



San Francisco | Silicon Valley
580 California Street, 14th Floor
San Francisco, California 94104

April 21, 2021

Assembly Member Cottie Petrie-Norris
Chair, California Assembly Accountability and Administrative Review Committee
1020 N Street, Room 357
Sacramento, California 95814

Dear Assembly Member Petrie-Norris,

I write to raise the Government of Canada's significant concerns with AB-416, "California Deforestation-Free Procurement Act".

The Government of Canada commends the bill's intention of addressing the problem of deforestation. But as currently drafted, the "California Deforestation-Free Procurement Act" does not recognize that **Canada is a world leader in sustainable forest management**. Canada's 347 million hectares of forest lands represent about 9% of the world's forest cover, but account for only 0.3% of global deforestation. This is especially true with boreal forests: each year Canada converts just 0.013% of its total boreal forest area to other uses. Since the vast majority of Canada's forests are publicly owned, our strong system of laws, monitoring and enforcement ensures that sustainable forest management practices are followed across the country, including in the boreal forest. What's more, all publicly-owned forests harvested in Canada must be regenerated by law; this policy of regeneration means our forests will be sustained for generations to come.

Canada's robust forest management legislative framework is complemented by the **widespread use of third-party forest management certification in Canada**, which provides added assurance that a forest company is operating legally, sustainably and in compliance with world-recognized standards for sustainable forest management. As of December 2020, Canada continued to lead the world in third-party forest management certification, with 164 million hectares of forests certified to recognized standards. In its 2021 Wildfire and Forest Resilience Action Plan, California recognizes the importance of expanding forest management in the state, including through third-party certification¹.

In addition to Canada's robust forest management practices, **Canada and California have long-standing forest sector supply chains and other links that support jobs and economic security on both sides of the border**. In 2020, Canada accounted for

¹ California's Wildfire and Forest Resilience Action Plan, p.16

approximately US \$949 million in forest product imports to California, providing building materials and other consumer goods that Californians rely upon. With its inclusion of forest products from Canada's boreal forests, this bill targets one of California's most responsible, secure and reliable suppliers of forest products and puts at risk jobs on both sides of the border.

Canada is also a friend of California forests. In fall 2020, Canada sent more than 60 firefighters to California to assist in battling the devastating wildfires. This is part of the longstanding agreement between our two countries to fight fires together and make our citizens' lives safer and more prosperous.

At a time of already record high lumber costs, this bill would only further raise procurement costs for the state of California and compliance costs for its suppliers. In restricting trade, the bill also raises questions about whether such requirements could be applied in a manner that is consistent with obligations under the WTO Agreement on Government Procurement. **For all of these reasons, Canada requests that the reference to Canada's boreal forest be removed from the bill.**

Like California, Canada is a climate change leader and our forests are part of the global climate solution. We should work together to ensure that forests at home and around the world are healthy, productive and thriving. Let us find a way to move forward with the intent of this bill in a manner that recognizes the economic and security benefits our integrated forest sector supply chains and Canada's world-leading sustainable forest management record.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Yves Beaulieu', with a stylized flourish at the end.

Yves Beaulieu
Consul