Provincial Forest Advisory Council Phase 1 – Interim Report

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Prepared by: Provincial Forest Advisory Council

Mandate Reference: Cooperation and Responsible Government Accord 2025 (CARGA)

Submitted to: CARGA Sponsors – Honourable Ravi Parmar, Minister of Forests & MLA Rob

Botterell, BC Green Caucus

INTRODUCTION AND PURPOSE

The Provincial Forest Advisory Council (PFAC or the Council) was established in May 2025 under the Cooperation and Responsible Government Accord 2025 (CARGA). Our mandate is to provide oversight, assessments, advice, and guidance to the Government of British Columbia on a paradigm shift in forestry.

This interim report shares our progress, summarizes our engagement process, and outlines the preliminary direction of our work. *Our objective is to support a transition to a new, more stable system that fosters resilient communities, economies, and forest ecosystems in British Columbia.* This report signals our move from problem identification toward developing foundational recommendations for systemic change.

MANDATE AND GOVERNANCE

Mandate: The Council's mandate is outlined in the <u>Terms of Reference</u> provided to PFAC by CARGA.

Governance: The Council is a team of professionals from across the province. Co-chaired by Garry Merkel and Shannon Janzen, providing independent reports and recommendations to Ravi Parmar (Minister of Forests) and Rob Botterell (BC Green Caucus House Leader).

Approach: Our recommendations will be based on recent reviews, past engagement processes, and internal PFAC deliberations, which incorporate research, analytics, and literature reviews. The process uses targeted engagements, calls for input on specific topics, and a survey open to all interested parties. See <u>PFAC website</u> for more information about our approach.

Our work is divided into two phases:

- **Phase 1:** Identifying underlying issues, barriers, and key drivers to define our scope and priority focus areas.
- **Phase 2:** Describing a desired future state, conducting further research, and developing implementation and transition recommendations for a more stable system.

PROGRESS TO DATE

The Council completed an initial scoping exercise to identify the underlying forces and key drivers preventing BC from achieving stability in the forest sector and moving toward a new vision for forest management. This work allowed us to narrow our focus to several key areas, launch the PFAC website, and expand engagement beyond discussions with government ministries (which took place in early September) to include participation opportunities for other interested parties.

Throughout September, we conducted our initial Phase 1 engagement, which will extend into early October. By combining targeted conversations with a review of materials from informed submissions and past processes (e.g., Old Growth Strategic Review and the BCTS Review), the Council is gathering well-rounded input to guide the identification of the underlying issues. This approach ensures that our problem definition—and ultimately our recommendations—are informed by diverse technical, business, community, and First Nations perspectives.

FROM PROBLEM IDENTIFICATION TO SYSTEMIC SOLUTIONS

The recommendations of the Provincial Forest Advisory Council (PFAC) are being developed against a backdrop of significant global economic uncertainty. As a resource-based economy, Canada relies heavily on international trade for economic growth, with the forestry sector serving as a major exporter of wood products to global markets. Ongoing and escalating international trade disputes, shifting geopolitical dynamics and volatility in global markets add further complexity to a province already struggling to transition to a post-mountain pine beetle land management regime. These factors make it difficult to rely on past approaches to create a new, stable system that attracts investment and innovation to our province.

During periods of economic uncertainty and fiscal pressure, there is a pronounced tendency for governments to centralize decision-making and pivot toward short-term, reactive priorities. This often comes at the expense of long-term strategic goals that are essential for stability and prosperity. Foundational initiatives, such as advancing First Nations reconciliation, implementing sustainable land management practices, and fostering the transition to a high-value, diversified manufacturing sector, can be detrimentally deprioritized. These complex, multifaceted objectives require consistent attention and a decentralized approach to succeed. Still, they often risk being sidelined in favor of immediate, politically simpler solutions that fail to address the underlying systemic issues.

Our initial engagement confirmed that the challenges facing BC's forests are not new. Many of the themes identified are persistent, recurring issues that have been highlighted in numerous past reviews and reports – over several decades. The recurrence and persistence of these problems underscore the need for systemic change, as previous attempts at incremental adjustments have proven insufficient for building lasting stability.

Our work is not meant to be a "what we heard" summary or to offer short-term relief for immediate economic problems, as there are other groups that already focus on those issues. Instead, our goal is to address the underlying causes of instability. We will work to identify and address the structural misalignments in the current management system and suggest workable modifications or replacements. This new system must move us away from outdated models towards one that is

long-lasting, adaptable and capable of generating a new, more stable system that fosters resilient communities, economies, and forest ecosystems in British Columbia.

That said, PFAC recognizes that for its recommendations to be useful, we must understand and acknowledge the backdrop in which these recommendations are made. To be effective, the recommendations will need to respect and recognize fiscal constraints, as well as the implications of our current reality, including the impacts on contractors and to First Nations who have invested in tenure and may now face financial distress.

The Council has synthesized the input received into a set of interconnected, underlying issues. These themes, detailed in Appendix A, represent the foundational problems that have been condensed from our phase 1 engagement. This catalogue of issues is not exhaustive—instead, it highlights core, persistent barriers that have been repeatedly cited, not only in this review but in many reviews that have preceded it.

