

NAFA



**NATIONAL
ABORIGINAL
FORESTRY
ASSOCIATION**

**Aboriginal Centre for
Research and Development
Focussed on Commercialization of
Forest Products and Services**

**Proposal for Development
of the Concept and Business Case**

Amended on March 31, 2009

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INTRODUCTION

This concept paper pertains to the establishment of an Aboriginal Centre for Research and Development Focussed on the Commercialization of Forest Products and Services. Currently, Aboriginal communities, organizations and enterprises find themselves situated in a context where they are facing tremendous opportunities for forest-based development. Favourable forest sector trends, increased access to resources, and the duty of governments to consult and accommodate Aboriginal interests in forested lands, have led to the strengthened Aboriginal position in the forest sector. The major challenge is to ensure that Aboriginal communities derive maximum socio-economic benefit from the forested lands and forest resources they are acquiring through land claim settlements, treaties, and provincial forest tenure systems.

Recognizing the changing global marketplace for forest products, governments and the forest industry have embarked on a new partnership which has research and innovation as an essential component of forest industry renewal. A restructuring of national research and development institutes followed by a commitment by the Federal government to support industry competitiveness has taken place. These new arrangements for research and development have the bio-economy and knowledge-based opportunities for the forest products industry as their priorities. Aboriginal forest-based development is not a stated priority in these new arrangements and no linkages with the Aboriginal organizations have been contemplated. Consequently, Aboriginal peoples lack the focussed, institutional support needed to carry out the research and development and to support commercialization of opportunities unique to them. Pursuit of these opportunities will require an institutional approach that considers the distinct forest values and interests of Aboriginal communities and the importance of appropriate capacity-building. An Aboriginal Centre for Research and Development Focussed on the Commercialization of Forest Products and Services will fill a significant void in the forest sector and will contribute to the socio-economic advancement of Aboriginal peoples.

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This concept paper includes a planning and development process as a first phase of establishing an Aboriginal Centre for Research and Development Focussed on the Commercialization of Forest Products and Services. The proposed planning and development process will consist

of refinement and validation of the concept, the preparation of a supporting business case, the recruitment of partners, and the identification of funding sources. To launch the planning and development process, an early commitment of potential partners willing to contribute feedback and consider ongoing involvement over the longer term, is required. The planning and development phase will be carried out over a period of four months coordinated by the National Aboriginal Forestry Association (NAFA).

1.0 BACKGROUND AND CONTEXT

1.1 INCREASED ACCESS TO FOREST RESOURCES

The amount of forest land owned or managed by Aboriginal peoples is steadily increasing and currently it is greater in size than the total land base of Nova Scotia (55,000 square kilometres). This land base is extremely important to Aboriginal communities in maintaining their relationship to land, serving as the locus for the physical community, and the center for both timber and non-timber use in traditional territories. Included in the land base are Indian reserve lands, land claim settlement and treaty entitlement lands, and some fee simple lands, managed under a myriad of agreements and jurisdictional arrangements. Additionally, Aboriginal communities and their forest enterprises are gaining access to forest resources through provincial forest tenure systems or through contractual arrangements with large forest companies. First Nation interests across Canada hold tenure representing access to an annual harvest allocation of some 11.7 million cubic meters of timber which is 6.4% of the 2006 Canadian total. Within the past two years, several provinces have committed to increasing forest resource allocations to Aboriginal communities through existing tenure arrangements and through specifically designed arrangements.

Over the next twenty years, the amount of Aboriginal owned forest land is expected to rise exponentially as treaties are finalized in British Columbia, treaty land entitlement is completed in the prairie provinces, and other types of land claims are resolved throughout the country. A doubling of the Aboriginal owned and managed forested land base within twenty years may be a realistic estimate considering that treaty and land claim settlements is currently a priority of all governments. From the perspective of governments, there is a need to achieve certainty in land tenure, which in turn will create a climate for investment and provide economic benefits

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to the country as a whole. For Aboriginal communities, increased access to resources is the ultimate objective of land claims and is essential for the building of community enterprises and developing partnerships with industry. It is expected that a greater proportion of the land to be acquired by Aboriginal communities will be of high commercial value considering the locations of the outstanding land claims currently being negotiated.

