

SUSTAINABLY GROWN RESPONSIBLY HARVESTED LEGALLY TRADED

Canadian forest products are well-positioned to compete in today's environmentally conscientious world. The Canadian forest sector's reputation for sustainability is backed by comprehensive government legislation and regulations to protect and manage forests. This reputation wasn't earned overnight. Governments in Canada have actively supported sustainable forest management for more than 30 years.

Today, more than ever, consumers are taking steps to make positive choices for the environment. More than half of global consumers take environmental factors into account when they make purchasing decisions, according to a report from the Business Development Bank of Canada.

Meanwhile, governments continue to ramp up their efforts to combat the illegal sourcing of forest products and its environmentally harmful consequences. The European Union, United States, and Australia are three prominent examples.

THE HARMFUL EFFECTS OF ILLEGAL LOGGING

Illegal logging and the trade in illegal timber is a major problem in many areas of the world, with damaging economic, environmental and social consequences. In addition to causing forest loss, illegal logging has a significant negative impact on government revenue, economic stability and public health, according to data from Interpol, which works to disrupt the trade in illegal wood products. According to the World Bank, the situation is so dire in some countries that exports of illegal timber are

CANADA'S FORESTS — A GLOBAL TREASURE

- Canada has 348 million hectares of forest.
- 94% of Canada's forests are publicly owned — predominantly by the provincial and territorial governments, with small shares by the federal government and Aboriginal peoples.
- 232 million hectares of Canada's forests are managed.
- Canadian forests account for 9% of the world's forest cover.
- Only 0.2% of Canada's forests are harvested annually.

greater than legal exports. Interpol has found that illegal logging and the corruption supporting it costs governments about US\$30 billion every year.

BUY RESPONSIBLY, BUY CANADIAN FOREST PRODUCTS.

The Canadian forest products industry adheres to the following five principles:

1. Harvest legally.
2. Regenerate harvested lands promptly.
3. Reduce waste; support recovery and recycling.
4. Reduce greenhouse gases and help fight climate change.
5. Welcome independent scrutiny of forest management practices.

THE CANADIAN ADVANTAGE

Canada has a robust set of rigorous regulations and laws governing the forestry sector. As such, the risk of illegal logging is negligible everywhere across Canada. Canada also consistently scores among the highest in the world when it comes to anti-corruption rankings by Transparency International and the World Bank. These indices show that consumers can rely on the legality of Canadian wood products.

Canada also has more certified forests than any other country, indeed, only 10% of the world's forests are certified. Third-party forest certification standards verify adherence to forest management laws and require documentation of forest management practices. Certification standards also require adherence to specific rules for biodiversity, water quality and species at risk. Three internationally recognized standards are used in Canada: the Canadian Standards Association (CSA), the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC).

CANADA'S WELL-EARNED REPUTATION

- The World Business Council for Sustainable Development and the World Resources Institute report that Canada has the lowest occurrence of suspicious log supply and corruption of any country.
- The UK Timber Trade Federation classifies Canadian wood products as low risk for illegality and rated Canadian documentation as highly reliable.
- The Spanish Timber Importers' Association lists Canada as a very low risk for illegal logging.
- Indufor, a consulting group, prepared a report for the European Commission that rated the risk of illegal logging in Canada as low.
- None of the commercial tree species harvested in Canada are listed in the Convention in International Trade in Endangered Species of Wild Fauna and Flora (CITES).

Finally, as the world's largest conservation initiative, the Canadian Boreal Forest Agreement, signed in 2010, has forest companies and environmental groups working together to create a stronger, more competitive forestry industry and a better protected, more sustainably managed boreal forest in Canada.



FPAC advocates on behalf of the forest sector. FPAC is also working to realize the ambitious goals of Vision2020 to help the industry transform with innovative new products, diversified markets, enhanced environmental credentials and a skilled workforce. FPAC is proud to represent Canada's largest producers of forest products.

All FPAC members are signatories of the Canadian Boreal Forest Agreement. Our members are responsible for 66% of certified forest lands in Canada. Third-party certification of member companies' forest practices is a condition of membership in the Association — a world first.