

FORESTRY INNOVATION INVESTMENT

# STRATEGIC PLAN

2022-2026

Nadleh Whut'enne Yah Administration and Cultural Building | Photo Credit: Martin Knowles



Forestry Innovation  
Investment®





## NADLEH WHUT'ENNE YAH ADMINISTRATION AND CULTURAL BUILDING

The Nadleh Whut'enne Yah Administration and Cultural Building serves as a hub for the Nadleh Whut'en First Nation, whose territory is near the base of Mount Fraser, in the geographic centre of B.C. The community wanted wood to serve not only as the primary building element, but also to be left exposed as much as possible to visually connect the building to its forested landscape.

Wood was used almost exclusively throughout the post-and-beam structure, from the glulam beam framing and plywood sheathing to the decorative millwork, interior features and exterior cladding. The building is designed for a wide range of uses, including council meetings as well as community use of a health centre, offices, community kitchen, learning centre, gymnasium, outdoor amphitheatre, and cultural and historical displays.

Nadleh Whut'enne Yah Administration and Cultural Building | Photo: Martin Knowles, courtesy naturallywood.com





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# MESSAGE FROM THE CEO

There has perhaps never been a more opportune time to reassess priorities.

The COVID-19 pandemic has impacted all sectors, all markets and all citizens in a myriad of ways. Volatile pricing and increased competition have required a sustained and proactive approach to market development. Reduced fibre supply has meant transitioning from higher volumes to higher-value opportunities. At the same time, exciting prospects have emerged for B.C.'s forest products as consumers and policymakers look for more sustainable options and increasingly embrace mass timber and wood's low-carbon pedigree.

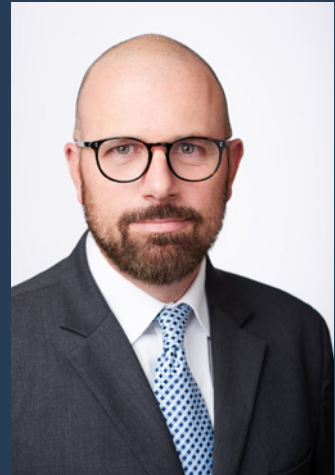
Amid this evolving landscape, our 2022-2026 Strategic Plan provides a clear and purposeful path forward.

The plan builds on the foundation of more than 18 years of market development work, while recognizing the changes affecting the industry today. Our core mandate stands firm: strengthening and diversifying markets for B.C. forest products.

The goals, objectives and strategies that support this mandate reflect FII's focus on enhancing the sustainability reputation of our forest products and advancing innovation in wood use by promoting B.C.'s leadership and expertise to the global marketplace.

Essential to our success is our robust network of industry, government and community partners—including our close collaboration with B.C.'s Office of Mass Timber Implementation. In all of our activities and partnerships, we are committed to diversity and inclusion, and to mitigating barriers that various groups may experience in accessing our programs and information.

While the global situation continues to evolve, B.C.'s forest sector maintains a critical role in providing jobs and bolstering communities across the province. FII will continue to support the priorities of the provincial government in driving the economy and its recovery from the global pandemic, making the most of our precious forest resources and helping to build British Columbia's low-carbon future.



A stylized white ink signature of Michael Loseth on a dark blue background.

Michael Loseth  
PRESIDENT AND CEO

FII acknowledges that it is situated on the traditional territories of the xʷməθkʷəy̓əm (Musqueam), Skwxwú7mesh (Squamish) and səliilíwətaʔ (Tseil-Waututh) Nations.





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# ABOUT FII

## STRENGTHENING AND DIVERSIFYING MARKETS FOR B.C. FOREST PRODUCTS

Forestry Innovation Investment (FII) is British Columbia's market development agency for forest products. As a Crown corporation, we help maintain, create and diversify markets for B.C. forest products to ensure the forest sector continues to be a key contributor to the provincial economy.

FII works in collaboration with the forest industry, research institutions, the federal government, B.C. government, Indigenous organizations and other stakeholders to deliver innovative, forward-looking programming that responds to today's market dynamics as well as tomorrow's challenges and opportunities. We do this by delivering and co-funding a mix of research and capacity building, as well as market development and promotional activities.

### WE FULFILL OUR MANDATE BY:

- 1 Promoting wood's environmental merits** as a preferred, sustainable, renewable building material.
- 2 Expanding global markets** by creating more opportunities in existing and new markets—especially in high-potential Asian countries like China, Japan, South Korea, India and Vietnam.
- 3 Showcasing B.C.'s leadership** in innovative wood use and manufacturing to advance the use of wood at home and abroad.
- 4 Collaborating with government and industry partners** to maximize our effectiveness in supporting the growth of the mass timber and engineered wood products sector in B.C.

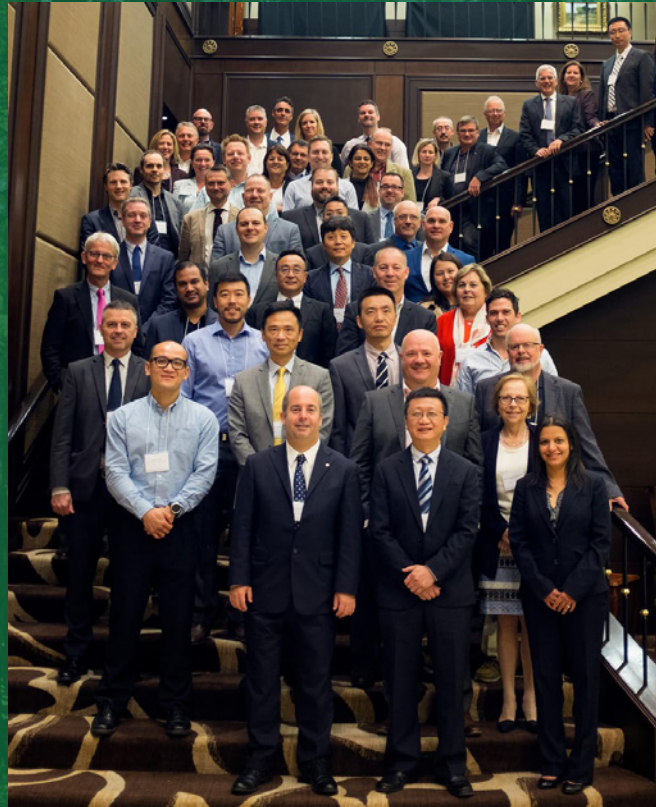


## PARTNERS IN MARKET DEVELOPMENT

FII works with more than two dozen industry trade associations, research institutions, Indigenous organizations and trade development agencies in market development.

