Forest Investment Account
Land Base Investment Program
2006/07 Annual Update
The Forest Investment Account (FIA) was established in April 2002 to assist government in developing a globally recognized, sustainably managed forest industry.

The Land Base Investment Program (LBIP) is the largest of the five programs under FIA. Comprised of investments in land base activities, LBIP projects are planned and delivered by licensees and administered through a third party (PricewaterhouseCoopers).

PricewaterhouseCoopers (PwC) was selected by the Ministry of Forests and Range through a competitive tendering process to administer the LBIP program. PwC accepts proposals from licensees, approves projects, and verifies fieldwork and project completion. PwC is responsible for administering and auditing the LBIP in a responsible and efficient manner.

In 2006/07 approximately $45 million was invested on 798 land base projects in five eligible program components.

### Land Base Investment Program 2006/07 Overview

<table>
<thead>
<tr>
<th>LBIP Component</th>
<th># Projects Completed</th>
<th>$ Invested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Gathering and Management</td>
<td>358</td>
<td>$23,555,761</td>
</tr>
<tr>
<td>Stand Establishment and Treatment</td>
<td>118</td>
<td>$11,824,129</td>
</tr>
<tr>
<td>Restoration and Rehabilitation</td>
<td>124</td>
<td>$5,687,290</td>
</tr>
<tr>
<td>Strategic Resource Planning</td>
<td>144</td>
<td>$2,815,283</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>54</td>
<td>$1,129,096</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>798</strong></td>
<td><strong>$45,011,559</strong></td>
</tr>
</tbody>
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Within this total, about $12.6 million was focussed towards the following priorities:

- $6.5 million for forest resource inventory,
- $2.95 million for fertilization,
- $2.8 million for forest health activities, and
- $0.34 million for timber supply reviews.

### Goals and Objectives

The LBIP creates value by encouraging land base planning, accountability and investment. By directly investing in the land base and contributing to the goals of FIA, program investments are expected to improve the forest asset base and support sustainable forest management practices in British Columbia through:

- higher level strategic decision-making and planning,
- increased timber volume and value,
- increased site productivity,
- restored terrestrial, aquatic and riparian environments,
- better decision-making information and tools
- infrastructure that protects public safety and mitigates environmental hazards

The LBIP is an efficient means of investment requiring minimal government involvement. The program provides an incentive for collaboration among licensees, engaging them in the planning, selection, implementation and outcome for eligible forest land base activities in an effort to improve the forest asset base and support sustainable forest management practices.
2006/07 Investment Highlights

Coast Forest Region

Invested: $12,258,657
Projects Completed: 194

Recipients focused over $2.4 million on fertilization projects and more than $1.36 million on aquatic restoration and rehabilitation activities.

Over $4.3 million was invested in 47 resource inventory projects (for example, aerial photography acquisition, vegetation resource inventories, and terrestrial ecosystem mapping).

Aquatic Restoration – Tree Farm Licence 39

This aquatic restoration project stopped persistent erosion along the left bank of the Phillips River to preserve and protect spawning and rearing habitat for five species of Pacific salmon.

The outside bend of the Phillips River, located in TFL 39 north of the community of Powell River, was re-engineered to deflect the energy of the river away from the bank and reduce the rate of erosion.

The project was completed by Western Forest Products in collaboration with Fisheries and Oceans Canada, the Ministry of Forests and Range and biological consultants.

Restoration was needed to stop the Phillips River from “jumping its bank” and impacting critical fish habitat.

“The Phillips River project will protect high-value spawning and rearing habitat for coho, chinook, sockeye, chum and pink salmon.”

- Jeff Sandford (Western Forest Products)

Structures were added along the outside bend of the river to reduce the rate of erosion.
Northern Interior Forest Region

**Invested:** $18,990,349  
**Projects Completed:** 254

Forest health projects pertaining to mountain pine beetle were concentrated in the Northern Interior Forest Region with over $3.4 million spent.

Almost $8.6 million was spent on 88 resource inventory projects with a focus on vegetation resource inventories, wildlife habitat, and predictive ecosystem mapping.

Aquatic restoration and rehabilitation projects to restore fish passage totalled over $1 million.

Fertilization – Tree Farm Licence 53

Fertilization projects in the Northern Interior Forest Region were focussed on improving timber growth to help alleviate the timber supply falldown anticipated as the mountain pine beetle epidemic subsides.

