

2002
REVISION

*Plantations for Australia:
The 2020 Vision*

AN INDUSTRY/GOVERNMENT INITIATIVE FOR PLANTATION FORESTRY IN AUSTRALIA



Plantations for Australia: The 2020 Vision

Plantations for Australia: The 2020 Vision is a strategic partnership between the Australian, State and Territory Governments and the plantation timber growing and processing industry.

The overarching principle of the 'Plantations 2020 Vision' strategy is to enhance regional wealth creation and international competitiveness through a sustainable increase in Australia's plantation resources, based on a notional target of trebling the area of commercial tree crops by 2020.

Background

The Plantations 2020 Vision was developed in the policy environment established by the Commonwealth and State Governments in the National Forest Policy Statement (1992). In July 1996, the Ministerial Council on Forestry, Fisheries and Aquaculture endorsed the plantation industry's target of trebling the plantation estate by the year 2020. To achieve this target, the Ministerial Council agreed to develop a realistic and achievable national strategy, in consultation with relevant stakeholders. The Ministerial Council asked its Standing Committee on Forestry to report on how the industry's target might be accomplished.

In response to the Council's request, the Standing Committee and the industry (represented by Australian Forest Growers, the National Association of Forest Industries, and Plantations Australia) commissioned a consultancy report from the Centre for International Economics (CIE). The CIE report was the basis of the framework for action developed by the Vision Partners and launched by the Minister for Primary Industries and Energy, The Hon John Anderson MP, in October 1997.

Achievements since launch of the Vision in 1997

The first five years of the Vision have witnessed increased private investment in new plantations, growth in regional employment, and significant investment in downstream processing based on plantation resources.

New plantings

More than half a million hectares of new plantations have been established since 1997—an average planting rate of around 85,000 hectares per annum. The majority of these plantings are hardwood (eucalypt) plantations, mostly established with private capital in managed investment scheme (MIS) plantation projects. The planting rate based on these projects has been highly cyclical, reflecting frequent changes in the Government regulatory environment. In the softwood (pine) sector, most planting has been in second rotation forests to replace trees already harvested, with around 11,000 hectares per annum of new pine forests established since 1997.

The increase in private ownership of plantations has increased investment opportunities, and has developed a more competitive industry. These achievements have been attained despite some of the actions identified in the Vision not having been implemented completely or across every State and Territory.

Of the total plantation resource, around 5% is now contributed directly by farm foresters, with a further 20% contributed by farm foresters participating with industrial growers through leasehold and joint venture arrangements. Table 1 presents a summary of plantation areas by State and Territory at December 2002¹.

Table 1: Area of plantations as at December 2002 (hectares)

STATE/TERRITORY	HARDWOOD	SOFTWOOD	UNKNOWN	TOTAL
ACT	194	15,713	0	15,907
New South Wales	51,289	270,467	923	322,679
Northern Territory	3,198	3,817	0	7,015
Queensland	25,969	181,598	407	207,974
South Australia	32,351	116,768	261	149,380
Tasmania	135,284	78,162	0	213,446
Victoria	142,553	217,285	35	359,873
Western Australia	247,500	104,054	0	351,554
Totals	638,337	987,864	1,626	1,627,827

Investment and employment growth

The existing plantation forest estate has underpinned the attraction of substantial investment in the forest-based processing industries, in turn bringing employment growth to rural and regional Australia. The Department of Agriculture, Fisheries and Forestry (DAFF) estimates² total employment in the forestry sector to be approximately 78,400 jobs; and although no specific data are currently collected on employment in the plantation growing and processing sector, the sector comprises a significant proportion of employment in the regionally-based forest industries.

Plantations supply over 70% of sawn timber produced in Australia, yet comprise less than 1% of land area. In 2000-01,

the value of products manufactured from timber grown in plantations was estimated at \$6.3 billion, including \$2.2 billion in paper and paperboard products. In addition, the value of exports of forest products manufactured from timber grown in plantations in 2000-01 was estimated at \$1.2 billion³.

Since 1997, around \$1.5 billion has been invested in plantation establishment, and \$1.01 billion in plantation-related processing infrastructure in the sawmilling, paper manufacturing and wood-based panel industries⁴. These investments add substantial value to Australia's natural resources, and deliver significant rural and regional employment benefits. There is a clear imperative to maintain levels of plantation establishment for investment trends to continue.

