Forest Practices Board

# 2005/06 Annual Service Plan Report



#### National Library of Canada Cataloguing in Publication Data

British Columbia. Forest Practices Board.

Annual Service Plan Report. — 2005/06 — 2007/08

Annual. Report year ends Mar. 31, 2006. Also available on the Internet. Continues: British Columbia. Forest Practices Board. Annual report. ISSN 1230-9071 ISSN 1708-1610 = Annual service plan report — British Columbia Forest Practices Board. 1. British Columbia. Forest Practices Board — Periodicals. 2. Forest policy — British Columbia — Periodicals. 3. Forest management — British Columbia — Periodicals. 4. Forest law and legislation — British Columbia — Periodicals. 1. British Columbia. Forest Practices Board annual service plan report. SD14.B7.B74 354.5'5'0971105 C2004-960157-9

For more information on the Forest Practices Board, contact:

Forest Practices Board PO BOX 9905 STN PROV GOVT VICTORIA BC V8W 9R1

or visit our website at *http://www.fpb.gov.bc.ca* 

Published by the Forest Practices Board



### Message from the Chair and Accountability Statement

The Board's principal interest in the 2005-06 year has been the implementation of the *Forest and Range Practices Act*. While the Board's main function of audits, complaint investigations, special investigations and appeals have been continued, the regulatory context has changed. The province is making the transition from a prescriptive *Forest Practices Code* to a results-based system that on the one hand is reliant on the professional judgment of forest professionals and on the other is

dependent on the ability to measure forestry results objectively. Where, in the past, the Board examined practices to determine if they were compliant with regulations under the code, we are now developing procedures to measure the achievement of stewardship objectives set by government for a wide range of forest resources.

Assessing results, instead of compliance with rules, brings with it a number of significant issues. First, the criteria and indicators of effective forestry performance have to be scientifically determined. Second, accurate means of measuring results in the field have to be developed. Thirdly, the measured results on the ground have to be reliably linked to the forest practices of individual forest licensees. The Board is working actively with the Ministry of Forests and Range, Ministry of Environment, university researchers and licensee foresters to develop auditing and investigation processes that address these issues.

As the *Forest and Range Practices Act* is coming into force, the province is also faced with numerous significant forest practice challenges. Salvage and recovery of Mountain Pine Beetle damaged forest, rehabilitation following large scale wildfires, dealing with rapid expansion of resource access roads, regulation of a growing number of smaller licensees with temporary tenures, managing habitats for species at risk and planning ahead for the consequences of climate change are some of the major issues affecting forest practices that are being tracked by the Board.

Through all these changes and challenges, the cumulative record of forest practice audits has been substantially positive. Forest licensees are conducting operations in compliance with the provisions of the *Forest Practices Code*, and when examined under the new regime these are proving to be effective in providing stewardship of resources. The question that will likely prove to be the most interesting in the future is how we are to measure and manage the overall cumulative impact of all resource activity on the same land base, putting forestry operations into a realistic perspective alongside their industrial counterparts in other resources sectors such as agriculture, energy, mining and recreation.

The 2005/06 Forest Practices Board Annual Service Plan Report was prepared under my direction and in accordance with the *Budget Transparency and Accountability Act*. The report compares the actual results to the expected results identified in the Board's 2005/06 Service Plan Update. I am accountable for those results as reported.

Sure Straver

Bruce Fraser, Ph.D. Forest Practices Board Chair

June 30, 2006

## **Table of Contents**

Message from the Chair and Accountability Statement	
Highlights of the Year	
Purpose, Vision, Mission and Values	
Strategic Context	
Service Delivery and Core Business Areas	
Report on Performance	
Performance Summary Table	
Goals, Objectives, Strategies and Performance Measures	
Report on Resources	
Resource Summary 2005/06	

# Highlights of the Year

- The Board chair and staff were guest speakers at 13 conferences and workshops.
- The Board dealt with 88 concerns (where members of the public contacted the Board with a problem). Most were dealt with by asking the person to first try to resolve their concern by contacting the regulatory agency that deals with the matter. Many concerns dealt with matters that the Board has no authority to investigate. In those cases, the person was directed to an agency that did have the jurisdiction, such as the Ombudsman.
- The Board reported out on 16 complaint investigations and began 11 new complaint investigations.
- The Board released the findings of 10 audits. Results for another five audits started during the fiscal year are pending.
- The Board reviewed 160 penalty determinations made by Ministry of Forests' district managers, reviewed 17 appeals, and joined four appeals to the Forest Appeals Commission on behalf of the public interest.
- The Board published several reports addressing issues of public concern, including safety of bridges on forest service roads, the reduction in landslides caused by forestry activities, access management issues on forestry and other resource roads, and post-wildfire hazard assessment. Special investigations of forest fuel management, mountain pine beetle salvage and re-establishment of forests following logging were started during the fiscal year.