We understand the power of collaboration—of investing through and with other organizations to deliver maximum value. We are committed to actively seeking out like-minded partners—in industry, government and non-profit organizations. By aligning our strategies, combining our expertise and leveraging our resources, we maximize the impact of the programs we fund and deliver.

Delegates at the 2018 Wood Best Practices Forum | Photo: FII



## FII'S COMMITMENT TO DIVERSITY, EQUITY AND INCLUSION

Forestry Innovation Investment (FII) recognizes that our work impacts our stakeholders, partners and employees in different ways. This includes marginalized identities and communities which experience disproportionate social, economic and/or environmental impacts. We aim to identify and mitigate the barriers that diverse groups experience in accessing our information, programs and services. We foster a shared responsibility amongst all levels of the organization to ensure that our work considers the diverse needs of the populations we aim to serve—promoting and advancing accessibility, inclusion and equality.

Diversity. Inclusion. They are more than just words for us. They are the hard-and-fast principles guiding how we build our teams, cultivate leaders and create an organization that's the right fit for every person inside of it. We have a global, multicultural presence and we want to reflect that inside our walls.

Together, we continue to build an inclusive culture that encourages, supports and celebrates the diverse voices of our employees. It fuels our innovation and connects us closer to our partners and the communities we serve. More importantly, creating an environment where everyone, from any background, can be their authentic selves and do their best work is the right thing to do.



# MISSION & VALUES

To strengthen the B.C. forest sector by working with industry, government and institutional partners to develop and diversify markets for the province's traditional and next-generation forest products.

INNOVATION	FII evaluates changing market, economic and global trade dynamics that affect the forest economy, and invests in innovative programs and research that contribute to building a strong, sustainable forest sector.
CREDIBILITY AND INTEGRITY	FII activities and funded projects are based on government and industry priorities and strategies, and reflect research and science-based information.
PUBLIC BENEFIT	FII's investments support economic growth and jobs across the province. FII ensures that investments benefit the forest sector as a whole and not the proprietary interests of any one company.
COLLABORATION	FII encourages collaboration and coordination among the forest industry, government, trade associations, academic institutions, Indigenous organizations and others. Through a joint delivery model, FII leverages expertise and financial resources to maximize the effectiveness and efficiency of our programs.
ACTIVE ENGAGEMENT	FII is actively involved in the market development, communications and outreach programs it funds and delivers with partners. Where conditions dictate, FII directly develops and delivers programming for B.C. and international markets.
RISK MANAGEMENT	FII mitigates market development risk by pursuing a mix of potential short- and long-term returns and spreading investments across current and potential markets. FII accepts a higher level of risk in emerging markets where commercial success is less developed, but not without undertaking a thorough analysis of in-market conditions, supply chains and global trends.
ACCOUNTABILITY	FII's activities are founded on clear objectives, generating a positive return for the public investment and have well-developed performance measures that lead to documented results. FII places priority on transparency and accountability to stakeholders in all aspects of our operations.
PEOPLE	FII fosters an inclusive approach that encourages, supports and celebrates the diverse voices of our employees, partners and stakeholders. FII believes in encouraging innovation, supporting diversity and inclusion, and making a positive impact—socially, economically and environmentally.





# B.C. FOREST SECTOR OVERVIEW

## ANCHORING THE PROVINCIAL ECONOMY

For over a century, B.C.'s forests have sustained our communities. Today, forestry remains a cornerstone of regional economies across the province, providing 100,000 full-time jobs, generating \$11.5 billion in exports and contributing over \$1 billion to public revenue.

Forest companies support thousands of other B.C.-based businesses as well, from financial services and technology to equipment and transportation companies.

Altogether, forestry supports 15 percent of B.C.'s total economic activity.

*Sources: BC Stats 2020, PWC 2017, BC Ministry of Finance 2020, COFI 2021*

**\$11.5**

BILLION IN EXPORTS

**\$1.1**

BILLION  
IN PROVINCIAL  
REVENUE

**29%**

OF B.C.'S COMMODITY  
EXPORTS

**100,000**

FULL-TIME  
EQUIVALENT JOBS

**87%**

OF FOREST PRODUCTS  
ARE EXPORTED

**140**

COMMUNITIES  
SUPPORTED



# THE SITUATION IN B.C. TODAY

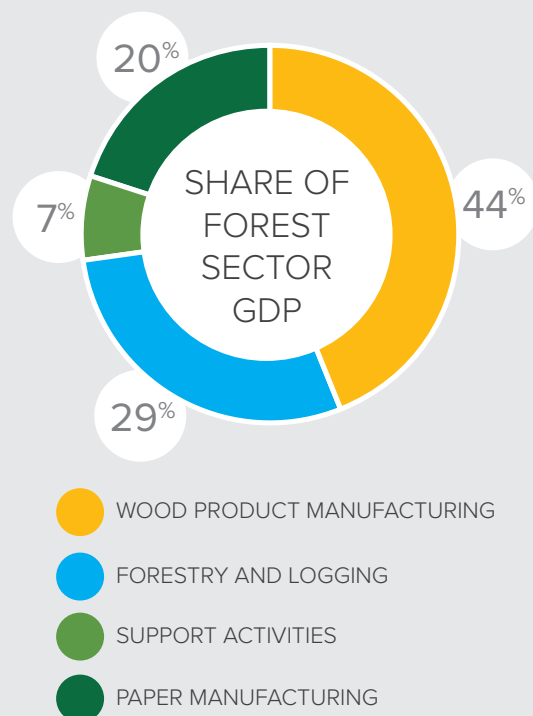
## SPANNING INDUSTRIES AND REGIONS

B.C.'s forest industry consists of a number of separate but interconnected activities such as forest management; wood product manufacturing (primary and secondary); pulp, paper and bio-refining; and forest product marketing both at home and abroad. To support this vast scope of forestry activities, the sector also directly relies on B.C. businesses supplying technology, equipment, transportation and financial services. Each of these aspects of our forest sector is integral to the provincial economy, working to generate jobs, revenue and supporting communities all across B.C.