To this point in time, Aboriginal involvement in the forest products industry has been to provide labour and wood supply. With Aboriginal peoples' access to forest resources steadily increasing, and the realization that the current downturn in the forest industry's commodity production will be long term, Aboriginal communities ultimately need to diversity their approaches to forest-based development. The challenge for Aboriginal communities is to effectively utilize the forest resources they have, and will acquire. For many it is the only game in town.

1.2 TRENDS AND DRIVERS IN THE FOREST SECTOR

A growing consensus in the forest sector is that increased Aboriginal involvement will be an integral feature of the new forest economy. Emerging trends and drivers in the forest sector are more compatible with Aboriginal aspirations and the duty on the part of federal and provincial governments to consult and accommodate Aboriginal rights and interests, requires that new proactive arrangements be implemented to address Aboriginal forest interests. Aboriginal peoples are now, more than ever before, well-positioned to contribute a strong voice in the strategic decisions that must be made to capture new and emerging opportunities to commercialize the goods and services that Canada's forests are able to provide.

There are several important trends and drivers in Canada's forest sector that should create important commercial opportunities for Aboriginal peoples given appropriate combinations of research, commercial development, and Aboriginal investments of entrepreneurial and capital resources. These include:

- 1) the transition to value-added production including product and market diversification,

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- 2) product and forest management system certification that opens markets for sustainably produced forest products and requires Aboriginal involvement as an element of the certification process,
- 3) increasing pressure for forest conservation and growing environmental service demand, as forests are seen as a primary source of biodiversity, and provide carbon sequestration and water and air filtration,
- 4) expansion of forest management complexity and related emergence of diverse commercial opportunities for forest management services,
- 5) renewed opportunities for non-timber forest products and widening potential for forest bio-products and forest bio-mass,
- 6) incremental tenure reform leading to increased forest management responsibility at the community level,
- 7) investor and consumer demand for socially responsible forestry and increasing corporate awareness of Aboriginal and treaty rights leading to new forms of partnership with forest industries.

The major driver behind the strengthened position of Aboriginal peoples in the forest sector has been the recognition of Aboriginal and treaty rights. Constitutional entrenchment of Aboriginal and treaty rights in 1982 and subsequent Supreme Court decisions have laid a broad framework for consultation and accommodation and have confirmed the rightful place of Aboriginal peoples as fundamental participants in shaping future forest policy. In more recent decisions the courts have called on the Crown to negotiate and reach agreement on measures to accommodate these rights through processes in which the Crown must act honourably. Though rooted in history, Aboriginal and treaty rights are future-oriented and they will serve as the basis for more inclusive institutional arrangements and will define new political relationships that Aboriginal peoples will have with governments and non-Aboriginal society. As Aboriginal and treaty rights are fundamentally about land and resource use, institutional change will implicate forest policy and create space in the forest sector for Aboriginal peoples.

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The need for increased Aboriginal institutional capacity to undertake forest research has been heightened by Supreme Court decisions that confirm governments' duty to consult and to accommodate Aboriginal rights and interests. Although the Supreme Court has ruled that the duties to consult and to accommodate rest solely with the Crown, it also placed a reciprocal onus on First Nations to respond in accordance with good faith consultation processes and to make their interests known. To be consulted and to assess and devise measures that will serve to accommodate their interests and concerns, requires that First Nations generate their own data and development plans. To make their concerns known and to effectively input into decision-making processes in a timely manner is behooving to the establishment of an Aboriginal forest research and development capacity.

The future economic well-being and cultural survival of Aboriginal peoples in Canada is strongly linked to the sustainable development of forests and forest resources. Eighty percent of all First Nation communities are located within a forest environment. The desire to support viable economic foundations for Aboriginal communities is strongly shared by Aboriginal peoples, the public and private sector, and the general Canadian populace. Canadians recognize the mutual interest and benefits that are to be derived from increased Aboriginal involvement in the forest sector.

