PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 326 *, Approved and Ordered* July 13, 2026

Wendy Cocchia

Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that the BC Timber Sales Regulation, B.C. Reg. 381/2008, is amended as set out in the attached Schedule.

Minister of Forests

Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: *Forest Act*, R.S.B.C. 1996, c. 157, ss. 151 (1.01), (1.1) and (2) and 151.9 (1)

Other: OIC 918/2008

R10952811

SCHEDULE

1 ***Section 2 of the BC Timber Sales Regulation, B.C. Reg. 381/2008, is amended by adding the following paragraph:***

(c) Category 5 – Custom Cutters and Processors, comprising persons described in section 5.2.

2 ***Section 3 (3) (c) is amended by adding "***a***" before "***BC timber sales agreement***".***

3 ***Section 5.1 is amended***

(a) by repealing subsection (1) and substituting the following:

(1) A person may be registered as a BC timber sales enterprise in Category 4 – Value-added if the person

(a) meets the requirements under subsections (1.1) and (2), and

(b) applies to the timber sales manager in a manner approved by the manager. ***,***

(b) by adding the following subsection:

(1.1) In order to qualify for registration under this section,

(a) a person must, throughout the calendar year immediately preceding the date on which the person applies for registration, have owned or leased an eligible value-added processing facility in British Columbia, and

(b) during that calendar year, the facility must have had at least 1 600 hours of operation in which at least one production worker worked at the facility in the production of an eligible value-added product. ***,***

(c) in subsection (2) by striking out "qualify for registration***" and substituting "***be registered***",***

(d) in subsection (2) (c) (i) by striking out "a category under this regulation***" and substituting "***Category 1 – Market or Category 4 – Value-added***",***

(e) in subsection (2) by adding "and***" at the end of paragraph (c) (ii) and by repealing paragraph (d), and***

(f) in subsection (2) (e) by striking out "m3***" and substituting "***m^3***".***

4 ***The following section is added:***

Registration, Category 5 – Custom Cutters and Processors

5.2 (1) A person may be registered as a BC timber sales enterprise in Category 5 – Custom Cutters and Processors if the person

(a) meets the requirements under subsections (2) and (3), and

(b) applies to the timber sales manager in a manner approved by the manager.

(2) In order to qualify for registration under this section, a person must, during the calendar year immediately preceding the date on which the person applies for registration, have either

(a) processed at least 60 000 m^3 of timber at an eligible value-added processing facility in British Columbia for the purpose of producing eligible value-added products, or

(b) processed at least 3 000 m^3 of eligible value-added products at an eligible value-added processing facility in British Columbia for the purpose of producing other eligible value-added products.

(3) In order to be registered under this section, a person

(a) must be an individual at least 19 years of age or be a corporation registered in British Columbia,

(b) must not be the holder of a BC timber sales agreement the rights under which are suspended under section 78 or 78.1 of the Act,

(c) must not be registered in any other category under this regulation,

(d) must not own or lease an eligible value-added processing facility in British Columbia,

(e) must not

(i) hold,

(ii) be in control of a corporation that holds,

(iii) be a corporation that has 50% or more of its shares held by one or more shareholders that are also shareholders in a corporation that holds,

(iv) be a corporation that is controlled by a corporation that is also in control of a corporation that holds, or

(v) be a corporation that is controlled by a corporation that holds

a pulpwood agreement or one or more major licences that together have an aggregate allowable annual cut greater than 10 000 m^3, and

(f) must either

(i) process at least 60 000 m^3 of timber at an eligible value-added processing facility in British Columbia during each calendar year for the purpose of producing eligible value-added products, or

(ii) process at least 3 000 m^3 of eligible value-added products at an eligible value-added processing facility in British Columbia during each calendar year for the purpose of producing other eligible value-added products.

5 ***Section 7 is amended by striking out*** "sections 3 and 5.1" ***and substituting*** "sections 3, 5.1 and 5.2".

6 ***Section 8.1 is amended***

(a) by repealing subsection (1) and substituting the following:

(1) For the purposes of section 136 (2) (f) of the Act, the following are prescribed persons:

(a) a person who is registered under section 5.1 of this regulation as a BC timber sales enterprise in Category 4 – Value-added;

(b) a person

(i) who was registered under section 5.1 of this regulation as a BC timber sales enterprise in Category 4 – Value-added but is no longer registered in that category, and

(ii) who held a timber sale licence at any time during the period in which the person was registered. ,

(b) in subsection (2) (a) (xi) by striking out "both.***" and substituting "***both, and***",***

(c) in subsection (2) (b) by striking out "registered under section 5.1 of this regulation as a BC timber sales enterprise in Category 4 – Value-added, if the licence holder***" and substituting "***referred to in subsection (1) (a) or (b) of this section, if the person, as the holder of the timber sale licence,***", and***

(d) in subsection (2) (b) (ii) (B) by adding ", B.C. Reg. 446/94***" after "***Scaling Regulation***".***

7 The following section is added:

Records and returns, Category 5 – Custom Cutters and Processors

8.2 (1) For the purposes of section 136 (2) (f) of the Act, the following are prescribed persons:

(a) a person who is registered under section 5.2 of this regulation as a BC timber sales enterprise in Category 5 – Custom Cutters and Processors;

(b) a person who

(i) was registered under section 5.2 of this regulation as a BC timber sales enterprise in Category 5 – Custom Cutters and Processors but is no longer registered in that category, and

(ii) who held a timber sale licence at any time during the period in which the person was registered.

(2) For the purposes of section 136 (3) (e) of the Act, the following information is prescribed in respect of a person referred to in subsection (1) (a) of this section:

(a) the eligible value-added products produced at an eligible value-added processing facility;

(b) as applicable,

(i) the volume of timber, expressed in cubic metres, processed at an eligible value-added processing facility, and the prices paid for that timber, and

(ii) the volume or quantity of eligible value-added products processed at an eligible value-added processing facility to produce other eligible value-added products, and the prices paid for those products;

(c) the quantity of eligible value-added products produced at an eligible value-added processing facility;

(d) sales information related to eligible value-added products produced at an eligible value-added processing facility;

(e) in respect of services provided to the person by the operator of an eligible value-added processing facility,

(i) the name of the operator,

(ii) the address of the eligible value-added processing facility at which the services were provided, and

(iii) the cost of services provided;

(f) financial statements prepared in accordance with generally accepted accounting principles.

(3) For the purposes of section 136 (3) (e) of the Act, the following information is prescribed in respect of a timber sale licence held or previously held by a person referred to in subsection (1) (a) or (b) of this section, if the person, as the holder of the timber sale licence, traded or sold a volume of timber harvested from an area of land described in the timber sale licence:

(a) information identifying each person with whom the holder of the timber sale licence traded, or to whom the holder of the timber sale licence sold, a volume of timber;

(b) in relation to each trade or sale, the following information:

(i) the volume of timber traded or sold and any volume of timber received;

(ii) the species and grade of the timber traded or sold, and of any timber received, classified as set out in section 7 of the Scaling Regulation;

(iii) the type of any product received and its volume measured in a commonly recognized unit of measurement for the product within the industry;

(iv) the amount of any monetary payment received.

8 ***Section 10 (2) is amended by striking out*** **"**sections 3 and 5.1**"** ***and substituting*** **"**sections 3, 5.1 and 5.2**".**

9 ***Part 6 is repealed.***