*, vol. 70, no. 6.



plan, a system of woodlot agreements was initiated in 1964. Ten woodlots were formed and harvested by local operators following a diameter-limit approach.

In 1981, concerns over this harvesting approach led to creation of a Forest Advisory Committee comprised of experienced foresters living within the Municipality. The report of this committee provided recommendations on how to achieve long-term increases in both revenue and non-monetary values through adopting three complementary programs: timber harvest, silviculture, and recreation/education. Council adopted the report and supported the recommendations under condition that the Forestry Department be self-sustaining. The Forest Advisory Committee includes three elected councilors, three municipal staff members, and three volunteer professional foresters living in the Municipality; all are appointed by Council.

The forest reserve landbase, wholly owned by the Municipality, covers some 4800 ha. Its maximum allowable annual cut (AAC) is 23 000 m³; actual harvests have ranged from 11 000 to 18 000 m³/yr in response to fluctuating log prices. Silviculture practices of juvenile spacing, fertilization, pruning, site preparation, and planting have been carried out. Timber harvesting has taken place primarily as patch cutting (0.5 to 12 ha in size); alternative silvicultural systems such as green-tree retention, shelterwood harvests, and commercial thinning are being pursued. Timber harvesting uses small yarding towers, horses, and hoes. Most patch cutblocks are planted within one year after logging. Recreational trails have been constructed.

The North Cowichan Municipal Forest describes itself as a working forest that is managed to provide a range of resources for the enjoyment and financial benefit of community residents. The situation is favoured, in that the forest is close to specialized forest labour, paved roads, and log markets. It has abundant green space and outdoor recreation opportunities. It is readily accessible by the public and educational institutions. The forest benefited from intensive silviculture activities and worker training funded by federal and provincial job creation programs starting in the early 1980s. The Municipal Forest is not required to pay stumpage charges on private timber. The forest reserve began returning profits to the Municipality in 1992. In 1994, the reserve fund, created for protection against negative fluctuations in market conditions, stood at about \$456 thousand, and the firefighting contingency at \$70 thousand.

3.3.2 Amending Indenture, Greater Vancouver Water District

The 1927 indenture between the Minister of Lands for the Province of British Columbia and the Greater Vancouver Water District (GVWD) granted to the GVWD a 999 year lease of all lands in the natural drainage areas of the Capilano River and Seymour Creek for the purposes of water supply. The lease requires the GVWD to pay an annual rent (\$1.00) and other taxes, rates, duties, and assessments as specified. It also obliges the GVWD to protect the lease lands from fire, to undertake reforestation of lands denuded of timber from any cause, to salvage fire-killed timber, and to pay statutory royalties on any timber cut and sold.

In 1961, the GVWD entered into an agreement (with the Minister of Recreation and Conservation) to surrender some portions of the lands in the original lease, and to lease to the Minister other parcels of land (for 21 years and renewable thereafter for 5-year periods) for recreational purposes associated with the Mount Seymour Provincial Park.

In 1967, an amending indenture between the Minister of Lands, Forests, and Water Resources and the GVWD provided for the management of the timber on lands leased by the GVWD (both those assigned in the 1927 indenture, and those assigned in 1953 from the City of Port Moody) for



water supply purposes. The 1967 amending indenture provided for management of the leased lands in accordance with a forest management plan “based on the sustained yield capacity of all of the said lands for the purpose of developing, protecting and improving the water-yielding characteristics of the lands by growing continually successive crops of forest products to be harvested in approximately equal annual or periodic cuts adjusted or equal to the sustained yield capacity of the lands subject to this amending Indenture.” Specific provisions in the lease include that:

- all potentially productive forest lands be kept in growing timber stock and adequately stocked to standards as fixed by the province’s chief forester
- the forest management plan be prepared by a registered professional forester and approved by the chief forester
- where mutual agreement cannot be reached regarding the sustained yield cutting capacity, the Minister of Lands, Forests, and Water Resources shall determine the permissible cut and methods of harvesting in light of the quantity or quality of timber
- cutting permits are required; and if the cutting is on Crown lands not held under other tenure, the permit shall fix the stumpage for timber harvested
- all timber harvested shall be scaled
- in any one year, the wood harvested shall be within 50% of the AAC, and over five years, shall not vary more than 10% of the approved cut over that period
- the highest priority in management of the lands shall be water supply, and that the provisions of the forest management plan must be secondary to this objective.

This amending indenture provides an interesting example of how communities might integrate timber production with other management objectives, such as water supply and recreation, on a community forest.

3.2.3 Conservation Covenants⁴

Communities interested in including private lands as part of a community forest might consider doing so through conservation covenants with private landowners. Large areas of forest land in New England (United States) are protected in this fashion; where communities place conservation easements on land then sell it to a timber company with conditions to establish forest protection.⁵ In British Columbia, it is estimated that there are about one hundred conservation covenants; Islands Trust and the Land Conservancy of B.C. are two organizations holding such covenants.⁶

The West Coast Environmental Law Research Foundation defines a conservation covenant as a voluntary, written agreement between a landowner and a conservation organization (or individual person) in which the owner of the land promises to protect the land in specific ways. The covenant can cover a portion or all of the landowner’s property. The covenant is more than a

⁴ Andrews, W.J. and D. Loukidelis. 1996. Leaving a living legacy: using conservation covenants in BC. Vancouver, B.C. West Coast Environmental Law Research Foundation.

⁵ Turner, B. Pers. comm., November 1997.

⁶ Ibid.



contract between the landowner and the conservation group. It is a deed registered on title to the land, filed with the B.C. Land Title Office, and binds future, as well as present owners of the land. The conservation organization holds the covenant and can enforce it, if necessary, against the owner.

The *Land Title Act* sets out several types of provisions that can be included in a conservation covenant. Some deal with protecting or maintaining land in its natural or existing state, and some deal with provisions for building or subdividing the land. While conservation covenants are most frequently used to protect land of high ecological value from consumptive human activity, they can also be used to limit private forest land to the practice of ecologically sustainable forestry.

The *Land Title Amendment Act* of 1994 enables conservation covenants to be granted to any person (an individual, company, or society) designated by the Minister of Environment, Lands and Parks. The conservation covenant consists of promises made by the landowner (any legal body who is entitled to own land), or covenantor, to undertake specified positive (to do something) and/or negative (to not do something) obligations. The specification of negative obligations is critical to sustainable forestry, because of the difficulty of enforcing positive obligations under common law rules.

A conservation covenant is appropriate where:

- the owner of the land is willing to cooperate
- there is a conservation organization willing to take responsibility for the covenant
- the owner does not want to transfer complete title
- the conservation objectives are capable of being defined in terms of specific things that are to be done or not to be done
- the conservation objectives are long term.

There are several options to consider when determining who should hold a conservation covenant. Granting the covenant to a local organization is the simplest option, and is thought to promote stewardship. However, if there is uncertainty as to the longevity of the organization, two organizations (e.g., one local, and one provincial) can hold the covenant to ensure both local involvement and long-term stability. Alternatively, a large organization can hold the covenant, while a local group manages the land under a management contract with the owner. A third approach is to have the local organization hold the covenant jointly with a municipality, regional district, or local trust committee under the *Islands Trust Act*. In all these cases, the covenant would clearly describe the responsibilities of each holder.

A management plan specifying what is done, who does it, when, and why, is an important accompaniment to a conservation covenant, and of particular relevance to forestry objectives. The management plan can be:

- attached to the covenant (in which case it is mandatory and applies so long as the covenant is in place)
- a separate legal contract (which is also mandatory but would not bind the future owner of the land to the management plan)
- a voluntary agreement.



Several incentives make the granting of covenants desirable to landowners. Covenants enable landowners to provide for long-term implementation of their vision regarding conservation or sustainable development of their property. Income tax deductions are applicable if the organization to which the covenant is granted is a charitable organization under the *Income Tax Act*.

The extent to which a conservation covenant would meet the goals and objectives of community forestry would depend on the agreement negotiated between the landowner and the organization to which the covenant is granted. If the landowners share the goals and values of the community, then it is likely that a positive, long-term, stewardship arrangement can be established. While this option may not provide sufficient landbase for a community forest, it presents an interesting opportunity to include some privately held lands in such an initiative. Since only 5% of British Columbia's land is privately held, there is a limit to which conservation covenants can be used to promote community forestry.



