

The Roadmap To Change

A 2006 Progress Report on the Great Bear Rainforest Agreements

ForestEthics, Greenpeace and Sierra Club of Canada, BC Chapter, share a vision for conservation of coastal British Columbia. Our organizations believe the stage is set for a global model of sustainability to emerge in the Great Bear Rainforest - if all players continue to play their part in this area of exceptional ecological significance.

In February of 2006, Premier Gordon Campbell of British Columbia, First Nations governments, the forest industry and our environmental organizations, announced landmark legal Agreements in the Great Bear Rainforest that will:

- Establish a network of areas protected from logging totaling five million acres (2 million hectares), covering 33% of the land in the Central and North Coast, and
- Legally change logging practices to a system called Ecosystem Based Management (EBM) by 2009.

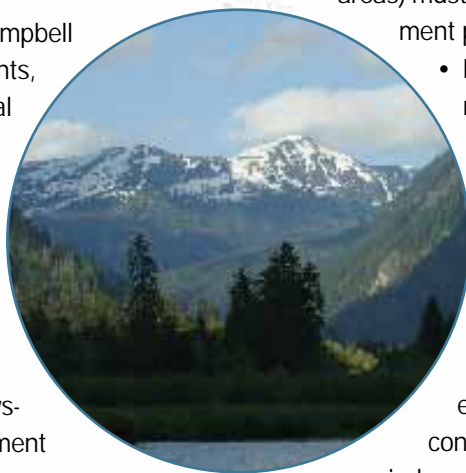
Certain elements of the Agreements were put into action shortly after they were signed, such as designation of the first protected areas. However, conventional industrial logging continues in the Great Bear Rainforest at this time and overall progress on implementation has been slow. In this annual report card we will inform you, the customers and investors of British Columbia's forest products, on progress in implementing the Great Bear Rainforest Agreements.

Creating and following a roadmap to reach the goal of fully

implementing Ecosystem Based Management by 2009 is fundamental to success. Our findings are based on following the five key areas required to turn the February 2006 agreements into reality:

- **Protection:** All new Conservancy Designations (protected areas) must be legally established and effective management plans developed.
- **Ecological Management and Planning:** New methods of logging that do not destroy the ecosystem must be legally established and adopted. Transition from a conventional industrial logging model to Ecosystem-Based Management must be underway.
- **Use of Credible Science:** The Ecosystem-Based Management Working Group is a scientific and technical body designed to ensure that the application of EBM is, and continues to be, based on the best available independent science, to avoid conflict.
- **Collaboration:** Collaboration was agreed to as key to the process for moving forward, both on science and on developing the road map for implementation.
- **First Nations' Interest:** In the coming months, resources must be made available to facilitate sustainable economic change over time.

The provincial government and industry are responsible for various elements of implementation and have been graded according to their performance in their respective roles.



REPORT CARD SUMMARY

The Province and First Nations governments have shown leadership in many of the process and institutional aspects of the Great Bear Rainforest Agreements, although strengthening collaborative efforts will be required to create lasting solutions. The timelines for implementation are tight and the provincial government will have to work efficiently to achieve

- Protection:** Government B+
- Collaboration:** Government C-, Industry C-
- Use of credible science:** Government C-, Industry C-
- First Nations' Interest:** Government B+
- Ecological Management and Planning:** Government B-, Industry D-

the commitments that they have made. Of greater concern is the fact that the logging industry is, in general, resisting the bold steps required to implement Ecosystem-

Based Management. The result has been little change to logging practices on the ground and an increasing threat to key-stone species such as western red cedar.

Great Bear Rainforest

British Columbia is home to one of the most unique and endangered forests of the world – coastal temperate rainforest. These forests cover only 0.2 per cent of the earth’s land surface, making them far rarer than tropical rainforests. Stretching between Bute Inlet on British Columbia’s south coast and the Alaskan border to the north, the Great Bear Rainforest covers almost 7 million hectares, and comprises 25% of the world’s remaining ancient coastal temperate rainforests. The region draws its name from its healthy populations of bears– grizzly bears and black bears, including the mysterious Kermode, or Spirit, bear. The Kermode is a subspecies of the black bear, and about every tenth cub in this region is born pure white. These coastal temperate rainforests hold the largest amount of living biomass of any ecosystem on the planet. They also contain incredible biodiversity: they are home to towering, thousand year old western red cedars and an estimated 10,000 species of invertebrates.

