Forest Enhancement Society of BC

2023/24 - 2025/26 Service Plan

February 2023



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https://fesbc.ca/

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Board Chair's Accountability Statement



The 2023/24 – 2025/26 Forest Enhancement Society of BC (FESBC) Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of the plan, including what has been included in the plan and how it has been reported. The Board is responsible for the validity and reliability of the information included in the plan.

All significant assumptions, policy decisions, events and identified risks, as of January 31st, 2023 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget*

Transparency and Accountability Act, FESBC's mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of FESBC's operating environment, forecast conditions, risk assessment and past performance.

Signed on behalf of the Board by:

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Dave Peterson

Board Chair, Forest Enhancement Society of BC

January 31, 2023

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Strategic Direction

In 2023/24, public sector organizations will continue working to make life better for people in B.C., improve the services we all rely on, and ensure a sustainable province for future generations. Government will focus on building a secure, clean, and fair economy, and a province where everyone can find a good home – whether in a rural area, in a city, or in an Indigenous community. B.C. will continue working toward true and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in an inclusive and sustainable province. The policies, programs and projects developed over the course of this service plan period will focus on results that people can see and feel in four key areas: attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy that can withstand global economic headwinds.

This 2023/24 Service Plan outlines how FESBC will support the government's priorities including the foundational principles listed above and selected action items identified in the most recent <u>FESBC Mandate Letter</u>. In May of 2022, the Minister provided FESBC with a <u>Letter of Direction</u> regarding the funding provided in 2022/23.

Purpose of the Organization and Alignment with Government Priorities

FESBC contributes to the achievement of Government's strategic priorities through the delivery of its constitutional purposes:

- Prevent and mitigate the impact of wildfire,
- Improve damaged or low-value forests,
- Improve habitat for wildlife,
- Support the use of fibre from damaged and low-value forests, and
- Treat forests to improve the management of greenhouse gas (GHG) emissions.

FESBC operates on a proponent-driven model, periodically inviting project funding applications which are then reviewed with input from the Ministry of Forests. Technical staff ensure project proposals are aligned with FESBC's purposes and the provincial government's priorities.

FESBC works with service delivery partners to ensure project implementation and treatment on the land base is timely, efficient and provides value for money. As of January 31st 2023, FESBC has allocated \$260 million of provincial investments to support funding of 305 projects.

In addition to advancing FESBC's constitutional purposes, FESBC contributes to the achievement of the Minister of Forest's Mandate Letter priorities by reducing the wildfire risk to communities, accelerating B.C.'s transition to a larger bioeconomy, and reducing greenhouse gas emissions from forestry activity. FESBC-funded projects include the thinning of dense forests and the reduction of fuel loading adjacent to communities and infrastructure, reducing the wildfire risk in these areas. When feasible, the residual fibre is utilized for energy and other forest products

rather than being burned. In addition FESBC is working with the secondary manufacturers in the province to make use of uneconomic low value fibre that would otherwise be burned. Together, these activities create multiple economic, social and environmental benefits such as generating employment in the natural resource sector, including jobs in secondary forest industries, while also supporting the achievement of provincial and federal climate change objectives, including those identified in the Province's CleanBC plan.

FESBC will continue to ensure successful and efficient completion of projects. Effective and diligent oversight of projects will ensure FESBC continues to align with the Province's strategic priorities of putting people first, meaningful reconciliation with Indigenous Peoples, and supporting a strong, sustainable economy in B.C. FESBC will continue to communicate its plans and achievements to stakeholders and the general public, recognizing the contributions by the provincial government and Ministry of Forests staff to the success of the program.

FESBC supports the implementation of the <u>Declaration on the Rights of Indigenous Peoples Act</u>, the United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP), and the objectives outlined in the Province's <u>Stronger BC for Everyone</u>: <u>B.C.'s Economic Recovery Plan.</u> Projects approved through FESBC support true and lasting reconciliation with Indigenous Peoples through supporting increased Indigenous Peoples' participation in the forest economy.

Operating Environment

FESBC-funded projects play an important role in supporting B.C.'s rural and forest-dependent communities including contractors and workers impacted by the current economic challenges.

