

Canada's Forest Strategy for 2008 and Beyond

a discussion paper



Canadian Council
of Forest
Ministers



Conseil canadien
des ministres
des forêts



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Abstract

Canada is blessed with an immense forest endowment—a natural resource that is important to Canadians and to the world. At the same time, our forests, forest-based communities including aboriginal communities, and forest industries face important challenges from globalizing markets, a warming climate, changing demographics, dynamic international relations and evolving institutions. As a consequence, Canada's forests, forest industries and forest-dependent communities are experiencing profound changes. Embracing change is the key to the future; governments, industry and communities must innovate, adapt, and turn the challenges into opportunities.

This discussion paper offers topics for consideration by interested parties as the Canadian Council of Forest Ministers (CCFM) leads the development of Canada's forest strategy for the period beyond 2008. This paper sets out what the CCFM proposes as the vision and principles of sustainable forest management (SFM) in Canada. The strategy will focus on topics that CCFM has identified as current and future national priorities, with goals and objectives identified for key areas. Interested parties, including governments and national-level aboriginal groups, industry, universities, a variety of non-government organizations, and the public, are encouraged to provide input and advice to the CCFM concerning the areas considered in this paper.

The discussion paper invites feedback from interested parties through a series of questions set out in the text. This input will help inform CCFM and its member jurisdictions in the design and implementation of the next forest strategy. Since the 1980s Canada has developed a series of national forest strategies¹. The intent of the next strategy will be to achieve greater focus on priorities of national importance. For clearer accountability, the new strategy will be implemented by CCFM and its member jurisdictions. Additional implementation mechanisms involving interested parties may be developed, based on feedback received through the strategy development process.

¹ These strategies are A Forest Sector Strategy for Canada: Discussion Paper, 1981–1987; A National Forest Sector Strategy for Canada (1987–1992); National Forest Strategy (1992–1998) – Sustainable Forests: A Canadian Commitment; National Forest Strategy (1998–2003) – Sustainable Forests: A Canadian Commitment; National Forest Strategy (2003–2008) – The Canadian Commitment.





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I. Introduction

Canada's forests sustain our communities and economy, and are a dynamic part of our environment. From the Atlantic to the Pacific, from the southern tip of Ontario to the Mackenzie River valley, forests cover more than 40 percent of our territory. They support more than 350 communities, fuel a multibillion-dollar economy, filter 20 percent of the world's fresh water, and provide habitat for more than 140,000 species of plants, animals and microorganisms.

Canadians are justifiably proud of their record of forest stewardship and international leadership in forest conservation and management. Since the 1980s, Canada has developed a series of national forest strategies, which have evolved in light of changing values, new scientific knowledge, evolving challenges and public participation. The world is an increasingly competitive and complex place. The expectations of individuals and markets have grown dramatically. The forest is not just an economic engine; Canadians and the world expect us to manage our forest resources in ways that meet the highest standards of social and environmental responsibility.

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 UN Framework Convention on Climate Change and the Convention on Biological Diversity which are legally binding instruments affecting forest policy in Canada.

The Canadian Council of Forest Ministers' (CCFM) Framework of Criteria and Indicators (C&I) represents an important step in monitoring progress towards sustainable forest management and meeting international commitments. The 2005 C&I report, based on the 2003 revision of the Framework, underscores





Canada's continued commitment to sustainable forest management. Regular reports such as the 2005 C&I report, based on this Framework, improve our ability to assess progress toward that goal.

The natural resource management environment is complex. To be effective, resource management must address cross-sectoral issues, including economic and trade policy, the environment, cumulative impacts of development, aboriginal rights and treaties, energy policy and transportation policy. In addition, constitutional prescriptions that

define the responsibilities of governments in resource management must be respected at all times.

The CCFM, on behalf of all Canadians, is trustee of Canada's National Forest Strategy and it is planning to follow through with this role in leading the process of developing a new forest strategy for Canada. This has been the traditional role of CCFM in the development of four of the previous national forest strategies.

The CCFM's overall objective for the next forest strategy is to provide a vision for Canada's forests, define national-level priorities, and integrate initiatives concerned with sustainable forest management that are in line with priority issues. Canada needs such a strategy to provide a framework for defining its overall forest interests and communicating its intentions and progress toward forest sustainability. The strategy will complement various forest strategies of individual jurisdictions. Further, it provides a mechanism for intergovernmental and interested party engagement in priority areas.

II. Purpose of the discussion paper

This paper is a vehicle for CCFM to engage interested parties in a discussion about Canada's next forest strategy. It sets out what CCFM views as the vision and principles of sustainable forest management in Canada, as well as identifies some key issues of current and future national importance. It describes some of these important issues confronting Canadians and their forests, and poses questions designed to elicit constructive responses from interested parties. The paper reflects a vision for Canada's forests and reviews principles being proposed by CCFM. It also outlines priority issues and brief descriptions of initiatives undertaken by CCFM and Canada's forest community. Canadians are invited to review this paper and respond to CCFM. Open and transparent engagement with national level groups will be achieved through a process that allows our many interests to work together.