As an example, 2,000 hectares were fertilized on Tree Farm Licence 53, located northeast of Quesnel, using aerial application. Spruce-leading stands were identified as treatment candidates using mapping and ground-truthing exercises. Foliar samples were collected and analyzed to confirm nutrient deficiencies (for example, nitrogen). This project was completed by Dunkley Lumber Ltd.

"This fertilization project will help Dunkley Lumber address mid-term timber supply shortages resulting from the mountain pine beetle infestation."

- Doug Perdue (Dunkley Lumber)
2006/07 Investment Highlights

Southern Interior Forest Region

Invested: $13,762,553
Projects Completed: 350

In the Southern Interior Forest Region, 50 wildlife and wildlife habitat mapping projects were completed totalling over $1.7 million.

More than $1.8 million was invested in 21 vegetation resource inventory projects.

Aquatic restoration and rehabilitation projects to restore fish passage totalled over $1.3 million. A total of 32 fish passage restoration projects were carried out in the Southern Interior Forest Region.

Fish Passage – Tree Farm Licence 18

Canadian Forest Products Ltd. rehabilitated a stream channel inlet to Double Lake, located in TFL 18 northwest of Clearwater.

Before the restoration, an inspection of the project site revealed that the existing culvert structure was not passable by fish and contributed to flood risks every spring. The culvert was removed, the stream channel was widened, and a new bridge structure was installed.

Fish passage projects help to ensure that habitat components (lakes, tributary streams, ponds, back channels, sloughs) remain connected for fish migration.

The culvert was inspected for damage and blockage.

A bridge was installed to replace a damaged culvert and re-establish the stream channel.

“The Double Lake fish passage project, jointly funded by FLA’s Land Base Investment Program and the Ministry of Environment, supports long-term road access in a high recreational use area.”

- Glenn Thiem (contractor and project coordinator for Canadian Forest Products)
2006/07 LBIP Activities

Top 10 Eligible Activities by dollar value and number of projects within eligible components as at March 31, 2007

- Vegetation Resource Inventory
- Fertilization
- Airborne and Satellite Remote Sensing Data
- Forest Health
- Wildlife and Wildlife Habitat
- Fish Passage
- Predictive Ecosystem Mapping
- Surveys
- Development of objectives or indicators for a management unit or subset of a management unit
- In Stream Structures and Treatments

% of FIA LBIP Funding Expended by Component as at March 31, 2007

- Information Gathering and Management: 52.33%
- Infrastructure: 2.51%
- Restoration and Rehabilitation: 12.64%
- Stand Establishment and Treatment: 26.27%
- Strategic Resource Planning: 6.25%
2007/08 Priorities and Planning

Overview of Activities

The amount of LBIP funding in 2007/08 is $47.9 million. This includes $30.4 million allocated to eligible recipients to complete local priorities from among the array of activities (for example, resource inventories, restoration and rehabilitation of aquatic habitat values, and fertilization) that are eligible for LBIP funding.

In 2007/08, the FIA Small Tenures Program is being amalgamated into the LBIP with $1.3 million allocated to eligible community forest agreement holders and woodlot licensees. Additionally, LBIP funding is being focussed to address key priorities including forest health, timber supply analysis, fertilization, and forest inventory.

PwC will continue to work closely with the Ministry of Forests and Range and funding recipients to ensure effective and efficient use of these funds to actively foster sustainable forest management and improve the public forest asset base.

Investment Trends

Over the past five years, Land Base Investment Program funding recipients across the province have consistently invested about half of their program funding into the LBIP’s Information Gathering and Management component. This includes, for example, vegetation resource inventory, airborne and satellite remote sensing data, and wildlife mapping. These inventory-related projects will continue to be important. Updated and new resource information is a key input towards improved land-use planning and decision-making on the land base.

Regionally, activities showing strong investment over the past years are expected to continue, for example:

- Forest health activities and treatments in the Northern and Southern Interior Forest Regions expanding to other bark beetles (Douglas-fir beetle, spruce beetle).
- Restoration and rehabilitation activities with a focus on restoring fish passage in both the Northern Interior and Southern Interior Forest Regions.
- Restoration and rehabilitation activities in the Coast Forest Region, including road deactivation and landslide and gully rehabilitation, and in-stream structures and treatments to facilitate recovery of fish habitat and habitat-forming processes.
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Annual Update 2006/07

For more information contact:

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Forest Investment Account Website
www.for.gov.bc.ca/hcp/fia/

Land Base Investment Program Website
www.for.gov.bc.ca/hcp/fia/landbase.htm

E-mail questions or comments:
www.for.gov.bc.ca/hcp/fia/feedback.htm