As one of the province's chief manufacturing industries, B.C. is North America's largest producer of softwood lumber and Canada's second-largest producer of pulp and paper products. Alongside traditional goods like cabinets, furniture and prefabricated building elements, B.C.'s value-added manufacturers make a variety of mass timber and next-generation lumber products.

In addition to wood products, B.C. is also home to leading architects, engineers and consultants that support and drive the innovative use of wood in buildings and infrastructure. As a result, these services are now in demand worldwide.

### B.C. FOREST SECTOR BY INDUSTRY



### TWO MAIN REGIONS PRODUCE FOREST PRODUCTS IN B.C.:

#### **The Interior:**

The province's primary source of structural-quality lumber (mainly spruce-pine-fir) and mass timber.

#### **The Coast:**

B.C.'s main source of value-added appearance grade non-structural products (cedar and high-grade western hemlock), as well as structural and mass timber products (Douglas-fir and western hemlock).

Although the two regions focus on different species, they are connected through the flow of fibre, which moves from Interior sawmills to pulp and paper mills located on the Coast.



## MAXIMIZING THE VALUE OF THE RESOURCE

With the end of the mountain pine beetle epidemic, B.C. continues its transition to a smaller, higher-value industry, shifting from processing larger volumes of damaged logs to smaller volumes of timber from healthy, live stands. This superior fibre base means a greater proportion of higher-grade products. At the same time, further manufacturing of primary products into higher value-added products makes the most of the resource while maximizing returns and generating more jobs. The industry is also exploring new opportunities in abundant but under-utilized species, such as second-growth western hemlock.

In addition to furthering the success of mid-rise construction and many traditional wood construction applications, B.C. is emerging as a leader in using engineered wood products to advance wood building solutions. Capitalizing on the worldwide movement toward sustainable and affordable urban densification, innovation in structural wood products (such as cross-laminated timber, dowel-laminated timber and other engineered wood products) and the related development of advanced building systems are making a whole new generation of high-performance buildings possible. This, in turn, is driving changes in building codes that are allowing wood to be incorporated into larger multi-family and commercial applications.

## MASS TIMBER AND ENGINEERED WOOD PRODUCTS

All over the world, and here in B.C., mass timber and engineered wood is on the rise.



PHOTOS FROM TOP LEFT: BC Passive House | Photo: Ema Peter Photography, courtesy Hemsworth Architecture; Samuel Brighthouse Elementary | Photo: Nic Lehoux; Mulgrave School | Photo: Ed White Photographics; West Vancouver Aquatic Centre | Photo: Nic Lehoux; UBC Earth Sciences Building | Photo: KK Law, courtesy naturallywood.com



## SUPPORTING LOW-CARBON INNOVATION

Through CleanBC, the B.C. government is working to reduce the climate impacts of the province's built environment and establish objectives for future building performance.

Building with wood is a natural solution. Wood reduces the carbon footprint of the built environment, creating healthier, more comfortable spaces. And building with wood from B.C.'s sustainably managed forests helps mitigate climate change, locking in carbon over the wood products' lifetime.

Expanding wood use in B.C. also presents opportunities to collaborate with government and industry to develop a global showcase for how wood design can help reach climate mitigation goals around the world.

According to researchers at the Pacific Institute for Climate Solutions, B.C.'s emphasis on building with wood and managing forests sustainably could contribute up to 35 percent toward the province's overall 2050 emissions reduction goal.

## COLLABORATING WITH INDIGENOUS COMMUNITIES

Indigenous communities play an important role in the forest sector. And, with the passing of B.C.'s Declaration on the Rights of Indigenous Peoples Act, building relationships has never been more important. This means recognizing the role of Indigenous Nations in forest management and land use, and sharing in the employment opportunities and economic benefits that come from our collaborative efforts to advance markets for B.C. forest products around the world.

**120**

**INDIGENOUS NATIONS AND  
ORGANIZATIONS INVOLVED IN  
THE B.C. FOREST INDUSTRY**

**\$250**

**MILLION ECONOMIC  
BENEFIT TO INDIGENOUS  
COMMUNITIES**



## KEEPING OUR FORESTS HEALTHY

B.C.'s approach to sustainable forestry focuses on forests forever. B.C. has the 14th largest forest area when compared to country jurisdictions around the world, and is a leading jurisdiction, ranking third after Russia and the rest of Canada, for third-party certified sustainably-managed forests. Through stringent regulations, continuous reforestation and science-based practices, the industry is working to ensure that the social, environmental and economic opportunities our forests bring last in perpetuity. B.C.'s land use planning framework conserves important areas with about 15 percent of B.C.'s forests protected. This approach has garnered international recognition for B.C. as a global leader in sustainable forest management.



## B.C. PROTECTS ITS RICH BIODIVERSITY

B.C.'s diverse forests are reforested promptly using a mixture of planted native tree species in combination with natural regeneration, and are managed for the flora and fauna indigenous to the region to protect the province's vital ecosystems and biodiversity.



