



Forest Resource Improvement

Association of Alberta







Alberta's boreal forest floor supports a wide variety of micro flora including: knights plume feathermoss (*Ptilium crista-castrensis*), Bog Labrador-tea (*Rhododendron groenlandicum*), bunchberry (*Cornus canadensis*), and mushroom species. Diverse forest values are supported by the Forest Resource Improvement Program (FRIP).

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President's Message

As we reflect on a busy and successful 2024/25, we are proud to acknowledge the meaningful progress made in advancing sound and sustainable forest management across Alberta.

The Forest Resource Improvement Association of Alberta (FRIAA) continues to play a vital role in bringing together diverse voices and talents to tackle the complex challenges facing forest management. The collaboration we see between government, industry, academia, NGOs, and professionals is not only strong, it's exceptional. No other organization has been able to foster such effective partnerships across these groups as FRIAA has.

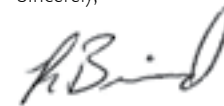
Our Forest Resource Improvement Program (FRIP) remains a cornerstone of this success. Through FRIP, we support long-term initiatives that strengthen Alberta's forestry future, including core funding for FRI Research, the Outland Youth Employment Program, Tree Improvement programs, and vital public outreach efforts. Our commitment to a well-thought-out strategy for the responsible use of funds collected in the early 2020s is allowing Alberta's forestry community to plan for a longer term and to address broader, more complex challenges.

We are also pleased to support the Ministers of Forestry and Parks, and Environment and Protected Areas, in areas that they consider priorities. FRIAA has been entrusted to serve as administrators of key programs such as the FRIAA FireSmart, Community Fireguard, and Caribou Habitat Recovery programs—initiatives that are essential to protecting communities and landscapes alike.

Most importantly, we extend our sincere gratitude to our members, who engage in the practice of forestry every day. Your dedication and innovation in developing impactful project ideas ensure that FRIAA's funds are used wisely and for the greatest public benefit.

Thank you for making 2024/25 a year of meaningful achievement. We look forward to continuing this important work together.

Sincerely,



Richard Briand, President
Forest Resource Improvement Association of Alberta (FRIAA)



Snow-covered black spruce (*Picea mariana*) will be thinned or removed near communities to enhance wildfire resilience under the FRIAA FireSmart program.

Report on Business Plan Objectives

FRIAA establishes and administers programs and initiatives for the enhancement of Alberta's forest resources in accordance with the Forest Resources Improvement Regulation under the Environmental Protection and Enhancement Act and the Forests Act (Alberta Regulation 152/1997).

FRIAA's purpose and objectives are to establish programs and initiatives that

- enhance the forest resources of Alberta,
- promote the enhanced management of the forest resources of Alberta,
- improve the sustained yield of the forest resources of Alberta,
- promote integrated resource management, and
- reforest public land using reforestation levies collected by FRIAA or cash and securities transferred to FRIAA.

As a delegated authority that reports to the Minister responsible for forestry, FRIAA also supports the Province's priorities as described in the Government of Alberta's 2023–26 Strategic Plan as well as the ministry business plans for Forestry Parks and Tourism (now Forestry and Parks), Environment and Protected Areas, and Indigenous Relations.

FRIAA's five-year business plan (April 1, 2024, to March 31, 2029) was prepared to guide the association's activities over the past year (and subsequent years) as it looked to fulfill its mandate and support the government's strategic direction through forest resource improvement initiatives.

FRIAA's programs supported the following specific ministry outcomes and objectives:

Department	Key Objectives Related to Forest Resources
Alberta Forestry and Parks	<p>Outcome 1: Effective stewardship of Alberta's provincial Crown lands and forests.</p> <p>Outcome 2: Provide timely transparent decisions to support environmentally sustainable forestry, natural resource, and tourism economic opportunities consistent with government plans and policy.</p> <p>Outcome 3: Albertans and visitors enjoy sustainable, accessible, and safe tourism and outdoor recreation experiences.</p>
Alberta Environment and Protected Areas	<p>Outcome 1: Environment and ecosystem health and integrity are vital to Albertans' well-being and safety.</p> <p>Outcome 2: Sustainable economic development is achieved within environmental capacity.</p>
Alberta Indigenous Relations	<p>Outcome 1: Indigenous Peoples and communities are engaged as economic partners, and resource or economic development occurs in the context of Alberta's legal duty to consult.</p> <p>Outcome 3: Relationships with Indigenous leadership and organizations are maintained and strengthened.</p>

All of FRIAA's programs support these objectives and priorities:

- The Forest Resource Improvement Program (FRIP), Community Reforestation Program (CRP), Mountain Pine Beetle (MPB) Program, Wildlife Reclamation Program (WRP), Enhanced Reforestation of Legacy Disturbances (EnRLD) Program, and Caribou Habitat Recovery Program (CHRP) all support sound and effective stewardship of Alberta's provincial Crown lands and forests, support environmentally sustainable forestry, natural resource, and tourism economic opportunities and promote safe and enriched public outdoor recreation experiences.
- FRIP and the MPB, WRP, EnRLD, and CHRP programs all support environmental and ecosystem health and integrity, contributing to Albertan's well-being and health. In addition, all FRIAA programs help ensure that economic development is achieved within environmental capacity.
- All programs respect and include Indigenous interests in the provision of funding, either through direct support or by including Indigenous traditional knowledge, interests, and services in project design.
- The FRIAA FireSmart and Community Fireguard programs provide funds for projects that help improve wildfire management in relation to community protection and help communities take measures to mitigate the risk of impacts from wildfire.

Wildfire burns unevenly and irregularly through the boreal forest. Fires impact regenerating cutblocks, which can be further assisted through the Wildfire Reclamation Program (WRP) as well as the Caribou Habitat Recovery Program (CHRP) seismic lines. These lines had been site prepared but not yet planted at the time of this May 2023 wildfire through the Little Smoky area.





Report on Program Activities

The following section highlights key activities and results for each of FRIAA's nine programs for fiscal year 2024–25.

A spider uses the top of a planted white spruce (*Picea glauca*) seedling in the Huestis Demonstration Forest near Whitecourt, Alberta. Almost 1.5 million similar seedlings were planted throughout Alberta in the Community Reforestation Program (CRP) in the summer of 2024.

Forest Resource Improvement Program (FRIP)

FRIP is funded entirely by the forest industry through FRIAA dues, which form a part of stumpage assessed on the harvest of Crown timber. FRIP-funded projects are aimed at enhancing Alberta's forest resources for the benefit of all Albertans, which can be accomplished in various ways. FRIP has a broad scope to address many aspects and approaches to forest resource improvement.

FRIP project activities must not be a requirement of a disposition-holder as defined in legislation, terms of tenure agreements, or provincial policies, and projects must benefit at least one forest resource. They are associated with projects that are over and above Alberta's baseline sound and sustainable forest management framework. FRIP projects represent effective tools for government, industry, academics, communities, and contractors to collaborate and work toward a greater purpose.

Since its inception in 1997, FRIAA has invested over \$454 million in FRIP funding toward forestry projects that enhance Alberta's forests and improve the management of Alberta's forest resources. Expenditures on FRIP projects in 2024–25 totalled \$54 million, and another \$205 million was committed to ongoing projects. FRIAA has developed a special FRIP Strategy to address the large inflow of funds over the previous two years and is active in encouraging new projects that address strategic challenges facing forestry today and in the future.

