First Nations Boreal Forest Issues Workshop

National Aboriginal Forestry Association (NAFA)

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Introduction

National Aboriginal Forestry Association Executive Director, Lorraine Rekmans, welcomed participants and introduced the NAFA staff and board members in attendance. She noted that this Boreal Forest Issues Workshop follows up on a workshop held in January 2005. Although that workshop resulted in a number of recommendations, the goal for this workshop was to identify more strategic and focused recommendations on key issues.

Boreal Futures Report

Harry Bombay, NAFA

Harry Bombay reviewed some basic information on Canada's boreal forest, noting that it is Canada's largest forest ecosystem. It represents 77% of Canada's forested land base and, at 350 million hectares, covers 53% of Canada. Although estimates vary, roughly one million Aboriginal people in more than 500 First Nations and Métis settlements call the boreal forest their home.

The boreal forest is currently a key area of focus in Canada, encompassing a number of major issues:

- sustainable forest management;
- rights of Aboriginal Peoples;
- conservation of biodiversity;
- international and domestic trade dollars;
- the forest's role in slowing climate change (carbon storage);
- cumulative impacts on the forest of mining, oil and gas, hydro, and forestry.

NGOs and government view the Canadian boreal as a conservation opportunity and recognize the ecosystem services it provides (such as water filtration and climate change mitigation). One key issue is the lack of coordination among the different land-use regimes in Canada in different jurisdictions.

The Canadian Boreal Initiative released the Boreal Forest Conservation Framework (BFCF) in 2003, recommending that 50% of the boreal forest be protected, leaving the other 50% for industrial development. For Aboriginal people, the implications of this recommendation are huge. If protected areas were created, what would be the effect on Aboriginal people's rights in those areas? What would be the impact of intensified industrial activity in the other 50% of the forest?

The National Round Table on the Environment and the Economy (NRTEE) has released a report called "Boreal Futures." NRTEE established the Boreal Forest Program and a boreal forest task force to examine how to advance conservation in balance with economic activity on public lands allocated for resource development in Canada's boreal through regulatory and fiscal policy reform.

The task force made seven recommendations, which NAFA intends to promote:

- a boreal forest conference (to be held in Ottawa in September 2006);
- a boreal centre of excellence;
- climate change adaptation;
- use of fiscal incentives;
- integrated landscape planning (and interjurisdictional cooperation of governments in addressing human impacts and land management planning);
- institutional arrangements to engage Aboriginal Peoples;
- Aboriginal capacity-building.

During the discussion, a participant noted that the NRTEE report indicates where the primary responsibility lies in relation to each recommendation.

A participant asked if NAFA will engage with others, particularly conservation groups, on the issue of protecting the boreal forest and the implications for Aboriginal people. Bombay said that NAFA does intend to engage with other groups on this issue. He noted that the position taken by various First Nations in relation to the issue of protected areas depends on what is happening within the local regions. It is easier for First Nations to say "yes" or "no" to a conservation initiative at the local level. But a broad-based initiative to set aside 50% of the boreal at the national level raises complex issues. The impact of conservation on Aboriginal treaty rights is hard to assess.

Rekmans said that there is a need for dialogue regarding the significance of commitments to respect Aboriginal treaty rights. Some groups have made statements of commitment without understanding the full implications. This has led to a breakdown in communication.

A participant said that the Dene people of the Northwest Territories have begun to lay out their own perspectives on what they would put under protection. He suggested that NAFA and other organizations should track these local initiatives and set up a clearinghouse. Through local initiatives, it may be possible to meet an overall target of 50%.

Another speaker said the problem with conservation initiatives is that the targets and definitions are set at the national and international levels, not the local level. Because all the boreal forest in southern Canada is already licensed, the focus for a national conservation effort will be in the North. First Nations in northern areas will bear the brunt.

Bombay suggested that more information is needed, as the conservation initiative is supposed to focus on conservation in the "working forest," which is located in the southern region. This is an issue that NAFA should raise.

Participants suggested that NAFA do an independent overview of the issues, clarifying where First Nations stand. NAFA should begin to advocate on behalf of First Nations for

the capture of the emerging environmental service markets associated with putting land under protected status.