CCFM will involve interested parties in developing Canada's next forest strategy through this discussion paper and subsequent review of the draft strategy prior to approval. CCFM will invite direct advice and feedback to the discussion paper from national groups. The discussion paper will also be published on-line to enable broader access for a wider range of interested parties who may be less engaged at the national level. Interested party review of the draft strategy, which will include a national workshop, will be undertaken in the spring of 2008. The CCFM will also meet with interested parties in bilateral meetings throughout the process.



Interested party participation will help inform CCFM and its member jurisdictions in the design and implementation of the next forest strategy. Past strategies took a broad and all-encompassing approach. The intent of the next strategy will be to achieve greater focus on national priorities. For clear accountability, the new strategy will be implemented by CCFM and its member jurisdictions. Additional implementation mechanisms involving interested parties may be developed based on feedback received through the strategy development process.



III. The Context for Sustainable Forest Management in Canada

Canada's forest is 94 percent publicly owned. Approximately six percent is privately owned, including large operators and over 425,000 family owned woodlots. Provincial constitutional authority over natural resources originates in section 92 of the *Constitution Act, 1867*, which gives provinces authority over the management and sale of the provincial lands including the "timber and wood thereon." The Constitution of Canada provides the provinces with the authority to make laws relating to the "development, conservation and management of forestry resources," including "laws in relation to the rate of primary production." These powers also include the ability to set stumpage fees and regulate exports to other areas in

Canada. Every province has developed its own legislation, regulations, standards and programs for allocating harvesting rights and management responsibilities in its public forests. In the Northwest Territories, the responsibility for





management of forests and wildlife has been transferred from the federal government to the territorial government.

The federal government is responsible for external affairs, such as trade, commerce, treaties and conventions related to forests and forest products. As such, the federal government has a clear mandate to promote trade of Canadian forest products and to monitor the implementation of international trade regulations. The trans-boundary nature of our forests also provides for a federal role in science and technology and forest research, focusing on strategic issues that require long-term studies. The federal government develops and articulates national forest policies, develops knowledge, tools, and technologies to manage Canada's forests sustainably and provides strategic advice to Canada's forest sector. The federal

and provincial governments share responsibility for monitoring and reporting on the state of Canadian forests and forestry practices as it affects public and international debates.

Aboriginal and treaty rights are constitutionally recognized and affirmed under section 35 of the *Constitution Act*, 1982. Aboriginal rights refer to practices, traditions and customs practised prior to European contact that distinguish the unique culture of aboriginal people. Treaty rights refer to rights that are set out and defined in a specific treaty. Canadian courts have recognized and affirmed that aboriginal and treaty rights are part of Canadian law. All jurisdictions recognize that the Crown has a duty to consult with aboriginal people where its actions may adversely affect an established or asserted aboriginal or treaty right, and that Canadian courts continue to clarify the nature of this duty. The government's duty to consult with aboriginal people is grounded in the honour of the Crown.

IV. CCFM's Leadership Role in Strategy Development and Implementation

The CCFM is comprised of all federal, provincial and territorial ministers responsible for forests. Established in 1985, it provides a forum where governments work co-operatively to address areas of common interest. The CCFM stimulates the development of policies and initiatives to strengthen the forest sector. It provides leadership, addresses national and international issues, and sets the overall direction for the stewardship and sustainable management of Canada's forests.





Collectively, the governments are responsible for protecting forest values as a national asset and for facilitating a flow of goods and services to Canadians from their forests. The Council:

- Promotes cooperation among governments on forestry and forestry-related issues of common interest and of intergovernmental or international significance;
- Fosters cooperation to develop and maintain the scientific information required to support forest management decision making;
- Demonstrates international leadership on sustainable forest management;
- Promotes sustainable forest management in Canada;
- Cooperates with other ministerial councils to address interrelated issues;
- Shares information on issues affecting the forest sector; and
- Provides a framework for signing and implementing agreements on specific topics or issues of interest.

The current National Forest Strategy Coalition has a mandate to oversee and report on implementation of the 2003–2008 strategy. Its mandate ends in 2008. The CCFM recognizes the value of the Coalition and its unique position as the only national multi-stakeholder group in Canada concerned with forest issues. The CCFM is working with the current Coalition to evaluate and learn from the implementation of the 2003–2008 strategy.

V. Vision and Principles

The strategy will set out what the CCFM views as the vision and principles of SFM in Canada for the future, as well as the goals and objectives related in particular to those issues CCFM sees as being of current and future national importance. The vision and principles will be influenced through the engagement of interested parties in the development of the strategy. This strategy will be reviewed periodically as appropriate, to reflect changing circumstances. The strategy will include a mechanism for collaboration between governments and interested parties in priority areas set by CCFM. The intent of the next strategy will be to achieve greater focus on topics of national importance. The CCFM will focus on priorities consistent with its members' responsibilities and mandate, while respecting and supporting initiatives being undertaken by other organizations.





