
TASMANIA REGIONAL FORESTRY HUB

Road Map

2021



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VISION



“To grow a sustainable, innovative forest industry that supports Tasmania’s community and economy into the future and is supported by the community.”

CONTEXT

The Hub exists to provide information to assist the Commonwealth in future policy development regarding pathways for growth, and removal of barriers, for the forestry industry through stakeholder engagement and consultation.

The forest industry and community have identified through the Hub, that to achieve the objectives outlined in the Commonwealth's National Forest Industries Plan (National Plan), and the Tasmanian Forest Industry Ministerial Advisory Committee's Strategic Growth Plan, a long-term vision addressing the sector's strategic priorities and enablers is required.

This Road Map has been developed to focus on the key message from the National Plan, "A billion more plantation trees – the right trees at the right scale in the right places." The Hub's strategic priorities and key activities have been developed with a view to enabling Tasmania to contribute towards this national goal, and to fostering an innovative forestry industry.

VISION

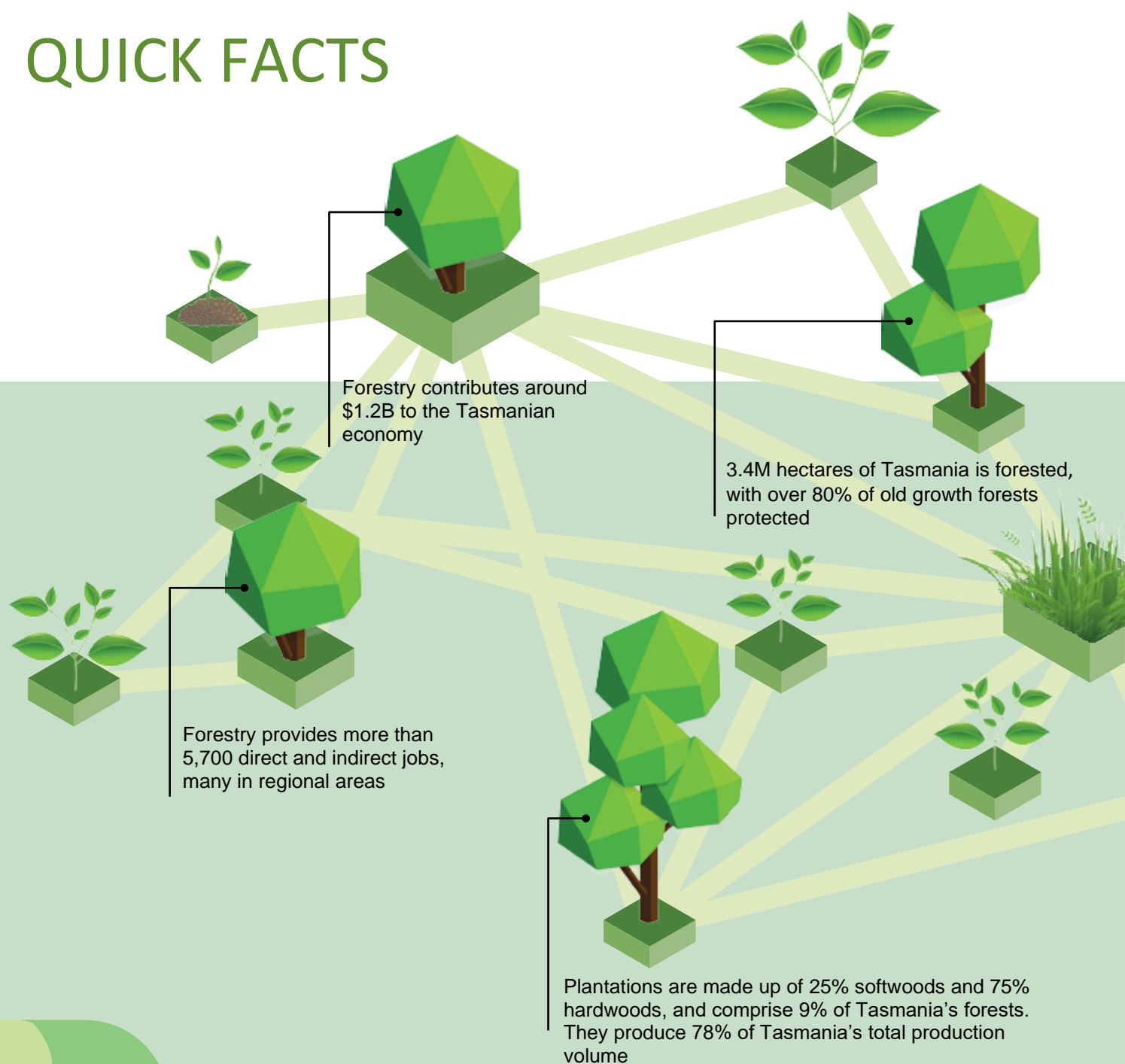
To grow a sustainable, innovative forest industry that supports Tasmania's community and economy into the future and is supported by the community.