1.3 FOREST SECTOR RESEARCH AND DEVELOPMENT

Changing marketplace conditions and the resultant transformation taking place in the forest products industry, has heightened the need for forest sector research and development. Corporate mergers and acquisitions, the permanent or indefinite closure of hundreds of mills, the loss of tens of thousands of jobs, characterize the contraction of the traditional forest industries, i.e. pulp and paper and lumber. The sector-wide research and development thrust is to halt the decline of these industries while at the same time, create new products and processes. In a report (May 2007) commissioned by the Forest Products Association of Canada entitled *Industry at a Crossroads*, it was strongly emphasized that Canada should support a renewed commitment to research and innovation with the objective to strengthen the Canadian forest products industry.

To a large extent, this commitment has already been made. Over the past three years, there has been a concerted effort on the part of governments and industry to restructure institutional arrangements for forest sector research and development. FPInnovations created in 2007 through the incorporation of Canada's three national research institutes, FERIC (woodlands operations), Forintek (wood industries), and Paprican (pulp and paper), is now the world's largest public/private, not-for-profit forest research institute. It has the goal of strengthening the Canadian

forest sector's global competitiveness through research and innovation, knowledge transfer and implementation. FPInnovations, which is directed by member forest companies, works on behalf of its membership and consequently much of its research outputs are proprietary in nature. Also with a similar goal, the Wood Fibre Center, created in 2006 through the reallocation of the financial and human resources of the Canadian Forest Service of Natural Resources Canada, complements the research and development initiatives of FPInnovations by focussing research on wood supply (fibre attribute knowledge) and forest regeneration programs.

Recently, the Federal and some provincial governments have announced special measures and financial resources to expand markets and promote forest innovation and investment, and in the process, augment the resources of national and provincial research institutes. Responding to the needs of the industry, the Federal Government's support and commitment is to strengthen the competitiveness of the industry and to assist the industry in its transformative change, in view of the realities of the new forest economy. The funding provided by the Federal Government will produce outputs, though non-proprietary, intended to benefit the industry and enable the industry to set priorities with respect to what research is most important.

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Despite the broad acknowledgement in the forest sector that Aboriginal people have a significantly increasing influence in forest resource management and use, forest sector research and innovation initiatives now being formulated, do not contemplate the needs of Aboriginal communities in forest-based development. Mechanisms to engage the Aboriginal community in forest sector research and development have not been established to this point in time.

1.4 ABORIGINAL CAPACITY

Demographic developments across Canada's forest zone reflect a growing Aboriginal population in the face of an aging forest sector work force. To draw on a local labour force, the forest sector will increasingly look toward Aboriginal populations. At present, approximately 15000 Aboriginal people derive their incomes from the forest sector. The estimated 1200 Aboriginal owned forest-based businesses are the source of this wage income alongwith some employment gained in the non-Aboriginal forest industry. This employment and business experience gained over the past generation, is contributing to increased capacity enabling Aboriginal peoples to participate more fully in all dimensions of the sector. As well, several educational institutions across Canada have implemented specially tailored programs for Aboriginal students related to business, wood and forest science, and natural resources management. Initiatives to build the capacity of Aboriginal communities to seize forest-based opportunities are essential in meeting the needs of the growing Aboriginal labour force.

Aboriginal people have not yet broken into several key areas of commercial value related to the forest sector. While participation in harvesting and silviculture has provided some localized employment and business development, advances also need to be made in areas of product development, value-added processing, and development of high-value niche markets for Aboriginal forest products and services. Success here will release the full value of the forest sector to Aboriginal communities and their entrepreneurs.

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1.5 MEETING THE CHALLENGE AND OPPORTUNITY

The challenges inherent in realizing forest sector opportunities require a concerted institutional presence to guide, define, and support the Aboriginal role in developing Canada's emerging modern forest sector. Additionally, a strengthening of Aboriginal forestry capacity at the community and regional levels is essential in order to engage effectively in forest sector activities. A co-requisite of this capacity-development will be a renewed focus amongst Aboriginal organizations and communities on the commercial development opportunities that will be possible in the new forest sector. The establishment of an Aboriginal Centre for Research and Development focussed on Commercialization of Forest Products and Services will be an important step in addressing these challenges.

