



SUSTAINABLE FOREST MANAGEMENT PLAN

2013 ANNUAL PERFORMANCE REPORT

Radium Defined Forest Area

Reporting Period

Jan. 1, 2013 - Dec. 31, 2013

Executive Summary

This report is the eighth annual report of the Sustainable Forest Management Plan for the Radium defined forest area (DFA) and is for the calendar year of 2013. Part 1 of this report summarizes the progress and performance made by Canfor to achieve the results committed to under the Radium DFA Sustainable Forest Management Plan (SFMP) as the indicators and targets were defined in the SFMP for 2013. Part 2 reports out on the new commitments and improvements adopted to SFMP as of January 1, 2014.

Canadian Forest Products Ltd- Radium (Canfor) was the sole participant and signatories to the SFM plan. Currently, Canfor is certified by third party verification to the ISO 14001 standard and the CSA Z809 SFM standard.

2013 saw significant financial improvements for the forest industry and outlooks in the near term remain positive. Forestry operations were at full strength beginning the year to capture the Annual Allowable Cut within the 5 year cut control period before it ends December 31, 2014. Woodlands and mill staffing numbers returned to historic levels and economic benefits exceeded average annual levels. To better align all operations within the Kootenay region, forestry operations in both the Radium CSA and Kootenay FSC DFA adhered to one, internal management standard which is intended to meet or exceed both certification standards. A project to amalgamate the requirements of both the CSA and FSC standards in one SFMP was initiated in 2013 with significant input from the Public Advisory Group. A finalized SFMP is expected in 2014. The annual report indicator tables provide information where indicators are changing or altered as a result of this project with a description of the new, proposed indicator. As a result of this project, some indicators will not be reported in this annual report.

Each value area has a suite of associated indicators and targets. The following table summarizes the Canfor's overall achievements of meeting the assigned targets.

Part 1- Jan1, 2013 –Dec 31, 2013 Annual Report Summary

<i>Classification</i>	<i>Ecological</i>	<i>Economic</i>	<i>Social</i>
<i>Number of Targets Met</i>	21	6	11
<i>Number of Targets Not Met</i>	1	0	0
<i>Number of Targets Pending</i>	3	0	0
<i>Total</i>	25	6	11

2 PART 1 – JAN 1, 2013 –DEC 31, 2013 ANNUAL REPORT

Table 1: Radium DFA Criteria, Element & Indicators

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C2. Ecosystem Condition & Productivity	
2.1 Forest Ecosystem Resilience	
2.1.1 – Regeneration Delay	
2.2 Forest Ecosystem Productivity	
2.2.1a – Conversion To Non-Forest Land Use	
2.2.1b – Landslides resulting from forestry practices	
2.2.2 – Volume Harvested Vs. Allocated Harvest	
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	Economic & Social Values
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5.2 Communities & Sustainability	
5.2.1 – Investment In Local Communities	
5.2.2 – Environmental & Safety Procedures Training	
5.2.3 – Level Of Direct & Indirect Employment	
5.2.4 –Opportunities for Aboriginals to Participate in Forest Economy	
C6. Society's Responsibility	
6.1 Aboriginal & Treaty Rights	
6.1.1 – Aboriginal Awareness Training	
6.1.2 – Aboriginal Communities Understanding of the Plans	
6.1.3 – Address Aboriginal Forest Values, Knowledge And Uses	
6.2 Respect for Aboriginal Forest Values, Knowledge & Uses	
6.2.1 – Identified Aboriginal Forest Values, Knowledge And Uses	
6.3 Forest Community Well-Being & Resilience	
6.3.1 – Primary And By-Products	
6.3.2 & 6.3.3 – Certified Safety Program	
6.4 Fair & Effective Decision-Making	
6.4.1 – PAG Satisfaction Survey Implemented	
6.4.2 –Educational Opportunities for Information/Training	
6.4.3 – Aboriginal Communities Understanding of the Plans	
6.5 Information for Decision-Making	

4 ECOLOGICAL VALUES

The following provides specifics of each ecological indicator, target and results for Canfor. Where appropriate, additional data and recommendations for improvement have been provided.