# Purpose, Vision, Mission and Values

## Purpose

The Forest Practices Board was created under the *Forest Practices Code of British Columbia Act* (the Code) as an independent watchdog for sound forest practices in B.C.'s public forests. The mandate of the Forest Practices Board is to provide independent assurance, to both the British Columbia public and the international marketplace, that forest and range licensees are carrying out sound practices and complying with legal requirements. Its mandate is also to ensure that resource ministries are appropriately monitoring and enforcing legislation.

The Board audits tenure holders and government ministries for compliance with and enforcement of the Code and the *Forest and Range Practices Act* (FRPA); carries out special investigations and issues reports as appropriate; investigates concerns and complaints from the public; and participates in appeals to the Forest Appeals Commission.

## Vision

Forests that are soundly managed to sustain the full range of forest values and forest resources for British Columbians.

## Mission

The Board serves the public interest as the independent watchdog for sound forest and range practices in British Columbia.

## Values

The Board:

- acts on behalf of the public's interest, not those of any single group;
- is straightforward in its approach;
- emphasizes solutions over assigning blame;
- behaves in a non-adversarial, balanced manner;
- treats all people with respect, fairness and sensitivity;
- performs in a measured, unbiased and non-partisan manner;
- carries out its mandate with integrity and efficiency;
- provides clear and concise reports to the public;
- bases actions and decisions on knowledge, experience and common sense; and
- is accessible and accountable.

## **Strategic Context**

The Board remains objective and independent from industry, environmental groups and government. Board members have diverse background and experience, allowing the Board to fairly represent the public interest. The expertise of the Board and its staff is recognized by stakeholders, and it has well-defined processes for audits and investigation.

The Forest Practices Board is committed to informing the public about forest and range practices through its independent auditor, complaint response, and special investigation roles. It is also mindful that this function is important for positioning BC forest products in the international market. The Board's capacity to fulfil these important and constructive roles during 2005/06 was affected by a changing environment as follows:

#### **Mountain Pine Beetle**

Government has substantially increased the allowable annual cut, on the order of 5 million cubic metres, to respond to the mountain pine beetle epidemic. This vastly expanded harvest increases the number and scope of operations that need to be audited, particularly the extensive salvage operations now in process. There are major public questions about reforestation, conservation of a broad range of non-timber forest resources, management of watersheds, and design of a more resilient forest for the future. These issues were of intense public interest and a major focus of the Board.

#### **Forest Fires**

Forest fuel accumulation, from both beetle-killed timber and ongoing fire suppression, has led to increased forest fire risk, particularly for communities in the wildland/urban interface. The impact of forest practices on fuel accumulation remains a focus of public concern. The issue extends to reforestation, managing fuels through controlled burning, and conserving biodiversity by managing fire frequency in natural and plantation forests. The Board initiated a project in 2005/06 examining the issue of forest fuels.

#### **New Licensees**

The re-allocation of timber under the Forest Revitalization Program is introducing an increased number of First Nations, small business and community operators with limited professional forest management experience. Forest practices by these newer operators are subject to the same rules and public expectations as for the more experienced operators. Board audits and investigations placed increased emphasis on these new licensees.

#### **Threatened Species**

A recurring theme of public concern is the conservation or recovery of threatened species. The Board is frequently called upon to investigate the effects of forest practices on wildlife habitat. This concern is growing and the Board has been increasing its effort to look at these issues.

#### Forest and Range Practices Act

Forest practices legislation has shifted emphasis from compliance with prescriptive rules, to implementation of strategies for resource value objectives specified by government. The Board has been revising its audit and investigation systems, to recognize the move toward objectives-based legislation.

#### **Third-Party Certification**

The forest industry in British Columbia is being challenged to adopt one or more of the major forest certifications schemes. This is influencing the evolution of forest company practices. The schemes are competitive and make varying claims to the marketplace about sustainability, public consultation and First Nations sensitivity. Some licensees pursuing third-party certification are now entering into private agreements with interest groups, outside of public planning processes, to decide where and how forest practices will occur. The implications for achieving the government's objectives are uncertain. The Board continued to provide independent assurance that certified licensees are effective in maintaining environmental values and achieving government objectives.

