

Premier of Alberta

Office of the Premier, 307 Legislature Building, Edmonton, Alberta T5K 2B6 Canada

May 20, 2022

The Honorable Kathy Hochul Governor of New York State NYS State Capitol Building Albany NY 12224 United States

Dear MNWNON,

I am writing to express my deep concern with respect to Senate Bill S5921A and Assembly Bill A6872A - New York Deforestation-Free Procurement Act.

Alberta shares New York's commitment to environmental stewardship and responsible forest practices. We commend the intent of the legislation; however, the bills, as they are currently written, do not fairly consider the world-class sustainable forest management practices of Alberta and Canada, which have been implemented specifically to prevent forest degradation and deforestation. If passed as currently written, these bills will create an unjustified, non-tariff barrier to Canadian forest products and forest risk commodities, and threaten jobs and supply chains of sustainably sourced products. Alberta respectfully requests that Canada's boreal forest be excluded from these bills.

Canada and the United States share a long-standing and positive trade relationship. This relationship contributes to prosperous economies for both countries, and provides a backbone of support to millions of jobs and communities on both sides of the border. As currently written, Senate Bill S5921A and Assembly Bill A6872A will raise compliance costs for governments and suppliers, especially for small businesses. This will increase challenges and regulatory burdens throughout the supply chain, as well as jeopardize jobs in both Canada and the United States.

For Alberta alone, the bills would impact forest product exports and affect nearly 40,000 jobs and more than CAD \$2.6 billion in gross domestic product. These impacts would be felt primarily by our northern, rural, and Indigenous communities, which depend on forests and the forest sector for their livelihood.

In 2020, Canada exported more than CAD \$1.6 billion in wood, pulp, and paper products to New York. Canada supplied more than 50 per cent of New York State's wood, pulp, and paper products during the first nine months of 2021. The wide-ranging and negative impacts of these bills to both Americans and Canadians are critical to consider. This is particularly important as the world rallies to support co-operative relationships and sustainable growth to mitigate the devastating impact to lives and livelihoods created by the COVID-19 pandemic and the war in Ukraine.

As currently drafted, these bills could represent an unjustified non-tariff barrier that is inconsistent with New York's obligations under the World Trade Organization Agreement on Government Procurement. Canada and the United States maintain extensive supply chain links in the forest sector to ensure both countries have secure and stable supplies of necessary goods from sustainable sources. These bills could put these important supply chains at risk.

Alberta's and Canada's world-leading sustainable forest management practices follow a rigorous legislative and regulatory framework that prevents forest degradation and deforestation, as defined by the United Nations. Our regulatory framework directs mandatory reforestation following all harvesting—Alberta's forest sector plants three trees for every one tree harvested. It also prevents illegal forest practices and establishes performance measures for a range of environmental, social and cultural values, including consultation with Indigenous peoples and protecting soils and genetic biodiversity. As a result, Alberta's and Canada's forest sector is internationally recognized for its commitment to sustainability. Just over 83 per cent of managed forest lands in Alberta alone are third-party certified as sustainably managed: a significant achievement when only 11 per cent of global forests share the same certification status.

Canadian forest products are sourced from ethically and sustainably managed forests, and they are vital in supporting our mutual goal of achieving a lower carbon economy. Lumber and wood products store carbon for the long term and can be used to displace carbon or fossil fuel intensive building products. Alberta's forest sector is focused on enhancing the circular economy by using leftover residuals from sawmills (e.g., bark, wood chips, or sawdust) to support the production of low-carbon alternatives to fuels or plastics.

I respectfully request that you amend Senate Bill S5921A and Assembly Bill A6872A to exclude Canada's boreal forest and Canadian forest risk commodities. Doing so will affirm Canada's and Alberta's commitment to sustainable forest management, and the high-quality, environmentally sound products our well-managed forests supply to our global customers. It will also safeguard supply chains and jobs on both sides of the border.

I welcome the opportunity to discuss the intent of Senate Bill S5921A and Assembly Bill A6872A - New York Deforestation-Free Procurement Act. It is critical that we work together to ensure this intent can be achieved while recognizing that Alberta's and Canada's forests can be trusted as ethically and sustainably managed to support our shared climate goals.

Thank you for your attention to this matter.

Yours sincerely,

Hon Jasoh Kenney PC ECA MLA

Premier of Alberta

cc: Honourable Nate Horner

Minister of Agriculture, Forestry and Rural Economic Development

Honourable Doug Schweitzer Minister of Jobs, Economy and Innovation

Mr. James Rajotte Alberta's Senior Representative to the United States

Honorable Liz Krueger New York State Senator

Honorable Kenneth Zebrowski New York State Assembly

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Honourable Mélanie Joly Minister of Foreign Affairs

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