¹ Bureau of Rural Sciences National Plantation Inventory Annual Update, March 2003

² Australian Agriculture, Fisheries and Forestry At a Glance, AFFA 2003

³ Australian Forest Products Industry, Agriculture, Fisheries and Forestry Australia and Invest Australia, 2003

⁴ Australian Forest Products Industry, AFFA and IA, 2003

Community and the environment

A gradual process of change in regional Australia has been occurring for some time, evidenced particularly by increased replacement of on-farm labour by capital, and by increasing farm size to maintain viability. Although the Plantations 2020 Vision has not been responsible for these changes, it has played a role in the change process. This has often taken the form of stimulating regional land markets, allowing farmers the opportunity to exit their on-farm investment at a reasonable price.

The revised Plantations 2020 Vision recognises the role that plantations play in the community, and aims to encourage Vision partners to address issues relating to the social and environmental changes being experienced by communities in areas where plantations have developed rapidly. This includes providing a role for community participation in the on-going development of the plantation resource.

Plantations have the potential to be of significant benefit to the natural environment, and a sustainable and viable land use in regional Australia. Commonwealth, State and Territory Governments have in place a set of national principles for the sustainable management of plantations, providing a framework for environmental, socio-economic and cultural issues to be addressed in the context of plantation establishment and management.

All State and Territory Governments have codes of practice and/or guidelines for plantation management that conform with the principles of sustainable development, and that take into account key regional characteristics such as cultural heritage and specific environmental impacts. Many of these codes and/or guidelines are supported by legislation, enforcing the principles of sustainability and providing a mechanism for compliance by plantation managers. In addition, many States and Territories have in place legislation relating to aspects of plantation management such as soil and water conservation, native vegetation management, occupational health and safety, fire control and management, and safe use of approved chemicals.

Australia has developed an Australian Forestry Standard (www.forestrystandard.org.au) to provide Australian and overseas consumers with an independent assessment of claims about the sustainability of forest management in Australia. The AFS is an initiative undertaken by a wide range of representatives from the community, industry and government. Certification to the AFS, independently verified by an accredited certification body, means that a forest manager has addressed crucial environmental, social and cultural values in an effort to make their forests fully sustainable. The AFS has been based on respected international frameworks, such as the ISO 14000 environmental management Standards and the criteria of the "Montreal Process" for sustainable forest management (www.mpci.org).

Additional environmental factors include issues of location of plantations in the landscape for effective management of water balances, and the use of plantations to absorb greenhouse gases. The Plantations 2020 Vision partners will take a proactive role in developing plantation solutions that balance environmental issues with the needs of industry and the community to deliver sustainable outcomes for the future.

Review of the Plantations 2020 Vision

The significant expansion of Australia's plantation estate since 1997 has brought to the forefront a number of matters for the Vision partners to address, including:

- social and environmental changes being experienced by communities in areas where plantations have developed rapidly;
- maximising the potential economic and environmental benefits of plantations through market development, and integrating growers and processors;
- the change in the plantation estate from public to private ownership (around one quarter of the resource established since 1990 is wholly publicly owned); and
- the contribution to the resource by farm foresters.

In 2001, the Forestry and Forest Products Committee of the Primary Industries Ministerial Council requested a review of the Vision to address the issues that had arisen since the 1997 Vision document, and to comply with the requirements of the original Vision for its periodic review. The review was conducted by the Private Forestry Consultative Committee (PFCC), which comprises government and industry private forestry bodies. It focused on:

- providing a strategy that is more relevant to the emerging needs of the industry;

- ensuring that a variety of drivers, such as regional development, environmental benefits, and an appropriate regulatory environment, encourage investment in plantations;
- removing impediments that remain, particularly related to uncertainty over rights to plant, manage, harvest and trade plantations and their products; and
- providing a role for community participation in the ongoing development of the plantation resource.

Public forums were organised in each of Australia's major plantation-growing regions to make people aware of the review process and to seek their comments on the draft revised strategy. Thirty-three meetings and presentations were conducted, with over 420 attendees providing comments on the draft Vision. Fifty-four written submissions were also received and considered by the PFCC in developing the revised Vision document.

