



Natural Resources
Canada

Ressources naturelles
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Canada's *Regulatory Framework* for **Forest Management**

**Information for Importers
of Canadian Forest Products**



March 2015

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This guidance document was prepared by the Government of Canada to help businesses that import timber products from Canada to understand the regulatory framework in Canada in order for them to carry out their due diligence obligations under legislated import requirements.

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General information

Canada has nearly 348 million hectares (ha) of forested land. This represents 38 percent of Canada's land surface and 9 percent of the world's forest cover.

About 90 percent of Canada's forests is owned and managed by the provincial and territorial governments on behalf of Canadians. An additional 2 percent of forest land is under federal jurisdiction, and Aboriginal peoples own and manage another 2 percent. The remaining 6 percent of Canada's forest land is on private property.

For more information on the state of Canada's forests, see [State of Canada's Forests](#).

Detailed information on laws, licenses, permits and enforcement systems in each province and territory is available at Sustainable Forest Management in Canada, a website hosted by the Canadian Council of Forest Ministers (see sfmcanada.org).

The Canadian Council of Forest Ministers is a partnership of 14 federal, provincial and territorial ministers.



Timber harvesting in Canada: *Questions and answers*

This guidance document provides key information to importers about Canadian forest management in a question and answer format for quick and easy access.

Canada's forests and their governance

1. *How much of Canada's forest land is harvested annually?*

Less than 0.5 percent of Canada's forests is harvested annually. Most of the timber and timber products are harvested from provincial lands.

2. *Who has legislative authority over forest resources and forest management in Canada?*

The federal government has legislative authority over forest resources where those resources affect, or are affected by, matters related to the national economy, trade and international relations; federal lands and parks; and the government's constitutional, treaty, political and legal responsibilities for Aboriginal peoples.

The country's 10 provinces and 3 territories own close to 90 percent of Canada's forest land. Each has legislative authority over the conservation and management of forest resources on its public land. This authority affords the provincial and territorial governments the ability to regulate and enforce how Canada's forests are managed. (The territory of Nunavut has very little forested land.)

See sfmcanada.org/en/forest-products/legal-forest-products for more information on forest management in Canada.

3. *How are forest management decisions made in Canada?*

Forest management decisions are governed by each province and territory through a combination of legislation, regulations, manuals and guidelines. This covers forest management planning, forest licensee/permit holder rights and obligations, renewal of harvested areas, wildlife habitat and watercourse protection, mandatory reporting and planning procedures, and payment of royalties (stumpage and other harvesting fees) for the harvesting of timber.

These activities include public processes that set management objectives for public forests and address land use planning, forest management, public consultation, Aboriginal involvement, protected areas, conservation of biodiversity, road construction, timber harvest licencing and harvest allocations, environmental assessments and endangered species.

See sfmcanada.org/en/forest-products/legal-forest-products for more information on forest management in Canada.

4. *Where can I get information on the provincial or territorial jurisdiction in Canada that I am importing from?*

Fact sheets on the extensive laws, licences, permits and enforcement systems for the majority of Canada's provinces and territories are available from the Canadian Council of Forest Ministers website (see sfmcanada.org/en/forest-products/legal-forest-products#Prov).

5. **What national legislation must forestry operations abide by in Canada?**

In addition to provincial and territorial laws and regulations, forestry operations in Canada are bound by national legislation. This includes, for example, the:

- *Species at Risk Act* (laws-lois.justice.gc.ca/eng/acts/s-15.3/page-1.html)
- *Fisheries Act* (laws-lois.justice.gc.ca/eng/acts/F-14/page-1.html)
- *Migratory Birds Convention Act* (laws-lois.justice.gc.ca/eng/acts/M-7.01/page-1.html)
- *Plant Protection Act* (laws-lois.justice.gc.ca/eng/acts/p-14.8/page-1.html)

Forestry activities and the import and export of products derived from tree species must also comply with the particular requirements of international agreements Canada has signed, such as the Convention on Biological Diversity and the Convention on International Trade in Endangered Species of Wild Fauna and Flora.

6. **For federal forest land in Canada, how is forest management governed, how much timber is harvested and how much of this timber enters the supply chain?**

The 2 percent of forests that are federally owned are primarily in national parks and on land owned by the Department of National Defence (DND). Parks Canada and DND manage and regulate forestry operations in national parks and on DND land, respectively. Forestry operations on federal land are limited. Consequently, very little, if any, of the small volume of timber entering the supply chain from these operations is exported.