Pending - Indicator 1.1.1a Ecosystem Representation

The indicator reads "Percent representation of ecosystem groups across the DFA."

Target	DFA Results
0 ha of rare ecosystem clusters (<2000ha) will be harvested.	<i>Targets achieved- No harvesting within rare clusters</i>
For uncommon ecosystem clusters (>2000 ha and <10,000 ha), the amount reserved (or managed to maintain or restore ecosystem function) depends on the area of ecosystem group (See below)	<i>Targets achieved- No harvesting uncommon clusters</i>
25% of common ecosystem clusters (>10 000ha) will be reserved or managed to maintain or restore ecosystem function	<i>Targets achieved- maintained > 25% of common clusters.</i>

Canfor Invermere TSA Ecosystem Representation Targets - March 31, 2007

Rare Ecosystem Groups (<2000ha EKCP)										
Ecosystem Group	EKCP Area (ha)	EKCP Target Res %	EKCP Target (ha)	EKCP NHLB	EKCP THLB Target (ha)	Canfor Area (ha)	Canfor THLB Area	Canfor Resp (%)	Canfor Log Target (ha)	Canfor Harvest 2013 (ha)
2	949	100%	949	232	717	856	35	12.1%	0	0
14	1,645	100%	1,645	480	1,165	0	0	0.0%	0	0
16	368	100%	368	130	237	1031	20	27.6%	0	0
24	1,750	100%	1,750	1,324	426	655	88	24.5%	0	0

Uncommon Ecosystem Groups (>2000ha - <10,000ha EKCP)										
Ecosystem Group	[A] EKCP Area (ha)	EKCP Target Res %	EKCP Target (ha)	EKCP NHLB	[D] EKCP THLB Target (ha)	[B] Canfor Area (ha)	Canfor THLB Area	[C] Canfor Responsibility [B] / [A] (%)	[E] Canfor Res Target (ha) = [C]*[D]	Canfor EG in Natural Condition THLB (ha)
8	4,402	89.9%	3,957	732	3,225	0	0	0.0%	0	0
10	6,702	50.5%	3,385	2,664	721	3,214	1,721	47.9%	345.8	1,327
17	6,526	53.3%	3,476	3,740	0	305	45	4.7%	0	41
18	8,891	31.5%	2,801	4,777	0	1,285	344	14.4%	0	216
19	4,462	89.1%	3,978	4,065	0	2,209	16	49.5%	0	14
29	2,444	99.7%	2,436	1,508	928	370	122	15.1%	55.6	122

Common Ecosystem Groups (>10,000ha EKCP)										
Ecosystem Group	EKCP Area (ha)	EKCP Target Res %	EKCP Target (ha)	EKCP NHLB	EKCP THLB Target (ha)	Canfor Area (ha)	Canfor THLB Area	Canfor Responsibility (%)	Canfor Res Target (ha)	Canfor EG in Natural Condition THLB (ha)
1	73,765	25%	18,441	10,885	7,557	18,757	2,485	25.4%	1,921	2,222
12	10,851	27.1%	2,940	3,330	0	9,920	770	16.7%	0	665
3	237,685	25%	59,421	55,357	4,065	36,533	10,911	15.4%	626	8,862
6	92,710	25%	23,178	29,989	0	22,612	10,721	24.4%	0	8,357
7	315,806	25%	78,952	103,435	0	71,273	37,692	22.6%	0	28,513

GIS analysis confirmed no harvesting within rare ecosystem groups (EG's). Two potential blocks (314-STE0021 and 346-FEN0003) were identified in the uncommon EG's but closer analysis determined they did not fall within the identified EG's.