**TOTAL AREA OF B.C.**  
95 MILLION HECTARES

**FORESTED LAND BASE**  
58% OF TOTAL

**LAND AVAILABLE FOR  
TIMBER HARVESTING**  
23% OF TOTAL

**ANNUAL AREA HARVESTED**  
0.2% OF TOTAL

**ONE BILLION TREES WERE  
PLANTED ON CROWN LAND  
FROM 2018-2021**



For more information on B.C.'s forests and forest practices, visit [naturallywood.com](https://naturallywood.com)



FROM TOP: Coastal forest, Powell River: Photo: Candace Kenyon, courtesy naturallywood.com; Interior tree planting, Bear Lake, B.C. | Photo: Michael Bednar, courtesy naturallywood.com; Foresters surveying the trees | Photo: Ainsworth Communications, courtesy naturallywood.com



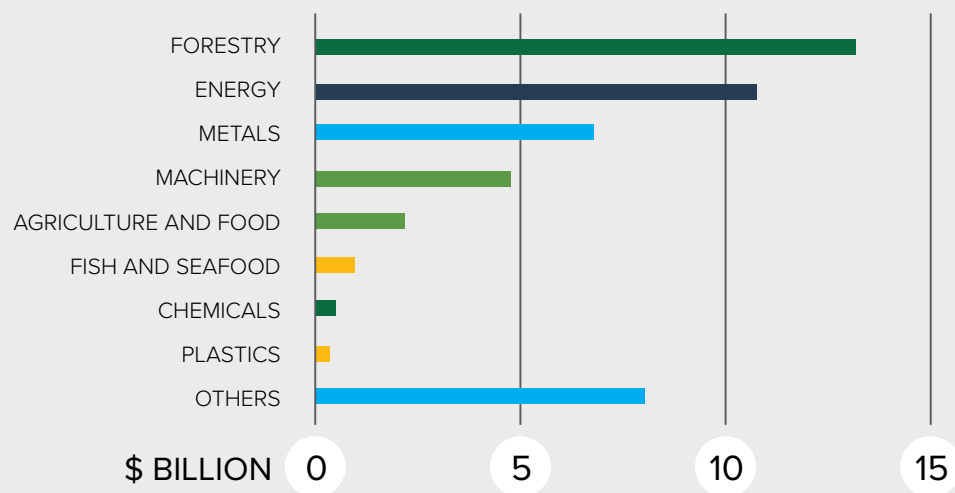
# B.C. IN A GLOBAL CONTEXT

## DRIVING B.C.'S ANNUAL EXPORTS

B.C. remains one of the world's largest suppliers of wood products. Exporting approximately 90 percent of our forest products, we rely on continued demand in foreign markets to support B.C. communities and local economies.

Over the past five years, we have seen extreme highs and lows in the value of forest product exports. Growing global demand for B.C. forest products has been balanced against the price sensitivity of markets and lower cost competition—shifting the volumes and destination of B.C. forest products across export markets.

## B.C. COMMODITY EXPORTS 2016-2020 – AVERAGE VALUE

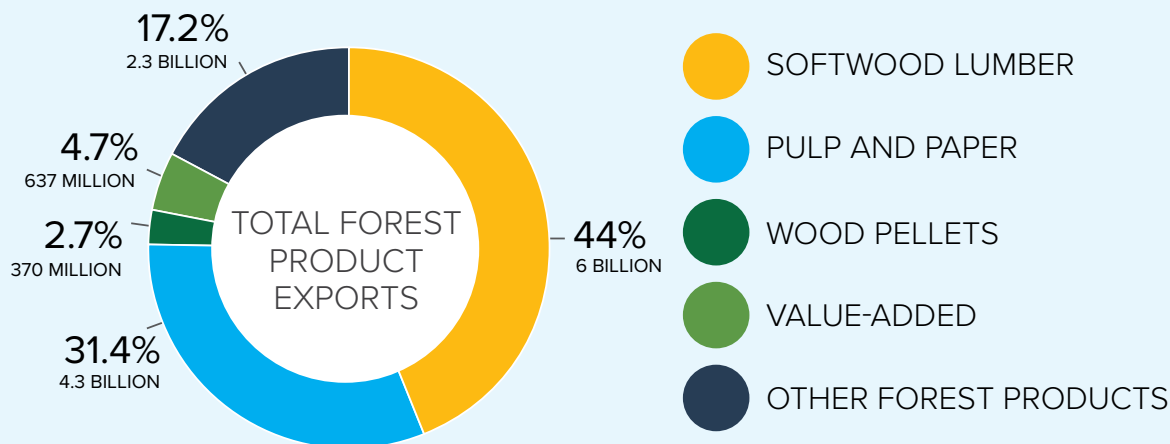


## B.C. FOREST PRODUCT EXPORTS 2016-2020 – AVERAGE VALUE

Softwood lumber has accounted for an average of 44 percent of the sector's annual overall exports since 2016, with pulp and paper products making up a relatively steady proportion of the total at about 31 percent.

In addition to traditional forest product exports, the sector's increasing focus on mass timber and other value-added products has been greeted with strong demand from the U.S. (purchaser of 96 percent of our value-added exports in 2020), as well as with keen interest from other Canadian provinces and markets in Asia. Additionally, rising global emphasis on renewable energy and biofuels has meant a significant rise (34 percent since 2016) in wood pellet exports, mainly to the European Union and Japan.





### 2016-2020 ALL FOREST PRODUCT EXPORTS – AVERAGE VALUE BY MARKET

	5-YEAR SHARE %	\$ AVERAGE VALUE/YEAR (OVER PAST 5 YEARS)
UNITED STATES	48.1%	\$6.5 BILLION
CHINA AND HONG KONG	26%	\$3.5 BILLION
JAPAN	9.5%	\$1.3 BILLION
THE REST OF ASIA	8.3%	\$1.1 BILLION
THE REST OF THE WORLD	8.1%	\$1.1 BILLION

### 2016-2020 SOFTWOOD LUMBER EXPORTS – AVERAGE VALUE BY MARKET

	5-YEAR SHARE %	\$ AVERAGE VALUE/YEAR (OVER PAST 5 YEARS)
UNITED STATES	64%	\$3.8 BILLION
CHINA AND HONG KONG	15.1%	\$902 MILLION
JAPAN	11.4%	\$683 MILLION
THE REST OF ASIA	5.1%	\$302 MILLION
THE REST OF THE WORLD	4.4%	\$266 MILLION



## DEMONSTRATING AGILITY IN THE FACE OF CHANGING MARKETS

The forest sector's focus on exports means that it is closely tied to shifts in the global economy and the economic performance of individual nations. Diversifying markets is therefore key to the resilience of B.C.'s forest sector.

