

**Forest Enhancement Society of BC**

**2023/24**  
**Annual Service Plan Report**

**August 2024**



For more information on the Forest Enhancement Society of BC, please contact us at:

101-925 McMaster Way, Kamloops B.C., V2C 6K2

1-877-225-2010 or [office@fesbc.ca](mailto:office@fesbc.ca)

Or visit our website at: <https://fesbc.ca/>

Published by the Forest Enhancement Society of BC

## Board Chair's Accountability Statement



The Forest Enhancement Society of BC 2023/24 Annual Service Plan Report compares the organization's actual results to the expected results identified in the 2023/24 – 2025/26 Service Plan published in 2023. The Board is accountable for those results as reported.

Signed on behalf of the Board by:

A handwritten signature in blue ink that reads "J. Peterson". The signature is fluid and cursive.

Dave Peterson  
Board Chair, Forest Enhancement Society of BC  
August 9, 2024

## Table of Contents

Board Chair’s Accountability Statement.....	3
Letter from the Board Chair .....	5
Purpose of the Annual Service Plan Report.....	6
Strategic Direction .....	6
Purpose of the Organization.....	6
Operating Environment .....	8
Economic Statement.....	10
Report on Performance: Goals, Objectives and Results .....	11
Financial Report .....	16
Appendix A: Progress on Mandate Letter Priorities.....	18
Appendix B: Auditor’s Report and Audited Financial Statements.....	20

## Letter from the Board Chair

This Report covers the Service Plan period April 1, 2023, to March 31, 2024.

I am pleased to share the work accomplished through the Forest Enhancement Society of BC (FESBC) in this report. In the fiscal year ended March 31, 2024, FESBC funded work valued at \$42.22 million on 99 projects located in all eight [Natural Resource Regions](#) of B.C. This work was achieved while keeping forest worker safety as a paramount priority.

FESBC funded projects addressed the Province's priorities, including:

- Increasing participation of Indigenous peoples in the forest economy,
- Assisting with wildfire recovery efforts and risk reduction,
- Contributing to the achievement of greenhouse gas emission reduction targets,
- Improving habitat for wildlife,
- Improving the recovery of low value fibre, and
- Adding to the environmental sustainability of B.C.'s natural resources.

Going forward, FESBC will continue to contribute to the achievement of the Province's priorities by supporting forest improvement projects across B.C.

I want to thank the Province, the FESBC Board of Directors, the staff at FESBC, and the many local project leaders for their enthusiastic commitment to our society, which is key to the success of delivering these significant benefits for British Columbians, now and for generations to come.



Dave Peterson  
Board Chair, Forest Enhancement Society of BC  
August 9, 2024

## Purpose of the Annual Service Plan Report

This annual service plan report has been developed to meet the requirements of the Budget Transparency and Accountability Act (BTAA), which sets out the legislative framework for planning, reporting and accountability for government organizations. Under the BTAA, a Minister responsible for a government organization is required to make public a report on the actual results of that organization's performance related to the forecasted targets stated in the service plan for the reported year.

## Strategic Direction

The strategic direction set by the Government in [2021 Mandate Letter](#) and expanded upon in the Board Chair's [2023/24 Mandate Letter](#) from the Minister Responsible shaped the goals, objectives, performance measures and financial plan outlined in the [FESBC 2023/24 – 2025/26 Service Plan](#) and the actual results reported on in this annual report.

## Purpose of the Organization

FESBC contributes to the achievement of the Province's strategic priorities through the delivery of FESBC's constitutional purposes, which are the following:

- Prevent and mitigate the impact of wildfire,
- Improve damaged or low-value forests,
- Improve habitat for wildlife,
- Support the use of fibre from damaged and low-value forests, and
- Treat forests to improve the management of greenhouse gas (GHG) emissions.

FESBC operates on a proponent-driven model, inviting project funding applications, which are then reviewed with input from the Ministry of Forests. Professional staff project proposals are aligned with FESBC's purposes and the Province's priorities.

