NATURAL RESOURCES CANADA DETAILED ACTION PLAN

In response to the audit recommendations of the report on Forest and Climate Change

Spring 2023 Reports of the Commissioner of the Environment and Sustainable Development to the Parliament of Canada

Report Ref. No.	OAG Recommendation	Departmental Response	Description of Final Expected Outcome/Result	Expected Final Completion Date	Key Interim Milestones (Description/Dates)	Responsible Organization/ Point of Contact (Name, Position)	*Indicator of Achievement* (For Committee Use Only)
1.36	To ensure that it can meet the planting objectives of the 2 Billion Trees Program, Natural Resources Canada should: a) Clearly document how the program will be operationalized to meet its planting goals and its 2031 and 2050 greenhouse gas emission reduction targets b) Promptly develop specific measures to address the lack of long-term agreements with project partners	Agreed. NRCan agrees that robust planning is essential to the long-term success of the program. The program will build on the design and implementation framework developed in 2021 as a blueprint for program implementation. The program will further document and enhance its long-term planning using lessons learned to develop a long-term operational plan. This will be completed by December 2023. NRCan agrees that long-term agreements are crucial for successful program implementation. The program will implement an on-going call for proposals to encourage proposals for long-term agreements and will place special focus in 2023 on securing agreements with provinces and territories. It will also leverage its 2BT online portal to speed up the application process. The program depends on stakeholder interest to fund tree planting projects; however, all efforts will be made to engage as many stakeholders as possible and process proposals as quickly as possible when received with an aim to sign agreements representing the majority of planting by June of 2027.	(a/b) Long-term plan that sets out how the program can be operationalized to meet its 2031 and 2050 targets, which includes current and future strategic mitigation measures. The program will build from solid foundations: after 18 months since launching, the 2 Billion Trees program had signed or was negotiating multi-year agreements that bring us to 260 million trees. The program will surpass its goals for planting on federal land and in urban areas. Projects on private land and those directed by Indigenous Peoples have also made significant strides. In fact, 1 in 5 projects were Indigenous led in our first year of planting. As the owners of Crown lands, and the managers of public land, the provinces and territories' participation in this program is critical. Seven of them have signed agreements in principle outlining the importance of biodiversity, habitat restoration, carbon sequestration, permanency of forest cover, and monitoring. Of those, six have also inked agreements outlining their specific tree contributions towards tree planting, which will only accelerate our pace.	(a/b) December 2023	(a) Long-term plan: • Evergreen plan available – December 2023 (b) Strategic mitigation measures: • On-going call for proposals in place – **Completed** • Conduct on-going webinars at regular intervals to explain application process and encourage submission of applications **- Ongoing** • Conduct outreach and engagement with stakeholders to focus on long-term agreements – **Completed and ongoing** • Draft strategic mitigation measures for long-term agreements – **December 2023**	NRCan Monique Frison, Director General, Trade, Economics, and Industry Branch, Canadian Forest Service	
1.43	To ensure that Natural Resources Canada is meeting the 2 Billion Trees program's objectives, including its 2031 and 2050 GHG targets, the department should	Agreed. NRCan will complete its efforts to establish a 2BT long-term monitoring plan by leveraging the allocated funding dedicated to science towards monitoring and reporting. This	(a) Long-term monitoring plan in place. (b) Quantitative interim and final targets for the program's performance indicators are communicated and available.	(a) March 2024 (b) Fall 2025 (published by dept. on web)	(a) Long-term monitoring plan: • Develop a long-term monitoring plan, including an operational plan for technical surveys and selected site visits, for the 2BT	NRCan Monique Frison, Director General, Trade, Economics, and Industry Branch, Canadian Forest Service	

