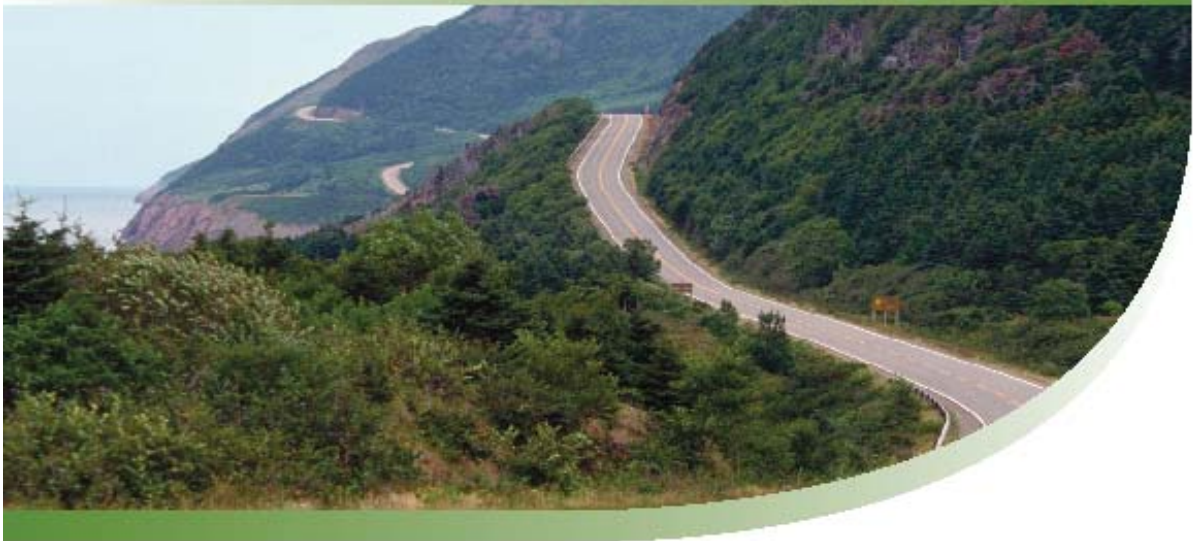


A Vision for Canada's Forests 2008 and Beyond





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A draft

Preface

Canada is home to approximately one-tenth of the world's forests. For centuries, our peoples organized their cultures and economies around our natural resources, including the forest and the values—including recreation, wildlife habitat, water and soil conservation, biodiversity, and cultural values—and products it created for them. Today, Canada's forests have never been more important as a natural, national, and global resource. Our forests are a well-spring that animates our spirit, our national identity, and our aspirations for our children and grandchildren. Their continuing stewardship is the responsibility of each new generation.

A Vision for Canada's Forests: 2008 and Beyond arrives at a time of unprecedented opportunity and challenge. Canada has the potential to achieve a sustainable forest economy and vibrant, resilient forest communities. Realizing this potential will require the collective efforts of our entire forest sector—all of the people and organizations that derive value and create wealth and well-being from our forests.

This vision, the latest of six Canadian Forest Strategies, is intended to have a 10-year term (2008–2018). The document will be reviewed approximately every three years to assess its relevance and will be revised as appropriate. It builds on more than 27 years of commitment to stewardship, innovation, partnership, and transparency and accountability.

The strategies are one part of a very broad process of public engagement and civic dialogue among Canadians about their forests. Each year, hundreds of organizations, communities, and governments across Canada plan, discuss, and debate the future of their forests and forest policy options. These conversations occur at local, regional, and national levels. The current vision attempts to capture the essence of those conversations, communicate progress and accomplishments, and focus public attention on the challenges and opportunities that lie before us.

The Canadian Council of Forest Ministers (CCFM) is leading the 2008 vision process on behalf of all Canadians. Many individuals, organizations, communities, and governments have contributed their ideas, energy, and resources to this collective effort over the past 27 years. Canadians are grateful and proud of their accomplishments and eager to create opportunities from the challenges that await.

