The vast majority of forest lands in Canada—some 92 per cent—are owned by the federal, provincial and territorial governments. With this ownership goes the obligation to monitor forestry operations carried out by private companies on Crown lands to ensure that they comply with sustainable forest management laws, regulations and contractual undertakings.

**Canada’s Legal Framework for Forest Management**

The foundation for sustainable forest management in Canada is a comprehensive body of provincial and federal forestry and related laws and regulations.

As there is very little harvesting activity on the 2 per cent of Canada’s forest areas owned by the federal government, federal forest management activities focus mainly on such things as coordinating national healthy forests initiatives, meeting international reporting obligations, increasing Aboriginal participation in forest management, and facilitating international trade in forest products.

It is the provincial and territorial governments that have main legislative authority over the enhancement, conservation and management of the nation’s forest resources. For the 90 per cent of Canada’s forest areas within their jurisdiction, the provinces and territories each develop legislation and regulations, enter into forest management agreements with private companies, collect timber harvesting fees, gather detailed data and enforce compliance. While there are some differences among the jurisdictions, the objectives, methods and intended outcomes are very similar across the country. Together, they represent one of the most stringent forest management regimes of any nation.

**Compliance. Effectiveness. Effects.**

To operate on public lands, a private forest company must have some form of forest tenure with the provincial or territorial government. While the name of this instrument differs from province to province, a tenure is a legally binding agreement, licence or permit that gives a company the right to harvest timber within a specific geographical area (i.e. a forest management unit) according to explicit rules. The company assumes responsibility and accountability for forest management planning, stakeholder consultation, on-going operations, and reporting. Provincial and territorial ministries responsible for forest management monitor company operations to ensure that all laws and regulations are respected, and that specific under-takings are observed.

A key tool used in sustainable forest management is a forest management plan. Requiring public consultation and formal approval from the provincial/territorial forest ministry, the plan establishes a long-term management direction for the forest management unit, identifies planned operations, specifies outcomes, addresses sustainability issues, describes monitoring and reporting activities, and provides other documentation, as required.

When it is in place, the management plan becomes a key point of reference during monitoring activities.
Governments generally conduct three kinds of monitoring. **Compliance monitoring** deals with the inspection of a forest operation to ensure that it conforms to the applicable regulatory framework, including the approved plan or permit. **Effectiveness monitoring** determines if the operations undertaken are achieving the desired outcomes. **Effects monitoring** assesses the impacts of operations on various aspects of the forest ecosystem through long-term research studies.

**Variations on a Theme**

Each province and territory has a monitoring and compliance regime that is in keeping with local circumstances, which may include the characteristics of its forest lands, the kinds of forest industries and activities within its borders, specific environmental protection issues, and the outcomes of past consultation and planning initiatives.

**Illegal Logging**

Illegal logging takes place when timber is harvested in violation of the relevant laws of the country of harvest. The term illegal logging is often used to describe forest activities that result from corruption and criminal activity.

Illegally harvested timber undermines good governance and legal forest activities. It can have significant economic, environmental and social consequences such as the loss of wildlife habitat and public revenues, or threatening the livelihoods of forest workers. In many developing countries illegal logging causes deforestation and forest degradation. Furthermore, lower prices for forest products made from illegally harvested timber undermine fair competition and distort global markets.

In 2002, the World Bank estimated that illegal activities may account for one-tenth of the global timber trade. In addition to helping attain environmental and other goals, Canada can protect its trade interests by promoting the principle of legality world-wide, as well as supporting sustainable forest management (SFM) and good forest governance.

Canada has world-class forest practices and is recognized internationally as a leader in SFM for its well-developed public policies, legislation and enforcement. When forest-related laws are broken, legal penalties are applied through the justice system. Logging operations that do not meet legislated standards are also subject to a variety of penalties and fines.

Canada supports a multi-faceted approach to address the direct and underlying causes of illegal logging both in Canada and abroad. Specific actions include:

1. **Continue to support third-party forest certification as a tool to promote legal and sustainable forest management, both in Canada and internationally.**

2. **Continue to participate in international discussions related to SFM and illegal logging, including discussions under the United Nations Forum on Forests (UNFF), the Food and Agriculture Organization (FAO).**

3. **Explore a range of policy options which Canada could take to halt the importation and trade of illegal forest products, taking into consideration the initiatives and experiences of other countries.**

4. **Collaborate with the World Customs Organization, the Convention on International Trade in Endangered Species (CITES), and national customs and wildlife enforcement agencies around the world to explore ways to tighten border controls to combat illegal logging and the illegal trade of timber.**

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**Third-Party Forest Certification**

Canada’s rigorous forest management laws and regulations are complemented by voluntary, third-party certification that enables forest companies to give customers added assurance that the products they are buying come from sustainably managed forests. Canada now leads the world in third-party certification, with 161 million hectares (398 million acres) certified under programs developed by the Canadian Standards Association (CSA), the Forest Stewardship Council (FSC), and the Sustainable Forestry Initiative (SFI). Many Canadian forest companies also comply with the ISO 14001 environmental management standard. A key feature of third-party certification is independent auditing to confirm that a forest company’s planning, procedures, systems and performance of on-the-ground forest operations meets national and international standards. Forest companies are required to disclose annual surveillance audits to the public as a demonstration that forest lands in their care are being managed to the highest standards of sustainability.

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