

Forest Enhancement Society of BC

2024/25 – 2026/27 Service Plan

February 2024



For more information on the Forest Enhancement Society of BC contact:

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<https://fesbc.ca/>

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Board Chair's Accountability Statement



The 2024/25 – 2026/27 Forest Enhancement Society of BC (FESBC) Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. This plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of this plan and is responsible for the validity and reliability of the information presented.

All significant assumptions, policy decisions, events and identified risks, as of February 9, 2024 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:

A handwritten signature in blue ink that reads "D. Peterson". The signature is written in a cursive style and is contained within a thin black rectangular border.

Dave Peterson
Board Chair, Forest Enhancement Society of BC
February 9, 2024

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Strategic Direction

In 2024/25, public sector organizations will remain focused on providing the services and infrastructure that people depend on to build a good life. Public sector organizations will continue to support Government in delivering results that matter to British Columbians including helping people with costs, attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy. Public sector organizations will also continue to work closely with Government as it works collaboratively with Indigenous Peoples to implement the Action Plan for the Declaration on the Rights of Indigenous Peoples Act and delivers initiatives that advance reconciliation in ways that make a difference in communities throughout the province.

This 2024/25 service plan outlines how the Forest Enhancement Society of BC will support the government's priorities and selected action items identified in the most recent Forest Enhancement Society of BC [Mandate Letter](#).

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,
- Support the use of fibre from damaged and low-value forests,
- Improve habitat for wildlife, 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.

FESBC is supporting projects that mitigate wildfire risks to communities, including reducing fuel loads in dense forests adjacent to communities and infrastructure through various fuel reduction treatments, and when feasible, the residual fibre that is created from these projects is utilized for energy and other forest products rather than burned.

FESBC is also continuing to support projects that increase the use of low-value or residual fibre including trees damaged by recent wildfires and waste left on site after logging that would otherwise be burnt. These projects will be implemented throughout rural B.C. and will meaningfully impact both Indigenous and non-Indigenous communities by helping build

prosperous and sustainable economies even as the timber supply continues to decline. By implementing these projects, FESBC partners will be leading the way in developing the knowledge and experience required to create a low carbon forest industry while also supporting the achievement of provincial and federal climate change objectives, including those identified in the Province's [CleanBC](#) plan.

Many of the forest enhancement projects funded by FESBC achieve multiple objectives. When reviewing project proposals, FESBC places a higher priority on projects that address more than one of the purposes articulated in FESBC's constitution.

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 [Declaration on the Rights of Indigenous Peoples Act](#), the United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP), and the objectives outlined in the Province's [Stronger BC for Everyone: B.C.'s Economic Recovery Plan](#). Projects approved through FESBC support increased Indigenous Peoples' participation in the forest economy, and produce an array of environmental, economic and social benefits. With a deep connection to the land and their multi-generational perspectives on sustainability, Indigenous Peoples are leading or are involved in a majority of the projects that protect communities from wildfire and, reduce greenhouse gases by utilizing low-value fibre.

Operating Environment

FESBC continues to innovate and redefine the forest sector which is creating jobs, government revenue and new business opportunities in rural B.C. 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, with 2023 being the worst wildfire season on record in B.C. New funding in *Budget 2024* will support proactive wildfire risk reduction treatments and continued support for the [FireSmart](#) program both of which help to mitigate the negative impact of wildfires on rural and Indigenous communities. Wildfire risk reduction treatments such as thinning or spacing trees and removing dead and down material in the forest understory, result in restoring a forest structure that is more resilient to climate change and fire and hydrologically stable in the long term. The recovery and utilization of low-grade residual fibre resulting from wildfire risk reduction activities are also a priority for funding, as any waste fibre that is directed for use as opposed to open burning presents an opportunity to reduce B.C.'s carbon footprint.