In the pages that follow, readers will find the context for sustainable forest management in Canada, a new vision for achieving sustainability, an acknowledgment of the importance of climate change adaptation and mitigation, and a commitment to forest sector transformation



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Introduction

Canada is blessed with an immense forest endowment, a natural resource of global import that stretches from the Avalon Peninsula in Newfoundland to Rennell Sound in British Columbia. This resource, sustainably managed, supports vibrant cultures, prosperous economies, and durable communities, all while producing a wide range of invaluable ecosystem services. Our forest sector—the people and organizations that derive value and create wealth and well-being from the forest and its related resources—has achieved a remarkable record of global leadership in sustainable forest management.

However, the world is increasingly complex. The effects of a changing climate are becoming apparent, and climate change is rapidly altering insect, disease, and fire patterns in some forests, and has already started to affect water, soil, and temperature regimes across Canada.

Simultaneously, our forest economy faces an unprecedented transition as a result of globalizing markets

and emerging technologies. These challenges are significant, but they create opportunities to continue pursuing alliance and commodity and value-added producers and to forge new ones with Aboriginal peoples, the environmental community, local forest user groups, and non-traditional forest partners (e.g. energy, chemical and pharmaceutical industries), and members of the research and financial communities.

Canadians—and the world—expect that management of our forest resource will meet the highest standards of social, environmental, and corporate responsibility. Meeting these expectations involves hundreds of rural communities, organizations, and institutions. Yet in this complex web lies our very strength: by harnessing the combined social, intellectual, and fiscal capital of all communities in our forest sector, Canada can deliver the innovations necessary to benefit from emerging opportunities.

Canada's Forest Partnerships

More than 90 percent of Canada's forests are held in trust for the people and regulated by provincial, territorial, or federal governments. These governments, in turn, use a variety of arrangements to allocate forest resources to communities and private firms.

Governments' Roles and Responsibilities

Provinces and territories have the authority to make laws governing the development, conservation, and management of forest resources and to develop their own set of legislation, regulations, standards, and programs.

The federal government is responsible for external affairs, including trade, commerce, treaties and conventions. Responsibilities in Aboriginal and environmental affairs and science and technology are shared by the provincial and federal governments.

CCFM's Roles and Responsibilities

CCFM comprises all federal, provincial, and territorial ministers responsible for forests. Established in 1985, it provides a forum where governments work cooperatively to address areas of common interest and to exchange information.

The remainder of Canada's forests is privately owned. These owners include forest businesses, municipalities, Aboriginal peoples, and

more than 425,000 woodlot owners.

Aboriginal and treaty rights¹ are constitutionally recognized and affirmed under Section 35 of the Constitution Act of 1982. While Canadian courts have recognized and affirmed that Aboriginal and treaty rights are part of Canadian law, they continue to clarify the nature of this duty. However, federal, provincial, and territorial governments all recognize that they have a duty to consult with Aboriginals where their actions may adversely affect an established or asserted Aboriginal or treaty right. Governments' duty to consult with Aboriginal peoples is grounded in the honour of the Crown.

We are home to about 10 percent of the Earth's forests, more than 30 percent of all boreal forests, and we are one of the world's largest exporters of forest products. Given the global importance of Canada's forests, international forest policy remains a high priority for Canadians.

¹ Aboriginal rights refer to practices, traditions and customs that predate European contact, distinguishing the unique cultures of Aboriginal peoples. Treaty rights refer to rights that are set out and defined in a specific treaty.



Canada has been an active participant in multilateral and bilateral international forestry initiatives for many years. Canada affirmed its commitment to sustainable forest management in 1992 at the United Nations Conference on Environment and Development (UNCED) with the adoption of the Statement of Forest Principles. Canada is also a signatory to the Convention on Biological Diversity, the Convention on International Trade in Endangered Species (CITES), and the UN Framework Convention on Climate Change.

A Vision for Canada's Forests: 2008 and Beyond reflects the accomplishments and challenges of previous strategies, which began in 1981. Over time, the approaches, issues, and emphases have changed to reflect the evolving values and institutions that characterize Canada's forest sector.

