



Industry Initiative –

Support, Develop and Diversify Wisconsin's Forest Products Industry

- Critical part of our state and local economies, health of our rural communities
- Cornerstone to being able to sustainably manage our forests and maintain healthy, versatile, and resilient forests
- Managing our forests tied directly to recreational use and WI resident's well being, access for recreation, wildlife & game habitat, climate, and so much more.
- Local, regional, and global changing and challenging markets along with complex social, political, economic, and ecological considerations.
 - How do we adapt, thrive, and adjust what we have done so well in Wisconsin for so long into this future world?

March 2024

26.02 Council on forestry.

- (1) DUTIES. The council on forestry shall advise the governor, the legislature, the department of natural resources, and other state agencies, as determined to be appropriate by the council, on all of the following topics as they affect forests located in this state:
 - (a) The protection of forests from fire, insects, and disease.
 - (b) The practice of sustainable forestry, as defined in s. 28.04 (1) (e).
 - (c) Reforestation and forestry genetics.
 - (d) Management and protection of urban forests.
 - (e) Increasing the public's knowledge and awareness of forestry issues.
 - (f) Forestry research.
 - (g) Increasing the economic development of the forestry industry and employment in the forestry industry.
 - (h) Marketing and use of forest products.
 - (i) Legislation that impacts on the management of forest lands in this state.
 - (j) Staffing and funding needs for forestry programs conducted by the state.



Council consensus 2023 fall/winter discussion to continue to prioritize and pursue effort to support, develop and diversify our forest industry.



March 2024



VERMONT FOREST FUTURE STRATEGIC ROADMAP
FINAL REPORT
STRATEGIES AND ACTIONS



JANUARY 2024



<https://lab2.future-iq.com/vermont-forest-future/>

WI Forested Acres 17,000,000

VT Forested Acres 4,500,000

WI Forest Industry \$24.2 billion

VT Forest Industry \$ 2.1 billion

WI Industry Jobs 58,000,000

VT Industry Jobs 14,000,000

Vermont Legislature Act 183, 2022

Sec. 43. 10 V.S.A. chapter 82 is added to read:

CHAPTER 82. VERMONT FOREST FUTURE STRATEGIC ROADMAP

§ 2531. VERMONT FOREST FUTURE STRATEGIC ROADMAP

(a) Creation. The Commissioner of Forests, Parks and Recreation shall create the Vermont Forest Future Strategic Roadmap to strengthen, modernize, promote, and protect the forest products sector in Vermont. The Commissioner of Forests, Parks and Recreation may contract with a qualified contractor for the creation of the Vermont Forest Future Strategic Roadmap. During the contract proposal process, the Commissioner of Forests, Parks and Recreation shall seek a proposal to complete the Vermont Forest Future Strategic Roadmap from the Vermont Sustainable Jobs Fund.

Sec. 45. APPROPRIATIONS

In addition to any other funds appropriated to the Department of Forests, Parks and Recreation, in fiscal year 2023 the amount of \$250,000.00 is appropriated from the General Fund to the Department to enter a two-year contract in fiscal year 2023 for the purpose of contracting for the development of the Vermont Forest Future Strategic Roadmap required by 10 V.S.A. § 2531.



March 2024

STAKEHOLDER AND INDUSTRY ENGAGEMENT

The key to the future-oriented Vermont Forest Future Strategic Roadmap planning process was robust and extensive engagement across the state from November 2022 to September 2023. The intent was to maintain a balance of in-person and virtual events to ensure maximum participation.

This robust engagement has helped deepen the thinking behind the Strategic Roadmap and provided multiple opportunities for stakeholders to contribute.