2.0 THE CONCEPT: AN ABORIGINAL CENTRE FOR RESEARCH AND DEVELOPMENT FOCUSED ON COMMERCIALIZATION OF FOREST PRODUCTS AND SERVICES

Aboriginal communities, organizations and enterprises find themselves situated in a context where they are facing tremendous opportunities for forest-sector development. However, they lack the focussed, institutional support needed to carry out the research and development and to support commercialization of these opportunities. The time is right for an Aboriginal Centre for Research and Development Focussed on Commercialization of Forest Products and Services.

2.1 ABORIGINAL SPECIFIC RESEARCH AND DEVELOPMENT

Why is there a need for a specific research and development institution related to the commercialization of Aboriginal forest sector opportunities? Why can't the needed research and development be carried out through the existing forest sector institutions?

The need for a specific Aboriginal forest sector institutional capacity arises from two directions. First, many of the challenges that must be addressed and resolved if the commercial potential of Aboriginal forest products and services is to be realized, center around issues that are very sensitive to Aboriginal peoples. These include issues around intellectual property, collective ownership/private ownership, use and commercialization of traditional knowledge, and institutional arrangements based on Aboriginal governance structures. Improving our understanding how traditional and commercial values can be mediated, and trade-off decisions made, can best be facilitated through an Aboriginal-specific and Aboriginal-controlled institution – one that is appropriately linked to Aboriginal leadership nationally and regionally.

Secondly, the social and economic values systems at play in the context of Aboriginal forest sector commercialization are different from those represented in the mainstream forest industry and its supporting research and development institutions. Aboriginal enterprises pursue forest sector commercialization from a values base that is distinctive from the prevailing industry and therefore need research and development support from an institutional base distinct from that used by the current industrial forest sector.

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Unlike the current forest industry which gives priority to commodity and mass production, and global competitiveness, Aboriginal forest-based development and attendant research and development support will probably need to focus more on value-added, non-consumptive uses, alliance and regional marketing, and environmental servicing. Forest certification and trends of fair trade and social corporate responsibility are more compatible with this approach to development. These and other trends should enable Aboriginal forest companies to differentiate their products and develop some of their own distribution channels over time. An Aboriginal forest products industry, once it has developed appropriate niche(s) in the marketplace, may be less vulnerable to the ill effects of globalization which have befallen the larger Canadian forest products industry.

An Aboriginal controlled research and development centre will enable Aboriginal community engagement in forest sector discussions at a level beyond which it can currently participate. This will enrich the debate by including a focus on the scientific, commercial, traditional, and governance realities that Aboriginal communities find themselves in. For this reason, it is fundamental that the research and development Centre receive its mandate and priorities directly from the Aboriginal community.

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In this context, there is a need to refine the concept and develop the business case for an Aboriginal Centre for Research and Development Focussed on Commercialization of Forest Products and Services. This Aboriginal centre will provide a primary focus on the needs, issues and opportunities inherent in commercializing products and services that hold promise for Aboriginal forest-based development. The Aboriginal-controlled research and development centre envisioned will be dedicated to building the institutional linkages and capacity needed to identify, commercialize, and promote emerging forest sector opportunities.

2.2 PARAMETERS OF AN ABORIGINAL RESEARCH AND DEVELOPMENT AGENDA

The research and development agenda of the Centre will need to: 1) link emerging productive capacity in the Aboriginal forest products and services sector with emerging markets for new forest sector products and services; 2) identify and resolve issues related to the recruitment of Aboriginal capital, entrepreneurial expertise, and community support; 3) resolve technical issues related to production, commercialization and marketing of Aboriginal-produced forest goods and Aboriginal-delivered forest management and environmental services.

Operationally, the Centre will build institutional linkages between research agencies, commercial development institutions, and Aboriginal businesses, communities and organizations. These linkages, combined with the Centre's internal capacity, will enable the Centre to advance its agenda through: 1) in-house research; 2) support for an agenda of research that can be carried out by a network of partner agents; 3) opportunity marketing and tech transfer with our Aboriginal base; and, 4) market-side awareness building to promote the commercial capacity of the Aboriginal forest sector.

