

Forest Investment Council Meeting Minutes

Meeting Date: March 4, 2005 Location: Executive Boardroom, Ministry of Forests

Attendees: Doug Konkin (Chair) Chris Trumpy (MSRM)
Ken Higginbotham (Canfor) Ian de la Roche (Forintek)
Ric Slaco (Interfor) Bruce MacNichol (West Fraser)
Ken Baker (FII)
Ian Brown, Kevin Bromley (PWC)
Rick Brand, Jill Gilbert (MOF)

Absent: Gord Macatee (WLAP)

1. Action items from last meeting

Ministries accomplishments and annual report format

Rick Brand proposed a publication similar to that used for the Enhanced Forest Management Pilot Project as a useful tool to raising the profile of FIA funded programs. It was proposed that such a publication should be part of an overall communications plan, covering all of the FIC funded programs, not just LBIP, that could also be used for other purposes, such as posting on a web site, media releases, etc. The communications plan could be developed between industry and government communications staff.

Action: Rick Brand to develop a draft communications plan, which will be sent to the network of industry communications staff. Recommendations to be brought to the next FIC meeting.

Minimum licensee LBIP allocation and transfer of funds to other programs

The pros and cons of changing the minimum licensee allocation were discussed. Some improvements have been made on the process of transferring allocations among licensees. One of the drawbacks of the lower minimum is that some licensees sit on the smaller allocations and don't transfer the funds. However, if the minimum allocation is increased the administrative savings from the reduced number of transfers will be minimal.

Decision: It was decided that the minimum allocation of \$10,000 would remain. If a licensee has not committed funding by the end of August, or taken advantage of the option to transfer the funds, the money will be returned and the licensee will lose the opportunity to apply for funding for the following year.

Revised FIC Terms of Reference

The revised terms of reference were discussed. It was suggested that perhaps CLUPE, small tenures and tree improvement should be represented on the Council. Alternatively, representation should be asked to make formal presentations once a year to the Council to support funding requests. However, it was pointed out that FIC is not a Board of Directors, but an advisory council reporting to the Deputy Minister of Forests.

While quarterly meetings would allow for discussion of the quarterly reports for oversight and accountability purposes, two meetings a year would allow for advice on strategic direction and allocations.

Decision: It was agreed that Council's membership would continue as currently structured. PWC, FII and MOF staff will provide support and will stay for the entire meeting.

It was agreed that there would be two meetings per year, with extraordinary meetings called as required. One meeting to be held in early September taking the form of a strategic planning workshop where program proponents could be invited to make

presentations in support of funding. The second meeting to be scheduled in late January to review and advise on allocations for next fiscal. Quarterly reports will be circulated to Council members and any anomalies raised with Doug Konkin.

Action: Rick Brand to revised ToR as per committee direction.

Select Seed move to self sufficiency

The business plan for Select Seed for 2005/06 indicates that funding will decrease over time and Select Seed will become self-sufficient by 2012/13.

2. 2005/06 FIA Budget

Rick Brand reviewed the proposed FIA Program budget allocations for 2005/06.

Ken Baker outlined how FII plans to distribute the increased international marketing funding for 2005/06. Ian de la Roche advised of a meeting scheduled for next week with VPs of marketing. It is anticipated that the meeting will bring more clarity around an industry-driven plan on how to grow world markets. He stressed that international marketing should also focus on existing markets, not just emerging markets.

Chris Trumpy felt that for the Jan '06 meeting it would be useful to have a one-pager from each program area, describing their budget needs and expected performance outcomes.

Bruce MacNichol indicated that it would be useful to have an extra column added to the budget spreadsheet to show the percentage change from 2002/03.

Rick Brand distributed a spreadsheet with the proposed draft FIA LBIP allocations for 2005/06.

Rick explained the proposed distribution of the funding among the various LBIP activities, and discussion around the allocation to licensees for discretionary activities took place.

Action: Rick Brand will add a column to the proposed FIA Allocation for 2005/06, showing the percentage change from the 2002/03 allocations in each program area.

3. Indicators for BC

Rick Brand distributed a proposal presentation from Chris Hollstedt for one-time funding for approx. \$100,000 for 2005/06 to complete a project to establish common criteria and indicators for British Columbia, which was started in 2004/05.

Decision: The Council agreed that some funding should be found from this year's budget, together with funding from other industry sources to complete this project.

4. December 2004 Quarterly Reports

FII: Ken Baker reported that FII will craft a different style of quarterly report for next year.

LBIP: Kevin Bromley reported that two of the three planned workshops have been held, from which PWC has received good feedback. Reallocating between licensees continues. Of the \$2.2 M in requests for excess funds, \$600,000 has been reallocated.

Forest Science Program: All calls for proposals have been reviewed and sent to the Forest Science Board. All projects are ready to go for 2005/06.

Action: Kevin Bromley will provide a breakdown of Forest Science projects that received funding for 2005/06.

Ministries and Small Tenures Program: The small tenures program will spend all of its funding for the year, which includes funding for VRI work on woodlots, stand treatment and in-depth extension on FRPA.

Ministries: Value for money audit of the LBIP is underway. WLAP has a partnership arrangement with COFI to fund a biologist to assist with species at risk. WLAP is also working

on identified wildlife management with licensees and a strategic plan for stewardship of mountain pine beetle affected areas. MSRM has integrated the core corporate data sets and populated the Land Resource Data Warehouse and implemented the data discovery service for viewing and downloading data.

5. Next Meeting

In keeping with the revised ToR the next FIC meeting will be in Sept 2005 to review 2004/05 Annual Reports and a look ahead as to what may influence FIA funding for 2006/07.