COURTESY TRANSLATION

Sainte-Foy, March 1st, 2005

Mr Pierre Corbeil Ministre 600-0117 Cabinet du ministre des Ressources naturelles, de la faune 5700, 4^e avenue ouest Bureau A-308 Charlesbourg (Québec) G1H 6R1

Subject: Postponement at April 1st 2008 the effective date of the next of General Forest Management Plans and reduction by 20% the annual allowable cut for firspruce-jack pine-larch (FSPL) species

Mr Minister,

Wednesday February 16, 2005, the Cree-Québec Forestry Board held a conference call meeting in order to discuss the advice that you requested concerning the postponement to April 1st 2008 the effective date of the next General Forest Management Plans and the application of a reduction by 20% of the annual allowable cut for FSPL species.

To that effect, the Board Secretariat prepared, for its members, a technical analysis, based on the information available, of the impact associated with your request and concluded that it was justified and acceptable. It formulated moreover specific recommendations for the consideration of the members.

The Board members accepted the Secretariat's analysis and agreed to adopt and transmit, as advice, the following resolution:

RESOLUTION 2005-02-16/3.1

SUBJECT:

Advice of the Cree-Québec Forestry Board regarding the postponement to April 1st 2008 the effective date of the next General Forest Management Plans and the application of a reduction by 20 % the annual allowable cut for FSPL species (fir, spruce, jack pine and larch) and by 5% for other species.

WHEREAS the Agreement concerning a new relationship between le gouvernement du Québec and the Crees of Québec provides that the Cree-Québec Forestry Board can bring to the attention of the Ministre des Ressources naturelles proposals,

preoccupations and comments related to laws, regulations, policies, programs, management guides and field guides related to forestry;

WHEREAS the Ministre des Ressources naturelles, de la Faune et des Parcs requested the advice of the Cree-Québec Forestry Board regarding the postponement to April 1st 2008 the effective date of the next General Forest Management Plans and the application of a reduction by 20 % the allowable annual cut in FSPL species and by 5 % for other species;

WHEREAS the Cree-Québec Forestry Board conducted an assessment of the anticipated impacts of a new postponement as part of the implementation of Chapter 3 of the Agreement concerning a new relationship between le gouvernement du Québec and the Crees of Québec:

WHEREAS the Minister looks forward to recommend to the Government to modify the bill no 71 submitted last November and thus report for an additional year, to April 1st 2008, the effective date of the next General Forest Management Plans;

WHEREAS the additional report is motivated by the need for the Government of an additional delay in order to assess the recommendations of the Commission for the study of public forest management in Québec, review the calculation of the annual allowable cut and complete the necessary legal and operational adjustments;

BE IT RESOLVED

THAT the Cree-Québec Forestry Board informs the minister that it finds justifiable the proposal to postpone to April 1st 2008 the effective date of the next General Forest Management Plans and to apply a reduction of 20 % of the annual allowable cut in FSPL species and of 5 % for other species. The Board submits the following four recommendations to the Minister:

- no volume allowed and not harvested in the past years (backlog) be transferred in the transition period;
- include an additional reduction of 5 % of the allowable cut in FSPL species as agreed upon between Crees and Government of Québec representatives;
- integrate, as soon as possible, the draft directives on the Protection and Management of Wildlife Habitats in the plans previous to the 2008-2013 general plans:
- in the transition period, the minister ensures that the beneficiaries' harvesting strategies be in agreement and respect of the spirit of the Agreement.

However, the Cree-Québec Forestry Board also acknowledges that any final approval is subject to a separate agreement between the Crees and the government of Québec according to the prescribed modalities to amend the *Agreement concerning a new Relationship between le Gouvernement du Québec and the Crees of Québec.*

Moved by: Pierre Cornellier Seconded by: Sam Etapp Adopted: At majority We hope that the advice of the Cree-Québec Forestry Board will allow you to advance with your new postponement to April 1st 2008 project on the deposit of General Forest Management Plans and to reduce the allowable cut of FSPL species in the transitory period.