Natural Capital: Assessing the real value of Canada's boreal ecosystems

Mark Anielski, Anielski Management Inc.

Mark Anielski presented an overview of a study done in 2005 on the natural capital of the boreal ecosystem. The study assessed the economic importance of the boreal to Canadians, not just measuring its benefits to the general economy but assessing the integrity of the ecosystem and its general value as an ecosystem.

Natural capital accounting is a key tool for measuring the physical state and economic value of Canada's natural assets, said Anielski. Natural capital is now a "mainstream" concept. It includes three elements: natural resources, land for human activity, and ecosystem services. Natural capital accounting looks at the physical and qualitative conditions of natural capital and measures its monetary value.

The overall objective of the 2005 study was to examine the state (conditions) and full economic value of Canada's boreal natural capital and ecosystem services.

The researchers developed the Boreal Economic Wealth Accounting System (BEWAS), which includes a balance sheet broken into three main categories: natural capital accounts, land accounts, and ecosystem service accounts. Ecosystem services include everything from climate stabilization to genetic resources, soil formation, pollination, and habitat.

Using a "pressure-state-response" framework, the researchers looked at the pressure of current human activities affecting the environment, the state of environmental resources, and the societal responses to environmental concerns.

The researchers placed a monetary value on some ecosystem functions (such as atmospheric and climate stabilization, water stabilization, and water supply). Other functions, like pollination and soil formation, were harder to value. To do economic valuation, they considered a whole range of values, including use values (direct-use values such as commercial forestry, and ecological function values) and non-use values (such as the value of the forest in the future).

Anielski presented detailed valuation results (based on 2002 figures):

- *Forests*: The estimated market value of forestry-related GDP in the boreal region is $14.9 billion, while the estimated cost of carbon emissions from forest industry activity in the region is $150 million.
- *Minerals and subsoil assets*: The market value of industrial activities related to mining and oil and gas is estimated at $14.5 billion, while the costs are estimated at $1015 million in federal government subsidies. There is also an estimated air

pollution cost to human health of $9.9 billion.
- *Water resources*: Hydroelectric generation from dams and reservoirs in the boreal shield ecozone generates $19.5 billion in market value.
- After adding the market value figures and subtracting the total cost of pollution and subsidies, the net market value of boreal natural capital extraction is calculated to be $37.8 billion.
- The total non-market value of boreal ecosystem services (i.e., services such as carbon sequestration) is estimated at $93.2 billion.

The bottom line is that the value of boreal ecosystem services is at least 2.5 times greater than the net market values of forestry, mining, oil and gas, and hydroelectricity combined. Anielski added that these are conservative estimates. The ecosystem services of highest value per year are flood control and water filtration by peatlands and wetlands, pest control services by birds, and nature-related activities.

The value of subsistence services for Aboriginal people in Canada's boreal region (the forest as a source of food, medicines, and economic livelihood) is estimated to be between $261 million and $575 million.

One of the most strategically important values of the boreal region is its role as a storehouse of carbon critical to climate change. Researchers estimated the value of average annual carbon sequestration by the boreal forests at $1.85 billion per annum. Munich Re, one of the world's largest reinsurance companies, has estimated that the cost to the global insurance industry of continued increases in global carbon emissions could reach US $304 billion per year by the end of the decade. These figures suggest that the value of carbon storage is US $46 per tonne of carbon stored. The value of Canada's boreal "carbon bank account" would thus be US $3.1 trillion.

If the boreal region's non-market ecosystem values were counted in Canada's national income accounts, they would be the equivalent of a 10.5% contribution to the value of Canada's GDP in 2002.

In conclusion, Anielski posed some important questions:

- How can Canada conserve its boreal ecosystem in a manner that ensures that further human and natural impacts do not lead to increased risk of potential loss of critical ecosystem functionality and possible "tipping points"?

- How much of the current intact boreal ecosystems should be protected or "conserved" from future development? What are the real economic costs and benefits of conservation?

- Should Canada adopt a more precautionary and conservative approach to decision making with respect to the boreal region by ensuring that ecosystem integrity and optimum ecosystem service capacity are the primary objectives of future land-use planning and development?

