



Term Sheet

for Continued Full Implementation of

Ecosystem Based Management in the Central and North Coast

This Term Sheet is dated for reference the 29 day of JANUARY, 2016.

Between

Coastal First Nations – Great Bear Initiative Society (the "CFN"), whose members include the following First Nations:

Wuikinuxv Nation Metlakatla First Nation Kitasoo Indian Band Heiltsuk Nation Gitga'at First Nation Nuxalk Nation

And

Her Majesty the Queen in Right of the Province of British Columbia as represented by the Deputy Minister of Forests, Lands and Natural Resource Operations

(the "Province")

Collectively the "Parties"

Background:

A. The CFN Strategic Land Use Planning Agreements ("SLUPAs") and the CFN-BC Land and Resource Planning Protocol (the "LRPA") were signed in March 2006; in an effort to implement the SLUPAs and LRPA, the CFN and the Province have been engaging on a

- Government to Government ("G2G") basis to implement Ecosystem Based Management ("EBM") in the Central and North Coast.
- B. The Wuikinuxv Nation, Metlakatla First Nation, Kitasoo Indian Band, Heiltsuk Nation, Gitga'at First Nation, Nuxalk Nation ("CFN Member Nations") and the Province are parties to the Coastal First Nations Reconciliation Protocol (the "Protocol") dated December 10, 2009, amended by the Amending Agreement, 2010, the Amending Agreement 2011, the Amending Agreement, 2013 and the Amending Agreement Spring 2015, and since the signing of the Protocol, the CFN and the Province have coordinated implementation of the SLUPAs and LRPA through the governance forum established under the Protocol.
- C. In June 2013 the Parties developed terms of reference to undertake a review of the Ministerial Order for the Central and North Coast (the "CNC Order") and other aspects of EBM implementation in the Central and North Coast on a G2G basis. Pursuant to those terms of reference, the Parties have undertaken a range of technical and policy discussions, pursued discussions with key stakeholders, and engaged in G2G discussions on specific issues.
- D. The Parties have worked together and agreed to propose new and revised land use objectives, several of which are intended to enhance protection and stewardship of important First Nation cultural heritage resources and environmental values and First Nation traditional forest resources. The Parties have developed the proposed Great Bear Rainforest Land Use Objectives Orders ("GBR LUOs") final draft dated January 11, 2016 that would replace the CNC Order.
- E. The Parties wish to enter into this Term Sheet to evidence their continuing efforts to work together towards the Continued Full Implementation of Ecosystem Based Management as agreed to by the Parties in 2009 and to confirm their respective recent commitments in respect of Continued Full Implementation of EBM in the Central and North Coast (this "CFN EBM Term Sheet").

1. General

- 1.1 The purpose of this CFN EBM Term Sheet is to record and confirm recent commitments between the Parties regarding Continued Full Implementation of EBM in the Central and North Coast region, subject to periodic reviews that the Parties may agree to undertake in the future in a manner consistent with the Protocol.
- 1.2 The Parties will work to implement the commitments in this CFN EBM Term Sheet in accordance with:
 - a) the understandings in the Protocol, the SLUPAs and the LRPA;
 - b) the terms of the other agreements between the Province and CFN Member Nations which are identified in this CFN EBM Term Sheet (the "other agreements"); and
 - c) their respective laws, policies and customs.

1.3 It is the intention of the Parties to incorporate the commitments contained in this CFN EBM Term Sheet into amendments to the Protocol and the other agreements as may be required, by February 28, 2016.

2. Governance Framework

- 2.1 The Parties will continue to engage and collaborate on the Continued Full Implementation of EBM in the Central and North Coast through the governance forum established under section 5.1 of the Protocol (the "Governance Forum").
- 2.2 The Parties will each appoint senior representatives who will be responsible for overseeing and managing implementation of this CFN EBM Term Sheet through participation in the Governance Forum working group (the "Working Group"). The senior representatives will, as required:
 - a) coordinate implementation and pursue policy and strategic issue problem solving discussions;
 - receive information from, and give direction to, the CFN-FLNR EBM
 Implementation Technical Team referred to in section 5.2 (c) of the Protocol;
 - c) share information and have discussions and collaborate with Nanwakolas representatives; and
 - d) initiate and engage in problem solving discussions with senior stakeholder representatives.