Table 1 Major characteristics of timber tenures and private land being used for community forestry

Characteristics	Forest licence	Tree farm licence	Woodlot licence	Managed/ unmanaged forest	North Cowichan (municipal land)	Conservation covenant
Ownership	Crown	Crown and private	Crown and private	private (tax designation)	Municipality	private or Crown
Granted by	minister (regional manager signs)	minister with approval of Lieut. Gov. in Council	regional or district manager	B.C. Assessment Authority	n/a	landowner
Rights	harvest specified volume per year (AAC) in a specified timber supply area, and forest management	occupy specified area of Crown land for timber harvest and forest management	occupy specified area of Crown land (400 ha on coast; 600 ha in interior) for timber harvest and forest management	lands and timber	fee simple; own some mineral rights but not all	as specified in covenant
Returns to government	stumpage, bonus bid, ground rent	stumpage, ground rent	stumpage, ground rent	tax break on managed forest	n/a	n/a
Term	not exceeding 20 yrs	25 yrs	not exceeding 15 yrs	indefinite	in perpetuity; unless change in munic. reserve	in perpetuity unless covenant is not met
Replacement	on 5th anniv.; may be non-replaceable	on 5th/10th anniv.; may be non-replaceable	on 5th anniv.; may be non-replaceable	n/a	n/a	n/a
Deposit	\$0.15/m ³ of AAC	\$0.10/m ³ of AAC	\$200	n/a	n/a	n/a
Management plan	required; signed by RPF	required; signed by RPF	required; signed by RPF	required for managed forest	yes; for timber, views, recreation, greenspace	most likely for forestry-related covenants
Reforestation, protection	required	required	required	required for managed forest	yes	if specified in covenant
Cutting permits	required	required	required	no	n/a	n/a
Cut control	±50% annually and ±10 over 5 yrs	±50% annually and ±10 over 5 yrs	± 10% over 5 yrs	no	AAC 20 000 m ³	n/a
Annual rent	\$0.25/m ³ of AAC	\$0.45/m ³ of AAC	\$0.25/m ³ of AAC	no	no	n/a
Property tax	no	on private land	on private land	yes	no	most likely
Waste assessment	yes	yes	yes	no	no	n/a
Contractor clause	yes	yes	no	no	all contract logging	n/a
Maintain timber production facilities	if required in original proposal	if required in original proposal	prohibited	n/a	no	n/a
Annual report	district manager may require	yes	yes	required for managed forest	for city council	n/a



Table 2 Extent to which existing models for community forestry meet government and community objectives

Note: This table lists some of the objectives for tenures as specified in the *Forest Act*, and some specified by communities for community-managed forests. Using a high, medium, low designation, how would you rank each of the models for each objective?

Objectives	Forest licence	Tree farm licence	Woodlot licence	Private land	Conservation covenant	Other
<i>From Forest Act</i>						
create and maintain employment and other social benefits						
manage and use Crown timber						
economic development						
environmental quality and management of non-timber resources						
generate Crown revenues						
assure forest industry of long-term timber supplies required for investment in facilities						
enable practice of sustained yield by private interests						



Objectives	Forest licence	Tree farm licence	Woodlot licence	Private land	Conservation covenant	Other
<i>From communities</i>						
enhance employment, community stability						
improve competitiveness of timber industry						
expand secondary processing						
diversify forest products beyond timber						
increase access to wood supply for small operators						
encourage a wider mix of industrial scale						
increase local authority						
manage forests for multiple values						
maintain ecosystem integrity						



3.4 Attributes of a Successful Community Forest Venture

Effective and successful community forest ventures have several attributes. In the following list, attributes 1–4 help to ensure that the community forest serves community-defined objectives; attributes 5–7 help to build organizational effectiveness; and attributes 8–9 relate to operational feasibility.⁷ Appropriate tenure (attribute 8) is particularly important in that it provides the enabling framework for the community forest, and so influences many of the other attributes.

1. *community consensus* around expectations and objectives for a community forest and environmental and resource management values
2. *meaningful inclusion* of broad spectrum of community interests in decision-making structures and processes
3. *building on existing structures and community strengths* to achieve community forest goals in partnership with community groups
4. *meaningful participation by community* in projects to achieve community forest objectives, and in monitoring progress towards achieving objectives
5. *credible leadership* to ensure that its participation is accepted and trusted throughout the partner community
6. *clear mission* to achieve explicit economic, employment, social, and/or cultural benefits as desired by the partner community
7. *meaningful delegation* of authority and responsibility for resource planning and management from the provincial government to the community partnership
8. ***meaningful tenure with sufficient length, security, and delegation of authority to encourage community involvement and achieve community-defined objectives***
9. *sufficient revenue* from community forest development (i.e., products and experiences) to achieve community forest objectives and to ensure that the community forest is sustainable.

⁷ Cortex Consultants Inc. 1996. A feasibility study on a community forest for the City of Prince George. This list is adapted and expanded from Anthony Usher Planning Consultant, N.H. Richardson Consulting, Ecological Services for Planning Ltd., Michael Michalski Assoc., and P.J. Usher Consulting Services. 1994. Partnerships for community involvement in forestry overview: a comparative analysis of community involvement in natural resource management. Community Forestry Project, Ontario Ministry of Natural Resources. pp. 30–31.



4 Policy Issues to be Addressed

Community forests represent a substantial change in the way that forests are perceived, planned and managed. Section 2 of this paper examined the motivation, goals and objectives of community forests, and in Section 3, the options for establishing a community forest under current tenure legislation were considered. This section introduces questions around some of the policy issues that must be addressed in designing a new form of community forest tenure.

4.1 What guiding principles should govern community forestry in British Columbia?

Guiding principles can provide a useful framework for defining community forest objectives and criteria for pilot selection. Some preliminary guiding principles for community forestry in B.C. might include that community forests:

- represent a balanced mix of values expressed by the community and stakeholders
- encourage partnerships within the community
- provide for consultation and participation in use and management by all sectors of the community and First Nations
- adopt management standards meet or exceed minimum provincial standards
- meet forest stewardship objectives of Section 4 of the *Ministry of Forests Act*: (a to d)
 - encourage maximum productivity of forest and range resources
 - manage, protect and conserve the forest and range resources of the Crown
 - plan for coordinated use of use of forest and range resources in cooperation with other ministries and agencies of the Crown and with the private sector
 - encourage a vigorous, efficient and world competitive timber processing industry

4.2 What criteria will be used to define “communities” eligible for a community forest tenure?

Discussion of a definition of “community” will touch on several elements, including a management authority (e.g., cooperative, corporation, society) that represents the spectrum of interests of residents in a given geographic area and meets the guiding principles for community forestry.

4.3 What relationships will the community forest have to other levels of government, resource agencies, and planning processes?

A key question in the structuring of a community forest is how it relates to other levels of government (e.g., provincial, regional, municipal), other resource agencies (e.g., Ministry of Forests; Ministry of Environment, Lands and Parks; Ministry of Municipal Affairs), and its community members (e.g., First Nations, forest industry, environmental groups, private landowners). Similarly, should community forests be subject to higher level plans, such as sub-regional Land and Resource Management Plans (LRMP)?



4.4 How will provincial agencies ensure that fiduciary obligations are met through community forests?

The province has a fiduciary obligation for its First Nations that it cannot assign to another party. Research will be necessary to determine the implications of this situation.

4.5 What relationship should exist between the established forest industry and community forests?

This issue includes questions surrounding how to facilitate partnerships between the community and established industry holding rights to lands and timber within the community's area of interest

4.6 How will community forests address issues of responsibility, accountability, and liability for assuming forest stewardship roles?

The Ministry of Forests has legislated obligations for forest stewardship set out in the *Ministry of Forests Act*. In the event that communities assume part or all of this stewardship role, what provisions are necessary to address issues of accountability and liability?

4.7 How should the benefits from the forest be shared?

This issue is linked closely with issues 4.1, 4.3, 4.5, and 4.8. To what extent should the community forest focus on local needs for jobs and timber, and serve local values (such as cutting below sustainable levels) at the expense of provincial-level revenues and social benefits, or existing mill capacities within the region?

4.8 How will community forests compensate the province for the use of Crown forest assets?

This issue requires the specification of a revenue mechanism that returns fair compensation to the Crown for the use of forest assets, but does not distort the community's management objectives or investment behaviour. Timber tenures use a combination of stumpage, ground rent, and bonus bid (offered by the tenure applicant).

4.9 How will communities finance community forestry?

Should a business plan be required for issuance of a community forest? How will communities financially sustain community forests where they lack harvestable timber or their management emphasis is on stewardship and non-timber values? How will communities sustain community forests during periods of market downturn?