### COVID-19

Throughout the global pandemic, markets around the world have been subject to various stages of lockdown and recovery. While North American construction markets remained unexpectedly robust, many Asian markets experienced considerable economic uncertainty. This temporarily altered trade in terms of both supply and demand. Recognizing that change can happen at any time, diversifying markets for B.C. forest products remains crucial to sustaining B.C. exports through both global and individual market downturns.

## RISING GLOBAL DEMAND FOR FIBRE

Global demand for fibre is at an all-time high, driven by economic growth, increases in construction, advancements in the use of wood as a building material, and domestic fibre shortages in B.C.'s priority markets.

In the U.S., the housing market continues its recovery and the value-added wood market continues to gain strength. In China—the world's largest fibre consumer—increasing demand in construction, a growing recognition of the environmental merits of wood-based construction and a booming furniture industry are propelling imports of wood products to new heights. In Japan, despite a decrease in single-family housing, opportunities for wood construction in multi-family residential and commercial applications continue to support wood consumption. In India and Vietnam's furniture and interior manufacturing sectors, demand for imported softwood is accelerating as manufacturers seek a replacement for dwindling supplies of tropical hardwoods.

Photo: Nik West, courtesy naturallywood.com



## LOW-CARBON INNOVATION

The world has entered a new phase of its focus on climate change and driving low-carbon innovation to reach net-zero targets by the middle of the century. The built environment is a major carbon emitter, presenting significant opportunities for innovative wood use to create more sustainable and less carbon intensive buildings.

At the same time, forest products are entering a renaissance, given their carbon sequestration properties and natural renewability. Capitalizing on these benefits, supporting innovation in their use and driving construction modernization will contribute to creating long-term opportunities for the forest sector.





## INCREASING GLOBAL COMPETITION

Gaining access to markets that require distinct species, grades or qualities of lumber is difficult; however, once established, suppliers can build long-term relationships in the market.

In markets that don't set strict parameters on product, price is paramount and logistics become a driving factor in competing for market share.

B.C. faces rising competition from countries that offer similar primary products but benefit from cost or logistical advantages.

-  **Russia and Europe** enjoy increasing access to Chinese markets as a result of China's Belt and Road infrastructure initiative.
-  **Central Europe** has increased its harvest to utilize spruce beetle-infested trees, becoming a more significant competitor—and bringing prices down—in key Asian markets.
-  **The southeastern U.S.**, which has an excess of fibre available for harvesting and is expanding its sawmill capacity, is expected to play an increasingly important role in servicing key North American markets.



FROM TOP: Photo: Wood Pellet Association of Canada; mill inventory aerial | Photo: Michael Bednar, courtesy naturallywood.com; Western hemlock bedside table | Photo: FII India



## VOLATILE PRICING

Market instability, acts of nature, geopolitical influences and currency fluctuations all affect supply and demand and, in turn, global pricing for forest products.

Volatile pricing continues to bring uncertainty and create uneven markets. Short-term events that lead to swings between high and low prices often make it difficult for the forest industry, as well as other markets, to adapt quickly to changes in pricing and supply.

Evolving dynamics such as these require that the sector remains nimble. And while market diversification is key to riding out the uncertainty, so too is a parallel focus on supporting long-term, established markets.

## NAVIGATING EVOLVING INTERNATIONAL TRADE POLICY

In a world of evolving bilateral relations, trade disputes and barriers can occur that impede B.C.'s forest product exports to priority markets.

Typically, large markets exert significantly more control over the terms of trade for forest products than do suppliers. And when trade disagreements occur, their resolution can be prolonged, leaving room for significant damage in the interim.

B.C., therefore, continues its efforts to mitigate the effects of tariff and non-tariff barriers, focusing in part on diversification to minimize the potential negative impacts of any one market on the province's exports.



China Hongyang Dujiangfu Art Museum | Photo: Canada Wood China



An aerial photograph of a lush green forested valley. A river flows through the center of the valley, surrounded by dense evergreen trees. In the background, a range of rugged mountains with patches of snow is visible under a cloudy sky. The overall scene is a beautiful representation of British Columbia's natural resources.

# STRATEGIC PRIORITIES

## WORKING TO STRENGTHEN AND DIVERSIFY MARKETS FOR B.C. FOREST PRODUCTS

FII is committed to supporting the priorities of the B.C. government and the forest sector. This means unwavering focus on contributing to the province's economy, making the most of its forest resources, supporting local communities, and helping to build British Columbia's low-carbon future—as we carry out our core business of strengthening and diversifying international markets for B.C. forest products.



## PRIORITY 1

### ADVANCE B.C.'S STRONG SUSTAINABILITY REPUTATION

FII understands the importance of sustainability in B.C.'s forest sector—both in meeting the province's commitments to ensuring there is a high-value forest resource for future generations and in meeting the global demand for sustainably sourced products. Major consumer markets including the EU, the U.S. and Japan, and important furniture and finished goods manufacturing markets like India and Vietnam, are holding suppliers to increasingly high legal and environmental standards. B.C. is seen as a reliable and trusted global supplier of quality wood products from legal, strongly regulated, sustainably managed, third-party-certified forests.

B.C.'s forests are managed by professionals under some of the most stringent forestry regulations in the world backed by a comprehensive auditing regime.



## PRIORITY 2

### PROMOTE WOOD AS A LOW-CARBON BUILDING SOLUTION

Governments around the world are moving toward building practices that mitigate greenhouse gas emissions and reduce non-renewable resource and energy use. To support these efforts, FII is spreading the word about how wood—and, in particular, wood from B.C.—can provide innovative, low-carbon building solutions. Through a range of activities, FII is showing builders at home and abroad that wood is a renewable, sustainable building material; that it performs better over its lifetime than other materials in terms of embodied energy, carbon footprint, and air and water pollution; and that it supports biophilic design principles as a healthy and natural choice for interior spaces.

FII is contributing to CleanBC's goal of a cleaner built environment by showcasing leading-edge B.C. projects that demonstrate wood's key role in offering innovative, low-carbon solutions to address climate change.