# **Service Delivery and Core Business Areas**

## **Service Delivery**

The Board's mandate continues under the *Forest and Range Practices Act* (FRPA), which enables the Board to focus on the effectiveness of forest practices in achieving objectives, legislated by government, for forest resource values.

Legislation ensures Board independence from licensees and government. While the Board submits reports to the Ministers of Forests and Range (MOFR), Environment, Agriculture and Lands, and Energy, Mines and Petroleum Resources, its reports are not provided to government for revision or comment in advance of public release. When the Board deals with an audit of or complaint about a government agency, that agency receives the same level of information about the Board's preliminary findings as any other auditee or complaint subject.

The Board's funding is determined directly by Treasury Board, and is distinct from the MOFR budget.

#### **Core Business Areas Overview**

The Board's core business areas are:

# Conducting and publishing independent public reports on audits and special investigations

The Board provides the public with objective information about the state of forest and range practices, validates sound practices and recommends improvements based upon direct field observation, consultation and research.

#### Conducting complaint investigations and administrative appeals

The Board provides a venue to address public complaints and concerns regarding forest practices.

Core business areas arise from the Board's legislated mandate. With regard to forest and range planning and practices, FRPA states that the Board:

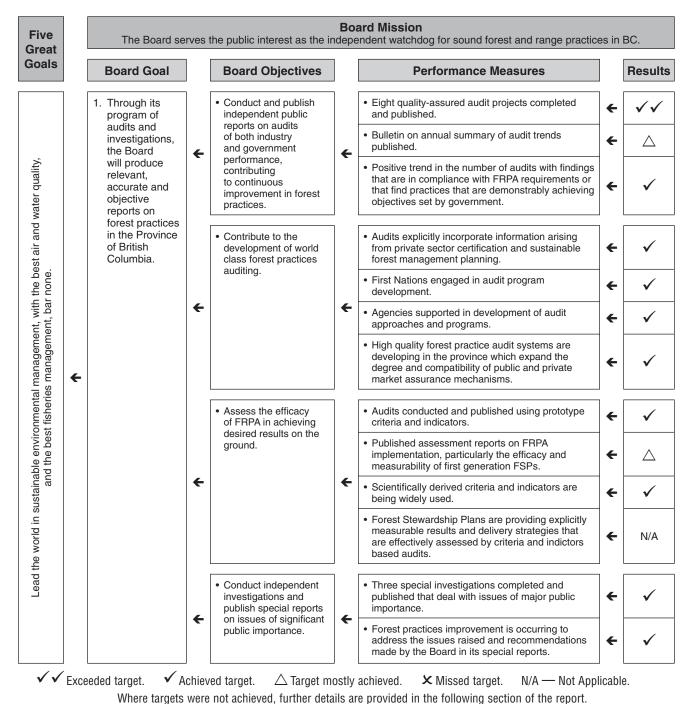
- must carry out periodic independent audits to determine compliance and the appropriateness of government enforcement
- may carry out special investigations
- may make a special report and comment publicly
- must deal with complaints from the public
- may undertake appeals

Functions are performed by professional staff and contractors under the guidance of an independent Board.

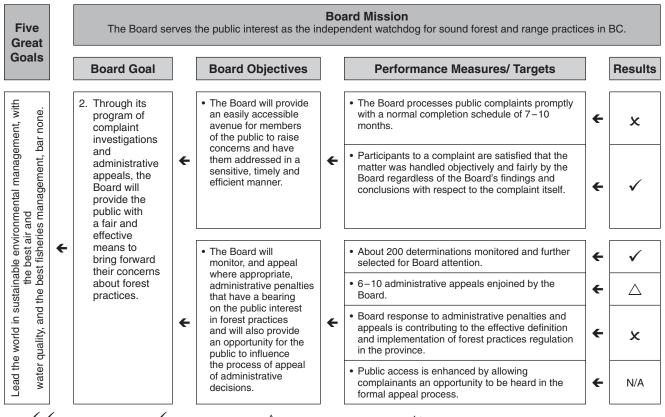
## **Report on Performance**

### **Performance Plan Summary Table**

#### Synopsis of Board Performance Measure Results for Board Goal 1



#### Synopsis of Board Performance Measure Results for Board Goal 2



K Exceeded target.
A Chieved target.
A Target mostly achieved.
Missed target.
N/A — Not Applicable. Where targets were not achieved, further details are provided in the following section of the report.