4.10 How will community forests be encouraged to enhance stewardship of the timber resource, non-timber resources (consumables), and public goods?

How will communities be encouraged to invest in resource stewardship? How will communities be encouraged to maximize wealth generated from use of forest resources? Is a land rent arrangement with the Crown, where rent is based on an initial assessment of resource productivity, a viable model? What about sharecropping, where the community receives a fixed



proportion of the harvest revenues? Should communities be taxed on all goods and services produced on and sold by the community forest?

4.11 How will community forests ensure representation of community interests?

How can community forests be structured to ensure they adequately represent “the community?” What processes will the community establish to ensure that interest groups, stakeholders, and the public have opportunities (or obligations) to provide input and participate in the planning and management of the community forest?

4.12 In the longer term, how will community forest tenures evolve with changing social and economic conditions?

This issue requires consideration of the duration of tenure, replacement policy, performance audits, transferability, and reversion to the Crown. What mechanisms should be included to provide a high degree of security but allow for review to ensure the community practices good forest stewardship? What mechanisms should be included to accommodate changes in forest policy, public values, knowledge, and technology?



5 Considerations in Designing a Community Forest Tenure

This section discusses the nature of tenure and the dimensions that are used to define tenure agreements. The discussion on property rights is important in order to understand how tenures can be designed to convey specific benefits and responsibilities to tenure holders.

5.1 What is Forest Tenure?

Forest tenure refers to the collection of legislation, regulations, contractual agreements, permits, and government policies that allocates the benefits from the forest, assigns management responsibilities, and enables change of such arrangements.⁸ The benefits from the forest include extracted products (such as timber, florals, and mushrooms) as well as non-extracted products (such as recreation and viewsapes, and cultural and spiritual values). Management responsibilities pertain to the sustainable management of the forest for specified uses and products.

In a more formal sense, forest tenure arrangements transfer certain *property rights* from the Crown to other agents. To date in British Columbia, these agents have been primarily private sector corporations, and the property transferred has been timber.

“Property,” in its broadest sense, is a characteristic of any physical asset or service that is of value to human beings individually or collectively. Trees, as the source of an industrial raw material, can be regarded as property, as can services provided by forests, such as recreation or biodiversity.

A “property right” is a socially sanctioned and enforceable claim of an individual or group to the stream of benefits flowing from property subject to the conditions society places on the use of the asset or service concerned.

Property rights are sometimes described in terms of their ownership:

- private ownership, where the property right is held by an individual or corporation
- public ownership, where the right is held by federal, provincial, or municipal government
- common ownership, where the property is held jointly by a specified group such as a cooperative, community, tribe, or clan
- open access, in which no individual holds the right, and everyone has equal rights to the benefit stream.

In British Columbia, most forest land is held in public ownership by provincial (95%) and federal (about 1%) governments. Private owners hold rights to about 4% of the province’s forest land area. First Nations recognize some common property rights.

Property rights in forest land and timber are commonly placed in two categories: freehold (fee simple) rights and usufructory rights (rights to use resources owned by others).

Individuals and groups may hold separate rights to different streams of benefits from the same forest area. In British Columbia, various tenure agreements convey rights to harvest trees for industrial and personal use, to use the forest for educational and recreational purposes, and to

⁸ Note that discussion to this point has focused on the province’s timber tenure system.



extract underlying minerals. These rights are conveyed while the Crown continues to hold full title to the productive capacity of the land, to occupant wildlife, and to water associated with the forest.

5.2 Property Rights in the Context of Forest Tenure

To assess the ability of forest tenure arrangements to achieve public objectives for British Columbia's forests, it is useful to consider eight attributes of property rights:

- *comprehensiveness*, the extent to which the property holder has rights to the full range of benefits from an asset
- *exclusiveness*, the extent to which the property holder can claim sole rights to the exclusion of others
- *duration*, the length of time over which the property rights extend
- *transferability*, the capability of a property being bought, sold, or assigned to another owner
- *benefits conferred*, the extent to which the holder can capture the potential benefits from an asset to which rights are granted
- *security*, the extent to which the property holder has assurance that the tenure and its terms will continue, and that the holder will be able to benefit from the property rights conveyed for the specified term of the agreement
- *mutability*, the extent to which a tenure can be adjusted to respond to changing social needs and values, new knowledge, and new technologies
- *allotment type*, whether the rights are to a specified quantity of the resource or to a specified area from which the resource can be taken.

Collectively, these tenure attributes govern the extent to which tenure holders have control over forest assets. Each tenure is a combination of attributes, each of which varies across a spectrum of freedom or limitation.

Other elements that may need to be addressed when designing forest tenure are:

- *returns to government*, the means by which the owners of the timber resource are compensated for harvesting
- *responsibilities*, the forest land management and planning activities specified by the terms of the tenure agreement
- *manufacturing*, the relationships with local primary and secondary manufacturers
- *forest practices*, the application of the Forest Practices Code.

Table 3 indicates the property rights that are conveyed in current timber tenures held by communities. Its final column sets out questions to be considered in designing each attribute of a community forest tenure.



Table 3 Property right characteristics of timber tenures being used for community forestry

Attribute	Forest Licence	Tree Farm Licence ¹	Woodlot Licence ¹	Community Forest Tenure Considerations
Comprehensiveness	AAC and limited management in specified TSA	occupy specified area, timber harvest and forest management	occupy specified area, timber harvest and forest management	Should a community forest tenure pertain to timber alone, or should it include other non-timber benefits (such as outdoor recreation, hunting, mushroom picking, etc.)?
Exclusiveness²	stinted	somewhat stinted	exclusive	Should the community forest tenure holder have sole rights to the timber and other forest benefits, or should these be shared with "third parties." For example, should the tenure allow for operators holding timber quotas under other tenure forms?
Duration	maximum 20 years; replaceable every 5 years; most issued to communities have been non-replaceable	maximum 25 years; replaceable every 5 years	maximum 15 years; replaceable every 5 years	Should the duration of the tenure be 10, 25, 99 years or in perpetuity? Should it have a rolling term, replaceable every 5 years, subject to performance?
Transferability	minister's consent (5% of AAC reverts to Crown)	minister's consent (5% of AAC reverts to Crown)	minister's consent	Should the community forest tenure be transferable to a third party or only revert to the Crown?
Benefits conferred	timber	timber	timber	To what extent should a community forest tenure restrict the tenure holder in harvesting timber or non-timber products? (e.g., should harvesting be subject to provincial cut control?)
Security	medium	relatively high	relatively high	The duration, replacement, and transferability characteristics of the community tenure will essentially define its security.
Mutability	medium	medium	medium	What provisions should the tenure contain to ensure that its conditions keep current with changes in economic and social values, knowledge of forest science, and appropriate technology?
Allotment type	volume	area	area	Should a community forest tenure be specified for an area of land or a volume (quota) of timber?
Returns to government	stumpage, bonus bid, ground rent	stumpage, ground rent	stumpage, ground rent	What payment scheme both encourages investment and returns revenues to community and Crown?
Responsibility	protection, reforestation	protection, reforestation, 5-yr mgmt plan, inventory	protection, reforestation, 5-yr mgmt plan	Who prepares the forest management plan and is accountable for meeting its obligations?
Manufacturing	generally a milling requirement but not to a specific mill	many tied to a specific mill	holders cannot own a manufacturing facility	What provisions should be made with respect to local primary and secondary manufacturing?
Forest practices	Forest Practices Code	Forest Practices Code	Forest Practices Code	Should timber harvesting operations be regulated by the Forest Practices Code?

¹ Crown land portion of these licences

² Exclusive: specific resources are reserved for a single user; Stinted: resource users are authorized to take a specific quantity of a resource



Appendix 1: Community Forest Initiatives in British Columbia

Appendix 1 has two purposes:

1. To document established cases of community-managed forests commonly referred to as “community forests.”
2. To build a summary of the numerous community forest initiatives that have been proposed or are under development.

Table A1 lists established community forests in British Columbia.

Table A2 lists community forest initiatives proposed or under development. It will provide the committee with a rolling summary of proposals that are submitted to the Minister of Forests for consideration as part of the Community Forest Pilot Project.