Theme	Project payments in 2024–25	Active projects	Current commitments
Integrated mountain pine beetle / wildfire management	\$795,706	10	\$2,484,153
Species at risk / wildlife	\$5,415,413	39	\$11,896,459
Indigenous relations in enhanced forest management	\$3,707,843	39	\$19,885,659
Public engagement, awareness, and education	\$13,171,209	81	\$23,060,373
Enhanced forest productivity	\$31,148,028	172	\$148,279,426
Total	\$54,238,198	341	\$205,606,070

Project expenditures in FRIP were \$54 million, the highest in FRIAA's history. This amount reflects an intentional effort by FRIAA over the past three years to put FRIP funds to work for all Albertans.

Community Reforestation Program (CRP)

The CRP provides for the reforestation of areas harvested by timber permit-holders required to pay the reforestation levy and small quota-holders with annual harvest levels under 10,000 m³ per year who choose to pay the levy. The CRP is funded entirely by reforestation levies paid directly to FRIAA by industry. FRIAA has been achieving sustainability goals for 41,372 hectares (ha) of cutblocks harvested since May 1, 2000. These results clearly demonstrate that the CRP is meeting its reforestation objectives, sustaining yields, and contributing to public priorities.

The CRP is highly efficient and effective at ensuring full reforestation of areas harvested by small timber operators and permit-holders throughout Alberta.

Harvested area within the CRP program (ha)	CRP reforestation completed (ha)	Active treatment area (ha)
41,372	26,259	15,113

Activities in 2024–25	Area/unit
Site preparation	141 ha
Planting (area)	1,330 ha and 1,479,663 seedlings
Tending	173 ha
Regeneration surveys	1,786 ha

Wildfire Reclamation Program (WRP)

Since 2006, the WRP has supported reforestation and reclamation activities related to previously reforested cutblocks damaged or destroyed by wildfire. As of March 31, 2025, 49,550 ha of reforested cutblocks damaged or destroyed by wildfires were being retreated and were expected to fully meet provincial standards.

In 2017–18, the WRP was renewed for a further 10 years, and FRIAA has been able to continue committing funds to support efficient post-wildfire reclamation and reforestation activities. The program requires participants to carry out silvicultural treatments to meet provincial standards.

As of March 31, 2025, 78 approved WRP projects were active, with outstanding commitments of over \$78.4 million. Work carried out under this program has been extraordinary as funds are directly allocated to forest resource improvement and long-term forest sustainability.

Activities	2024–25	Since inception
Site assessments	3,383 ha	49,550 ha
Site preparation (mechanical/chemical)	2,625 ha	23,806 ha
Planting (area)	2,748 ha	47,331 ha
Purchase of seedlings	4,930,310 seedlings	70,800,405 seedlings
Vegetation control	363 ha	14,082 ha
Regeneration surveys	7,310 ha	37,232 ha

The WRP helps sustain Alberta's forests in the wake of wildfire.

Mountain Pine Beetle Program (MPBP)

The MPBP was established on April 1, 2007, to support activities aimed at controlling the mountain pine beetle (MPB) infestation of Alberta. Funding is provided by the Province and managed by FRIAA. This program has allowed industry to participate in the Province's critical MPB detection and control efforts. To date, the MPBP has distributed over \$36.6 million to key projects delivered by members and their contractors.

In 2024–25 the MPBP continued to be active, though at a lower level, as funds were made available for activities related to controlling and mitigating the MPB infestation. Activities included containment baiting, dispersal pheromone, log-yard management, surveys, single-tree treatments, and seed collection. Alberta's overall Mountain Pine Beetle Strategy has been highly effective in reducing the spread and impacts of MPB on Alberta's forests and FRIAA's MPBP has been an integral part of that success.

FRIAA has provided \$36.6 million in funding toward critical mountain pine beetle control activities.

Activities	2024–25	Since inception
Aerial surveys	-	13,667 kilometres (km)
Ground surveys	-	5,415 ha
Long-distance dispersal monitoring	50 sites	2,637 sites
Containment baiting	-	1,244 ha
Log-yard management	-	25,778 traps
Dispersal pheromone	6,356 pouches	132,834 pouches
Single-tree control	63 trees	126,948 trees
Seed collection and seed orchard expansion	-	15,035 hectolitres (hl)
Other eligible activities	-	29 activities

Mountain Pine Beetle Forest Rehabilitation Program (MPBFRP)

The MPBFRP was established in the fall of 2013. Its purpose is to maintain and enhance Alberta's forest ecosystems by providing funding for the rehabilitation of pine-dominated forests impacted by MPB. Established target areas are those with the best prospects for successful rehabilitation and where active treatment will enhance ecosystem functionality.

Since its introduction in 2013, the MPBFRP has funded 23 projects, resulting in approximately \$11.2 million of targeted funds committed to rehabilitating forest stands damaged by MPB infestations. As of March 31, 2025, there were no outstanding commitments as all projects have been completed. This program is now completed.

Activities	2024–25	Since inception
Applied research	-	4 projects
Cone collection	-	4,536 hl
Growth and yield	1 project	3 projects
Stand rehabilitation	-	533 ha

FRIAA FireSmart Program

FRIAA FireSmart is designed to support the department's priorities related to public safety and community well-being. This program is a vehicle for engaging and supporting Alberta communities in their effort to reduce the threat of wildfire through community-based wildfire prevention, mitigation, and preparedness. Disciplines such as community planning, public education and outreach, municipal development controls, legislation development, inter-agency co-operation and cross-training, emergency planning, and vegetation management are eligible for funding.

Activities	Active at March 31, 2025	Completed	Total
Community planning	22	123	145
Public education	20	89	109
Legislation	1	6	7
Inter-agency co-operation and cross-training	4	29	33
Vegetation management	41	256	297
Development	1	1	2
Total	89	504	593

Activities	Project payments in 2024–25	Project payments since inception	Outstanding commitments	Completed project details
Community planning	\$476,102	\$4,117,695	\$728,565	524 plans
Public education	\$411,057	\$2,912,763	\$663,741	2,311 events
Legislation	\$25,939	\$166,182	\$26,912	6 projects
Inter-agency co-operation and cross-training	\$33,987	\$1,979,642	\$55,185	38 events
Vegetation management	\$4,381,290	\$42,598,557	\$5,208,407	5,583 ha
Development	\$15,705	\$15,705	\$6,500	1 plan
Total	\$5,344,080	\$51,709,544	\$6,689,310	

FRIAA FireSmart improves a community's resiliency to wildfire, minimizes potential loss, provides for firefighter safety, and improves suppression capability.

Since its inception, FRIAA FireSmart has approved 593 projects that help protect Alberta's people, infrastructure, property, and environment by reducing fire hazard throughout the province. In 2024–25, \$5.3 million in funding went to local communities, and another \$6.7 million to outstanding commitments. As of March 31, 2025, 89 projects were active and 504 were completed.

FRIAA provided \$5.3 million in 2024/25 toward FRIAA FireSmart projects aimed at protecting at-risk communities from wildfire.

Caribou Habitat Recovery Program (CHRP)

The CHRP is sponsored by Alberta Environment and Protected Areas. It is intended to support the Province's objectives related to the federal recovery strategies for Boreal and Southern Mountain woodland caribou populations and Alberta's woodland caribou recovery plan. Eligible activities under the program include inventory, planning, legacy seismic-line restoration, and certain activities that directly relate to these.

In 2024–25 the program funded one planning project and four restoration projects.