In the face of significant damages caused by recent wildfire seasons, FESBC proponents are receiving the local support needed to complete wildfire risk reduction projects, with

implementation and completion of these projects being a priority for many communities across B.C. Contractors, however, are struggling to find qualified staff to implement projects. At the same time, with limited term to wildfire contracts and uncertain economic conditions, they are carefully considering whether to make long-term capital investments to strengthen and diversify their businesses. A funding commitment by government over three fiscal years will help to address this uncertainty.

FESBC has seen significant interest by proponents to make use of low-value fibre that is too far away from facilities. Through funding received with *Budget 2024*, FESBC will continue to support these projects in 2024/25 and beyond. FESBC-funded utilization projects are spread throughout the province with secondary manufacturing facilities, including those that produce pulp, pellets and energy, benefiting from increased deliveries as their economic limit is expanded. However, the forest industry has seen significant pressures on the secondary or low-value fibre supply chain caused by prolonged and severe wildfire seasons, and sawmill curtailments. Deteriorating global pulp markets may lead to prolonged shutdowns or curtailments at some pulp mills, which may reduce demand in the short term. Collectively these pressures may impact FESBC partners' ability to deliver low-value fibre.

To ensure FESBC projects are completed 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.

Annual Economic Statement

B.C.'s economy posted modest growth last year as interest rate increases weighed on the economy, and employment continued to expand, supported by immigration. Inflation in the province continued to ease and the Bank of Canada has not raised its policy interest rate since July 2023. The impact of higher rates on borrowing costs and elevated household debt led to lower consumer spending and reduced home sales. Lumber, natural gas and coal prices declined in 2023, reducing the value of the province's goods exports. Meanwhile, there was a record number of housing starts in the province in 2023. There is uncertainty over the transmission of high interest rates to the residential construction sector and the duration of slower growth for the rest of the economy in B.C. and among our trading partners. The Economic Forecast Council (EFC) estimates that B.C. real GDP expanded by 0.9 per cent in 2023 and expects growth of 0.5 per cent in 2024 and 2.1 per cent in 2025. Meanwhile for Canada, the EFC estimates growth of 1.1 per cent in 2023 and projects national real GDP growth of 0.5 per cent in 2024 and 1.9 per cent in 2025. 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 continue to center around interest rates and inflation, including the risk of price increases stemming from geopolitical conflicts, the potential for interest rates remaining higher for longer, and uncertainty around the depth and timing of the impact on housing markets. Further risks include ongoing uncertainty regarding global trade policies, lower commodity prices, climate change impacts and the volatility of immigration levels.

Performance Planning

Goal 1: Prevent and Mitigate the Impact of Wildfire

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

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

Implementing effective fuel management treatments on the land base begins with identifying at-risk forested areas adjacent to critical infrastructure, then developing treatment plans that will assist in modifying wildfire behavior through various thinning treatments. These fuel management treatments can improve 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 also minimize future extreme wildfire effects.

Key Strategies

- Work with the Ministry of Forests to implement 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 [Community Resiliency Investment](#) (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 supports 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 removing dead and down material, thinning and pruning forests adjacent to communities and valuable infrastructure to reduce fire behavior, thinning forests adjacent to strategically important public roads, 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 treatment projects.

To ensure wildfire reduction and prevention treatment activities are the most effective use of resources on the land-base, FESBC invests in fuel management treatment plans. The operational 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](#).

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 near higher-risk communities.

Performance Measures

Performance Measure	2023/24 Forecast ¹	2024/25 Target ^{2, 3}	2025/26 Target ²	2026/27 Target ²
1.1 Priority area of fuel management treatment activities completed (hectares)	8,200	5,450	2,100	2,650

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

¹Forecast for 2023/24 is based on actual and projected work to be completed as entered into FESIMS.

²Targets are based on proponent project plan data entered into FESIMS, estimates by FESBC staff, and reflect Budget 2024 funding.

³2024/25 target also includes projects initiated in 2023/24 using funding provided by Government from prior fiscal years.