FESBC works with service delivery partners to ensure project implementation and treatment on the land base is timely, efficient and provides value for money.

In addition to advancing FESBC's constitutional purposes, FESBC contributes to the achievement of the Minister of Forest's Mandate Letter priorities by reducing the wildfire risk to communities, accelerating B.C.'s transition to a larger bioeconomy, and reducing greenhouse gas emissions from forestry activities. In 2023/24, FESBC-funded projects included thinning of dense forests and the reduction of fuel loading adjacent to communities and infrastructure, reducing the wildfire risk in these areas. When feasible, the residual fibre (left over woody biomass) is utilized for energy and other secondary forest products rather than being wasted and burned in piles. In addition, FESBC is working with the secondary manufacturers in the province to make use of uneconomic low value fibre that would otherwise be burned. Together, these activities create multiple economic, social and environmental benefits such as generating employment in the natural resource sector, including jobs in secondary forest industries, while also supporting the achievement of provincial and federal

climate change objectives, including those identified in the Province's [CleanBC Roadmap to 2030](#) plan.

FESBC will continue to ensure successful and efficient completion of projects. Effective and diligent oversight of projects will ensure FESBC continues to align with the Province's strategic priorities of putting people first, meaningful reconciliation with Indigenous Peoples, and supporting a strong, sustainable economy in B.C. FESBC will continue to communicate its plans and achievements to stakeholders and the public, recognizing the contributions by the Province and Ministry of Forests staff to the success of the program.

FESBC supports the implementation of the [Declaration on the Rights of Indigenous Peoples Act](#), the [United Nations Declaration of the Rights of Indigenous Peoples](#), and the objectives outlined in the Province's [Stronger BC Economic Plan](#). Projects approved through FESBC support true and lasting reconciliation by increasing Indigenous Peoples' participation in the forest economy.

## Operating Environment

FESBC is aware of a host of external factors that may impact the environment in which project proponents operate in and potentially influence their ability to achieve project objectives.

The economic challenges facing the forest sector continued to impact forestry dependent communities across B.C. in 2023/24. Operational uncertainties related to worker shortages, inflationary pressures and surges in costs are still impacting the industry. These uncertainties have impacted project proponents' ability to complete projects within the specified timeframes. Additionally, workers on FESBC projects have been called to assist with wildfire response, in many cases taking them away from FESBC funded work. To help mitigate this, FESBC closely monitors projects and, after receiving sign off from the board, will re-allocate funds to project proponents impacted by these issues where necessary and appropriate.

FESBC funded projects play an important role in supporting the long-term economic health of B.C.'s rural and forest-dependent communities, helping them be more resilient to economic challenges and shifts. FESBC is shifting its attention to salvaging burnt fibre in the interior. FESBC has supported proponents with innovative approaches that are helping overcome operational barriers to utilize this new fibre source. This paradigm shift has required significant staff resources to engage and work with branches of the FOR to help authorize this kind of work. These projects have created many learnings for FESBC staff for future potential project implementation while creating important job opportunities for workers in these rural communities.

Climate change continues to have a significant impact on B.C.'s land base and communities, as the scale and severity of wildfire activity and the potential for more frequent flood events continued to play out. The impact of catastrophic disturbances such as wildfires, floods, and the lingering impacts from the most recent mountain pine beetle infestation and the resulting losses to timber supply, are reducing the overall forest asset value in the province. Persistent and severe wildfire conditions are also reducing the field season for our proponents, adding to operational challenges that are slowing the completion of some projects.

In response, FESBC worked collaboratively with provincial agencies, local governments, Indigenous communities and partners, and rural communities to support wildfire risk reduction (WRR) and mitigation activities. Proactive WRR treatments and [FireSmart BC](#) projects aimed to mitigate the negative impact of wildfires on rural and Indigenous communities were funding priorities for FESBC in 2023/24.

