

Results Based Code Pilots

Progress Report – March 17, 2000

Guenter Stahl, Project Manager

INTRODUCTION

This report has been prepared to provide information regarding the results based code piloting initiative to interested parties. It will briefly review the history of the project, the status of projects underway, outline future projects presently in the developmental stage, suggest some common themes are emerging and provide some learning opportunities that have been brought forward at this time. Finally, it will forecast next steps over the next few months.

Background information for this initiative may be found on a web-site:
<http://www.for.gov.bc.ca/hfp/rbpilot/index.htm>

PROJECT HISTORY

Premier's economic summit in May/99 set up the concept. Commitments were made to have piloting legislation developed and to proceed with at least 2 to 3 pilots in the Cariboo by the end of 1999.

Legislation passed July/99. Bill 82 delivered part 10.1, which empowers Cabinet to exempt the holders of forest tenure agreements, or District Managers under the SBFEP, from requirements of the Range Act, Forest Practices Code of BC Act, or Range Act for the purpose of experimenting with ways to improve the regulatory framework for forest practices.

Draft Implementation Plan circulated July and August, 1999. A draft implementation plan was circulated to stakeholders, industry and interested parties. This plan was implemented in September 1999, when initial proposals began coming on stream. Key features include:

- A process management structure has been implemented that calls for a full time project manager, an interagency regional working groups and a project steering committee. Pilot projects are reviewed and accepted by the Joint Steering Committee (Assistant Deputy Ministers from Forests, Environment and Energy and Mines).
- A three step process has been implemented that will see projects go from concept through to formal Cabinet approval of a pilot regulation for each project. In the first step the project concept is floated by the Joint Steering Committee before going to full development in step 2, which calls for several legislated tests to be met including public scrutiny. Lastly, at step 3 the regulation is written for Cabinet.

- A three staged approach to piloting was proposed, where more simple approaches to regulation would be pilot tested in the first stage with six pilots underway by end of 2000 with stages 2 and 3 introducing more complex additional pilots. During the feedback loop it was suggested that greater flexibility be considered and there is a range of complexity in the pilots now underway, or under development.

PILOT PROJECTS NOW UNDERWAY.

- The **Cariboo Lumber Manufacturing Association** has undertaken a process to develop one piloting proposal in the Cariboo on behalf of seven piloting partners. The pilot projects will be situated in various locations in the Cariboo Forest Region. This preliminary proposal has been accepted by JSC at step one. Development of detailed proposal is now underway.

Central purpose of the pilot is to capture efficiency gains through planning and public involvement improvements based on the Cariboo-Chilcotin Land Use Plan. Streamlining is achieved by replacing the existing operational plans with a Forest Stewardship plan that specifies objectives and strategies. As well, Government agencies would conduct less frequent site inspections and focus more on periodic assessments of compliance with specified outcomes, rather than compliance with prescribed processes.

- The **Cariboo woodlot associations (C.W.A.)** have developed a preliminary piloting proposal for regulation on woodlots. It has been accepted at step 1. Five specific proponents have now been confirmed and are working on the detailed proposal. Following the full proposal in the Cariboo the intent is to broaden that proposal out provincially with the objective of piloting a number of woodlots under one regulation. Final JSC acceptance is still required pending confirmation of the 6 proponents.

The pilot proposes to replace the existing operational planning regime with a Comprehensive Management Plan which would focus on what is left over time by stipulating performance requirements such as stand composition, structure and stocking standards. Quality assurance is proposed through periodic audits that may include a public participation component.

- **Canfor** has submitted a preliminary piloting proposal on behalf of itself, Louisiana-Pacific, Slocan and the S.B.F.E.P. in the Fort St. John District. It has been accepted at step one. Step two is now well underway.

Central purpose of the pilot is to link provincial regulation under the Forest Practices Code with ISO, CSA and FSC certification requirement for volume based tenures and the S.B.F.E.P. in an area of volume based tenures. The proposal is to set objectives at the development plan level with compliance via third party audits against operationally applied Canadian Council of Forest Ministers' Criteria and Indicators. A public advisory group is proposed to provide public oversight to the project.

- **Riverside Forest Products** has submitted a preliminary piloting proposal for their Tree Farm Licence in the Kelowna area. It has been conditionally accepted at step one, with request for opportunity to review implementation plan when produced. A Memorandum of Understanding has been agreed to by Riverside, the M.O.F. Regional Manager and M.E.L.P. Regional Director. Project Advisory Panel has been formed and has begun having meetings.

Project Advisory Panel consisting of stakeholders, public, proponent and agencies will develop piloting details that generally follow an ecosystem management model of strategic planning with compliance via audit against criteria.

Intent is to link to LRMP objectives

- **Weyerhaeuser – Stillwater Division** has submitted a preliminary piloting proposal for their Tree Farm Licence at Powell River. JSC acceptance is anticipated at the Feb 18 scheduled meeting. The formation of a public advisory group is underway. One public meeting has been held.