Climate change continues to have a significant influence on wildfire activity and the potential for flood events in the future. As such, proactive wildfire risk reduction treatments and FireSmart projects aimed to mitigate the negative impact of wildfires on rural and Indigenous communities are top funding priorities for FESBC. The recovery and utilization of low-grade residual fibre resulting from wildfire risk reduction activities is also a priority for funding. Wildfire risk reduction treatments that result in restoring a forest structure more consistent with historical natural disturbance are more fire resilient and hydrologically stable in the long term. In addition, any waste fibre that is directed for use as opposed to open burning presents an opportunity to reduce B.C.'s carbon footprint. The new funding announced in January 2023 will enable FESBC to innovate and redefine the forest sector, creating jobs, government revenue and new business opportunities in rural BC.

Indigenous Peoples have shown a desire to more fully participate in B.C.'s forest economy and FESBC funding supports the acceleration of this transition. With their deep connection to the land and their multi-generational perspectives on sustainability, Indigenous Peoples are leading projects that protect communities from wildfire, enhance wildlife habitat, reduce greenhouse gases, and more. Of the 42 projects that FESBC approved in 2022/23, 18 projects totalling just over \$16 million are led by Indigenous proponents. This work will continue through 2023/24, and is targeted for completion by March of 2024. All of these projects produce an array of environmental, economic and social benefits.

As projects are implemented and completed in partnership with Indigenous Peoples, there is one social benefit emerging that was perhaps unexpected: non-Indigenous people are gaining an appreciation of the intrinsic value of Indigenous worldviews. Traditional cost/benefit analyses tend to emphasize things that can be measured (job creation, economic activity, animal populations, etc.). Although social benefits may be difficult to quantify, they may be just as important as FESBC looks to fulfill the obligations in the <u>Declaration Act Action Plan</u>.

It is anticipated that over 99 per cent of FESBC projects developed prior to March 2022, will be completed by March 31, 2023. FESBC has targeted most of the funds received in 2022 to projects that reduce wildfire risk near communities and where possible utilize residual fibre associated with those projects. Some of these projects will start in 2022/23 and be completed by March 2024. New funding announced in January 2023 will be used primarily to support projects to move uneconomic fibre to secondary facilities. To ensure FESBC projects are delivered on time and bring the desired benefits to the citizens and communities in B.C., FESBC is committed to delivering on the Province's direction to implement enhanced and rigorous project management systems to track and quantify the benefits of these investments in B.C.

FESBC staff are aware of a host of external factors that may impact the environment in which proponents operate in. Operational uncertainty related to worker shortages, inflationary pressures and surges in energy costs are being monitored for their collective impact on performance and outcomes. To manage these factors, FESBC will monitor projects and reallocate funds to proponents impacted by these factors.

Annual Economic Statement

B.C.'s economy has been resilient to pandemic, geopolitical and climate-related disruptions. However, higher interest rates are expected to weigh on the economy in the coming years. Following a rapid recovery from the economic impacts of the COVID-19 pandemic, high inflation led to successive interest rate increases from the Bank of Canada in 2022. The impact of higher interest rates has been evident in housing markets and there is uncertainty over its transmission to the rest of the economy in B.C. and among our trading partners. B.C. is heading into this challenging period in relatively strong position, with a low unemployment rate. The Economic Forecast Council (EFC) estimates that B.C. real GDP expanded by 3.0 per cent in 2022 and expects growth of 0.5 per cent in 2023 and 1.6 per cent in 2024. Meanwhile for Canada, the EFC estimates growth of 3.4 per cent in 2022 and projects national real GDP growth of 0.5 per cent in 2023 and 1.5 per cent in 2024. As such, B.C.'s economic growth is expected to be broadly in line with the national average in the coming years. The risks to B.C.'s economic outlook center around interest rates and inflation, such as the risk of further inflationary supply chain disruptions, the potential for more interest rate increases than expected, and uncertainty around the depth and timing of the impact on housing markets. Further risks include ongoing uncertainty regarding global trade policies, the emergence of further COVID-19 variants of concern and lower commodity prices.

Performance Planning

As a result of funding and direction received in the 2022/23 fiscal year, FESBC's goals and objectives have been revised from those stated in the previous Service Plan. Results relating to previously stated goals and objectives will be available in the 2022/23 Annual Service Plan Report, released in 2023.