Starting in phase 2 of our engagement, PFAC will use these themes to prepare its final report for delivery to the co-sponsors by the end of December.

NEXT STEPS

Moving forward, the Council will focus on the following activities:

- 1. **Initiate Phase 2 Engagement:** Launch the next round of engagement, using the underlying themes in Appendix A to help inform and shape our final recommendations.
- 2. **Develop Recommendations:** Refine recommendations for long-term, transformational change and prepare a pathway for implementation. Our focus will be on addressing the underlying structural issues identified.
- 3. **Finalize Technical Report:** Complete a final technical report by the end of 2025 to provide a solid basis for our recommendations.
- 4. **Prepare for Public Release:** The final report is scheduled for public release in mid-February 2026, 45 days after it is submitted to the government.

APPENDIX A: UNDERLYING ISSUES IDENTIFIED IN PHASE 1

The issues outlined below reflect recurring themes and challenges but are not intended to be a comprehensive summary of concerns. As global and provincial circumstances continue to change, new information and challenges will arise during the timeframe of PFAC's mandate.

Many of these challenges have persisted for decades, reappearing repeatedly in previous reviews and reforms—evidence of their deeply rooted, systemic nature and resistance to short-term solutions.

- 1. Systems, Processes, Policy and Legislation Were Not Built for Our Current Reality:
 Forest management systems, tenure structures, pricing and legislation (e.g., Forest Act)
 are outdated and misaligned with land management objectives. External forces such as the
 mountain pine beetle epidemic and trade disputes require an honest assessment of our
 current state ensuring that we facilitate the ability to adapt while avoiding propping up
 unsustainable businesses. Current systems and structures are cited as adding
 unnecessary costs and processes that are barriers to investment and innovation.
- 2. Government Ministries are Not Aligned and Often Competing for Resources: A lack of cross-ministry coordination and fragmented mandates appears to be resulting in competition for resources that freezes systems and processes preventing action towards a coordinated set of goals. A substantial amount of time is invested in internal processes, which stifles innovation and the implementation of new ideas.
- 3. **Resources are Not Focused on Common Initiatives:** Staffing shortages, especially at regional and operational levels, and budget constraints are often cited as common barriers to effective implementation inside government. In the world of fiscal deficits, this is unlikely to change; as such, the challenge will be to redistribute government spending to a coordinated set of priorities, ensuring that effective decision-making can occur efficiently at regional levels.
- 4. Turnover and Lack of Experience Both in and Outside of Government Slow Momentum: A limited number of individuals with "boots on the ground" experience, access to subject matter experts, and confusion over professional obligations are often cited as barriers to change. Personnel are frequently not trained in collaboration and conflict avoidance/resolution. This impacts the confidence and speed at which decisions can be made, and also lends itself to rule-based, top-down-driven outcomes that can be costly, inefficient, and ineffective in achieving land management objectives (e.g., focusing on process rather than outcomes).

- 5. Fear & Resistance to Change Appears Prevalent: Fear-based resistance and lack of effective frameworks for decision making have been cited as barriers to change. Specific processes exacerbated by misinformation and political sensitivity (e.g., engagement on the Land Act amendments to align with DRIPA) are often cited as barriers to effective transition in conjunction with a lack of public understanding of the government's legal obligations to First Nations. Many meetings emphasized the need for consistent, respectful, and strategic engagement with Indigenous communities; however, consistency appears to be lacking. First Nations and the BC government often lack the capacity to engage through existing (sometimes ill-defined) governance structures.
- 6. Lack of Trust Cited as Common Barrier to Effective Land Management, Regional Decision Making, and Streamlining Processes and Systems: Mistrust has been cited as a key barrier to progress and a key theme of many discussions. Trust is an underlying requirement for moving collaborative processes, such as Forest Landscape Plans, faster. The scope of these processes is also cited as a problem, and whether that scope is too narrow or too broad varies depending on the perspective.
- 7. Monitoring & Accountability is Seen to be Lacking in Key Aspects of Land Management: Calls for robust monitoring systems and transparent reporting mechanisms are common themes. The need for data and inventories is a common and ongoing perspective, but how to create this transparency varies. Like others, this is a strong example of a persistent problem that has been cited for decades.
- 8. Outdated Metrics Leads to Poor Land Management Decisions and Lack of Access to Economic Fibre Stifles Investment, Including Transition to Value Add: A diversity of barriers to innovation have been cited. On the forest management side, a volume-driven focus and metrics are cited as barriers to whole land management. This, in conjunction with limited local incentives, or the ability to invest in forests and forest management, is a common theme in discussions. On the manufacturing side, access to economic fibre is the underlying concern. Access to untenured volume to support new, innovative approaches that extend beyond standard products and markets is a key ongoing point of discussion. Common threads consist of: shifting from volume-based to value-based forestry, helping small and creative players, and aligning economic models with ecological goals.
- 9. Lack of Coordinated Approach to Fire Management, Especially in Rural/Urban Interface: Many discussions have highlighted a lack of a coordinated vision for fire prevention and management, especially in the urban interface. Fire is cited as a threat to both communities and forests, and there is a common concern that it is also used as an excuse to facilitate harvesting without a broader strategic plan. Note: this is unrelated to fire fighting.