

## NEWS RELEASE

# Ontario Supporting Growth and Innovation in the Forest Sector

Province providing over \$9.4 million to 14 forest biomass projects in Northwest Ontario

January 30, 2024

[Natural Resources and Forestry](#)

---

THUNDER BAY – The Government of Ontario is supporting economic growth and creating jobs with the second phase of funding under the new Forest Biomass Program. The \$9.4 million investment will develop the untapped economic potential and environmental benefits of new and emerging uses of underutilized wood and mill by-products, collectively known as forest biomass.

“Our Forest Biomass Program has delivered dozens of critical investments to launch the future of Ontario’s forest sector,” said Graydon Smith, Minister of Natural Resources and Forestry. “Today’s investment continues that progress, with targeted funding that will create jobs, strengthen communities and redefine our forestry sector in Ontario.”

Forest biomass is used in everything from food additives to building materials. It also has many emerging uses, including renewable natural gas, bioplastics and hydrogen – responsible alternatives to carbon-intensive products.

The full list of the 14 research, innovation and modernization initiatives is available [here](#). Each project will advance the use of forest biomass, including:

- **Thunder Bay Pulp and Paper Mill** - \$5,000,000 to modernize the mill’s electrical system by upgrading and improving equipment, enabling future measures to expand green energy production, reduce emissions and increase forest biomass usage.
- **Rutter Urban Forestry** - \$245,000 to support renewable energy production and deliver clean and cost-efficient heat generation by acquiring a mobile forest biomass chipper and tractor to produce heating chips.
- **Lake Nipigon Forest Management Inc.** - \$200,000 to increase the use of forest biomass and expand alternative fuel production by supporting the development of a renewable natural gas and biocarbon facility.

- **FPInnovations** - \$100,000 to enhance forest sector business competitiveness and provide environmental benefits by exploring methods to improve the carbon footprint and reduce the operating costs of producing lignin, a versatile wood extract.

This is the second phase of Forest Biomass Program funding – the first phase was announced in [December 2023](#). Through the program, Ontario is investing \$19.6 million in projects to increase the use of the province's forest resources while developing new technologies, improving productivity and providing environmental benefits.

Ontario's Forest Biomass Action Plan is part of the broader Forest Sector Strategy launched in 2020. The strategy sets out the province's plan to create jobs and encourage economic growth in the forestry industry, supporting the Indigenous, northern and rural communities that depend on the sector while ensuring forests are managed sustainably for generations to come.

---

### Quick Facts

- The [Forest Biomass Action Plan](#) is a five-year plan that encourages the use of forest biomass resources to secure jobs, support economic development and encourage sustainability in Ontario's forest sector. Forest biomass has many current and emerging uses, including as a source of low-carbon consumer products and renewable energy.
- The forest sector generated \$20.9 billion in revenue from the sale of manufactured goods and services in 2021 and supported more than 142,000 direct and indirect jobs in 2022.

---

### Quotes

"The Forest Biomass Program is essential to the future of our industry. This year's program has helped to bolster the efficiency of our green power generation infrastructure, ensuring our partnerships with the supply chain extend far into the forests of Northwestern Ontario. We are extremely grateful for both the foresight of Minister Smith, and our MPP Kevin Holland, in creating this initiative, and for the support of our application. We look forward to working with them to ensure this program is maintained and strengthened in the future."

- Kent Ramsay  
President, Thunder Bay Pulp & Paper

"The funding LNFMI received from the Ontario Forest Biomass Program was critical in de-risking the development and preparing for the construction of a large scale renewable natural gas (RNG) facility and wood optimization yard. This project will support Indigenous employment and revenue generation for the four First Nation shareholder communities. LNFMI is grateful that the government of Ontario places such high priority on supporting forest biomass projects. The development will support surrounding mills with high value fiber along with contributing to provincial and national emission reduction targets by reducing CO2e emissions by 30,000 tonnes per year."

**- Scot Rubin**

**CEO & Chief Forester, Lake Nipigon Forest Management Inc.**

"The OFIA fully supports Ontario's focus on developing markets for sustainable forest biomass. Northern, rural, and Indigenous communities across the province hold immense potential for economic growth through forest biomass energy and heating solutions. Ontario's ambitious electrification and energy transition present a challenge, but we believe that forest biomass can be the key to filling the gap. With a forecasted doubling of the existing grid, we can take a significant step towards a greener, more sustainable future by choosing forest biomass. Ontario's Forest Biomass Program is essential in fostering a circular bioeconomy and improving the competitiveness of our sector."

**- Ian Dunn, R.P.F.**

**President & CEO, Ontario Forest Industries Association**

"As part of our government's commitment to driving economic growth in Northern and First Nation communities, we are investing in projects that support job creation, improve productivity, and present new opportunities for future generations. Through the Indigenous Bioeconomy Partnerships funding stream, we are making reconciliation real for First Nation communities and businesses that are an essential part of Ontario's forestry sector."

**- Greg Rickford**

**Minister of Northern Development and Minister of Indigenous Affairs**

"Under the guidance of Graydon Smith, Minister of Natural Resources and Forestry, our government is dedicated to fostering a conducive environment for the modernization and advancement of the northern forestry and bioeconomy sector. It's been a privilege collaborating with industry and the ministry, committed to creating lasting opportunities for our communities. We stand with all stakeholders, working together for a promising future of growth and innovation."

- Kevin Holland  
MPP Thunder Bay-Atikokan

---

### Additional Resources

- [Ontario Announces Forest Biomass Program Funding Recipients](#)
- [Forest Biomass Program](#)
- [Forest Biomass Action Plan](#)
- [Sustainable Growth: Ontario's Forest Sector Strategy](#)

---

### Related Topics

#### Business and Economy

Information about Ontario's economy and how to do business here. Includes economic development opportunities, research funding, tax credits for business and the Ontario Budget. [Learn more](#)

#### Environment and Energy

Learn more about how Ontario protects and restores wildlife and the environment. Includes information on conservation and the electricity system. [Learn more](#)

#### Jobs and Employment

We've got the resource and supports to help connect job seekers with employers. [Learn more](#)

#### Rural and North

Information about the province's Far North and rural communities. Get connected to business improvement organizations and learn more about funding and programs that support rural, northern and Indigenous communities. [Learn more](#)

---

### Media Contacts

Media Desk

Communications Services Branch

[MediaDesk.MNRF@ontario.ca](mailto:MediaDesk.MNRF@ontario.ca)

Melissa Candelaria

Minister's Office

647-448-7652

[Melissa.Candelaria@ontario.ca](mailto:Melissa.Candelaria@ontario.ca)

---

Accessibility

Privacy

Contact us

© King's Printer for Ontario, 2012-2024

---