

Forest Investment Council Recommendations

February 21, 2003 Meeting

- Council's recommendations on the use of FIA funding to reimburse licensees for forest health activities in timber supply areas are as follows:
 - The use of FIA funds should be viewed as strictly a transition measure until the timber pricing system is changed.
 - Approach to funding of forest health activities should be regional in nature. Regional needs will not be finalized geographically or financially until later this spring.
 - Given FIA budget reductions of roughly 25 percent for 2003-04, \$7.5 million of FIA funding should be earmarked for licensees' forest health activities, rather than the \$10 million initially considered by Ministry staff.
 - If actual needs exceeded \$7.5 million, licensees could choose to top that up from their hard-wired LBIP allocations.
- With respect to FIA program allocations for 2003-04, the Council agreed that Ministry and FII staff would craft short briefing notes explaining the implications of reductions beyond the previously anticipated 7.5 percent.
- The Secretary will distribute those documents to members by February 28th and members will reconvene by conference call to discuss the briefing notes and reach a conclusion on recommendations to the Minister.
- Establishing a cap on funding for "Innovative Projects" in the LBIP for 2003-04 was discussed and Council agreed to review commentary on this issue and arrive at recommendations.
- Council agreed to meet by conference call on Tuesday, March 4, 2003.