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Newly Protected Koeye Watershed, Great Bear Rainforest.

Protected Areas: Provincial Government: B+

A new network of protected areas has been outlined in the Great Bear Rainforest Agreements, which adds 1.3 million hectares (3.3 million acres) to formal protection and another 297,000 ha (736,000 acres) as no logging zones.

A new legal designation has been introduced that confirms that these areas are set aside to maintain ecological values while allowing for First Nations co-management.

At this time, 541,000 hectares have

been formally legislated. The rest is expected to be legislated by April of 2007. The next step is to ensure that collaborative planning takes place so that strong management plans are in place for this protected areas network.

III Ecological Management and Practices:

Government: B- Industry: D-

Have logging practices changed on the ground? Current logging practices do not substantially reflect Ecosystem Based Management (EBM) in the Great Bear Rainforest. How logging happens, how much is logged and where logging happens are the three principle factors for judging change on the ground. While logging practices such as partial cutting are a step forward, they can only

be judged to be effective, or not, within the framework of the EBM system. Currently, logging continues haphazardly while the complete EBM system has not been put into place. Without the first EBM planning step of identifying the high, medium and low risk ecosystems, it is impossible for companies to adequately assess how to manage logging without destroying sensitive ecosystems (see Risk Allocation

tions have reviewed logging plans developed over the last year by three major companies who have made commitments to EBM. Of the fourteen plans reviewed, only half of them even mention EBM. The logging plans simply do not reflect Ecosystem Based Management or fully incorporate commitments to change practices made over three years ago. The long-term viability of sensitive ecosystems is further imperiled as each logging season passes without EBM being implemented by these companies. The volume of rainforest logged, according to the company plans we reviewed this year (see table below), would fill logging trucks parked bumper-to-bumper from London to Rome. This represents a fraction of the total logging planned.

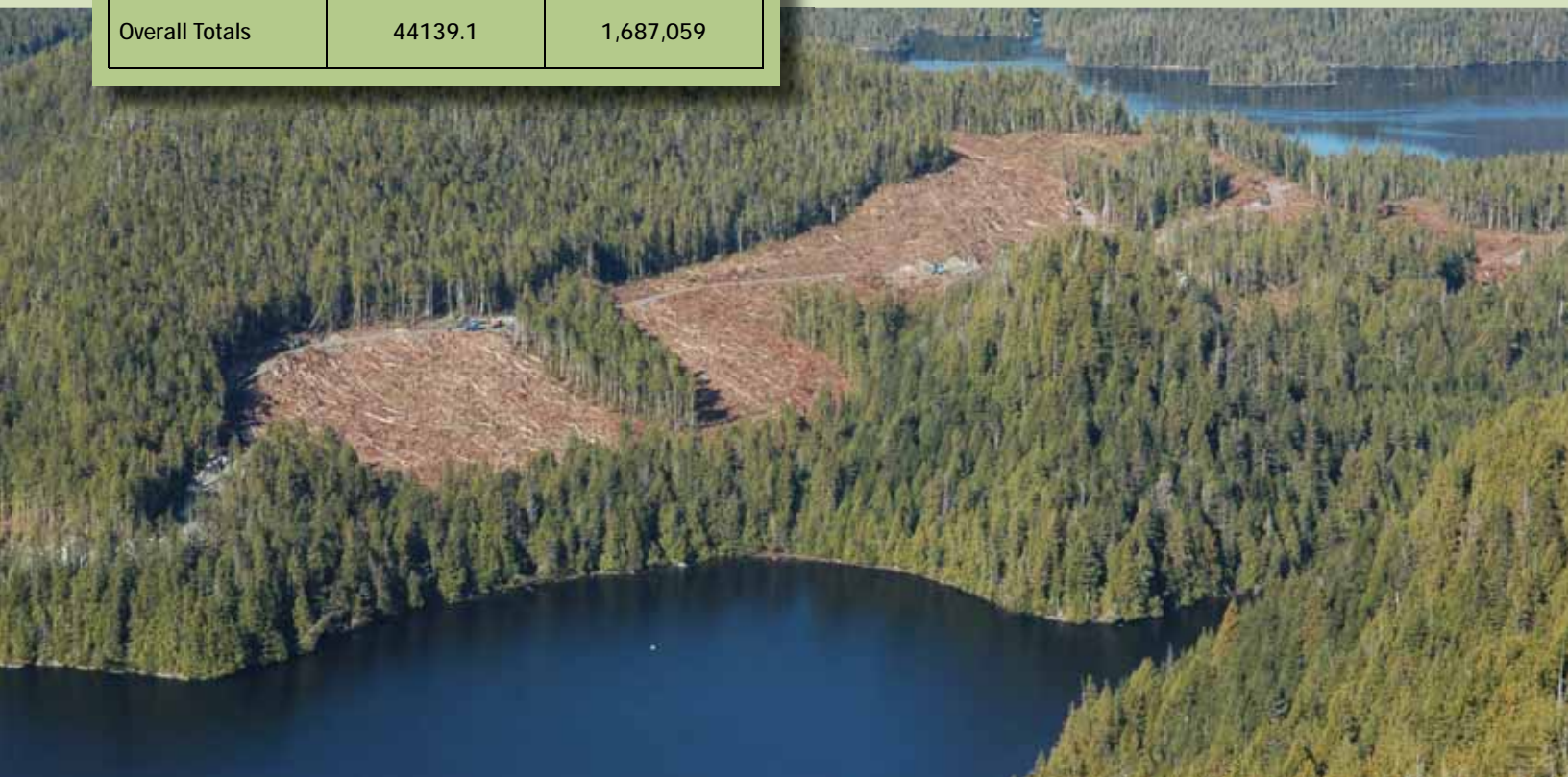
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box, page 5). Too much logging, particularly in places that should be reserved or managed to the lowest risk to the ecosystem, remains a problem.