Table A1 Established community forests in British Columbia

Established Community Forests						
Community	Status	Size	Tenure	Vision/Goals	AAC (m ³)	Management/Staff
Alberni Valley	Alberni Valley Demonstration Forest established August 1993	2,800 ha	33% Crown land 59% MacMillan Bloedel private land within TFL 44 8% municipal	local participation in forest stewardship enhance the genetic, structural, and spatial complexity of the forest to foster a biologically diverse forest environment alternative forest management manage for continuous production of forest crops on a commercial basis within the limitations of integrated use maintain forest cover within the city and surrounding areas as a buffer between the city and the industrial forest economic development and diversification retraining of local people recreation generate revenue to support demonstration forest activities		Demonstration Forest Advisory Group includes representatives from government, municipality, industry, local schools, and many other groups technical committee
Alexis Creek Band (Cariboo)	Tsi Del Enterprises Ltd. issued 1996	volume-based	non-replaceable forest licence 5-yr term		60,000	Tsi Del Enterprises Ltd.



Established Community Forests						
Community	Status	Size	Tenure	Vision/Goals	AAC (m³)	Management/Staff
Creston	forest licence awarded Feb. 1996	volume-based	non-replaceable forest licence (15-year term) in Kootenay Lake TSA	involve community in forest decision-making and management local employment in forestry, harvesting, milling value-added industry ecosystem-based forest stewardship education and training in sustainable forestry water quality, quantity and flow "green" certification of all harvested timber	15,000	Creston Valley Forest Corporation (CVFC), comprised of 6 shareholders (Town of Creston, Regional District of Central Kootenay, Lower Kootenay Band, East Kootenay Environmental Society, Water District, and Creston Area Economic Development Commission)
Gold River/ Tahsis/Zeballos	forest licence awarded	volume-based	non-replaceable forest licence	local employment value-added industry	40,000	corporation eight stakeholders from the communities
Kaslo	forest licence awarded 1996	volume-based	non-replaceable forest licence (15-year term) Kootenay Lake TSA	involve community in forest decision-making and management local employment value-added industry	10,000	limited community corporation
Lake Cowichan	forest licence issued 1996	volume-based	non-replaceable forest licence (15-year term)	job diversification local control over resource keep the local mill running provide jobs and a future for youth in the community	18,000	forest cooperative: five appointed board members and five alternates (one each from: Village of Lake Cowichan, local 180 IWA, local Chamber of Commerce, Heritage Ecomuseum, and Community Futures) only the five appointed members vote



Established Community Forests						
Community	Status	Size	Tenure	Vision/Goals	AAC (m³)	Management/Staff
Mission	Mission Tree Farm established in 1954	10,400 ha (8,000 ha net oper.)	Tree Farm Licence 26	revenue recreational trails large-scale green spaces forest education visual aesthetics control of forest management programs, rates, and patterns water supply tourism emphasis on sustainable, local employment, seeking value-added prospects	41,200	Forest Department (2 RPFs and 5 staff) responsible to elected council via municipal administrator public brings comments or concerns to council self-funding department, optimizing revenue over 5-year cut control cycle local contractors for harvesting, silviculture, and recreation projects
Mowachaht Muchalaht First Nations	Nootka First Nations Forest Products forest licence issued 1996	volume-based	non-replaceable forest licence		20,000	Nootka First Nations Forest Products
Nemaiah Band	Nataswed Enterprises Ltd. forest licence issued 1996	volume-based	non-replaceable forest licence 5-yr term		50,000	Nataswed Enterprises Ltd.
North Cowichan	North Cowichan Municipal Forest established in 1945	4,800 ha	municipal lands	green space recreation accessible to public and educational institutions	23,000	Forest Advisory Committee: three elected councilors, three municipal staff, three volunteer, local professional foresters public interest is represented by the municipal council and administrators integrated management plan developed by FAC and the municipal forest in 1992



Established Community Forests						
Community	Status	Size	Tenure	Vision/Goals	AAC (m³)	Management/Staff
100 Mile House	woodlot licence issued in 1988	400 ha	woodlot licence	timber production revenue demonstration forest recreation habitat conservation	870	municipal council manages forest according to recommendations of a special committee of council members, Ministry of Forests, and officials from two local forest companies no staff forester; because AAC is low, forest operations are carried out every 2–3 years by contractors
Princeton	forest licence issued 1996	volume-based	non-replaceable forest licence		20,000	community forest corporation
Revelstoke	Revelstoke Community Forest Corporation obtained tree farm licence in 1993	119,505 ha	Tree Farm Licence 56	local control of resources economic security and stability job protection community involvement in decision-making revenue to the community forestry training outdoor recreational activities	90,000	management committee provides an advisory network for operation and management public involvement through regular reports to the city and public information and consultation sessions TFL is managed by an independent company with three representatives from the city and community on its board and an advisory committee which includes representatives from the forest industry and other interests contract work and purchases of goods and services go up for public tender when possible with preference given to local businesses
Takla Lake Band (Prince George)	Takla Development Corporation	volume-based	non-replaceable forest licence 8-yr term		80,000	Takla Development Corporation



Established Community Forests						
Community	Status	Size	Tenure	Vision/Goals	AAC (m³)	Management/Staff
Tl'ast'en Nation (Prince George)	Tanizul Timber Limited obtained tree farm licence in 1985		Tree Farm Licence 42		123,300	Tanizul Timber Limited
Ulkatcho Band (Cariboo)	Yun Ka Why'Ten Holdings Ltd. issued 1994	volume-based	non-replaceable forest licence 5-yr term		140,000	Yun Ka Why'Ten Holdings Ltd.



Table A2 Community forests proposed or in development in British Columbia

Community Forests in Development						
Community	Status	Size	Tenure	Vision/Goals	AAC (m³)	Management/Staff
Alert Bay	no licences have been advertised to date	volume- or area-based	non-replaceable forest licence (volume-based) or woodlot licence (area-based)	community stability	approx. 20,000 each	corporation or cooperative (Malcolm Island)
Mount Waddington	MOF district has suggested that the communities combine initiatives to strengthen their application			First Nations building community stability		
Malcolm Island	some timber for licences will come from Small Business Forest Enterprise Program undercut Forest Renewal BC-funded feasibility study completed for Malcolm Island			job creation value-added industry, more labour intensive		
Gitwangak Band	C GED Forest Products	volume-based	non-replaceable forest licence		100,000	C GED Forest Products (wholly owned by band)
Gwa'sala-'Nakwaxda'xw	Gwa'sala-'Nakwaxda'xw Timber Corporation	volume-based	non-replaceable forest licence		47,600 (based on undercut)	Gwa'sala-'Nakwaxda'xw Timber Corporation
Port Alberni	applications for licence have closed but licence has not yet been awarded	volume-based	non-replaceable forest licence	local employment (stability, training) value-added industry	40,000	
Prince George	community forest steering committee established in 1994 Forest Renewal BC-funded feasibility study completed in 1996		not yet defined likely include municipal lands	green space, recreation accessible to public and educational institutions revenue local employment value-added industry		not yet defined; likely a corporation

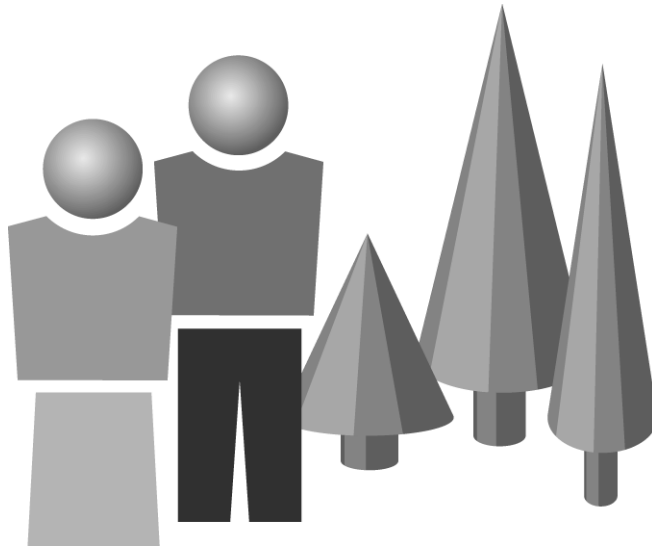


Community Forests in Development						
Community	Status	Size	Tenure	Vision/Goals	AAC (m³)	Management/Staff
Siska and Cook's Ferry Bands (Kamloops)		volume-based	non-replaceable forest licence		15,000	Peyah Forest Products Ltd.
Toquaht (Vancouver)		volume-based	non-replaceable forest licence 5-yr term		25,000	
Tsilhqot'in Nation (Cariboo)	Tsilhqot'in Forest Products Ltd.	volume-based	non-replaceable forest licence 5-yr term		65,000	Tsilhqot'in Forest Products Ltd.

