

## **Sturko, Derek AGRI:EX**

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**From:** Underhill, Brian ALC:EX  
**Sent:** Monday, May 25, 2015 2:47 PM  
**To:** Sturko, Derek AGRI:EX  
**Subject:** Tree Planting and Carbon Credits - Draft ALC Letter to RB  
**Attachments:** Reckitt Benckiser ALC Letter May 2015.doc; Rakesh Kapoor Ministry Letter Final May 2015.pdf



Hi Derek. Attached is our final draft to Reckitt Benckiser. Would welcome any feedback if you have a moment.

Frank has a copy as well and may have a moment to bring to Minister's attention this afternoon at his meeting (which I am not sure whether you are at or not).


I have also attached a copy of your letter of May 20<sup>th</sup> for ease of reference.

Brian

*Brian Underhill, Deputy Chief Executive Officer  
Provincial Agricultural Land Commission  
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May 20, 2015

File: 0280-30

Ref: 182144

Rakesh Kapoor  
Chief Executive Officer  
Reckitt Benckiser (Headquarters)  
Reckitt Benckiser plc  
Turner House, 103-105 Bath Rd  
Slough, Berkshire SL1 3UH  
United Kingdom

Dear Rakesh Kapoor:

**Re: Reckitt Benckiser's "Trees for Change Programme"**

I am writing to you as the Deputy Minister of Agriculture in British Columbia, Canada. You may be aware that it has become an issue of public interest here that Reckitt Benckiser (RB) has purchased land in the Agricultural Land Reserve (ALR) for use in its Trees for Change Programme. Because only 5% of our province is suitable for agricultural production, the ALR was created in the 1970s to protect this limited land resource for food production. In the ALR, agricultural uses of land are encouraged and other uses are restricted through the oversight of the independent Agricultural Land Commission (ALC).

The public concern which has been raised about RB's Trees for Change Programme is due to the perception that your company wishes to permanently remove land in the ALR from agricultural production. The following statement on your website (located at <http://www.rb.com/our-responsibility/trees>) reinforces this perception:

"For the remaining unavoidable emissions, we are planting trees that, over 100+ years, will take in the same amount of carbon dioxide from the atmosphere as our manufacturing operations produce each year (from 2006 to 2017). We are only planting on land that has been used, or cleared for use, for cultivation and are committed to ensuring our trees remain in situ for 100 years."

.../2

While simply planting and growing trees is allowed on ALR land, it is our understanding that if someone wants to restrict the agricultural use of land, such as purposely planting trees and then preventing trees from being removed for one hundred years, this would require a covenant. I would like to draw your attention to section 22(2) of British Columbia's *Agricultural Land Commission Act* which requires that a covenant that prohibits or restricts farm use would need to be approved by the ALC before it has any effect. A Fact Sheet describing this is available on our government's website at <https://www.newsroom.gov.bc.ca/ministries/agriculture/factsheets/growing-trees-for-carbon-credits-on-land-in-the-alr.html>. The Agricultural Land Commission will contact you directly with regard to this matter.

Thank you for your time and attention to this important issue.

Sincerely,



Derek Sturko  
Deputy Minister

pc: Gary MacIsaac, Executive Director  
Union of British Columbia Municipalities

Jack Wong, Chief Executive Officer  
Real Estate Foundation of British Columbia

Timothy E. McGee, QC, Chief Executive Officer and Executive Director  
BC Law Society

Akash Sablock, President  
BC Notaries Society

Frank Leonard, Chair and CEO  
Agricultural Land Commission

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May 26, 2015

ALC File #81500-30 Carbon Credits

Rakesh Kapoor  
Chief Executive Officer  
Reckitt Benckiser (Headquarters)  
Reckitt Benckiser plc  
Turner House, 103-105 Bath Rd  
Slough, Berkshire SL1 3UH  
United Kingdom

Dear Rakesh Kapoor:

**Re: Planting Trees and Placing Covenants on Agricultural Land Reserve Lands in BC**

It has come to the attention of the Agricultural Land Commission's (ALC) that significant areas of land located in the Agricultural Land Reserve (ALR) in British Columbia are being used for carbon offset purposes. In particular, Reckitt Benckiser is planting trees on previously cleared agricultural lands for long periods of time to offset emissions as part of a corporate environmental sustainability initiative.

