

Did You Know?

Noted environmentalist Monte Hummel will chair the steering committee for the landmark Canadian Boreal Forest Agreement, one of the largest conservation agreements worldwide. When fully implemented, it will conserve significant areas of Canada's vast boreal forest and protect threatened woodland caribou while maintaining essential fibre supply for uninterrupted mill operations. Read more on page 2.

WHAT'S UP IN Canada's Forest Sector?

JANUARY 2012

BOREAL AGREEMENT
LEADERSHIP

PROMOTING
CANADIAN WOOD

INNOVATIVE
TECHNOLOGIES



Canada Supports Japanese Reconstruction

The Governments of Canada and British Columbia are each contributing \$2 million for a Canada -Tohoku Reconstruction Project, and Canada's forest industry is donating \$500,000. This is in addition to more than \$40 million in cash and in-kind donations contributed by Canadians and Canadian corporations.

"Japan has been one of our trading partners for well over 100 years, and we value the strong relationship we have, so we're pleased to be able to lend assistance," said Steve Thomson, British Columbia Minister of Forests, Lands and Natural Resource Operations. Canada Wood Group Japan is working with Japanese government officials and local building experts to initiate a request for proposals for the selection of projects.

Companies providing financial assistance are Ainsworth Engineered, Ardeu Wood Products Ltd., AP Group, Canadian Forest Products Ltd., Hampton Affiliates, International Forest Products Ltd., Sinclair Group Forest Products Ltd., Taiga Building Products, Teal Jones Group TimberWest Forest Corp., Western Forest Products Inc. and Interex Forest Products Ltd. representing Carrier Lumber Ltd., Dunkley Lumber Ltd., Millar Western Forest Industries Ltd. and Sundance Forest Industries Ltd.

Xiang'e Primary School in Duijiangyan, China, was destroyed by the 2008 Wenchuan earthquake and rebuilt with seismically stable wood-frame construction through a partnership involving the Canadian wood community.

Photo credits: FII China



Did You Know?

China represents the *fastest-growing export market* for Canadian wood products. There has been a 26-fold increase in exports of wood products to China – to more than *\$834 million in 2010 from \$32 million in 2001.*

Forest Sector Key to Green Economy

The forest industry is well positioned to help green the world's economy, FPAC President and CEO Avrim Lazar said in a presentation in Beijing during Asia-Pacific Forestry Week in November.

He said rising incomes in emerging countries such as China and India will place growing demands on the world's resources. A key solution is to replace finite resources with renewable forest products from countries such as Canada that have done so much to improve their environmental performance.

"There is great potential both for new products such as bioenergy, biochemicals and fibre composites, and for conventional wood, paper and packaging products," Lazar said. "The forest sector will need to develop a clear vision and build innovative research partnerships that show how it can meet major societal concerns under a green economy." A video of the speech is posted at <http://www.fpac.ca/index.php/en/speeches/>.

Leadership Named for Boreal Agreement

Noted environmentalist Monte Hummel was named chairman of the steering committee for the landmark Canadian Boreal Forest Agreement, and Andrew Bevan has become the first full-time Executive Director.

The agreement, signed in May 2010, brought together nine conservation groups and 21 forest companies belonging to the Forest Products Association of Canada (FPAC) who want to conserve significant areas of Canada's boreal forest, protect threatened woodland caribou and sustain a healthy forestry industry for resource-based communities.

Hummel, who has a graduate degree in forestry, spent almost 30 years with the World Wildlife Fund where one of his key concerns was preserving the boreal forest. "We welcome someone of his knowledge and experience," says Avrim Lazar, President and CEO of the Forest Products Association of Canada. "Monte has long earned industry respect as a pioneer and innovator in industry environmental partnerships."

Bevan was most recently Executive Director of the green-economy think tank, Sustainable Prosperity. "For the past year, we've worked tirelessly to tackle the goals set out in the CBFA by the environmental and industry partners," says Richard Brooks, Forests Campaign Co-ordinator at Greenpeace Canada. "We welcome someone of Andrew's calibre to help further the implementation of this ground-breaking agreement."

Japanese Brochure Offers Overview

A new brochure traces the long trade history between Japan and Canada as part of an overview of Canada's forest industry.

"Canada has provided a stable supply of quality forest products to Japan since 1924 when Douglas fir and western red cedar from Canada were used to rebuild homes destroyed by the Great Kanto earthquake of 1923. Wood became even more popular in Japan the early 1970s when wood-frame construction was introduced from North America," says Shawn Lawlor of Canada Wood Japan, which produced the overview with the Forest Products Association of Canada and Hill & Knowlton.

Canada is the largest supplier of imported wood to Japan because it can offer products that represent an excellent environmental choice backed by regulations and third-party certification to offer assurance they are the result of responsible forest management practices.