Goal 1: Prevent and Mitigate the Impact of Wildfire

Fire is a natural and essential ecological process in British Columbia's forests. Balancing the potential benefits with the inherent risks of wildfire is becoming increasingly challenging, especially within the context of climate change. Returning forests to their normal historical fire regimes can minimize future wildfire effects.

Objective 1.1: Enhance wildfire risk reduction activities for B.C. communities

By investing in planning and developing treatment alternatives on the land-base that surround B.C. communities, forest fuel hazards can then be modified in a way that improves ecosystem resilience to fire, insects, and future impacts from climate change. The strategy of returning forests to their normal historical fire regimes through treatments can minimize future extreme wildfire effects.

Key Strategies

- Work with the Ministry of Forests to assess strategic wildfire risk management priorities and opportunities,
- Coordinate and support the effective delivery of funds for wildfire prevention planning and fuel management treatments near higher-risk communities and critical infrastructure,
- Optimize the recovery and utilization of low-value residual fibre resulting from wildfire risk reduction treatments, and
- Support the delivery of the <u>Community Resiliency Investment</u> (CRI) program in cooperation with existing agencies including Ministry of Forests, Union of BC Municipalities (UBCM), and the First Nations Emergency Services Society (FNESS) of British Columbia.

Discussion

This objective demonstrates progress towards FESBC's goal of preventing and mitigating the impact of wildfire through investments in fuel management treatments. FESBC works collaboratively with provincial agencies, local governments, Indigenous communities and partners, and rural communities to support both risk reduction and mitigation activities associated with wildfires. Projects include thinning and pruning forests adjacent to communities and valuable infrastructure, thinning strategically important transportation corridors, and

thinning forests to create landscape level fuel breaks. In addition to these fuel management treatments, planning work is being completed that will form the basis of future projects. FESBC ensures progress towards this goal through the tracking of approved fuel management treatment activities, analyzing volumes of residual fibre being utilized from those activities, and by approving projects where wildfire risk reduction activities are taking place in higher-risk communities.

Performance Measures

Performance Measure	2022/23	2023/24	2024/25	2025/26
	Forecast ¹	Target²	Target³	Target
1.1a Priority area of fuel management treatment activities completed (hectares)	4,700	9,700	900	N/A

Data source: PwC financial data, FESBC Information Management System (FESIMS) Data, and FESBC staff input.

Discussion

Performance measure 1.1a demonstrates progress towards FESBC's goal of preventing and mitigating the impact of wildfire through investments in fuel management treatments. Treatments include thinning forests, pruning trees, and abating the wildfire risk from the fibre that is produced from these activities.

To ensure wildfire reduction and prevention treatment activities are the most effective use of resources on the land-base, FESBC also invests in fuel management planning. The planning and accompanying prescriptions are prerequisites to completing wildfire reduction and prevention treatment activities. FESBC proponents must follow Crown Land Wildfire Risk Reduction Program standards as outlined in the BCWS Tools for Fuel Management.

Targets are determined using project plans submitted by proponents into the Forest Enhancement Society Information Management System (FESIMS), in consultation with FESBC staff. PricewaterhouseCoopers (PwC) provides third party oversight of FESIMS and project management services to ensure projects are being completed to a high standard. Activities are also field verified by both FESBC and PwC staff.

Performance Measure	2022/23	2023/24	2024/25	2025/26
	Forecast ¹	Target²	Target³	Target
1.1b Volume of residual fibre utilized (cubic metres)	0	28,700	8,800	N/A

Data source: FESBC Information Management System (FESIMS) Data and FESBC staff

¹ Forecast for 2022/23 is based on actual and planned completed work entered into FESIMS.

²Targets are based on proponent entered project plan data entered into FESIMS and estimates of future project plans to be developed under new 2023 funding. Includes planning and prescriptions projects.

³ Targets are based on average planned costs for the most recent approved projects.

¹ Projects that were initially planned for 22/23 were delayed into the following year due to environmental delays and later than expected start up of new projects.

² Target in 2023/24 are based on proponent entered estimates into FESIMS.

³ Targets are based on best estimates informed by historic information.