First Nations have shown a desire to participate in B.C.'s forest economy more fully and FESBC funding supports the acceleration of this transition. In 2023/24, First Nations-owned companies were active on 56 projects for the purpose of WRR or utilization of low value fibre. All of these projects produce an array of environmental, economic and social benefits including the creation of forestry jobs adjacent to First Nation communities in remote parts of the province, all of which are important as FESBC looks to fulfill the obligations under the [Declaration Act Action Plan](#).

The FESBC recognizes the unique cultures, rights, and historical contexts of First Nations in B.C. Following a distinctions-based approach, our strategy is to respect, respond, and abide by the unique needs and aspirations of First Nations communities across the province. FESBC also remains



committed to engaging in meaningful and respectful communications with each community, facilitating a partnership that honours their cultures and supports their self-determined goals. This approach ensures that our services are not only culturally appropriate but also effectively aligned with the distinct legal, social, and economic conditions experienced by First Nations. By tailoring our services in this manner, we foster an environment of trust, collaboration, and mutual respect, paving the way for more sustainable and beneficial economic and social outcomes with respect to community protection and well-being.

## Economic Statement

Following two years of strong recovery from the pandemic, economic growth in British Columbia moderated in 2023. After expanding by 3.9 per cent in 2022, B.C.'s real GDP increased by 1.6 per cent in 2023, the second highest growth rate among provinces (tied with Saskatchewan and Ontario) and outperforming the national average. Growth in B.C.'s real GDP was supported by service-producing industries such as real estate, rental and leasing; professional, scientific and technical services; transportation and warehousing; and healthcare and social assistance. Despite steady growth in the construction and mining, quarrying and oil and gas extraction sectors, output for goods-producing industries decreased in 2023, partly due to lower manufacturing activity. While B.C.'s economy continued to expand in 2023, some sectors such as transportation and warehousing and accommodation and food services have yet to fully return to pre-pandemic levels.

B.C.'s labour market continued to grow in 2023, with employment growth of 1.6 per cent and wages and salaries increasing by 6.9 per cent. However, B.C.'s unemployment rate rose to 5.2 per cent in 2023 from 4.6 per cent in the previous year as the labour force, supported by record high immigration, grew faster than employment. High interest rates tempered consumer spending on goods in 2023 and nominal retail sales edged down 0.1 per cent. In 2023, price pressures in B.C. moderated among a broad number of goods and services but remained elevated. B.C.'s inflation rate averaged 3.9 per cent in 2023, down from 6.9 per cent in 2022. B.C. home construction activity strengthened in 2023. Housing starts totalled 50,490 units in 2023, the highest annual pace on record and up 8.1 per cent compared to the previous year. High interest rates continued to weigh on home sales activity last year. B.C. MLS home sales decreased by 9.2 per cent in 2023, while the MLS average home sale price was 2.6 per cent lower than 2022. On the external front, B.C.'s international merchandise exports declined by 13.5 per cent in 2023, due to weaker global demand and lower commodity prices compared to 2022.

## Report on Performance: Goals, Objectives and Results

The following goals, objectives and performance measures have been restated from the 2023/24 – 2025/26 Service Plan. For forward-looking planning information, including current targets for 2024/25 – 2026/27, please see the latest service plan on the [BC Budget website](#).

### Goal 1: Prevent and Mitigate the Impact of Wildfire

#### Objective 1.1: Enhance wildfire risk reduction activities for B.C. communities

By investing in planning and developing treatment alternatives on the land-base that surround B.C. communities, forest fuel hazards can then be modified in a way that improves ecosystem resilience to fire, insects, and future impacts from climate change. The strategy of returning forests to their normal historical fire regimes through treatments can minimize future extreme wildfire effects.