You can rest assured, Mr Minister, of the Board members' wholehearted collaboration.

Sincerely,

Jean-Pierre Gauthier Chairman of the Board

p.j.



Working document

Analysis of a request for advice concerning a new postponement to April 1st, 2008 of the next general forest management plans (GFMPs) and a 20 % reduction of the allowable cut to the fir/spruce/jack pine/larch calculation group

by the CQFB Secretariat

NATURE AND OBJECTIVE OF THE DISCUSSION

Purpose of the request:

Last January 20, following the tabling of the Coulombe Commission report on Quebec's public forests, the Associate Deputy-Minister of Forêt Québec, Mr. Michel Bordeleau, met with the Board members to inform them of the Minister's intent to request, on a short term basis, an advice from the Cree-Québec Forestry Board on a new postponement of the effective date of the next general forest management plans (GFMP).

On February 2, 2005, the Minister for Forests, Wildlife and Parks Pierre Corbeil sent a letter to the Chairman of the Board in which he requested the Board's advice for a postponement to April 1st 2008 of the effective date of the next general forest management plans and on a 20% decrease, before the implementation of the next GFMPs, in the fir, spruce, jack pine, larch (FSPL) calculation group. The advice is expected on February 28, 2005 at the latest.

Background:

Due to weaknesses observed during the exercise aimed at reviewing the yield determination in relation to the coming into force of the general forest management plans initially scheduled for April 1st, 2006, the Minister for Forests, Wildlife and Parks Pierre Corbeil sent the Board, on July 27, 2004, a request for an advice on a one-year postponement of the implementation of the next GFMPs. These new GFMPs would cover the 2007-2012 period.

On September 2, 2004, the Chairman sent to the Minister the Board's unanimous resolution accepting, "from the point of view of its technical value, the Minister's proposal ... to postpone for one year the submission of the GFMPs and to adjust the forest yield determination".



On November 9, 2004, the Minister Pierre Corbeil introduced a bill to the National Assembly to amend the Forest Act and other legislative provisions (Bill 71) and including, among others, the postponement to April 2007 of the effective date of the next general forest management plans and the forest yield determination review.

While the forest yield review process was under way and the Bill was being presented to the National Assembly, the Commission for the Study of Public Forest Management in Quebec, mandated by the government to investigate the management of public forests and to submit recommendations, was finalising its report.

Last December 14, following a broad consultation and as a response to the needs and aspirations of the Quebec population, the Commission tabled its report and proposed 81 recommendations covering practically all the aspects of forest management in Québec.

One of the recommendations, which is the subject of the present request for advice, is concerning a new postponement of the effective date of the next general forest management plans (GFMPs), that is to April 1st, 2008 instead of April 1st, 2007 as provided in Bill 71. As recommended by the Commission, this postponement would mean, between now and the implementation of the next GFMPs, applying a 20 % reduction of the current allowable cut for the fir/spruce/jack pine/larch species group.

The present advice request is motivated by the fact that the Minister intends to recommend to the government some amendments to Bill 71 tabled last November. In a context where the proposed amendments to the Forest Act and its provisions should be adopted by the National Assembly at the latest on March 31, 2005, the deadline for the present consultation is tight and the Board's advice is required by February 28, 2005 at the latest.

Analysis:

The Commission for the Study of Public Forest Management in Quebec and its recommendations:

The Commission for the Study of Public Forest Management in Quebec set up in October 2003 and chaired by Mr. Guy Coulombe had the general mandate to examine the management of public forests in Québec and to recommend improvements that would allow to enhance the forest regime from a sustainable development perspective.