Discussion

Performance measure 1.1b reflects Government's priority to maximize the economic and climate change value of utilizing residual fibre resulting from wildfire risk reduction treatment activities. Where an investment in transportation will enable the shipment of low-value fibre to a secondary manufacturing facility, serving as an alternative to burning this material on site to abate the fire hazard, proponents are supported financially to do so. The avoided emissions are measurable and have a positive carbon benefit.

Information submitted by proponents is used to calculate the avoided GHGs from the utilization of the fibre. In 2022/23, proponents that have qualified for funds announced in May 2022 have provided estimates of the fibre volume that are planned to be used, which is derived from operational estimates. Additionally, proponents engaged in projects that were funded prior to May 2022 are expected to complete projects and deliver volume by March 31, 2023. Actual reported volumes of fibre utilization are measured at the destination facility.

As with performance measure 1.1a, targets are based on project information entered into FESIMS in consultation with FESBC staff. PricewaterhouseCoopers (PwC) provides third party oversight of FESIMS and project management services to ensure projects are being completed to a high standard. Activities are also field verified by both FESBC and PwC staff.

Performance Measure	2022/23	2023/24	2024/25	2025/26
	Forecast	Target	Target²	Target
1.1c Number of higher risk communities ¹ with wildfire risk reduction activities ¹	40	30	10	N/A

Data source: FESBC Information Management System (FESIMS) Data and FESBC staff

Discussion

Performance measure 1.1c demonstrates how broadly FESBC funded wildfire risk reduction activities are being completed annually across the province by measuring how many new projects have commenced in the reference year. Wildfire activities include planning, community engagement, the thinning, pruning and abatement of fuel, the utilization of fibre, and the associated reporting of this work. In addition to the communities reported, some smaller unincorporated communities may also benefit from work completed under this goal, but may not be captured in FESIMS.

Targets are based on project information entered into FESIMS, in consultation with FESBC staff. PricewaterhouseCoopers (PwC) provides third party oversight of FESIMS and project management services to ensure projects are being completed to a high standard. Activities are also field verified by both FESBC and PwC staff.

¹ Higher risk communities include: Indigenous communities, treaty settlement lands, municipalities and unincorporated areas within regional districts located within a Wildland Urban Interface risk Class 1 or 2 area or have a locally approved plan that has been identified high or extreme threat areas.

² Targets are based on best estimates informed by historic information.

Goal 2: Increase Utilization of Low-value Forest Residuals

This goal supports FESBC's purposes related to increasing the utilization of low-value fibre from harvesting, managing for measurable greenhouse gas benefits, helping to mitigate the impact of wildfire, and creating new opportunities in the forest sector. The utilization of this fibre is important in the conversation citizens of B.C. are having around redefining how our forest resource will be managed in the future.

Objective 2.1: Encourage diversity and innovation by the forest sector to utilize uneconomic waste fibre

Fibre from conventional timber harvesting that is not economic to use is usually piled and burned in the forest. It is uneconomic due to it being too small to make higher value wood products such as lumber, it can have defects such as rot, large knots, is crooked, or the distance to facilities that will accept this wood is too far and thus expensive to transport. Through providing support such as funds for the additional transportation costs needed to have this material shipped to secondary forest products facilities, FESBC is creating more opportunities for fibre utilization and recovery in B.C. Partnerships with the secondary industry will help create economic activity, preserve forest sector jobs while making a significant contribution to the forest industries efforts to mitigate management caused GHG emissions.

Key Strategies

- Fund only the differential between the cost of operations and the market value of the product,
- Track volumes and calculate the avoided emissions realized from this activity to report out the environmental benefits of the program,
- Seek to normalize higher levels of forest fibre utilization by fostering investment confidence in capital equipment, training a stable workforce, and reliable fibre flows, and
- Seek operational efficiencies that will drive down unit costs over time.

Discussion

Strategies under this objective focus on providing support to the secondary forest product manufacturing industry in a way that ensures the integrity of normal competitive fibre markets are upheld. FESBC works with proponents to determine whether an opportunity is warranted based on the financial scenario of potential areas, including the fair market value of the fibre and the cost matrix to deliver the fibre. The delivered log and fibre information and project specific data are used to calculate the avoided emissions.

All secondary manufacturing facilities including pulp mills, cant mills, pellet mills and energy complexes are eligible for funding provided the fibre they are procuring meets the cost criteria. Investment targets or benchmarks identify maximum investment levels.