7. **How much timber and timber products are harvested from private land in Canada?**

Approximately 10 percent of the roundwood and pulpwood harvested in Canada comes from private land.

8. **Where are most of Canada's privately owned forests?**

Approximately 450,000 private landowners (individuals and companies) own 6 percent of Canada's forests. Timber companies own some large tracts, mainly in the provinces of Nova Scotia, New Brunswick and British Columbia. The rest of the forests are divided primarily among thousands of small, family-owned forests or woodlots across Canada.

9. **How is forest management governed and tracked on private land in Canada?**

Forest management on private land is primarily governed by provincial, territorial and municipal regulations and guidelines. Some provinces have laws that set standards for forest management practices on private land. Also, many private landowners have forest management plans and participate in government programs to guide their stewardship and harvesting activities.

Provinces in which commercial harvesting on private land is more common often enact legislation to regulate this activity. For example, British Columbia has the *Private Managed Forest Land Act*; New Brunswick has the *Natural Products Act*, which includes the development, conservation and management of forest resources on private woodlots; and the *Scalers Act* in Nova Scotia applies to both public and private land. Most provinces have regulatory mechanisms to track timber harvested from private land to differentiate it from public timber (for which royalties must be paid). These mechanisms include regulations for timber scaling, timber marking and transportation. In provinces and territories that do not have specific statutes for forest harvesting on private land, landowners rely on laws of general application to protect their property from trespass or timber theft.

For more information on governance on private land, see the fact sheets available from the Canadian Council of Forest Ministers website (see sfmcanada.org/en/forest-products/legal-forest-products#Prov).

10. Is public consultation required before harvesting timber in Canada?

Public views and values are considered before forest companies can harvest timber, build roads or undertake other forest activities on public forest land. Companies must invite and consider comments by Aboriginal communities and the public before requesting government approval of forest management plans. Opportunities for detailed public consultation during the development of forest management plans are provided for all citizens.

11. Do Aboriginal people in Canada have access to forest resources?

Aboriginal people own and manage 2 percent of Canada's forests. Aboriginal communities have increasing access to land beyond their territory through various mechanisms including access to tenure from public forests.

According to the National Aboriginal Forestry Association, Aboriginal interests hold Crown land tenure that exceeds 27 million cubic metres in annual, sustainable timber harvest. This represents more than 13 percent of the Crown forest harvest volume in 2013. This volume is expected to continue to increase through various mechanisms including modern treaties, government-led tenure reform and joint ventures with industry.

Aboriginal communities can leverage their access to land and tenure to create economic opportunities, and the forest sector is recognized as one mechanism to promote economic development in Aboriginal communities. The forest sector provides an important source of employment (11,000 jobs) for Aboriginal communities, representing 2 percent of all jobs held by Aboriginal workers.

Aboriginal people can also access smaller volume timber allocations through personal use cutting permits. These permits are allowed under existing treaties and can be utilized as materials for shelter, cultural activities and heating.

12. What legal instruments in Canada authorize timber harvesting?

The right to harvest timber from public land is subject to terms and conditions outlined in forest tenure agreements. These agreements are legally binding contracts that define the obligations and responsibilities of the government and the private user or tenure-holder and vary from jurisdiction to jurisdiction.

For more information on harvesting rights, see the fact sheets on the Canadian Council of Forest Ministers website (see sfmcanada.org/en/forest-products/legal-forest-products#Prov).

13. How are logs tracked from public lands in Canada?

Depending on the jurisdiction, logs harvested on public land may be physically marked and documented before transport or documented by the truck load.

Logs are delivered to government-approved scaling sites, usually at a mill or sort yard. Records must be kept of all deliveries and scaling.

Scaling is the process by which licensed monitors (scalers) measure the volume, species and grade of logs. This information is used in the calculation of the stumpage fees and other harvesting fees (e.g. royalties) payable to the province or territory for the trees harvested from public land.

14. *How are forest management and harvesting activities monitored and laws enforced to ensure the rule of law is followed in Canada?*

Government compliance and enforcement staff conduct inspections at all stages of forest management operations. Provincial and territorial ministries responsible for forest management monitor company operations to ensure that all laws, regulations and permits are respected and are in line with approved forest management plans. Government agencies responsible for enforcement investigate reports or evidence of a contravention. Some governments employ third parties to conduct independent forest audits to provide further compliance with legal requirements.

For more information, see sfmcanada.org/images/Publications/EN/Monitoring_and_Compliance_EN.pdf.