Target	DFA Results
Landscape level target – 7%	Target met. Current level is 12.0%

The current total percent stand structure retention in the DFA is 12.0% based on 486 ha's of WTP and riparian out of 4051 ha's.

Indicator 1.1.4c – Riparian Management Strategies

The indicator reads “Number of non-conformances to riparian management strategies.”

Target	DFA Results
0 (0)	Target not met. 1 non-compliance identified.

March 1, 2013 a report was received from a harvesting contractor that they potentially harvested a portion of a Riparian Reserve Zone along Frances Cr. An inspection by Canfor staff confirmed a portion of the reserve was harvested. Canfor staff immediately reported the incident to Ministry of Forest, Lands and Natural Resources Operations (FLNRO) Compliance and Enforcement staff. Canfor staff worked with FLNRO and Ministry of Environment staff to develop mitigation measures which were implemented. Final determination from FLNRO is pending.

Indicator 1.2.1 & 1.2.2 – Species of Management Concern

The indicator reads “Percent of forest management activities consistent with management strategies for Species of Management Concern.”

Target	DFA Results
100% conformance with management strategies (0)	Target met

Two blocks had areas within or adjacent to the blocks CP 314-STE0021 and CP 346-FEN0003. 314-STE0021 included a HCFV polygon and the Site plan included several WTP's and noted the HCFV will be changed after review of all HCFV's. CP 346-FEN003 included an OGMA area and the SP noted a replacement area of more suitable habitat was deployed.

Indicator 1.2.3a & 1.3.1a – Regeneration – Seed & Vegetative Material

The indicator reads “Regeneration will be consistent with provincial regulations and standards for seed and vegetative material use.”

Target	DFA Results
Annually, 100% conformance with the standards	Target met

Seed use report indicate compliance with provincial regulations.

Indicator 1.2.3b & 1.3.1b – Natural Regeneration

The indicator reads “Percent of natural regeneration.”

Target	DFA Results
Greater than or equal to 50% of area harvested will be restocked by natural regeneration over a 5 year period (rolling average)	Target met. In 2013, the result was 64.0 % while the 5 year average is 60.4%

blocks harvested in 2013 are compliant with recommendations from those professional assessments.

Indicator 2.1.1 – Regeneration Delay

The indicator reads “Regeneration delay for stands established annually.”

Target	DFA Results
As per FSP (N/A)	Target met. Average regen delay for DFA is 4.2 years.

Operations have been 100% compliant with FSP strategies and operational plans. No non-compliance or non-conformance issues have been recorded in 2013. The average regen delay for 2013 is 4.2 years which is a reduction from 2012’s 4.7 years..

Pending - Indicator 2.2.1a – Conversion to Non-Forest Land Use

The indicator reads “Percent of gross forested landbase in the DFA converted to non-forest land use through forest management activities.”

Target	DFA Results
Less than 3% of gross forested landbase (GFL) ¹	Indicator pending new SFMP revision

Why is this pending? – This indicator will be replaced in the new amalgamated SFMP. The target will be updated.

Indicator 2.2.1b – Landslides

The indicator reads “Number of hectares of landslides resulting from forestry practices.”

Target	DFA Results
0 ha in THLB (for slides >0.5 ha in size)	Target met

There were no landslides within the DFA resulting from forestry practices. A major storm event at the end of June caused significant flood damage throughout the region and southern Alberta. Two landslides were observed in Albert River area and Farnham Cr although neither was related to forestry practices rather the high rainfall. Over 50 bridges with Canfor’s Kootenay region were damaged or destroyed.

Indicator 2.2.2 – Volume Harvested Vs. Allocated

The indicator reads “Percent of volume harvested compared to allocated harvest level.”

Target	DFA Results
100% over the cut control period as defined by Timber supply forecast harvest flow (According to the Cut Control Regulation and Policy) (Variance +10%)	Target met

In 2013, the harvested volume from within the DFA was approx. 450,000 m3. (NB – at the time of writing this report, final cut control letters were not issued by FLNRO therefore this volume estimate will be revised) The Cut Control period ends in 2014. There is approx. 550,000 m3 remaining in the cut period .