Activities	Active at March 31, 2025	Completed/Cancelled	Total
Planning – operations	3	11	14
Engagement – traditional land use	0	13	13
Operational treatments	4	11	15
Inventory	1	5	6
Monitoring	0	4	4
Seed collection	0	2	2
Total	8	46	54

Activities	Project payments in 2024–25	Project payments since inception	Outstanding commitments	Completed project details
Planning – operations	\$1,372,195	\$3,895,604	\$283,065	7,603 km
Engagement – traditional land use	\$20,000	\$309,794	\$0	8 projects
Operational treatments (km)	\$1,161,920	\$24,108,868	\$23,000,000	2,304 km
Operational treatments (seedlings)	\$1,038,623	\$4,662,022	\$0	2,241,492 seedlings
Inventory	\$295,596	\$3,247,742	\$199,902	116,622 km
Monitoring	\$0	\$386,932	\$0	478 km
Seed collection	\$0	\$240,099	\$0	17 kilograms (kg)
Total	\$3,888,334	\$36,851,061	\$23,482,967	

Enhanced Reforestation of Legacy Disturbances (EnRLD) Program

The EnRLD Program provides funds aimed at sequestering carbon by reforesting public lands disturbed by wildfire or other natural disturbances. It was established at the end of the 2019–20 fiscal year to help the Province enhance carbon sequestration by reforesting areas that would otherwise remain unproductive in terms of forest growth. The reforestation activities also improve the forest resource by adding to the productive forest land base and enhancing sustained yield.

In addition, the EnRLD Program provides a vehicle to support Alberta's contribution to the federal 2 Billion Trees (2BT) initiative. Reforestation activities under this program are eligible for matching funds towards achieving this national goal.

Since its inception, the EnRLD Program has approved 14 projects throughout the province to enable rehabilitation of public lands disturbed by wildfire. In 2024–25, FRIAA provided \$2.4 million to local contractors and committed another \$2.2 million. As of March 31, 2025, two projects were active and one was completed; \$17.3 million was either provided or committed to these activities.

Activities	2024–25	Since inception
Site assessments	5,478 ha	38,484 ha
Site preparation (mechanical/chemical)	41 ha	3,649 ha
Planting area	181 ha	1,597 ha
Planted seedlings	274,455 seedlings	2,447,835 seedlings

FRIAA has committed \$17.3 million toward EnRLD projects aimed at sequestering carbon by reforesting public lands that have been disturbed by wildfire.

Community Fireguard Program (CFP)

The CFP is designed to support the Provincial FireSmart Program initiative by funding the construction of community fireguards that provide for enhanced public safety and improved protection of at-risk communities.

The program received \$14,000,000 in funding in the 2024–25 fiscal year and FRIAA is working closely with the Department to direct funds to priority needs of Alberta communities.

Activities	Active at March 31, 2025	Completed/ Cancelled	Total
Planning	23	5	28
Public education	1	0	1
Vegetation management	3	1	4
Total	27	6	33

Activities	Project payments in 2024–25	Project payments since inception	Outstanding commitments	Completed project details
Planning	\$656,784	\$656,783	\$1,119,612	4 plans
Public education	\$44,284	\$47,069	\$2,932	Project in progress
Vegetation management	\$1,432,134	\$1,432,134	\$2,031,480	14 ha
Total	\$2,133,202	\$2,135,986	\$3,154,024	

Cattail species (*Typha*) are found in a variety of wetland habitats supporting mammals like muskrats and waterfowl. They are frequently encountered during restoration operations being conducted in the Caribou Habitat Recovery Program (CHRP).

Status of Legislative, Governance, and Policy Requirements


The following tables outline the status of FRIAA's legislative, governance, and policy requirements for fiscal 2024–25.

Legislative requirement	Action required by FRIAA	Status
Business plan	Provide a three-year business plan (including goals) to the Minister annually.	Completed – Submitted February 27, 2025
Annual report	Provide an annual report summarizing activities and financial statements to the Minister of Forestry and Parks (AF&P).	Completed – Submitted June 17, 2024
Freedom of Information and Protection of Privacy (FOIP) Act requests	Adhere to FOIP Act regulations.	No FOIP Act referrals in 2024–25
Records management system	Have a reliable records management system in place.	In compliance
Program reporting to the Minister of AF&P	Report all forestry enhancement programs to the Minister as per the grant agreements.	In compliance – Individual annual reports submitted by June 30, 2024
Notice of change of bylaws	Give reasonable notice to the Minister of AF&P to complete a regulation review before the expiry date.	No changes in 2024–25
FRIAA dues	Determine FRIAA dues as per sections 5(1) and 5(1.1) of the Forest Resources Improvement Regulation.	Confirmed FRIAA dues rates on April 15, 2024

Governance requirement	Action required by FRIAA	Status
Bylaws review	Ensure an annual review of FRIAA's bylaws.	In compliance
Director requirements	In accordance with the bylaws, elect or appoint directors to the board and provide indemnification and reimbursement of directors' expenses where the board approves.	In compliance
Financial accountability	Audit FRIAA's financial records yearly and provide the results to all members through the annual report.	In compliance
Program reporting to the board	Ensure all forestry enhancement programs provide regular administration reports to the board.	Reported at each board meeting
Memorandum of understanding (MOU) review	Review the MOU with the Minister annually.	Met with Minister May 23, 2024
Objectives review	Periodically review FRIAA's activities to ensure they align with FRIAA's objectives.	In compliance
Directors' meetings	Call directors' meetings as per bylaw requirements and ensure majority quorum. Ensure minutes are written and approved by directors.	In compliance
Annual general meeting	Hold a yearly meeting for all members. Conduct the meeting and vote as per the bylaws.	AGM held on June 17, 2024

All FRIAA policies and regulatory requirements have been reviewed aside year-end accountability reporting undertaken by FRIAA's board. FRIAA reviews all policies, bylaws, and regulatory requirements annually to ensure compliance with its governance and accountability framework. This review is documented as an annual accountability report and ensures that FRIAA's mandate is being fulfilled, its objectives are being pursued, and its members and the Minister are well represented.

Policy	Status
Audit committee policy	<ul style="list-style-type: none"> • Approved August 26, 1997 • Audit committee established August 26, 1997; membership reviewed annually (October 18, 2022) • Audit committee met April 11 and May 16, 2024, in accordance with policy, and reported to board • Audit for 2023–24 completed as per policy and legislative requirements
Conflict-of-interest policy	<ul style="list-style-type: none"> • Approved August 26, 1997 • Conflicts reported and recorded as per policy
Appeal policy	<ul style="list-style-type: none"> • Approved January 19, 1998, as amended • No appeals under policy initiated in 2024–25
Fund management policy	<ul style="list-style-type: none"> • Fund management committee established November 17, 1997 • Membership reviewed annually (October 18, 2022) • Fund management committee met June 17 and December 4, 2024, and reported to board • Statement of investment policies and goals for the Forest Resources Improvement Program approved April 22, 1998, and last amended October 18, 2022 • Statement of investment policies and goals for the Community Reforestation Fund approved December 1, 2003, and last amended October 18, 2022 • Monthly and quarterly reports made by investment managers to committee and board in compliance with policy and investment statement
Public-at-large director selection protocol	<ul style="list-style-type: none"> • Protocol last reviewed and revised on December 3, 2018 • Protocol reviewed on ongoing basis
Community Reforestation Program	<ul style="list-style-type: none"> • Approved and effective May 30, 2000, and reviewed on ongoing basis
Forest Resource Improvement Program description and guidelines	<ul style="list-style-type: none"> • Approved August 26, 1997, as amended, and reviewed on ongoing basis
Annual budgeting protocol	<ul style="list-style-type: none"> • In compliance in 2024–25
Annual business plan review	<ul style="list-style-type: none"> • In compliance in 2024–25



Spruce grouse (*Falcipennis canadensis*) relies on its camouflage to blend in, although they may be found crossing logging roads in broad daylight or, as pictured here, on a seismic line in the Caribou Habitat Recovery Program.