15. *What happens when forest-related laws are broken in Canada?*

The provinces and territories have inspection systems and enforce penalties for non-compliance. When forest-related laws are broken, the most serious infractions may be prosecuted. Legal logging operations that do not meet legislated standards may also be subject to warnings, tickets, fines or other penalties. All these measures are important controls that prevent illegal logging.

16. *Is payment required for the right to harvest timber on public land in Canada?*

All jurisdictions collect stumpage and/or other harvesting fees (e.g. royalties) for trees harvested on public land. These fees are determined by individual governments and vary within and between provinces and territories and are based on the quality of timber and the costs of accessing it. The fees are revenue for the provinces and territories to support forest administration and other government operations and services.

Identifying legal products from Canada

17. *How do suppliers prove compliance with Canadian laws?*

There is no single document that demonstrates the legality of timber or timber products sourced from Canada.

Instead, Canada's collective system of checks and balances enshrined in legislative oversight of the forest industry ensures that legal requirements are met. Canada's legislative framework provides assurances that Canadian timber products are of low risk of being harvested illegally.

For more information on these systems, see sfmcanada.org/en/forest-products/legal-forest-products.

18. *What is the risk of sourcing timber that has been harvested illegally in Canada?*

The probability of illegally logged timber products entering the supply chain throughout Canada is negligible. Comprehensive legislative supervision in Canada provides assurance that Canadian timber products are made from legally sourced timber.

Independent evidence from the World Business Council for Sustainable Development and the World Resources Institute has reported that Canada has the lowest occurrence of suspicious log supply and corruption of any country (see sustainableforestproducts.org/Legality).

See questions 25 through 29 for more information.

19. What is the risk of sourcing timber that has been harvested illegally in Canada when the process includes many suppliers and/or components?

The probability of illegal logging throughout Canada is negligible. Supply chains that involve many companies do not have a higher risk of incorporating illegally supplied components when all the timber utilized throughout the supply chain was harvested in Canada. Even if there are many suppliers or inputs involved, the probability of sourcing timber that has been illegally harvested remains negligible. It is unnecessary to assess the risk for each component or species because all Canadian commercial tree species and timber products in trade are of negligible risk.

20. What is the risk of sourcing a mix of timber or timber products from Canada and the United States that will include illegally harvested content?

The forest products sector in Canada and the United States (US) is highly integrated, with logs and other timber products crossing the border to supply mills in both countries. However, importers can feel confident that the probability of illegally logged timber remains negligible when sourcing a mix of products from the US and Canada and from private and public lands that are primarily located along the international border.

As noted in other answers (e.g. questions 18 and 19), the probability of harvesting illegal timber in Canada is negligible. In addition, Canada has laws that prohibit the import of illegal timber and timber products (see question 23).

The 2008 amendments to the US *Lacey Act* prohibit all trade in plant and plant products (including timber) that are illegally sourced from a US state or foreign country.

Therefore, US and Canadian legislation ensure that the risk of US-sourced logs and other timber products crossing the border were illegally logged is negligible.

21. Are any commercial tree species harvested in Canada prohibited?

No Canadian commercial tree species are listed in the appendices of CITES or under the Canadian *Species at Risk Act*. CITES sets controls on the movement of animal and plant species that are, or may be, threatened because of excessive commercial exploitation. Species are listed in the CITES appendices according to the level of protection they require.

Although some provincial or territorial governments have legislation that protects certain commercial species that are indigenous but rare to their region, government-approved forest management plans do not allow their harvest.

22. Where is harvesting prohibited in Canada?

Certain areas are off limits to timber harvest, either as legislated protected areas with defined boundaries or as areas set aside as “non-harvestable” within timber-producing forests.

More than 24 million ha (7 percent) of forest land in Canada are within protected areas. Within this, more than 75 percent of Canada’s protected forest land is strictly protected, with no resource extraction permitted. The remaining forest land is managed primarily for habitat and species protection.

Other laws that relate to timber legality

23. How does Canada prohibit the import of illegal timber and timber products?

Canada's *Wild Animal and Plant Protection and Regulation of International and Interprovincial Trade Act* (WAPPRIITA) and its enabling regulations (the *Wild Animal and Plant Trade Regulations*) prohibit the import of illegal timber and timber products. Subsection 6.(1) of WAPPRIITA states:

"No person shall import into Canada any animal or plant that was taken, or any animal or plant, or any part or derivative of an animal or plant, that was possessed, distributed or transported in contravention of any law of any foreign state."

Subsection 4(b) of the regulations defines plant as

"... any specimen, whether living or dead, of any wild species of the plant kingdom (kingdom Plantae), and includes any seed, spore, pollen or tissue culture of any such plant."