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In summary, opportunities in the forest sector requiring Aboriginal focussed research and development support for innovation and commercialization include:

- ✦ primary processing of commodity wood products, high value specialty wood, and engineered wood products,
- ✦ secondary and value-added wood processing diversified to include the manufacturing of finished products,
- ✦ non-timber forest products including the harvesting, processing and marketing of wild foods, medicinal plants, botanicals, landscaping and home decor products, etc.,
- ✦ forest bio-product development including food, fibre, heat, power, pharmaceuticals and carbon-based fuels, oils, and chemicals,
- ✦ plantation management and agroforestry,
- ✦ the development of new approaches to partnerships and resource co-management with the established forest industry and new businesses in the emerging sub-sectors,
- ✦ forest management services including data collection and management, silviculture and restoration, GIS and planning support, auditing and field surveys, fire protection, road maintenance, etc.,
- ✦ parks and protected areas, and other forest conservation initiatives; management and services,

- ecosystem/ecological/environmental services including forest carbon storage and sequestration and offset trading, watershed and forest hydrology management, biodiversity preservation, and wildlife habitat management, and
- nature based tourism, recreation and other non-consumptive forest use activities.

Aboriginal forest research and development is inherently multi-dimensional with the need to address issues and concerns at a broad policy level, at strategic planning levels, and at the operational level from the perspective of individual Aboriginal communities. At a policy level for example, the resolution of integral issues such as those underlying forest-related traditional knowledge and intellectual property rights, will only be realized when Aboriginal people have the resources, expertise and organizational support to study and come forward with new positions and approaches to the issues. An Aboriginal Centre for Research and Development is essential to any significant advancement in Aboriginal forest-based development.

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2.3 TAILORING RESEARCH & DEVELOPMENT AND COMMERCIALIZATION SERVICES TO ABORIGINAL NEEDS AND CIRCUMSTANCES

An Aboriginal Centre for Research & Development and Commercialization would not duplicate the core services of other forest industry research and development institutes, i.e., FPInnovations. There would be no attempt to establish laboratories for the purpose of developing new products, technologies and manufacturing processes. Applied research in this context is beyond the scope of an Aboriginal Centre for Research & Development and Commercialization as a concept envisioned in this document.

It is highly probable however, that there will be a need for this type of research and development support as there is considerable potential for new product development based on Aboriginal knowledge systems. A key function of an Aboriginal Centre for Research & Development would be to arrange for applied research on Aboriginal innovations while conducting supporting in-house research on intellectual property rights, marketability, and other related development challenges. Developing and implementing effective partnership arrangements with existing research and development institutes for applied research would be integral to addressing this aspect of Aboriginal forest-based development.

Existing forest industry research and development institutes such as those embodied within FPInnovations have not accepted a mandate to support Aboriginal forest-based innovation and developments. They are organizations that are membership-based, established to serve the needs of their governmental and more specifically, their industrial members, most of whom are large integrated multi-national corporations. Nonetheless, FPInnovations has indicated a willingness to explore Aboriginal research & development needs and have partnered, at least on one occasion, with an Aboriginal organization. In British Columbia, the initiative “Building Wealth With Wood: First Nations Forestry Value-Added Seminars” is an initiative of the First Nations Forestry Council of BC whereby the services of FORINTEK (a division of FPInnovations) have been acquired, on a fee for service basis, to support Aboriginal forest-based development. Without question, an Aboriginal Centre for Research & Development would focus on such partnerships to acquire applied research services, associated technology transfer, and expertise in several other related areas. In this process, the role of the Aboriginal Centre for Research & Development would be to tailor applied research findings and technological innovation, to correspond to the needs and circumstances of Aboriginal enterprises and communities.