FROM TOP: Coastal Douglas-fir and western hemlock forest in Nanaimo, B.C. | Photo: Ainsworth Communications, courtesy naturallywood.com; Samuel Brighthouse Elementary | Photo: Nic Lehoux



## DEVELOP AND DIVERSIFY B.C.'S EXPORT MARKETS

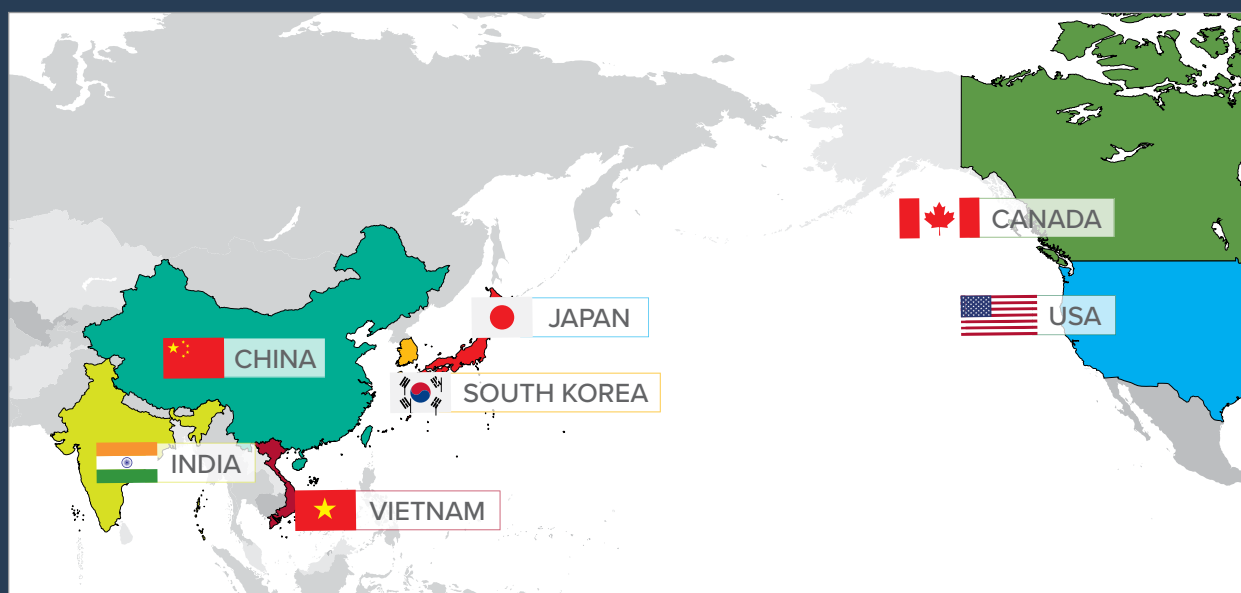
Diversifying international markets helps increase the overall demand for B.C. forest products; at the same time, it buffers the sector from the ups and downs of the global marketplace. With this in mind, FII takes a two-pronged approach to diversification: identifying and developing new, emerging markets (like India and Vietnam), while creating opportunities for new products and building systems in established markets (like the U.S., China, Japan and South Korea).

Across all markets, shifts in environmental, demographic, construction and consumer trends are presenting new opportunities for wood use. Whether it is the move toward wood construction in multi-family and commercial applications or the use of softwood species to replace the dwindling supply of traditional hardwoods in furniture and interior applications, FII is tapping into these trends to expand and create new opportunities for B.C. wood products.

Fuelled by its mission to help the sector grow globally, FII collaborates with government and industry to develop existing and new market segments for the province's forest products, particularly in Asia's fastest growing economies.



Wood-frame house in Chennai, India, by WoodNiido



To help fulfill its mandate, FII maintains offices in China, India and Vietnam, and supports the activities of industry organizations in the U.S., China, Japan and South Korea.

## ADVANCE INNOVATIVE WOOD USE AND BUILDING SYSTEMS



UBC Earth Sciences Building | Photo: KK Law, courtesy naturallywood.com

With modern design, engineering and technology comes a compelling opportunity to extend and diversify the sustainable use of wood across established and emerging industries—from advanced wood building systems to more sustainable consumer products to bio-energy alternatives that produce heat and power. The development of next-generation wood products and systems fosters innovation and growth in B.C.'s value-added manufacturing segment, encourages diversification, derives higher value from B.C.'s forests and sustains jobs throughout the province.

## Expanding the use of mass timber building systems

As wood maximizes its market share potential in B.C. for under-six-storey residential construction, FII is working closely with the Office of Mass Timber Implementation to position mass timber as an ideal solution to constructing the taller, larger buildings that urban densification and affordability demand.

The future of the construction industry is high-tech and efficient; prefabrication, automation, virtual design and 3D modelling will reign as government and businesses seek better use of resources, faster builds, lower costs and reduced on-site waste.

For B.C.'s mass timber and next-generation building products and applications, this means opportunities, both at home and abroad. Wood—particularly mass timber—enables a highly integrated way to construct modern buildings.

Working alongside B.C.'s Office of Mass Timber implementation, FII is leveraging expanded building codes and regulations to encourage the use of wood in taller buildings, demonstrating mass timber's ability to build more complex structures and capitalizing on the many benefits that mass timber offers.

***Prefabricated construction:***  
Any building that contains significant sections built in a factory and then assembled on site. Wood's versatility, lighter weight, and workability make it well suited to prefabricated construction.





Photo: Wood Pellet Association of Canada

## Planning for the future with next-generation forest products

In addition to advancements in wood building products and systems, B.C. is also well positioned to play a leadership role in utilizing wood fibre in non-traditional applications. This includes making forest by-products into renewable, clean bioenergy and biofuels, and developing fibre-based bio-products like food additives, solvents and compostable bioplastics that can displace fossil-fuel-based materials in everything from cosmetics to car parts.

Today, the key commercial opportunity is in utilizing wood biomass to produce heat and power, with wood pellets in particular a well-established, valuable export product. As other innovations become commercialized, FII can support the industry's efforts to grow markets and applications for B.C.'s diverse range of next-generation forest products.

