

# 2020 ANNUAL REPORT

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**FORESTS<sup>TM</sup>  
FOR ALL  
FOREVER**

**Forest Stewardship Council®**

FSC® 000205



**PEOPLE MAKE  
THE DIFFERENCE**

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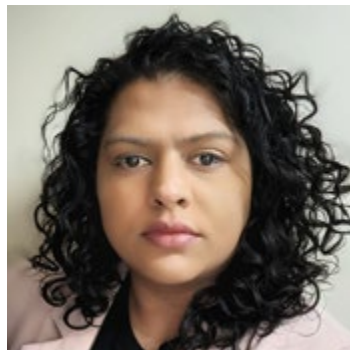


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Chair, FSC Canada Board of Directors**

# MESSAGE FROM OUR BOARD CHAIR

The COVID-19 pandemic brought immense challenges and change to the world this past year. Amidst the ongoing uncertainty, I sincerely hope this message finds you and yours as well as can be. If you have suffered loss in any way, I offer my sincere condolences.

On a positive note, COVID increased awareness of climate change and our impact on the environment. Lockdowns around the world led to a decreased demand for fossil fuels, resulting in significant reductions in carbon emissions. In fact, the [seven per cent drop](#) → from 2019 is the largest decline on record, according to the Global Carbon Budget 2020, a collaborative research paper published in December.

Our Board collectively remains resolved toward achieving the desired outcome of *Forests for All, Forever*, which reaffirms FSC's vision to save the world's forests for future generations. We continued to roll out the new National Forest Management Standard throughout the pandemic, with all four chambers building the readiness needed for full implementation across the country.

We are beginning to see the implementation of the standard requirements to advance free, prior and informed consent and protect at-risk species such as woodland caribou, with intact forest and Indigenous cultural landscape concepts to be integrated in the coming months. Meanwhile, we know that to combat the global climate crisis, strong community and positive worker relations will be key in advancing the vital role of forest management.

In light of a new International Strategic Plan, FSC Canada Board and staff members must align our coming 2022 National Strategic Plan to ensure harmonization, focus and leadership in this era of continuous change. Fundamental to this plan is our ongoing collaborations with Indigenous Peoples, our brand value in the market, growing the FSC supply, and clearly defining and communicating the value of certification.

As my second term on the Board winds down this fall, I bid you *Bamapii*, meaning *until next time*. We live on one world here, Mother Earth, and while the globe is large, we are all truly interconnected.



**David Flood, RFP**  
**Chair, FSC Canada Board of Directors**





**Francois Dufresne**  
**President, FSC Canada**

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# MESSAGE FROM OUR PRESIDENT

After millions joined the biggest climate demonstration in history in September 2019, 2020 was poised to become a defining year in the fight against climate change – yet it was eclipsed by a global pandemic.

Throughout the COVID-19 crisis, FSC has balanced the health of our certificate holders and auditors with our steadfast commitment to drive responsible forest management – an essential tool to combat the environmental crisis that has long preceded the novel coronavirus.

To continue to advance our certification process, FSC implemented a hybrid strategy to enable a mix of onsite and remote audits. This pivot ensured key areas for on-site inspection were completed both safely and efficiently. FSC International also created

an online portal offering real-time access to geospatial information and satellite data which further supports remote audits.

Despite the challenges wrought by the pandemic, FSC implemented two seminal initiatives across Canada: the National Forest Management Standard and our National Controlled Wood Risk Assessment.

Congratulations to Chantiers Chibougamau for being the first Canadian forest management company to transition to the new standard, serving as inspiration for others to follow. We look forward to supporting existing certificate holders as they work to meet the updated requirements and to welcoming new forest management companies interested in achieving the world's most trusted



### **The National Controlled Wood Risk Assessment**

assesses risk associated with undesirable

forestry activities on non-FSC certified lands, including illegal harvest, forest management that violates workers or Indigenous Peoples' rights or threatens High Conservation Values, conversion of forest to non-forest uses, and use of genetically-modified trees.

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### **The National Forest Management Standard**

targets the most pressing issues facing

Canadian forests: Indigenous Peoples' rights, workers' rights including gender equity, woodland caribou, and landscape management and conservation.

forest certification. Both new and existing partners are fundamental to our mission of certifying 100 million certified hectares of Canadian forest by 2030 – a bold, achievable goal.

We're particularly proud of recent efforts to champion positive change for woodland caribou, an important biomarker of the health of the boreal forest. We created a specific caribou indicator that aligns with the Federal Recovery Strategy, developed a comprehensive suite of training materials and held a forum uniting industry stakeholders to ensure its successful implementation. In this report, one story describes how certificate holder Rayonier Advanced Materials built a unique collaboration with First Nations, environmental groups and government officials to devise new caribou conservation measures, spurred by FSC requirements.

Overall, we are committed to building a FSC Canadian standard that is in line with the global efforts outlined in the [Paris Agreement](#) ↗, [UN Sustainable Development Goals](#) ↗ and [Post-2020 Biodiversity Framework](#) ↗. This is an imperative to achieve a new forest paradigm by 2050 – a vision in which the true value of forests is fully recognized and embedded in society.

As we look ahead in 2021, we must never take for granted the abundant natural resources we are blessed with in this country. They are not only the backbone of our economy – they are fundamental to fighting the climate emergency, and must be managed carefully. To all our members, certificate holders and stakeholders: thank you for your continued support.

Stay safe, and best wishes for the year ahead.