The CCFM is proposing the following vision for Canada's forests:

Canada's forests will be maintained and enhanced, for the social, cultural, environmental and economic well being of all Canadians, now and in the future.

CCFM proposes the following principles for Canada's forest strategy:

- The sound stewardship of all forest lands contributes to a broad range of benefits, which further contributes to the quality of life of all Canadians.
- Competitiveness and innovation provide the basis for a dynamic, progressive forest industry and must be continuously pursued to ensure Canada maintains its place in the domestic and international marketplace.
- Comprehensive and current information about the state of the forest, the forest industry, and the social and economic well-being of all who live and work in the forest environment must be publicly available.
- Social responsibility towards other global partners in encouraging and building systems of SFM must be continuously promoted and encouraged.

Questions:

The vision in the 2003–2008 Canada Forest Accord states:

The long-term health of Canada's forest will be maintained and enhanced, for the benefit of all living things, and for the social, cultural, environmental and economic well-being of all Canadians, now and in the future.

- *Do you prefer the new proposed vision or the current vision? Why?*
- *Are the principles presented here valid? If not, how should they be changed?*

VI. Issues

Many external forces are shaping the physical environment, and the economic and political context of forests on a global scale. Of immediate concern are nine areas that impact the sustainable management of Canada's forests, described in more detail in Appendix A, and that CCFM has identified as important issues for consideration in the development of the next strategy. These are presented, in no order of priority:

- Forest industry competitiveness and the related bio-economy;
- Forest health and management of insects, diseases and fires;
- Sustainability and resilience of aboriginal and non-aboriginal forest communities;



- Climate change mitigation and adaptation;
- Biodiversity and natural cycles;
- Canada's international interests and obligations;
- Information and knowledge about Canada's forests and related industries, communities and environments;
- Canada's boreal forests; and
- Institutional change such as the emergence of third-party certification schemes, tenure reform and the impact of other resource management sectors on forests.

Reviewers are encouraged to respond to the more detailed questions on these issues in Appendix A.

Questions:

- *Are there other issues CCFM should be considering in formulating Canada's next forest strategy?*
- *What should be the top five priority issues?*



VII. Goals and Objectives

Subsequent to feedback and input from interested parties in response to this discussion paper, CCFM intends to propose national-level goals and objectives, focusing on key priority areas and informed in large part by its Criteria and Indicator Framework as summarized in



Appendix B. Interested parties will have the opportunity to provide further input and feedback as part of the review of the draft strategy in early 2008.

Federal, Provincial and Territorial governments are responsible for development and implementation of policies and actions that foster sustainable forest management within their respective jurisdiction. Each of these governments have developed processes for public, aboriginal and other stakeholder involvement in natural resources management that are separate from this forest strategy process. The engagement of public, aboriginal and other stakeholders, as it relates to forest policy and management within jurisdictions, is also undertaken directly with affected governments in processes separate from this one.

In consideration of the above, the CCFM does not envision a list of implementation actions in the next forest strategy. Instead, individual jurisdictions and interested parties will determine the appropriate actions to



implement the strategy, taking into account their specific circumstances. The CCFM will use existing reporting mechanisms, such as its Criteria and Indicators Framework and various state of the forest reporting processes, to provide meaningful reporting and evaluation of progress.

Question:

- *Relative to the Vision and Principles described above, what goals and objectives should be part of the next strategy?*
- *What are your thoughts on the proposed implementation approach?*

VIII. Engagement With Interested Parties

CCFM and member jurisdictions will be responsible for the strategy and will engage interested parties in its design and implementation as appropriate. Parties to be engaged during the process will include governments and national-level aboriginal groups, industry, universities, a variety of non-government organizations and the public. As well, CCFM is seeking advice and feedback from all interested parties on this discussion paper. Over the course of 2007 and 2008, CCFM will use a variety of mechanisms, including workshops, written comments and face-to-face meetings, to gather feedback on this discussion paper and the subsequent development of Canada's next forest strategy. An overview and timeline of the proposed process are provided in Table 1.

Table 1. Process for Involving Interested Parties

Item	Description	Timing
Process initiation	CCFM announced its intention to lead the development of the next forest strategy at the close of its annual meeting in October 2006.	October 2006
Discussion paper	Discussion paper published to stimulate and focus discussions on Canada's next forest strategy. Comments on the discussion paper are gathered via the Internet and regular mail. Forty-five (45) day review period.	June - July 2007
Evaluation and reports	The findings from the final evaluation of the current National Forest Strategy (2003-2008) and other reporting documents (e.g., CCFM C&I report) are considered in the finalization of the new strategy.	Fall 2007