Performance Measures

Performance Measure	2022/23	2023/24	2024/25	2025/26
	Forecast	Target ²	Target²	Target
2.1 Forest Fibre Utilized (cubic meters)	N/A¹	1,700,000	470,000	N/A

Data source: FESBC Letter of Agreement with HCTF dated March 11, 2019, HCTF annual approved project list, PwC Financials and FESIMS data.

Discussion

This performance measure is new for 2023/24, tracking the amount of low-value fibre FESBC expects to transport to achieve higher levels of utilization of waste or residual fibre. Targets are based on an expected average unit cost of various products located throughout the province. These estimates are derived from previously FESBC funded utilization projects. The actual amount will be driven by the geographic location of the opportunities to utilize low-value fibre.

Goal 3: Improve Habitat for Wildlife

British Columbia's wildlife is diverse and abundant. However, some wildlife populations and their habitats are in decline due to habitat loss, increasing human population, resource development and climate change. Many of the forest enhancement projects funded by FESBC achieve multiple purposes, including wildlife habitat improvement. FESBC identifies and acts on targeted opportunities to improve wildlife populations and their habitat in collaboration with other organizations with wildlife management expertise. Existing projects under this goal will be completed in 2023/24.

Objective 3.1: Improve terrestrial wildlife habitat and populations

Many species of wildlife provide environmental, economic, social, and cultural value to the people of British Columbia. Investing in projects that create well-connected and functioning habitats with properly functioning ecosystem processes, can have lasting impacts on wildlife populations.

Key Strategies

- Strive to achieve multiple benefits on all projects, including the improvement of wildlife
 habitat, gaining a better general understanding of wildlife species and their habitat
 specific requirements, and the gathering of information that will support durable forest
 management decisions, and
- Maintain the current agreement with the <u>Habitat Conservation Trust Foundation</u> (HCTF) to co-fund and collaborate on wildlife habitat improvement projects in B.C.

¹ This performance measure is new for 2023/24.

² Forecast and targets are based on associated FESBC estimates based on previous utilization projects.

Discussion

Through its relationship with the HCTF, FESBC leverages technical expertise, and co-funds the highest priority and value-for-money projects to support achievement of FESBC's wildlife habitat improvement goal. Through this co-funding agreement, all British Columbians benefit through an expanded scope of habitat improvement projects in the province, helping ensure suitable wildlife habitat is available and the abundance and distribution of wildlife in the province is maintained.

Project activities cover a host of wildlife conservation interests. Some examples include; collaring Roosevelt elk to monitor movement behaviors, studying moose populations trends and what impacts calf survival, and how logging debris accumulations in clearcuts support small mammal populations. Projects also involve community outreach and stewardship awareness for specific species such as bats and Sharp-tailed snakes. Other proponents are funded to improve habitat for Western toads by building underpasses beneath roads, some are funded to introduce prescribed fire to restore ecosystems, while others are funded to rehabilitate forest roads to address cumulative effects from development.

Performance Measures

Performance Measure	2022/23	2023/24	2024/25	2025/26
	Forecast ¹	Target¹	Target¹	Target¹
3.1 Funding allocated for improving wildlife populations and their habitat	\$1,115,000	\$920,000	N/A	N/A

Data source: FESBC Letter of Agreement with HCTF dated March 11, 2019, HCTF annual approved project list, PwC Financials and FESIMS data.

Discussion

This performance measure tracks the planned completion of FESBC co-funded projects and full utilization of the FESBC funding commitment to HCTF. Eligible proponents submit projects to HCTF which boasts a well-established process for applications, technical review, and reporting. Projects that are most aligned with both the priorities of the HCTF and FESBC will be funded. HCTF administers all grants to completion.

¹ Forecast and targets are based on associated FESBC financial forecasts and spending plans.

Financial Plan

Funds granted to FESBC before May 2022 will be expended in 2023/24. The 2022/23 and 2023/24 fiscal years include the \$25 million provided by government in 2022/23. New funding awarded in 2023, will be spent over the next two fiscal years on the eligible activities.