STRATEGIC PRIORITIES

The Hub's vision is supported by four key strategic priorities outlined below which will inform the Road Map.

1. Climate and carbon policy
2. Workforce skills and training
3. Resource and land access
4. Supply chain and infrastructure

QUICK FACTS



»1

CLIMATE AND CARBON POLICY



“Our priority is for active and adaptive forest management to be a key driver of positive climate outcomes in Tasmania and Australia.”

CLIMATE AND CARBON POLICY

The active management of forests and natural resources has a positive impact on climate change while supporting prosperous lives and lifestyles for all Tasmanians.¹ International climate experts, including the International Panel for Climate Change (IPCC) and the Food and Agricultural Organisation (FAO), have identified that active forest management plays a critical role in carbon pollution reduction strategies.

Our priority is for active and adaptive forest management to be a key driver of positive climate outcomes in Tasmania and Australia.

ENABLERS

The following climate and carbon policy enablers have been identified.

Regulatory changes

- Development of a Commonwealth procurement policy that recognises the full life cycle impacts of forest building products, not just those products in use.
- Enactment of the King Review recommendations encouraging greater participation in the Emissions Reduction Fund (ERF).²
- Enactment of the proposals in the Clean Energy Regulator's consultation paper on proposed changes to the audit framework to streamline audit requirements.³
- Streamlining the regulatory approval process for prospective forest carbon projects in southern Tasmania under the '600 mm rainfall rule'.
- Streamlining the Plantation Forestry methodology, including to encourage conversion from short to long rotation plantations and to simplify the process, particularly for growers of small to medium-sized estates.

Natural capital accounting

- Encouraging industry implementation of natural capital accounting systems to demonstrate scale benefits and to enable environmental reporting at scale.

Alternate species

- Testing and assessment of alternative tree species or varieties that are potentially better suited to future climate conditions.

¹ Northern Tasmania Forestry Hub, Climate Change and Carbon Policy Assessment Report, November 2020.

² Department of Industry, Science, Energy and Resources, Report of the Expert Panel examining additional sources of low cost abatement (King Review), February 2020.

³ Clean Energy Regulator, Proposed changes to the audit framework, September 2020;

<http://www.cleanenergyregulator.gov.au/ERF/Want-to-participate-in-the-Emissions-Reduction-Fund/Step-3-Reporting-and-auditing/Audit-Requirements>

»2

WORKFORCE SKILLS AND TRAINING



“Our priority is to have a fit for purpose workforce that is diverse, highly-skilled and future focused.”

WORKFORCE SKILLS AND TRAINING

A strong and vibrant forest management and forest products sector can contribute towards creating more resilient and secure employment opportunities for regional communities across Tasmania. Those leading Tasmania's forest sector aspire for it to be a high-quality, high-tech industry employing more highly skilled workers.⁴

Our priority is to have a fit for purpose workforce that is diverse, highly skilled and future focused.

ENABLERS

Development of an action-oriented workforce development plan that articulates key principles and strategies to achieve workforce priorities including:

- Promoting the sustainability of wood and timber products to foster positive public engagement and employment attraction.
- Maintaining and expanding funding for school-based programs to improve understanding of employment opportunities, career path planning, and to build a connection to future employees.
- Providing options for embedding forestry units and streams within allied degrees in the School of Natural Sciences and Tasmanian Institute of Agriculture at the University of Tasmania or nationally in other masters programs.
- Providing options for introducing graduate certificate level qualifications in forestry.
- Encouraging promotion of the benefits of diversity and a culture within the industry that is supportive of diversity, including greater workforce participation by women.
- Ensuring training is relevant to industry needs and aligns with career pathways. In particular, aligning training to future jobs and markets involving increased domestic processing, innovation and value-added product development.
- Supporting the provision of more flexible training delivery arrangements, including modular training programs and remote learning.
- Increasing investment in qualified trainers; continuing industry support for the Arbre Hub.