70
STRATEGIC PILLAR DAY ATTENDEES

MONTHLY ADVISORY PANEL MEETINGS

VIDEO INTERVIEWS

WEEKLY PORTAL UPDATES

850+
SURVEY RESPONSES

20
ENGAGEMENT WORKSHOPS

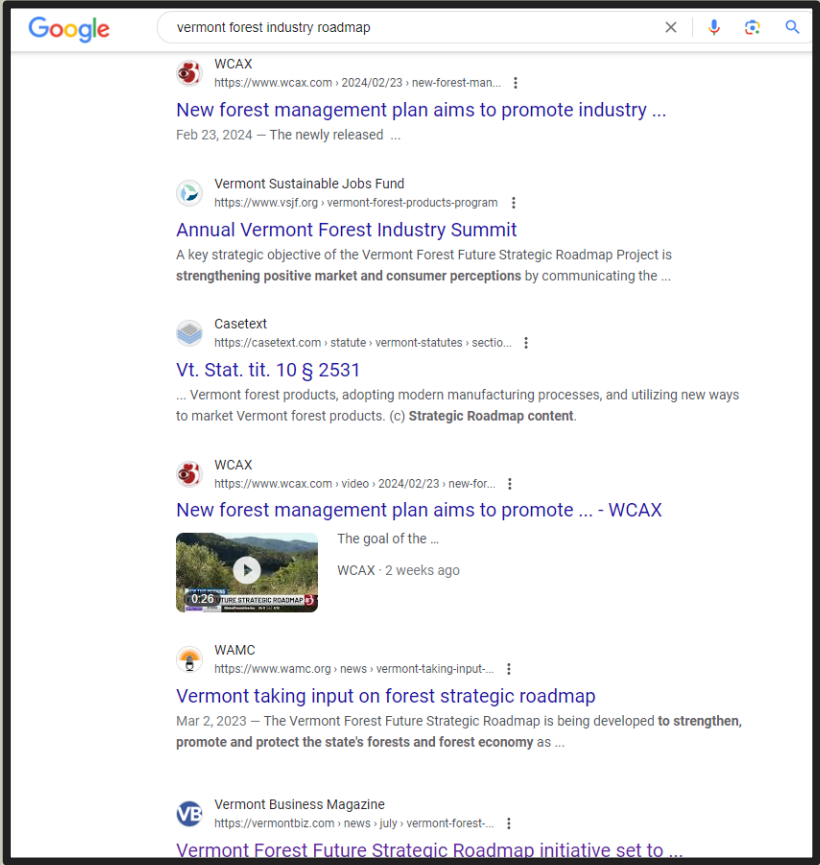


50
THINK-TANK ATTENDEES

5
STATE-WIDE INDUSTRY ROUNDTABLES

10
NEWSLETTERS

100
INDUSTRY SUMMIT PARTICIPANTS



REPORT SNAPSHOT - KEY THEMES



FOCUSING ON FOREST HEALTH

A key theme has been a focus on forest health. Forest health is expansive and covers the broad issues of ecological resilience and adaptability, as well as support for a productive working forest economy. This includes recognizing the role forests can play in mitigating climate change and nurturing an ecosystem that can sustain and protect people and landscapes.



MAINTAINING FORESTS AS WORKING FORESTS

A key threat is the loss of timber supplies from working forests and the subsequent economic impacts on Vermont small businesses. The Strategic Roadmap lays out actions to promote working forests in policy decisions and land use planning. It also includes actions to educate, encourage, and motivate landowners and decision makers to maintain Vermont's working forests.



INVESTING IN FUTURE READINESS

There is a clear desire and need to invest in helping the industry adapt to change and invest in accelerating innovation. The Strategic Roadmap includes actions to improve investment, access to capital, and risk management. Part of the future readiness theme is the next generation of the workforce and how the industry can position itself as an attractive career choice.



CELEBRATING THE IMPORTANCE OF FOREST PRODUCTS

The forest products sector is a vital part of Vermont's economy. It supports thousands of jobs and produces a wide range of products that contribute to people's everyday lives. These products range from the lumber that makes our homes to the sap that makes Vermont's famous maple syrup. In the Strategic Roadmap, there are actions that aim to build appreciation and demand for Vermont wood and forest products.



TAKING RESPONSIBILITY FOR SOCIAL LICENSE

Industry stakeholders recognize the importance of securing societal support, and that it must be earned, not taken for granted. The Strategic Roadmap includes actions to educate the public about the industry's important role as an ecosystem manager and to provide transparent information on forest conditions and trends.



RECOGNIZING THE MULTIPLE FOREST USERS AND STAKEHOLDERS

While the Strategic Roadmap has focused primarily on the future of the forest products sector, it recognizes that there are other active forest users and people who have a deep interest in the future of the forests. The Strategic Roadmap includes actions aimed at building links with other forest user groups.



CREATING A 'WHOLE-OF-GOVERNMENT' APPROACH

An interagency task force focused on the forest products industry could help reduce the administrative burden on the industry, simplify the process of starting, growing, and maintaining a Vermont-scale forest products enterprise, and stimulate investments that increase the overall strength of Vermont's forest products sector.



