

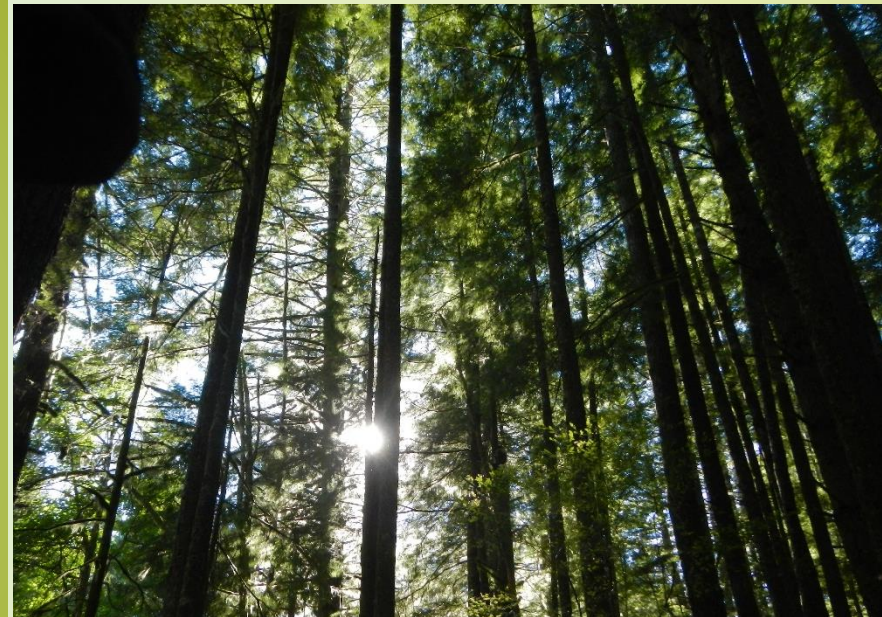


Ministry of
Forests, Lands, Natural
Resource Operations
and Rural Development

Forest Tenures and Forest Sector Opportunities

***Island Wood Industry
Forum - March 23, 2018***

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Objectives

- Review the West Coast fibre supply:
 - Who has rights to Crown timber
- Opportunities within the Forest Sector:
 - Improve Fibre Utilization
 - Land based investment funds



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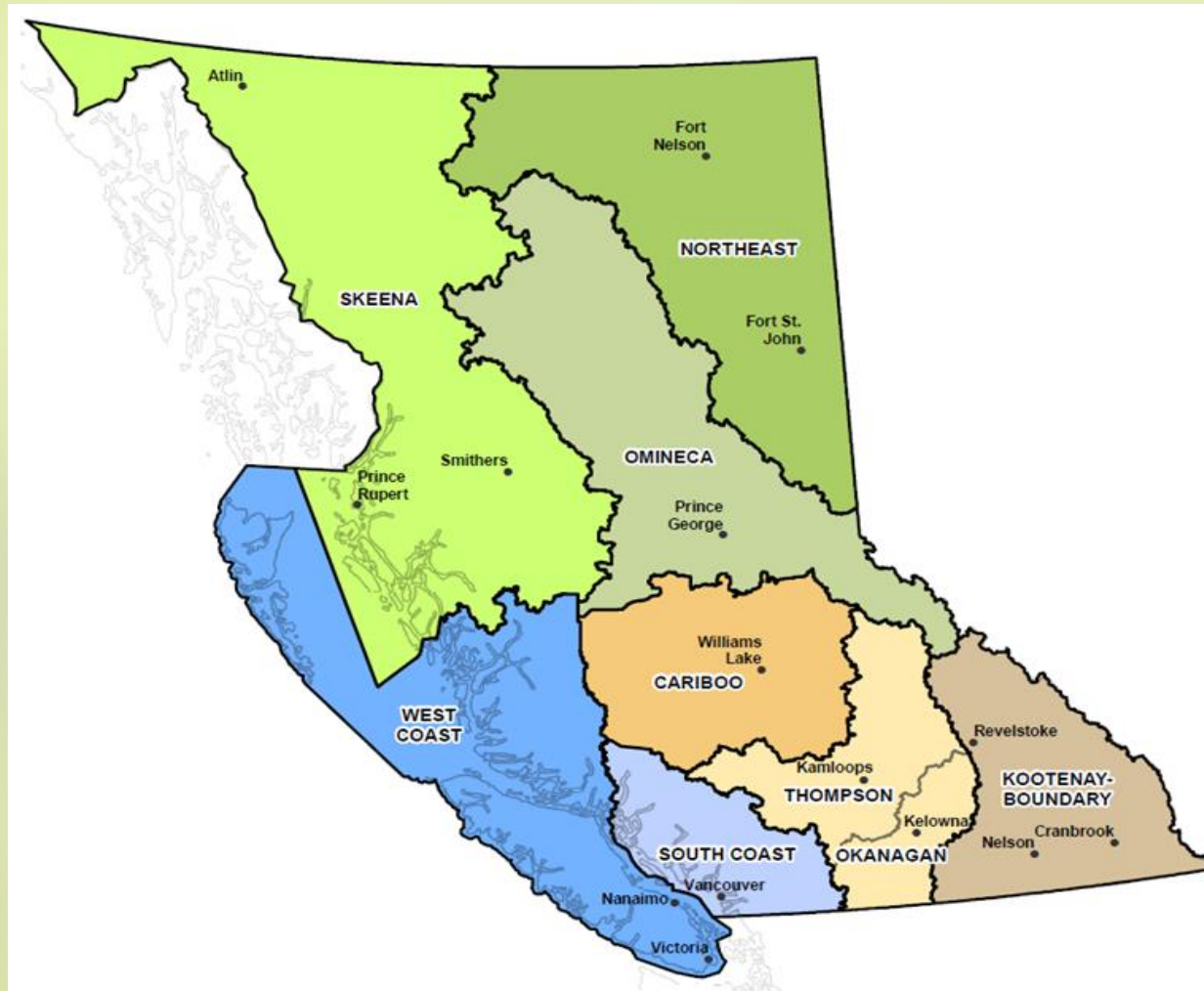
Fibre Challenges

“The industry today is substantially different from the past...

...and tomorrow's industry will look different still.” (Minister of Forests Lands and Natural Resources, 2016)



West Coast Region



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Crown Fibre in the West Coast Region

Annual Allowable Cut:

- Timber supply Areas = 4,650,000 m³
- Tree Farm Licences = 6,220,000 m³
- Small Tenures = 525,000 m³
- Total = 11,395,000 m³

Allocation:

- Western Forest Products, Timber West, Interfor, BC Timber Sales = 9,200,000 m³



Residual Fibre Opportunities

1. Business to Business between companies

- Procedures to allow concurrent harvesting

2. Government Intervention

- Establishment of Fibre Recovery Zones
- Establishment of Do Not Destroy Orders
- Log Handling Guidelines
- Tenuring of residual fibre to secondary users



Utilization and Land Based Funding

Low Carbon Economy Leadership Fund

- \$140M from the Federal Government
- \$150M from the Province

Objective = meet Fed/Prov. Green House Gas Reduction targets

Utilization Enhancement Opportunities –
Funds to support:

- ▶ Tree removal to support site restoration
- ▶ Residual fibre utilization



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