Approximately 5% of British Columbia's land area is capable of growing agricultural products. The ALR comprises 4.6 million hectares. Over 40 years ago the British Columbia government implemented an initiative to preserve and protect the province's limited agricultural land resource by introducing a provincial land use zone called the Agricultural Land Reserve (ALR). In the ALR agriculture is the priority land use and non-farm uses are restricted.

The ALC is guided by the *Agricultural Land Commission Act*. The purpose of the legislation is set out in Section 6 which states:

- (a) to preserve agricultural land;
- (b) to encourage farming on agricultural land in collaboration with other communities of interest;
- (c) to encourage local governments, first nations, the government and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans, bylaws and policies.

The Agricultural Land Reserve Use, Subdivision and Procedure Regulation Section 2(2)f provides that timber production, harvesting, silviculture and forest protection are permitted uses in the ALR. The planned and purposeful planting of trees for carbon offsets is not mentioned in the regulation, nor was it contemplated when the regulation was developed in 2001. The ALC is of the view that the requirement of trees planted for carbon offsets to remain in place for substantial periods of time (via the registration of a covenant, voluntarily or by commitment to some other standard) restricts the use of the ALR land for agricultural purposes.

In addition, the ALC has received complaints related to cultivated agricultural land being taken out of agricultural production in order to facilitate tree planting for carbon offsetting. British Columbia's ranching community has raised concerns about the removal of important grazing and pasture land from the inventory of land ranchers rely upon to produce livestock products in the province's interior.

Part of the ALC's mandate is to encourage agriculture. The Commission believes that alienating ALR land and carrying out afforestation initiatives on lands already cleared for agriculture does not encourage farming and the commitment to retaining the planted trees for substantial periods of time in order to offset carbon emissions, restricts the use of the land for agricultural purposes.

If covenants are used as a way of guaranteeing the trees will not be harvested, this would be viewed as restricting and prohibiting farming in the ALR. Such long term covenants associated with trees planted for carbon credit purposes must not be registered without approval of the ALC as per Section 22 (2) of the ALC Act, which states that a covenant that restricts or prohibits the use of agricultural land for farm purposes has no effect until approved by the commission.

Since the ALC is aware that Reckitt Benckiser is a landowner of a considerable amount of ALR lands in British Columbia (reported to be 10,519 hectares) and based on the assumption that a good portion of those lands are located in the ALR, the ALC is carrying out an analysis as to whether activities taking place on these lands are permitted in the ALR. As part of this analysis, the ALC requests that you respond to the following questions:

1. What is the purpose of trees planted on Reckitt Benckiser owned lands located in British Columbia?
2. Does Reckitt Benckiser restrict the cutting of the trees on their properties? Via covenant? Voluntarily? Or based on some other common standard or program?
3. How long does Reckitt Benckiser plan to keep the trees planted?
4. Does Reckitt Benckiser restrict or prohibit the use of their lands for agricultural purposes?
5. If agricultural uses are taking place on these lands, please advise what those agricultural uses are?
6. Has Reckitt Benckiser utilized lands in the ALR that were formerly productive agricultural lands for planting trees? If so, where are those lands located (please provide PID or legal description)?
7. Does Reckitt Benckiser believe there is a benefit to agriculture as a result of planting trees for carbon offsets on ALR lands in BC?

Thank you in advance for your cooperation and response to this matter.

Yours truly,

PROVINCIAL AGRICULTURAL LAND COMMISSION

Per:



Frank Leonard, Chair

cc. Deputy Minister of Agriculture, Derek Sturko



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