



a newsletter for
customers and
investors of
Canadian logging
companies

GREENPEACE FOREST VIEWS



Largest conservation investment package in North America announced

On January 21, 2007, Greenpeace celebrated, with coastal First Nations, the long awaited announcement of the final \$30 million contribution to a unique conservation financing package totaling \$120 million.

Unprecedented fundraising efforts were undertaken by the environmental community to contribute \$60 million, while the remaining fifty percent comes equally from the Governments of British Columbia and Canada.

Conservation financing will fund businesses, economic development projects and regional economic initiatives subject to clear social and environmental impact guidelines and due diligence procedures to ensure financial viability. It will also provide ongoing revenue streams to participating First Nations to support conservation activities, conservation and resource management initia-

tives, and attendant job creation, such as Guardian programs, through the establishment of an endowment.

"The funds will ensure the well-being of our people, lands, and waters. We look forward to working closely with all our partners as we move forward to create an economically and ecologically sustainable coast." – Art Sterritt, Coastal First Nations

Governance of the funds is currently being established and will include a new non-profit economic development society to distribute half the funds to sustainable economic diversification, and a registered charity will distribute the proceeds of a permanent \$60 million endowment to support conservation management.

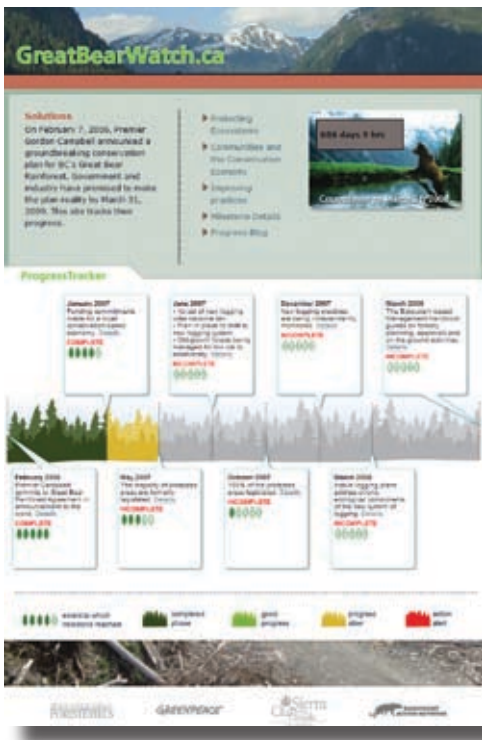
Conservation financing is a critical component to the Great Bear Rainforest Agreements that includes:

- protection of two million hectares of land from logging and
- an Ecosystem Based Management

approach to the forest, which results in significant changes to logging practices by March 31st, 2009.

The funding package announced will help ensure the durability of agreements that customers of coastal wood products have for so long demanded. If implemented, they will create a global model of sustainability that protects the ecology of the Great Bear Rainforest while transforming economies and supporting local communities.

Governments and First Nations are now undertaking to meet the final conditions for this innovative funding package. Among those are the first legal changes to logging practices, a roadmap to full implementation of Ecosystem Based Management, a collaborative science team known as the Ecosystem-based Management Working Group and the legal protection of the protected areas announced in February 2006.



With only two years to fully implement significant changes to logging practices and planning for the forest, a lack of change on the ground and proactive planning by governments and coastal logging companies threatens the success of historic agreements signed in early 2006.

Two years left: Concerns looms over the rate of progress March 31, 2007 ...765 days left

Agreements signed in 2006 commit to 110 new areas (two million hectares) protected from logging and a new lighter touch forestry called Ecosystem Based Management by March 31, 2009.

"It's called ecosystem-based management, or EBM, and it is a requirement stemming from the consensus agreements and adopted by the provincial government and First Nations."

– Coastal Forest Industry Publication.*

While some small steps have been

taken not all logging companies are abiding by voluntary commitments made in the Joint Solutions Project's Agreement in December 2003. At the same time, new government-to-government structures are slow in reaching maximum efficacy as timelines from agreements have begun to slip.