3. Human Well-Being

- 3.1 On a G2G basis the Parties have acknowledged that the following steps will assist in the Continued Full Implementation of EBM in the Central and North Coast: that the Minister of Forests, Lands and Natural Resources (the "Minister") implement measures intended to enhance the stability and viability of carbon credit programs and commercial forestry activities in the Central and North Coast, including but not limited to:
 - a) new legislation to:
 - (i) specify an annual allowable cut (AAC) of 2.5 million m³ per year in the GBR forest management area to December 31, 2026; and
 - (ii) adjust the timber supply area boundaries in the Central and North Coast into fewer timber supply management units;
 - b) a new Land Use Objective to maintain a managed forest for commercial forestry of 550,032 hectares in the GBR LUO; and
 - c) other measures intended to reduce operating costs and create planning efficiencies for commercial forestry operations, including:
 - (i) implementation of a tabular rate/cruise-based cutting permit regime:

- (ii) extension of the Order in Council for log-export fees in the Central Coast; and
- (iii) other policy measures or initiatives as the Parties may agree.
- 3.2 The Parties will coordinate and oversee, on a G2G basis, a re-charting of commercial forest tenure operations in the Central and North Coast with the goal of ensuring fair and representative access to harvest opportunities for CFN Member Nations, the Province and other forest licensees.
- 3.3 The Parties acknowledge that, in addition to the measures outlined in 3.1 and 3.2, they have taken other steps towards addressing the human well-being of the CFN, including the following:
 - a) the Province and the CFN Member Nations have negotiated the Coastal First Nations 2015 Atmospheric Benefit Sharing Agreement (the "2015 ABSA") which provides for matters including CFN Member Nations' ownership of 80% of the available atmospheric benefits identified in the 2015 ABSA;
 - representatives of the Province and the CFN are participating in negotiation of an agreement to allocate to the Great Bear Initiative Society 10% of the atmospheric benefits identified in the 2015 ABSA to support regional stewardship activities; and
 - as a further implementation of Schedule D of the Protocol, the Province and certain CFN Member Nations have completed negotiations on bilateral agreements that include specific commitments that further support and enhance access to commercial forest tenure, harvesting opportunities and capacity building for those CFN Member Nations.

4. Land Stewardship/Ecological Integrity

- 4.1 The CFN acknowledge that the Province has contributed to the completion of this CFN EBM Term Sheet through negotiation of the other agreements and understandings which include providing for recommendations regarding establishment of new protected areas in the Fog Creek/Green River and Kimsquit Watershed areas.
- 4.2 On a G2G basis the Parties have acknowledged that the following steps will assist in the Continued Full Implementation of EBM in the Central and North Coast: that the Minister take the steps necessary for the establishment of special forest management areas to restrict commercial forest harvesting in the following locations:
 - a) Kitsault Landscape Unit;
 - b) Gil Island:
 - c) Braden Landscape Unit;
 - d) Green River watershed;
 - e) Fog Creek and Green River watersheds on King Island; and

- f) Kimsquit River watershed.
- 4.3 The Parties will continue to have discussions with the Ministry of Environment or other provincial agencies regarding establishment of the Green River, Fog Creek/Green River on King Island and some or all of the Kimsquit proposed special forest management areas as conservancies or other mutually agreed to type of protected area.
- 4.4 Should the conservancies or other mutually agreed to type of protected area referred to in paragraph 4.2 be established, the Parties will collaborate and work to prepare management plans to address priority management issues.
- 4.5 On a G2G basis the Parties have acknowledged that the following step will assist in the Continued Full Implementation of EBM in the Central and North Coast: that the Minister establish new land use objectives for biodiversity, aquatic habitats and regionally important wildlife in the GBR LUO (per the proposed GBR LUO final draft dated January 11, 2016).
- 4.6 The Parties will, within 6 months of the signing of this CFN EBM Term Sheet, review information regarding grizzly bear occupancy in the outer coast, and will, upon completion of the review and if the data and information supports it, enter into discussions to establish a collaborative process to inventory and designate selected Class 1 and 2 habitats in the area.
- 4.7 The Parties intend to address the CFN interest in ending the commercial Grizzly bear hunt as per the terms of the negotiated Memorandum of Understanding between the Province and the CFN Members Nations.