Financial Summary

[\$000s]	2022/23 Forecast	2023/24 Budget	2024/25 Plan	2025/26 Plan			
	Revei	nue					
Contribution from Province	12,702	61,098	14,897	0,000			
Other Income	1,990	3,604	200	0,000			
Total Revenue	14,692	64,702	15,097	0,000			
	Expenses						
Grants	12,702	60,452	12,527	0,000			
Administrative	1,981	4,243	2,565	0,000			
Capital Asset Amortization	9	7	5	0,000			
Total Expenses	14,692	64,702	15,097	0,000			
Annual Surplus (Deficit)	0,000	0,000	0,000	0,000			
Total Debt	0,000	0,000	0,000	0,000			
Accumulated Surplus (Deficit)	0,000	0,000	0,000	0,000			
Capital Expenditures	(0,000)	(0,000)	(0,000)	(0,000)			

Note: The above financial information was prepared based on current Generally Accepted Accounting Principles.

Key Forecast Assumptions, Risks and Sensitivities

The FESBC forecast is based on direction provided by government, mandates and priorities set for the Ministry of Forests and funding granted and announced to date. Expenditure forecasts rely heavily on grant recipients' estimated completion timelines. FESBC strives to clearly outline its expectations, monitors projects against agreed upon milestones and works with grant recipients' dealing with unforeseen circumstances to mitigate risks of delayed projects.

Management's Perspective on Financial Outlook

FESBC will continue to closely monitor resources and expenditures to ensure funded projects are delivered in an efficient, timely and cost-effective manner. FESBC will continue to consider on a go forward basis the impacts of inflationary pressures on active projects. FESBC will work collaboratively and in a coordinated way to leverage partnerships, support the Ministry of Forests, the Ministry of Environment and Climate Change Strategy, and other Ministerial strategic

priorities as applicable, to ensure alignment with key Government commitments and, while doin so, will manage expenditures accordingly.	ηg

Appendix A: Mandate Letter from the Minister Responsible



April 6, 2021

Jim Snetsinger, Chair Forest Enhancement Society of BC 101-925 McMaster Way Kamloops, British Columbia V2C 6K2

Dear Jim Snetsinger:

On behalf of Premier Horgan and the Executive Council, I would like to extend my thanks to you and your board members for the dedication, expertise and skills with which you serve the people of British Columbia.

Every public sector organization is accountable to the citizens of British Columbia. The expectations of British Columbians are identified through their elected representatives, the members of the Legislative Assembly. Your contributions advance and protect the public interest of all British Columbians and through your work, you are supporting a society in which the people of this province can exercise their democratic rights, trust and feel protected by their public institutions.

You are serving British Columbians at a time when people in our province face significant challenges as a result of the global COVID-19 pandemic. Recovering from the pandemic will require focused direction, strong alignment and ongoing engagement between public sector organizations and government. It will require all Crowns to adapt to changing circumstances and follow Public Health orders and guidelines as you find ways to deliver your services to citizens.

This mandate letter, which I am sending in my capacity as Minister responsible for the Forest Enhancement Society of BC (FESBC), on behalf of the Executive Council, communicates expectations for your organization. It sets out overarching principles relevant to the entire public sector and provides specific direction to FESBC about priorities and expectations for the coming fiscal year.

I expect that the following five foundational principles will inform your agency's policies and programs:

• **Putting people first:** We are committed to working with you to put people first. You and your board are uniquely positioned to advance and protect the public interest and I expect that you will consider how your board's decisions maintain, protect and enhance the public services people rely on and make life more affordable for everyone.

					Page 1 of 4
Ministry of	•	Office of the Minister	Mailing Address:	•	T
Forests, Lands, Natural			PO BOX 9049 Stn Prov	el:	250 387-6240
Resource Operations and			GovtVictoria, BC V8W 9E2	•	F
Rural Development				ax:	250 387-1040
				•	Website:
					www.gov.bc.ca/for