##### Key results

- Continued to support the BC FireSmart Committee by contributing to the implementation of its [2022 – 2025 Strategic Plan](#).
- Enabled proponents to plan and implement wildfire risk reduction (WRR) treatments in adjacent forested areas surrounding 42 communities, reducing wildfire risks to their citizens, civic infrastructure, residential homes, and commercial investments.
- Reduced wildfire risk on approximately 6,300 hectares of forest adjacent to communities and high value infrastructure.
- Utilized 6,400 cubic meters of fibre that would have normally been burnt.

##### Summary of progress made in 2023/24

In 2023/24, FESBC continued to focus on its goal of preventing and mitigating the impact of wildfire through investments in fuel management treatments and planning, reducing wildfire risk to B.C. communities. FESBC completed 42 WRR projects over the course of 2023/24. In the Creston Community Forest, post harvest consolidation of fuels in the harvested areas to levels below the legal requirement will lower the risk of damage from wildfires in forests adjacent to some Creston residents and critical infrastructure. In Mackenzie, treatments in forests along the only egress road into the town will have a profound impact on the community's emergency planning efforts into the future.

## Performance measure(s) and related discussion

Performance Measure	2022/23 Actual	2023/24 Target <sup>2</sup>	2023/24 Actual
1.1a Priority area of fuel management treatment activities completed (hectares) <sup>1</sup>	7,310	9,700	6,334

Data source: PwC financial data, FESBC Information Management System (FESIMS) Data, and FESBC staff input.

<sup>1</sup>Performance measure 1.1a targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 900 ha and N/A, respectively.

<sup>2</sup>Targets were based on proponent project plan data entered into FESIMS and estimates of future project plans to be developed by FESBC staff.

<sup>3</sup>Last year's annual service plan reported the 2022/23 Actual at 4,420 ha. The reported 7,310 ha includes treatments and prescriptions, which were previously separate performance measures.

### Discussion

Performance measures 1.1a demonstrate progress towards FESBC's goal of preventing and mitigating the impact of wildfire through investments in fuel management planning and treatments in high priority areas near communities, Indigenous communities, and critical infrastructure.

Performance measure 1.1a was not achieved due to the severe nature and longer than normal 2023 fire season, which delayed the field season and access to the WRR work force. Other issues causing delays were late approvals authorizing some projects and the lack of manpower to implement specified planning activities. For perspective, the 6,334 hectares of fuel management treatment activities completed in B.C. is slightly more than half of the area of the City of Vancouver.

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual <sup>1</sup>
1.1b Volume of residual fibre utilized (cubic metres)	1,480	28,700	6,410

Data source: PwC financial data, FESBC Information Management System (FESIMS) Data, and FESBC staff input.

<sup>1</sup>Performance measure 1.1b targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 8,800 m<sup>3</sup> and N/A, respectively.

<sup>2</sup>Approximately 6,000 m<sup>3</sup> of low value fibre from WRR projects, not reported in this PM, was hauled under PM 2.1 for operational and administrative efficiencies.

### Discussion

Performance measure 1.1b identifies the projected opportunity for recovery and utilization of residual fibre as pulp or biofuel, and the associated reduction of greenhouse gas emissions. This measure was not achieved as proponents who planned to use fibre from WRR projects, and after consultation with FESBC managers, determined after the fact that the reality of doing so was neither practicable nor operationally feasible.

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
1.1c Number of higher risk communities <sup>1</sup> with wildfire risk reduction activities	25	30	42

Data source: PwC financial data, FESBC Information Management System (FESIMS) Data.

<sup>1</sup>Performance measure 1.1c targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 10 and N/A, respectively.

## Discussion

Performance measure 1.1c tracks the number of communities around which WRR activities have occurred. Performance measure 1c was exceeded by 12 communities. Some projects were implemented around infrastructure and houses outside municipal boundaries, benefiting citizens of communities nearby. Additional funding received in 2023/24, that was over and above the funds informing the service plan, were immediately allocated and partially implemented in the preparation of planning documents, assisting FESBC in exceeding this performance measure.

