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INFORMATIONAL WEBINAR

# The Canada FIRM Challenge

Forest Innovation and Renewable Markets

## A National Awards Program for Forest Regions Seeking New Industry

Applications close January 18, 2027



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# In the next 60 minutes

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1

### Why the Canada FIRM Challenge

The pressure on Canada's forest regions, and the program built to answer it.

2

### What a BDO Zone Rating is

What it is, what it has done for other regions, and what the 15 selected regions receive.

3

### How to apply

Who can apply, eligibility, how applications are scored, and what to submit.

**Applications are open now and close January 18, 2027 at 5:00 p.m. ET.** Put your questions in the chat at any time; we will take them at the end.

# Pressure on Canada’s forest sector

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Why forest regions need new markets now

### Lost markets

Mill closures have cut the market for residues and low-grade wood.

### One-mill towns

When the mill or market closes, the community loses jobs and tax base.

### Rising wildfire risk

Fuel-reduction work generates biomass with nowhere to go.

### The visibility gap

Developers can’t see which regions are ready, so investment goes elsewhere.

**The Forest Sector Transformation Task Force** has called for new markets for Canada’s wood products. Biofuels, renewable chemicals and bioproducts are the largest of them.

# Program structure

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What the Canada FIRM Challenge sets out to achieve

**15**

**Forest regions selected**

Across Canada. Announced January 2027.

**$150K+**

**In value, per region**

A fully funded BDO Zone Rating and global market exposure for the region.

**$1B+**

**In project announcements**

The program goal: new projects announced in the selected regions within two years.

*A direct response to the Canadian Forest Sector Transformation Task Force's call for new markets for Canada's wood products.*

# What is a BDO Zone Rating?

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## A spotlight on your region for project developers and and investors worldwide.

- A standards-based assessment of a region's suitability for biofuel, renewable chemical, biogas and bioproduct projects.
- A clear, independent signal to developers and investors that a region is bio-manufacturing ready.
- A site-location bullseye that connects the region with project developers around the world and catalyzes new projects.




**Vegreville, Alberta**
'A' rated, October 2024

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# Built on a national standard

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Rigorous due diligence across three pillars, using 100+ transparent, validated risk indicators

### Biomass supply

Available, uncommitted surplus and its long-term stability.

### Supply-chain resilience

Suppliers, harvest and transport capacity, and delivered cost.

### Infrastructure readiness

Sites, utilities, rail, road and workforce to host a new project.

### Recognized, credible, standards-based

- CSA TS-005:25, Bioeconomy Development Opportunity (BDO) Zone Assessment, issued 2025
- CSA National Standard of Canada for biomass supply chain risk, issued 2021
- Developed over six years with the US DOE, Idaho National Laboratory, Ecostrat and a 65-member, $60B capital-market committee
- ASTM accreditation slated for 2026

# BDO Zone Rating Scale

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A familiar, capital-market style scale, from AAA to CC. BBB- and above is investment grade.

## INVESTMENT GRADE

| AAA | AA | A | BBB |
|---|---|---|---|
| Highest quality | Very high quality | High quality | Good quality |

## SPECULATIVE GRADE

| | | | |
|---|---|---|---|
| **BB** Speculative | **B** Highly speculative | **CCC** Substantial risk | **CC** High risk |

# BDO Zones by the numbers

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Canada has nine forest BDO Zones today. The Challenge adds fifteen.



**74**

**BDO Zones across North America**

30+ projects in development

**$10B+**

Capital raises supported by BDO Zone Ratings

**$39B+**

Project pipeline across BDO Zones

**69%**

Rise in developer inquiries after a rating

**6.3M**

Stakeholders each rating is promoted to

*1,023 views or downloads per rating · Sources: BDO Zone Initiative Annual Report 2024; Biofuels Digest; BDO Connect webinars.*

# The economic impact of a BDO Zone project

BD OZ | BIOECONOMY DEVELOPMENT OPPORTUNITY ZONE INITIATIVE

2025 modelling of six biomanufacturing projects announced in BDO Zones

**$556M**

Annual economic impact per project, to the regional economy

**$4.2B**

Ten-year cumulative economic impact per project

**10%**

Of BDO Zones have resulted in a new project announcement




**The Economic Impact of BDO Zones (2025)**

**Dr. Burton C. English**

Institute Professor Emeritus (ret.), Department of Agricultural and Resource Economics, University of Tennessee. Founding member of the Agri-Industry Modeling and Analysis Group and the Biobased Energy Analysis Group; 140+ journal articles.