Item	Description	Timing
Report on what was heard	Report on feedback and comments on the discussion paper to inform a workshop with interested parties to discuss the content of the draft strategy.	January 2008 – March 2008
Publication and review of draft strategy	The draft strategy includes a broad understanding of roles, responsibilities and expectations early in the process. Workshops and meetings with interested parties will be held to review the draft strategy in terms of priorities, measurability, accountability and feasibility. The draft strategy will be posted on the Internet and distributed for comment by the public and aboriginal groups to ensure that key perspectives are addressed in preparation for its approval. Forty five- (45) day review period.	January 2008 – March 2008
Preparation of the final strategy	A second report on what was heard concerning the draft strategy will be published, and a final draft of the next Strategy will be prepared for consideration by CCFM Ministers.	April – May 2008
Strategy release	Ministers will announce the new strategy and officially authorize its release at their annual meeting in the fall of 2008.	June – July 2008

Questions:

- Do you agree with the proposed process and timelines? If not, why not?
- What should be the role of interested parties in addressing forest issues in Canada?



IX. Reporting and Evaluation

Reporting and evaluation of the implementation of the forest strategy will be co-ordinated and integrated with existing mechanisms, such as state of the forest reporting and periodic criteria and indicators national status reports. In addition to reporting and evaluation by governments, many forest products firms participate in



third-party forest certification schemes managed through independent auditors using frameworks developed by groups such as the Canadian Standards Association, the Forest Stewardship Council, the Sustainable Forestry Initiative and others. In addition, a number of non-governmental organizations have published independent assessments of Canada's forests. CCFM will seek opportunities for strategic partnerships and participation from interested parties in public reporting on forest management at the national level.

Question:

- *Do you agree with using existing reporting mechanisms (for example state of the forest reports and criteria and indicator national status reports) for monitoring progress on the implementation of SFM? If not, why not?*

X. Summary

This discussion paper outlines the CCFM proposal for the content and process for development of Canada's next forest strategy, and summarizes many of the issues that may need to be considered. It is impossible to provide a complete summary of all issues in this abbreviated format. Detailed descriptions of CCFM's many programs can be found at http://www.ccfm.org/index_e.php. Our purpose here is to pose questions that will prompt discussion among interested parties and governments. There will be other opportunities for engagement and public involvement as CCFM shapes the new strategy. We look forward to your questions and comments and a continuing spirit of cooperation as we continue our journey toward forest sustainability.

XI. Contact Information

Please submit comments and feedback on the discussion paper to:

Canadian Council of Forest Ministers
2008 Forest Strategy Task Force
580 Booth Street, Ottawa, Ontario, K1A 0E4
Fax: (613) 947-9033
E-mail: 2008strategy@ccfm.org

Reviewers can also submit their comments and feedback to the Forest Strategy section of the CCFM website at <http://www.ccfm.org/>.





Appendix A. Potential Issues Being Considered

The CCFM has identified the following issues as priorities. Some fall within the scope of the CCFM. Others, such as climate change and biodiversity, go beyond its mandate and rely upon the co-operation of many agencies and jurisdictions. Reviewers are invited to provide comments to CCFM on its interpretation of the issues.

1. *Forest industry competitiveness*

In 2007, Canada's forest products industry directly employs more than 375,000 workers. Sales of timber products are valued at \$77 billion, and the forest industry accounts for 2.9 percent of Canada's gross domestic product. Almost 80 percent of finished wood products are destined for export. Now, Canada's forest products industry and resource-dependent communities face a challenging period of restructuring and rationalization as changing global markets drive new demand, investment and production strategies. This period of adjustment provides an opportunity for Canada's forest industry to renew and eventually regain momentum, but the transition will be challenging for many workers and communities.

Canada's forest industry will only survive as long as it continues to demonstrate its capacity to evolve and adapt to a continuously changing context. More emphasis must be put on what differentiates Canada from other countries with similar and abundant forests. Since Canada's natural endowments no longer suffice to secure the industry's comparative advantage, a new forest industry model must emerge that reflects Canada's other strengths, including:

- A collective determination to anticipate and embrace change;
- A strong track record in sound forest management;
- A commitment to high environmental and social standards;
- Talented people and an advanced skilled workforce; and
- Solid innovation systems and the creative energy to produce high-value products that meet current and future market demands, while respecting other values, uses and services.

Despite declines in overall employment, it is anticipated that there will be opportunities for new workers. An aging workforce means the forest sector needs to recruit, train and retain skilled workers in all segments of the industry. Many firms and some provincial governments express concern about recruiting forest scientists, foresters, forestry technicians and skilled operators for processing wood products because many workers are approaching retirement.

Rapidly increasing energy prices provide both challenges and opportunities for the industry. Transportation and electricity costs have increased dramatically in some regions of Canada. Some companies may be able to generate electricity from mill wastes and forest biomass, but increased competition for these products may disrupt existing supply chain relationships for chips and mill wastes.