He highlighted the following recommendations for all levels of government, including Aboriginal government:

- Develop a system of natural capital accounting, such as BEWAS, to guide land-use planning, resource management, and economic development policies. This system should include a comprehensive and nationally coordinated inventory of boreal natural capital.

- Incorporate accounts of natural capital and ecological goods and services in national and provincial income accounts to guide economic, fiscal, and monetary policies.

- Provide full-cost accounting of the social and environmental costs associated with natural capital development and total economic valuation of natural capital and ecosystem services.

Steve Kakfwi, Dene Nation

Steve Kakfwi addressed the concerns raised by participants regarding the proposal to set aside 50% of boreal forest for protection at the national and international level. He suggested that 100 years ago, people would have thought that 50% was "a total sellout and compromise." He added that "the elders we have would want to leave the land the way it is now."

He noted that in the North, there is great interest in diamonds and oil and gas. A $7-billion gas pipeline is proposed, which would open up the heart of the boreal forest along the Mackenzie Valley. "The fight for the boreal forest in the Northwest Territories is on," he concluded. Aboriginal leaders want to make money and create jobs, and many are joining industry and government in pushing for just 10% of land to be set aside. Kakfwi predicted that the end result will be a target of about 20%.

He said that he does not support the pipeline proposal, because Aboriginal Peoples will not receive a percentage of the revenue from resource development.

Noting that the World Wildlife Fund, Ducks Unlimited, and the Canadian Parks and Wilderness Society are pushing for conservation, Kakfwi said that he has aligned with these organizations because he supports the wise use of resources.

During the discussion, a participant suggested that the social issues affecting employment should be raised in negotiations regarding resource development.

Citing concerns about PETA's opposition to the fur industry, a participant questioned Kakfwi's alignment with conservation groups. Kakfwi stressed that the organizations with which he chooses to align are not animal rights organizations. He added that if more Aboriginal leaders became involved in these organizations, they could influence their direction and policies.

Conservation Solutions: Integrating conservation planning with forest management

Mark Hubert, Forest Products Association of Canada

Conservation planning and integrated landscape management (ILM) are key boreal issues, said Mark Hubert. He discussed work done by the Forest Products Association of Canada (FPAC) on forest conservation. Working with the World Wildlife Fund, FPAC took the identification of high-value conservation forests out of forest certification altogether. Today, multi-sector and multi-interest discussions are increasing. Aboriginal issues are central. Many Aboriginal communities are located in the same areas where forest industries operate, and there are treaty and Aboriginal rights that must be taken into account.

Hubert noted that the word "conservation" tends to be used interchangeably with "preservation," but conservation solutions involve a combination of protected areas, active sustainable management, current conservation science, and human values. The appropriate mixture is largely a function of social choice, within broad ecological and social limits. Ecologically, forest biodiversity conservation must extend beyond stand level to landscape and ecoregion. Approaches to stand and landscape management can complement networks of protected areas.

FPAC's approach to conservation is based on a belief that conservation planning can fit into conventional forest management planning processes. Solutions need to be iterative and adaptive, and assumptions need to be stated clearly. Ecological, economic, and social tradeoffs should be evaluated against alternative solutions. Effectiveness monitoring needs to be affordable, transparent, and adaptive. Conservation approaches should be designed to test assumptions.

Effective conservation solutions are best achieved through a systematic planning process. FPAC wants to involve broader social and economic perspectives, including Aboriginal perspectives. Conservation begins by identifying a non-harvestable land base (which includes northern forests) and identifying conservation gaps and needs. Having determined where those gaps are, the next step in forming a conservation plan is to conduct a high-value forest analysis and hold discussions between communities of interest. The result should be a conservation plan that incorporates economic values and industry perspectives as well as Aboriginal and other perspectives.

There are a number of emerging themes to consider with respect to conservation, including multi-interest engagement, the roles of Aboriginal and provincial governments, cultural and social values, transparency, and data.