Value-added wood processing, non-timber and forest and forest bio-products and ecological goods and services, are the sub-sectors for which an Aboriginal Research and Development and Commercialization initiative is most needed. With the view that Aboriginal enterprises could hold a competitive advantage in these certain forest sub-sectors and that innovation in Aboriginal forest product or service development is not addressed through existing research & development initiatives, an Aboriginal Centre would provide the following services:

A. Acquisition and Provision of Advisory Services, which may include:

- (1) provision of strategic and timely customized intelligence on resource access, business development and market opportunities, and economic trends relevant to the forest industries and emerging sub-sectors,
- (2) technology transfer facilitation and adaptation of research results from existing forest sector research institutes, in the form of written briefs and synthesis, and through presentations at workshops, seminars and conferences and arrangements for field/pilot testing,
- (3) acquisition and provision of technical, advisory, and mentoring support services to assist in business start up and the achievement of higher efficiencies in existing forest-based businesses. Services could potentially include the preparation of business plans and grant applications, and

(4) development and implementation of a guiding commercialization process for Aboriginal forest products and services.

B. Promotion of Aboriginal Forest Businesses and Aboriginal Produced Forest Products and Services through:

(1) development and maintenance of an Aboriginal Forest Products and Services Directory and data-base,

(2) mechanisms to enable working relationships among Aboriginal forest enterprises on a regional, sub-sector or issue-specific basis,

(3) networking opportunities within the forest sector and direct relationships with corporate and institutional buyers of forest products and services;

(4) alliances inside and outside the forest sector on issues related to sustainable development, forest certification, fair trade, community development, corporate social responsibility, etc.,

(5) Aboriginal participation in trade shows and missions to showcase their products/ services and assist in the development of promotional materials,

(6) marketing initiative(s) for Aboriginal produced forest products and services, including the branding of Aboriginal produced forest products to differentiate them in the market place, and

(7) market development strategies focussed on government procurement, First Nation housing, intertribal trade with the USA, housing authorities and building associations, and targeted export markets.

C. Policy Research (in-house) and Advocacy activities to integrate research and development and commercialization with other forest sector issues through:

(1) mechanisms to enable discussion among Aboriginal forest-based businesses so as to identify issues critical to their success,

(2) relationships with governments, relevant industry associations, forest companies, research institutes and organizations to ensure that Aboriginal forest issues are considered and addressed in forest research,

- (3) protocols, licensing and patents to protect the intellectual property rights of Aboriginal people and enterprises particularly those aspects related to traditional forest-related knowledge,
- (4) collaboration with governments on issues (e.g. trade) and initiatives (e.g. market based pricing) to facilitate an environment conducive to Aboriginal forest based development and industry participation,
- (5) partnerships with industry, governments, research institutes and Aboriginal organizations to research and address existing barriers to Aboriginal forest-based development.

D. Benchmarking Aboriginal Business development in the Forest Sector to establish a starting point and;

- (1) contribute to the general benchmarking of Aboriginal business development through the development and collection of data on Aboriginal forest-based business development,
- (2) aggregate data by forest sub-sectors reflecting Statistic Canada's industrial classification standards,
- (3) develop a status report(s) on Aboriginal participation in the forest industries.

Aboriginal people have relied on forest resources for livelihood, materials, and cultural purposes for centuries, and therefore having a knowledge base and perspectives that are unique in application. The opportunity to innovate in a contemporary and organized fashion, based on this knowledge, has not been afforded to Aboriginal people. An Aboriginal Centre for Research and Development Focussed on the Commercialization of Forest Products and Services would have, as an underlying objective, to foster a market orientation and entrepreneurial culture in a sector which must be a cornerstone to Aboriginal economies.

3.0 PROPOSED PLANNING AND DEVELOPMENT PHASE

NAFA intends to pursue the development of an Aboriginal Centre for Research and Development Focussed on Commercialization of Forest Products and Services. This section sets out a development approach to advance the concept to the point where it can be promoted to potential funding agencies. Bearing in mind the criteria and selection processes of funding programs such as those of the Networks of Centres of Excellence, NAFA will carry out the following three tasks over a period of four to five months. NAFA is seeking immediate response to this concept proposal as there will be a need to demonstrate support as the proposal moves forward.