## Goals, Objectives, Strategies and Performance Measures

## **Board Goal 1**

Through its program of audits and investigations, the Board will produce relevant, accurate and objective public reports on forest practices in the Province of British Columbia.

The goal supports the Board's core business area of:

Conducting and publishing independent public reports on forest practice audits and investigations.

The Board provides the public with objective information about the state of forest practices, validates sound practices and recommends improvements based upon direct field observation, consultation and research.

#### Objective 1: Conduct and publish independent public reports on audits of both industry and government performance, contributing to continuous improvement in forest practices.

The Board conducts an annual program of audits of both industry licensee and government operations. Auditees are randomly selected to remove potential bias and auditees with a positive performance record are removed from the audit population for a period of five years. The audit program consists of a combination of:

- Compliance and pilot thematic effectiveness audits of major licences, BC Timber Sales (BCTS), as well as small scale tenures. Audits could be of a single licence or of multiple licensees.
- There may be an audit on the appropriateness of government's enforcement as a subset of one of the above audits or as a stand alone audit of a forest district.
- Annual compliance and enforcement audits pursuant to the Nisga'a treaty.

While audits in the past have been conducted primarily to assess compliance with the requirements of the Code, the Board is actively developing its capacity to conduct thematic audits, which assess the effectiveness of forest practices in achieving objectives set by government for the resources values specified in FRPA. Ongoing analysis of audit results and exit interviews with licensees will help the Board assess its contribution to continuous improvement of forest practices in British Columbia.

#### **Performance Measures:**

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Target Met?
Average number of quality-assured audit projects completed and published.	8	8	10	$\checkmark\checkmark$
Bulletin on annual summary of audit trends published.	1	1	A report on audit trends was published in April 2006, after the close of the reporting period.	$\bigtriangleup$
Number of audits with findings that are in compliance with FRPA requirements or that find practices that are demonstrably achieving objectives set by government as measured by scientific criteria and indicators.	Positive results trend	Positive results trend	All audits found compliance with FRPA, with two audits identifying areas requiring improvement.	√

🗸 🗸 Exceeded target. 🖌 Achieved target. 🛆 Target mostly achieved. 🗴 Missed target. N/A — Not Applicable.

# Objective 2: Contribute to the development of world class forest practices auditing.

The Board is cooperating with parties that are advancing the field of forest practices auditing. Initiatives include working with industry to augment the Board's public assurance auditing with the results of the private sector forest certification auditing being widely adopted in the province in recent years. This is intended to increase public assurance about the validity of forest practices while reducing the potential for duplication of effort.

The Board is working specifically with First Nations and resource agencies in the development of methodology, expertise, and capacity building in conducting audits intended to provide public and market assurance. Board personnel are publishing audit and investigation manuals and participating in relevant workshops and conferences.

#### **Performance Measures**

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Target Met?
Audits explicitly incorporate information arising from private sector certification and sustainable forest management planning.	Active discussions with audited licensees.	Experimental audits with forest stewardship plan adopters.	Experimental audits completed for visual resource management and riparian management.	~

 $\checkmark$  Exceeded target.  $\checkmark$  Achieved target.  $\bigtriangleup$  Target mostly achieved.  $\checkmark$  Missed target. N/A — Not Applicable.

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Target Met?
First Nations engaged in audit program development.	Meeting with First Nations Summit to explore collaboration.	Continuing engagement with interested First Nations.	Discussed building audit capacity with Nisga'a.	
	MOU signed with Cowichan Tribes.			$\checkmark$
	Initial discussions with Nisga'a Lisims government.			
Agencies supported in development of audit approaches and programs.	FRPA Evaluation Team. Joint meeting with Environmental Protection Division of MoE.	Continuing active collaboration with sister agencies.	Continued to collaborate with MOFR on the development of criteria and indicators.	$\checkmark$
	Oil and Gas Commission initial discussions.			
High quality forest practice audit systems are developing in the province which expand the degree and compatibility of public and private market assurance mechanisms.	Discussions among the audit partners are proceeding positively.	Experimental collaboration trials are being conducted and published.	Experimental audits completed for visual resource management and riparian management.	~

 $\checkmark$  Exceeded target.  $\checkmark$  Achieved target.  $\triangle$  Target mostly achieved.  $\checkmark$  Missed target. N/A — Not Applicable.