Central purpose of the pilot is to test new approaches to planning and permitting that allow greater flexibility to move operations on short notice and link provincial regulation to ISO and CSA certification requirements. Streamlining achieved by replacing the existing operational plans with a Forest Management Plan that specifies objectives and strategies. As well standard operating procedures will be developed for various land zones to direct road construction and harvesting activities.

PILOT PROPOSALS UNDER DEVELOPMENT

Development continues on some pilots that are anticipated to come on stream over the next few months:

- **Isaak Forest Resources** is engaged in discussions with agency staff with a view to developing a pilot for Clayoquot Sound. Several meetings have been held and more are anticipated to work through numerous issues.

General thrust is to develop a framework for regulating forest practices that is compatible with the Recommendations of the Clayoquot Sound Scientific Panel which have been adopted by Government. These recommendations are far-reaching and complex.

- **Harrop Proctor Community Forest Agreement** holder is in discussions with the District Manager re. a possible pilot.

Thrust is to adapt the planning concepts of the Woodlot pilot (described above) to the Community Forest.

- **West Fraser** is developing a preliminary piloting proposal on behalf of itself, Skeena Cellulose and the S.B.F.E.P. in the Bulkley Timber Supply Area. Active

developmental discussions are underway. The preliminary proposal has been assessed. JSC review and comment is anticipated by early April..

Thrust will be to capture maximum efficiency gains offered by streamlining operational planning and developing a comprehensive adaptive management process using the Bulkley L.R.M.P. and Landscape Unit Planning processes as a foundation.

- **West Chilcotin Forest Products and the District Manager, Chilcotin Forest District** have discussed the development of a community based pilot proposal for the West Chilcotin area. Presently, new concepts for landscape level planning are being examined as perhaps an alternative to the pilot.

Discussions are in the early stages and centre around greater community participation in the planning process.

- **Nelson Forest Region.** Discussions with major licensees are planned to explore a major licensee piloting opportunity in the Nelson Forest Region.

COMMON THEMES

Some common themes are emerging from the pilots described above: Very simplistically stated, there is an ecosystem management model emerging:

1. Results are specified in the form of objectives and strategies that are developed on a zoned land base.
2. Adaptive management is applied with a process of continuous improvement by assessing performance against established criteria and indicators.
3. Performance assessments are conducted by third party auditors or government staff. This replaces the present emphasis on enforcement of generic standards.
4. Achieving and maintaining certification (ISO, CSA and FSC) are seen as powerful incentives that proponents suggest could replace the present intensive efforts of government staff in plan approvals and compliance and enforcement.

A clear emerging challenge will be to ensure that there is adequate consideration given to safeguarding the public interest in the pilots.

Another challenge will lie in the application of learning as the pilots unfold. The term “ecosystem management” means different things to different people.

STRATEGIC LEARNING OPPORTUNITIES

The pilots that are either underway or under development offer a considerable range of strategic learning opportunities far in excess of the learning objectives contemplated in the draft implementation plan prepared and circulated in the summer of 1999. That plan was principally focused on the “one-plan” concept, which looked to reduce the number of operational plans under the present code to one. We now have a range of the following:

1. One-Plan streamlining.
2. Links to certification
3. Various approaches to Ecosystem Management
4. Adaptive management
5. Range of public participation opportunities
6. Range of scale from small to an entire TSA
7. New cutting permit and stumpage calculation procedures
8. Range of tenures – SBFEP, Woodlots, Comfor, TFL’s,
9. New concept for determining annual rents.
10. User-Pay concept to support road maintenance
11. Botanical Forest products

In most cases there is a clear connection to the purpose of the pilots, namely to “...improve the regulatory framework for forest practices”. In some, the linkage is tenuous. Care will be needed to ensure the pilots maintain focus.

NUMBER OF PILOTS

At the outset it had been proposed that there should be about 6 pilots underway at this point during 2000. In fact, there are now 5 underway, with an additional 3 in early development - (that there are three small scale pilots; Isaak, and Harrop/Proctor that count as one for the purpose of this discussion) – Bulkely TSA, and Nelson Forest Region.

None of the pilots are yet through the second step, let alone proceeded to the regulation drafting step. There is an obvious concern that we could be exceeding our capacity to deliver completed regulations to cabinet in a timely manner when the time comes.

Therefore it is not anticipated that additional pilots will be brought on stream in the short term unless they offer additional significant learning opportunities important to government.

NEXT STEPS

1. It is expected that detailed proposals should be well into the second step for the Canfor, CLMA and the woodlot proposals within the next two months.

2. Following the Joint Steering Committee acceptance of the detailed step two proposals, it will likely take another few months to get the first regulation prepared and presented to Cabinet.
3. Discussions continue with the other proponents whose concepts are in early development. Within two months, two or three of these should be through the first step of preliminary Joint Steering Committee acceptance.