Community Forest Pilot Project

Background Discussion Paper 2

New Models for Community Forestry



Cortex Consultants Inc.



6 New Models to Meet New Objectives

This section summarizes several new models for community forest tenure and governance. The intent is to outline a range of approaches to the implementation of community forestry, as background to the particular characteristics that a community forest tenure must enable. Of particular relevance to the Advisory Committee's December 16,17 workshop on tenure attributes, are the Geraldton and Oona River community forest proposals, which set out some organizing principles, and the Malcolm Island and Forests in Trust proposals that focus on the additional objective of ecosystem-based forest management (a concept that was not considered in the two earlier proposals).

6.1 Aspects of a Community Forest Tenure⁹

It is likely that a community forest tenure might differ from existing tenures in the following ways:

- greater consideration of/management responsibility for non-timber values and resources
- determination of allowable annual cut (AAC) to better reflect community values and objectives related to non-timber values (e.g., longer rotation period, cutting below the long-run sustained yield)
- more flexible cut control policy that allows the community to hold some portion of the forest as an endowment, and to schedule cutting to meet specified needs (e.g., education and demonstration purposes, training/maintaining a local workforce, need for capital, maximize value by following market cycles, flow of wood to local entrepreneurs)
- criteria for award will include community stability, sustainable ecosystem management, multiple resource management, partnership agreements, job diversification, and worker training
- integration of other licensing agreements on the landbase (e.g., guide/outfitter, hunting, fishing, recreational facilities, mining, gravel)
- greater public involvement in all land-use and management decision-making
- greater public accountability for resource use and management
- remuneration will be shared by province, region, and community; the formula for remuneration from timber harvesting and other resource-based goods and services will be based on consideration of pre-tenure transfer payments and other support to communities.

Whether it is better to pursue such amendments as special circumstance caveats to existing licences, as a new community forest tenure, or as a form of meta-tenure that sweeps in other resource licences remains to be seen. Whatever form it takes, a community forest tenure should be sufficiently flexible to allow communities to express their different visions and needs.

The following sections describe models that have been proposed as a basis for a new community forest tenure. The models are presented in chronological order.

⁹ Section 6.1 first appeared in the 1996 *Feasibility Study: Prince George Community Forest* (Cortex Consultants Inc.).



6.2 Geraldton Community Forest¹⁰

In 1987, the Conservation Council of Ontario (CCO), a Toronto-based association of provincial organizations concerned with environmental issues, began to study the concept of community forestry. The council felt that communities in northern Ontario could diversify their economies and ensure long-term economic stability by the wise management of their forests patterned after the North Cowichan model. A feasibility study was completed for a community forest for Geraldton in 1989. In 1992, Geraldton was selected as one of four community forest pilots the Ontario government would pursue under the newly created Ontario Community Forestry Project (1991). The Geraldton Community Forest covers 65 000 ha, most of which is owned by the province. It includes a small provincial park (McLeod), which is used primarily for camping. Cutting rights are held by Kimberly-Clark through a timber licence; the company harvests the timber and the Ontario Ministry of Natural Resources is responsible for basic silvicultural activities. For the term of the pilot project, the ministry delegated its silvicultural responsibilities to the community forest corporation. Kimberly-Clark agreed that the corporation could harvest timber through specified types of cutting, including salvage cutting.

The community forest was managed by a steering committee separate from the town council. Originally, the committee comprised three teams: an administrative committee elected by local residents, a technical team for developing and implementing the forest management plan, and a fund-raising team. Once the committee became a commercial venture, it changed to have four appointed and six elected members.

The policy directions identified in a preliminary version of the action plan were to continue timber harvesting, manage all forest resources for sustained yield, promote natural regeneration, and study and inventory other forest uses and resources with local development potential. Other socioeconomic initiatives included training and outside silviculture contracts, a demonstration forest, and an education and interpretation centre.

A key contribution of the Geraldton Community Forest proposal is the set of twelve attributes that Dunster identified as guideposts for the establishment of the community forest. As noted in Section 6.5, these attributes have provided a useful organizing framework for subsequent community forests, so are summarized here.

Land Administration

The land base is controlled and managed by the municipality, which holds and administers the rights to manage and market the forest (including surface and soil rights) for many outputs.

Dunster notes that where lands affected fall within municipal boundaries, then administrative responsibility could likely be encompassed in the Official Plan, though a separate management plan would be required. Where lands affected by the community forest are outside of the existing municipal boundary, then transfer of administrative responsibility from the provincial government to the municipality would require a carefully defined municipal forest reserve and accompanying management plan.¹¹

¹⁰ Material for this section is drawn from Masse, S. 1995. Community forestry: concept, applications and issues. Canadian Forest Service, Laurentian Forestry Centre. Sainte-Foy, Quebec.; and from Dunster, J.A. 1989. Establishing the Geraldton community forest: phase I: concepts and background information. Dunster & Associates. Guelph, Ont.

¹¹ In the case of the North Cowichan Municipal Forest, the *Municipal Act of British Columbia* was amended to allow for municipal establishment and management of forest reserves.



A Forest Reserve

The productive and protected forest lands in the community forest should be carefully evaluated (with public input) and formally designated as a forest reserve.

Designation of a forest reserve provides a mechanism by which to formally designate lands within the community forest as forest lands and not available for speculation or uses incompatible with community forest goals. Ideally, lands within the reserve would be placed on a long-term lease from the municipality to a corporate structure set up by the municipality to manage the lands.

An Administrative Board

All aspects of management within the reserve would be controlled by a formally established corporate entity, directed by a Board of Governors composed of local and regional people.

The forest reserve should be administered by a mix of local and regional people through some authority (e.g., trust, cooperative, corporation) that reports to, but is independent of, the municipal council.

Local Benefits are a Primary Goal

The forest reserve is managed primarily for local benefits, although these should fit in with other regional and provincial goals wherever possible.

This is a guiding principle of the community forest concept and should be considered throughout all the decision-making. A community forest is one part of a broader strategy towards economic diversification and long-term sustainable development.

Intensive Management for Multiple Outputs

The level of management is intensive and for a wide range of outputs, not just timber production, each carefully integrated into the overall community economic development strategy.

Intensive management of the forest for multiple outputs does not preclude other activities (e.g., mining) within the community forest. Wood fibre production is not necessarily the only or primary output created on all lands, though it will be used as one of the main sources of revenue for other work in the community forest.

Financial Self Sufficiency

The goal of the Geraldton Community Forest is to be financially self sufficient at some carefully defined and sustainable level of management, within a set time frame from the date of establishment.

A reasonable goal might be to devote the first ten years to setting up a sound management structure and initiating a basic level of management activity that is clearly sustainable. Any revenues generated would be sufficient to cover the annual cost of staff and a level of basic activity that can be maintained. Surplus revenues would be placed in a trust account (administered by the municipality) to be used specifically for furtherance of the community forest.

Staffing

The staff will consist of a general manager, a community forester, two technicians, and administrative support.

The specification of staff will depend on the particulars of each community forest. However, as the Geraldton report indicates, the individuals selected to fill staff positions must have dynamic personalities, be able to communicate well with all levels of government, the general public, and employees. The community forester must have a sound background in forest management appropriate to the community forest ecosystems, and be eligible for registered professional



forester status. Both the community forester and general manager should have a broad understanding of intensively managing a forest for multiple outputs. All staff must have an interest and commitment to living in the area and being part of the community. The report also notes that the use of owner-operator cooperatives should be investigated as a means of establishing a small team of reliable workers who would undertake roadbuilding and harvesting using small-scale machinery. The report also notes that the use of owner-operator cooperatives should be investigated as a means of establishing a small team of reliable workers who would undertake roadbuilding and harvesting using small-scale machinery.

The Community Forest is a Long-term, Integral Part of the Community

The Geraldton Community Forest will be established as an integral, long-term component of the community's infrastructure, and will be set up in such a way that a change of council does not jeopardize the continued existence of the forest.

Forest management is a long-term activity and in many cases the rewards from invested money and labour are not realized for many years. With this in mind, the Geraldton Community Forest requires explicit recognition that the town is making a long-term (100-year horizon) commitment to accept responsibility for managing the forests with local input to provide locally defined outputs. The structure of the community forest must be sufficiently robust to stand this test of time, which will include cyclical markets for forest products, changing political agendas, and evolving societal demands on the forest. Long-term municipal commitment to the community forest is a prerequisite for success. Provisions should be made for how to wind down the operation in the event of unforeseen failure or excessive burden on the community (e.g., by a requirement for an extraordinary meeting and a successful motion for dissolution by 85% of the community).