Important Dates and Milestones for Sustainable Forest Management in Canada

- 1986 *National Forest Congress*: Sustainable forest management in Canada is at the heart of discussions.
- 1987: *Publication of the National Forest Sector Strategy for Canada (1987–1992)*.
- The *National Forest Strategy (1992–1998) – Sustainable Forests: A Canadian Commitment* followed in 1992. An Accord was also signed by governments, industry, non-governmental organizations (NGOs), Aboriginal peoples and communities.

The first National Forest Strategy was a commitment by federal, provincial and territorial governments and by stakeholders and the civil society to Sustainable Forest Management as well as a response to international initiatives and commitments, including the Brundtland Commission report "*Our Common Future*", the 1992 United Nations Conference on Environment and Development (UNCED) in Rio de Janeiro, with voluntary endorsement of Agenda 21 including the *Forest Principles*.

Vision

CCFM is the trustee of Canada's Forest Vision. It sponsors the process of developing the vision on behalf of all jurisdictions and Canadians and has coordinated Canada's forest strategy develop-

ment process for more than 27 years. CCFM's goal is to foster a broad understanding of the issues, encourage domestic and international engagement, and mobilize the talents of Canadians in gov-

ernments and civil society in the search for creative solutions.

As such, CCFM offers the following aspirational vision for Canada's forests and forest sector:

Canada will be the best in the world in sustainable forest management and a global leader in forest sector innovation

Achieving the vision depends upon a network of thousands of individuals, communities, businesses, NGOs, municipalities, and the pro-

vincial, territorial, and federal governments—in short, our entire forest sector—and a commitment to sustainable forest management.

Canada's Commitment to Sustainable Forest Management

Sustainable forest management is the overarching basis for achieving the vision. It blends complex, competing and complementary objectives into a coherent whole by relying on the principles of stewardship, innovation, partnership, and transparency and accessibility to guide traditional and emerging objectives in the ecological, economic, and social spheres.

Well-established ecological objectives include maintaining the variety, quality, and extent of our forest ecosystems; protecting, maintaining, and restoring species at risk; conserving genetic diversity; conserving soil and water resources; maintaining global ecosystem functions; and enhancing the stability, resilience, and rates of biological production in forest ecosystems. Emerging ecological objectives will increasingly emphasize managing

carbon cycles and adopting forest protection strategies.

The economic objectives include sustaining the rural communities that depend upon forest resources for their livelihoods; and encouraging innovation and investment in the ideas, processes, and products that transform our forest resources into wealth and well-being. Considerable innovation is expected to occur with respect to economic objectives over the next decade, including a new emphasis on renewable energy resources, the development of a bioeconomy, and new market mechanisms for ecosystem goods and services.

One of the most notable trends in the evolution of Canada's forest strategies over the past 27 years has been the expansion of their scope to include a much broader array of social values. Increasing



the resilience of forest-reliant communities in the face of impending changes in our biophysical, economic, and cultural systems remains a priority. One thing seems certain: the rate of change that our children will encounter will be greater than what we have experienced. Enabling conditions to facilitate rural and Aboriginal capacity building should be pursued. This will provide for their meaningful

Translating the Concepts into Action

The concept of sustainable forest management is straightforward but the synergies required to advance it are complex. Each component—healthy forests, vibrant forest communities, and profitable forest-based businesses—depends upon the others.

Because the vast majority of Canada's forests are held in trust for the people by the provincial, territorial, and federal governments, it is the responsibility of these governments to establish policies and plans for the sustainable management of Canada's forests. Most provincial governments issue licenses that give private companies the right to harvest wood from public lands in return for the companies paying a fee (dues) for harvested wood and the provision of economic development in nearby communities.

participation in transparent decision processes to accommodate this accelerating rate of change.

The vast majority of Canadians live in urban and suburban settings. Because urban forests contribute to air quality and help conserve energy, city and community forestry programs are increasingly important components of sustainable development strategies.