Milestones

To assist the interested global customers and investors in assessing progress,

milestones have been developed to provide critical benchmarks for logging companies and governments to meet for the successful implementation of the agreements. To track these milestones, visit www.greatbearwatch.ca

"The transition to EBM is expected to be fully in place by 2009." – Coastal Forest Industry Publication.**

*Coast Forest Conservation Initiative, Beyond Expectations, A new beginning in the rainforest (BC Market Outreach Network, 2006) page 11.]

**Coast Forest Conservation Initiative, Beyond Expectations, A new beginning in the rainforest (BC Market Outreach Network, 2006) pamphlet.]

Achieved	Timeline	Milestone
<input checked="" type="checkbox"/>	February 2006	Premier Campbell commits to Great Bear Rainforest Agreement in announcement to the world
<input checked="" type="checkbox"/>	January 2007	Funding commitments made for a local conservation-based economy
<input type="checkbox"/>	May 2007	The majority of protected areas are formally legislated
<input type="checkbox"/>	June 2007	First set of new logging rules become law
<input type="checkbox"/>	June 2007	Old growth forests are being managed to ensure low risk to biodiversity.
<input type="checkbox"/>	October 2007	100% of the protected areas legislated
<input type="checkbox"/>	December 2007	New logging practices are being independently monitored
<input type="checkbox"/>	March 2008	Active logging plans address priority ecological components of the new system of logging.
<input type="checkbox"/>	March 2009	The Ecosystem-based Management Handbook guides all forestry planning, approvals and on the ground activities.



From Conflict to Collaboration

The Great Bear Rainforest Story

Stretching along the coast of British Columbia, the Great Bear Rainforest is the last large tract of intact coastal temperate rainforest on earth. Located between Bute Inlet on BC's south coast and the Alaskan border to the north, it is an ancient forest of towering red cedars, where eagles soar above the treetops and rivers teem with wild salmon.

Today, less than 25% of this forest type remains worldwide. Industrial, status quo logging remains the largest threat to this ecosystem. A new system of logging was agreed to in 2006 and now must be implemented so that vast holes in the forest, where trees were cut down, logging roads slashed across watersheds and habitats destroyed no longer takes place.

In 1995, Greenpeace and other environmental groups came together to target destructive logging in the Great Bear Rainforest. Years of conflict and pressure from an international markets campaign eventually drove the logging companies to stop logging in key valleys while we sat down and negotiated a new future. The space to talk while knowing that key areas were off limits to development was critical for Greenpeace's participation.

A Lasting Solution

For the next decade, local communities, the logging and mining industries, recreational users, tourism operators, labour unions, small businesses and environmental organizations participated in years of meetings and collaboration

that resulted in consensus recommendations on land-use in the Great Bear Rainforest. The unprecedented component in this process was the use of independent science supported by all stakeholders.

These land-use recommendations were used to inform (First Nations & Provincial) government-to-government negotiations, which most coastal First Nations have completed. In February 2006, the BC Government publicly announced the agreements that included protection of one third of the forest from logging and Ecosystem Based Management practices on the rest of the landbase by March 31, 2009.

Additionally, Greenpeace and other environmental organizations worked with philanthropic groups and governments to successfully raise \$120 million for conservation and sustainable businesses in local communities on the Coast.

By any measure, the preservation of the Great Bear Rainforest is one of the most compelling conservation visions of our times. But our work is far from over. These agreements on paper must now be translated into a reality in the rainforest.



Socially Responsible Investors Track Progress in the Great Bear Rainforest

With the announcement of the Great Bear Rainforest Agreements came a renewed interest from the investors in Canada's coastal forest industry. Greenpeace continues to receive numerous requests from the investment community around the world on these globally renowned decisions. A recent edition of Canada's national newspaper contained a social and environmental grading of the major Great Bear Rainforest forest companies.

"In the late 1990s, the industry was still digging in its heels in bitter disputes with environmentalists and native communities.