This long-awaited commission was set up, among others reasons, in response to



the concerns and findings of the Auditor General in 2002. The Auditor's main findings were that:

- there exist many flaws in the calculation of the allowable cut;
- MRNFP is not able to determine whether there is over-evaluation or not of the allowable cut;
- MRNFP does not have the assurance that all revenues from timber rights are collected and there exist many deficiencies relative to audits and controls:
- MRNFP does not exercise the required controls on budget requests for silvicultural treatments.

After spending a full year on consultation and analysis activities, the Coulombe Commission tabled in December 2004 a voluminous report on the management of Quebec's public forests. The Coulombe Commission's report recommends significant adjustments that can be summarised into five major policy directions:

- 1. Managing the forest as a whole (ecosystem-based management and completion of the protected areas network);
- Allocating timber according to the quality and accessibility of available volumes:
- Better targeting the silvicultural treatments (abolition of funding allocated to TSFMA (CAAF) holders and creation of a regional program);
- 4. Preparing the consolidation of the wood product industry;
- 5. Decentralising forest management.

Many findings resulted from the Commission's analyses and consultations. While recognising a certain progress in forest management and more particularly in timber management, it also identified serious flaws. It also emphasised the importance for the sustainable development of Québec's forest to be focused on ecosystem-based management.

One of the Commission's important findings is that it came to the conclusion that there is a general overexploitation of timber in the Québec forests. It also identified serious flaws in the methods used to estimate timber potentials.

The Commission recommends a transition period to implement the proposed changes. However, it recognises that these changes must be part of the other processes already under way, more particularly the development of the general forest management plans.

Thus, considering that the next GFMPs are planned to become effective in April 2007, the Commission recommends to postpone the effective date of the general forest management plans in order to improve the forest yield determination and



to take integrated management into account in the short term calculations. More specifically, it recommends to postpone to April 2008 the effective date of the next GFMPs in order to be able to develop the necessary tools and methods to determine the allowable timber cut and to achieve a "critical mass" of implementation of the Commission's recommendations. As a precautionary measure, it recommends to reduce the allowable cut of FSPL species by 20% between now and the effective date of the new GFMPs.

As for the allowable cut determination, it is important to mention that beyond the deficiencies of the calculation method that were exposed during last fall's consultation on GFMP postponement, the Commission recommends that new elements be considered in order to correct overestimation and to increase calculation accuracy. Thus, it is also recommended

- To bring modifications to the inventory methods (modification of the contours of the survey units, review of sampling and stratification) in order to limit biases in the estimation of standing volumes used as input to determine the allowable cut (recommendations 5.1 to 5.3);
- To base the next general plans on timber yield potential estimations that take into account the spatial dimensions (recommendations 5.7 and 5.9);
- That audit tools be included in timber yield potential calculations, and that these calculations be better supervised by the professional judgement of the forest manager, (recommendation 5.8).

Without elaborating on the overall of the 81 recommendations of the Commission, the Secretariat can only recognize the importance of the proposed priorities and the expressed concerns. Although the continuations which the government accounts to give to the known as report remain to specify, it appears right to believe that the made recommendations will involve positive repercussions for a durable management of the Quebec's public forest, which benefit should be reflected on the Territory of the Agreement.

Postponement of GFMPs in 2008 and allowable cut calculations

The advice on GFMP postponement and allowable cut reduction stems from the government's intention to propose, at the opening of the parliamentary session, modifications to Bill 71 that was introduced last November and that would set the effective date of the next GFMPs to April 2007 and the implementation of a revised allowable cut for starting from the 2005-2006 forest planning process. It is important to remind that the allowable cut that was to be revised before September 2005 would only consider some of the elements highlighted by the Coulombe Commission.



It is too soon to know which recommendations will be adopted by the government and what will be their impact on the new generation of GFMPs. Without presuming the government's intentions regarding the implementation of the Coulombe Commission's recommendations, it can be noted that, among the recommendations, many could have an impact on these new GFMPs:

- Considering new elements in forest yield determination, including
 - o Considering the spatial dimensions and the optimisation of planning
 - modifications to inventory methods
 - using audit tools;
- completion of the protected areas network,
- ecosystem-based approach to planning as well as multi-resource and integrated management that would provide a new basis for forest yield determination.