5. Implementation Monitoring and EBM Review

- 5.1 The Parties intend, within 6 months of the signing of this CFN EBM Term Sheet, to reach agreement on and implement new collaborative arrangements for oversight and monitoring of the Continued Full Implementation of EBM, including:
 - a) a process for the CFN to participate in the annual planning and prioritization of the Province's Regional research and inventory projects and resources;
 - b) development of a collaborative G2G framework for EBM implementation monitoring and forest practices effectiveness monitoring; and
 - c) development of a collaborative framework for CFN participation in forest practices compliance auditing activities.
- 5.2 The Parties will work with Nanwakolas Council to develop a protocol and terms of reference to complete a preliminary review of the proposed GBR LUO by March 31, 2021, and a more comprehensive review of the GBR LUO and other aspects of EBM no later than March 31, 2026.

6. Technical Team and Implementation Committee

- 6.1 The Parties will establish, under the auspices of the Working Group, a CFN-FLNR EBM Implementation Technical Team to coordinate and oversee delivery of technical aspects of the CFN EBM Term Sheet and the agreements and commitments that may arise from it, including:
 - a) management plans, if and as needed, for any new special management areas, conservancies or other mutually agreed type of protected area;
 - b) implementation of the GBR LUO;
 - c) preparation, finalization and implementation of any Landscape Reserve Designs that are created by requirement of the proposed GBR LUO;
 - d) monitoring, research and compliance auditing related to EBM implementation as per developed future agreements stated in 5.1 a), b) and c);
 - e) maintenance of inventory and planning data for the GBR LUO area; and
 - f) other matters as directed by the Working Group.
- 6.2 Within 6 months of the signing of this CFN EBM Term Sheet, the Parties will:
 - a) develop terms of reference for a collaborative multi-party Operational Implementation Committee;
 - b) establish the multi-party Operational Implementation Committee; and
 - c) invite forest licensee representatives to participate.
- 6.3 The primary role of the collaborative multi-party Operational Implementation Committee will be to coordinate:
 - a) development of Landscape Reserve Designs in the Central and North Coast; and
 - b) re-charting of the operating areas for forest tenures in the Central and North Coast.

7. Resourcing

- 7.1 The CFN acknowledge that the Province's provision of atmospheric benefits under the 2015 ABSA provides CFN Member Nations with the opportunity to generate financial revenues which can support the CFN's continued engagement and participation in EBM Implementation.
- 7.2 CFN will rely on revenues generated by the sale of atmospheric benefits provided under the 2015 ABSA to support their continued engagement and participation in the implementation of this CFN EBM Term Sheet.
- 7.3 Nothing in this CFN EBM Term Sheet prevents CFN Member Nations from applying for funding under provincial programs generally available to First Nations.

7.4 The Parties will continue to collaborate and work diligently to secure additional resourcing from other sources to successfully implement the commitments in this CFN EBM Term Sheet.

8. General Provisions

- 8.1 The Parties intend to implement this CFN EBM Term Sheet in a manner consistent with the Protocol and the SLUPAs and the LRPA.
- 8.2 In this CFN EBM Term Sheet, words and phrases have the same meaning as in the CFN Reconciliation Protocol and the SLUPAs and the LRPA, unless there is something in the subject matter or context which requires otherwise or unless otherwise specified.
- 8.3 This Term Sheet does not:
 - a) constitute a treaty or land claims agreement within the meaning of section 25 or 35 of the Constitution Act, 1982 (Canada); or
 - b) create, recognize, define, deny, limit or amend any of the responsibilities or rights of the Province, the CFN or the CFN Member Nations except as expressly set out in this CFN EBM Term Sheet.
- 8.4 Nothing in this CFN EBM Term Sheet will be interpreted in a way that would affect or unlawfully interfere with the decision-making authority of the Province, the CFN or the CFN Member Nations or fetter the discretion given to any decision-making authority.
- 8.5 This CFN EBM Term Sheet and any amendment to it constitute the entire agreement between the Parties with respect to the subject matter of this CFN EBM Term Sheet, unless otherwise agreed in writing by the Parties.
- 8.6 This CFN EBM Term Sheet may be amended by agreement of the Parties in writing.
- 8.7 This CFM EBM Term Sheet may be entered into by each Party signing a separate copy of this Term Sheet (including a photocopy or facsimile copy) and delivering it to the other Party by facsimile or electronic transmission.

Signed on behalf of the Parties:

The Province

Tim Sheldan, Deputy Minister

Coastal Hirst Nations

Marilyn Slett, President