

The Logging Loophole

BACKGROUND
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How the How The Logging Industry's Unregulated Carbon Emissions Undermine Canada's Climate Goals

Introduction

The Canadian boreal forest's carbon-dense soils, trees, mosses, and peat bogs give it a unique and globally significant value for the climate, as it stores nearly twice as much carbon than exists in all the world's recoverable oil reserves. That's more carbon than any other forest on the planet, and nearly twice as much carbon per acre as the Amazon. That's why strong measures are needed to protect and manage this essential carbon store.

Unfortunately, industrial logging clearcuts over 400,000 hectares of this forest every year to feed demand for tissue products, newsprint, lumber, and other materials. In addition to its impact on wildlife, this industrial logging exacerbates global climate change. Logging reduces the forest's capacity to continue absorbing carbon for years as the trees regrow. It also turns the boreal's vast carbon vault into a climate liability, flooding the atmosphere with carbon that had previously been locked up in the boreal ecosystem. The Canadian federal government has made meaningful and encouraging commitments around nature-based climate solutions. They include:

- Achieving 30 million tonnes of greenhouse gas emission reductions through nature-based climate solutions by 2030
- Planting two billion net additional trees over 10 years
- Protecting 30 percent of Canada's lands and ocean by 2030

These measures position Canada to lead on nature-based climate solutions, and have a dual benefit of addressing the twin crises of global species collapse and climate change. However, the current scale and type of logging in the boreal is undermining Canada's climate commitments and jeopardizing global efforts to avoid runaway climate change. Loopholes in Canadian policy are allowing the logging industry to escape scrutiny for this climate impact.

Policy Gaps Undermine Nature-Based Climate Solutions

The government has left significant policy gaps that undermine its efforts on climate change and threaten the boreal's essential role in climate mitigation. There are two main barriers that need to be overcome to truly address this issue and ensure the boreal's climate value is preserved.

Inaccurate accounting of carbon emissions from logging: The first is how Canada reports forest-related emissions under the UN Framework Convention on Climate Change (UNFCCC). Canada relies on a carbon model that omits or downplays significant logging impacts, which significantly underestimates net emissions from industrial logging operations and allows the forest industry to continue its practices and even to claim that industrial logging is climate friendly. Most significantly:



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- Canada has not accounted for the fact that many forests do not fully recover from industrial logging and its associated impacts on ecosystem carbon;
- The model used by the federal government to estimate emissions released during logging operations makes conservative assumptions, i.e. likely underestimates, carbon emissions from soils.
- Under UNFCCC rules, Canada is able to count the carbon absorption of the boreal forest as a whole, which obscures the increasing impacts that logging has on the climate

No regulation to reduce the logging industry's carbon emissions: Secondly, the Canadian government does not regulate the logging industry's emissions, which if rectified, could serve as a powerful incentive for the industry to adopt climate-friendlier practices and avoid carbon-rich forest areas. Canada's national carbon tax, the Greenhouse Gas Pollution Pricing Act, is critical in reining in the fossil fuel industry's emissions, but the absence of a similar measure for the logging industry leaves a vast carbon source unmitigated.

To fully lead, Canada needs to protect the climate value of its primary forests (see Key Terms below) and adequately account for and regulate logging's carbon emissions. Doing so will not only benefit the climate but will protect unique and treasured species and ecosystems. Our findings and recommendations are intended to help Canada achieve its climate commitments.

Recommendations

[Our report](#) includes a series of recommendations to address these policy gaps, and provide industrial logging with a greater incentive to reduce their greenhouse gas emissions from managed forests in Canada.

Accounting for the Logging Industry's Emissions

The federal government is continuing to hone its greenhouse gas accounting procedures, and as part of this effort they must accurately monitor how well forests are actually recovering from logging and incorporate these findings into their accounting practices. This means documenting impacts from reduced tree cover, and from the potentially higher-than-reported rates of deforestation found in provinces like Ontario.

Canada should also account for the differences between the carbon-sequestering capabilities of intact forests versus regrown secondary forests, as well as the carbon debt incurred when carbon-rich natural landscapes are converted through logging to carbon-poor landscapes.