The brochure, which outlines many of the reasons why wood products from Canada are a popular choice for many different types of structures in Japan, is posted on the feel-good Japanese website (www.feel-good.ca/index.php/jp/) and is also available at http://feel-good.ca/library/publications-legal-and-sustainable/CanadaWood_May_31.pdf

First Nation Wins Business Leadership Award

Percy Guichon, Chief of the Alexis Creek Indian Band, and Tsi Del Del Enterprises in the remote Chilcotin region of central British Columbia won the Business Leadership Award sponsored by the Forest Products Association of Canada and Assembly of First Nations for their success in a forest products business.

Tsi Del Del, a joint venture company with Tolko Industries Ltd., employs about 30 people including many First Nation workers. It sets aside 50 cents for every cubic metre logged for an Education Trust Fund that provides post-secondary education or trades and technology training for band members. For more information, see www.fpac.ca/index.php/en/press-releases-full/bc-logging-company-wins-first-nation-entrepreneurial-award/.

Canada Promotes Wood in China

Natural Resources Minister Joe Oliver promoted Canadian wood-frame construction expertise in China during a tour of the Jinqiao Wood Townhouse Demonstration Project in Shanghai.

The project consists of 133 “green” three-storey townhouses in Shanghai, and is one of several projects in China funded by the Government of Canada to showcase the low-carbon, environmentally friendly and energy-efficient properties of wood-frame construction, and to help China meet its national goals of reducing carbon emissions in new housing projects.

Avrim Lazar, President and CEO of Forest Products Association of Canada, welcomed the Canadian government’s promotion of wood construction in Asia. “There is no doubt that developing markets, especially China and India, are vital to the future prospects of Canada’s forest products sector and this type of government support is critical to our future success,” he said.

The Canada Wood Export Program through Canada Wood Group China will help to make sure the wood-frame structures meet local needs. Established in 2002, the Canada Wood Export Program funds activities to help Canadian wood producers diversify and expand export opportunities for their products in traditional and emerging overseas markets, including Europe, Japan, China and South Korea.



Photo credits: FPIInnovations

B.C. Trade Mission Strengthens Relationships Delegates from more than 150 companies and organizations took part in a British Columbia Jobs and Trade Mission to Asia in early November aimed at strengthening existing relationships and creating new ones between the Western Canadian province and Asian markets. They included 65 delegates representing the forest sector. The Langfang Home for Planners and Architects in China’s Hebei province, which opened during the mission, features wood products and building systems. The three-storey 2,500-square-metre hybrid structure will be used to host seminars for local architects and planners.

Canada Invests in Innovation

The Government of Canada announced in July 2011 it is investing \$53.5 million to enhance the environmental performance and economic competitiveness of Canada’s forest industry by focusing on innovation and market development. The investments include seven projects funded through the government’s forest products programs: the Pulp and Paper Green Transformation Program (<http://cfs.nrcan.gc.ca/pages/231>), the Transformative Technologies Research Program (<http://cfs.nrcan.gc.ca/pages/166>), the Transformative Technologies – Pilot Scale Demonstration program and the Investments in Forest Industry Transformation Program (<http://cfs.nrcan.gc.ca/pages/232>).

Seminar Promotes Innovative Technologies

The Forest Products Association of Canada, in partnership with Canada Wood Group Japan and the Canadian Embassy, marked International Year of Forests 2011 with a one-day seminar in Tokyo about the potential of innovative wood building technologies – including cross-laminated timber (CLT).

The event, held during the Japan Home Show in September 2011, featured expert speakers who looked at the market potential for new products and building systems, which can enhance architecture and lead to effective and environmentally responsible structural solutions in established building markets.

Chris Gaston, National Group Leader, Markets and Economics, for FPIInnovations, explored opportunities for wood in multi-family residential and non-residential construction. “Housing and non-residential construction is evolving and will change how wood is used,” he said. “New building systems are expanding the envelope of possibilities, including higher-storey platform frame, post and beam and CLT. Opportunities exist to innovate and add value to our fibre resource both in building and living with wood.”

New structural products, systems and technologies make wood a great choice for residential and non-residential buildings up to six storeys, he said. “More than 60 five- to six-storey projects are underway in British Columbia right now, and this is not new,” he said. “For more than 100 years, builders in Canada have combined brick and heavy timber for multi-storey structures.”

Gaston also spoke about the immense potential of CLT – a versatile multi-layered lumber panel that offers outstanding structural, thermal, seismic and acoustic performance. “We are seeing evidence in many markets that CLT can compete with non-wood building materials for a wide variety of buildings,” he said.

FPIInnovations has prepared a peer-reviewed CLT Handbook, which can be ordered through the FPIInnovations website www.forintek.ca/public/Eng/E5-Pub_Software/4.special_pubs.html.