Management Strategies

The Geraldton Community Forest will be intensively managed for a range of purposes, utilizing techniques that are not likely to create environmental damage. The management strategy adopted will be in line with the principles of the World Conservation Strategy and the World Commission on Environment and Development.

The community forest will be managed intensively for a range of consumptive and non-consumptive outputs. Timber harvesting methods (e.g., small-scale, low-impact machinery) will retain the biological integrity of the forest and minimize site degradation. The management plan will recognize timber as but one part of the total management scenario, and will include a statement of how the community forest will meet principles of the World Conservation Strategy and Ontario Round Table on Environment and Economy.

Use of the Community Forest for Research, Development, and Education

The Geraldton Community Forest will be made available for people interested in conducting research and development of new, small scale technology and management methods, provided that this work fits in with the established goals and objectives. The community forest will be available as an outdoor education facility for use by local schools and other groups.

Research and development is an important component of management. Research activities could include biophysical, cultural, and sociological aspects of the community forest. There is considerable potential to liaise with other provincial and federal management agencies wanting to try new and innovative management approaches that emphasize the maintenance of environmental quality. Cooperative research and development programs that fit within integrated resource planning strategies should be encouraged. The forest could be developed to serve educational pursuits for all ages (e.g., interpretive centre, vocational retreat).



Lifestyle and Quality of Life

The lifestyle of the local people and the quality of life that they can develop within the Geraldton Community Forest is important.

Careful management of the community forest will affect the quality of life of residents. Once the community forest is established, it is expected to play an important role in other economic diversification efforts by engendering a sense of community pride.

Establish a Demonstration Forest

A Demonstration Forest should be established along the sides of Highway 11.

Establishing a demonstration forest would provide jobs and an excellent educational tool for the public to learn about integrated forest management activities. It could serve as an outdoor education centre and as a tourism feature.

6.3 Tin Wis Coalition

The Tin Wis Coalition, a group of timber industry workers, First Nations, and environmentalists on Vancouver Island, formed in 1988 to seek solutions to problems arising from competing claims on forests. Their founding document, the Tin Wis Accord, was signed in 1989 and expanded in 1990. They produced a draft *Forest Stewardship Act*, based on the principle that forests are to be managed for public net benefit, and proposing a method for reaching public consensus on how to balance use and protection of the forest. The act's primary goal was to foster awareness and practice of long-term responsible forest stewardship at the local level—a fundamental shift from the short-term focus on forest products markets.

The draft legislation significantly reforms the forestry decision-making in the province. Decision making authority would lie with community forest resources boards in each forest district, and a provincial forest resources board. The Ministry of Forests and other ministries would retain an important role as the overseeing body if basic standards and procedures set forth in the act were violated.

The provincial board would set forest practices minimum standards and would serve as the appellate body where community board decisions could be contested. The local boards would assume a range of important regional planning and management responsibilities, including forest-use zoning, the supervision of licensees, the preparation of management plans, and the approval of the AAC recommended by the province's Chief Forester. The new management system created by the Forest Stewardship Act would be funded by increased stumpage rates.

Each community board would consist of 13 members: seven elected and six appointed by cabinet. Under the act, the provincial appointees would be drawn from interests including First Nations, non-timber related business people, unionized and non-unionized timber-related workers, forest company employees, non-commercial forest users, logging contractors, and tourist operators. The provincial board would also have 13 members, with community boards to elect six regional representatives and cabinet to appoint the remainder. The rationale for this system of election and appointment is to balance interests. Boards established entirely through an open public election process could be subject to control by the strongest special interest group. Boards entirely appointed could be exposed to the risk of patronage appointments.

The Tin Wis Coalition expressed the need for a new community forest licence to enable long-term management and community stability. Although the Coalition did not specify the details of such



a tenure, it noted that management would be in accordance with forest use zones established by the community forest resources board. Overall, the proposed Forest Stewardship Act would change the locus of decision-making, and ensure that a larger set of forest values would be served than in the current system.

6.4 Village of Hazelton

In 1990, the Village of Hazelton issued a *Forest Industry Charter of Rights*.¹² This document was a first attempt to assemble a set of principles and rules of practice for sustainable forestry. It was intended that the Charter be appended to the Forest Act, to eliminate confrontations between communities, the forest industry, and central governments. The 40-point charter included several recommendations regarding forest tenure, including: the application of forest management regulations to both Crown and private forest lands; a ceiling on corporate ownership of harvest tenures or timber conversion capacity; award and renewal of harvest tenures tied to the manufacture of high-value products in B.C.; greater local control of forest resources; and development of a sustainable forest management strategy for forests on tribal lands. The Charter was distributed to every local government in B.C., and to a wide range of industry, environmental, and share organizations.

A final version of the Charter, incorporating feedback from respondents to the original and second drafts, was produced in 1991 as *A Framework for Watershed Stewardship*.¹³ The Framework recommends replacement of the *Forest Act* and other related natural resource management legislation with a new Watershed Stewardship Act that incorporates the principles and policies set out in the framework. The document describes new processes for organization, public participation, and planning within the watershed. It outlines how water and air resources, biodiversity, and habitat will be maintained and protected.

With respect to tenure, the framework recommends that:

- one-third of land approved for timber extraction in any Watershed Authority (WA) area should be dedicated to long-term woodlot tenures that replace current Small Business Program TSLs and woodlot licences; woodlot tenures may be transferred but not sold; they may include contracts for management of other resources.
- TFLs and long-term volume quotas be repealed and a new range of tenure classifications be developed in consensus by the public, WA, and a new Ministry of Natural Resources
- the WA grant a range of short- and long-term area-based tenures that best support the regional economy
- no corporate owner be allowed to directly or indirectly own more than 5% of forest extraction tenures, timber conversion capacity, or pulp mill capacity in B.C.
- the level of annual harvest in each watershed be determined based on its individual sustainable capacity, including protection of non-timber uses such as water, soil, fish and wildlife, trapping, tourism

¹²Village of Hazelton. 1990. *Forest Industry Charter of Rights*. Unpublished document, January 1990.

¹³ Village of Hazelton. 1991. *Framework for watershed stewardship*. Unpublished document, March 1991.



- not more than 20% of the total operable forest area of a watershed unit can be cut in any 30-year period
- 75% of the sawlog volume extracted annually in any WA area shall be fully processed to at least a secondary level in the local jurisdiction
- continued award of extraction tenures be based on the degree to which timber is manufactured in each WA area for high-value end products.

6.5 Oona River Community Forest

The 1993 Oona River Community Forest Proposal¹⁴ presents a strong case for a 20 000 ha community forest to support the small, but stable north coast community of 45 permanent and 30 part-time residents. The proposed community forest is effectively described in terms of the 12 principles suggested by Dunster in his 1989 Geraldton Community Forest report. (Section 6.2) The proposal identifies the land area proposed for the community forest, the board structure to manage the community forest, the anticipated local benefits and multiple outputs, how it would achieve economic self-sufficiency, the staff requirements, a legal entity to oversee the tenure, its management strategies, and use of the community forest for research, demonstration, and education. It follows with a discussion of potential industries that could be established in the community that would directly or indirectly benefit from the community forest. These include, but are not limited to, timber production-related activities such as silvicultural training, value-added woodworking, and production of shakes and shingles.

The Oona River Community Forest proposal was one of the first in British Columbia to spell out the property rights attributes of a new community forest tenure that would facilitate the envisioned multiple value, multiple product, and for local benefit community forest. It notes that a new community forest tenure would have to address the eleven characteristics that shape forest tenures (comprehensiveness, duration, transferability, economic benefits, exclusiveness, security, use restrictions, allotment type, size specification, operational stipulations, and operational controls) as well as help to achieve Dunster's twelve principles. The proposal recommends the following six characteristics as common features to any community forest tenure:

Duration: 99-year term with a 30-year evergreen replacement clause. Performance audits conducted every 10 years during the first term.

Transferability: none; if the community forest is not successful, or the Board mismanages the tenure, the land would revert to the Crown.

Allotment type: area-based

Size specification: 19 000 ha

Security: experimental form of tenure, renewed only if both Oona River Community Association and Provincial Government both agree to its continuance at the end of the first term experimental period.

Operational control: Modified tree farm licence regulations.