Hubert listed a number of Aboriginal-specific themes to consider:

- Aboriginal perspectives are integral in defining conservation planning principles.
- Common boreal conservation approaches should be multi-jurisdictional, and

Aboriginal perspectives should be engaged.
- Various sectors must be engaged due to their use of the land base. Traditional Aboriginal uses should be considered.
- Efforts should be made to inform those with interests, including Aboriginal groups, so that they can make informed decisions regarding trade-offs.
- Principles should address the maintenance of cultural integrity, including Aboriginal cultural integrity.
- Both Western and traditional ecological knowledge should be considered in discussions of conservation planning principles.

FPAC held a national workshop involving provincial governments, industry, the conservation community, and Aboriginal groups. FPAC's objective was to try to get agreement on the development of a commonly supported set of principles and tools for conservation planning. These should be flexible enough to apply to different forest types, jurisdictions, and governments, and to accommodate decisions at the local level.

Following Hubert's presentation, a participant asked if FPAC would engage in a meaningful dialogue with First Nations organizations about returning a fair share of the natural resource base to First Nations control, as the basis for effective partnerships. Hubert responded that FPAC cannot unilaterally discuss the possibility of redefining tenure with First Nations organizations, but is happy to participate if the larger, multi-interest discussion goes in this direction.

Another participant emphasized that although FPAC has acknowledged that Aboriginal perspectives are integral in defining conservation planning principles, there should be an explicit statement that Aboriginal government leadership will be involved in any future discussions regarding the establishment of protected areas on Aboriginal territory.

Industrial Trends across Canada

Peggy Smith, Lakehead University

Peggy Smith took an informal survey of participants from different regions regarding mill closures across the country. Some participants said hundreds or thousands of jobs had been lost, while others said that mill closures in their region did not affect First Nations much because there were not many First Nations jobs or contracts associated with the mills.

The industry is undergoing major change, said Smith. What is the response from government and First Nations, and what kind of choices have to be made at this time of major change?

The reasons for the major global restructuring of the forest industry include rising energy costs, changes in the value of the Canadian dollar, the softwood lumber dispute, global restructuring (with new mega-mills being built in other parts of the world), labour costs, changing wood supply costs, and demand issues.

"Where do we go as a forest sector in Canada when our whole industry has been built around commodity production?" asked Smith. She noted that many communities want to "fix" the problem so that they can go back to the way things used to be—but this is not going to happen. Where, then, can First Nations position themselves in order to buffer the change or find new opportunities?

Asked for their ideas, participants suggested focusing on international opportunities, value-added, modular housing, and bio-energy, and emerging energy sources. They also discussed revenue sharing and tenure issues. Smith noted that in one court case, it was argued that local wood supply should be tied to the local mill rather than transported out of the community. In the past, provincial laws required that a forest company with a license to harvest timber on publicly owned land had to do some processing in Canada. But that requirement does not exist anymore, and the wood supply is being cut off from the mills.

The changes in the industry present an opportunity to change tenure and see whether First Nations could be part of redirecting the wood flow. These changes also present an opportunity to strengthen Aboriginal-defined conservation principles that suit First Nations interests.

It is important that First Nations begin by agreeing amongst themselves on the definition of conservation. They could then influence the larger discussion and the global debate on conservation. Although conservation groups wish to set aside protected areas, First Nations tend to view the land more holistically, making use of all the land but also protecting it through their stewardship.

Other forest-related economic opportunities involve the recognition of environmental services, the involvement of youth, non-timber forest products, and biotechnology.

Forestry Research

Geoff Munro, Natural Resources Canada, Canadian Forest Service

Presenting some statistical information on the forest sector, Geoff Munro listed some key issues, including sector competitiveness, forest pests, climate change, forest communities, and the boreal forest. He noted that there is an obvious geographical overlay between boreal forests and Aboriginal communities.

The Canadian Forest Service (CFS) has a mandate focused on forest research, sustainable forest policies and practices, and the development of forest management tools. Munro discussed the ways in which the culture of the organization is changing:

- CFS was a research organization but is changing into a science-based policy organization. It has been mandated to make science policy-relevant.
- CFS is moving from a regional focus to a national focus, based on strong regional delivery.

- CFS is shifting from a capacity-driven approach (where questions are driven by trends in scientific inquiry) to a demand-driven approach (where government mandates determine the focus of scientific research).
- CFS is changing from simply generating knowledge to synthesizing knowledge from various sources into useful material for a policy discussion.
- CFS used to position itself as an "honest broker" without an opinion, but is now being asked to form an opinion.