- Lasting and meaningful reconciliation: Reconciliation is an ongoing process and a shared responsibility for us all. Government's unanimous passage of the *Declaration of the Rights of Indigenous Peoples Act* was a significant step forward in this journey one that all Crown Agencies are expected to support as we work in cooperation with Indigenous peoples to establish a clear and sustainable path to lasting reconciliation. True reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move towards self-determination. Guiding these efforts, Crown agencies must also remain focused on creating opportunities that implement the Truth and Reconciliation Commission through your mandate.
- Equity and anti-racism: Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. The public sector has a moral and ethical responsibility to tackle systemic discrimination in all its forms and every public sector organization has a role in this work. All Crowns are expected to adopt the Gender-Based Analysis Plus (GBA+) lens to ensure equity is reflected in your operations and programs. Similarly, appointments resulting in strong public sector boards that reflect the diversity of British Columbia will help achieve effective and citizen-centred governance.
- A better future through fighting climate change: Announced in December 2018, the CleanBC climate action plan puts our province on the path to a cleaner, better future by building a low-carbon economy with new clean energy jobs and opportunities, protecting our clean air, land and water and supporting communities to prepare for carbon impacts. As part of the accountability framework established in CleanBC, and consistent with the Climate Change Accountability Act, please ensure your organization aligns operations with targets and strategies for minimizing greenhouse gas emissions and managing climate change risk, including the CleanBC target of a 50% reduction in public sector building emissions and a 40% reduction in public sector fleet emissions by 2030. Your organization is expected to work with government to report out on these plans and activities as required by legislation.
- A strong, sustainable economy that works for everyone: I expect that you will identify new and flexible ways to achieve your mandate and serve the citizens of British Columbia within the guidelines established by the Provincial Health Officer and considering best practices for conducting business during the pandemic. Collectively, our public sector will continue to support British Columbians through the pandemic and economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. As a public sector organization, I expect that you will consider how your decisions and operations reflect environmental, social and governance factors and contribute to this future.

The Crown Agencies and Board Resourcing Office (CABRO), with the Ministry of Finance, will continue to support you and your board on recruitment and appointments as needed, and will be expanding professional development opportunities in 2021/22. The Governing in the Public Interest online certificate program is now available, and all board members are encouraged to complete this new offering.

As the Minister Responsible for FESBC, I expect that you will make substantive progress on the following priorities and incorporate them in the goals, objectives and performance measures in your 2021/22 Service Plan.

Consistent with government's priorities of advancing reconciliation for Indigenous peoples, and revitalization and transformation of the forest sector:

- Contribute to B.C.'s economic recovery and support strong, resilient rural communities by prioritizing FESBC investments to projects that generate good paying, sustainable jobs to meet the purposes of FESBC and the Forest Carbon Initiative objectives.
- Implement a plan and determine measurable outcomes to ensure all funded projects are completed safely and effectively on the ground, and bring lasting economic, environmental, and social benefits to the people of British Columbia.
- Deliver a comprehensive communications strategy to demonstrate how the achievements
 of FESBC have fulfilled its purposes, successfully contributed to the Province's economic
 recovery, and led to continued economic and environmental benefits for B.C.'s forests,
 Indigenous peoples, and communities.

Each board member is required to sign the Mandate Letter to acknowledge government's direction to your organization. The signed Mandate Letter is to be posted publicly on your organization's website in spring 2021.

I look forward to continuing to work with you and your Board colleagues to build a better British Columbia.

Sincerely,

Katrine Conroy

Minister

Chair

Date: April 7, 2021

• Jim Snetsinger,

Wayn
 Clogg,Board

member

Banfill, Board

member

• Dave Peterson,

• Sarah Fraser, Board

Board Member Member

pc: Honourable John Horgan, Premier of British Columbia

Lori Wanamaker, Deputy Minister to the Premier, Cabinet

Secretaryand Head of the BC Public Service

Heather Wood, Deputy Minister and Secretary to Treasury Board, Ministry of Finance

Douglas S. Scott, Deputy Minister, Crown Agencies Secretariat, Ministry of Finance

Richard Manwaring, R.P.F., Deputy Minister, Ministry of Forests, Lands, Natural

Resource Operations and Rural Development

Jim Snetsinger, Chair, Forest Enhancement Society of BC

Wayne Clogg, Board Member, Forest Enhancement Society of BC

Brian Banfill, Board Member, Forest Enhancement Society of BC

Dave Peterson, Board Member, Forest Enhancement Society of BC

Sarah Fraser, Board Member, Forest Enhancement Society of BC

Steve Kozuki, Executive Director, Forest Enhancement Society of

BC