⁴ Northern Tasmania Forestry Hub, Culture, skills and training assessment report, November 2020.

» 3

RESOURCE AND LAND ACCESS



“Our priority is to maintain and grow farm forestry to enhance and complement agricultural activities.”

RESOURCE AND LAND ACCESS

Plantation forestry currently comprises 18 per cent of Tasmania's agricultural land availability. This is higher than any other jurisdiction in Australia, with the average proportion at only 0.5 per cent. While opportunities for large scale plantation expansion are limited, in Northern Tasmania there are 37,000 hectares of land potentially suitable and available for farm forestry. Accordingly, farm forestry has been identified as a major growth lever for Tasmanian forestry.⁵

Our priority is to maintain and grow farm forestry to enhance and complement agricultural activities.

ENABLERS

The following resource and land access enablers have been identified. These enablers are based on the premise that forestry enhances productive farm capacity, and is not a competitor to agriculture.

Regulatory barriers

- Improve accessibility and simplify decision-making for potential growers – introduce a risk-weighted approach streamlining the forest planning and approval processes for small-scale farm forestry on cleared agricultural land.
- Quantify the regulatory costs profile for small-scale farm forestry and identify opportunities to reduce, remove or shift early rotation costs which are perceived to be a barrier to farm forestry investment.
- Promote small-scale agroforestry opportunities in Prime Agricultural Land categories 1, 2 and 3, which is complementary to the Prime Agricultural Land policy intent.⁶

Value proposition improvement

- Support the transition from short rotation hardwood to long rotation hardwood and softwood plantations with the aim of increasing domestic processing of high quality structural and engineered wood products.

Commercial investment

- Encourage industry co-investment in farm forestry plantations, considering preferred co-investment models; investment funding commitment; preferred species and silviculture regimes; forward pricing models; transparency and complexity of information; and, other commercial and contractual requirements.

⁵ Northern Tasmania Forestry Hub, Access to land and land use policy for plantation forest investment, September 2020.

⁶ Tasmanian Government, State Policy on the Protection of Agricultural Land 2009.

» 4

SUPPLY CHAIN AND INFRASTRUCTURE



SUPPLY CHAIN AND INFRASTRUCTURE

Tasmania's forest industry is diverse utilising a wide range of infrastructure and supply chains to produce and distribute wood, fibre and paper products. Robust infrastructure planning and delivery enhances Tasmanian communities, and supports our growing population and economy. Efficient supply chains support growth by providing critical links to suppliers, and by enhancing product markets. This can encourage innovation and new investment attraction.⁷

Our priority is to support growth through long-term supply chain and infrastructure planning, increased local manufacturing and processing, and investment in value-adding products.

ENABLERS

The following supply chain and infrastructure enablers have been identified.

- Identification of long-term infrastructure investment priorities; this includes addressing road infrastructure pinch points.
- Identification of new value-added products to capitalise on opportunities for local domestic processing and export processing.
- Development of a long-term domestic processing vision; bioenergy opportunities to be considered in this context.
- Ongoing government commitment to long-term access to domestic ports.
- Development of policies to stimulate local demand and innovation in construction techniques and utilisation of sustainable timber products. This would include ongoing review, update and proactive promotion of Tasmania's Wood Encouragement Policy for existing and future Government infrastructure programs.

⁷ Northern Tasmania Forestry Hub, Supply chain and infrastructure, October 2020.



ROAD MAP



“The Road Map has been developed to provide a pathway forward that strengthens the existing vibrant Tasmanian forestry industry...”

CONTEXT

This Road Map will help to shape the future of forestry in Tasmania, focusing on strategic actions that encourage enhancing forest productivity, the planting of new trees, and foster an innovative and forward-looking industry.

The Road Map has been developed to provide a pathway forward that strengthens the existing vibrant Tasmanian forestry industry, which contributes more than \$1.2 billion and 5,700 jobs to the Tasmanian economy.

Four key objectives will guide the Road Map and provide a framework for the vision to be realised.

1



TO DRIVE POSITIVE CLIMATE OUTCOMES

Drive regulatory changes that encourage tree planting, promote the use of wood products in domestic construction, and foster industry adoption of natural capital accounting systems.

2



TO DEVELOP A FIT FOR PURPOSE WORKFORCE

Develop a holistic workforce development plan, focus on diversity and skills required for industry growth into the future.