Indicator 3.1.1 – Soil Disturbance

The indicator reads “Percent of harvested blocks meeting soil disturbance objectives identified in plans.”

¹ GFL = THLB + NTHLB + NP Nat + adjacent protected areas

Analysis indicates that all OGMA's included in harvest operations have been replaced by equivalent or larger areas.

Indicator 4.1.2 – Regeneration Delay

The indicator reads “Regeneration delay for stands established annually.”

Target	DFA Results
As per FSP (N/A) See indicator 2.1.1	Target met. Average regen delay for DFA is 4.2 years.

Pending = Indicator 4.2.1 – Conversion to Non-Forest Land Use

The indicator reads “Percent of gross forested landbase in the DFA converted to non-forest land use through forest management activities.”

Target	DFA Results
Less than 3% of gross forested landbase (GFL) ² See indicator 2.2.1a	Indicator pending new SFMP revision

Why is this pending? – This indicator will be replaced in the new amalgamated SFMP. The target will be updated.

5 ECONOMIC VALUES

The Radium Sustainable Forest Management Plan included 20 indicators to evaluate economical criteria. The following provides specifics of each indicator, target and results for Canfor.

Indicator 5.1.1a – Volume Harvested Vs. Allocated

The indicator reads “Percent of volume harvested compared to allocated harvest level.”

Target	DFA Results
100% over the cut control period as defined by Timber supply forecast harvest flow (According to the Cut Control Regulation and Policy) (Variance +10%) See indicator 2.2.2	2013 Cut Control harvest approx. 418,000 m3 or 189% of AAC 5 year cut control period is at approx. 50 % with cut control period ending Dec 31, 2014

Note: A total of approximately 418,000 m3 were harvested from the DFA from several licenses. Harvest levels increased through 2013 and remaining available volume will be calculated for 2014 to achieve the AAC for the 5 year cut control period which ends December 31, 2014. (NB: These figures are estimates based on billed volumes as cut control letters are pending.)

Indicator 5.1.1b – Non-Timber Benefits

The indicator reads “Conformance with strategies for non-timber benefits identified in plans.”

² GFL = THLB + NTHLB + NP Nat + adjacent protected areas

Target	DFA Results
100% of company employees and contractors will have both environmental and safety training (-5%)	Target met

Based on training records in Eclipse module.

Indicator 5.2.3 – Direct & Indirect Employment

The indicator reads “Level of direct and indirect employment.”

Target	DFA Results
AAC * employment multiplier - 5-year average (+/-10%)	Target met

The target was not met last year but with resumption of forestry operations, the target was met. It is expected this trend will continue however the 5 year average may decrease next year due to 2010's harvest levels when the mill shutdown.

FL A18979 Volume harvested					
Year	2009	2010	2011	2012	2013
AAC m3	221,005	221,005	221,005	221,005	221,005
cumulative AAC m3	221,005	442,010	663,015	884,020	1,105,025
Annual harvest m3	94,510	1,623	26,330	99356	418,000
Pct of AAC	42.76%	0.73%	11.91%	44.96%	189.14%
Cumulative	565,651	567,274	593,604	692,960	1,110,960
Pct of cumulative AAC	85.31%	64.17%	53.72%	52.26%	502.69%
Average per year over five years					127,964
direct + indirect employment per 1000m3					95.33303
Person Year Target					90

Indicator 5.2.4 – Aboriginals Participate in Forest Economy

The indicator reads “Number of opportunities for Aboriginals to participate in the forest economy.”