# Objective 3: Assess the efficacy of FRPA in achieving desired results on the ground.

The Board is working with government, industry and post-secondary institutions to develop and field-test scientific audit criteria and indicators, which will provide an objective means of assessing the effectiveness of forest practices. This supports the intent of the *Forest and Range Practices Act* to place greater reliance on forest licensees and their professionals for achieving results rather than confining their efforts to achieving compliance with prescriptive rules. The Board will also be monitoring public concerns related to Forest Stewardship Plans (FSPs) as they become available. The key issue will be to evaluate whether FSPs are sufficiently detailed to be measurable, and once measured, to determine whether they are an effective means for licensees to achieve the objectives set by government under FRPA.

#### **Performance Measures**

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Target Met?
Number and range of audits conducted and published using prototype criteria and indicators.	Audits published using first generation criteria and indicators for soils, riparian, visuals and stand level biodiversity.	Continuing pilot use of first generation criteria and indicators sets developed by MoFR.	Experimental audits completed for visual resource management and riparian management.	√
Published assessment reports on FRPA implementation, particularly the efficacy and measurability of first generation FSPs.	Initial limited set of FSP's analyzed for content. Work with forest industry associations to assess industry approach to development of FSPs.	First Assessment Report.	Report published in May 2006, after close of reporting period.	Δ
Scientifically derived criteria and indicators are being widely used by industry, agencies, the Board, ENGOs and First Nations to assess the effectiveness of forest practices in achieving the objectives set by government for FRPA and certification specified values.	Thematic categories of criteria and indicators are agreed to and systematic development and field application is taking place.	Practical convergence of criteria and indicators sets is occurring so that effectiveness auditing is becoming placed on a generally agreed upon scientific assessment footing.	Audits using criteria and indicators completed for visual resource management and riparian management, with audits for biodiversity and water quality underway.	V
Forest Stewardship Plans are providing explicitly measurable results and delivery strategies that are effectively assessed by criteria- and indicators-based audits.	Some of the initial FSPs go beyond default requirements to include results statements that are sufficiently explicit to enable criteria- and indicators-based audits.	FSPs from major licensees are being developed to reflect a combination of criteria and indicators arising from certification and FRPA based public sources.	The Board could not test for the use of criteria and indicators in FSPs, as none of the licensees randomly selected for audit had approved FSPs.	N/A

# Objective 4: Conduct independent investigations and publish special reports on issues of significant public importance.

The Board will annually identify issues of major public importance and of high significance for public confidence in the management of B.C.'s public forests. These issues may arise from prevailing environmental conditions such as major forest fires or insect infestations, from public concerns such as conserving endangered species or protecting community watersheds, or from technical issues such as the management of roads and bridges or riparian areas. The Board systematically tracks government and industry responses to published recommendations.

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Target Met?
Number of special investigations completed and published that deal with issues of major public importance.	Current Board focus has been on Mountain Pine Beetle management, endangered species, fire rehabilitation, terrain stability, and non-timber forest products.	At least 3 major topical reports: Projected topics include forest practices in domestic watersheds, fuel management, road de-activation and access management, reforestation success.	Four reports published dealing with issues of major public importance: post-wildfire hazard, Forest Service Road maintenance, access management, and landslides.	V
Forest practices improvement is occurring to address the issues raised and recommendations made by the Board in its special reports.	Government and industry responses to Board recommendations are positive and forthcoming according to the Board tracking procedure as reported in our Annual Report.	Government and industry responses to Board recommendations are positive and forthcoming according to the Board tracking procedure as reported in our Annual Report.	Responses to Board recommendations included: decommissioning of Kemess bridges; government funding of non-timber forest products research projects; species at risk coordinator (SARCO) established and funded; some actions taken to protect caribou; cattle/ range recommendations discussed and an approach agreed to; FSR bridges recommendations implemented.	V

#### **Performance Measures**

✓ ✓ Exceeded target.

 $\checkmark$  Achieved target.  $\triangle$  Targ

riangle Target mostly achieved.

X Missed target. N/A — Not Applicable.

## **Board Goal 2**

# Through its program of complaint investigations and administrative appeals, the Board will provide the public with a fair and effective means to bring forward their concerns about forest practices.

The goal supports the Boards core business area of:

- Conducting complaint investigations and administrative appeals.
- The Board provides a venue to address public complaints and concerns regarding forest practices.

