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Forest Act

FOREST LICENCE REGULATION

Note: Check the Cumulative Regulation Bulletin 2014
for any non-consolidated amendments to this regulation that may be in effect.

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Definitions and interpretation

1 In this regulation:

"Act" means the [Forest Act](#);

"affiliate" has the same meaning as in section 53 of the Act;

"annual combined input capacity" means the annual combined input capacity of one or more processing facilities based on each processing facility operating for 16 hours per day, 6 days per week and 52 weeks per year;

"control of a corporation" has the same meaning as in section 53 of the Act;

"processing facility" means a facility that processes

- (a) timber or wood residue or both,
- (b) products produced from timber or wood residue or both, or
- (c) products under both paragraphs (a) and (b);

"restricted forest licence" means a non-replaceable forest licence for which applications are invited in accordance with section 13 (2.1) of the Act from one or more categories of applicants as established by this regulation;

"secondary processing facility" means a processing facility that does not produce, as its primary product, boards, cants, flitches, lumber, veneer, oriented strand board, pulp, paper, newspaper, wood chips, pellets, ground wood, bioenergy, biochemicals or hog fuel.

(2) For the purposes of sections 3 (3) and 4 (3), a person holds a licence or agreement referred to in those sections if any of the following apply:

- (a) the person is an individual or corporation that holds the licence or agreement;

- (b) the person is an individual who is in control of a corporation that
 - (i) holds the licence or agreement, or
 - (ii) is affiliated with another corporation that holds the licence or agreement;
 - (c) the person is a corporation that is affiliated with another corporation that holds the licence or agreement.
- (3) For the purposes of item 3 in Column 2 of the Table, **"excluded processing facility"**, in relation to a processing facility that produces wood chips or ground wood, means a facility to which one or more of the following apply:
 - (a) the facility uses the wood chips or ground wood to produce other products at that facility;
 - (b) the facility is owned by an individual or corporation that uses the wood chips or ground wood to produce other products at another facility that the individual or corporation owns;
 - (c) the facility is owned by an individual who is in control of a corporation that
 - (i) uses the wood chips or ground wood to produce other products at another facility, or
 - (ii) is affiliated with another corporation that uses the wood chips or ground wood to produce other products at another facility;
 - (d) the facility is owned by a corporation and the corporation is affiliated with another corporation that uses the wood chips or ground wood to produce other products at another facility.

Categories of applicants for restricted forest licences

- 2 For the purposes of section 13 (2.1) of the Act, the minister may specify that applications for a non-replaceable forest licence must only be invited from one or more categories of applicants established by section 3 or 4 of this regulation.

Categories that exclude major licensees

- 3 (1) The categories of applicants established by this section are those categories that, subject to subsection (3), result from combining the following:
 - (a) one or more types of interest listed in Column 1 of the Table;
 - (b) one or more types of processing facility listed in Column 2 of the Table;
 - (c) one of the locations listed in Column 3 of the Table;
 - (d) one of the annual combined input capacity ranges listed in Column 4 of the Table.
- (2) For the purposes of this section, each annual combined input capacity range listed in Column 4 of the Table refers to the annual combined input capacity range of all of the processing facilities
 - (a) that are of the type,
 - (b) that are in the location, and
 - (c) in which an applicant has the type of interest

required in order for the applicant to be included in a category established by this section.

(3) A category of applicants established by this section does not include a person that holds any of the following:

- (a) one or more major licences that are replaceable and together have an aggregate allowable annual cut greater than
 - (i) 25 000 m³, in the case of a category that includes processing facilities with an annual combined input capacity within the range listed in item 1 in Column 4 of the Table,
 - (ii) 50 000 m³, in the case of a category that includes processing facilities with an annual combined input capacity within the range listed in item 2 in Column 4 of the Table,
 - (iii) 125 000 m³, in the case of a category that includes processing facilities with an annual combined input capacity within the range listed in item 3 in Column 4 of the Table,
 - (iv) 250 000 m³, in the case of a category that includes processing facilities with an annual combined input capacity within the range listed in item 4 in Column 4 of the Table, or
 - (v) one half of the annual combined input capacity of the processing facilities, in the case of a category that includes processing facilities with an annual combined input capacity range listed in item 5 in Column 4 of the Table;
- (b) 3 or more restricted forest licences;
- (c) an agreement referred to in section 12 of the Act the rights in respect of which are under suspension, in whole or in part, under section 76 or 78 of the Act.

Categories that include major licensees

- 4** (1) The categories of applicants established by this section are those categories that, subject to subsection (3), result from combining the following:
- (a) one or more types of interest listed in Column 1 of the Table;
 - (b) one or more types of processing facility listed in Column 2 of the Table, other than the type of processing facility listed in item 5 of that column;
 - (c) one of the locations listed in Column 3 of the Table;
 - (d) one of the annual combined input capacity listed in Column 4 of the Table.
- (2) For the purposes of subsection (1), each annual combined input capacity range listed in Column 4 of the Table refers to the annual combined input capacity range of all of the processing facilities
- (a) that are of the type,
 - (b) that are in the location, and
 - (c) in which an applicant has the type of interest

required in order for the applicant to be included in a category established by this section.

- (3) A category of applicants established by this section does not include a person that holds any of the following:
- (a) 3 or more restricted forest licences;
 - (b) an agreement referred to in section 12 of the Act the rights in respect of which are under suspension, in whole or in part, under section 76 or 78 of the Act.

Proof of eligibility

- 5 (1) A person that applies for a restricted forest licence must provide proof satisfactory to the minister that the person
- (a) meets all the requirements in respect of the category of applicants applicable to the person, as specified by the minister in the invitation for applications for the licence, and
 - (b) is not excluded from a category under section 3 (3) or 4 (3).
- (2) If a person does not comply with subsection (1), the minister may reject the application without further consideration.

Table

Item	Column 1 Types of Interest in Processing Facilities	Column 2 Types of Processing Facility	Column 3 Location of Processing Facility	Column 4 Annual Combined Input Capacity Range of Processing Facilities
1	owns	secondary processing facility	a forest district	over 5 000 m3 to 50 000 m3
2	leases	processing facility that produces pulp, paper, oriented strand board or newspaper	an area comprising up to 6 forest districts	over 50 000 m3 to 100 000 m3
3	intends to lease	processing facility that produces wood chips or ground wood and is not an excluded processing facility	the Province	over 100 000 m3 to 250 000 m3
4	intends to own by way of purchase	processing facility that produces pellets, bioenergy or		over 250 000 m3 to 500 000 m3

		biochemicals from timber or wood residue		
5	intends to build and own	any type of processing facility		any annual combined input capacity range

[Provisions relevant to the enactment of this regulation: [Forest Act](#), R.S.B.C. 1996, c. 157, sections 13 and 151]