**Francois Dufresne**  
**President, FSC Canada**



# A GLANCE AT FSC CERTIFICATION IN CANADA



**48.4 million**

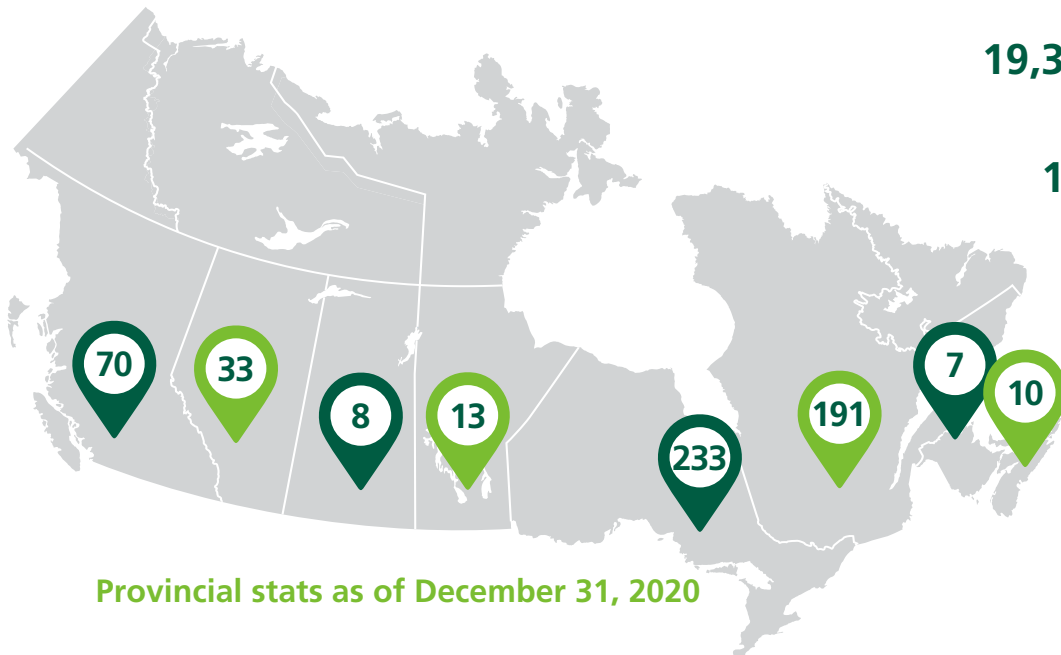
hectares of FSC certified forests in Canada



**221 million**

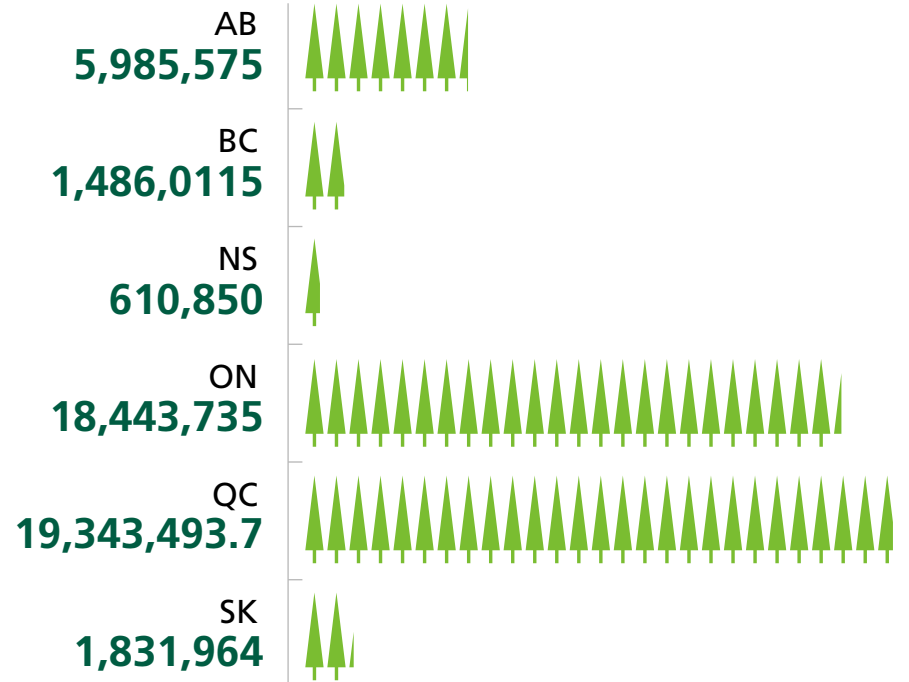
hectares of FSC certified forests worldwide

## Chain of Custody Certificates in Canada:



Provincial stats as of December 31, 2020

## Hectares of FSC Certified forests by province:



**13.9%**

of Canada's forests are FSC certified  
(total forest land in hectares 346,964,664)

*“I support FSC because the standard helps forest managers build purposeful, respectful long-term relationships with First Nations.”*

**Dr M.A. (Peggy) Smith**  
RFP, Miskwaanakwadook—Red  
Cloud Woman, Professor Emerita,  
Lakehead University, Faculty of  
Natural Resources Management

*“The David Suzuki Foundation supports FSC, because it requires the responsible management of our boreal forests – the backbone of Canada.”*

**Rachel Plotkin**  
David Suzuki Foundation,  
Boreal Project Manager



# **STANDARDS AND POLICIES**

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# FSC NATIONAL FOREST MANAGEMENT STANDARD: ONE YEAR LATER

In spring 2019, after six years of rigorous consultation with industry, environmental and social stakeholders and Indigenous Peoples, FSC Canada launched a new national standard for responsible forestry.

Since then, we have shared inspiring stories of forest management companies who successfully transitioned to the new standard, in addition to consumer goods companies and environmental organizations that supported us along the way. We profile Chantiers Chibougamau, the first company to transition to the new standard, in our Spotlight section on [page 20](#) ➔.

## THE NEW GOLD STANDARD IN SUSTAINABLE FORESTRY



Our new national standard takes aim at the most urgent issues facing Canadian forests now: the woodland caribou crisis; the protection of Indigenous Peoples rights; workers' rights, including gender equity; and the need to support conservation and landscape management to help fight the climate crisis.

### OUR GOAL

Our goal is to certify 100 million hectares of Canadian forest by 2030.



A lush forest scene with tall trees and sunlight filtering through the canopy. The sun is shining brightly from the center, creating a lens flare effect. The forest floor is covered in green ferns and other vegetation. The trees are tall and thin, with some having thick trunks. The overall atmosphere is serene and natural.