Much of the forest management that occurs on these lands is carried out by the companies themselves or their contractors, with oversight from public agencies. Some jurisdictions are however implementing new approaches to give regional authorities new responsibilities for managing the public forest, therefore moving away from this traditional approach.

Implementing sustainable forest management on the approximately six percent of Canada's forests owned by private woodlot owners, forest industries, communities, and Aboriginal peoples requires the stewardship of the owners, working within a framework of governmental regulation and incentives.

In addition to the activities of governments, businesses, and private landowners, achieving the vision

depends on the contributions of many other players, such as professional associations, colleges and universities, forest researchers, and nongovernmental organizations. Each group plays an important part in advancing the necessary know-

ledge, innovations, and values. The interactions of all of those actors and their diverse approaches to sustainable forest management strengthen our collective ability to achieve the vision.

Two Priorities of National Importance

Within the context of sustainable forest management, this forest vision identifies two priorities that deserve particular focus: transforming the forest sector, and mitigating and adapting to climate change. Forest sector transformation requires innovative ideas for spanning the boundaries among ecological, economic, and social objectives. Similarly, climate change has the potential to affect every aspect of our forests, from ecosystem dynamics to community resilience.

The two priorities were selected based on public responses to the 2007 Discussion Paper and continuing discussions with interested parties. Both require multidisciplinary approaches and provide abundant opportunities for reasoned action by all concerned with the sustainable management of Canada's forests. The complexity and diversity of the forest sector are essential components of its resilience. Indeed, it is the diversity of actors that nurtures the innovation required to achieve our vision and address the two priorities.

Transforming the Forest Sector

Much of the current discussion about forest sector transformation begins with a set of difficult problems that confront Canada's traditional forest industries—pulp and paper manufacturing and sawn lumber and panel production—and that require innovative solutions. The immediate issues are the declining competitiveness of many Canadian pulp and paper mills in a global market, a severe decline in

demand and falling prices for softwood lumber and panels used in new home construction, and changes in the relative value of the U.S. and Canadian dollars.

For most of the 19th and 20th centuries, the competitive advantage of Canada's traditional wood products industry was rooted in the abundance of its wood supply and a growing North American appetite



for exported forest products. Mills were established near forests, and lumber and paper were shipped long distances to markets.

New technologies now allow global firms to plant rapidly growing forests and build modern mills close to markets in developing economies, where demand growth is greatest. These new facilities benefit from lower labour costs,

cheaper wood, and less stringent regulatory requirements. In comparison, return on investment among Canadian forest products firms is low, and many older Canadian mills have closed. This is causing the loss of thousands of jobs, many in rural communities dominated by a single employer. Investments to reduce costs and increase efficiency in commodity paper and lumber production can slow this trend, but they cannot stop it.

Transforming the forest sector involves much more than reinventing the wood products business. It means encouraging innovation and creating value in new ideas, products, and processes. It requires strengthening the relationships among members of the forest sector and between the forest sector and other parts of our economy and society. It demands investing in research and development, not only in production efficiency, but also in

basic and applied science to develop new technologies, products, services, and markets. It means making linkages among the well-insulated "silos" of forest policy, education policy, energy policy, and labour and training policy to solve complex challenges that cut across our economy, cultures, and ecosystems. It requires fresh approaches to resolving resource allocation conflicts. It includes a renewed emphasis on identifying the forest plants and other organisms that enhance human health and well-being.

Forest sector transformation will effect the development of a renewable bioeconomy in which Canadians develop new markets that capture the value of ecosystem goods and services like biodiversity, air quality, and water purification. A critical part of this transition will be improving access to education and technical training. Even as employment in the traditional forest sector declines, a transformed forest sector embracing the bioeconomy must recruit and retain workers with the skills necessary for operating sophisticated processes.