Discussion

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

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	2023/24 Forecast	2024/25 Target ^{1, 2}	2025/26 Target ¹	2026/27 Target ¹
1.2 Volume of residual fibre utilized from wildfire risk reduction activities (cubic metres)	34,000	8,000	4,000	4,000

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

¹Targets are based on best estimates informed by historic information, and reflect Budget 2024 funding.

²2024/25 target also includes projects initiated in 2023/24 using funding provided by Government from prior fiscal years.

Discussion

Performance measure 1.2 reflects Government’s priority to maximize the economic and emissions avoidance benefits 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 benefit to the atmosphere.

Information submitted by proponents is used to calculate the avoided GHGs from the utilization of the fibre. Actual reported volumes of fibre utilization are measured at the destination facility.

As with performance measure 1.1, 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	2023/24 Forecast	2024/25 Target ^{2, 3}	2025/26 Target ²	2026/27 Target ²
1.3 Number of higher-risk communities with wildfire risk reduction activities ¹	44	40	25	25

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

¹Higher-risk communities include: Indigenous communities, municipalities and unincorporated areas within regional districts located within the Wildland Urban Interface.

²Targets reflect Budget 2024 funding.

³2024/25 target also includes projects initiated in 2023/24 using funding provided by Government from prior fiscal years.

Discussion

Performance measure 1.3 demonstrates how broadly FESBC-funded wildfire risk reduction activities are being implemented across the province by reporting how many communities have active projects in a reporting period. Wildfire prevention activities include planning, community engagement, the thinning, pruning and abatement of fuel in some cases by utilizing fibre. In addition to the communities reported, smaller unincorporated communities will also benefit from work completed under this goal but may not be captured in this measure.

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.

Goal 2: Increase Utilization of Low-Value Forest Residuals

This goal supports FESBC’s purposes related to supporting the use of fibre from damaged and low-value forests and treating forests to improve the management of greenhouse gases.

Utilizing fibre that would otherwise be burnt helps the forest industry capitalize on the opportunities that low-value fibre can provide. The utilization of this fibre is an important part of how B.C. is redefining the future of forest management.

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

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 and harvesting contractors will help preserve forest sector jobs while making a significant contribution to the forest industries' efforts to reduce GHG emissions related to forest management activities.

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 these projects to report out the environmental benefits of the program, and
- Support all secondary manufacturing facilities including pulp mills, cant mills, pellet mills and energy complexes and small tenures holders and contractors that are eligible for funding, provided the fibre they are procuring meets the eligibility criteria including those related to costs.

Discussion

Fibre from conventional timber harvesting that is not economic to use, is usually piled and burned in the forest. The fibre 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. Strategies under this objective focus on delivering low-value fibre to the secondary forest product manufacturing industry in a way that ensures the integrity of normal competitive fibre markets is upheld. FESBC funding is eligible only for the differential between the actual costs of using the fibre and the fair market value.

FESBC works with proponents to determine whether an opportunity is warranted based on the financial scenario of a potential fibre source, including the fair market value of the fibre and the anticipated costs to deliver the fibre. The delivered log and fibre information, the products made at the receiving sites and other project specific data is used to calculate the reduction of carbon emissions that are realized by the avoidance of slash pile burning.

As a result of this work, FESBC seeks to normalize higher levels of forest fibre utilization by, fostering investment confidence in capital equipment, training a stable workforce, and promoting reliable fibre flows. In addition, the volume of work helps support operational efficiencies for proponents, that will drive down unit costs over time. FESBC has developed targets and cost benchmarks that identify maximum investment levels.

Performance Measures

Performance Measure	2023/24 Forecast ¹	2024/25 Target ^{2,3}	2025/26 Target ²	2026/27 Target ²
2.1 Forest fibre utilized (cubic metres)	2,040,000	1,500,000	320,000	300,000

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

¹Forecast based on delivered and estimated volume.

²Targets are based on estimated delivery costs and inflation estimations, and reflect Budget 2024 funding.

³2024/25 target also includes projects initiated in 2023/24 using funding provided by Government from prior fiscal years.