Our organiza-

Total logging proposed in fourteen 2006 plans

	Area (ha)	Volume (m ³)
International Forest Products	2188.5	748,509
BC Timber Sales	406.7	192,225
Western Forest Products	1543.9	746,325
Overall Totals	44139.1	1,687,059



Merewith Sound, logged in 2006 by BC Timber Sales.

The Agreements signed

in February 2006 outline a first set of new legal requirements for logging practices. These requirements represent a small step towards full implementation of Ecosystem Based Management (full Ecosystem Based Management is described in a handbook jointly developed by scientists working for industry and environmental organizations). The Agreements specified that these new requirements were to be legalised by September 2006.

Government has taken leadership in initiating the legislation of new logging practices. Draft legal objectives for part of the Coast are out for public review but they are not yet legalized.

The timelines for actual change on the ground, however, are troubling. As current drafts are written, companies would not be legally bound to even plan for new logging methods until mid-2007. As well, unless the Government takes decisive action, there is a strong possibility that old, destructive logging methods may be allowed to continue for many more years under existing approved logging plans

Are there new legal rules governing logging?

and permits.

The logging industry coalition (the Coast Forest Conservation Initiative) has actively undermined the process of developing legal objectives. Although they were familiar with the content of the Agreements for a year prior to February 2006, this industry group has lobbied the provincial government and First Nations to weaken the proposed legislation, as well as delay its inception.

Furthermore, the changes to the draft legislation that the Coast Forest Conservation Initiative is aggressively pursuing would undermine the recommendations of the independent scientists of the Coast Information Team, such as the width of buffers needed to protect streams and wetlands.

Several companies operating in the Great Bear Rainforest have been submitting amendments to old logging plans for government

approval in the last months before the new requirements are in place. Through legal loopholes in BC's forest practices legislation, companies could avoid complying with new EBM standards and old, destructive logging methods could continue for up to 9 years under existing logging plans and permits.

Logging companies must take a proactive approach to EBM if they are to uphold their agreement of full EBM by March 2009.