Munro outlined five CFS business lines, including the competitiveness of Canada's forest sector, forest sustainability, strong communities, climate change, and international influence. A number of cross-cutting issues are also considered: forest pests, fire, and boreal forest.

To address the competitiveness of Canada's forest sector, CFS is trying to link the upstream and downstream components of the innovation chain, including closer linkages between institutes. CFS has set up a cluster in BC to create more synergy amongst the interested parties along the innovation chain. CFS is also doing economic research and assisting with market access negotiations (e.g., softwood lumber).

Work on forest sustainability includes biodiversity research, the National Forest Information System (NFIS), criteria and indicators, and pine beetle research.

Work on strong communities includes community impacts research and community-focused programming such as the First Nations Forestry Program and the Model Forest Program.

Work on climate change includes carbon accounting models, community adaptability strategies (model forests), carbon sink/source measurement, and research on climate change impacts related to fire, insects, and disease.

The focus on "international influence" involves sharing sustainable forestry best practices and tools. There is also a focus on research collaboration in the Circumboreal Region. CFS also engages in effective advocacy of Canada's forest interests at appropriate international fora.

Cross-cutting issues include forest pests, fire, and the boreal forest. The National Forest Pest Strategy is a priority for CFS. CFS is moving away from a reactive response toward a national dialogue, with the goal of building a national strategy. CFS is also doing work on wildland fire, and on boreal-specific research and communication.

There are several opportunities for collaboration, including the CFS Aboriginal programs. The First Nations Forestry Program will be replaced in 2008 by a new program. Research gaps must be addressed, particularly those related to Aboriginal forestry trends and traditional knowledge. There are also advocacy opportunities involving communication and outreach.

During the discussion, Harry Bombay emphasized that there is a significant research gap related to Aboriginal forestry issues, adding that there is no mechanism for Aboriginal research led and conducted by Aboriginal people. Munro suggested that there may be an opportunity to create a stronger research and development focus for the next version of the First Nations Forestry Program.

Asked about First Nations involvement in the pine beetle issue, Munro gave the example of a group of three chiefs in BC representing the Aboriginal community's interests in the mountain pine beetle issue. This group works with the province and the regional lab. This is the most powerful mechanism to ensure that Aboriginal perspectives are addressed in provincial planning, he said.

Another participant said that a strong take-home message for Natural Resources Canada is the need for dialogue regarding the obligations of CFS toward First Nations Peoples.

Canada's National Forest Strategy—Theme 3

Mark Kepkay, NAFA

Mark Kepkay noted that the National Forest Strategy (NFS) is an important part of NAFA's work. The current NFS was developed in 2003 to run for a five-year term through 2008.

The NFS coalition has 67 members and eight themes. Theme 3 is the Rights and Participation of Aboriginal Peoples. This includes the accommodation of Aboriginal and treaty rights. There are seven action items under Theme 3.

The NFS Coalition oversees the implementation of the strategy and has designated NAFA the champion of Theme 3. In that role, NAFA has convened Team 3 to implement the action items by developing joint projects. Team 3 membership is open and voluntary. There are six projects, all of which are in a developmental stage:

- developing a capacity-building strategy for Aboriginal communities to gain greater participation in the forest sector and implementation of Aboriginal rights in that sector;
- dealing with traditional knowledge;
- addressing trapping and forestry;
- establishing a Métis Forestry Program;
- tracking progress (establishing indicators and guidelines and an Aboriginal forestry tracking framework);
- developing a website to bring together experiences and ideas from across the country.

Next steps will include a second meeting of Team 3 members in April 2006 in Ottawa. Noting that community involvement is crucial, Kepkay invited participants to get involved in this process.

Impact of Climate Change on Aboriginal People

Myrle Traverse

Myrle Traverse reviewed the impacts of climate change on Aboriginal people, noting that these impacts are diverse and will vary based on geography, culture, nation, size/population, governance, and development.

"As First Nations people," she said, "we have occupied the land for generations." The ancestors derived life from the land and "left us tools to use to better understand ourselves, our responsibilities, and relationship to the environment as well as our possibilities." Aboriginal people need to honour and validate this legacy, she said.