This act and regulations make it illegal to import timber products into Canada that were produced or acquired in contravention of any foreign laws.

Non-government resources

24. What non-government resources provide information on Canada's regulations for forest management?

Additional information on the forestry regulatory environment in Canada is in the *Compilation of Canadian Provincial and Federal Regulations Relevant to Forest Management Activities*, which is published by the National Council for Air and Stream Improvement at ncasi.org/Downloads/Download.ashx?id=9485.

25. What additional assurances are available to verify that forests in Canada are managed legally and sustainably?

Third-party certification of sustainable forest management complements Canada's comprehensive and rigorous forest management laws and regulations. Certification provides added assurance that forest companies operate legally, sustainably and in compliance with international standards for sustainable forest management.

For some timber products, forest management certification is complemented by a chain-of-custody certification. Canada has almost half of the world's certifications endorsed by the Programme for the Endorsement of Forest Certification (PEFC) and almost a third of the world's Forest Stewardship Council (FSC) certifications. As a result, Canada has the largest area of third-party, independently certified forests in the world.

For more information, see certificationcanada.org/en/home.

26. What third-party forest certification systems are used in Canada?

Canada uses three internationally recognized sustainable forest management certification programs. The Canadian Standards Association (CSA) and Sustainable Forestry Initiative (SFI) systems are endorsed by the international umbrella organization Programme for the Endorsement of Forest Certification (PEFC). The Forest Stewardship Council (FSC) has three regional standards in Canada: Canada Boreal, British Columbia and Maritimes. All have been accredited by FSC International.

For more information, see certificationcanada.org/en/home.

27. Who holds forest management and chain of custody certificates in Canada?

Chain-of-custody certification can complement forest management certification but it is not available for all timber products. Information on forest management and chain-of-custody certificate holders is available from each organization.

Certification information for PEFC certificate holders (which includes the Canadian Standards Association (CSA) and Sustainable Forestry Initiative (SFI) in Canada) is available at pefcregs.info/search1.asp. Certification information for FSC certificate holders is available at info.fsc.org.

28. Do third-party studies confirm the strength of Canada's legislative framework for forest management?

In the book *Global Environmental Forest Policies: Canada as a Constant Case Comparison of Select Forest Practice Regulations*, Dr. Benjamin Cashore of Yale University in 2004 compared forest policy and regulations across 38 jurisdictions around the world. It concludes that ". . . the regime of forest management and conservation in Canada is, in the aggregate, one of the most advanced in the world." See a summary at fpac.ca/publications/2004_HowCanadaCompares.pdf.

The report *Comparison of Selected Forest Certification Standards* by the Finnish research company Indufor Oy in 2009 compared forest legislation and forest certification schemes in 11 jurisdictions around the world and found that "Canada (British Columbia and Ontario) and Australia (New South Wales) are the countries with the most demanding legislation on the studied elements." Further, the study found that ". . . the strength of the legislation contributes to the strictness of the standard more than does the type of the standard (FSC or PEFC)."

29. *What non-government sources confirm Canada's track record as a supplier of legal and sustainable timber and timber products?*

Organizations in Canada's export markets confirm Canada's reputation for sustainable and legal forestry:

- Currently, the Spanish Timber Importers' Association (AEIM) assesses Canada as a very low risk for illegal logging (see maderalegal.info/fichas).
- In 2014, the World Resources Institute referred to Canada's record of the lowest prevalence of suspicious log supply and corruption of any country (see wri.org/sites/default/files/wri_report_4c_report_legalityguide_final320.pdf).
- In 2013, Forest Trends reported Canada as a low risk supply country for timber imports into the European Union (see forest-trends.org/documents/files/doc_4085.pdf).
- In 2012, the World Business Council for Sustainable Development and the World Resources Institute reported that Canada has the lowest occurrence of suspicious log supply and corruption of any country (see sustainableforestproducts.org/Legality).

- In 2010, the Timber Trade Federation (United Kingdom) classified Canadian wood products as low risk with respect to illegality, and rated our documentation as highly reliable (see Country Guidance: Canada, UK Timber Trade Federation).
- In 2008, a report prepared by Indufor for the European Commission DG Environment found that the risk of illegal logging in Canada was considered low (see ec.europa.eu/environment/forests/pdf/ia_report.pdf).

Additionally, Canada consistently earns ratings as a jurisdiction with a very low incidence of corruption (see indices maintained by Transparency International [transparency.org] and the World Bank [govindicators.org]).

More information

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