Regulating the Logging Industry's Emissions

The Canadian government should integrate logging emissions into the Greenhouse Gas Pollution Pricing Act. Revenue generated from pricing forestry emissions should then be invested back into helping communities transition to more sustainable economies. Where logging continues in non-intact forests, this regulation would provide incentives to both provincial governments and industry to adopt climate-friendly forest management practices that reduce the industry's carbon impact. As outlined in our report, such practices include adopting longer harvest rotations, avoiding full-tree logging, relying more on selective harvesting, and facilitating regeneration centered on biodiversity and climate considerations.

Protecting Intact Forests (see Key Terms below)

Canada's federal government has committed to protect 17 per cent of its lands and inland waters by 2020, 25 per cent of its lands by 2025, and 30 per cent by 2030. This is a strong and important commitment. With less than ten per cent of the boreal forest's carbon stores currently protected, Canada needs to make the protection of intact regions in its managed forests a central element of meeting these commitments. While Canada's commitment to tree planting and forest restoration is important, tree planting does not by itself mitigate the damage done by clearcutting of intact forests. Intact and primary forests, terms used interchangeably in the report, are forests that are free of any significant human footprint. They have far greater biodiversity and climate value than previously logged forests.

Indigenous-Led Land Management

Strong Indigenous land rights are not only critical to Indigenous self-determination, but are also correlated with better protections for forest carbon and healthier forest ecosystems, including higher biodiversity. The Canadian government has taken positive, initial steps to support Indigenous leadership, including funding a pilot Indigenous Guardians Network and up to 67 Indigenous-led protection initiatives. While this funding was significant, it is a fraction of what Indigenous communities need to safeguard their traditional territories and manage the remaining intact boreal forests. Additional funding for Indigenous-led management should come from diverted logging subsidies, carbon pricing, and other sources to support this critical work.

As the Canadian government pursues a more resilient, just, sustainable future, it will need to prioritize the protection of the boreal forest's value for the climate. Doing so means protecting remaining intact and primary forests and, where industrial logging does occur, incentivizing climate-friendlier practices. In addition to positioning Canada as a leader on nature-based climate solutions, these policy recommendations would provide numerous co-benefits, including advancing Canada's reconciliation commitments to Indigenous Peoples and protecting biodiversity. These recommendations can also be included as part of a green recovery, as each presents opportunities for jobs and economic stimulus.

Key Terms

Canadian boreal forest: The carbon-dense boreal forest encircles the earth's northern hemisphere and is characterized by primarily coniferous forests dominated by spruce, pines, and larches. The Canadian boreal covers over a billion acres, spanning from Newfoundland and Labrador to the Yukon Territory. It is home to over 600 Indigenous communities and is habitat for species like boreal caribou, Canada lynx, and billions of migratory birds. The Canadian boreal stores nearly twice as much carbon than exists in all the world's recoverable oil reserves.

Intact/Primary Forest: These terms are used interchangeably in the report and refer to forests free of any significant human footprint. These forests have developed over a long period of time, as species of plants, animals, and fungi interact and form complex relationships across decades and even centuries. They have greater biodiversity and value for the climate. The Canadian boreal is one of the largest intact forests left on earth.

Clearcutting: Clearcutting accounts for over 90 per cent of logging practices in the Canadian boreal and involves the removal of all or nearly all the trees from a given area.

Nature-based climate solutions: In contrast to climate solutions focused on mitigating fossil-fuel emissions, nature-based climate solutions involve maximizing the capacity of the natural world to store and absorb climate-altering carbon.

Full-tree logging: A logging practice in which an entire tree, after being cut, is dragged to the roadside for transport off-site. This practice has been associated with long-term logging scars in which parts of the impacted landscape remain essentially barren even 20-30 years following logging. This practice is the dominant approach in Ontario and accounts for about 50 per cent of logging in Quebec. It is also used in British Columbia, Alberta, and the prairie provinces.

For more information

Full report: <https://www.nrdc.org/resources/logging-loophole-how-logging-industrys-unregulated-carbon-emissions-undermine-canadas>

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