## Goal 2: Increase Utilization of Low-value Forest Residuals

### Objective 2.1: Encourage diversity and innovation by the forest sector to utilize uneconomic waste fibre

Fibre from conventional timber harvesting that is not economic to use is usually piled and burned in the forest. It is uneconomic due to it being too small to make higher value wood products such as lumber. It can have defects such as rot, large knots, or being crooked. Sometimes the distance to facilities that will accept this wood is too far and thus expensive to transport. By providing support such as funds for the additional transportation costs needed to have this material shipped to secondary forest products facilities, FESBC is creating more opportunities for fibre utilization and recovery in B.C. Partnerships with the secondary industry will help create economic activity and preserve forest sector jobs while making a significant contribution to the forest industries efforts to mitigate management-caused greenhouse gas emissions.

### Key results

- Enabled the movement of low value fibre in 40 different projects and approve funding for an additional 17 projects.
- Utilized over 1,650,000 m<sup>3</sup> of wood in 2023/24 that would have otherwise been burned.
- Dispersed funds in seven Natural Resource Regions, delivering fibre to 17 different secondary manufacturing facilities.

### Summary of progress made in 2023/24

In 2023/24, FESBC delivered projects and programs that supported the Province's goal to increase fibre supply aimed at keeping people working and local mills running, while also mitigating wildfire risks and reducing carbon emissions. Projects included the transportation of low value fibre from distant locations to pulp mills on the coast and in the interior, as well as the bush grinding of waste and the delivery of hog fuel (an unrefined mix of coarse chips of bark and wood fibre) to interior energy and pellet plants.

These projects are designed to reduce greenhouse gas emissions through the utilization of post-harvest residual fibre that would otherwise have been burned. These actions are in alignment with the provincial [Forest Carbon Strategy](#) and [CleanBC Roadmap](#).

### Performance measure(s) and related discussion

Performance Measure	2022/23 Actual	2023/24 Target	2023/24 Actual
2.1 Forest Fibre Utilized (cubic meters)	76,000	1,700,000	1,651,000

Data source: Data source: PwC financial data, FESBC Information Management System (FESIMS) Data.

<sup>1</sup>Performance measure 2.1 targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as 470,000 m<sup>3</sup> and N/A, respectively.

<sup>2</sup>This performance measure was “4.1 Enhanced utilization of cubic metres (m<sup>3</sup>) of roadside fibre to avoid forest carbon emissions” in the 2022/23 FESBC Annual Service Plan Report.

## Discussion

To support forest-dependent communities and encourage diverse and innovative economies throughout B.C., FESBC supported the implementation of fibre recovery and utilization projects throughout the province. This performance measure tracks the volume of fibre utilized through those activities. FESBC slightly underperformed on its target in 2023/24 due to difficult market conditions particularly with coastal pulp mills, interruptions to the supply chain due to a prolonged fire season, and operational difficulties brought on by earlier than expected weather related transportation weather bans on the road networks. The volume reported under this program is equal to 3.5% of the reported harvest level on B.C. crown land in 2022.

## Goal 3: Improve Habitat for Wildlife

### Objective 3.1: Improve terrestrial wildlife habitat and populations

Many species of wildlife provide environmental, economic, social, and cultural value to the people of B.C. Investing in projects that create well-connected and functioning habitats with properly functioning ecosystem processes, can have lasting impacts on wildlife populations.

#### Key results

- Co-funded 26 projects with [Habitat Conservation Trust Foundation](#) (HCTF) aimed at enhancing the habitat of threatened or at-risk species in BC.

## Summary of progress made in 2023/24

Through its relationship with the HCTF, FESBC leverages technical expertise, and co-funds the highest priority and value-for-money projects to support achievement of FESBC’s wildlife habitat improvement goal. This co-funding agreement results in an expanded scope of habitat improvement projects in the province, helping ensure that suitable wildlife habitat is available and the abundance and distribution of wildlife in the province is maintained.