Canadian forests can be the source of non-timber forest products and bioproducts like fibres, plastics, adhesives, bioinsecticides, antibiotics, plant-derived pharmaceuticals, nutraceuticals, biochemicals, and

industrial microbial enzymes. Forest wastes, such as sawdust, pulping liquors, paper mill sludge, and harvesting and processing residues, can be converted into alternative fuels and value-added products, including ethanol, artificial flavours, and fertilizers. Forest products like energy, biofuels, and industrial products can reduce our dependence on fossil fuels and cut net emissions of greenhouse gases. As other sectors of the economy embrace the principles of sustainability and we begin transition, Canada's

forest industries can create additional value.

The intersection of one of Canada's largest natural resource with Canadians' imagination and ingenuity will sustain its communities and economy and create a forest sector that leads the world in developing innovative technologies and processes for creating value from the forest.

To focus attention on transforming the forest sector, *A Vision for Canada's Forests: 2008 and Beyond* proposes the following:

Goal: *A prosperous and sustainable future for Canada's forest sector.*

Objective:

- *To develop and strengthen a culture of innovation in Canada's forest sector by:*
 - systematically engaging universities and other science and technology organizations in collaborative research, and encouraging public and private investment in research and development of new products, processes, and ideas;
 - broadening the traditional scope of forest sector innovation to include people, relationships, policy and institutions;
 - encouraging improved networks for information sharing and technology transfer, and to facilitate the application of knowledge;
 - facilitating improved access to education and technical training to create a workforce well matched to knowledge-based forest industries;
 - encouraging the engagement of nontraditional sectors such as energy, biochemicals, and pharmaceuticals with the forest sector;
 - encouraging Aboriginal peoples' participation and innovation in the forest sector;
 - encouraging recruitment and retention of students in Canada's forestry schools to provide professional managers for multiple resource values.

Mitigating and Adapting to Climate Change

Reports from the Intergovernmental Panel on Climate Change and the

Canadian research community clearly identify the potential effects



of a warming climate on Canada's forests and forest communities. Like forest sector transformation, the response to the effects of climate change necessitates cooperation and collaboration among all who have an interest in Canada's forests. From a strategic perspective, we must now include consideration of climate change in all aspects of sustainable forest management.

A warming climate will affect Canada's forest regions in different ways. Broadly speaking, large-scale fires in western and northern forests are likely to increase. Earlier snowmelt of Western watersheds will likely affect late-season stream flows. Forest insect populations that have been limited in their distribution by cold winter temperatures now seem more likely to spread. Forests in Atlantic Canada may be affected by warmer and wetter conditions and more frequent ice storms.

The effects are not limited to the forest itself. Canada's forest-dependent communities, forest industries, and forest managers and planners must begin adapting to these changes now. Governments, industries, and communities are taking steps to reduce greenhouse gas emissions in an attempt to improve air quality. While these mitigation efforts are being implemented, the climate will con-

tinue to change and require adaptation strategies that reduce our vulnerability and take advantage of new opportunities that may present themselves.

Sustainable forest management can address several climate change challenges and simultaneously create opportunities for the forest sector. Some of our forests can be "sinks," offsetting greenhouse gas emissions by capturing carbon dioxide. Sustainable forest management can increase carbon storage, as well as reduce carbon release from trees lost to fire and insects. The forest sector can promote the advantages of renewable forest products. Life-cycle analyses—determining the environmental footprint of a product from resource extraction to its final disposal—demonstrate the advantages of using wood products from sustainably managed forests over nonrenewable, energy-intensive products such as steel and concrete.

To adapt to climate change, communities need access to information and knowledge, the ability to share best practices, and a heightened sense of which aspects of the community are most vulnerable to change. Communities will have a large role in strengthening cooperation and coordination for local and regional climate change as-

assessments and adaptation strategies.