3



TO GROW AND MAINTAIN FARM FORESTRY

Support regulatory changes that facilitate tree planting and foster commercial investment in plantation and native farm forestry.

4



TO SUPPORT INDUSTRY GROWTH THROUGH INFRASTRUCTURE PLANNING

Focus on domestic processing opportunities, long-term access to key assets and investment prioritisation.



ROAD MAP

1

DRIVE POSITIVE CLIMATE OUTCOMES

2

DEVELOP A FIT FOR PURPOSE WORKFORCE

3

GROW AND MAINTAIN FARM FORESTRY

4

**SUPPORT INDUSTRY GROWTH THROUGH
INFRASTRUCTURE PLANNING**



DRIVE POSITIVE CLIMATE OUTCOMES



OBJECTIVE

1. DRIVE POSITIVE CLIMATE OUTCOMES

STRATEGIC ACTION	NEXT STEPS	TIMING
<i>Regulatory Changes</i>		
<p>1 Encourage the Australian Government to develop a procurement policy that recognises the full life cycle impacts of building products, not just those products in use.</p> <p>Encourage the Australian Government to work with industry groups such as the Green Building Council of Australia to adopt voluntary building standards⁸ to recognise the full life cycle impacts of building products.</p>	<p>Hub to:</p> <ul style="list-style-type: none"> • Support and encourage implementation of regulatory changes. 	<p>January to December 2021</p>
<p>2 Support recommendations of the King Review prioritising:</p> <ul style="list-style-type: none"> • Compressed crediting in the Plantation Forestry method. • New processes for ERF methods. • Use of forest certification schemes such as Forest Stewardship Council (FSC) and Responsible Wood to demonstrate a 'duty of utmost good faith.' • Developing a streamlined small-scale method. • Method stacking in the 'landscape approach.' • Streamlining audit requirements and assessing whether forest certification audits can be made dual purpose. 	<ul style="list-style-type: none"> • Support with any further research required. 	<p>January to December 2021</p>
<p>3 The <i>Carbon Credits (Carbon Farming Initiative) Regulations 2011</i> have been amended to allow projects in areas receiving greater than 600mm rainfall, where tree planting is unlikely to have a material adverse impact on availability of water, to participate in the Emissions Reduction Fund.</p> <p>Support a change to the regulations which would secure the application of the 600mm water rule exemption to southern Tasmania.</p>		<p>January to December 2021</p>

⁸ Such as the Green Star rating system: <https://new.gbca.org.au/rate/green-star/>.

4	<p>Encourage the Clean Energy Regulator to review the Plantation Forestry methodology to incorporate the following:</p> <ul style="list-style-type: none"> • Expand the list of eligible species for conversion from short to long rotation plantations. • Change the modelled baseline rotation length for these conversions from a prescribed number (currently fixed at 16 years in Tasmania), to a baseline rotation length determined by supporting management documentation (such as historical forest management plans). • Expand the existing 'compressed crediting' arrangement that currently applies to conversion plantations via Equation 10, to apply to greenfield (new) plantations. • Change the eligibility date in the method for conversion forests to the date the long rotation is planted, coinciding with the date that the carbon estimation area (CEA) comes into existence. 	(Same as above)	January to December 2021
Natural Capital Accounting			
5	<p>Encourage industry implementation of natural capital accounting systems to demonstrate scale benefits and to enable reporting.</p> <p>Highlight natural capital measurement as an excellent tool for managing performance to strengthen the image of the forestry sector and position it strategically in the new investment landscape.</p>	<p>Hub to:</p> <ul style="list-style-type: none"> • Collaborate with industry to publicise implementation of natural capital accounting systems and to share learnings with smaller businesses as appropriate. • Provide support on further research required. 	April 2021 (ongoing)
Alternate Species			
6	<p>Test and assess alternative species, or varieties within existing species, that are potentially better suited to future conditions on sites that are projected to experience reduced tree growth or increased mortality.</p> <p>Test suitable silvicultural options to achieve acceptable production on these sites.</p>	Hub to support and encourage commencement of alternate species project.	January to June 2022



