



## Alberta Forestry Research Institute Annual Report 2003-04 A Year in Review

### Overview

The Alberta Forestry Research Institute (AFRI) was formed in 2002, and is an unincorporated board comprised of representatives from industry, academia and government, established under the *Alberta Science and Research Authority Act*. AFRI's mission is to enhance the contribution of science and research to the economic, environmental and community sustainability of Alberta and to promote the global competitiveness of its forest sector.

As Canada's fourth largest forest products producer, Alberta's forest sector contributes over \$8 billion to our economy; third after the energy and agricultural sectors. Forestry is the primary industry in over 45 Alberta communities. To maintain its position as an integral contributor to the prosperity that Albertan's enjoy, the forest sector must innovate to remain globally competitive while ensuring the sustainability of our resources and communities. Investments in research and development are the prerequisite of this innovation. Prioritizing, coordinating and promoting research and development and encouraging its application in our forest sector are the key responsibilities of AFRI.



## Message from the AFRI Board

It has been an exciting year for the Alberta Forestry Research Institute with the completion of its Business Plan for 2004-07 entitled *Sustainable Growth in Alberta's Forest Sector: A Life Sciences Approach*. This 3-year plan recommends the long-term research and innovation direction required to achieve sustainability and growth in Alberta's forest sector. Three strategic directions for research investment are identified in the plan, sustainable forest management, enhancing and diversifying the value-chain, and new products and processes. The plan has been submitted to the Minister of Innovation and Science and we look forward to the government's review and support for our approach.

Investment in AFRI's plan will contribute to three key strategies of the government: *Securing Tomorrow's Prosperity*, the value-added strategy; *Growing Our Future*, the life sciences strategy, and *Water for Life*, Alberta's water strategy, all essential components of the province's 20-year strategic plan, *Today's Advantage, Tomorrow's Promise*. Without such investment, Alberta's forest resources, our principal renewable natural resources, and the infrastructure that adds value to them, are at risk of stagnating or entering a period of decline. AFRI is working hard to avert this possibility by promoting a coordinated innovation agenda to all elements of the forest sector.

The announcement by the Government of Alberta in the Spring 2004 Throne Speech that a Life Sciences Institute would be established will encourage cross-sector collaboration of research initiatives in life sciences innovation. AFRI looks forward to working with this new institute as it moves forward, particularly in relation to its innovative bio-products and sustainable production strategies.

We would like to thank Dr. Bob Church, now Chair Emeritus of the Alberta Science and Research Authority for his advice and support for forestry research over the past number of years. His participation and encouragement has been critical to our goal of research excellence in Alberta.

*Original signed by:*

Ivan Strang, M.L.A.  
Co-Chair

*Original signed by:*

Bill Hunter  
Co-Chair

May 2004

## Key Activities

Activities undertaken by AFRI over the 2003-04 fiscal year support the directions established by the Alberta Science and Research Authority, and also support the Alberta Innovation and Science Business Plan 2003-06, **GOAL 4:** To foster excellence in life sciences research that contributes to Alberta's continued prosperity.

- AFRI undertook a detailed planning process to develop its strategic business plan for 2004/07 involving industry and other stakeholder consultations, literature and market reviews, and research workshops.
- The Alberta Science and Research Authority endorsed the Alberta Forestry Research Institute's Business Plan for 2004-07. This plan sets strategic directions for forestry research and investment decisions.
- In 2003-04, the Alberta Forestry Research Institute continued to manage the government's investment in the Sustainable Forest Management Network (SFMN). Established in 1995, the SFMN is hosted at the University of Alberta as an incorporated, non-profit Canadian Network of Centres of Excellence. Its mission is to
  - Deliver an internationally-recognized, interdisciplinary program that undertakes relevant university-based research into sustainable forest management;
  - Develop networks of researchers and industry, government, Aboriginal, and non-governmental organization partners;
  - Offer innovative approaches to knowledge transfer; and
  - Provide educational opportunities in an interdisciplinary, partner-oriented framework, with the goal of training scientists and advanced practitioners to meet the challenges of modern natural resource management.

Funding for this initiative is provided by the Government of Canada, the Government of Alberta (through AFRI), along with other provincial and territorial governments, forestry companies; Aboriginal groups; non-governmental organizations; the University of Alberta and BIOCAP Canada Foundation (BIOCAP is a not for profit research foundation exploring how the Canadian biosphere can address the challenges of climate change and greenhouse gas management.)

AFRI has consulted with seven government departments on their strategic research priorities for the SFMN in order to ensure that the Network structures its programming to respond to Alberta's needs.

- AFRI made two new research program investments in composite fibre products and designs and processes for solid wood utilization; and collaborated with its sister ASRA institutes, AARI and AERI, and others on a strategic feasibility study on bio-energy opportunities in Alberta.
- AFRI developed a tripartite agreement between Manning Diversified Forest Products Ltd, Sustainable Resource Development and Innovation and Science regarding the establishment of an industry-funded research program focused on forestry in Northern

Alberta. This unique agreement commits the parties to an on-going program of research aligned to AFRI's strategic priorities and funded entirely through industry contributions based on the volume of trees harvested.

- AFRI also participated on three national forestry organization committees dealing with: forest products, forest utilization and pulp and paper. This participation provides Alberta input to national initiatives and develops approaches to support economic growth in the forestry sector.
- AFRI was a participant in discussion on the implementation plan for the Life Sciences Strategy with input from both government and external participants. An implementation workshop was held which secured support for three flagship initiatives that build upon the Life Sciences Strategy directions in health, platform technologies and bio-products.
- In keeping with its commitment to community support and training the next generation of foresters, AFRI cosponsored the Forest Explorers' 2003 conference for youth organized by the Boreal Forest Research Centre at Fairview College.

### **AFRI's Program Investments**

In 2003-04, budget expenditures in AFRI's program investments were \$2,598,000. As part of the Alberta Science and Research Authority, additional funds were made available to AFRI through ASRA to invest \$538,000 in addition to its 2003-04 budget of \$2,060,000. The investments were made in three strategic priorities: Sustainable Forest Management; Enhancing and Diversifying the Value Chain; and New Products and Processes. In addition, funds were invested in the Manning Forestry Research Fund.

### **Concluding Statement**

AFRI has completed its initial planning and implementation phase and with industry and government support is well positioned to aggressively pursue and lever new research and development investment opportunities that will deliver "tomorrow's promise" for Alberta's forest sector.