***“We are facing some of the most crucial issues in Canadian forest management history this century. In developing the new standard, FSC made it a priority to involve a diverse group of experts and interests to establish a national framework that can be adopted across the entire forest industry.”***

**Francois Dufresne**  
President, FSC Canada



# COVID RESPONSE: FSC EXTENDS IMPLEMENTATION DEADLINE

FSC responded to the travel and logistical challenges of COVID-19 by allowing forest management certificate holders to transition to the new standard in 18 months instead of 12.

## IMPLEMENTATION TIMELINE

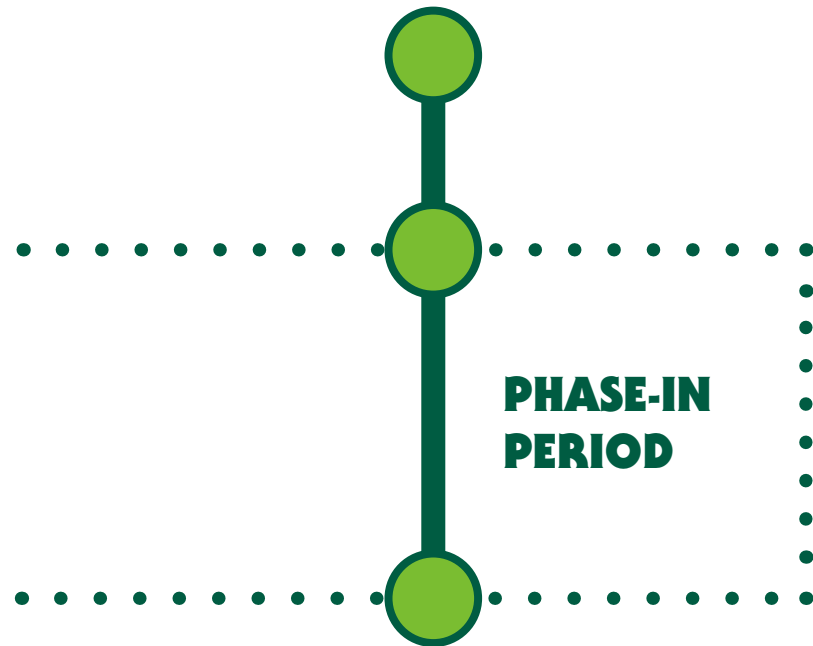
**NEW STANDARD LAUNCH**  
**JUNE 3, 2019**

**EFFECTIVE DATE**  
**JANUARY 1, 2020**

FSC forest management certificate holders have 12 months to implement the new standard from this date.

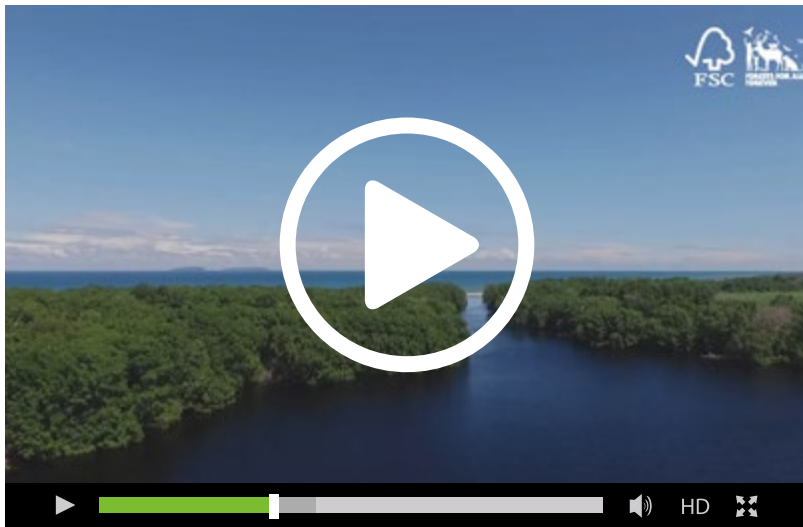
**END OF PHASE-IN PERIOD**  
**JUNE 30, 2021**

After this date, all audits must be carried out according to the new standard.



# COVID RESPONSE: FSC DEPLOYS VIRTUAL AUDIT SYSTEM

As the pandemic impacted our operations, we prioritized the health of both certificate holders and FSC auditors as we maintained our mission of responsible forest management.

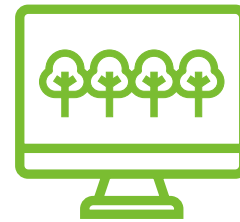


## INTRODUCING: HYBRID MODELS FOR ANY AUDIT



FSC created a new on- and off-site forest management audit where specific technical experts could perform field work in sync with a team leader operating remotely.

## INTRODUCING: A NEW ONLINE PORTAL TO INCREASE AUDIT EFFICIENCY



In February 2021, FSC launched a portal through which auditors can analyse forests through a mix of geospatial information and satellite data – a strategic move to leverage new technology. The portal fosters more efficient audits, as auditors can work remotely to objectively select onsite inspection areas, reserving their on-site time to review what needs to be done in-person: social impacts, management systems, and actual changes to the forest.

# FSC STANDARD GOES DIGITAL

Certificate holders said it was time consuming to flip back and forth between defined terms in the standard and the glossary to find out what they mean. We listened – and are pleased to provide a more user-friendly digital format. With pop-up definitions and embedded links, it is easier than ever to review and understand updated requirements.



**DOWNLOAD  
FSC STANDARD**



## ANSWERING YOUR QUESTIONS

Since the new standard became effective in January 2020, FSC Canada has received several questions about some of the changes. We've compiled a comprehensive list of responses to help ensure your concerns are addressed.

** VIEW THE FAQ**



# **SPOTLIGHT STORY: CHANTIERS CHIBOUGAMAU**

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*Photo: Adrien Williams*

# CANADA'S FIRST FOREST TO TRANSITION TO NEW FSC STANDARD

For over a half-century, the family-run forest management company Chantiers Chibougamau has served as a cornerstone in its namesake community seven hours north of Montreal. It employs more than 1,000 people and is now a top manufacturer of I-joists, glued-laminated and cross-laminated timber.