Canadian companies were the targets of international boycotts by the Sierra Club, Greenpeace and other activists..." - Globe and Mail, Report on Business, February 22nd, 2007.

While coastal forest companies received grades spreading from an A- to an E+, it is clear that the bold move to put solutions ahead of conflict in the Great Bear Rainforest was seen as a positive move in the Socially Responsible Investment world.

It is also clear that logging practices will need to change in order for companies to sustain and augment their grades. As full implementation of

the Great Bear Rainforest Agreements is achieved in March 2009 the global spotlight that once made British Columbia's coastal logging companies uncomfortable can, and will, be used to create incentives for change.

"The Forest Stewardship Council (FSC) standards are the most rigorous of three voluntary codes in the industry, and companies hope compliance will win them points with investors and translate into greater sales. For some eco-friendly retailers and businesses, the FSC is now a minimum standard" - Globe and Mail, Report on Business, February 22nd, 2007.

Rainforest Documentary Released

A countdown begins with a look back on ten years of progress

With just two years left before the deadline of full implementation of the historic Great Bear Rainforest Agreements Greenpeace has released a film titled "The Story of the Great Bear Rainforest".

This documentary provides

an accurate account of how the customers and investors of the Great Bear Rainforest played a critical role to bring all parties, including the logging companies, into a collaborative solutions building forum to reach consensus.

The March 31, 2007 release date underscores the importance to logging

companies that significant change must occur swiftly in order to meet marketplace demand for change and previously stated commitments.

You may download the video at www.greenpeace.ca or to receive a copy by mail, please email:

stephanie.goodwin@yfo.greenpeace.org.





For thousands of years, coastal First Nations have been the stewards of the waters and forests in their territories. In recent times, many First Nations have formalized some of their stewardship activities into official Guardian programs.

Guardians of the Forest

The Guardian programs employ local First Nations who act as the 'eyes and ears' on their lands and waters to monitor activities to ensure they are consistent with coastal land use agreements and do not impact the land's abundance for future generations.

Randy Carpenter, a Heiltsuk Guardian, has a stewardship vision for his traditional territory. "I would like to see more salmon enhancement. We have over seventy thousand sockeye eggs at our Emily Lake hatchery. The return of these fish are very important to the Heiltsuk people, wild salmon is our main source of traditional food", says Carpenter.

In the Great Bear Rainforest, these Guardians typically do not have enforcement authority when they come across a violation or poaching. Therefore, their role has been largely to "observe, record, and report" what they

see, a role that requires provincial and federal government capacity to follow up.

However, the 2006 land use agreements are now providing for greater co-management of terrestrial resources and conservancy areas. As land use agreements are signed by First Nations on the coast, there is a lot of work to be done to implement those agreements on the ground. Greenpeace believes that First Nations monitoring programs, such as Guardian programs, are critical to making sure that forest practices are consistent with the agreed to system of Ecosystem-based Management.

Randy Carpenter would like to see Guardian Programs expanded. "I would like us to have a larger presence in our traditional territory so we can closely monitor all 22,000 km² of Heiltsuk territory."

As one step to responding to this need, a new training program is currently

being developed by the QQS Project of the Heiltsuk Nation, Sierra Club of Canada – BC Chapter, and Northwest Community College to help increase the amount of trained Guardians in coastal British Columbia. "This partnership reflects the new reality that First Nations people are in control of our own destiny," states Larry Jorgenson, of QQS (Eyes) Project Society. "This applies not only to monitoring and managing our traditional territories but also to being an integral part of developing the training and education programs to give us the capacity to do that."

Although more financial support is always required, the recent completion of the \$120 conservation financing package will bring some new opportunities to continue building upon traditional knowledge and supporting First Nations to have greater authority over their territories.



Heiltsuk Forest Guardians in Action Eyes and Ears of the Forests and Waters

From: Jack Larsen

The Heiltsuk Tribal Council Fisheries Program goal is to monitor and protect both marine and terrestrial resources from illegal poaching activities in Heiltsuk traditional territory and to ensure these resources will still be around for future generations to come.