Forest biomass has potential as a carbon-neutral fuel for electricity generation and other purposes. Technologies for generating electricity from wood are well developed, but more widespread adoption awaits changes in prices and policy. Other bioproducts such as bioplastics, pharmaceuticals and liquid fuels including ethanol can be derived from forest fibre. In the medium- to long-term, there may be opportunities for converting some pulp and paper mills into bio-refineries that produce renewable energy products and valuable industrial chemicals.

Non-timber forest products (NTFP) include many botanical and other products generated directly or indirectly from organisms living in forest ecosystems. The NTFP sector has supported the traditional aboriginal lifestyle for thousands of years and has provided supplemental income and seasonal employment for rural communities with limited economic opportunities. NTFP harvesting has grown from a marginal industry to a significant sector contributing as much as \$1 billion to the Canadian economy.

Canada has everything it needs to remain a leader in the global forest sector. It has a regulatory framework of sound environmental standards, a supply of high-quality fibre, market access, a stable economic and policy climate, efficient capital markets, a highly skilled labour force and a commitment to forest-related research.

Current initiatives on forest industry competitiveness

Canadian governments are currently engaged in a dialogue on the future of the forest sector with forest industry companies, aboriginal communities, forest-dependent communities, unions, NGOs and other governments and agencies. CCFM is undertaking the initial steps of a response by:

- Promoting innovation in the forest sector through research and development, human capital development, enhancing industry data quality, and developing value-added market intelligence;
- Addressing business, policy, and organizational barriers to new market development.
- Assessing the overall investment climate;
- Promoting initiatives to maintain and grow Canada's current position in international markets; and
- Assisting jurisdictions in promoting sector competitiveness issues and opportunities to respective governments.

Question:

- *Are there other elements that CCFM should consider in terms of forest industry competitiveness?*





2. Forest health

Forests have always been subject to fire and insect and disease infestation. Indeed, these processes are essential in the cyclical creative destruction and renewal of the forest. In recent years, however, the scope and intensity of these disturbances have changed because of two important factors. First, climate change—and in particular warming temperatures—is affecting the factors that previously limited fire and the range of some pests and controlled rates of spread. Second, increasing international trade has introduced exotic insects and diseases that threaten native species.

Canada's National Forest Pest Strategy, still in development, will foster a collaborative approach to forest pest problems among federal, provincial and territorial agencies. The strategy builds upon the National Invasive Alien Species Strategy and develops responses to pest problems that:

- Are based upon a common risk analysis framework to facilitate a rational, accountable and coordinated national response;
- Take stock of the response capacity among jurisdictions and partners with a view to integrating collective capacity and skills;
- Foster a "horizontal" perspective to pest management issues at the ecosystem level and across landscapes; and
- Describe opportunities for strategic partnerships and stakeholder participation.

The Canadian Wildland Fire Strategy (CWFS) introduces a new approach that seeks to balance the social, ecological, and economic aspects of wildland fire. It addresses the causes and symptoms of wildland fire through a comprehensive, integrated set of risk management activities—hazard mitigation, preparedness, response and suppression, and recovery.

CCFM has agreed on an action plan for renewing wildland fire management and protection in Canada. Recent success in dealing with wildland fires is due to co-operation among governments in research, development, expertise and resources.

Question:

- *Given that climate change is addressed under section 4, are there other forest health priorities that CCFM and governments should address in Canada's forest strategy?*





3. Social stability and resilience

Forest Dependent Communities

Forest-based communities, labour, forestry businesses, citizens and governments receive significant shares of the wealth derived from Canada's forests. Across Canada, 337 communities derive more than one-half of their employment income from the forest products industry. In these resource-dependent communities, a mill is often the major employer, and its workers support the community's other businesses. Direct employment in the forest products sector (solid wood, pulp and paper) is expected to fall from 271,000 in 2005 to 233,000 in 2020. Employment losses in harvesting and transportation will add to job losses at mills, although there may be some offsets in the energy industry.

Many forest-based communities will undergo significant transformations as older, inefficient facilities close. While such economic and social transitions in resource-dependent communities happen with some recurrence, it is important to increase the resilience of these communities so that they can deal with change. Access to new technologies, local leadership development, education and innovation can help them navigate the transitions.

Aboriginal Communities

Canada's forests have long played an integral role in meeting the cultural, spiritual and material needs of aboriginal people in Canada. They contribute to the wealth and well-being of many aboriginal communities.

Currently, aboriginal communities own or control approximately 6 million hectares of forested lands (both on and off reserve) across Canada, which is equivalent to the size of all forested lands in New Brunswick. Forestry is an important economic activity for these communities. According to Statistics Canada 2001 Census data, 13.8% of the total aboriginal workforce was employed in the forest sector (7.7% in logging and forestry, 4.2% in wood industries, and 1.9% in paper and allied products).

Aboriginal people comprise the fastest growing segment of Canada's population. In 2001, they represented 2.9% of the total Canadian workforce. This proportion is expected to increase to 3.6%, over the next ten years, due in part to the expansion of working age aboriginals. In addition, the aboriginal population as a whole is younger than the Canadian average. Governments across Canada recognize that aboriginal people are becoming increasingly important to Canada's labour force, particularly in natural resources sectors.