We must mention nevertheless that the new proposed approach concerning the integrated forest management plans would be in agreement with the orientations and objectives suggested in the Agreement.

At first, it looks that the entry into force of the GFMP at April 1, 2007 would not grant the government a sufficient time to ensure the consideration of a "critical mass" of changes. The Secretariat thus considers that it is required to give necessary time to the government to analyze in details the recommendations of the Commission, to re-examine calculations of annual allowable cut and to make the necessary legal and operational adjustments.

20 % Decrease of the Allowable Cut for the FSPL Group

In its report, the Coulombe Commission concludes that the timber yield potential in Quebec is overestimated. So it recommends that during the transition period that would end in March 2008, "[translation] the most appropriate compromise to reduce by April 2005 the level of allowable cut so as to reduce the harvested volumes for the main softwood species (FSPL)" is that the potential timber yield for FSPL group (fir, spruce, jack pine and larch) be reduced by 20% from the sustainable yield presently in effect in each of the public forest's territorial units, and that the allocations be adjusted according to the specific situation of each territorial unit (r. 9.2). It is thus very important to make sure that on the Territory, a 20 % reduction of the allowable cut will not result in a harvest that is equal or superior to what is presently harvested.

The implementation of the Agreement on the territory involves a reduction of the current allowable cut. It is the same for other measures that could be adopted in the wake of the Coulombe Commission's recommendations.



The Secretariat is not currently able to evaluate if the reduction of 20% proposed by the minister, resulting from the Coulombe Commission's recommendations, can meet all the requirements of the Agreement on the Territory.

Considering:

- that the government has expressed its clear intent to act upon the Coulombe Commission's recommendations in order to ensure the sustainable development of Québec's forests, but that it is too soon to know exactly what it intends to do regarding the implementation of all of the Commission's recommendations;
- the significant scope and interrelation of many of the Commission's recommendations and the need for the government to have the necessary time to conduct an in-depth analysis of the said recommendations and to ensure the implementation of the adopted recommendations;
- that despite a postponement of the GFMPs, the Agreement's measures would continue to apply on the Territory;
- that the Coulombe report found important additional weaknesses in the simulations, leading to an overestimation of the allowable cut for the FSPL calculation group and that this finding cannot be ignored within the framework of sustainable forest management;
- that the results of the simulations carried out as part of the current review of the allowable cut are not known yet;
- that the Secretariat is not currently able to evaluate precisely the impact of the application of the reduction of 20% of possibility FSPL on the Territory;
- that the Commission's findings regarding public forest management are important and could lead to forest planning processes that would be developed based on an ecosystemic approach that is more consistent with the objectives of the Agreement;
- that refusal to give a favourable advice could lead to the adoption of Bill 71, which would confirm the postponement to April 2007 of the new GFMPs and the implementation in 2005-2006 of a revised allowable cut, without taking into account the flaws noted by the Commission

Conclusion of the analysis



Based on the available information and the preliminary analysis, the Secretariat recommends to the Board members that

• the Board informs the Minister that it finds justifiable the proposal to postpone to April 1st, 2008 the effective date of the next general forest management plans (GFMPs) and that, between now and the implementation date of these plans, the allowable cut for the fir/spruce/jack pine/larch group of species be reduced by 20%.

Also, in its advice to the Minister, the Board could recommend

- no non harvested volumes from previous years (backlog) be carried over to the transition period;
- the intervention strategies and procedures for the protection and management of wildlife habitats be integrated as soon as possible into the planing prior to the 2008-2013 GFMPs;
- during the transition period, the Minister ensure that the holders' harvesting strategies comply with and be respectful of the spirit and intent of the Agreement.