FRIAA Governance

FRIAA is an association under the Societies Act of Alberta with delegated responsibilities and authorities under the Environmental Protection and Enhancement Act. FRIAA is accountable to its members and to the Minister responsible for forestry. FRIAA is governed by a board of directors elected by members and appointed by the Minister.

The current directors are as follows:

- President: Richard Briand
- Vice-president: Allan Bell
- Second vice-president: Andrew Neigel
- Treasurer: David Wall
- Directors: Daniel Lux
Mary-Jane Munn-Kristoff
Wendy Crosina

FRIAA's board establishes standing committees to assist with details related to financial audits and fund management. These two committees report directly to the board about desired committee outcomes, relevant policies, and mandates.

Audit Committee

The audit committee meets at least twice a year. Its board-established mandate includes:

- overseeing preparation of the financial statements by management,
- conducting audits through FRIAA's auditors, and
- recommending an auditor to the members for approval.

Members of this committee are the following FRIAA directors:

- Andrew Neigel
- David Wall
- Mary-Jane Munn-Kristoff
- Richard Briand

Fund Management Committee

The fund management committee meets twice a year and reports to the board in accordance with FRIAA's fund management policy. The committee's responsibilities include:

- ensuring that requirements in FRIAA's statements of investment policies and goals for the Forest Resource Improvement Program (FRIP) and Community Reforestation Program (CRP) are observed,
- assessing the performance of FRIAA's investment manager and the investment fund against specific targets and measurement criteria, and
- confirming that FRIAA's investment return targets are achieved.

Members of this committee are the following FRIAA directors:

- Andrew Neigel
- David Wall
- Mary-Jane Munn-Kristoff
- Richard Briand

In addition to FRIAA's standing committees, FRIAA also uses committees or review panels with the following mandates.

FRIP Project Appeals Panel

If needed, a panel can be established to hear appeals initiated by the membership. Members of the panel are selected case by case to suit the particular appeal and

Palmate coltsfoot (*Petasites frigidus* var. *palmatus*) can be found on moist sites along trails or in open forests, like those being reforested in the Enhanced Reforestation of Legacy Disturbances (EnRLD) Program.

to ensure each appeal is heard by the most skilled and experienced panel members. Because no appeals were made in 2024–25, no panel was formed during this fiscal year.

Mountain Pine Beetle Program (MPBP) Evaluation Panel

The MPBP evaluation panel reviews and evaluates projects submitted under the MPBP and makes recommendations on funding. Members of this panel are selected from FRIAA's board of directors, Alberta Forestry and Parks (AF&P), and the public at large. Panel members in 2024–25 included:

- David Wall, FRIAA director and chair,
- Devon Belanger, AF&P representative, and
- Jim McCammon, public member.

FRIAA FireSmart Review Committee

The FRIAA FireSmart review committee evaluates and approves proposals submitted under FRIAA FireSmart. The committee's responsibilities include selecting project proposals that best meet the program criteria and that represent value for funding requested. Committee members are selected from FRIAA's board of directors, AF&P, Alberta Municipal Affairs (AMA), the Alberta Emergency Management Agency (AEMA), the Rural Municipalities Association (RMA), the Urban Municipalities (UM), Indigenous Services Canada, and FireSmart Alberta. The current committee includes:

- David Wall, FRIAA director and chair,
- Adam Gossell, AF&P,
- Winston Delorme, AEMA,
- Philip Rowe, AMA, Assistant Fire Commissioner,
- James Burrows / Josh Bishop, RMA,
- Justin Laurie / Leonard Phillips, Urban Municipalities,
- Jamie Dodd, Indigenous Services Canada, and
- Laura Stewart, Provincial FireSmart Specialist – FireSmart Alberta.

Caribou Habitat Recovery Program (CHRP) Review Panel

The CHRP review panel reviews and evaluates proposals submitted under the CHRP. Its responsibilities include selecting project proposals that best meet the criteria outlined in requests for proposals and that represent value for funding requested. Panel members are selected from FRIAA's board of directors, the energy industry, the forestry industry, and Alberta Environment and Protected Areas (AEPA) and include a subject matter expert or member of the public. A panel was struck twice in 2024–25 and included:

- Mary-Jane Munn-Kristoff, FRIAA director and chair (2 panels),
- Cynthia Chand, AEPA (2 panels),
- Darcy Lodoen, Kiwetinohk Energy Corp. (2 panels),
- Don Pope, public member (2 panels), and
- Jesse Tigner, subject matter expert (1 panel).

Enhanced Reforestation of Legacy Disturbances (EnRLD) Program Review Panel

The EnRLD review panel reviews and evaluates proposals submitted under the EnRLD Program. Its responsibilities include selecting project proposals that best meet the criteria outlined in requests for proposals and that represent value for funding requested. The members of the panel are selected from FRIAA's board of directors and AF&P and include a subject matter expert. Panel members in 2024–25 included:

- David Wall, FRIAA director and chair,
- Andy Shandro, AF&P representative, and
- Greg Branton, public member.

Community Fireguard Review Panel

The Community Fireguard Review Panel evaluates and recommends proposals submitted under the Community Fireguard Program. Panel members are selected from FRIAA's board of directors and AF&P. A panel was struck three (3) times in 2024–25 and included:

- David Wall, FRIAA director and chair (3 panels),
- Adam Gossell, AF&P (3 panels),
- Ted Edwards, AF&P (3 panels),
- Cody Bruneau, AF&P (3 panels),
- Charlie Kaufmann, AF&P (2 panels),
- Michael Penner, AF&P (2 panels),
- Amanda Tangedal, AF&P, (1 panel), and
- Craig Plitt, AF&P (1 panel).

Financial Highlights

FRIAA's financial statements provide an overview of the funds and resources used to deliver its programs and initiatives. Notable financial aspects in 2024–25 are as follows:

- The Forest Resource Improvement Program (FRIP) collected \$7.0 million in FRIAA dues, with approximately 43.5% collected from deciduous pulp dues, a much higher proportion than normal linked to strong pulp markets.
- Project expenditures in FRIP were \$54.2 million, higher than the previous year and the highest in more than 20 years. This amount relates to project contract commitments made in the past and is expected to continue at this level for two to three years. All FRIP funds are allocated to support projects that enhance the forest resources of Alberta.
- The Community Reforestation Program collected reforestation levies of \$2.3 million, slightly higher than previous years and all committed to outstanding reforestation work over the next 14 years. Program expenditures were \$2.4 million, with the difference accommodated by investment income. This reflects a sustainable balance between levies and investment income and expenditures.
- The Caribou Habitat Recovery Program had commitments of \$23 million for restoration activities to promote caribou habitat recovery. This reflects a growing level of importance placed on the recovery of caribou populations in Alberta.
- The ratio of administration to total spending was 3.41%.

Risk Management

Risk identification and mitigation are important priorities for FRIAA. The following measures are in place to ensure that FRIAA appropriately mitigates risks:

- The audit and fund management committees provide assurance and oversight and ensure FRIAA's operating structure and programs are cost-effective and efficient.
- Internal operations and controls are periodically reviewed to ensure they are current and effective.
- Operational risks are managed and minimized by engaging the forest industry and experienced forestry stakeholders in delivering projects through contractual agreements.

In addition to the above measures, FRIAA adheres to Alberta Forestry and Parks practices and regulations and to appropriate forestry principles.