Discussion

This performance measure tracks the amount of low-value fibre that FESBC expects to transport to achieve higher levels of utilization of waste or residual fibre. Applicants are planning to deliver fibre to a host of secondary receiving sites where the material will be made into pulp, energy and pellets products. It is estimated that 70% will be delivered to pulp mills, 20% to energy facilities and 10% to pellet mills which are located throughout the province.

The 2023/24 forecast is based on the approved unit costs that were submitted by applicants. Targets for 2024/25 – 2026/27 are based on a combination of approved known volume, and estimates of new volume that will be approved from funds received through Budget 2024.

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 2024/25.

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 [Habitat Conservation Trust Foundation](#) (HCTF) to co-fund and collaborate on wildlife habitat improvement projects in B.C.

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: habitat enhancement for Bighorn sheep, studying Western Screech-owls, and learning 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 while others are funded to introduce prescribed fire to restore ecosystems.

Performance Measures

Performance Measure	2023/24 Forecast ¹	2024/25 Target ¹	2025/26 Target ²	2026/27 Target ²
3.1 Funding allocated for improving wildlife populations and their habitat (dollars)	700,000	790,000	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.

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

²FESBC’s co-funding to HCTF will cease as of 2025/26.

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 who provide 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.

Financial Plan

Funds granted to FESBC before May 2022 have mostly been spent. Those legacy projects still active will be completed in 2024/25. Spending on eligible activities in 2023/24 and 2024/25 fiscal years is related to the \$25 million provided by government in June of 2022 and \$50 million provided in May of 2023. As part of Budget 2024, FESBC has been provided with \$20 million annually, from 2024/25 to 2026/27, to spend on eligible projects that have been budgeted and planned.

Financial Summary

[\$000s]	2023/24 Forecast	2024/25 Budget	2025/26 Plan	2026/27 Plan
Revenues				
Contribution from the Province	50,500	51,071	20,000	20,000
Other Income	3,156	6,375	1,903	1,903
Total Revenue	53,656	57,446	21,903	21,903
Expenses				
Grants	50,500	53,575	19,022	18,997
Administrative	3,149	3,866	2,878	2,903
Capital Asset Management	7	5	3	3
Total Expenses	53,656	57,446	21,903	21,903
Annual Surplus (Deficit)	-	-	-	-
Total Debt	-	-	-	-
Accumulated Surplus (Deficit)	-	-	-	-
Capital Expenditures	-	-	-	-

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, the Ministry of Water, Land and Resource Stewardship and other Ministerial strategic priorities as applicable, to ensure alignment with key Government commitments and, while doing so, will manage expenditures accordingly.

Appendix A: Mandate Letter from the Minister Responsible



June 15, 2023

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

Dear Dave Peterson:

On behalf of Premier Eby and the Executive Council, I would like to extend my thanks to you, your board members, and your organization's leadership, dedication, expertise, and service to the people of British Columbia.

Public sector organizations – including Crowns, Health Authorities and Post Secondary Institution Boards – support British Columbians by delivering vital public services and are accountable to the public through their responsible Minister. Your leadership in advancing and protecting the public interest strengthens trust in public institutions.

You are serving British Columbians at a time when people in our province continue to recover from and respond to the upheaval caused by the COVID-19 pandemic, an ongoing toxic drug crisis, climate-related natural disasters, and while global inflation is driving up costs. Now more than ever, we need to focus on building a prosperous, low-carbon, sustainable economy, and a province where everyone can find a good home – in rural areas, in cities, and in Indigenous communities.

This mandate letter, which I am sending in my capacity as Minister responsible for the Forest Enhancement Society of BC, sets out overarching principles relevant to the entire public sector and specific direction on priorities and expectations for your organization for the remainder of Government's term.

Government and public sector organizations must continue to advance results that people can see and feel in these key areas: strengthened health care, safer communities, attainable and secure housing, and a clean and fair economy that delivers affordability and prosperity.

