



Abundant Forests and Competing Uses

Derek Nighbor, CEO
Scaling Up Conference
Ottawa, Ontario
November 15, 2016

WORLD FORESTS

Canada has the **third-largest forest area** in the world.

1st RUSSIA

2nd BRAZIL

3rd CANADA

4th USA

5th CHINA



Canada is THE Responsible Source

In the Canadian jurisdictions the legal frameworks are similarly or more stringent than the certification standards on public land in promotion of forest health, water protection, old growth management, prohibition of GMOs and local level participation/indigenous peoples.

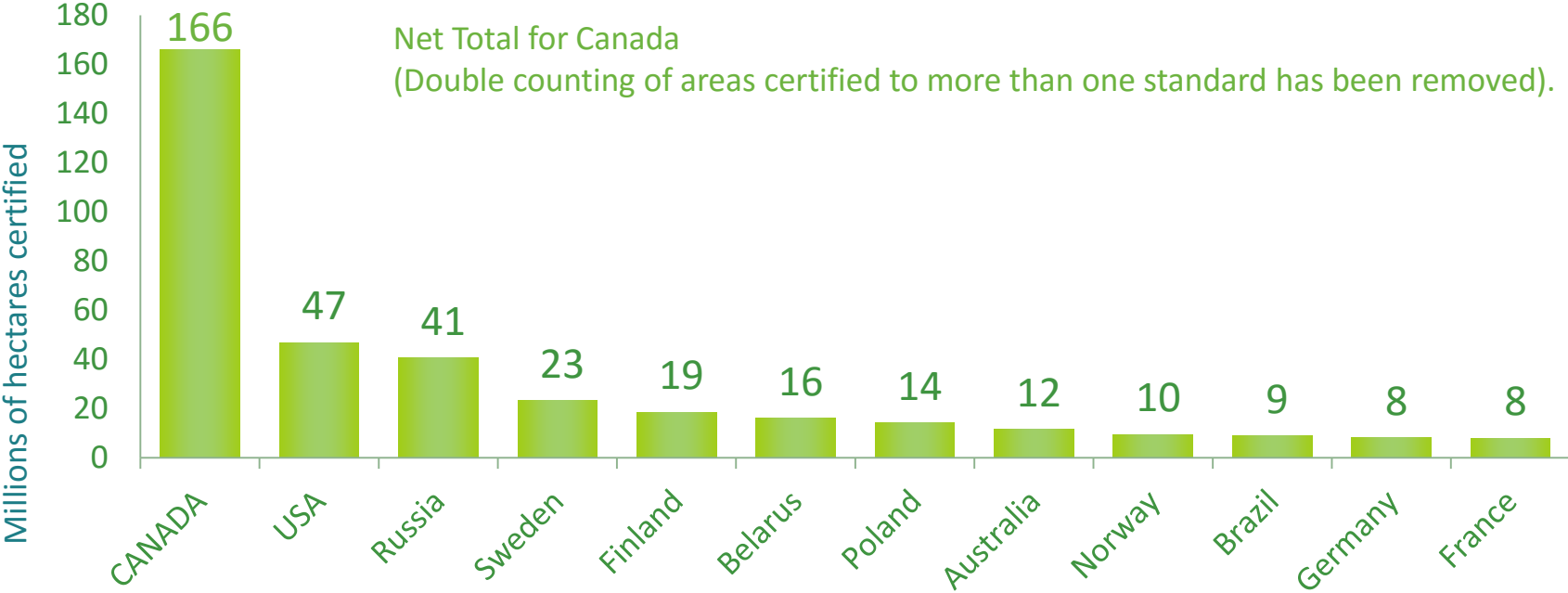
- Indufor 2016

Forest product supplier: Canada is still #1! *As a supplier of forest products, Canada has the best reputation in terms of environmental practices and reputation. This is still true, even though new customers were surveyed this year.*

- Léger the Research Intelligence Group 2016

Canadian Certification in the Global Context

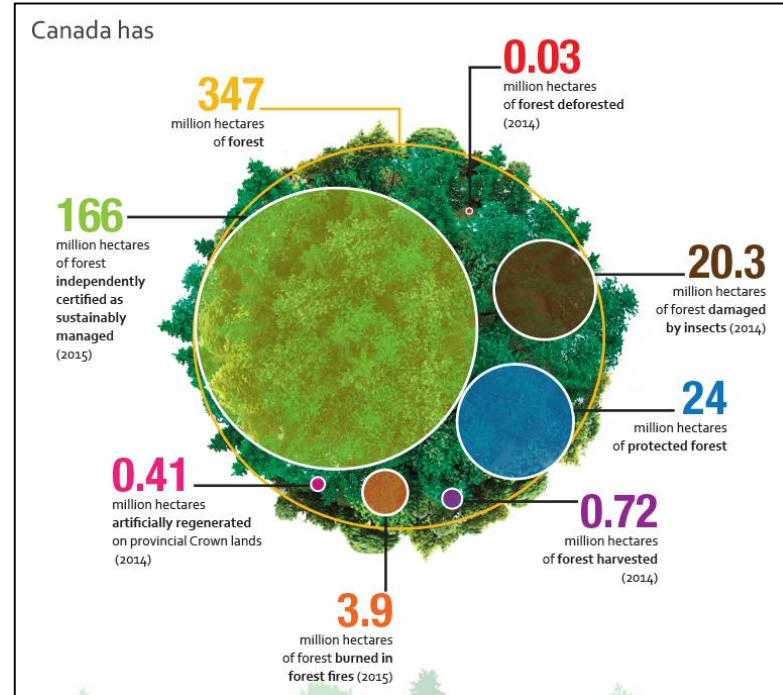
2015 Year-end



Sources: www.certificationcanada.org as of Dec 31/15
www.fsc.org as of Jan. 5/16
www.pefc.org as of Dec 31/15

Competing Uses and Impacts

- Ecosystem services and conservation
- Natural Disturbances
- Traditional Forest Products
 - Cascading use of fibre – e.g. lumber to pulp to energy
- Bio-based products
 - Better value generation from residual streams



Source: State of Canada's Forests Report, 2016

Renewable Bioenergy



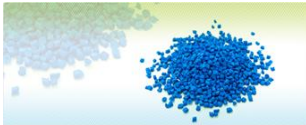
Bio-Based Materials and Products



Resins & Coatings



De-icers &



Plasticizers



Lubricants & Solvents



Plastics



Cosmetics & Personal Care



Polyurethanes



Spandex & Polyesters

THE LOOK OF THE PROS.
THE ENVY OF THE COMPETITION.

JTECH

W's week construction offers 100% better air resistance and weighs 20% lighter than the 962

Custom-molded Fuzlon technology offers 10% better vision with zero free protection

Mechanically attached inner shell has layers of foam for unmatched comfort and impact absorption

JTECH THE FACE OF HOCKEY

THE OFFICIAL MASK OF THE NHL



Innovative Building Materials and Methods



Supply & Demand Dynamics of Biomass

- **Cost of biomass is not well understood**
 - Slow growing forests
 - Canada manages its forests as natural forests, not plantations
 - Long haul distances from forest to mill
- **Sub-sectors are interdependent**
 - Sawmills need pulp chip sales
 - Pulp mills need sawmills for pulp chips and hog fuel

Strategic Path Forward

- **Need broad, balanced development of bioproducts**
 - Complement production of traditional products
- **Priority for industry is to create jobs while sustaining existing jobs**
- **Avoid unintended consequences from too much focus on one market**

Thank you!

Derek Nighbor

Chief Executive Officer

Forest Products Association of Canada (FPAC)

dnighbor@fpac.ca

@dereknighbor