Interfor: a Case Study in Resistance to Change

Four of Interfor's five logging plans in the Great Bear Rainforest submitted in the last 9 months are for status quo logging. The graph below shows how severely Interfor is high-grading both yellow and red cedar. Cedar is an ecologically and culturally significant species. These trees can grow to be over 1000 years old. Coastal British Columbia supports significant world populations of

western red cedar. Productive stands of old-growth yellow-cedar are now rare and threatened ecosystems. Some of the well-known species that use old-growth cedar are: black bears for denning, marbled murrelets for nesting, bats for roosting within hollow cavities.

Under Ecosystem Based Management the whole region must be assessed for areas of abundance or rarity of cedar, and managed to either restore cedar to natural levels or to maintain it at sustainable levels. High-grading cedar is counter to EBM because it negatively impacts the

ecology and First Nations culture and precludes future economic opportunities

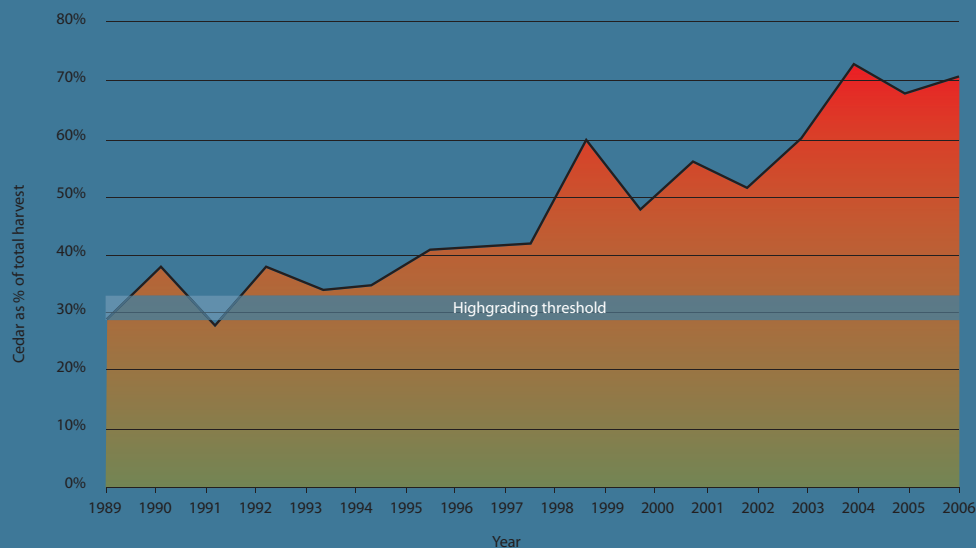


Summers Bay, logged in 2006 by Interfor.



Gilford, logged by Interfor.

Highgrading of cedar in the Great Bear Rainforest International Forest Products (Interfor)



Source: Provincial harvest billing data

Risk Allocation - Maintaining ecological integrity during the transition to full EBM

The Great Bear Rainforest Agreements of February 2006 provide protection for more than 33 per cent of the land. The next step under Ecosystem Based Management is to identify which areas outside of the new conservancies are the most ecologically and culturally sensitive. These sensitive areas are

to be assigned to a management category that ensures only minimal impacts are permissible. This process is known as risk allocation. Its implementation, which will result in further areas being reserved from logging, is a cornerstone of Ecosystem Based Management. This Regional Risk Allocation has not been

done yet.

One purpose of risk allocation is to identify immediately which sensitive areas should be maintained while EBM implementation is being phased in. The logging industry must commit to not log in those areas, pending the final results of further planning.

The new approach to land use outlined in the Great Bear Rainforest Agreements is a shift that will require major changes for all parties, including governments and the forest industry. Change of this magnitude will require two things:

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1. The shift must be guided by a comprehensive plan. The provincial government, First Nations, industry, and our organizations need to collaboratively establish a transition and implementation plan or "roadmap" for achieving full implementation of EBM by 2009.
2. Individual logging companies need to develop business plans for how they will transition their operations to function viably with EBM.

The most important indication that government is progressing towards change on the ground in the Great Bear Rainforest is their announcement of an initial reduction in the amount of wood



logged each year (the allowable cut) by over 500,000 cubic metres.