Target	DFA Results
Number of opportunities from baseline assessment; 3-year rolling average. (-10% of baseline)	Target met

Opportunities included payments to and contracts with Tipi Mtn Eco-Cultural Services, Nupqu Development Corp, the Ktunaxa Nation, KDC Sand and Gravel and Dominion Excavating. Estimated total revenue to First Nations in the DFA (prorated based on AAC's with remaining Kootenay DFA) was over \$1,164,000. Worked with representatives of KNC and Nupqu to initiate grader leasing opportunity with Nupqu but the company felt it would not be feasible for them at this time. The joint management and advisory committee tasked with implementing aspects of the Engagement and Benefits Agreement met twice in 2013.

Management and Advisory group were conducted in 2013. One tour of the KNC's Interpretive Center and one of the Elko mill.

Indicator 6.3.1 – Primary and By-Products

The indicator reads “Primary and by-products that are bought, sold, or traded with other forest dependent businesses in the local area.”

Target	DFA Results
Report out on # of purchase / sale / trade relationships (n/a)	Target met

During the reporting period, there were 29 purchase clients, 26 sales clients and trade/purchase agreements in place with Louisiana-Pacific, Woodex and the Paper Excellence's pulp mill at Skookumchuk.

Indicator 6.3.2 & 6.3.3 – Certified Safety Program

The indicator reads “Implementation and maintenance of a certified safety program.”

Target	DFA Results
100% (0)	Target met

Canfor has achieved and maintains Safe BC certification

Indicator 6.4.1 – PAG Satisfaction

The indicator reads “PAG established and maintained according to Terms of Reference (satisfaction survey implemented).”

Target	DFA Results
80% satisfaction from surveys (-10%)	Target met

The average PAG satisfaction score was 4.2. Some opportunities for improvement were identified from survey results and initiatives to improve overall satisfaction will be implemented in 2014.

Indicator 6.4.2 – Educational Opportunities – Information/Training

The indicator reads “Number of educational opportunities for information/training that are delivered to the PAG.”

Target	DFA Results
>= 1/meeting (0)	Target met

Presentations to the PAG included topics such as; Timber Supply Reviews, High Conservation Value Forests, Visual Management and modelling and a field trip to look at improved utilization to reduce Waste and Residue.

Indicator 6.4.3 – Aboriginal Communities Understand Plans

The indicator reads “Evidence of best efforts to obtain acceptance of management plans based on Aboriginal communities having a clear understanding of the plans.”

Target	DFA Results
100% of management plans (0)	Target met

Proposed revisions to the amalgamated SFMP will be referred to local Aboriginal groups for review and input in 2014. Met with Manager of Ktunaxa Nation Council's Lands and Resources Agency March 4, 2013 to ensure information sharing process and protocols are acceptable. The Adams Lake Indian Band (ALIB) has made a traditional territory claim over the northern portion of the DFA. An information sharing package was sent to ALIB in October 2013 followed by a meeting with the ALIB's Lands and Resources contact in November 2013 to discuss information sharing