Governments' relationships with Aboriginal Peoples are evolving with respect to capacity-building, economic development, involvement in natural resources management, benefit sharing and consultation on government decisions. Greater aboriginal participation in the forest sector could benefit Canada's sustainable forest management and help to build stronger aboriginal communities.





Question:

- *Are there other considerations that CCFM and governments should address in terms of social stability and the health and resilience of forest-dependent communities in the next strategy? If so, what are they?*
- *What other areas in terms of aboriginal communities should be addressed in the next strategy?*

4. Climate change

Warmer temperatures and other climatic changes in the higher latitudes reflect changes in the ocean-atmosphere carbon flux. We can expect that climate change will also affect nutrient cycling, biodiversity, hydrologic cycles and disturbance regimes. Our ability to predict outcomes and manage the forest sustainably is made more complicated by these dynamic large-scale patterns.

The longevity and large area of our forests, including wetlands can make them well adapted to long-term positive carbon balance. Forests and associated wetlands absorb and store atmospheric carbon dioxide (CO₂) to produce the carbohydrates they require for growth, and they release CO₂ into the atmosphere through insects and diseases, decay, fires and other processes. Thus Canada's forests and associated wetlands play a critical role in the global carbon cycle. However, altered fire and pest regimes that result from climate change can affect the availability of CO₂ in the atmosphere.

Questions:

- *What other considerations should CCFM and governments concentrate on in terms of the role of forests in addressing climate change?*
- *What other considerations should CCFM address in the forest strategy in terms of risk assessment, mitigation & adaptation?*

5. Forest biodiversity

Our forests are home to an estimated two-thirds of all species found in Canada. Just as having a diversified economic base makes it easier for communities and countries to adapt to global market changes, biological diversity makes it possible for organisms and ecosystems to respond and adapt to environmental change. Biodiversity conservation is a critical element of sustainable forest management. It is also the subject of crosscutting jurisdictional responsibilities in the federal, provincial and territorial governments. Canadian natural resource and environment ministers address forest biodiversity issues that are integral to the CCFM's strategic goals. Following Canada's ratification of the Convention on Biological Diversity in 1992, federal-provincial-territorial ministers established a Biodiversity Working Group. It released the Canadian Biodiversity Strategy in 1995. Species at risk legislation is in effect at the federal and provincial levels.





Current initiatives on biodiversity

In 2000, ministers agreed on four national biodiversity priorities that require collaborative action across sectors and jurisdictions:

- Addressing the threat of invasive alien species;
- Engaging and enabling Canadians through stewardship;
- Developing a biodiversity science agenda for Canada, including a biological information component; and
- Enhancing capacity to report on biodiversity status and trends, including integrated monitoring.

Canada's Stewardship Agenda and the National Invasive Alien Species Strategy are two products of that collaboration. Work continues in the areas of biodiversity science, information and monitoring and reporting on biodiversity status and trends. Other important topics being addressed through multi-sector and interjurisdictional cooperation include access and benefit sharing, species at risk conservation, biodiversity outcomes, and protected areas. CCFM will ensure that its perspective is represented in these and other national-level initiatives bearing on sustainable forest management.

Question:

- *Are there other elements of biodiversity that CCFM and governments should consider in developing and implementing the next Strategy? If so, what are they?*

6. International interests and obligations

Canada plays an important role in international negotiations on a number of forest-related issues, including sustainable forest management, biodiversity, combating deforestation and forest degradation, international trade, economic growth, climate change, land-use change and land conservation. Canada monitors the conditions and policies of its trading partners and takes a keen interest in policies that may provide additional opportunities for new products or restrict exports.

Canada's leadership is demonstrated in a number of international agreements such as UNCED (Forest Principles) and the Montreal Process Criteria and Indicators of Sustainable Forest Management of Temperate and Boreal Forests. Canada is also a signatory to the UN Convention on Biological Diversity and the UN Framework Convention on Climate Change, and has reporting obligations related to each agreement. It is a committed member of several international policy dialogues including the United Nations Forum on Forests, where it is engaged in the implementation of a non-legally binding instrument on forests and the multi-year program of work. Canada is concerned with the environmental performance worldwide and will continue to pursue initiatives to support this issue.





Current initiatives on international forestry

Through its ongoing program, CCFM works to demonstrate Canada's commitment to sustainable forest management and to advance Canada's objectives in terms of international forest policy. It monitors trends and developments, advises governments and conveys CCFM views on international forest policy to the federal government, including agencies, for purposes of formulating international policies on forest issues. As well the CCFM assists in the development of positions on international forest issues.

A key element of CCFM's program on international forestry is to help prevent forest policy-based trade and non-tariff barriers from being established in export markets and to promote Canadian forest policies and programs internationally.