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	have: • a long-term monitoring plan to assess the health and survival of the trees planted through the program. • clear quantitative interim and final targets for the program's performance indicators.	includes activity verification and monitoring systems, as well as new methods of monitoring planting outcomes, resulting from advanced research by the Canadian Forest Service. NRCan will build on its experience to initiate remote sensing-based monitoring and verification systems for the program as tree planting activity ramps up. This plan will be completed by March 2024. NRCan will set quantitative interim and final targets for the program's performance indicators and will work with Environment and Climate Change Canada and Agriculture and Agri-Food Canada to implement and communicate these targets through the 2024-25 Departmental Results Report.			program - March 2024 (b) Performance indicator targets • Work with AAFC and ECCC, through the existing Natural Climate Solutions Fund governance structure to set clear quantitative interim and final targets for indicators, to be reported via the 2024-25 Departmental Results Report		
1.47	To enhance biodiversity and habitat-related benefits of the 2 Billion Trees Program over the long term, and to contribute to Canada's biodiversity goals, Natural Resources Canada should: a) Develop criteria for monoculture planting projects, to ensure that these projects do not hinder biodiversity goals b) Make specific guidance and support about biodiversity and habitat needs available to all partners c) Incentivize habitat restoration work, for all project streams d) Leverage information provided by Environment and Climate Change Canada to enhance reporting on biodiversity benefits	Partially Agreed. Natural Resources Canada will develop criteria for monoculture planting projects and communicate to stakeholders by December 2023. Natural Resources Canada will work with Environment and Climate Change Canada to make specific guidance and support about biodiversity and habitat needs available to all program stakeholders by April 2024. Natural Resources Canada will also continue to make eligible costs for professional services (ecologists, biologists, and so on) and encourage applicants to consult professionals for habitat restoration projects. Natural Resources Canada disagrees with providing additional incentives, either in the form of new funding or preference for awards of projects. Given that habitat restoration is significantly more expensive, additional incentives for habitat restoration work would reduce funding available to meet the core objectives of the program regarding number of trees planted and climate mitigation objectives. Natural Resources Canada will work with Environment and Climate Change Canada to enhance reporting on biodiversity benefits by May 2024.	(a) Clear criteria and guidance on monoculture planting projects communicated to stakeholders. (b) Stakeholders have access to specific guidance developed in collaboration with ECCC on biodiversity and habitat needs. (c) N/A (d) Stakeholders have access to enhanced reporting on biodiversity benefits from 2BT funded projects.	(a) December 2023 (b) April 2024 (d) Fall 2025 (published via web on dept. website)	(a) Guidance on monoculture planting • Criteria for monoculture planting project will be communicated to stakeholders and incorporated into 2BT proposal evaluation process - December 2023 (b) Guidance on biodiversity and habitat • Support ECCC as the lead in drafting guidance on biodiversity and habitat restoration and disseminate to stakeholders – April 2024 (d) Reporting on biodiversity benefits • In collaboration with ECCC, develop a biodiversity indicator and communicate the results of the new indicator annually starting in the 2024-25 Departmental Results Report usually published in December following that fiscal year (fall 2025).	NRCan Monique Frison, Director General, Trade, Economics, and Industry Branch, Canadian Forest Service	