In 2023/24, co-funded projects were completed across seven out of eight regions of the province, helping to support the enhancement of wildlife habitat for a multitude of species, including the enhancement of Winter Range Habitat for Mule Deer in Douglas-fir Forests, studying the effects of landscape change on moose health in central BC and developing guidelines for Recreation and Industrial Activities near Wolverine Denning areas.

## Performance measure(s) and related discussion

Performance Measure	2022/23 Actual	2023/24 Target <sup>2</sup>	2023/24 Actual
3.1 Funding allocated for improving wildlife populations and their habitat	\$900,000	\$920,000	\$701,057

Data source: FESBC Letter of Agreement with HCTF dated March 11, 2019, HCTF annual approved list,

<sup>1</sup>PM [3.1] targets for 2024/25 and 2025/26 were stated in the 2023/24 service plan as N/A and N/A, respectively.

<sup>2</sup> Targets are based on associated FESBC financial forecasts and spending plans.

## Discussion

In 2023/24, delivery of wildlife habitat improvement projects was lower than target due to operational delays related to weather and wildfire events. FESBC commits funding each year to HCTF to co-fund project delivery, based on HCTF projections. The actual expenditures for the HCTF portion of this performance measure can vary significantly from what was projected as it is dependent on what the project proponents are able to deliver during the fiscal year.

## Financial Report

For the auditor's report and audited financial statements, see [Appendix B](#). These documents can also be found on the FESBC website.

## Discussion of Results

FESBC's revenue recognition policy is set out in the attached financial statements and is linked to expenditures.

Financial risks were managed by following auditor recommendations and having clear separation of duties. Multiple people within the organization are required to sign off before money is transacted.

## Financial Summary

(\$000s)	2022/23 Actual	2023/24 Budget <sup>2</sup>	2023/24 Actual	2023/24 Variance
<b>Revenues</b>				
Contributions from Province	7,215	60,452	42,220	(18,232)
Other Income & Recoveries	1,802	4,250	2,918	(1,332)
<b>Total Revenue</b>	<b>9,017</b>	<b>64,702</b>	<b>45,138</b>	<b>(19,564)</b>
<b>Expenses</b>				
Grants	7,215	60,452	42,220	(18,232)
Administration	1,794	4,243	2,910	(1,333)
Capital Asset Amortization	8	7	8	1
<b>Total Expenses</b>	<b>9,017</b>	<b>64,702</b>	<b>45,138</b>	<b>(19,564)</b>
<b>Annual Surplus (Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Debt</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Accumulated Surplus (Deficit)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Capital Expenditures</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>5</b>

<sup>1</sup> The above financial information was prepared based on current Generally Accepted Accounting Principles.

<sup>2</sup> The 2023/24 Budget for Contributions from Province revenue has been restated from \$61,098 to \$60,452 to match the Grants expense and the difference has been adjusted to Other Income and Recoveries revenue. The total 2023/24 Budget for Revenues and Expenses are consistent with the FESBC 2024/24 Annual Service Plan.



## Variance and Trend Analysis

Grant expenditures and corresponding revenue recognition were \$18.2 million less than budget. Spending changes and drivers of these changes by goal are as follows:

- Some projects experienced operational delays due to factors including proponent capacity, contractor availability, the prolonged fire season and difficult winter conditions. \$10.5 million in planned work was delayed and rescheduled for completion in 2024/25.
- New utilization of low value fibre projects was not approved for funding until July 7, 2023, due to administrative delays in receiving funds and starting intakes. The spring hauling window was largely missed, and work did not commence until after the prolonged fire season. In addition, poor pulp market conditions on the coast inhibited planned shipments of fibre from many proponents. While the target was almost achieved, \$7.5 million in funds allocated to utilization were not paid out.
- \$0.2 million was not spent on projects to be delivered through partner programs with the Habitat Conservation Fund.
- Administration costs were lower than anticipated by 31%, partly due to a renegotiation of project administration fees, and lower anticipated wages due to staff shortages, which also resulted in a reduction of travel costs.