When it comes to responsible forestry, Chantiers Chibougamau leads by example. In January 2020, it became the first Canadian forest management company to embrace the updated FSC standard – transitioning 2.4 million hectares of forest to the new requirements.

While there was some industry buzz around the new certification being challenging to achieve, Chantiers Chibougamau saw

it as an opportunity to learn, grow and push themselves to future-proof both their operations and the ecosystem in which they operate. This new achievement builds on the previous FSC certification that the company earned and integrated back in 2009, recognizing the value of such external credibility in validating its best-in-class status.





“The FSC standard provides us with important guideposts and best practices that reinforce who we are and where we want to go as a company,” says Frédéric Verreault, executive director, corporate development at Chantiers Chibougamau. “If it were too easy to achieve the standard’s requirements, then it simply wouldn’t have the reputation that it does.”

### **FSC STANDARD IS A MARK OF TRUST**



Verreault says that many clients request that specialty materials be FSC-certified, signalling an important shift in the market’s expectations.

“FSC provides a measure of how trustworthy we are for anyone who may not know us. Within one minute of meeting prospective customers we share that we are FSC certified and can demonstrate our highly attractive carbon footprint,” says Verreault. “This has been crucial to our success in meeting the needs of today’s marketplace.”

As part of its commitment to the local community, Chantiers Chibougamau works conscientiously with Indigenous Peoples in the region. Meeting the FSC standards of responsibility on that front has always been essential for the company.

“We take pride in forging strong relationships with the local Cree nation,” Verreault says. “From elders to trappers and Cree entrepreneurs, we collaborate to achieve a balance between our industry and their traditional ways of life.”

The standard’s most challenging aspect is the woodland caribou indicator, which he says required balance with the needs of all stakeholders and the company’s own production goals.

“To help us chart the course, FSC provided us with a caribou orientation, which was very enlightening.”

Ultimately, this is the story of a forest management company that exists in a small town, whose success is rooted in the fact that it prioritizes doing right by its residents, its workers, and the canopy that surrounds it. Guided by the new standard, Chantiers Chibougamau ensures that its forest meets the social, ecological and economic needs of present and future generations.



*“P&G supports FSC because we know that when we source FSC certified fibres, we are sourcing responsibly.”*

**Tonia Elrod**  
P&G, Senior Director,  
Family Care Sustainability

*“Ecotrust Canada supports FSC because of their commitment to improving human and environmental well-being, with a particular focus on the health and resilience of rural, remote, and Indigenous communities, and the forests on which they depend.”*

**Chuck Rumsey**  
Ecotrust Canada,  
President and CEO





**IN FOCUS:  
WOODLAND CARIBOU**

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# A PRESSING ISSUE FACING CANADIAN FORESTS



Woodland caribou are one of Canada's most iconic animals, as well as bellwethers of the forest ecosystem.

Healthy populations provide a clear indication that the forest can support biodiversity while also helping to maintain a traditional way of life for bordering Indigenous communities.

But the woodland caribou is a threatened species whose numbers have plummeted over decades as their habitats have been disturbed. According to [Environment Canada](#) ↗, just 15 of 51 caribou ranges are at least 65 per cent undisturbed. This is due in large part to the cumulative impacts of encroaching oil, mining and logging industries that have altered caribou habitat and increased access for predators.



It has been almost a decade since the Federal Recovery Strategy for caribou was issued, and while there are beacons of hope across the country, there is little political will to enforce it, resulting in slow and insufficient progress.

FSC's new certification requirements for caribou conservation impacts change now – creating real progress even when many other situations have stalled. FSC's new standard requires forest managers to address woodland caribou habitat management strategies based on the best available science and risk tools, including:

- Minimize the building of roads and other disturbances in caribou habitat
- Avoid harvesting in caribou breeding and migration areas
- Align forestry activities with other industrial activities (e.g., mining, hydro lines, wind turbines, etc.) to minimize landscape disturbances
- Train relevant workers in field operations and planning

### **TRAINING AND KNOWLEDGE SHARING**



As part of FSC's commitment to broaden awareness and education around this species at risk, we have developed a significant number of resources and opportunities for knowledge sharing amongst communities and stakeholders.



# 2020 CARIBOU FORUM

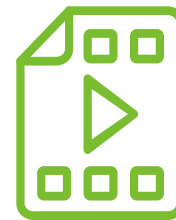
On March 11th, 2020 (right before the pandemic hit!) FSC Canada welcomed Indigenous Peoples, forest companies, environmentalists, certification bodies and other key stakeholders to a special caribou forum in Toronto. About 80 attendees worked together to discuss how to advance and accelerate caribou conservation, management and restoration across Canada. With the recent launch of FSC's new forest management standard, it was an opportunity to ensure success on the ground.

The forum was followed by a full day training on caribou requirements, conservation area network requirements and Indigenous rights (Principle 3).

Since the forum, we continue to host virtual training sessions to help forest management companies and certification bodies better understand FSC's caribou requirements and their implementation.



## ONLINE RESOURCES



Several new [documents and videos](#) were released in June 2020 to support forest management companies in understanding measures to protect boreal woodland caribou and provide an overview of caribou ranges as well as FSC Canada's standard requirements.

A photograph of a herd of reindeer in a snowy, open landscape. In the foreground, two reindeer are prominently featured, one looking towards the camera and another slightly behind it. The ground is covered in snow with some tracks. In the background, a dense forest of evergreen trees is visible under a clear blue sky. The text 'SPOTLIGHT STORY: TEAM CARIBOU' is overlaid in large, bold, white letters across the middle of the image, with a thin green horizontal line underneath it.

# SPOTLIGHT STORY: TEAM CARIBOU

# UNIQUE PARTNERSHIP AIMS TO PROTECT CARIBOU HABITAT

During a routine audit in 2013, forestry company Rayonier Advanced Materials (RYAM, formerly Tembec) discovered that it did not meet FSC's requirements related to the protection of woodland caribou habitat. Their team viewed this problem as an opportunity.