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# This is the exposure a rating gives you

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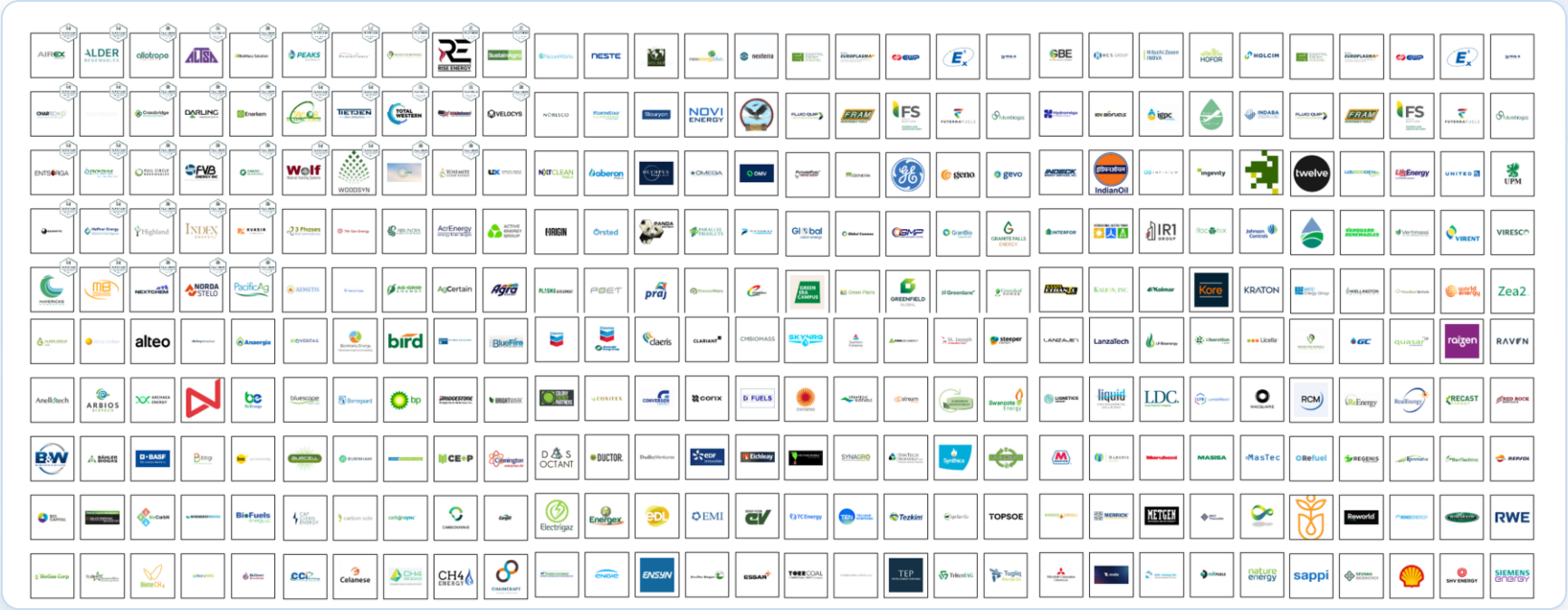
**The BDO Zone Project Developer Network:** the world's largest network of companies actively developing biofuel, renewable chemical, biogas and bioproduct projects. Every rated region is connected to it.



# Why rated regions get project announcements

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1

### A developer screens Canada

Hundreds of sites. One question: where is the feedstock, and can it be delivered?

2

### Rated regions come up first

Your rating is published worldwide and pushed to 300+ active developers and 6M+ sector stakeholders.