Independent Auditor's Report

To the Members of
Forest Resource Improvement Association of Alberta

Opinion

We have audited the financial statements of Forest Resource Improvement Association of Alberta ("the Organization"), which comprise the statement of financial position as at March 31, 2025, and the statements of revenue and expenditures, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Forest Resource Improvement Association of Alberta as at March 31, 2025, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going-concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained

up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Doane Grant Thornton LLP

Chartered Professional Accountants
Edmonton, Canada
May 15, 2025



Lowbush cranberry (*Viburnum edule*) produces small sour berries that can be used in jams and sauces. The Forest Resource Improvement Program (FRIP) has supported traditional land use projects that locate and map various important vegetation sites, including those used in traditional foods and medicine.

Financial Statements and Notes

Statement of Financial Position

	2025	2024
Assets		
Current assets		
Cash	\$ 16,588,008	\$ 11,081,630
Restricted cash	161,020,083	73,526,155
Accounts receivable and accrued interest receivable	521,654	412,659
Investments (Note 2)	437,480,101	451,601,221
Prepaid expenses and deposits	-	701
	\$ 615,609,846	\$ 536,622,366

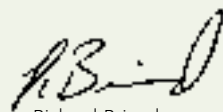
Liabilities and Net Assets

Current liabilities		
Accounts payable and accrued liabilities	\$ 11,605,157	\$ 3,522,084
Net assets		
Forest Resource Improvement Program	435,521,806	446,964,536
Wildfire Reclamation Program (Note 3)	88,574,298	31,798,722
Community Reforestation Program (Note 4)	14,702,771	13,660,621
Mountain Pine Beetle Program (Note 5)	9,795,280	9,691,739
Mountain Pine Beetle Forest Rehabilitation Program (Note 6)	-	269,044
FRIAA FireSmart Program (Note 7)	11,496,952	13,780,326
Caribou Habitat Recovery Program (Note 8)	24,656,145	9,912,825
Enhanced Reforestation of Legacy Disturbances Program (Note 9)	2,458,349	2,047,442
Community Fireguard Program (Note 10)	16,799,088	4,975,027
	604,004,689	533,100,282
	\$ 615,609,846	\$ 536,622,366

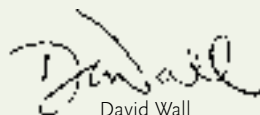
Commitments (Note 11)

See accompanying notes to financial statements.

On behalf of the board:



Richard Briand
Director



David Wall
Director

Statement of Revenue and Expenditures

Year ended March 31

Year ended March 31

Program											
	Forest Resource Improvement	Community Reforestation (Note 4)	Wildfire Reclamation (Note 3)	Mountain Pine Beetle (Note 5)	Mountain Pine Beetle Forest Rehabilitation (Note 6)	FRIAA FireSmart (Note 7)	Caribou Habitat Recovery (Note 8)	Enhanced Reforestation of Legacy Disturbances (Note 9)	Community Fireguard Construction (Note 10)	2025 total	2024 total
Revenue											
FRIAA dues	\$ 7,041,168	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	7,041,168	\$ 6,865,703
Grants	-	-	60,000,000	-	-	3,200,000	17,980,913	2,924,479	14,000,000	98,105,392	17,652,773
Reforestation levies	-	2,257,927	-	-	-	-	-	-	-	2,257,927	2,165,200
Total revenue	7,041,168	2,257,927	60,000,000	-	-	3,200,000	17,980,913	2,924,479	14,000,000	107,404,487	26,683,676
Expenditures											
Accounting	116,126	72,611	32,307	21,260	-	39,916	22,996	22,909	30,169	358,294	415,142
Communication	76,382	18,570	11,307	5,410	-	36,804	13,740	9,340	44,791	216,344	276,613
Directors' expenses	821	615	410	410	-	615	464	410	411	4,156	3,330
Directors' honoraria	1,954	1,465	977	977	-	1,465	1,785	977	977	10,577	12,147
Field review	59,151	17,252	8,541	9,732	-	38,769	5,883	14,439	567	154,334	159,846
Financial audit	7,685	5,764	3,842	3,842	-	5,764	4,415	4,415	2,698	38,425	45,539
Insurance	1,856	1,392	928	928	-	1,392	964	964	857	9,281	8,447
Management support	471,835	104,668	93,776	60,577	-	129,761	150,623	67,703	214,005	1,292,948	1,738,314
Project audits	165,304	-	-	-	-	-	-	-	-	165,304	13,230
Office and miscellaneous	14,591	28,430	160	2,471	-	7,479	2,194	3,466	1,437	60,228	51,049
Professional fees	199,609	98,490	44,216	44,216	-	66,324	44,216	44,227	44,216	585,514	931,585
Project expenditures	54,238,198	1,854,248	5,550,236	198,445	246,150	5,344,080	3,888,334	2,427,286	2,133,202	75,880,179	69,967,776
Project operations and monitoring	305,200	148,199	53,880	22,685	-	189,616	46,168	46,334	34,850	846,932	813,591
Project review and approval	252,975	91,330	49,367	11,149	-	185,793	79,073	54,929	107,359	831,975	739,988
Total expenditures	55,911,687	2,443,034	5,849,947	382,102	246,150	6,047,778	4,260,855	2,697,399	2,615,539	80,454,491	75,176,597
	(48,870,519)	(185,107)	54,150,053	(382,102)	(246,150)	(2,847,778)	13,720,058	227,080	11,384,461	26,949,996	(48,492,921)
Other income (expense)											
Dividends	18,575,665	531,082	-	-	-	-	-	-	-	19,106,747	14,566,688
Interest	663,126	111,972	2,625,523	450,094	12,655	564,404	1,023,262	183,827	439,600	6,074,463	4,672,060
Increase (decrease) in fair value of investments	19,612,731	613,650	-	-	-	-	-	-	-	20,226,381	17,817,653
Investment management fees	(1,423,733)	(29,447)	-	-	-	-	-	-	-	(1,453,180)	(1,486,902)
Net other income	37,427,789	1,227,257	2,625,523	450,094	12,655	564,404	1,023,262	183,827	439,600	43,954,411	35,569,499
(Deficiency) excess of revenue over expenditures	\$ (11,442,730)	\$ 1,042,150	\$ 56,775,576	\$ 67,992	\$ (233,495)	\$ (2,283,374)	\$ 14,743,320	\$ 410,907	\$ 11,824,061	\$ 70,904,407	\$ (12,923,422)

See accompanying notes to financial statements.

Statement of Changes in Net Assets

Year ended March 31

	Program										
	Forest Resource Improvement	Community Reforestation	Wildfire Reclamation	Mountain Pine Beetle	Mountain Pine Beetle Forest Rehabilitation	FRIAA FireSmart	Caribou Habitat Recovery	Enhanced Reforestation of Legacy Disturbances	Community Fireguard	2025 total	2024 total
		(Note 4)	(Note 3)	(Note 5)	(Note 6)	(Note 7)	(Note 8)	(Note 9)	(Note 10)		
Net assets, beginning of year	\$ 446,964,536	\$ 13,660,621	\$ 31,798,722	\$ 9,691,739	\$ 269,044	\$ 13,780,326	\$ 9,912,825	\$ 2,047,442	\$ 4,975,027	\$ 533,100,282	\$ 546,023,704
(Deficiency) excess of revenue over expenditures	(11,442,730)	1,042,150	56,775,576	67,992	(233,495)	(2,283,374)	14,743,320	410,907	11,824,061	70,904,407	(12,923,422)
Transfer between programs (Note 6)	-	-	-	35,549	(35,549)	-	-	-	-	-	-
Net assets, end of year	\$ 435,521,806	\$ 14,702,771	\$ 88,574,298	\$ 9,795,280	\$ -	\$ 11,496,952	\$ 24,656,145	\$ 2,458,349	\$ 16,799,088	\$ 604,004,689	\$ 533,100,282

See accompanying notes to financial statements.