STRATEGIC PILLARS FRAMEWORK

Pillars are considered interdependent.

The Strategic Pillars and objectives create the central framework for the Strategic Roadmap.

PILLAR 1: FOREST MANAGEMENT AND LAND USE

Sustaining a diverse forest economy and contributing to climate change mitigation by supporting the health, resilience, and productivity of Vermont's forestlands through stewardship and management

PILLAR 2: BUSINESS ENVIRONMENT AND CONDITIONS

Creating a business environment and workforce that supports the competitiveness of the Vermont forest products sector

GROWING A STRONG VERMONT FOREST PRODUCTS SECTOR AND PROSPEROUS FOREST ECONOMY

PILLAR 5: FOREST ECONOMY AND VERMONT COMMUNITIES

Protecting and enriching the positive impact of the forest economy on the communities embedded in the Vermont forest landscape

PILLAR 4: INDUSTRY REPUTATION AND MARKET PROFILE

Strengthening positive market and consumer perceptions by communicating the importance of working forests and promoting the benefits and contributions of Vermont's forest products and forest economy

PILLAR 3: RESEARCH, INNOVATION, AND TECHNOLOGY

Promoting innovation and adaptability in the Vermont forest products sector by supporting technological development, cross-sector collaboration, and processing capability for both new and existing forest products



**PILLAR 1:
FOREST
MANAGEMENT
AND
LAND USE**

STRATEGY: MANAGE FOR INCREASED FOREST HEALTH

Throughout the planning process, there has been strong support for efforts to improve overall forest health and to help manage and steward forests for long-term environmental, social, and economic benefits. Part of the concept of a healthy forest is that it supports a viable and diverse forest economy. It is recognized that forests provide important ecological and societal benefits that are cherished by the many stakeholders across Vermont.

Action 1: Provide robust data on forest health trends.

Build an understanding about the status and forecast trends of Vermont's forests health by:

- Providing comprehensive and robust information to stakeholders and the public.
- Developing a coordinated government and industry response to emerging threats and changes in forest health (invasive species, climate-driven range shifts).

Action 2: Build a community of practice.

Convene forestry stakeholders to facilitate a community of practice that:

- Pools resources and helps boost the overall capacity and expertise of professionals.
- Builds professional expertise and accelerates peer-to-peer sharing of industry and stakeholder knowledge about forest health and best practices.

Action 3: Demonstrate best practices for increasing forest health.

Use state lands as a resource for demonstration projects by:

- Highlighting forest management practices on state lands that are designed to address current or future threats to forest health.
- Exploring traditional indigenous land management practices, and appropriately incorporating this knowledge in modern forest management approaches.



»»»» NEXT STEPS AND SHORT-TERM PRIORITIES

The next major step is launching the Vermont Forest Future Strategic Roadmap. The Roadmap implementation will require a multi-stakeholder approach, which will continue to build on the collaborative process. This will include opportunities for the industry and stakeholders to explore the actions and contribute their expertise.

Initial Action: Create an Implementation Steering Committee for the Strategic Roadmap.

To build on the knowledge and insights built through the Strategic Roadmap planning process, the Commissioner is creating an Implementation Steering Committee of stakeholders to:

- Act as a continuation of the Vermont Forest Future Strategic Roadmap Advisory Panel.
- Provide direct advice and input to the Commissioner, the Legislature, and partners on implementation of the Vermont Forest Future Strategic Roadmap.



SHORT-TERM HIGH PRIORITY ACTIONS

The Advisory Panel has identified several actions that are considered immediate high priorities that will help build long-term traction and address acute challenges. As a 10-year strategic plan, some of the more complex actions in this Strategic Roadmap will take longer to begin implementation and may require further discussion and refinement with the Implementation Steering Committee. The short-term, high-priority actions identified by the Advisory Panel are:

- Action 1: Provide robust data on forest health trends.
- Action 4: Promote working forests in land use planning.
- Action 9: Adopt climate resilience strategies
- Action 12: Boost the next generation of forest workers.
- Action 18: Invest in accelerating innovation.
- Action 19: Promote the forest industry's critical role as an ecosystem manager.
- Action 22: Elevate the importance of modern and efficient wood energy.
- Action 26: Connect recreational and other forest users with the forest products sector.
- Action 30: Promote the economic contribution of the forest economy to Vermont communities.