"We knew we had to think long-term, beyond one audit, and to see FSC as a way of working collaboratively with others," says Marie-Eve Sigouin, RYAM forest certification coordinator, and first ever female recipient of [Forest Engineer of the Year](#) from the professional forest engineers association of Quebec (OIFQ).

To effect lasting change, RYAM sought assistance from a union of diverse stakeholders with a common goal to protect

caribou in Quebec's Detour Caribou range: the Indigenous community at Pikogan (also known as the First Nation of Abitibiwinni), SNAP Quebec, and the Quebec Ministry of Forests, Wildlife and Parks. Together, they formed "Team Caribou" and invited additional traditional perspectives from the Grand Council of the Crees (Eeyou Istchee) with scientific insight from the Université du Québec en Abitibi-Témiscamingue.



## A NEW PLAN



In 2015, after intense work, they updated the former 2007 plan with an official addendum that protected the majority of the suitable habitat for caribou. The plan fulfilled FSC's new national standard requiring forest management companies to update caribou habitat management strategies by blending the latest science with local traditional knowledge. Despite the parties having different mandates, they came together and devised a new plan that protected caribou habitat, respected Indigenous Peoples' rights, and balanced industry needs.

But they didn't stop there.

Three years later, Team Caribou took aim at reducing disturbances to the Detour/Kesagami caribou population using habitat conservation and restoration. RYAM instituted the group's strategy for it to meet federal requirements and in anticipation

of the new FSC standard. Team Caribou's recommendations are being implemented in Quebec and have earned federal funding to be shared across the border for use in Ontario.

"I'm a biologist, but I've learned a lot about mills and forestry operations," said Pier-Oliver Boudreault, a conservation biologist at SNAP Quebec. "Our Indigenous partners, who are much closer to the land, have brought us the historical perspective [on caribou], which we don't have in western science."

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## A LASTING IMPACT ON THE REGION



Team Caribou's lasting commitment led to the inaugural Detour/Kesagami Caribou Forum in 2019 in Pikogan. There, Indigenous Peoples and industry, environmental and government stakeholders shared scientific and traditional knowledge about the health and wellbeing of local woodland caribou.

“This forum was about sharing knowledge and perspectives between parties that don’t meet very often,” said Marie-Eve Sigouin. “We created bonds between people that wouldn’t otherwise have explored this issue together, further deepening our understanding of the species and its habitat.”

Team Caribou is a shining example of how positive change flows from a committed group that shares a vision and has the freedom and cooperation to impact change. Built in response to the new FSC standard requirements, its caribou conservation plan will have lasting significance for the region’s forests, people and biodiversity.







# **IN FOCUS: SMALL AND COMMUNITY FORESTS**

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# SUPPORTING SMALL AND COMMUNITY FORESTS



To help small and community forests attain FSC certification, FSC is modifying requirements that take into account the size, intensity and capacity of operations in these forests to ensure the new standard can be equally applicable to small-scale, low intensity and community forests.

In May 2020, FSC Canada released a draft streamlined version of the standard for public consultation. The draft requirements follow the basic forest management certification requirements but have important procedural differences that consider the size and intensity of these smaller-scale forest operations.

For example, the new smallholder requirements will include:

- Overall reduced number of indicators
- Reduced process requirements and broader eligibility criteria for conservation areas networks
- A modified approach to obtain Free, Prior and Informed Consent for smallholders
- Simpler administration processes
- Fewer external reviews required

FSC Canada also tested drafts of the standard to gain a better understanding of all possible implications of the proposed requirements – and released a summary of the results in November 2020. Overall, the most commented Principles are Principle 3 (Indigenous Peoples’ Rights) and 6 (Environmental Values and Impacts), followed by Principles 9 (High Conservation Values) and 10 (Implementation of Management Activities). The full report can be viewed [here](#) ➔.

Consultation and test results were considered in the draft, which was approved by FSC Canada's Board of Directors at the end of December. In January 2021, FSC Canada entered the final stage of the standard development process and submitted the standard to FSC International for approval. Over the next few months, FSC Canada will work with FSC International to answer any questions, provide clarifications, and possibly make modifications. Approval is anticipated in late 2021 or early 2022.

## ESSENTIAL ROLE IN GLOBAL STRATEGY

This effort is part of the new FSC [Global Strategy](#) ➔ to drive positive change and forest stewardship far and wide.

Building resilient forests means co-creating and implementing forest solutions, transforming markets and catalyzing change – FSC's three overall strategies – with not only major players, but stakeholders of small and community forests.

That global strategy calls for 50 million hectares of FSC-certified area – within the overall target of 300 million hectares – to be comprised, in part, by forests managed by smallholders. This mission has inherent social and economic benefits for local communities, Indigenous Peoples, and all those with a shared interest in our small and community forests.



A background image showing a stack of cut logs. The logs are arranged in a way that shows both the rough, textured bark on the outside and the smooth, light-colored wood grain on the inside. The lighting is warm, highlighting the natural textures of the wood.

# **SPOTLIGHT STORY: EASTERN ONTARIO FOREST GROUP**

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# KEMPTVILLE CAMPUS AND QUINTE CONSERVATION JOIN FSC FAMILY THROUGH EASTERN ONTARIO FOREST GROUP

This year, FSC Canada welcomed The Kemptville Campus and Quinte Conservation as the newest FSC-certified forests through the Eastern Ontario Forest Group, which has certified over 74,000 hectares of community and private forests to FSC's standards.

Quinte Conservation is one of 36 such authorities in Ontario and is home to over 117,000 people living in 18 municipalities. As part of their reorganization plan, Quinte Conservation is modernizing its approach to forestry by turning previously poor agricultural farmland into forest areas featuring 70 red pine – a species used to make products like pressure-treated lumber.

“FSC certification is proof the lands and trees are managed to high standards. It raised our game. It makes Quinte Conservation’s forest operations more transparent,” said Tim Trustham, the conservation area’s lands operations coordinator.