Did You Know?

Cross-laminated timber (CLT) is prefabricated so the system is precise, and *construction is faster, cleaner, safer and less disruptive.*

Canada's Diverse Forest Sector

What's Up in Canada's Forest Sector? offers you an opportunity to learn more about Canada's diverse forest products sector, and meet representatives from companies working with markets in Asia.

When India's Aditya Birla Group was looking for new sources of high-quality dissolving grade wood pulp for its world-leading viscose staple fibre production, it found everything it needed in the eastern Canadian province of New Brunswick.

"There is a tremendous growth in demand for viscose staple fibre. Our Canadian mills produce pulp that has the quality and strength needed for today's high-speed spinning machines," says Shankar Ray, President and CEO of the AV Group, a member of the pulp and fibre business of Aditya Birla Group.

Canada's long history with pulp production also meant the company had access to skilled human resources. FPInnovations, Canada – a top-grade research and technology institution in the field of pulp and paper – provides research support for the AV Group, such as identifying causes for process problems and recommending solutions; exploring opportunities to use mill byproducts for bioenergy or biochemicals.

AV Group converted two pulp mills in New Brunswick, at Nackawic and Atholville, to produce the dissolving pulp needed for its viscose staple fibre, which is used for a wide variety of textile products – from clothing to linen. Chlorine-free and any-bacterial fibres are available for specialty uses.

While Aditya Birla Group uses part of the viscose staple fibre to make textiles, Ray says the company is a dependable supplier and has long-term relationships with other users of viscose staple fibre around the world.

The company is also committed to Canada and to New Brunswick. "Environment and safety are our top priorities," Ray says. "We are not just harvesting the forests; we are replanting them so we can sustain the business for a long period to come."

NEW PUBLICATIONS

The Canadian Forest Service released *The State of Canada's Forests 2011*, which reviews the past year for Canada's forests and forest sector; with statistical profiles for Canada and the provinces and territories and a sample of the indicators for sustainable forest management, along with the most recent information on how Canada's forests are doing in each area. <http://cfs.nrcan.gc.ca/publications?id=32683>

Forestry Innovation Investment (FI) posted a case study on Cross-Laminated Timber (CLT) in British Columbia featuring the Dowling residence in West Vancouver, the first permanent residential project in British Columbia to use CLT as its principal building material. www.naturallywood.com/sites/default/files/CLT-and-Dowling-Residence.pdf

NEW RESOURCES

The Feel-Good website, which offers information about the benefits of Canada's wood, pulp and paper products, is available now in English, Japanese, Mandarin, Korean, French, German, Spanish and Italian. The website is administered by the Forest Products Association of Canada. <http://feel-good.ca>

A one-hour informational webinar on Chain-of-Custody Certification for Forest Products on the Feel-Good website explains what a chain-of-custody is, the value provided, types available, and steps to implement one. <http://feel-good.ca/index.php/en/video-permalinks/152>

A four-minute video on the Feel-Good website – The Footprint of the Canadian Forest industry – examines reasons why Canada is a leading source of high-quality, responsible forest products. <http://feel-good.ca/index.php/en/video-permalinks/156>

The reTHINK WOOD initiative is a coalition of interests representing North America's wood products industry and forest landowners, public and private, whose goal is to educate each other and users about the use of wood in buildings. <http://www.rethinkwood.com/>

WHAT'S UP IN CANADA'S FOREST SECTOR?

What's Up in Canada's Forest Sector? examines Canada's diverse forest products sector and invites views from representatives of companies working with markets in Asia. Issued three times a year, it delivers the facts about forests, operations and products for buyers and builders in Asian countries who are considering Canadian forest products for their building and paper needs. Contact us at Ottawa@fpac.ca with comments and suggestions.

For more information, visit the Canada Wood website at www.canadawood.org or contact your local Canada Wood office:

China Shanghai Tel: 86.21.50301126 Beijing Tel: 86.10.59251255
Japan Tokyo Tel: 81.3.5401.0531 **Korea** Seoul Tel: 82.2.3445.3835/4

FOR MORE INFORMATION ABOUT CANADA'S FOREST SECTOR, VISIT:

The Forest Products Association of Canada (www.fpac.ca) represents the largest Canadian producers of wood, pulp and paper products. Its website includes information about a variety of topics, including a *Buyers' Guide to Canada's Sustainable Forest Products* to help customers create a sustainable forest products procurement policy.



The Canadian forest products industry adheres to the following five principles, which are increasingly important to responsible buyers of forest products:

1. Harvest legally.
2. Regenerate promptly.
3. Reduce waste and support recovery and recycling.
4. Reduce greenhouse gases and help fight climate change.
5. Welcome independent scrutiny of how they manage forests.