Questions:

- *How should the strategy address Canada's international commitments & obligations?*
- *What is Canada's role globally in terms of the stewardship of its forest?*
- *Are there other elements that CCFM and governments should consider in terms of Canada's international interests in the forest strategy?*
- *To what extent should the strategy address international issues and global challenges and Canada's evolving role?*

7. Forest-related information and knowledge

Furthering sustainable forest management requires a mechanism for evaluating progress. In 1995, CCFM released its initial Framework of Criteria and Indicators for sustainable forest management. The Framework was updated in 2003. In order to support those reporting requirements, CCFM continues to develop a National Forest Information System (NFIS). The data are used to examine important trends and determine policy gaps, support changes in management practice, and determine whether agreed-upon objectives are being met. Based on international standards, NFIS is a web-enabled framework that allows governments and interested parties to easily access forest information.

Experience in using the CCFM C&I Framework indicates that data coverage, currency and frequency vary widely for many indicators. Several important indicators are difficult to measure or have been measured only on a limited basis. Examples include the contribution of unmarketed non-timber forest products and forest-based services, additions and deletions of forest area by cause, and the sustainability of annual harvests of non-timber forest products. In addition to the NFIS, CCFM maintains a National Forest Database Program (<http://nfdp.ccfm.org/>) that provides an easily accessible source of information on forest management.



**Question:**

- *How could the next strategy improve information and knowledge about Canada's forests and SFM practices in Canada?*

8. The boreal region

The boreal forest region covers more than 50 percent of Canada's land mass and contains vast areas of forests, lakes, rivers and wetlands that have not been altered by development. It provides an impressive array of ecological services including nutrient cycling, carbon sequestration, biodiversity protection and watershed conservation. Boreal forests account for about one-half of the timber harvested in Canada and also contain economically important mineral, oil and gas deposits. Since December 2003, Canada's boreal region has attracted much attention from domestic and international non-government organizations (NGOs) and the media. The boreal region is gaining importance as a policy issue. Like forest biodiversity, the boreal forest is a crosscutting issue that requires co-operation among governments, interest groups, aboriginal communities and industrial sectors. Because it spans several jurisdictions and ecozones, a suite of issues about its conservation and management has been identified.

CCFM recognizes the need for governments to be engaged in issues related to the boreal forest and provides leadership where appropriate. CCFM takes a strategic, science-based and analytical approach to address these issues. Within its program and mandate, CCFM provides for:

- Monitoring and analysis of issues and perspectives relative to the boreal region;
- Co-ordination and information sharing among federal, provincial and territorial governments;
- Liaison and co-ordinated communications with stakeholders and groups involved in boreal forest issues; and
- Fostering strategic partnerships and stakeholder participation.

Question:

- *How should the forest strategy address the management and conservation of Canada's boreal forest?*





9. Institutional change

Independent certification of forest management may be one of the most important changes in forestry in the past 50 years. The growing power of consumers to demand “green” products is reshaping some markets and influencing the development and implementation of conservation standards. The rapid growth of the forest certification movement in Canada was partly the result of consumer concerns about forest practices on private and public lands. As government procurement standards and large retailers increasingly specify certified recycled paper and certified forest products, manufacturers must adjust to maintain or increase market share. The environmental community is leveraging market forces and consumer values to achieve its goals. Governments, industry and NGOs now work together across Canada to find solutions that are fair to all interested parties.

An educated, motivated class of citizens is changing traditional decision-making. The influence and participation of citizen, aboriginal and interest groups in forest policy development and implementation has increased dramatically relative to that of government experts and industry. In addition, the impact of other resource management sectors on forest is an increasingly important issue.

Forest land tenure is another issue. In some provinces, most productive Crown forests are allocated to existing industries and uses through long-term licenses and other instruments. This system can create substantial barriers to new investment and competitiveness because fibre cannot easily be re-allocated to innovative uses and new markets. Forest tenure on Crown lands will be an increasingly important topic as the sector responds to forest industry restructuring.

Many private woodlots in eastern Canada are no longer economically viable when considered solely as fibre enterprises and are subject to increasing fragmentation and parcelization as they are developed for other uses. Some industrial freeholds have been sold to real estate investment trusts that have different management objectives than traditional forest industries.

Question:

- What other institutional changes are likely to affect the sustainable management of Canada's forests in the next decade?