The Kemptville Campus Forest is located within the Kemptville Campus Education and Community Centre, an educational and multi-use facility serving the community of North Grenville, located about 60 kilometres south of Ottawa. The Campus is situated on 630 acres that include several forest stands, including mixed hardwood, conifer and maple plantations and mixed hardwood-conifer. The forest has been actively managed by



*Photo: Luke Hendry/The Intelligencer*

the University of Guelph University and Kemptville Agricultural College since 1917, offering forest management educational opportunities for students of all ages, including college students, private woodlot owners, and forestry professionals.

“Managing our forests to a world class standard while producing FSC-certified wood and maple syrup is good for the environment and the local economy. The certification of the Kemptville Campus Forest will help to raise awareness of the importance of forests and sustainable management throughout North Grenville and beyond.” says Jim Hendry, forest certification coordinator for the Eastern Ontario Model Forests.

The Kemptville Campus’ FSC-certified products will include both timber and maple syrup from the forest.

*“PPWC supports FSC because it protects workers, their jobs and the health of our forests.”*

**Rob Gallant**  
Private and Public Workers of Canada,  
President

*“CPAWS supports FSC because their standard works to protect forest ecosystems, water quality, wildlife habitats and local communities.”*

**Florence Daviet**  
Canadian Parks and Wilderness Society,  
National Director, Forest Program



# **IN FOCUS: FORESTS AND CLIMATE CHANGE**

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Climate change is the challenge of our time, requiring action across all sectors of society. Currently, there is only one proven, economical way to remove carbon dioxide from the atmosphere at a global scale: forests.

Forests form the world's largest terrestrial store of atmospheric carbon. Conversely, when they are cleared, forests release enormous amounts of carbon into the atmosphere.

The destruction and degradation of forests worldwide accounts for a higher share of global carbon dioxide emissions than the entire transport sector. These emissions contribute to the greenhouse effect, increasing the risk of catastrophic climate change.

Every one of us uses forest products, so as companies and individuals seek to address climate change, FSC certification offers a simple yet profound way for brands to take

climate action – and for consumers to make a difference through the products they buy, resulting in tangible impacts to our forests.

According to an [analysis by The Nature Conservancy](#) ➔, [reforestation](#) ➔, avoided deforestation, and improved forest management in combination can sequester an additional 14 gigatons of carbon dioxide equivalent each year, which is more than twice what the U.S. emits annually.

“That’s huge potential, all directly tied to FSC’s mission – it’s what we’ve been focused on for more than 25 years,” said Kim Carstensen, director general of FSC International in an interview with [Sustainable Brands](#) ➔. “There’s no silver bullet when it comes to climate change. We need to do many things, all at once. We need to decarbonize our entire world economy, and we need to sequester a lot of carbon dioxide that’s already in the atmosphere. That’s where FSC can help.”

# DEFORESTATION AND PANDEMICS

Forests are critical to human life and wellbeing – we simply could not survive without them. Thanks to COVID-19, we have become acutely aware of the role that forests play in regulating zoonotic diseases, which are diseases that spread from animals to humans. Scientists are now [increasing their efforts](#) → to better understand how pandemics link back to deforestation.



FSC U.S. Senior Policy and Standards Manager, Justin Meier, shares more:



**FSC:** Can you explain what zoonotic diseases are, and why they are a threat?

**Justin:** These are diseases spread to humans from animals. Since we know that 60 per cent of new infectious diseases – like COVID-19, or SARS and Ebola before it – originate in animals, and are often highly contagious, these zoonotic diseases are a chronic and dangerous global threat.



**FSC:** Science has come a long way – why do zoonotic diseases continue to present such a problem?

**Justin:** There is no question we've made enormous strides in medical innovations this century. Still, emerging zoonotic infectious

diseases are increasing in incidence – as is their potential to cause epidemics or pandemics. Most experts agree that this escalating problem is due to greater contact between animals and people that in many cases would not occur under typical natural conditions.

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**FSC: Describe the impact of deforestation on zoonotic diseases?**

**Justin:** There is no underestimating the major role that deforestation plays in the threat of epidemics and pandemics. Ecological degradation and loss may be the primary driver of new infectious diseases because of our increasing proximity to areas that were previously wild. Not only does deforestation bring people closer to wildlife, but also to the livestock with which we often replace forests. The end result is that

new animal species are interacting closely with human populations, generating potent breeding grounds for new diseases to spill over to people.

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**FSC: What is the best path toward curbing deforestation?**

**Justin:** We must continue to reinforce strong economic motivations for companies and countries to conserve our forests. The role of organizations like FSC has now taken on even greater importance. Our systematic approach to fighting deforestation is led by establishing fiscal incentives for rewarding responsible forest management.



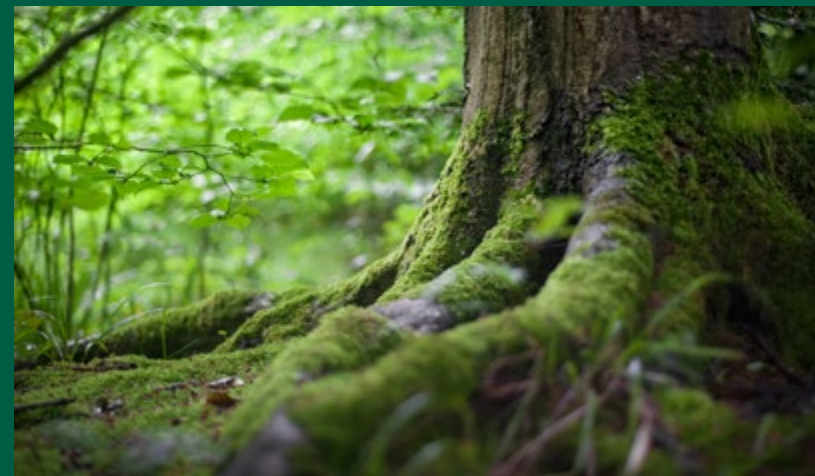
## FSC: How can our certification help achieve this mission of combating deforestation?

**Justin:** As thousands of businesses and many governments across the globe trust FSC certification, our ability to stem deforestation grows. Our forest management standard and chain of custody system represent a unique market opportunity for organizations to take an environmental and socially beneficial approach to forest management and use of forest materials – one that is also viable economically. FSC opens the door to new markets to sell forest products and, in return, certified forest managers commit to the long-term wellbeing of their forests. Meanwhile, certified producers must sever links with businesses engaged in illegal logging or destruction of threatened or rare wildlife habitats.