7 PART 2 – JAN 1, 2014 SFMP : CURRENT CONDITION REPORT

Criterion / Element / Indicator				Target Achieved	Background Info	Mapping Product
Ecological Values						
C1. Biological Diversity		Indicator Statement	Target (variance)	(yes) = 1 or (no)= 0		
1.1 Ecosystem Diversity						
	1.1.1a – Ecosystem Representation of Groups	Percent representation of ecosystem groups across the DFA	-Rare Ecosystems – 0 ha -25% of common ecosystem cluster will be reserved or managed to maintain or restore ecosystem functions -Uncommon ecosystems – Table 15: Canfor Invermere TSA Ecosystem Representation Targets - March 31, 2007	1	See Part 1- Measure 1-1.1	yes
	1.1.1b – Interior Forest by Ecosystem Group	Recommended percent of interior forest by Ecosystem Group across the DFA	1 Report (0)	Pending	N/A	N/A
	1.1.1c – Patch Size Distribution by Natural Disturbance Type	Percent patch size distribution by Natural Disturbance Type	Trend towards patch size distribution targets defined in the LU Planning Guide by Natural Disturbance Type over a 5 year period	1	See Part 1- Measure 1-2.4	yes
	1.1.2 – Distribution of forest type >20 years old	Percent distribution of forest type (deciduous, deciduous mixed wood, conifer mixed wood, conifer) across DFA	Maintain the baseline distribution (\pm 5%) over a 5-year reporting period.	1	Baseline forest groups 2013 chart- see current condition SFMP 1.1.2	yes
	1.1.3 – Late Seral Distribution	Percent late seral distribution by ecological unit across the DFA	100% compliance with the mature and old seral targets defined in the Kootenay Boundary Higher Level Plan	1	See Part 1- Measure 1-2.1	yes
	1.1.4.a – Dispersed Retention	Percent of blocks meeting dispersed retention levels as prescribed in the operational plan.	100% (0)	1	See Part 1- Measure 1-3.1	N/A
	1.1.4b – Stand Structure Retention	Percent of stand structure retained across the DFA in harvested areas	Landscape level target – 7%	1	See Part 1- Measure 1-3.1b	yes
	1.1.4c – Riparian Management Strategies	Number of non-conformances to riparian management strategies	0 (0)	0	See Part 1- Measure 1-3.1b	yes
1.2 Species Diversity						
	1.2.1 & 1.2.2 –Species of Management Concern	Percent of forest management activities consistent with management strategies for Species of Management Concern	100% conformance with management strategies (0)	1	See Part 1- Measure 1-4.1	yes
1.3 Species & Genetic Diversity						
	1.2.3a/1.3.1a – Regeneration – Seed & Vegetative Material	Regeneration will be consistent with provincial regulations and standards for seed and vegetative material use	Annually, 100% conformance with the standards	1	See Part 1- Measure 2-3.2	N/A
	1.2.3b/1.3.1b – Natural Regeneration	Percent of natural regeneration	Greater than or equal to 50% of area harvested will be restocked by natural regeneration over a 5 year period (rolling average)	1	See Part 1- measure 1-6.2	N/A
1.4 Protected Areas & Sites						
	1.4.1 – Protected Areas & Sites of Biological Significance	Percent of forest management activities consistent with management strategies for protected areas and sites of biological significance	100% (0)	1	See Part 1- measure 1-5.1	N/A
	1.4.2a – Identification & Addressing Aboriginal And Other Cultural Forest Values, Knowledge And Uses	Percent of identified Aboriginal and other cultural forest values, knowledge and uses considered in forestry planning processes	100% (0)	1	See Part 1- measure 8-2.1, 8-2.2	N/A
	1.4.2b Aboriginal & Other Cultural Forest Values, Knowledge & Uses	Percent of forest operations in conformance with operational plans developed to address Aboriginal and other cultural forest values, knowledge and uses	100% compliance with operational plans (0)	1	See Part 1- measure 8-3.1, 8-3.2,8-4.4	n/a