Statement of Cash Flows

Year ended March 31

	2025	2024
Increase (decrease) in cash		
Operations		
Excess (deficiency) of revenue over expenditures	\$ 70,904,407	\$ (12,923,422)
Non-cash items		
Increase in fair value of investments	(20,226,381)	(17,817,653)
	50,678,026	(30,741,075)
Change in non-cash operating working capital		
Accounts receivable and accrued interest receivable	(108,995)	21,816
Prepaid expenses and deposits	701	192,543
Accounts payable and accrued liabilities	8,083,073	(2,544,107)
	58,652,805	(33,070,823)
Investing		
Changes in restricted cash	87,493,928	2,229,496
Purchase of investments	85,550,309	(47,962,555)
Proceeds on sale and redemption of investments	119,897,810	74,882,801
	(53,146,427)	29,149,742
Net increase (decrease) in cash	5,506,378	(3,921,081)
Cash		
Beginning of year	11,081,630	15,002,711
End of year	\$ 16,588,008	\$ 11,081,630

See accompanying notes to financial statements.

Wood frogs (*Lithobates sylvaticus*) spend the winter frozen solid under logs or leaf litter with an incredible ability to survive extreme cold. These common amphibians may be found in small temporary ponds like those on some Community Fireguard Program (CFP) projects.



Notes to Financial Statements

Alberta is home to over 700 species of bryophytes (mosses) and approximately 1,100 lichen species. They can indicate soil type, pH, nutrient availability, and moisture levels, making them valuable tools for environmental monitoring and the focus of some research projects in the Forest Resource Improvement Program (FRIP).

Year Ended March 31, 2025

1. Nature of operations

The Forest Resource Improvement Association of Alberta ("FRIAA" or the "Association") is incorporated under the Societies Act of Alberta and has a mandate under the *Forest Resources Improvement Regulation* pursuant to the *Environmental Protection and Enhancement Act* and the *Forests Act* to establish programs or initiatives to enhance forest resources of Alberta and the management thereof, improve the sustained yield of Alberta forest resources, and promote integrated resource management. FRIAA uses Forest Resource Improvement Program dues to fund the program, which is aimed at these objectives.

Per agreement with the Province of Alberta, FRIAA commenced administering the following programs in the years noted below:

Year of agreement	Program	Reference
1998	Wildfire Reclamation Program	Note 3
2000	Community Reforestation Program	Note 4
2007	Mountain Pine Beetle Program	Note 5
2013	Mountain Pine Beetle Forest Rehabilitation Program	Note 6
2014	FRIAA FireSmart Program	Note 7
2018	Caribou Habitat Recovery Program	Note 8
2019	Enhanced Reforestation of Legacy Disturbances Program	Note 9
2024	Community Fireguard Program	Note 10

FRIAA is a not-for-profit organization and, accordingly, no provision for corporate income taxes has been provided in these financial statements pursuant to Section 149(1)(l) of the Income Tax Act, Canada.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

Revenue recognition: FRIAA uses the restricted fund method of accounting. All restricted contributions are recorded as revenue of the appropriate restricted fund in the period to which it relates under the terms of the agreements. The restricted funds are described within the restricted cash accounting policy note.

FRIAA earns dues and levies based on the timber sales of Alberta producers. Producers are required to report timber sales and related dues or levies by filing a timber return with FRIAA. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and ultimate collection is reasonably assured. The unrestricted funds include the Forest Resource Improvement and Community Reforestation programs. Dues and levies are based on the volume of timber produced and legally owing to FRIAA when timber dues are owing to the Crown. Reforestation levies are recorded in the Community Reforestation Program, as they provide direct funding for the program.

Investment income is recorded in the period that it is earned.

Cash and cash equivalents: Includes unrestricted cash on hand and balances with banks, net of outstanding cheques.

Restricted cash: Includes cash restricted for use in the following programs: Wildfire Reclamation, FRIAA FireSmart, Mountain Pine Beetle Forest Rehabilitation, Mountain Pine Beetle, Caribou Habitat Recovery, Enhanced Reforestation of Legacy Disturbances, and Community Fireguard.

Investments: Investments are recorded at market value. Changes in fair value are recognized in the statement of revenues and expenditures. Interest and dividends on investments are recorded as other income when earned. The Association maintains their investments in mutual funds. As at March 31, 2025, the cost of these investments is \$414,112,815 (2024: \$440,196,522).

Use of estimates: In preparing FRIAA's financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the period. Actual results could differ from these estimates.

Financial instruments: Initial measurement: FRIAA's financial instruments are measured at fair value when issued or acquired. For financial instruments subsequently measured at cost or amortized cost, fair value is adjusted by the amount of the related financing fees and transaction costs. These fees and costs relating to financial instruments measured subsequently at fair value are recognized in operations in the year they are incurred.

Subsequent measurement: At each reporting date, FRIAA measures its financial assets and liabilities at cost or amortized cost (less impairment in the case of financial assets), except for equities quoted in an active market, which must be measured at fair value. FRIAA has also irrevocably elected to measure its investments in bonds at fair value. All changes in fair value of FRIAA's investments in equities quoted in an active market and in bonds are recorded in the statement of operations. FRIAA uses the effective interest method to amortize premiums, discounts, transaction fees, and financing fees to the statement of operations. The financial instruments measured at amortized cost are cash, accounts receivable and accrued interest receivable, and accounts payable and accrued liabilities. The carrying value of financial instruments

approximates their fair value due to the short-term nature, unless otherwise noted.

For financial assets measured at cost or amortized cost, FRIAA regularly assesses whether there is any indication of impairment. If there is and FRIAA determines that there is a significant adverse change in the expected timing or amount of future cash flows from the financial asset, it recognizes the impairment loss in the statement of operations. Any reversals of previously recognized impairment losses are recognized in operations in the year the reversal occurs.

Related party financial instruments: Financial assets and financial liabilities in related party transactions are initially measured at cost, with the exception of certain instruments, which are initially measured at fair value. Subsequent measurement is based on how the Association initially measured the instrument. The Association does not have any financial assets or financial liabilities in related party transactions measured at fair value.

3. Wildfire Reclamation Program

The Wildfire Reclamation Program was established on November 1, 1998, and amended on November 24, 2000, and February 15, 2006, by agreement between the Minister of Forestry and Parks ("the Department") and the Association. The Wildfire Reclamation Program, established to encourage the reclamation of land disturbed or destroyed by wildfire, will be operated by FRIAA. Under the agreement, the total grant amounts were \$35,000,000.

The agreement ("1998 Program") was extended to March 31, 2012. Subsequent to March 31, 2012, FRIAA received a letter of intent from the Department extending the expiry to March 31, 2013, and was directed to transfer any then-unexpended funds plus earnings to the 2006 program, where they were to be used to complete any outstanding work under the 1998 agreement then used in the 2006 program.

On July 3, 2007, FRIAA entered into a second grant agreement ("2006 Program") with the Department. Under the terms of the agreement, FRIAA received a total of \$69,646,589 between 2007 and 2017.

The agreement originally expired on March 31, 2017; however, the term of the 2006 Program agreement was extended by the Department. The obligations of the parties continue for such period of time required to complete the work under the agreement, which shall be no earlier than 14 years past the end of the term. Any unused grant amount shall be returned to the Department, together with any interest or return earned from investment of the grant amount, 14 years from the end of the term.