DEVELOP A FIT FOR PURPOSE WORKFORCE



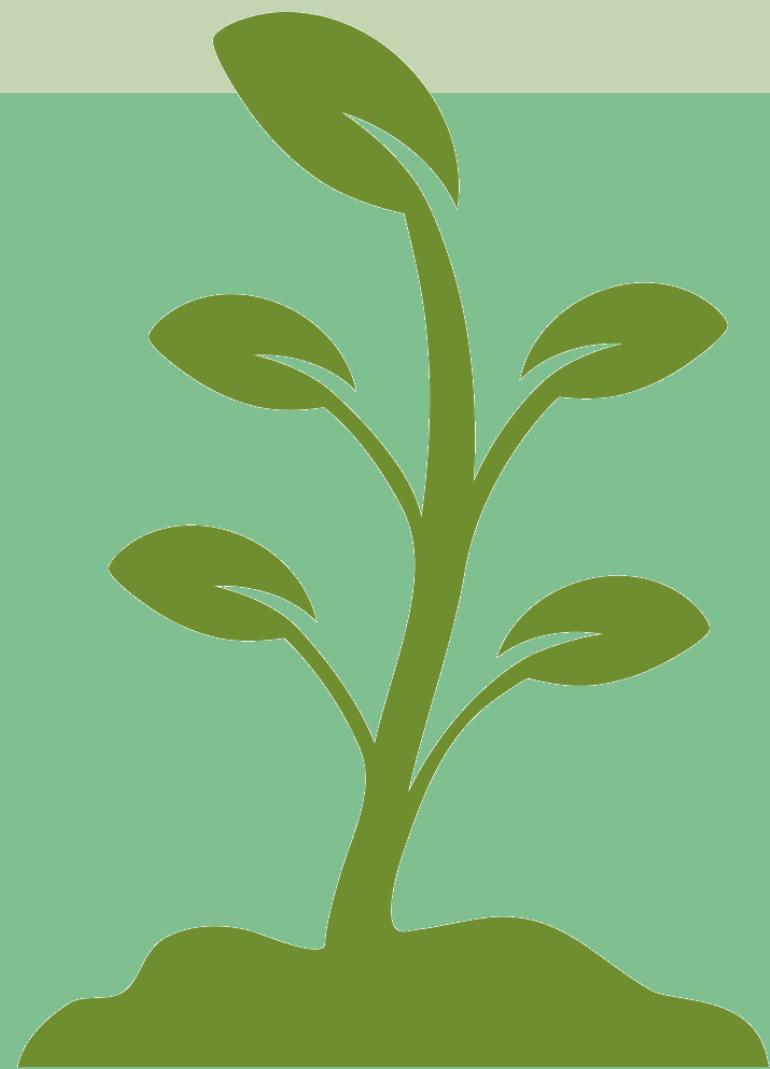
OBJECTIVE

2. DEVELOP A FIT FOR PURPOSE WORKFORCE

STRATEGIC ACTION	NEXT STEPS	TIMING
<i>Workforce development plan</i>		
<p>Develop a workforce development plan that includes:</p> <p>1</p> <ul style="list-style-type: none">• Support for maintaining and expanding funding for school-based programs, for example, Cadet Forester and Forest Education Foundation, and pre-vocational programs with primary and secondary schools to improve understanding of the breadth of employment opportunities in the sector, career path planning, and to build a connection to future employees at all levels.• Options for embedding forestry relevant units and streams within allied degrees within the School of Natural Sciences and Tasmanian Institute of Agriculture at the University of Tasmania, or nationally in other masters programs, in order to address the projected demand for forestry workers with high level tertiary skills.• Options for introducing graduate certificate level qualifications in forestry, especially given the scarcity of tertiary undergraduate places.• Promotion of the benefits of diversity and a culture within the industry that is supportive of diversity, including greater workforce participation by women, in order to address the lack of diversity in the workforce.• Options for ensuring training is relevant to industry needs and aligns with career pathways. In particular, aligning training to future jobs and markets involving increased domestic processing, specialist silviculture, innovation and value-added product development. This will mean the development of skills and training pathways that do not currently exist; for example analysis of big data, new processing technology, changes to supply chain operations, as well as marketing and management skills.• Support for the provision of more flexible training delivery arrangements, including modular training programs and remote learning. This would include increasing investment in qualified trainers and continuing industry support for the Arbre Hub.	<p>TFFPN currently developing a workforce development plan.</p> <p>Hub to support and influence TFFPN's workforce development plan in its role as a member of the project steering committee.</p>	<p>January to December 2021</p>



