

3. Forest Management Agreement

A Forest Management Agreement (FMA) is an area-based agreement between the Province and a company that gives the company the rights to establish, grow, harvest and remove timber from a particular area of land.

Like Timber Quotas, these agreements are also granted for 20-year periods with options for renewal.

Forest Management Agreements require the company to be much more involved in all aspects of forest management. Unlike Timber quotas or timber permits, Forest Management Agreements require long-term forest management planning and public consultation by the companies. The FMA holder takes the lead in planning and works with any quota holder or permit holder within their FMA.

In return for an FMA, companies take on greater responsibility and accountability for forest management planning. This includes preparing plans that include formal terms of reference, a preliminary forest management plan and the final detailed forest management plan.

Forest companies are also responsible for carrying out public involvement to ensure that issues are heard, and addressed as required. Forest companies are responsible for providing detailed forest management information at their own expense with their own resources.

The government approves the companies' management plans. These plans are updated and approved by the government to ensure that they consider any new information and accurately reflect current issues. Government review of these plans ensures the needs of other forest users and all the forest values (e.g. wildlife, watershed protection) are considered.

Under FMAs, there is no transfer of land ownership to a private company.

All existing government legislation that guides the Timber Quota system applies equally to the Forest Management Agreement system.

Management of Alberta's Forest Resource

Alberta uses three types of forest tenure systems:

- Timber Permits
- Timber Quotas
- Forest Management Agreements

Alberta's forested lands are managed on a sustainable forest management basis, which means we will not harvest more than our forests can grow.

The Alberta Government is committed to managing our forest resources in a sustainable and ecologically sound manner.

Our forests play an important role in supporting Alberta's economy, generating revenue of over \$8 billion annually, and providing about 52,000 jobs for Albertans.

Forestry is the province's third largest industry sector, next to oil and gas and agriculture.

Because Alberta's forests are so important to both our environment and our economy, we must find an appropriate balance between the environmental, economic and social values relating to our forests.

Alberta's forests are home to many species of wildlife.

The sustainable management of Alberta's forest ecosystems is, and will continue to be, based on the best science available, within an adaptive format.

Alberta
SUSTAINABLE RESOURCE
DEVELOPMENT

How we Manage Alberta's Forests

● Through responsible, environmentally sound forest management, Albertans will continue to have access to the many benefits our forest ecosystems provide.

● Sustainability is a key value of Alberta's forest management planning.

● Reforestation is an important part of environmental stewardship and sustainable development. It has been the law in Alberta for over 30 years.

● The annual growth rate for the productive forest in Alberta was calculated at 44 million cubic metres. The approved annual cut in 2000 was 23.2 million cubic metres while only approximately 17 million cubic metres was harvested last year.

● Responsible stewardship includes consideration of a variety of forest values.

● When harvesting and regenerating Alberta's forests, we consider watershed protection, recreation use, wildlife habitat and other values as part of good forest management practices.

Alberta's forest management strategy is developed with help from government agencies, other resource industries, and of course, Albertans.

The agreements used to manage our forests are reviewed and renewed periodically. During the renewal process, there are opportunities to make sure these agreements are updated to serve Albertans.

For example, when forest companies are preparing Detailed Forest Management Plans required for Forest Management Agreements (FMAs), there is a legislated requirement to consult with Albertans about these plans. These plans are typically drafted in the first five years of the FMA being granted, and are then updated every 10 years.

New Detailed Forest Management Plans are required every 10 years. This is a very important opportunity for Albertans to become involved in decisions about the management of Alberta's forests. Most forest companies also make their Annual Operating Plans available to Albertans for review, even though they are not required to do so.

Forest Management Agreements and Timber Quotas are renewed every 20 years based on environmental performance and compliance. Once these plans have been renewed, Albertans have the opportunity to provide further input.

With long term tenures in particular, companies share responsibility for protecting other forest values. These values could include other land-use designations such as watershed or wildlife protection.

The forest values must also be considered for the duration of the forest management plans. Because of the time required for a forest to reach maturity, forest companies are required to use long-term timelines when drafting Detailed Forest Management Plans. This means that forest companies must account for how the resource will be managed over lifespans, or "rotations" when they are drafting Detailed Forest Management Plans.

Most forest companies use two rotations as the standard for planning. One rotation is approximately equal to 100 years.

The following briefly explain the different kinds of tenure systems used in Alberta.

1. Timber Permits

Timber Permits make available a specified volume of timber to meet local demand for a variety of forest products, such as Christmas trees, transplant trees, firewood, posts and poles, sawlogs and building logs.

Timber permits may be issued for 30 days to two years, and are renewed based on the type of product and the purpose of the permit.

2. Timber Quotas

Timber Quotas are 20-year renewable agreements based on environmental performance and practice.

They give companies the rights to harvest a percentage of the Annual Allowable Cut, which is defined as the amount of wood that the forest replaces each year with annual growth - within a particular forest management unit.

Under this system, the Province is responsible for most of the planning for the area. The company is required to submit annual operating plans and general development plans.

These plans identify where harvesting will occur, the methods used, reforestation plans, and operational plans for government approval.

If a timber quota or timber permit is located within an FMA boundary, the permit or quota holders must follow the management plans and ground rules for the FMA area.

In other words, the FMA holder, in consultation with the permit or quota holder, takes the lead on forest management planning for the area.

All management and operational plans, however, must be reviewed and approved by the government.

Timber permit and quota holders remain actively involved in the forest management planning process.

If a timber permit or timber quota is located outside of an FMA, the Alberta Government takes the lead for long-term planning.

Although the government leads the planning process, the quota and permit holders are still involved in the planning.