## FSC: Where do we go from here?

**Justin:** Despite our climate crisis and the massive economic and social impacts of COVID-19, we should maintain a reasoned outlook. We must remember that while ecosystems are increasingly threatened, market incentives for responsible land management are accelerating. One could view the pandemic as triggering greater awareness of the threats as well as new and improved approaches to forest conservation.



# EMBARKING ON FOREST CARBON RESEARCH

## VITAL NATURAL CARBON STORAGE



Forests contain more carbon than is presently found in the atmosphere. Carbon moves into and through forest ecosystems, which, apart from

oceans, are the ecological ground zero for managing the world's carbon dioxide levels and reducing the impacts of climate change.

Over the past four decades, forests have moderated climate change by absorbing about one-quarter of the carbon emitted by such activities as the burning of fossil fuels and (ironically) deforestation. Carbon uptake by forests reduces the rate at which carbon accumulates in the atmosphere, thus moderating climate change. It is imperative

that we manage our forests in a sustainable fashion so they continue performing this fundamental role.



To date, the emphasis has been on reforestation and afforestation, growing canopy in areas where there was and was not previous forest, respectively. Now, leaders are embracing responsible forest management – letting trees grow and thrive – as an important method to deposit carbon and put the climate crisis into remission.



As the world's most trusted forest certification, FSC is the gold standard for such an effort. As a result, many stakeholders – including leading brands, supply chain companies, architects, builders, and developers – are inquiring about the carbon impacts of FSC-certified forest management.

### NEW RESEARCH PROJECT



FSC has commissioned a [Canada-U.S. research project](#) that seeks to quantify the benefits of FSC-certified forest management compared to conventionally managed forests. Several priority landscapes will be examined, including the Pacific West, Southeast U.S. and Canadian boreal forests.

This high-profile work will generate evidence that FSC is achieving its mission to promote environmentally sound, socially beneficial and economically prosperous forest management – and may [transform the market](#) for responsibly sourced forest products. Demonstrating the true carbon potential within FSC forests, while also protecting their commercial value, would provide great incentive for landowners to bolster their eco-conscious activities and offset their emissions.

FSC thanks Cascades, DPR Construction, Google, IKEA of Sweden AB, International Paper, Kruger, Lowe's, Procter & Gamble, and the Fox Foundation for supporting this important study.



# EXPANDING THE FSC BRAND TOGETHER

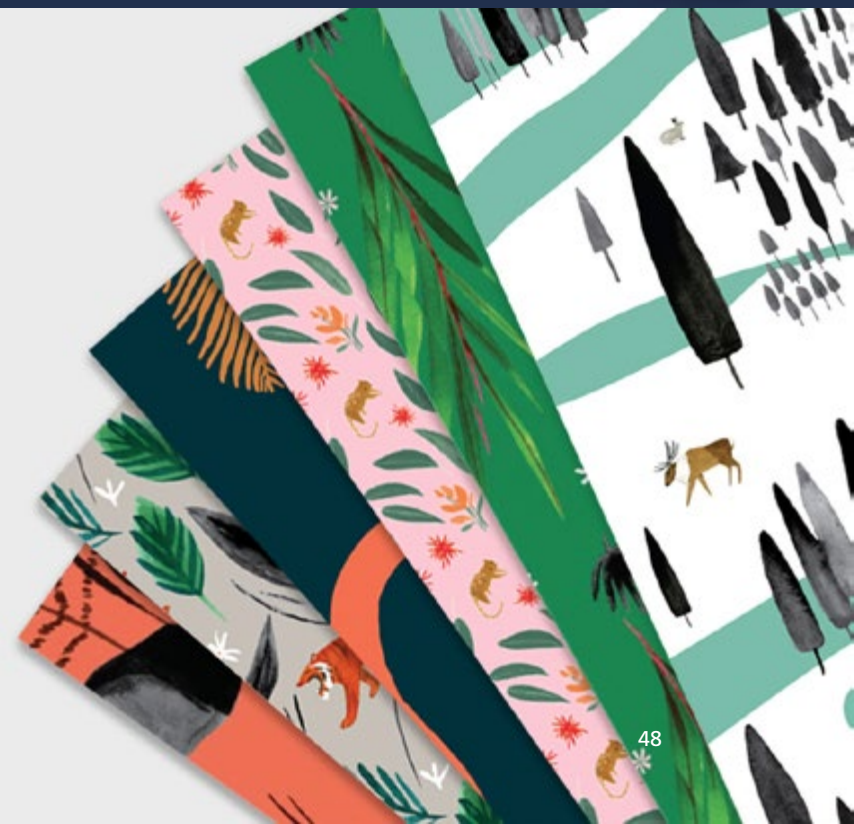
Ensuring FSC continues to be a strong and recognized brand in the marketplace is essential to increase consumer demand for FSC-certified products – and in turn, increase the benefits for our certificate holders.

## THE GIFT THAT GIVES MORE – FOREST HOLIDAY GIFT WRAP



In 2020, FSC Canada was excited to partner with Hemlock Printers to support the [Wild World Gift Wrap Program](#) ➔, which offered a set of holiday gift wrap featuring six

different forest landscapes from five continents. The goal was to raise awareness of the importance of intact forest biomes and the critical role they play in preserving biodiversity and climate stability. The entire set was printed on FSC-certified, 100 per cent post-consumer waste paper. Sales also generated \$10,000 toward [forest conservation efforts](#) ➔.







## MEET MONTREAL'S TALLEST WOODEN BUILDING

Griffintown is a historic neighbourhood in Montreal, southwest of downtown. There, a new residential complex from Oxford Properties called Arbora united three new eight-story buildings into a structure consisting entirely of sustainably sourced wood.

This development, at nearly 600,000 square feet and featuring 433 new condo, townhouse and rental units, is the world's largest complex of its kind constructed with mass timber.