GROW AND MAINTAIN FARM FORESTRY



OBJECTIVE

3. GROW AND MAINTAIN FARM FORESTRY

STRATEGIC ACTION	NEXT STEPS	TIMING
Regulatory changes		
<p>1 Improve accessibility and simplify decision-making for potential growers; consider opportunities to introduce a risk-weighted approach streamlining the forest planning and approval processes for small-scale farm forestry on cleared agricultural land.</p> <ul style="list-style-type: none"> Plantations are excluded, at the landscape scale, from classes of agricultural productivity, as a measure to prevent industrial expansion into prime agricultural land, which is a real or perceived barrier to smaller scale, integrated plantation establishment. 	<p>Hub to:</p> <ul style="list-style-type: none"> Support and encourage implementation of regulatory changes. Support with any further research required. 	January 2021 to June 2023
<p>2 Quantify the regulatory costs profile for small-scale farm forestry and identify opportunities to reduce, remove or shift early rotation costs which are perceived to be a barrier to farm forestry investment.</p> <ul style="list-style-type: none"> The forest practices system currently applies the same risk management framework to small scale plantations on agricultural land as to native forest operations. A significant component of regulatory costs is imposed at the planning and establishment phases rather than at the revenue generation phase. 		January 2021 to June 2023
<p>3 Promote small-scale agroforestry opportunities in Prime Agricultural Land categories 1, 2 and 3, which is complementary to the Prime Agricultural Land policy intent.⁹</p> <p>Consider proposed adjustments to the Protection of Agricultural Land Policy to recognise that small scale, integrated plantations pose no significant land use change risk for prime agricultural land, can provide additional farm productivity and environmental services benefits and should be considered an <i>as of right</i> land use decision.</p>		January 2021 to June 2023

⁹ Tasmanian Government, State Policy on the Protection of Agricultural Land 2009.

Value proposition improvement

4	Consider opportunities for development of increased domestic solid wood processing capacity.	Hub to commission domestic processing project.	May to December 2021
	Support the transition from short rotation hardwood to long rotation hardwood and softwood plantations with the aim of increasing domestic processing of high quality structural and engineered wood products (including appearance products).	Hub to work in partnership with TFFPN to promote the value proposition for plantation forestry in terms of commerciality, productivity, silviculture and innovation.	January 2021 (ongoing)

Commercial Investment

5	Encourage industry co-investment in farm forestry plantations, considering: <ul style="list-style-type: none">• Preferred co-investment models.• Investment funding commitment.• Preferred species and silviculture regimes.• Forward pricing models.• Transparency and complexity of information.• Other commercial and contractual requirements.	Hub to support PFT's work pursuant to its corporate goal of "expanding private forestry" which includes stimulation of industry co-investment.	January 2021 to June 2023
		Hub to support PFT with further research required in pursuit of this objective (e.g. market demand research to complement supply side approaches).	



SUPPORT INDUSTRY GROWTH THROUGH INFRASTRUCTURE PLANNING



OBJECTIVE

4. SUPPORT INDUSTRY GROWTH THROUGH INFRASTRUCTURE PLANNING

STRATEGIC ACTION	NEXT STEPS ¹⁰	TIMING
1 Identify long-term investment priorities. For example, identification of road infrastructure pinch points in terms of haulage efficiency, social and environmental impacts, and consideration of the cost of alternative options.	Hub to commission: <ul style="list-style-type: none">• Freight study project.• Southern infrastructure project, including Hobart port economic analysis and investment prioritisation.	May 2021 to June 2022
2 Develop a long-term domestic processing vision. Identify and prioritise existing and new product value chains to capitalise on opportunities for local domestic processing. The COVID-19 pandemic and the associated supply chain disruption have highlighted the importance of increasing sovereign manufacturing capacity, reducing over-dependence on international exports of raw materials and enhancing supply chain resilience and value-adding activities.	Hub to commission domestic processing project.	May to December 2021
3 Seek ongoing government commitment to long-term access to domestic ports.	Hub to commission economic analysis of Hobart port to demonstrate the importance of this port to the industry.	June 2021 to June 2022

¹⁰ Next steps under each of the objectives will be reviewed and updated on an ongoing basis to reflect project progress.

4	<p>Encourage development of policies to stimulate local demand and innovation in construction techniques and utilisation of sustainable timber products.</p> <p>This includes proactive promotion of Tasmania’s Wood Encouragement Policy for existing and future Government infrastructure programs.</p>	<p>Hub to support and encourage policy development and promotion.</p> <p>Hub to support with any further research required.</p>	<p>June 2021 to June 2022</p>
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