FRIAA entered into a new grant agreement with the Department effective April 1, 2017, to address wildfires occurring in 2017 and forward. The agreement is in effect until March 31, 2027, unless otherwise extended or renewed or terminated. The grants will be assessed based on the cost for reforestation of the burned cutblock. The following grants have been received under this agreement:

Received	Grant amount
2019	\$ 1,766,102
2020	\$ 25,000,000
2022	\$ 605,923
2023	\$ 1,888,430
2025	\$ 15,000,000
2025	\$ 45,000,000

In 2019, at the direction of the Minister of Forestry and Parks, \$1,746,000 of uncommitted funds were transferred from the Wildfire Reclamation Program to the Enhanced Reforestation of Legacy Disturbances Program to support the new initiative. In 2021, at the direction of the Minister of Forestry and Parks, \$4,108,274 of uncommitted funds was transferred between the 2006 program to the 2017 program. In 2024, at the direction of the Minister of Forestry and Parks, \$3,210,016 of uncommitted

funds was transferred from the 2006 program to the 2017 program for the 2023 fire year.

Restricted cash includes funds of \$92,822,368 (2024: \$31,745,119) that are restricted for use on the Wildfire Reclamation Program and held in a separate bank account.

4. Community Reforestation Program

The Community Reforestation Program was established on May 1, 2000, by order in council amending the *Timber Management Regulation* pursuant to the *Forests Act* and the *Forest Resource Improvement Regulation* pursuant to the *Environmental Protection and Enhancement Act*. The Community Reforestation Program was established to reforest Crown lands subject to reforestation levies.

To implement the program, funds received for the Community Reforestation Program were delegated to FRIAA in two parts:

- a) Reforestation levies received and unexpended by the province on areas cut under the authority of timber licences and permits on or after May 1, 1994, but before May 30, 2000, are to be transferred to FRIAA according to section 143.91 of the *Timber Management Regulation*. No levies were received during the year.
- b) FRIAA has the authority to collect reforestation levies on areas cut under the authority of timber permits on or after May 30, 2000. The levies received during the year were \$2,257,927 (2024: \$2,165,200).

All reforestation levies and association interests are to be used solely for this program.

5. Mountain Pine Beetle Program

The Mountain Pine Beetle Program was established on July 5, 2007, by agreement between the Department and FRIAA. This program was established because mountain pine beetle infestations in Alberta reached epidemic proportions,

causing significant damage to Alberta's pine stands. Under the agreement, the Department provides a grant to be used to administer projects by forest industry sector operators engaged to provide services, beyond tenured obligations, to control, suppress, or eradicate the mountain pine beetle.

Under the agreement, annual grant amounts will be approved by the Department throughout the term of the agreement, April 1, 2007, to March 31, 2012, unless otherwise extended or renewed or terminated in accordance with the terms. FRIAA received a total of \$20,700,000 between 2007 and 2012.

The Mountain Pine Beetle Program was extended to 2020 and a further \$18,000,000 was received between 2013 and 2020.

A new agreement was put in place for the period of April 1, 2020, to March 31, 2025. Under this new agreement, annual grants were received as follows:

Received	Grant amount
2021	\$ 5,000,000
2022	\$ 2,000,000
2023	\$ 3,000,000

Restricted cash includes \$9,846,320 (2024: \$9,765,318), which is restricted for use on the Mountain Pine Beetle Program and held in a separate bank account.

6. Mountain Pine Beetle Forest Rehabilitation Program

The Mountain Pine Beetle Rehabilitation Program was established on March 31, 2013, by agreement between the Department and FRIAA. It was established as a framework for providing the requisite funding to FRIAA in the form of a grant to engage forest industry sector operators and other interested parties in activities beyond regulatory obligations, to rehabilitate forested lands impacted by mountain pine beetle infestations. The agreement is in effect from March 31,

2013, to March 31, 2020, unless otherwise extended, renewed or terminated with 60 days' notice.

Under the agreement, \$9,000,000 of initial funding was provided to FRIAA to start the program. Its purpose is to maintain and enhance the ecosystem function of forest resources of Alberta by assisting the Department in rehabilitating pine-dominated forests impacted by the mountain pine beetle to such an extent that they are unable to be saved or rejuvenated in a timely manner without the assistance contemplated by the program and such activities contemplated by the program are not the existing tenure, regulatory, or legislative responsibility of any timber disposition holder. The program encourages activities above and beyond required forest management obligations.

On September 20, 2013, the Mountain Pine Beetle Forest Rehabilitation Grant Agreement was amended by increasing the initial program grant by an additional \$5,000,000, which was received on April 29, 2014, and slightly changing the proposal approval process and cost/funding caps. Subsequent amendments added a total of \$6,500,000 from 2014 to 2016.

In 2019, at the direction of the Department, \$8,000,000 of uncommitted funds were transferred from the Mountain Pine Beetle Forest Rehabilitation Program to the Enhanced Reforestation of Legacy Disturbances Program to support the new initiative. A new agreement was approved for the period of April 1, 2020, to March 31, 2025.

Restricted cash includes \$280,889 (2024: \$267,786) which is restricted for use on the Mountain Pine Beetle Forest Rehabilitation Program and held in a separate bank account.

As of March 31, 2025, the Mountain Pine Beetle Forest Rehabilitation Program was completed with the completion of the final project. The remaining funds in the bank account of \$35,549 were transferred to the Mountain Pine Beetle Program.

7. FRIAA FireSmart Program

The FRIAA FireSmart Program was established January 9, 2014, by agreement between the Department and FRIAA. It was established to support the FireSmart initiative by providing funds for eligible activities that:

- Enhance public safety and protection of forest communities, forest resources, and planning designed to prevent wildfire occurrence and to reduce the fire hazard throughout Alberta;
- Provide financial assistance to communities, organizations, and groups that wish to reduce the threat of wildfire; and
- Support community education and involvement in the continuing dialogue on wildfire prevention, management, and suppression and the practical application of FireSmart throughout Alberta.

The agreement was in effect from January 9, 2014, to March 31, 2019. FRIAA received a total of \$31,100,000 under this agreement. A second agreement was signed to cover the period of April 1, 2019, to March 31, 2024. Under this agreement, FRIAA received a total of \$32,900,000 in funding. A third agreement, effective December 17, 2024, has been signed to cover the period of April 1, 2024, through March 31, 2029.

The current agreement is the entire agreement between the minister and FRIAA with respect to support by the minister of the program, and supersedes all previous agreements, correspondence, negotiations and understandings. Upon review of the final report to the minister, any portion of the grant proceeds that were not expended by FRIAA directly on eligible expenses approved by the minister for the program becomes immediately repayable to the minister. Despite any other provision of this agreement, those sections which by their very nature continue after the conclusion or termination of this agreement shall continue after such conclusion or termination.

Funding received under the current agreement is as follows:

Received	Grant amount
2025	\$ 3,200,000

The balance of \$149,595 was transferred from the completed Community Fireguard Construction Program to the FRIAA FireSmart Program after March 31, 2022.

Restricted cash includes \$12,479,910 (2024: \$14,660,568) that is restricted for FRIAA FireSmart Program use and held in a separate bank account.

8. Caribou Habitat Recovery Program

The Caribou Habitat Recovery Program was established in 2018 to support Alberta Environment and Protected Areas efforts in supporting the Government of Canada's Recovery Strategy for the Woodland Caribou Boreal Population and the Recovery Strategy for the Woodland Caribou, Southern Mountain Population by providing funds for eligible activities. Eligible activities that may be funded through projects include operational planning for caribou landscape restoration activities, caribou habitat restoration, monitoring, evaluation and reporting on caribou habitat conditions and other activities such as access management planning and Traditional Knowledge collection.