### A critical starting point: The wood pellet

B.C. is one of the world's largest exporters of wood pellets—an unassuming product that's proving itself to be a gateway to the future of innovation in the bio-energy sector. Utilizing tree tops, branches, low-quality logs and other residual fibre remaining after a forest area is harvested, B.C.'s wood pellets have emerged as a valuable low-carbon fuel source that is supporting global climate change efforts and healthy forests while employing more than 2,500 British Columbians.



Photo: Wood Pellet Association of Canada



## PRIORITY 5

### BUILD CAPACITY AND KNOWLEDGE TO SUPPORT INNOVATION

Alongside advancements in wood-based products and building systems comes a need to develop the skills, ability and confidence to choose wood over alternative materials—thereby driving adoption and maintaining B.C.’s leadership in wood use. Training—for both current and next-generation workers—is vital to improving the capacity and effectiveness of all parts of the supply chain, from primary and secondary manufacturers to architects, engineers, developers, builders, assemblers and installers.

Crucial, too, is collaborating with government and B.C.’s design and construction industries to develop the knowledge and confidence to choose innovative wood-based products and building systems. To support this effort, FII develops and shares a wide variety of resources including research and testing, technical tools and construction guides, project profiles and information. FII is also supporting demonstration projects as a means to help market leaders advance innovation in the use of mass timber, expand the applications and building types using mass timber in B.C. and documenting and sharing lessons learned and best practices with others. This collection of efforts highlights the benefits of building with wood and showcases examples of wood innovation by early adopters from across B.C.



Wood Innovation and Design Centre construction | Photo: Paul Alberts (Ardor Media), courtesy naturallywood.com

### Leveraging our success

B.C.’s leadership is clear—in our design, engineering and construction expertise, in our wood products and building systems, and in our role as policy leaders in advancing wood use to address climate change. These successes at home equip us with the experience and expertise and, most importantly, the well-earned credibility to collaborate internationally, share our knowledge and encourage other markets to embrace the use of B.C. wood products. In everything we do, FII strives to leverage our successes in B.C. to increase our impact around the world.

BC Passive House | Photo: Ema Peter Photography, courtesy Hemsworth Architecture



Light-frame construction | Photo: Nik West, courtesy naturallywood.com





# FII PROGRAMS



## MARKET OUTREACH

### PROMOTING B.C. FORESTS AND PRODUCTS AROUND THE WORLD

The Market Outreach program expands opportunities for B.C. forest products by positioning wood as an environmentally friendly, preferred building material and by highlighting B.C. as a reliable supplier of quality products from sustainably managed forests. Through providing credible, fact-based information, FII ensures that audiences in B.C. and globally understand that using wood from B.C.'s sustainably managed forests can help to address climate change and advance low-carbon innovation.



## MARKET INITIATIVES

### DIVERSIFYING MARKETS IN ASIA AND NORTH AMERICA

The Market Initiatives program encourages the development of export markets and new market segments, particularly in fast-growing Asian economies. This helps to diversify the sector, reduce market risk and open new opportunities in higher-value segments of the forest economy. Market Initiatives also focuses on growing market segments in North America, such as the multi-family and mass timber/tall wood sectors.



## WOOD FIRST

### BUILDING INNOVATION AND CAPACITY IN B.C.

The Wood First program collaborates with B.C.'s design and construction industries and government to advance wood construction technologies and expertise in B.C. FII then leverages this leadership to promote B.C. internationally as a leading source of technology, products and expertise for the use of wood in construction, interior design and daily living.

For more information on FII's strategic priorities, programs and activities:



NATURALLYWOOD.COM

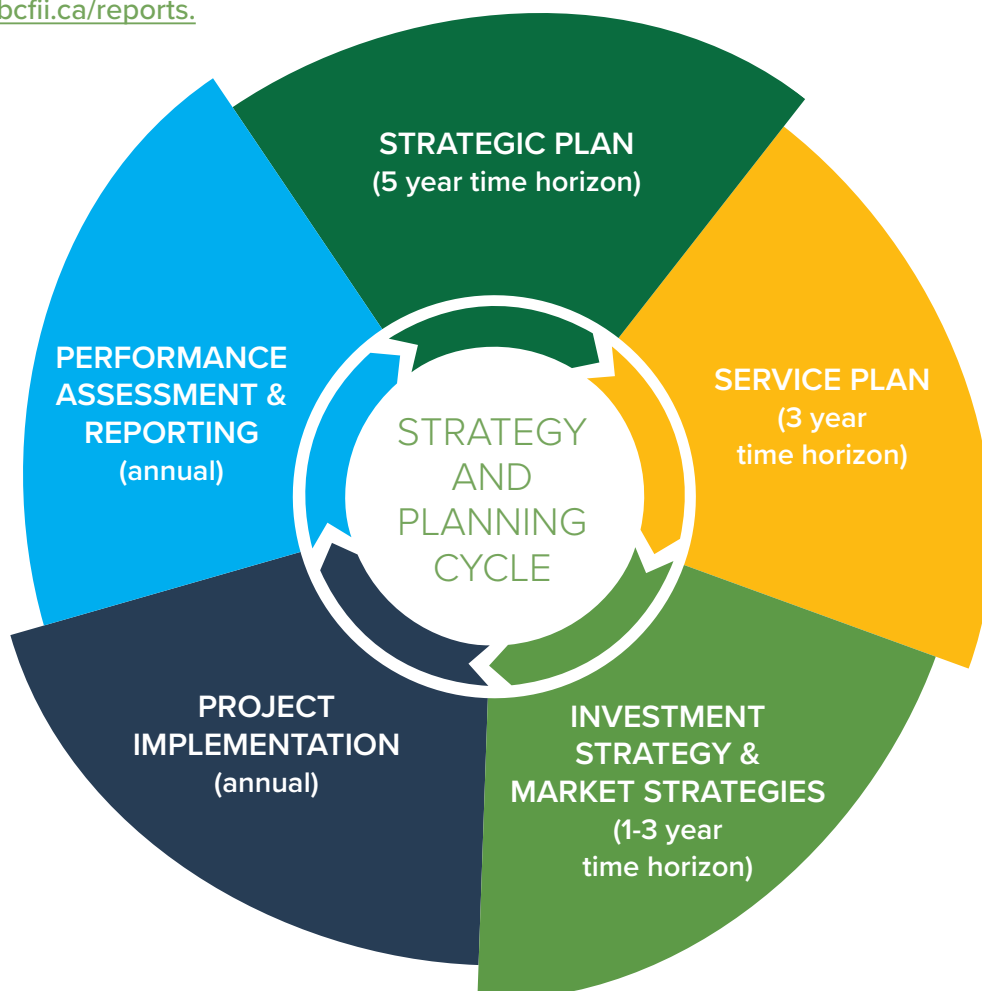
FROM TOP: Coastal temperate rain forest in British Columbia; Pyramid Timber Associates wood-frame construction demonstration project, Mysuru, India | Photo: FII India; Castlegar City Hall | Photo: Gord Wylie, courtesy Structurlam and naturallywood.com