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1.64	Given the importance of forests to greenhouse gas emissions and removals and in consideration of Canada's unique national circumstances, Natural Resources Canada and Environment and Climate Change Canada should commission and publish an independent expert review and take action to address any gaps or opportunity for improvements. This review should: a) Consider Canada's approach to estimating and reporting emissions related to forests, and specifically to logging b) Include a formal engagement process with users, such as researchers, environmental and industry groups, on how to better meet their needs and support accountability and decision making.	Agreed. The Departments agree with the importance of independent review. Each annual NIR and BR is reviewed by an international expert review team. The reviews are published online. The science underlying carbon reporting is peer-reviewed and so are future improvements to carbon models prior to implementation in the inventory system. The Departments also agree with the importance of engagement. The government has engaged with experts and stakeholders through multiple forums to identify knowledge and information gaps and prioritise input to the scientific process that underlies carbon reporting: *A Blueprint for Forest Carbon Science in Canada, Climate Science 2050, The 2019 Carbon Workshop* or the recent Canadian Council of Academies report on *Nature-Based Climate Solutions*. Further, the Departments have engaged in dialogues with environmental groups who have *published reports critical* of forest carbon reporting and accounting. In the short term, the departments will rely on existing consultations. Known knowledge gaps established through these recent expert consultations and issues raised by environmental groups will be clearly addressed and published in future versions of the interdepartmental *Improvement Plan for Forest and Harvested Wood Products Greenhouse Gas Estimates*.	• National Inventory Report will have undergone an in-depth technical review by independent experts assembled by the United Nations Framework Convention on Climate Change (UNFCCC) Secretariat. • A revised *Improvement Plan for Forest and Harvested Wood Products Greenhouse Gas Estimates* that directly addresses and communicates the relationship between knowledge and communication gaps identified by stakeholders and consultation reports and improvement projects. • Quality assurance analysis to review historically harvested areas and assure that the logging footprint is accurately captured in the anthropogenic reporting category (based on the historical area that has been logged in the past 100 years).	Spring 2025	2023: • Completion, in collaboration with P/Ts, of a review of historically harvested areas- September – ECCC-STB/SRAD lead • Improvements to transparency and project prioritisation in Improvement Plan document based on existing critiques and knowledge gaps- October – ECCC-STB/SRAD lead • Publication of first revision of *Improvement Plan for Forest and Harvested Wood Products Greenhouse Gas Estimates –* December – ECCC-STB/SRAD lead • Publication of the Technical review of Canada's National Inventory Report by UNFCCC expert review team - October, finalized April 2024 – ECCC-STB/SRAD lead 2024: • Integrate new projects in improvement planning document based on results of UNFCCC review – September – ECCC-STB/SRAD lead • Second publication date of revised *Improvement Plan for Forest and Harvested Wood Products Greenhouse Gas Estimates* based on UNFCCC review- December-– ECCC-STB/SRAD lead	[ECCC Lead for National Inventory Reporting and Improvement Planning: Jacqueline Gonçalves (ECCC) Director General, Science and Risk Assessment Directorate, Science and Technology Branch] NRCan Lead/support for forest related GHG estimation and reporting: Dan Mazerolle, Director General, Pacific Forestry Centre, Canadian Forest Service	
1.84	To improve quality, transparency, and trust in climate change modelling, Natural Resources Canada, working with Environment and Climate Change Canada, should strengthen the quality control and review process for its projected estimates, by increasing: a) Documentation of the control processes in place b) Knowledge transfer and success planning for key and critical positions	Agreed. Natural Resources Canada, working with Environment and Climate Change Canada, agrees that quality control and review are crucial elements to ensuring transparent production of greenhouse gas estimates. The departments have developed a quality assurance and quality control process for forest-related greenhouse gas projection estimates that aims to strike a balance between automated checks, standard operating procedures, and expert judgment. The departments will work to formally document the quality assurance and quality control process for the forest greenhouse gas projections, ensuring it is transparent and easily communicated. Further, Natural	(a) NRCan, working with ECCC, will have produced documentation that clearly describes current quality assurance/quality control (QAQC) and review processes used for the development and reporting of GHG estimates for projections, and used this as the basis on which revisions are identified, planned and implemented. (b) NRCan will have produced a 5-year plan for the period 2020-2025 that describes recent and upcoming actions for key and critical positions related to the estimation and reporting of Canada's forest and harvested	December 2024	Dec 2023: • Documentation describing quality control processes • Plan describing proposed revisions, as applicable • 5-year succession plan for key positions related to forest GHG projections Summer 2024: • Implementation of proposed revisions to quality control process, as applicable	NRCan Lead for GHG projection estimates: Terry Hatton, Director General, Science Policy Integration Branch, Canadian Forest Service Support for GHG projection estimates/Lead for succession plan for GHG estimates: Dan Mazerolle, Director General, Pacific Forestry Centre, Canadian Forest	

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	c) Periodic external review, especially following significant methodological change	Resources Canada will continue to enhance knowledge transfer and succession planning for key and critical positions related to the production of forest greenhouse gas projections. Both actions will be completed by December 2024 and updated regularly thereafter. Natural Resources Canada agrees to work with Environment and Climate Change Canada to ensure periodic external review following significant methodological changes as those occur. Any such review would be in addition to existing review mechanisms, including that Canada's Biennial Reports to the United Nations Framework Convention on Climate Change are subject to international review conducted by international expert teams, coordinated by the United Nations Framework Convention on Climate Change Secretariat. These detailed reviews include specific recommendations for Canada on how to improve its approach. In addition to the United Nations Framework Convention on Climate Change review process, forest greenhouse gas projections are subject to external consultations and review through the National Forest Sinks Committee, composed of expert peers from provincial and territorial governments.	wood product GHG emissions and removals. (c) Major changes to projection-specific methodology and data will continue to be evaluated via scientific peer-review processes and/or through consultation with jurisdictional and topic experts. The timing of these reviews is entirely dependent on the technical readiness of the methodological changes.			Service ECCC Lead/support for GHG projection estimates: Derek Hermanutz, Director General, Strategic Policy Branch, Economic Analysis Directorate, ECCC	