3

### Your region gets the call

The BDO Zone Markets Acceleration Centre (BDO-MAC) routes developer interest to you, all year.

**69%** average rise in inbound developer inquiries to a region after its rating is issued

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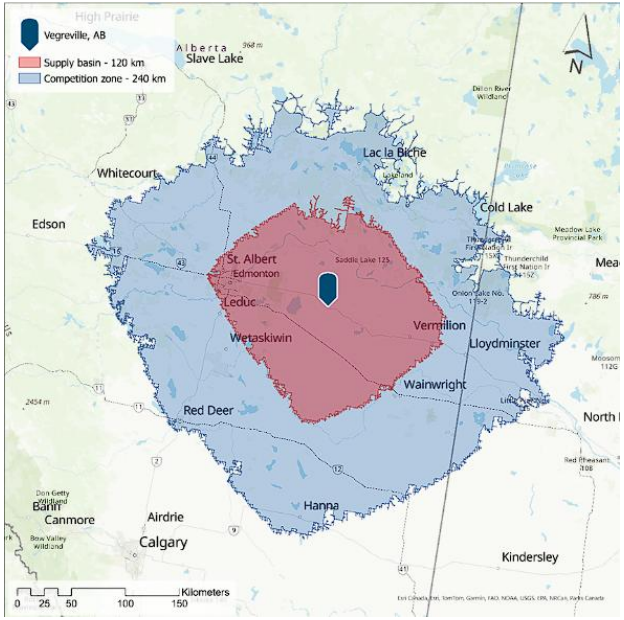
# It works: Vegreville, Alberta






OCT 2024

## ‘A’ BDO Zone Rating published

455,000 bone-dry tonnes a year of low-risk wheat straw. Supported by the Canadian Council for Sustainable Aviation Fuels.

10 MONTHS LATER

## $845M project announced

Provectus Biofuels selects the Vegreville BDO Zone for a sustainable aviation fuel plant.

*“Before the BDO Zone rating, interest was minimal. Once our ‘A’ rating was published, it de-risked the feedstock potential.”*
Bob Bezpalko, Executive Director, Alberta HUB

# What the 15 selected regions receive

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A fully funded BDO Zone Rating, worth approximately $150,000, for each selected region

### An independent BDO Zone Rating

Issued under CSA TS-005:25, the national standard. Yours to use with any developer, lender or ministry.

### Published worldwide

Promoted to 300+ active project developers and 6M+ sector stakeholders.

### Active developer matching

The BDO-MAC is the front door for developers seeking Canadian sites. Rated regions are introduced to developers first.

### Feedback for every applicant

Every applicant receives its score on each criterion and written feedback.

# How the Canada FIRM Challenge works

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Four stages, from application to global market exposure

1

**Nov 3, 2026 – Jan 18, 2027**

### Application

Eligible organizations apply online. Deadline: January 18, 5:00 p.m. ET.

2

**Jan 2027**

### Selection

Scored against published criteria by an independent committee. 15 awardees announced January 2027.

3

**Following selection**

### Assessment and rating

Each region is assessed under CSA TS-005:25 and its rating is published worldwide.

4

**Ongoing**

### Global market exposure

Awardees are actively connected with hundreds of project developers through the BDO-MAC.

# Who can apply

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Six types of eligible applicant

- **Municipal, county and regional governments**
- **Regional and provincial economic development bodies**
- **Indigenous governments, organizations and economic development corporations**
- **Biomass supply cooperatives and producer associations**
- **Not-for-profits based in, or with a mandate in, the region**
- **Owners or operators of forest-sector facilities or industrial assets**

**Joint applications are welcome.** A facility owner applying together with its municipality or economic development organization is the strongest form. Project developers outside Canada can join an application with a Canadian lead applicant: contact us and we will match you.

# Is my region eligible?

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### 50,000 tonnes a year

of surplus forest biomass within 120 km drive of the site

### One industrial site

that could host a new facility, with its location and size

### 50 km from any rated zone zone

at least 50 km by road from any forest BDO Zone already rated in Canada

## That’s it. Most forest regions qualify.

**Not sure of your tonnage?** Select “Not known”. The assessment team prepares its own estimate, and you are not penalized.