The remaining five tenure characteristics could vary to produce several new tenures:

¹⁴ Oona River Community Association and P. Mitchell-Banks. 1993. Oona River community forest proposal.



Comprehensiveness: The rights conveyed could range from timber management rights only, to comprehensive rights to timber, water, fish and wildlife, minerals, oil and gas. (The report notes that assigning non-timber rights would involve significant political negotiation, and that political difficulties in managing non-market rights [such as fish and wildlife] could result in management decisions that did not produce socially desirable quantities and qualities of these goods. It suggests that it may be easier to permit community residents to participate in managing these on-timber rights through other means – such as zoning, public decision-making, vetoes, or appeals.)

Right of tenure holder to economic benefits: Economic benefits will be limited by levied taxes, stumpage, royalties, land rents, or other associated charges.

The report proposes that all timber management, silviculture, and harvesting activities be put out to sealed public tender, with Oona River residents holding rights to meet the winning bid, provided that their qualifications, resources, and experience are judged to be appropriate. It is proposed that log sales also go out to public sealed tender, with local sawmills or other wood users holding the right to match the winning bid.

The report also proposes a range of methods for the Crown to earn revenue. Stumpage could be assigned at current rates applicable to the North Coast Forest District. Alternatively, a threshold stumpage could be charged, based on some percentage of average stumpage rate for that forest district, region, or the province. Or Crown revenue could be determined based on a percentage of log values based on the Vancouver Log Market. Profit-sharing between the province and the community is another alternative (similar to agricultural share-cropping agreements). Under this process, the Crown could provide the land and seedlings, and after agreeing to a course of forest management, silviculture, and harvesting, let the community absorb all management and operational costs, then split the net revenue generated by the community forest operations. A variation of this arrangement would permit the community to retain a higher percentage of the profit in lieu of transfer payments.

Exclusiveness: Controls of non-timber resource uses could include the establishment of seasons, limited entry, or bag-limits. A permit entry system could be implemented if hikers and campers began to present environmental problems.

Use restrictions: Following a detailed land and resource inventory and analysis of the community forest, sections of the forested land are likely to be set aside for ecological, fish and wildlife, recreational, educational, aesthetic and spiritual/cultural reasons. Other sections may be restricted in terms of acceptable harvesting and silvicultural practices. It is proposed to limit both consumptive (e.g., hunting, fishing) and non-consumptive (birdwatching) recreation to specific areas of the community forest.

Operational stipulations: Meet all federal and provincial environmental regulations; possibly some exemptions to allow forestry or land management experimentation.

The Oona River proposal suggests six variations of a community forest tenure; each with the common set of the first six tenure characteristics and each of which differs to some degree in one or two of the last five characteristics. The conclusion is that the tenure options that convey more land and resource management control, by being the most comprehensive and having fewest operational stipulations, are the ones that best meet the community's objectives.



6.6 Community Forest Agreement (Malcolm Island)

A community forest feasibility study conducted for Malcolm Island¹⁵ recommended two tenure options: Crown-granted land (essentially private land held by the community), and a Community Forest Agreement held by the community on Crown land. Under the latter option, the community would hold rights to the timber and would have the authority to establish regulations and management policies including cut control. The study cites three principles as a starting foundation for the Malcolm Island Community Forest Charter; these are assumed to be the objectives that the desired tenure must meet:

- community well-being and modest rural lifestyles
- democratic community control of management
- long-term ecological integrity of the forest.

The proposed Community Forest Agreement had the following characteristics:

- area-based (all Crown land on Malcolm Island)
- managed under a charter of basic principles consistent with democratic community control and forest ecosystem sustainability
- duration and provisions for replacement that would provide a high degree of security as long as the community practices good forest stewardship
- a combination of land rent and taxes on forest products (timber and other products) payable to government to allow the community maximum flexibility in choosing its forest management and economic strategy
- requirement to meet performance standards for overall ecosystem health and sustainability in replace of harvest regulation (AAC and cut control)

Specific attributes of the recommended Community Forest Agreement include:

- it is non-transferable
- it grants area-based exclusive rights to forest resources
- it is for approximately 100 years, with “evergreen” replacement every 10-20 years
- it pays the Crown rent for use of the land, and government taxes the gross or net income from the sale of forest products
- in lieu of AAC and cut control provisions, the community must maintain specified standards of an ecologically healthy landscape and an adequate inventory of timber to ensure future supplies
- the community is responsible for planning, inventory, silviculture, and protection
- sale of logs or logging rights would be by sealed-bid auction with local loggers and manufacturers as preferred bidders

¹⁵Robin B. Clark Inc. 1996. Malcolm Island community forest tenure feasibility study.



- planning and operations would be governed by the Forest Practices Code and applicable statutes and regulations.

6.7 Forests in Trust

In July 1997, the University of Victoria published *Forests in Trust: Reforming British Columbia's Forest Tenure System for Ecosystem and Community Health*.¹⁶ The report reviews and evaluates existing tenure arrangements in terms of their ability to sustain ecosystems and communities, and explores alternative arrangements to meet these goals. The report emphasizes that ecosystem-based forestry is the enabling context for all resource activities, and recommends changes to the current tenure system to reflect the following underlying principles:

- ecological limits define appropriate limits for human activities
- ecological boundaries define the relevant management unit
- cutting levels are primarily determined by ecosystem goals rather than by economic factors
- alternatives are required to clearcutting and other industrial forestry practices
- value-added is sought in all manufacturing activities
- a phased-in process for a specified transition period is essential.

The report recommends establishment of a Community Forest Trust Act that would provide a vehicle to transfer forest lands currently under exclusive Crown control into an ecosystem-based trust jointly held by the province and a designated community authority. The trust area would reflect natural boundaries, such as an island or watershed, and would be managed by the community authority according to a Charter of Principles. The Community Management Authority would establish cut control policies, allocate and regulate all community-based tenures, and set the conditions for all tenure holders in the trust area. All tenure holders would manage within a goals-based framework, predicated on maintaining ecosystem integrity. They would be required to use low-impact timber harvesting methods and to facilitate development of the community's secondary manufacturing potential. Existing industrial tenures would be required to conduct their operations under the new management structure and standards established by the community, or would be replaced by community tenures.

The report presents several examples of community tenures. Recommendations are made for restructuring two existing tenures – the woodlot licence and SBFEP timber sale licence – to achieve ecosystem-based forestry standards. Changes to the woodlot licence include refocusing its management objectives to first maintain ecosystem integrity and secondarily to produce timber; and requiring the licensee to be both an accredited ecoforester and a community resident. Changes to the SBFEP licence include expanding the development of log markets and opportunities for value-added operations, and establishing provisions to eliminate surrogate bidding.

The need for a new area-based community forest tenure to provide enhanced resource security, economic control, and opportunities for more innovative long-term approaches to forest use is noted. Also recommended is a tenure that will enable First Nations to detail how management

¹⁶ Burda, C., Curran, D., Gale, F. and M. M'Gonigle. 1997. *Forests in Trust: Reforming British Columbia's Forest Tenure System for Ecosystem and Community Health*. University of Victoria, Report Series R97-2.



should occur in their traditional forests according to their different requirements and in light of changing conditions in ecosystems and cultural communities.

6.8 Experiences in Other Jurisdictions¹⁷

The following brief examples indicate a range of approaches to managing forests for local and regional values.

6.8.1 Algonquin Forestry Authority¹⁸

The Algonquin Forestry Authority is an Ontario Crown Corporation, established by legislation in 1974 after a long dispute over logging in Algonquin Provincial Park.¹⁹ Bill 155 “An Act to Incorporate the Algonquin Forestry Authority” terminated Order-in-Council timber licences held by fourteen companies and vested in the AFA the responsibility of licensee to harvest Crown timber and sort, sell, supply and deliver logs; and to perform such forestry and land management programs as authorized by the minister. In 1993 an interim agreement was reached with the Ontario Ministry of Natural Resources (OMNR) for the AFA to undertake forest management activities in Algonquin Park. This was finalized in 1985 for a 15-year period with 5-year performance reviews; the first 5-year review in 1990 extended the agreement for another 15 years. The agreement further specifies the companies to which AFA will sell Crown timber produced from the tract, and the minister must approve in writing, the volume for each company.

The authority is responsible for management and logging within the park (in 1983, the authority also assumed responsibility for silviculture) and recovers the costs of harvesting activities from the sale of products. The Ontario Ministry of Natural Resources provides funding for other activities, such as tree marking, wood measurement, and road maintenance. The Crown Corporation enables the government to retain control of forest management activities in the park without being involved in its hands-on management.