For years, the Heiltsuk Guardians have been involved in monitoring compliance of all food, social and ceremonial food harvest, water quality analysis and compliance monitoring of the commercial manila clam fishery season, participated in the Tankeeah watershed sockeye enhancement program, patrolling the abalone and sea otter habitat areas to watch for poaching activities.

The Guardian program compliments the Heiltsuk Tribal Council land use plan by deterring wide scale timber

theft poaching and animal poaching. We work collaboratively with the local DFO and RCMP detachments on joint resource patrols. The ultimate goal of the Heiltsuk Tribal Council is to have full management authority for all commercial activity and resources.

It seems that a lot of animals and resources in our territory have been impacted by commercial poaching activities over the past two decades, especially abalone and timber. Without a Guardian program, there could potentially be more endangered species in our territory before long.

The Heiltsuk Guardian program currently consists of one crew of two people who are tasked to patrol as much of Heiltsuk traditional territory as possible.

My vision for the Heiltsuk Guardian/ Watchman program is that Heiltsuk

territory would be divided into four quadrants, with a two-person crew per speed boat and each crew would be assigned a quadrant to monitor on a daily basis. This will take a lot of capital dollars up front and also the need to secure an annual operating budget for this intense Guardian patrol monitoring. I believe this is the only way we can stop all the marine and terrestrial poaching that has been and is still ongoing today. We must have a more visible Guardian/ Watchman presence in our territory and have the training and authority to deal with poaching violations. A strong Guardian program would provide our community with sustainable jobs and secure our territory's resources for future generations.

Jack Larsen is the Heiltsuk Fisheries Director for the Heiltsuk First Nation in Bella Bella.



Boreal Forest customers take action to end unsustainable logging

As customers and investors of Canadian forest products you are aware that conflicts over ancient forest require your leadership to create lasting solutions.

As tension mounts in Canada's Boreal Forest and certain regions (Alberta, Ontario and Quebec) become increasingly controversial and conflict ridden, the marketplace will play an increasingly critical role moving forward.

Greenpeace has begun to see the results of our work to shift Kimberly-Clark which uses over 3.4 million tons of virgin fiber to manufacture its products globally. More than 20 % of its virgin fiber comes directly from the Canadian Boreal Forest.

In 2006, Greenpeace announced the 'Forest Friendly 500' a list of over 700 businesses from around the world who pledged not to use Kimberly-Clark products until the company stops destroying the Boreal forest. This coincided with an expansion of Greenpeace's campaign to make Kimberly-Clark ancient forest friendly in Europe, which represents 19% of the corporation's sales.

This growing international controversy resulted in further response from key

corporate customers interested in making changes to protect the Boreal forest. In March 2007, Aspen Ski company, one of the largest ski mountain and resort companies in the US, announced the phase-out of all Kimberly-Clark products from their restaurants, hotels and 4 ski hills in Colorado USA. Aspen Ski issued a public letter to the CEO of Kimberly-Clark linking their Kimberly-Clark product phase-out to the "use of pulp from endangered forests" and advocating the use of recycled fibre and when necessary, virgin fibre from operations certified by the Forest Stewardship Council (FSC). Other large companies and institutions to adopt policies to phase out Kimberly-Clark products include American and Rice Universities.

In the coming year, Greenpeace expects more contract cancellations, as well as investor and customer engagement as Greenpeace builds on the momentum to shift Kimberly-Clark's corporate policy and practices. As concern about the health of the environment and the effects of global climate change surges, a growing number of consumers are demanding green products and looking to see the Boreal Forest, one of the largest remaining intact forests and a significant store of carbon, protected.

PHOTOS: Page 1: Bear - Al Harvey, Conservation Financing announcement - Jeremiah Armstrong

Page 2: Screenshot of greatbearwatch.ca

Page 5: Bear - Marni Grossman, Clips of "The Story of the Great Bear Rainforest" Page 6: Bighouse - Stephanie Goodwin

Page 7: River - Jens Weiting Page 8: Kimberly-Clark ad - Greenpeace

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