## Risks and Uncertainties

FESBC project delivery can be affected by economic and environmental uncertainties affecting the forest sector. These are addressed, where possible, by being nimble and flexible to capitalize on the opportunities as they arise. Operations may also be affected by disruptive events such as wildfires, prolonged fire seasons and cold weather or heavy snow conditions. These were mitigated by planning and timing of projects and continual evaluation and adjustments to projects as required.

Investment income, a function of interest rates and funds on deposit, has fluctuated as deferred contributions are utilized or received and is also subject to interest rate changes.

## Appendix A: Progress on Mandate Letter Priorities

The following is a summary of progress made on priorities as stated in the 2021/22 Mandate Letter from the Minister Responsible.

2021/22 Mandate Letter Priority	Status as of March 31, 2024
<p>Contribute to B.C.'s economic recovery and support strong, resilient rural communities by prioritizing FESBC investments to projects that generate good paying, sustainable jobs to meet the purposes of FESBC and the Forest Carbon Initiative objectives.</p>	<ul style="list-style-type: none"> <li>• This mandate letter priority is in progress.</li> <li>• Approved projects continue to be implemented.</li> <li>• Most of these projects are located adjacent to rural communities and tap into the local forestry workforce, keeping the social and economic benefits close to rural BC.</li> <li>• For more information, see Report on Performance: Goals, Objectives and Results, Objective 1.1.</li> </ul>
<p>Implement a plan and determine measurable outcomes to ensure all funded projects are completed safely and effectively on the ground, and bring lasting economic, environmental, and social benefits to the people of B.C.</p>	<ul style="list-style-type: none"> <li>• This mandate letter priority is in progress.</li> <li>• Applicants are tasked with following proper safe work procedures when implementing projects.</li> <li>• Working with partners, FESBC ensures that the work is completed to acceptable industry standards and as planned to ensure the benefits of the work are realized.</li> </ul>
<p>Deliver a comprehensive communications strategy to demonstrate how the achievements of FESBC have fulfilled its purposes, successfully contributed to the Province's economic recovery, and led to continued economic and environmental benefits for B.C.'s forests, Indigenous Peoples, and communities.</p>	<ul style="list-style-type: none"> <li>• This mandate letter priority is ongoing.</li> <li>• In conjunction with Ministry of Forests and project partners, numerous journalism articles about FESBC projects have been published.</li> <li>• Nominated and won Hermes Creative Award, which recognizes creative professionals working in the conceptual, writing, and design phases of digital media.</li> </ul>

May 2022 Letter of Direction Priority	Status as of March 31, 2024
<p>Identify and fund projects to reduce wildfire risks to communities.</p>	<ul style="list-style-type: none"> <li>• This letter of direction priority is in progress.</li> <li>• 58 active WRR projects in 23/24, 42 were completed.</li> <li>• Work in 2023/24 reduced wildfire risk on approximately 6,334 hectares of forest adjacent to communities and high value infrastructure.</li> <li>• For more information see Report on Performance: Goals, Objectives and Results, Objective 1.1.</li> </ul>
<p>Optimize the recovery and utilization of low-value residual fibre resulting from WRR treatments.</p>	<ul style="list-style-type: none"> <li>• This letter of direction priority is in progress.</li> <li>• 6,410 m<sup>3</sup> of residual fibre was utilized in 2023/24 due to wildfire reduction projects supported by FESBC.</li> <li>• Where practicable, FESBC assisted in utilizing fibre generated from these projects by the secondary manufacturing facilities.</li> <li>• For more information see Report on Performance: Goals, Objectives and Results, Objective 1.1.</li> </ul>

## **Appendix B: Auditor's Report and Audited Financial Statements**

To be added later