# PLANNING FRAMEWORK

## MEASURING PROGRESS

Drawing on more than 18 years of experience developing and delivering market development programs, this Strategic Plan serves as the foundation for FII's forward-looking strategies to address opportunities and challenges facing B.C.'s forest sector. FII's Annual Service Plan, as well as its investment, market and program strategies draw from the priorities outlined in this Plan to ensure FII's goals and objectives continue to align with Government's strategic direction and respond to industry needs. Progress against these commitments is measured annually through defined metrics and a comprehensive performance management system.

FII's Performance Management Framework, Service Plan and other corporate reports can be found at [bcfii.ca/reports](https://bcfii.ca/reports).





# INDUSTRY RESOURCES

Forestry Innovation Investment produces a variety of resources intended to help support the growth and development of the B.C. forest sector—all of which is available to industry free of charge.



Log boom in British Columbia | Photo: Nik West, courtesy naturallywood.com

## BC RESEARCH LIBRARY

The BC research library houses resources on a wide variety of topics relevant to the B.C. forest sector, including market and export data, sector reports, as well as product, technical, building/construction and environmental information—all of which is funded and commissioned by FII and its funding recipients.

Visit [bcfii.ca/research-library](https://bcfii.ca/research-library)

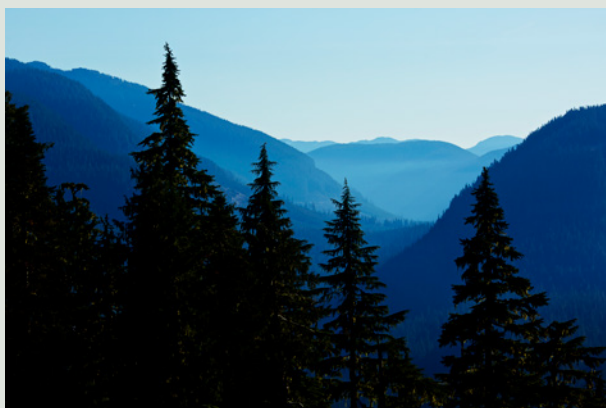


Forest on the north coast of B.C. (Khutzeymateen Inlet) | Photo: Michael Bendar, courtesy naturallywood.com

## IMAGE LIBRARY

Recently updated to improve accessibility and user experience, FII's image library has almost 5,000 images and video clips showcasing everything from B.C. forests and forestry activities to manufacturing, building and construction, as well as trade and overseas market uses of wood products. All visuals are available to the B.C. forest industry and stakeholders at *no charge*.

Learn more at [bcfii.ca/fii-image-library](https://bcfii.ca/fii-image-library)



Forest scape in British Columbia | Photo: Nik West, courtesy naturallywood.com

## NATURALLY:WOOD

naturally:wood is a comprehensive online information resource promoting British Columbia as a global supplier of quality, environmentally responsible forest products from sustainably managed forests. The website has over 80 factsheets, case studies, videos and reports. Naturally:wood LinkedIn, Facebook and YouTube channels also profile diverse and trending forestry, product and building innovations in B.C.

Visit [naturallywood.com](http://naturallywood.com)

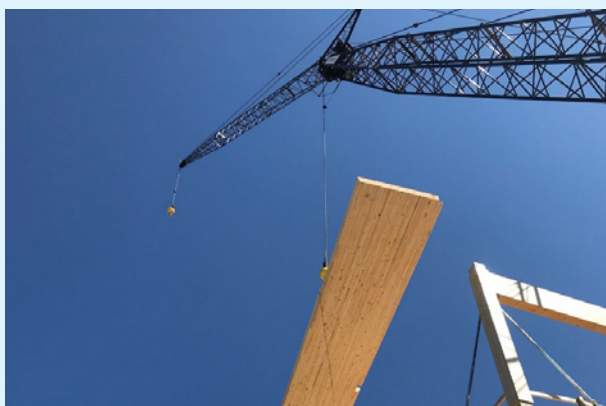


Wood at Stawamus Chief | Photo: Candace Kenyon, courtesy naturallywood.com

## BC SUPPLIER DIRECTORY

The BC Supplier Directory connects buyers with over 400 suppliers of high-quality, eco-friendly wood products, from dimension lumber, mass timber and engineered products, to furniture, doors and windows, pulp, paper and pellets.

Browse the Supplier Directory and/or ensure your business' listing is up to date at [suppliers.naturallywood.com](http://suppliers.naturallywood.com)



Dowel-laminated timber (DLT) | Photo: Structurecraft

## THINK WOOD RESEARCH LIBRARY

Developed and maintained by FII, the Think Wood Research Library connects researchers and practitioners to the latest research and resources on mass timber, light-frame wood building systems (five stories and up). The database has over 1,750 research resources, with links to download reports and information.

Visit [research.thinkwood.com](http://research.thinkwood.com)

We welcome your comments on any aspect of our website, resources or programs.  
Please feel free to get in touch with us at [info@bcfii.ca](mailto:info@bcfii.ca)



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