	5.2.3 – Level Of Direct & Indirect Employment	Level of direct and indirect employment	AAC * employment multiplier - 5-year average (+/- 10%) 172 person years (PY)	1	n/a	n/a
	5.2.4 – Opportunities for Aboriginals to Participate in Forest Economy	Number of opportunities for Aboriginals to participate in the forest economy	Number of opportunities from baseline assessment; 3-year rolling average. (-10% of baseline)	1	See Part 1-measure 4-4.1	n/a
Economic & Social Values						
C6. Society's Responsibility						
6.1 Aboriginal & Treaty Rights						
	6.1.1 – Aboriginal Awareness Training	Employees will receive Aboriginal awareness training	100% (-10%)	1	All FMG staff training as per divisional training records.	n/a
	6.1.2 – Aboriginal Communities Understanding of the Plans	Evidence of best efforts to communicate interests and management plans based on Aboriginal communities having a clear understanding of the plans	100% of management plans (0)	1	See Part 1- measure 8-2.1, 8-2.2	
	6.1.3 – Address Aboriginal Forest Values, Knowledge And Uses	Percent of forest operations in conformance with operational plans developed to address Aboriginal forest values, knowledge and uses	100% compliance with operational plans (0)	1	See Part 1- measure 8-3.1, 8-3.2,8-4.4	n/a
6.2 Respect for Aboriginal Forest Values, Knowledge & Uses						
	6.2.1 – Identified Aboriginal Forest Values, Knowledge And Uses	Percent of identified Aboriginal forest values, knowledge and uses considered in forestry planning processes	100% (0)	1	See Part 1- measure 8-3.1, 8-3.2,8-4.4	n/a
6.3 Forest Community Well-Being & Resilience						
	6.3.1 – Primary And By-Products	Primary and by-products that are bought, sold, or traded with other forest dependent businesses in the local area	Report out on # of purchase / sale / trade relationships (n/a)	1	Two log sales occurred in 2011	n/a
	6.3.2 & 6.3.3 – Certified Safety Program	Implementation and maintenance of a certified safety program	100% (0)	1	N/A	n/a
6.4 Fair & Effective Decision-Making						
	6.4.1 – PAG Satisfaction Survey Implemented	PAG established and maintained according to Terms of Reference (satisfaction survey implemented)	80% satisfaction from surveys (-10%)	1	See part 1- measure 7-1.3	n/a
	6.4.2 – Educational Opportunities for Information/Training	Number of educational opportunities for information/training that are delivered to the PAG	>= 1/meeting (0)	1	See part 1- measure 7-2.2	n/a
	6.4.3 – Aboriginal Communities Understanding of the Plans	Evidence of best efforts to obtain acceptance of management plans based on Aboriginal communities having a clear understanding of the plans	100% of management plans (0)	1	See Part 1- measure 8-2.1, 8-2.2	
6.5 Information for Decision-Making						
	6.5.1 – Educational Opportunity	Number of people who took part in an educational opportunity	25 (-10) annually	1	N/A	n/a
	6.5.2 – SFM Monitoring Report Public	SFM monitoring report made available to the public	SFM monitoring report available to public annually via web. (None)	1	On website	n/a
				42		
Total Number of Indicators				42		
Total Targets Achieved				0		
Total Targets Pending				3		
Total Targets Not Achieved				1		

8 SUMMARY OF ACTIONS AND RECOMMENDATIONS

The initial development and subsequent changes to the SFM Plan have been achieved through the ongoing input and support of the Radium SFM Public Advisory Group (PAG) throughout 2013. Several PAG meetings focused on a review of indicators that the PAG rated as highest importance to them for review. Some of meetings were facilitated using a World Style Café format to provide in-depth review and feedback. The SFM revision is on-going and once completed, will include public participation.

The sawmill closure in 2011 impacted many of the economic measures that depend on the harvest and sawmilling of timber in the region. Many of the economic indicators greatly improved due to the purchase of Tembec assets and operations focusing on capturing the full AAC within the current cut control period. There was a high increase in local procurement and dollars spent on contractors and consultants. For the ecological indicators, three indicators are pending the new SFM plan. One indicator related to Interior Forest Ecosystems will be replaced with targets for Old and Mature Habitat for the Interior. The other two pending indicators are 2.2.1 a and 4.2.1 both related to conversion to non-forest land use. New targets are under development in the new SFM. There was one potential non-compliance noted for indicator 1.1.4 c Riparian Management Strategies. It was due to a portion of a block's riparian management area being accidentally harvested. The incident was self-reported to Ministry of Forests Lands and Natural Resource Operations Compliance and Enforcement staff. No determination has been received following the investigation at the time of writing this report. Canfor staff worked with Ministry of Environment staff to develop and implement mitigative measures. The remaining ecological, social and economic indicator targets have been met. Work continues on amalgamating the region's two SFM plans. Additional work is underway to ensure monitoring is robust and effective.