

COURTESY TRANSLATION

Québec City, December 19, 2007

Monsieur Claude Béchard Minister Ministère des Ressources naturelles et de la faune 5700, 4^e Avenue Ouest, A 308 Québec (Québec) G1H 6R1

Subject: Evaluation of the forestry performance of the TSFMA holders

Dear Minister:

On last November 7th, by the hand of Mrs. Paule Têtu, Associate Deputy Minister at Forêt Québec, you asked the Cree-Québec Forestry Board to comment on the criteria and indicators used to evaluate the forestry performance of the TSFMA holders, FMA holders and FMC holders for the five-year period 2008-2013.

First, please allow us to comment on the performance evaluation from 1999-2008. Considering the importance of the Northern Québec territory and the fact that an adapted forestry regime has been in force since February 2002 on an important part of this territory, it would have been desirable, despite the transitional period, that the results presented give a first picture of the performance of the agreement holders for the Northern Québec Region.

With regard to the subject requesting for advice on criteria and indicators used to evaluate the forestry performance of the TSFMA holders, FMA holders and FMC holders for the five-year period 2008-2013, we suggest that a performance evaluation should constitute an operation that comes within the approach of ongoing improvement of the different stakeholders involved in such a process. In this spirit, the evaluation approach should not identify acceptability limits but rather the gap between expected results and those achieved. The objective pursued should be to get as close as possible to the optimum targets. Consequently, it seems important to us that the interpretation given to performance rating should be reviewed in order to illustrate preferably a threshold, not a target to be achieved. This is true all the more when we estimate criteria which are statutory and which, consequently, must be respected in its entirety.

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The approach and indicators currently proposed for the evaluation of the 2008-2013 performance takes very little consideration of the reality of the adapted forestry regime of the Agreement concerning new relationship between le gouvernement du Québec and the Crees of Québec on the territory of the adapted forestry regime. On the territory of the Agreement, it would be important to reiterate that the measures of the adapted forestry regime have to be respected in the framework of the evaluation of forest management and environment performance. This should be illustrated by the implementation of relevant elements of the FPDO 11 in one or the other field (forestry or environmental) or even the creation of a third field exclusive to the FPDO 11. The Board also propose you to review the new indicators which will in this way be created and to advice you of their relevancy before they will be accepted by the Minister. Furthermore, the evaluation of performance 2008-2013 on the territory of the Agreement should be compiled as to allow the realisation of a specific picture for the 15 forest management units of the Agreement territory.

The Board worries also about the fact that the previous evaluation of performance demonstrated a conformity non acceptable for the follow-ups of the cutting with protection of regeneration and soils (CPRS) and planting work with the standards of the Forest Management Manuel on the Agreement territory. The proposal which was presented to us eliminated this evaluation criteria from the next evaluation of performance. Considering the importance of these silvicultural works, we recommend you to maintain the indicator of the respect for the follow-ups of the CPRS and planting work demanded in the Forest Management Manuel.

Finally, it would be appropriate to validate the statistical basic of the method proposed to make sure that no undesirable aberration is introduced by using the rates in replacement of the percentages and that the selected indicators are adequately weighted among one another.

For your information, you will find herewith enclosed the analysis realized by the Board's Secretariat and which was adopted unanimously by the Board members on December 13, 2007.

Yours

Jean-Pierre Gauthier Chairman of the Board

Encl.