**Appendix B. CCFM Framework of Criteria and Indicators**

Criteria	Objectives
<p>1. Biological diversity Biological diversity encompasses organization at levels ranging from complete ecosystems to the chemical structures that are the basis of heredity. Maintenance of the natural range of ecosystems, and the ability of their components to react to external forces and processes, provides the equilibrium required for the maintenance of species diversity. Changes in ecosystems necessarily cause changes in species populations and distribution. Knowing that certain species are vulnerable or threatened may suggest changes in forest management and other measures to restore biological diversity. Maintenance of genetic diversity ensures that species maintain viability through their capacity to evolve and adapt to change.</p>	<p>Maintain the variety, quality and extent of forest ecosystems.</p> <p>Help protect, maintain or restore forest species at risk due to anthropogenic factors through appropriate forest management practices.</p> <p>Conserve genetic diversity within forest species.</p>
<p>2. Ecosystem condition and productivity The sustainable development of forested ecosystems depends on their ability to maintain ecological functions and processes and to perpetuate themselves over the long term. Stability and resilience within a forest ecosystem combine to define ecosystem condition. Productivity refers to the ecosystem's ability to accumulate biomass, which depends on the degree to which nutrients, water and solar energy are absorbed and transferred within the ecosystem. Sustainable productivity within a forest ecosystem is dependent upon the ability of the ecosystem's components and their populations to recover from or adapt to disturbances. While most disturbance and stress events are fundamental to the maintenance of forested ecosystems, others may overwhelm an ecosystem's resilience, alter ecosystem patterns and processes, or detrimentally affect the forest's ecological function. Long-term forest land conversion, major biotic and abiotic stresses, and impairment of forest function due to pollutants, are major factors of disturbance and stress. Ecosystem condition and productivity are closely linked, with improvements in condition often associated with increases in productivity. However, increases in the productivity of species used for timber at the expense of other species may lead to a decline in ecosystem condition.</p>	<p>Maintain and enhance the stability, resilience and rates of biological production in forest ecosystems.</p>





Criteria	Objectives
<p>3. Soil and water Soil and water are essential components of forests, sustaining the functioning and productive capacity of forest ecosystems. Soil conservation ensures maintenance of the living substrate for forest stands. Water conservation is important for the provision of potable water for humans and wildlife and the provision of suitable aquatic environments for plants and animals. The construction of access roads and other forestry practices may impact on the quantity and quality of soil and water in a number of ways. These include soil erosion and compaction, siltation of aquatic habitats, flooding and increased water temperatures. In order to ensure that terrestrial and aquatic ecosystems are maintained in good condition, jurisdictions have enacted policies, guidelines and standards to provide for specific management practices and the protection of sensitive sites. Directly assessing the impacts of forestry practices on soil and water quality and quantity across all of Canada's forests is difficult and expensive. However, indicators of compliance with locally applicable soil disturbance standards and road construction, stream crossing and riparian zone management standards can provide an effective measure, provided the standards are periodically updated and supported by ongoing long-term research and the best available scientific knowledge. Measurements of forest cover removal from watersheds can be used to highlight areas where there may be significant changes in water yield, timing and peak flow.</p>	<p>Maintain and enhance the quantity and quality of forest associated soil and water resources.</p>
<p>4. Role in global ecological cycles Global ecological cycles are a complex of self-regulating processes responsible for recycling the earth's limited supply of water, carbon, nitrogen and other life-sustaining elements. The world's forests are critically dependent upon, and make substantial contributions to, these global processes. This criterion deals with the role of forests and the forest sector in the global carbon cycle. Forest management can have substantial impacts on the role of forests in the carbon cycle. The impact of forest management on the global hydrological cycle is also important, but are dealt with under criterion 3.</p>	<p>Maintain and enhance the role Canadian forests play in regulating global ecological cycles.</p>





Criteria	Objectives
<p>5. Economic and social benefits Forests provide substantial commercial benefits, including timber, non-timber forest products, water and tourism, and significant non-commercial benefits, including wildlife, recreation, aesthetics, and wilderness values. Although not always measurable in monetary terms, all these activities are highly valued by Canadians and provide significant benefits to Canadian society. The distribution of these benefits is a key aspect of social equity. Sustainable forest management requires that forests be managed to provide these goods and services over the long term.</p>	<p>Maintain the flow of economic and social benefits from forests for current and future generations.</p>
<p>6. Society's responsibility The concept of sustainable forest management transcends biological, environmental, and economic considerations. It pertains to society's values, quality of life and the effectiveness with which society has organized itself to ensure that it is managing its relationship with natural resources in a way that is in the best interests of present and future generations. Thus, this criterion addresses the effectiveness of institutions in managing resources in ways that accurately reflect social values, the responsiveness of institutions to change as social values change, how we deal with the special and unique needs of particular cultural and/or socio-economic communities, and the extent to which the allocation of scarce resources can be considered to be fair and balanced.</p>	<p>Ensure forest policy and management in Canada are consistent with legal obligations with respect to aboriginal and treaty rights.</p> <p>Enhance use of aboriginal traditional land use and forest-based ecological knowledge in forest policy and management.</p> <p>Enhance the well-being and resilience of aboriginal and nonaboriginal forest communities.</p> <p>Ensure public, involvement processes in forest policy and management decision-making are fair and effective.</p> <p>Ensure compliance with forest management laws and regulations.</p> <p>Provide a climate conducive to investment in research, quality forest inventories, public access to information and forest management guidelines and standards related to ecological issues.</p>