Regional impacts of climate change will vary and may include droughts, a decrease in sea ice, melting of the permafrost in the North, and extreme weather.

One key issue is traditional knowledge. There are many traditional weather indictors and predictors. Aboriginal people will be the first to observe changes because of their close attachment to the land. Traditional knowledge can help people to understand what is happening, but traditional knowledge and traditional livelihood are being affected by climate change.

Another key issue is the need to prepare Aboriginal communities to be more resilient to climate change. An important element of this process is awareness raising, both within communities and at different levels of government.

Climate change will have an impact on Aboriginal communities in terms of health, infrastructure, economy, and traditional activities (for example, as traditional medicinal plants are lost).

Aboriginal people are aware of changes to their environment. Impacts are being observed in the South as well as in the North. The effects are cumulative: the impacts of climate change add to existing serious environmental problems like water quality and mold.

Key issues include transportation, housing, infrastructure, traditional activities, recreation, fishing, treaty rights, and jurisdiction.

Traverse encouraged NAFA to explore opportunities to develop partnerships with industry, government, and NGOs. There is a need for community-based research and a clearinghouse mechanism for information. There is also a need for more awareness and education.

A strategy and a policy needs to be developed, and there is a need for capacity building so that First Nations have mechanisms to respond to climate change impacts like extreme weather. New strategies must be explored, such as emergency response plans and changes in government funding formulas.

First Nations Criteria for Sustainable Forest Management

Lorraine Rekmans, NAFA

The Canadian Council of Forest Ministers (CCFM) set out 48 indicators in 1995 to provide a common understanding of what is meant by sustainable forest management (SFM). Indicators identify scientific factors that can be used to assess the state of the forests and measure progress over time. Aboriginal and treaty rights were housed under Criterion 6.0, Accepting Society's Responsibility for Sustainable Development.

Criterion 6.1, on Aboriginal and treaty rights, states that governments in Canada "will aim to meet their legal obligations with respect to duly established Aboriginal and treaty rights…." This implies that these legal obligations are optional, said Rekmans.

A new version of the criteria and indicators, Defining Sustainable Forest Management in Canada—Criteria and Indicators 2003, pared down the number of indicators to 36. Rekmans questioned the revision of the indicators so soon after the first set of indicators was created, commenting that good indicators for sustainable forest management should stand the test of time.

In the new version, Criterion 6.1 again states that "various levels of government in Canada aim to meet their legal obligations with respect to Aboriginal and treaty rights…." This is a very political piece of writing, as opposed to something scientific and focused on sustainability, said Rekmans.

Both documents state that, "When discussed in relation to renewable resources… Aboriginal and treaty rights generally relate to hunting, fishing and trapping, and in some cases, gathering."

Comparing the two sets of indicators (1995 and 2003), Rekmans noted that some points are very similar. She criticized criterion 6.1.2 in the 2003 document, which refers to the "area of forest land owned by Aboriginal peoples," explaining that this does not stand up as an indicator because it is not measurable or clearly understandable.

The definition of forest-based communities is problematic because the criteria used exclude many Aboriginal communities.

Reporting must evolve as research is done and data become more available, said Rekmans. Currently, reporting on the indicators may not be uniform across Canada because of differences in the availability of data, expertise, and resources. Aboriginal groups must take responsibility for developing criteria and indicators, and these must be standardized so that there is uniformity and it is possible to measure some baselines.

Rekmans posed some questions to consider: What would a good set of indicators look like? How can NAFA move that set forward? How can NAFA advocate for change in the

national framework?

NAFA wrote a letter to the Minister of Natural Resources in 2003 and asked the government to remove its name from the framework and refrain from mentioning the Aboriginal participation in the process to establish the indicators. Although NAFA was involved in the process to establish these indicators, none of NAFA's comments were reflected in the document.

NAFA is looking forward to working more closely with its membership across the region to define a separate comprehensive set of indicators.

During the discussion, a participant stressed that NAFA should research regional activities and bring that work forward, rather than trying to define a set of indicators on its own. Another participant suggested that NAFA create its own set of indicators and publish annual or biannual report cards on how each province is performing in relation to those criteria and indicators.