Industry Initiative – Proposed Next Steps

- **Condense strategic plan and roadmap effort to a limited scope study to:**
 - *Determine the factors that are preventing potential new, and existing, forest products companies from locating and expanding in WI and make recommendations to adjust as warranted.*
 - Focus on 1) regulatory and permitting, and 2) fiber availability (to address in part, competition concerns, with an emphasis on low grade fiber markets and a forward-look at factors impacting availability)
 - Develop **recommendations** to address identified factors and possible additional efforts needed to support, develop, and diversify the industry
 - Recommendations need to have sideboards to maintain environmental, social, and additional standards

March 2024



Forest Industry-Wide Strategic Plan

A Vision and Roadmap for Wisconsin's Future Forest Industry

Plan Contents

Draft 12/07/22

1. Executive Summary
2. Objective/Scope
3. Procedure
4. Background
 - a. Literature / Research Review
 - b. Where we have been and where we are at now
 - i. Historic metrics for the industry, communities, workforce, supply chain etc.
 - ii. Historic metrics for the resource, harvest levels etc.
 - c. Resource availability analysis. (fiber, workforce etc.)**
 - d. Future Forecast (for the above)**
 - e. Ongoing Efforts/Organizations/Stakeholders
5. Opportunities
 - a. Anticipated local, regional, global opportunities/markets
 - b. Brownfield and Under Performing Industry Analysis
6. Policy and Infrastructure Analysis
 - a. Political/Regulatory Environment**
 - b. Infrastructure
 - c. Public Considerations
7. Environmental Analysis / Considerations
8. Strengths and Gaps Analysis
9. Future Goals/Vision
 - a. Consensus on State's future industry goals and timeline
 - i. Vision and metrics
 - ii. Recommendations
 - iii. Best fit opportunities/initiatives/actionable items
 - iv. Roadmap



March 2024



Proposed Study Mechanics

- Acquire agreement with an entity that can act as the “client” to secure a consultant to conduct the study
- The Council would be the initial advocate for the study and funding via the WI legislature
- The Council would provide periodic review and input throughout the study process and be the “audience” for the study outcomes.
- The Council, following presentation of the final product, would provide a report to the appropriate legislative bodies containing the Council's recommendations to address the factors shown in the study preventing potential new and existing forest products companies from locating and expanding in WI, along with future needs to support, develop and diversify our forest products industry.

January 2024

Next Steps

Council drafts a summary report on the overall initiative with a letter recommending proceeding as follows. Proposed audience is the Governor, Legislative Forestry Committees, and DNR Secretary (CoF's "clients")

❖ Council Recommends Legislative Action:

- To establish funding through the DNR or other state entity to allow for an organization to receive the funds and contract a consultant to complete this study as the *first phase* of developing a comprehensive strategic plan and roadmap. (WI Forest Practices as example reference.) Funding could be in addition to this study cost for future efforts.
- To Direct DNR or other state entity to take necessary steps, in cooperation with the Council, to form and manage an "Industry Strategic Planning Steering Committee" which would include wider stakeholder representation.
 - The purpose of the Steering Committee would be to advise/assist the contracting organization in steps necessary to secure a study consultant, manage the study process, and provide input to the Council throughout the process
 - The Steering Committee will remain engaged in potential future strategic plan and roadmap efforts as recommended by the Council.
 - Committee includes (?) Council Chair, Vice Chair, Council Committee Chairs (all council members should be on a committee), Council partner representatives, other varied stakeholder representatives.
- To Direct the Council upon completion of the study to provide recommendations to the Legislature regarding this study's outcomes and potential next steps for the continued development of a comprehensive strategic plan and roadmap.

Next Steps

❖ Include in our letter:

- A statement regarding support from (named ?) Council partners (Steering committee seats.)
- A sense of urgency and a request for initial evidence of support for a “head start”.
- Reference “attached” summary report covering Council and other recent past and ongoing efforts to support, develop and diversify Wisconsin’s forest products industry.

❖ Build support from Council partners and others.

❖ Examine options for “steering committee” and secure willing study client/fund manager and study cost estimate

❖ Establish an initiative catchphrase “ Healthy Forests, Healthy (Robust, Diverse) Industry, Healthy (Strong, Thriving) Communities”

❖ Possible Timing

- Draft summary report and recommendation to proceed approved at May Council meeting (circulated to CoF members ahead of time)
- Legislation to secure funding drafted summer 2024 for fall legislative session
- Study completed by the late summer of 2025, final recommendations to legislators late fall 2025



March 2024