To promote the role of forests in climate change mitigation and ad-

aptation, *A Vision for Canada's Forests: 2008 and Beyond* proposes the following:

Goal: Canada will be a world leader in innovative policies and actions to mitigate and adapt to the impacts of climate change on its forests

Objectives:

- To identify and address knowledge gaps associated with mitigating and adapting to climate change by:
 - Championing research on forest tree species adaptation and vulnerability to climate change;
 - Assessing vulnerability and knowledge gaps for forest ecosystems and the forest sector; and,
- To facilitate the application of innovative forest practices needed to adapt to climate change by:
 - Developing, enhancing and/or promoting mechanisms for sharing knowledge about innovative adaptation practices;
 - Promoting opportunities to share best practices for forest adaptation; and
 - Developing a collaborative strategy on forest adaptation.
- To strengthen research on climate change adaptation and mitigation and to use the findings to inform policies and practices that reduce vulnerability and capitalize on opportunities by:
 - Systematically overcoming science and policy silos;
 - Developing tools and methodologies for forest climate change assessment, adaptation and mitigation;
 - Developing capacity for climate change research, policy development and operations; and
 - Expanding capacity to interpret research and communicate in an accessible manner relevant findings.

Towards the Vision

The process of developing this vision for Canada's forests is being led by CCFM, but to be effective it must be embraced by the entire forest sector. Forest products companies, Aboriginal peoples, private woodland owners, forest communi-

ties, professional associations, governments, researchers and educators, the environmental community, non traditional partners (e.g. energy, chemical, and pharmaceutical sectors), and the public have critical roles to play in achiev-



ing sustainable forest management in Canada. CCFM invites and encourages the constructive, voluntary

Roles and Responsibilities

For its part, CCFM, together and through its member jurisdictions, will undertake the following to further the process.

First and foremost, CCFM will champion the vision by developing greater public awareness of this document, its goals and objectives and by communicating progress on advancing sustainable forest management in Canada. It will also ensure that its own initiatives and strategies (including the National Forest Pest Strategy, the Canadian Wildland Fire Strategy, and the Criteria and Indicators of Sustainable Forest Management) are coordinated to efficiently facilitate sustainable forest management. Other responsibilities include the coordination of efforts with other ministerial councils (e.g., the Canadian Council of Ministers of the Environment) on cross-cutting issues, such as biodiversity and climate change, and the provision of accessible, accurate information on Canada's forests, on a continuous basis.

Individual jurisdictions will act within the context of their own circumstances to promote sustainable

involvement of all interested individuals and groups.

forest management by developing and implementing innovative policies, programs, and practices to encourage forest sector transformation and climate change mitigation and adaptation.

Jurisdictions across Canada offer many opportunities for the public to participate in sustainable forest management. Examples include advisory committees on forest practices and individual Crown licenses, land-use planning processes, and provincial and territorial task forces on special issues.

In addition to government-sponsored opportunities to participate, forest companies, contractors, professional associations, Aboriginal peoples, woodlot owners, environmental non-government organizations and citizens can advance sustainable forest management programs and policies sponsored by community groups, the business community, environmental organizations, Model Forests, professional associations, and recreational interest groups. Indeed, this vision relies upon Canada's diversity of voices and venues

to accomplish its goals and objectives.

Assessing and Communicating Progress

Achieving our vision and goals and implementing our objectives require communicating progress continuously to the national forest sector and the international community. CCFM will use existing mechanisms such as the national report on CCFM's C&I Framework and State of Forest Reports to communicate progress to both national and international audiences. CCFM also intends to make updates available via the Internet, to which most Canadians now have access. All inter-

ested groups and individuals are encouraged to visit the websites of CCFM (<http://www.ccfm.org/>) and fellow forest sector members.

A variety of venues may also be used to create awareness of the vision and to communicate progress. They may include features in local, national and specialized media, events and conferences organized by professional associations, non-governmental organizations, and universities with both traditional and non-traditional forest partners.

Conclusion

This is a time of change and opportunity for Canada's forests and forest sector. Structural changes and global climate change present unprecedented opportunities for innovation. Canada's forests have never been more important than they are today. They hold potential solutions to the challenges of securing renewable energy resources, climate change strategies, and sustainable profitability for our forest enterprises and vibrant rural communities.

Attaining the vision depends on the collaborative actions of all the people and organizations that create value and seek wealth and well-being in our forests. CCFM is lead-

ing the development of this vision and championing its goals and objectives, but it relies upon the ideas, values, and actions of all concerned Canadians to achieve the opportunities that lie within our grasp.