The Provincial and First Nations governments have agreed to a framework to facilitate Transition and Implementation Planning for Ecosystem Based Management. However, at this time it is not clear that this plan will be developed collaboratively, calling into question if it

will be supported by all parties.

None of the coastal logging companies have developed business plans to transition to full EBM by 2009. This is a fundamental indicator of whether a company is prepared to adapt to a new business environment.



Not All Are Alike

Several companies have indicated they are ready to address the transition plan gap. Western Forest Products, Catalyst Paper, Canfor, Triumph Timber and BC Timber Sales CEO's and top executive levels have had open conversations with our organizations about necessary steps to develop a business plan for the transition to EBM.

Interfor and Timberwest CEOs, in spite of requests, have not met with our organizations regarding implementation of the Great Bear Rainforest agreements.

The Joint Solutions Project

is a cooperative initiative that allows our environmental organizations and a number of logging companies to avert conflict by collaborating on solutions to longstanding disagreements. The Joint Solutions Project is made up of the Rainforest Solutions Project (a coalition of ForestEthics, Greenpeace, and the Sierra Club of Canada, BC Chapter) and the Coast Forest Conservation Initiative (Western Forest Products, Interfor, BC Timber Sales, Catalyst, Canfor and new

affiliates covering the majority of forest companies operating on the North and Central Coast). Both coalitions have agreed on a model for conservation that integrates social, economic and ecological needs.

It has recently been recognized by both parties that the innovation and collaborative effort that led to the signing

of these historic Agreements is needed to ensure their implementation. Over the next few critical months industry must commit resources to working jointly to establish EBM institutional bodies, to create an implementation road map, and to maintain options for the future. This is critical to the success of EBM and necessary to avoid future conflict.

Renewed Collaboration Necessary

Since 2001, decision makers and stakeholders alike supported the use of independent science to determine land use in the Great Bear Rainforest. As a result, scientific research, analysis and testing were completed, much of which resulted in recommendations adopted by all parties and incorporated in the final Agreements. The use of world-class independent science is a cornerstone to avoiding conflict and maintaining consensus in this region.

III Use of Credible Science:

Government: C- Industry: C-

The February 2006 Agreements specified that an EBM Working Group be established to provide scientific input at all levels of planning and implementation. The EBM Working Group is intended to reflect the spirit of collaboration and the requirement of independent science.

In order to accomplish these goals it must be adequately funded and have a Director that provides credibility to the Working Group's mandate. Until the EBM Working Group is functioning as agreed to, the credibility of the Agreements hangs in the balance.

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III Collaboration:

Government: C- Industry: C-

Both government and First Nations hold the final decision making authority in the Great Bear Rainforest, but to fully implement our agreements all stakeholders who built them and who will ultimately influence change on the ground must be engaged. Only by tapping into the ingenuity and resources of all parties will we be successful.

The Government-to-Government

Agreements signed in February 2006 significantly increase First Nations' decision-making authority within their traditional territories in the Great Bear Rainforest. This is a tremendous accomplishment.

Also tied to the February 2006 Agreements are the Coast Opportunities Funds (COF). These funds are unique mechanisms to reconcile conservation of a globally significant ecosystem with the rights of the indigenous communities to have sustainable economies. Over \$100

First Nations Interests:

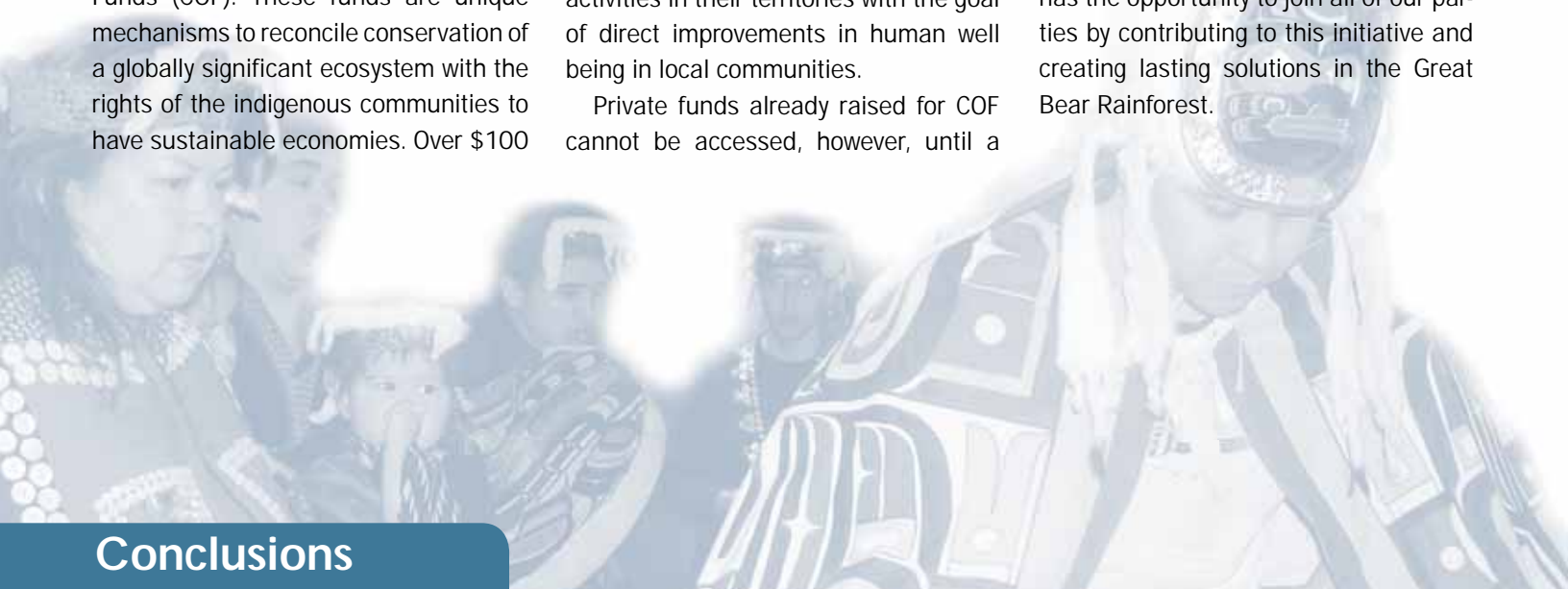
Government: B+

million of funding is required to seed the transition to diversified and ecologically sustainable local economies in the Great Bear Rainforest. First Nations will benefit from sustainable economic activities in their territories with the goal of direct improvements in human well being in local communities.

Private funds already raised for COF cannot be accessed, however, until a

full match of public funds is in place. To date, both the Province of British Columbia and the environmental /philanthropic community have committed funds. The Government of Canada now has the opportunity to join all of our parties by contributing to this initiative and creating lasting solutions in the Great Bear Rainforest.

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Conclusions



The timeline for the full implementation of Ecosystem Based Management is March 2009. This globally significant model of conservation will require continued leadership by the governing bodies and a guiding vision from the highest

executive levels of the logging companies to be successful.

As customers of and investors in forest products from the region we ask you to continue to incorporate the future of the Great Bear Rainforest in your business

considerations.

For more information please contact: ForestEthics 604 331 6201; Greenpeace 604 253 7701 ext 14; Sierra Club 250 386 5255.

ForestEthics, Greenpeace, Rainforest Action Network, and the Sierra Club of Canada, BC Chapter, are environmental groups jointly advocating conservation and economic alternatives to industrial logging in British Columbia's Great Bear Rainforest and on Haida Gwaii (the Queen Charlotte Islands). We promote a new approach to the land and sea, founded on the principles of ecosystem-based management, which would safeguard areas of global biological rarity, maintain the ecological integrity of the coastal temperate rainforest, respect traditional knowledge, and provide for the long-term sustainability of local communities.

Page 1: Watershed photo, Marni Grossman; Page 2: Koeye photo, Stephanie Goodwin; Page 3: Logging photo, Dina Goldstein; Page 4: Planning photo, Mike Wigle, Logging photo, Dina Goldstein; Page 5: Logging photos, Dina Goldstein; Page 6: Forester photo, Bayne Stanley, Bear photos, Marni Grossman & O'Neill/Greenpeace; Page 7: Fern photo: Karen Tam Wu; Page 8: First Nations photo, Al Harvey.