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3.1 INITIAL TASKS

The three tasks are as follows:

(1) Refinement and Validation of the Concept

The first task in this work will be to distribute this draft concept document to a wide range of Aboriginal organizations, forest sector researchers and specialists, as well as governmental and non-governmental organizations involved with one or more of the underlying issues or areas of opportunity. The purpose of this initial communication will be to identify interested parties, obtain their input and determine if they are willing to support further development of the concept. Discussions through teleconferencing and one-on-one meetings will occur to obtain input and direction on the scope of research and development activity, modes of operation, institutional structure and linkages, etc. A workshop of interested parties will conclude the validation of the concept.

(2) Preparation of the Business Case

It is expected that the eventual submission/final proposal will seek financial support for the Centre primarily from public funding sources in accordance with established program criteria. The business case will demonstrate that investments made in the Centre will result in significant economic, social and environmental benefits for all Canadians and will contribute to Canada’s image internationally. As well, the business case will engage the private sector

and other non-governmental organizations as financial supporters thereby complementing the funding from governmental sources.

Further, the potential for the Centre to generate revenue streams will be explored as part of the business case. Potential areas of private sector commercial value-generation may include: fees for services to private sector membership; marketing agent for forest sector service providers; product brokerage services; royalty streams; licensing fees. Revenues might also be generated from the foundation sector in areas of compatible agendas.

(3) Recruitment of Partners

An Aboriginal Centre for Research and Development focussed on the Commercialization of Forest Products and Services is not feasible without the strong support and commitment of national Aboriginal organizations. These organizations will be key in refining and validating the concept, and then providing ongoing support and direction through defined organizational linkages. Also of utmost importance to the Centre's mandate and operations, will be research and development partnerships with established forest research institutes.

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This task will include the solicitation of Letters of Support from Aboriginal organizations, businesses and communities; from research institutions and centers of innovation; from private and public sector business and commercial institutions; and from key forest sector and environmental sector agents.

3.2 COMPATIBILITY WITH FUNDING PROGRAMS

To encourage and promote sustainable development and to deliver economic, social and environmental benefits to Canadians, governments have implemented research support programs in areas including environmental science and technologies, natural resources and energy. Objectives of these new programs include the capture of new markets through innovation and the commercialization of new products and service, and thus they are compatible with the general concept envisioned here. At the federal level, such programs include those of the Networks of Centres of Excellence, the Canada Foundation for Innovation and the Forest Industries Competitiveness Strategy. Following discussions with potential funding sources, NAFA will develop the eventual submission/final proposal to comply with existing program(s) criteria as appropriate. Letters of Support from key Aboriginal organizations and forest-sector institutions will be used to market the concept to potential funding sources.

4.0 THE PROPONENT: NAFA

NAFA is a non-profit, non-government, First Nation-controlled organization, established to promote increased Aboriginal participation in forest management and related commercial opportunities. NAFA was formed in anticipation of the forest sector becoming the cornerstone for economic and social development for many First Nation and Aboriginal communities throughout Canada. NAFA is a membership-based grass roots initiative backed by First Nations and other Aboriginal groups, organizations, and enterprises that function in the area of forestry. During more than a decade of activity, NAFA initiatives and projects have covered a broad range of forest-related issues including market studies focussed on value-added forest products and non-timber forest products; promotion of forestry careers for Aboriginal students; promotion of First Nation forest-sector businesses through development of an Aboriginal forest sector database; and involvement in a wide range of policy fora and research initiatives established at local, regional, provincial, national and international levels.

NOTES

- (1) The title of the proposed centre – An Aboriginal Centre for Research and Development Focussed on Commercialization of Forest Products and Services – is a working title only and could be renamed in the concept refinement process.
- (2) Both the Federal and Provincial Governments are increasingly acknowledging the duty to consult that arises as a result of Aboriginal and treaty rights affirmation in Section 35 of the Constitution. Canadian Courts have ruled that whenever Crown decisions or actions have the potential to adversely affect Aboriginal or treaty rights or any other Aboriginal or First Nations' interest, the Crown has a duty to consult potentially affected Aboriginal peoples, with the intention of accommodating or substantively addressing their concerns. Most governments have implemented or are drafting policies or guidelines for consultations with Aboriginal peoples. Numerous legal opinions have been rendered on the implications for forest policy.

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