



# A New Way of Delivering Forest Sector Investments

Oct. 24, 2001



# OVERVIEW

- FRBC program review -- comprehensive consultation
- Stakeholder input
- New delivery model



## WHERE WE ARE NOW

- FRBC: Crown corp., 100 staff
  - concerns about efficiency, effectiveness, delivery costs, funding sustainability
- spending twice its income this year

# FRBC REVIEW

→ Stakeholders said:

- process driven investment model
- inflexible
- high delivery costs at expense of on-the-ground funding

Consultation

*400 written submissions,  
met with 90 organizations*



## WHERE WE'RE HEADED

- Streamlined delivery model
- Government led, industry delivered
- Dollars invested back into land base from which they came
- Tight controls on spending
- Independent annual audit

# NEW DELIVERY MODEL


## HIGHLIGHTS

- Sustainable investing
- More focused objectives
  - land-based investments, research, support for value-added

Eliminating  
FRBCs Deficit

*\$293 million a  
year to*

*\$134 million*



# Program Re-Structuring

→ New Delivery Model

1. Relationship to Consolidated Revenue Fund (CRF)
2. Establishment of Program Allocations, Objectives, Criteria
3. Delivery Agents



## 1. Relationship to CRF

- Separate vote in CRF
  - e.g. “Forest Investment Account”
- Earmarks funding for investments to enhance the provincial asset base





## 2. Establishing Objectives and Standards

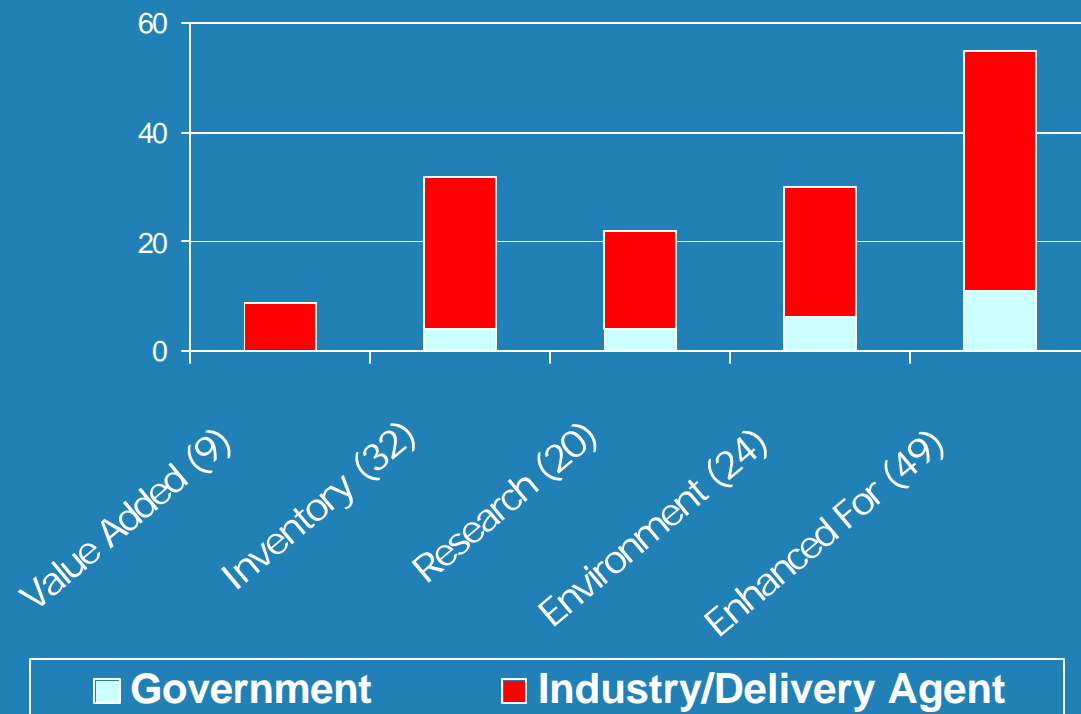
- Government sets: Program Allocations, Objectives, Standards
  - Reviewed annually by government, with advice from industry, other stakeholders



### 3. Delivery Agent

- Different agents for different parts of programs
- Determined by efficiency and effectiveness

## Proposed Allocation by Program and Delivery Agents





# Industry Delivered Programming

- Allocation
- Administration
- Industry Accountability
- Sustainable Forest Management Plan