# How applications are scored

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Out of 100 points. The 15 highest-scoring eligible regions are selected.

**35 pts**

### Biomass supply and supply chain

Is there an available, uncommitted surplus of forest biomass?

**25 pts**

### Infrastructure and site readiness

Is there a development-ready site?

**25 pts**

### Need and strategic impact

What would a new project mean for the region?

**15 pts**

### Project developer interest

Has a developer expressed interest in the region?

**No developer yet?** Developer interest counts for 15 of the 100 points. A region can score well without one, and a rating is how regions attract developers.

# Letters of support

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The most important attachment in the application

## What is required

- At least five letters, including at least two from biomass suppliers within 120 km drive of the site.
- Signed, on letterhead, saved as a PDF where possible. English or French.
- From organizations. Letters from individuals who do not represent an organization are not counted.

## Who to ask

**Biomass suppliers**
Sawmills, pulp mills, tenure holders, woodlot owners, harvesting contractors

**Project developers or investors**
Companies that build, operate or finance facilities using forest biomass

**Municipalities and development agencies**
Local and regional governments, economic development agencies

**Indigenous governments and organizations**
Including Indigenous-owned development corporations

**Other local organizations**
Businesses, banks, colleges, community organizations

*A guide with a checklist and sample letter for each type of writer, in English and French, is in the portal. Upload letters in Section 6.*

# How to apply: the online portal

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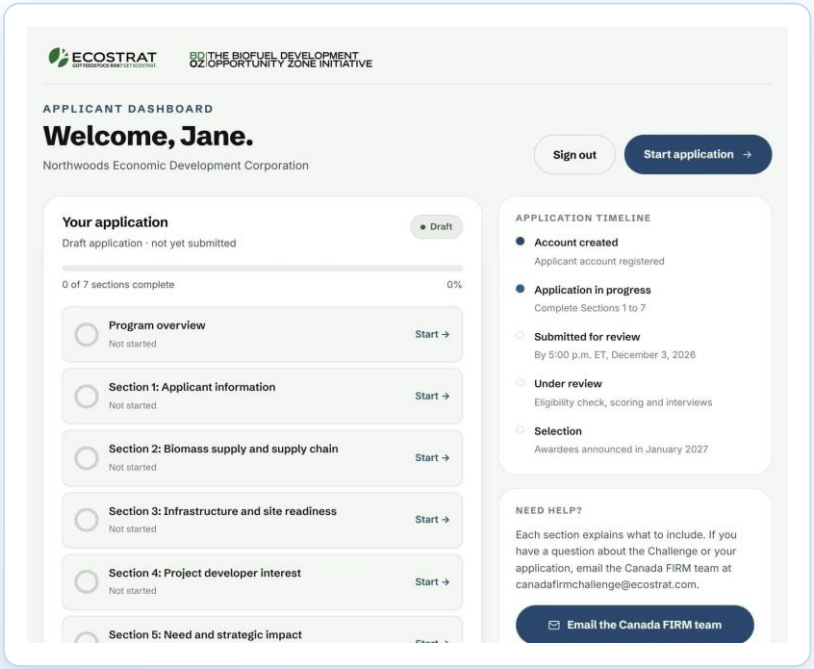


1. Create an account at ecostrat.com/canada-firm-challenge and confirm your email.
2. Complete seven short sections, in any order. Each saves as you go.
3. Upload your five letters of support.
4. Review, sign and submit by 5:00 p.m. ET, January 18. A confirmation and reference number follow.

**Can’t use the portal?** Email the Word version to canadafirmchallenge@ecostrat.com.

# Fifteen forest regions will be rated in 2027. Start your application today.

Start your application →

**ecostrat.com/canada-firm-challenge**
Closes January 18, 2027 at 5:00 p.m. ET

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**Questions about your application**
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All documents, in English and French: ecostrat.com/canada-firm-challenge/documents
BDO Zone ratings: bdozone.org

**Scan to apply**
ecostrat.com/canada-firm-challenge