The agreement is in effect from April 1, 2018, to March 31, 2025, unless extended or renewed by agreement in writing or terminated by the parties. The program's overall purpose is to support efforts at sustaining and improving caribou habitat in a manner that supports healthy and self-sustaining caribou populations. The program also supports the Recovery Strategy by providing funds for eligible activities for projects that:

- Assist the Department with projects that contribute to the scientific and technical understanding of caribou landscape restoration strategies and activities;

- Provide financial and logistical oversight of funding for planning work required to guide operational landscape restoration work for caribou habitat; or
- Provide financial and logistical oversight of funding for operational landscape restoration work for caribou habitat as supported by the Government of Alberta and industry.

Under the agreement, \$12,300,000 was granted to FRIAA for the program in 2019. A total of \$42,139,913 of subsequent funding was received between 2020 and 2025. For the year ending March 31, 2025, \$17,980,913 was received.

In 2020, the program received \$2,267,858 from Environment and Climate Change Canada.

For a term covering the period of December 20, 2022, through September 30, 2024, an agreement was reached between His Majesty the King in Right of Alberta as represented by the Minister of Environment and Protected Areas as it relates to the Low Carbon Economy Leadership Fund to support provincial and territorial mitigation action under the Pan-Canadian Framework on Clean Growth and Climate Change. Grant funding of \$5,000,000 was received March 30, 2023, and an additional \$5,000,000 was received August 7, 2024, to complete available funding under the agreement.

Restricted cash includes \$24,930,051 (2024: \$9,968,856) which is restricted for use on the Caribou Habitat Recovery Program and held in a separate bank account.

9. Enhanced Reforestation of Legacy Disturbances Program

The objective of the Enhanced Reforestation of Legacy Disturbance Program is to support the Department by reforesting eligible disturbed areas by applying the provincial grant funds to projects that undertake eligible activities to rehabilitate damaged forests, enhance carbon sequestration

to mitigate climate change, and to maintain and enhance the forest resource.

The term of this agreement shall be from April 1, 2018, to March 31, 2022, unless otherwise extended or renewed or terminated in accordance with the terms hereof (the “Term”).

In 2019, at the direction of the Department, \$1,746,000 of uncommitted funds were transferred from the Wildfire Reclamation Program, and \$8,000,000 of uncommitted funds were transferred from the Mountain Pine Beetle Forest Rehabilitation Program.

FRIAA entered into an agreement with the Department on April 1, 2022, under the 2 Billion Trees Program. This agreement shall be in effect until March 31, 2025. The objective of this project is to reforest burned areas of Alberta’s public land to maintain and enhance the forest resources as well as enhancing carbon sequestration. The following shows the subsequent funding for this program:

Received	Grant amount
2023	\$ 3,695,164
2024	\$ 2,037,773
2025	\$ 2,924,479

On April 23, 2022, the Enhanced Reforestation of Legacy Disturbances Program was amended to extend the expiry to March 31, 2031.

Restricted cash includes \$3,128,132 (2024: \$2,112,425), which is restricted for use on the Enhanced Reforestation of Legacy Disturbance Program and held in a separate bank account.

10. Community Fireguard Program

The Community Fireguard Program, initiated in 2024, aimed at providing municipalities and Indigenous communities with financial assistance to construct fireguards in high-risk communities across the province and integrate livestock grazing as a guard maintenance tactic and economic opportunity.

The term of this agreement shall be from February 12, 2024, to March 31, 2026, unless otherwise extended or renewed or terminated in accordance with the terms hereof (the “Term”). Under the agreement, FRIAA received \$5,000,000. An amendment effective October 23, 2024, provided for additional grant funding received in that same month.

Received	Grant amount
2024	\$ 5,000,000
2025	\$ 14,000,000

Restricted cash includes \$17,532,411 (2024: \$5,006,082), which is restricted for use on the Community Fireguard Program and held in a separate bank account.

11. Commitments

All funds received for specific programs must be spent on the program’s eligible activities. At March 31, 2025, FRIAA is committed to funding approved projects with various terms in the following amounts for each program:

Program	2025	2024
Forest Resource Improvement	\$ 205,606,070	\$ 184,514,948
Community Reforestation	\$ 687,238	\$ 254,193
Wildfire Reclamation	\$ 78,437,343	\$ 19,648,669
Mountain Pine Beetle Forest Rehabilitation	-	\$ 246,150
FRIAA FireSmart	\$ 6,689,310	\$ 5,718,021
Caribou Habitat Recovery	\$ 23,482,967	\$ 4,115,926
Enhanced Reforestation of Legacy Disturbances	\$ 2,240,904	\$ 1,572,000
Community Fireguard	\$ 3,154,024	-
	\$ 320,297,856	\$ 216,069,907

12. Related party transactions

As required under the *Forest Resources Improvement Regulation*, the honoraria paid to the members of the board of directors are as follows:

Director	2025	2024
Andrew Neigel	\$ 4,090	\$ 3,097
Mary-Jan Munn-Kristoff	\$ 4,006	\$ 7,751
David Wall	\$ 11,748	\$ 611

13. Financial instruments

FRIAA’s financial instruments consist of cash, accounts receivable and accrued interest receivable, investments and accounts payable and accrued liabilities. Unless otherwise noted, it is management’s opinion that FRIAA is not exposed to significant interest, currency, or credit risks from these financial instruments.

Fair value: The estimated fair value of cash, accounts receivable and accrued interest receivable, and accounts payable and accrued liabilities approximates their carrying value due to the relatively short-term nature of these instruments. The Association holds marketable security investments that are subject to various risks such as market fluctuations. These risks are mitigated by restricting both the type and term of securities eligible for investment. The estimated fair value of investments is determined using quoted market prices.

Credit risk: The risk of an unexpected loss if a counterparty to a financial instrument fails to meet its contractual obligations. FRIAA is not exposed to significant credit risk.

Interest rate risk: The potential for financial loss arising from changes in interest rates. Investments bear interest at a fixed rate. Fixed-rate investments are subject to interest rate price risk, as the values will fluctuate because of changes in market rates.



FRIAA's Members

- Alberta-Pacific Forest Industries Inc.
- ANC Timber Ltd.
- Askee Development Corporation
- Blue Ridge Lumber Inc.
- Boucher Bros. Lumber Ltd.
- Canadian Forest Products Ltd.
- Canfor (Whitecourt) Forest Products Ltd.
- Canfor (Fox Creek) Forest Products Ltd.
- Crowsnest Forest Products Ltd.
- Ed Bobocel Lumber (1993) Ltd.
- Foothills Forest Products Inc. (Dunkley Lumber Ltd.)
- Manning Forest Products
- Mercer Peace River Pulp Ltd.
- Millar Western Forest Products Ltd.
- N'deh Limited Partnership
- Northland Forest Products Ltd.
- Spray Lake Sawmills (1980) Ltd.
- Sundre Forest Products Inc.
- Tall Pine Timber Co. Ltd.
- Tolko Industries Ltd.
- Vanderwell Contractors (1971) Ltd.
- West Fraser Mills Ltd.
- Weyerhaeuser Company Limited
- Zavisha Sawmills Ltd.

Reindeer lichen (*Cladonia rangiferina*) is an important lichen species found in Alberta as a food source for caribou. Often found dominating the ground in boreal pine forests, this unique organism is formed by a symbiotic relationship between a fungus and a photosynthetic organism, typically an algae, and can be found on projects under the Caribou Habitat Recovery Program (CHRP).



Forest Resource Improvement
Association of Alberta
www.friaa.ab.ca