

Canada Invests in Innovative Forest Technology

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Canada's forest sector remains a vital source of wealth for Canadians, providing economic, social and environmental benefits. By investing in Canada's forest sector, the Government of Canada is growing the economy while protecting our environment.

The Honourable Diane Lebouthillier, Minister of National Revenue, on behalf of the Honourable Seamus O'Regan, Canada's Minister of Natural Resources, today announced a \$4.9-million investment to Resolute Forest Products Canada Inc. for an innovative technology that will accelerate advanced biomaterial production and create over 20 full-time jobs.

The funding will allow Resolute to expand its Kenogami facility in Saguenay, Quebec, to manufacture industrial-scale cellulose filaments. Cellulose filaments — a biomaterial extracted from wood pulp — have unique properties that allow them to be used as a reinforcing agent in consumer products such as polymers and cement. The innovation will increase production efficiency and product quality while taking advantage of all-fibre residue.

The Government of Quebec also contributed \$6.7 million towards the project through their <u>ESSOR Program</u> (French only) and <u>Wood Innovation Program</u> (French only). The project will be carried out in partnership with <u>FPInnovations</u>, which developed the process.

Funding for this project is provided through the <u>Investments in Forest Industry Transformation (IFIT) program</u>, which encourages the Canadian forest sector to implement unique technologies and produce new forest products for emerging markets. By investing in forest sector technologies, we can provide greener solutions that will help tackle climate change and transition toward a low-carbon economy.

Through Budget 2019, the Government of Canada committed an additional \$82.9 million over three years, starting in 2020–21, for the IFIT program. This investment will continue to encourage the industrial commercialization and adoption of innovative technologies and processes in Canada's forest sector.

Canada's climate plan includes measures to protect the environment and leave a healthier planet for future generations, including actions to protect our oceans, phase out coal-fired electricity, invest in renewables and public transit and reduce plastic pollution. Nature-based solutions are a key part of Canada's plan to combat climate change while growing the economy.

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