Forest management objectives for a given tract of land in Ontario are subject to decisions and policies established at provincial, regional, and district levels. The Timber Management Plan is a resource management plan subject to provincial policies and the draft Algonquin Provincial Park Management Plan (the land use plan). In this way, zoning prescribes the acceptability of timber management and roads, and the guidelines for land (and timber) management.

6.8.2 Forestry Group Ventures, Nova Scotia

The Nova Scotia system of Forestry Group Ventures was established in 1987 to develop cooperative forest management strategies on small blocks of private land. Its main objective was to make it possible for woodlot owners to harvest mature timber and/or make improvements to their woodlands that they would not otherwise (financially or physically) have been able to do.

¹⁷ Many of these examples are drawn from Dunster 1989; and Masse 1995.

¹⁸ Algonquin Forestry Authority. 1995. Timber management plan for the Algonquin Park Management Unit.

¹⁹ Algonquin Park is a Natural Environment Park under the Ontario Provincial Parks Classification System. a Natural Environment Park incorporates outstanding recreational landscapes with representative natural features and historical resources to provide high quality recreational and educational experiences. Part of the Park is zoned recreation-utilization. Low intensity recreation and commercial timber harvesting are permitted in this zone. Algonquin was established in 1893, and overall management policy since that time has been to preserve and protect park values. While timber harvesting is permitted, it is conducted in a discreet manner under strict controls.



Each Group Venture has a Board of Directors and is set up as a cooperative or limited joint stock company, and is subject to its attendant legislation. Dunster notes that the Group Ventures concept is a useful model of cooperative management, and has merit as a strategy for bringing together many owners of small woodlands. Challenges include coordinating individual aspirations and beliefs and finding the appropriate organization skills to lead such a system.

6.8.3 New England Forestry Foundation, Boston, Massachusetts

The New England Forestry Foundation is a private, non-profit corporation designed to promote wise forestry and conservation education for private landowners. It provides a pool of expertise for landowners interested in managing their forests wisely and on a sustainable basis. By owning and managing its own lands as demonstration projects, the Foundation is able to illustrate what can be achieved on a range of sites with a range of management objectives. Staff foresters act as consultants and managers for private landowners. The Foundation operates in Maine, Massachusetts, New Hampshire, and Vermont. Dunster notes it as a good model to consider for areas where there are many landowners in need of access to management services and advice.

6.8.4 Menominee Forest²⁰

The Menominee Indian Reservation encompasses approximately 95 thousand hectares, of which over 88 thousand hectares are forested, northwest of Green Bay, Wisconsin. The reservation is home to some 4,700 Menominee Tribe members; another 4,000 live off the reserve. The reservation was established in 1854. Since then, the Menominee Forest has been the economic backbone of the community.

The story of the Menominee Forest is an amazing chronicle of a people unwilling to let their forest go. Despite efforts by timber barons to gain access to their rich forest lands and efforts to turn their people into farmers, the Menominee have resisted allotment of their lands. Most recently, they fought successfully to overcome the Termination Act of 1961, which ended reservation status and turned control of the land over to Menominee Enterprises Inc. The Menominee Restoration Act, passed in 1973, transferred title to the land from the corporation to the Secretary of the Interior to be held in trust.

Today, the Menominee Forest is managed by Menominee Tribal Enterprises, a corporation which manages the forest, operates the sawmill, and markets wood products throughout Wisconsin, the central US, and to offshore markets. MTE is an independent business enterprise governed by a 12-member elected board of directors made up of tribal members and answers to the Menominee tribal legislature. The company employs an average workforce of 300 people, some 70% of whom are tribal members.

The Menominee Forest is managed on a sustained yield basis by MTW with the cooperative involvement of the Wisconsin Department of Natural Resources and the United States Bureau of Indian Affairs. This cooperative, inter-agency approach to management has allowed the Menominee to make continual advancements in the application of silviculture and harvesting techniques. The University of Wisconsin is also involved – two professors from the Department of Forestry developed the forest habitat type classification system.

²⁰ This information is taken from *The Menominee Forest* an online study posted by the Forest Alliance of British Columbia at www.forest.org.



The allowable cut is determined on the basis of a continual forest inventory for all-aged compartments, and an operational inventory or stand exam for even-aged management units. Forest management on the Menominee Forest is based on State of Wisconsin and Bureau of Indian Affairs rules requiring a forest management plan and sustained yield program. The cost of forest management and planing is shared between the MTE and federal government. The management objective of the Menominee is to continuously improve the sawlog component of the harvest and to enhance productivity. Logging operations are carried out by phase and stump-to-dump contractors, under a logging practices guide contained in the management plan. The Menominee Forest has been certified as well managed or sustainably managed by scientific certification systems (Green Cross) and by Smart Wood.

The Menominee use the forest for a variety of recreation, cultural, and subsistence activities, including the harvesting of medicinal plants, berry picking, fishing, and hunting. Use of reserve land by non-Menominee is not allowed.

6.8.5 Intramunicipal Lots in Abitibi-Temiscaming Region²¹

In the autumn of 1990, a working group consisting of representatives of regional organizations and the provincial and federal governments began a study on the feasibility of developing intramunicipal lots in the Abitibi-Temiscaming region of Quebec. As part of the study, a strategy was formulated to develop intramunicipal lots in order to promote economic development in local municipalities. The strategy involves the forestry, agricultural, and tourism sectors. One of its main recommendations concerning intramunicipal lots is that a regional management board be set up to study and approve proposals to sell, lease, or develop them under forest management contracts.

On June 28, 1994, the Abitibi-Temiscaming Regional Development Council (CRDAT) and the Quebec government signed an agreement defining the general framework for joint action by both the Quebec Government and the region to develop public intramunicipal lots as levers for regional development. An additional aim of the agreement is to implement and evaluate a new model for decentralizing resource management on Crown land. The objectives of the joint action envisaged under the agreement are to:

- revitalize, strengthen, and develop rural communities
- create and maintain jobs for rural residents near the places where they live to ensure the continued occupation of the area
- develop the agricultural, forestry, and tourism sectors
- adhere to the principles of integrated resource and land management, environmental protection, and sustainable development.

The agreement covers Crown land located within the boundaries of municipalities in the region, but excludes land in timber supply and forest management agreements with the Quebec Department of Natural Resources (MNR). Development measures specified in the agreement are set out in four main components:

²¹ Masse 1995. Appendix 2: Summaries of Community Forestry Initiatives in Quebec.



Component 1: Transfer of scattered lots to municipalities. The MNR will transfer all scattered lots (units of 400 ha or less in a single block) of Crown land under its authority to municipalities. The municipalities may sell or lease these lots

Component 2: Creation of a forest reserve of lots for agriculture and agroforestry. The aim is to develop blocks of lots (units of over 400 ha in a single block) with potential for agriculture or agroforestry. Municipalities may sell or lease them to private developers or nonprofit organizations to be used for agriculture or agroforestry purposes.

Component 3: Establishment of forest management contracts with municipalities and regional county municipalities (RCMs). In the short term, these blocks of lots (over 400 ha) will remain the property of the province and will be included in forest management contracts with the MRN as specified in December 1993 amendments to the *Quebec Forest Act*. This new form of tenure will allow municipalities or groups of municipalities to manage timber resources on Crown land for sustained yield. RCMs may also sign similar agreements to manage lots on unorganized land. Forest management contracts will contain the following key provisions:

- municipalities will not be required to pay stumpage fees
- projects submitted to the MRN must be self-financing
- the timber harvested is not tied to specific processing plants.

As well, the contract shall specify the form, content, and conditions of approval of the forest management plan, the form and content of the reports of activities to be provided, the destination of the harvested timber, and the conditions governing the marketing of harvested timber. The Minister of Natural Resources has announced his intention to transfer the blocks of lots targeted under this component to the municipalities.

Component 4: Establishment of development funds. Components 1-3 are conditional on the creation of funds for developing private and public intramunicipal lots. Main sources of these funds include:

- approximately \$1.3 million in start-up funding from the government
- net revenues from the sale and leasing of lots transferred by the MRN
- sale of timber from the transferred lots and lots under management contracts.

Development funds are to be managed by the RCMs or an organization mandated by them. Privatized lots will be eligible for funding under MRN's financial assistance program for private woodlots.

CRDAT will act as coordinator for the various regional and local stakeholders during the period in which the main provisions of the agreement are being implemented. Working groups in each RCM will provide technical support to the municipalities during all stages of planning and management.