In doing so, you will continue working towards lasting and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in the province we are building together, and delivering on specific commitments as outlined in the *Declaration on the Rights of Indigenous Peoples Act* action plan.

As required by the *Climate Change Accountability Act*, please ensure your organization implements targets and strategies for minimizing greenhouse gas emissions, and managing



climate risk, including achieving carbon neutrality each year and aligning with 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.

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. As part of this work, your organization is expected to adopt the Gender-Based Analysis Plus (GBA+) lens to ensure gender equity is reflected in your operations and programs.

British Columbians expect that public sector organizations operate in a responsible manner to deliver quality services equitably in all regions of the province. This requires strategic stewardship of planning, operations, and policies in the areas of financial, risk, and human resource management including information security and privacy protection.

The protection of government data and networks is a priority, especially where it concerns personal information of British Columbians. Public sector organizations must maintain up to date systems and effective cybersecurity practices, including maintaining current information management and cybersecurity policies, guidelines and standards; evaluating your organization against industry standards; and maintaining appropriate security and privacy practices. The Office of the Chief Information Officer within the Ministry of Citizens Services is available to support and offer guidance to your organization in any of these areas.

Public sector organizations must also implement and maintain an effective fraud risk management strategy. The Office of the Comptroller General and the Risk Management Branch in the Ministry of Finance is available for consultation.

The Crown Agencies Secretariat (CAS) in the Ministry of Finance supports public sector organizations to operate effectively, in the public interest, and aligned with government's strategic direction and priorities. Within CAS, the Crown Agencies and Board Resourcing Office (CABRO) will continue to support you and your board on recruitment, appointments and professional development, as well ensuring Board composition and governance reflects the diversity of our province. CAS can support you in public sector governance best practices, policy and planning.

In addition to continuing to make progress on your 2021 mandate letter, I expect you to ensure the important priorities and areas of focus listed in this letter are incorporated into the practices



of your organization, and develop plans to address the following new priorities within your approved budget:

- Identify and fund projects that increase the use of low-value or residual fibre including trees damaged by recent wildfires and waste left on site after logging that would otherwise be burned. This increased utilization will help the forest sector across the province through this period of declining timber supply resulting from the mountain pine beetle epidemic.
- Support projects that mitigate wildfire risks, leading to better protection of communities, reduced greenhouse gas emissions and improved resiliency of B.C.'s forests to the impacts of climate change.

Each board member is asked to sign this letter to acknowledge this direction from government to your organization. The signed letter is to be posted publicly on your website by summer 2023.

I look forward to continuing to work with you and your Board colleagues to meet the high standards set for us by all British Columbians.

Sincerely,

Date: June 15, 2023

Minister

Enclosure

cc: Honourable David Eby, KC
Premier

Shannon Salter
Deputy Minister to the Premier, Cabinet Secretary and Head of the BC Public Service

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

Mary Sue Maloughney
Associate Deputy Minister, Crown Agencies Secretariat
Ministry of Finance



Rick Manwaring
Deputy Minister
Ministry of Forests

Ken Day, Board Member, Forest Enhancement Society of BC
Trish Dohan, Board Member, Forest Enhancement Society of BC
Sarah Fraser, Board Member, Forest Enhancement Society of BC
Mike P. Kelly, Board Member, Forest Enhancement Society of BC
John Massier, Board Member, Forest Enhancement Society of BC
Ian Meier, Board Member, Forest Enhancement Society of BC
Steve Kozuki, Executive Director, Forest Enhancement Society of BC

Dave Peterson
Chair
Forest Enhancement Society of BC
Date: June 16, 2023

Ken Day
Board Member
Forest Enhancement Society of BC
Date: June 16, 2023

Trish Dohan
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023

Sarah Fraser
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023



A handwritten signature in black ink, appearing to read "Mike Kelly".

Mike P. Kelly
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023

A handwritten signature in black ink, appearing to read "John Massier".

John Massier
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023

A handwritten signature in black ink, appearing to read "Ian Meier".

Ian Meier
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023