#### Objective 1: The Board will provide an easily accessible avenue for members of the public to raise concerns and have them addressed in a sensitive, timely and efficient manner.

The Board responds to public complaints by assessing the scope and substance of the complaint, assessing its relevance to the Board's mandate and assigning an investigator to work with all affected participants. The Board deals with all participants in a transparent and non-adversarial manner and is committed to considering all complaints carefully and reporting complaint findings to the public. This work is done with the goal of seeking resolution to the issues by the participants themselves, where feasible. The Board makes every effort to deal with complaints promptly and efficiently, but must also proceed carefully in dealing with complex issues and be sensitive to the operational priorities and time constraints of the participants.

#### **Performance Measures**

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Target Met?
The Board processes public complaints promptly with a normal completion schedule of 7–10 months.	80% will be completed within 7 months.	80% will be completed within 7 months.	35% were completed within 7 months. Several complaints involving complex issues required longer research periods or demanded more extended dispute resolution efforts. An ongoing review	×
			of the complaint investigation process is expected to result in improved performance.	
Participants to a complaint are satisfied that the matter was handled objectively and fairly by the Board regardless of the Board's findings and conclusions with respect to the complaint itself.	Representations and participant surveys have been conducted and residual issues dealt with to the reasonable satisfaction of the participants.	Representations and participant surveys will be conducted and residual issues dealt with to the reasonable satisfaction of the participants.	A participant questionnaire was made available online. 16 responses received from complaint participants, of which 12 thought investigations were fair and unbiased.	$\checkmark$

✓✓ Exceeded target. ✓ Achieved target. △ Target mostly achieved. 🗴 Missed target. N/A — Not Applicable.

#### Objective 2: The Board will monitor, and appeal where appropriate, administrative penalties that have a bearing on the public interest in forest practices and will also provide an opportunity for the public to influence the process of appeal of administrative decisions.

The Board monitors the flow of administrative penalties related to forest practices and may initiate or participate in administrative appeals when it believes it is in the public interest to do so. Notably, this would include administrative penalties or appeals that address fundamental forest practice issues which have been raised in Board work or interpretation of important provisions of legislation. The Board also maintains an interest in appeals which contribute to the growing body of practice surrounding the introduction of the results-based FRPA.

#### **Performance Measures**

Performance Measures	Benchmark	2005/06 Target	2005/06 Actual	Target Met?
Number of determinations monitored and further selected for Board attention.	Over 200 administrative determinations examined for potential intervention by the Board.	Variable depending on circumstances but in the 200 range.	All of the 160 administrative determinations provided to the Board were examined.	V
Number of administrative appeals enjoined by the Board.	6 Forest Appeal Commission appeals enjoined judged to be of sufficient public interest.	Variable depending on circumstances but in the 6–10 range.	Four FAC appeals were judged to be of sufficient public interest and joined by the Board.	Δ
	One case argued before the Supreme Court of Canada is being monitored.			
Board response to administrative penalties and appeals is contributing to the effective definition and implementation of forest practices regulation in the province.	The substance of Board positions taken in appeals before the FAC is acknowledged and incorporated in the eventual decisions.	The substance of Board positions taken in appeals before the Forest Appeal Commission is acknowledged and incorporated in the eventual decisions.	FAC decided on only one appeal that was joined by the Board, where the Board argued for setting a high standard for the "due diligence" defense available under the <i>Forest and Range</i> <i>Practices Act</i> . The FAC rejected the Board's arguments.	×
Public access is enhanced by allowing complainants an opportunity to be heard in the formal appeal process.	Persons engaging in the appeal process have found the Board interventions useful according to participant surveys.	Persons engaging in the appeal process have found the Board interventions useful according to participant surveys.	Participants were not surveyed, as the FAC has decided on only one recent appeal joined by the Board.	N/A

 $\checkmark$  Exceeded target.  $\checkmark$  Achieved target.  $\bigtriangleup$  Target mostly achieved.  $\checkmark$  Missed target. N/A — Not Applicable.

# **Report on Resources**

## Resource Summary 2005/06

	Estimated	Other Authorizations	Total Estimated	Actual	Variance		
Operating Expenses (\$000)							
Total	Total						
F	Full-time Equivalents (FTEs)						
Total	27	0	27	23	4		
Ministry Capital Expenditures (\$000)							
Total	100	0	100	98	2		