The building's bearing partition walls feature FSC-certified cross-laminated wood, and its vertical load resistance system is a post-and-beam structure of FSC certified glulam (supplied by Nordic Structures). The mass-timber panels - supplied by Nordic Structures, a part of the Chantiers Chibougamau Family - are held together by wooden tongues or nailed metal, and provide a warm aesthetic to these new multi-family homes.

The buildings take up only 55 per cent of the development land, leaving the remaining area as green space and art installations.

This project landed Oxford Properties in Fast Company's [\*The World's 50 Most Innovative Companies\*](#) ➔ list in the energy sector. FSC is proud to be part of this new development in Montreal.

# BRAND IN ACTION: FSC FRIDAY ENGAGES 1 MILLION PEOPLE GLOBALLY

On September 25, 2020, the Forest Stewardship Council hosted 'FSC Friday'. This annual event raises awareness for FSC by encouraging consumers, companies, communities and stakeholders to share their commitment to FSC and responsible forestry through forest management practices, or by sourcing and buying FSC certified materials and products.

The theme, *Forests for All Together*, celebrated the importance of bringing people together to responsibly care for forests – environmentalists, big business, Indigenous Peoples, communities, governments, forest workers and careful consumers.

Organizations and individuals alike were encouraged to join in raising awareness about the importance of responsible forestry and the need for real change by sharing [stories](#) ➔, videos and more on social media with the hashtag #FSCFriday2020 and #ForestsForAllTogether, in all reaching over one million people globally.



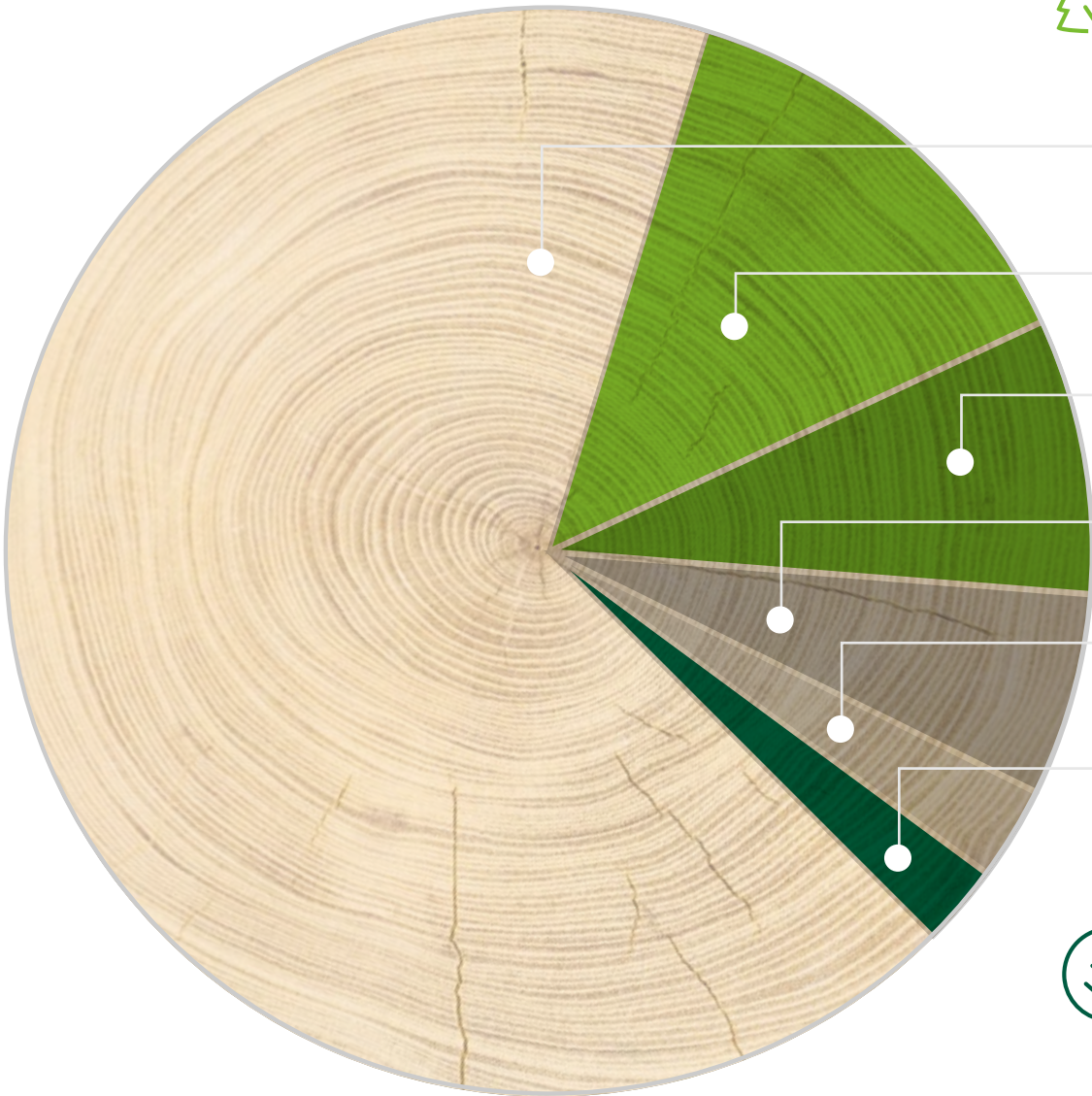
*"I support FSC because it has brought Indigenous rights and titles to the forefront of forestry practice."*

**Valérie Courtois**  
Indigenous Leadership Initiative,  
Director, RFP

*"Domtar supports FSC because our certification proves our commitment to sustainability and environmental responsibility from the forest to the shelf."*

**Paige Goff**  
Domtar,  
Vice President of Sustainability

# FINANCIALS



**\$1,197,470**

Total Income

**\$884,694**

Certification Fees

**\$97,091**

Corporate Sponsors

**\$78,896**

Membership Fees

**\$66,340**

Government Grants

**\$36,934**

FSC Grants

**\$33,515**

Other Income



**\$997,495**

Expenses



FSC® 000205