The Primary Industries Ministerial Council and the plantation growing and processing industries, represented by the Plantation Timber Association Australia, Australian Forest Growers and the National Association of Forest Industries, have endorsed the 2002 revision of the Plantations 2020 Vision, presented in detail in this document.

The original Plantations 2020 Vision focused on overcoming impediments to the development of plantation forestry. While overcoming remaining impediments is still important, the revised Vision takes a positive view of the future potential of the industry and seeks to maximise the benefits from plantation expansion. The revised Vision also focuses stakeholders on the potential for tree plantings to make a contribution to the maintenance and improvement of the environment, whilst retaining land under profitable production.

The Plantations 2020 Vision partners are committed to ensuring that the Plantations 2020 Vision is consistent with Australia's natural resource management and industry development objectives.

The policy environment underpinning plantation development in Australia is constantly evolving, as greater levels of scientific understanding of the net benefits of plantation development in a social, economic and environmental context emerge.

Future revisions of the Plantations 2020 Vision will be informed by processes such as the Senate Inquiry into Australian Plantation Forestry.

In particular, the Australian Government and State Governments are committed to ensuring that future revisions of the Plantations 2020 Vision are consistent with major national policy developments such as the CoAG National Water Initiative.

The Vision

The sustainable expansion of the plantation forest estate will be achieved with significant private sector investment. By 2020, the expanded plantation forest estate will provide Australia's plantation-based processing industries with the capacity to:

- operate in the global marketplace;
- be internationally competitive; and
- be commercially oriented—market driven and market focused in all their operations.

Returning trees to the landscape as a profitable crop can also significantly benefit rural and regional communities and the environment.

The Target

The Vision has a notional target of trebling the effective area of Australia's plantations between 1997 and 2020. This does not necessarily mean each region must treble its plantation area. Different regions will make different contributions to achieving the target, in line with the availability of suitable land and prevailing market opportunities.

It is noted that plantation area is only one measure of the success of the Plantations 2020 Vision. The quality, product mix, location and effective management of the plantation resource will also be vital to the delivery of maximum social, economic and environmental benefits to Australia.

The Strategy

The Vision partners will collaborate in facilitating an environment that will attract the private investment necessary to develop a significant plantation resource, which will:

- enhance the growth in Australia's forest industries;
- enhance the contribution made by plantations to the Australian economy, rural communities and regional development; and
- enhance the contribution made by plantations to solving natural resource management problems, including climate change and salinity.

The Benefits

- A total of \$3 billion of mainly private capital is anticipated to be invested to establish plantations between 1997 and 2020.*
- Farm incomes are anticipated to increase by 20%, and farm forestry in high rainfall zones could contribute up to \$664 million annually to farm incomes.*
- With appropriate follow-on investment in processing infrastructure, the current trade deficit in wood and wood products could be converted into a surplus.
- Positive environmental outcomes are anticipated to emanate from well-planned and managed plantations, comprised of a mix of farm forestry, joint venture plantings and broad scale activities.
- Up to 40,000 jobs are anticipated to be created in rural areas*, including:
 - jobs in plantation forestry and harvesting;
 - jobs from a 50 per cent expansion in domestic processing of wood products;
 - jobs in transport; and
 - jobs from the flow-on effects of overall growth in exports and local processing of wood.

The Outcomes

The Plantations 2020 Vision outcomes are to ensure that plantation forestry in Australia:

- responds to diverse market needs and niches with high quality products;
- exports more wood and wood products than are imported, by being active in the international wood and wood products markets;
- promotes diversity in operations by encouraging large scale industrial plantations as well as smaller scale on-farm plantings with a variety of management, ownership and investment options and opportunities;
- supports a mix of new and existing players, large and small, who invest in the growth and development of their plantation businesses on an ongoing basis;
- attracts investment by large institutional investors (domestic and multinational) and superannuation funds, as well as individual investors and growers;
- offers enough opportunities and certainty for robust secondary and tertiary markets for plantations to develop;
- leads the way in providing sustainable employment in agricultural regions and regenerating their economies;
- revitalises rural communities;
- earns community respect as a significant primary industry that is viable, sustainable, credible, desirable and reliable;
- adapts to changing needs and circumstances by being flexible and innovative;
- employs a highly skilled, professional workforce—people recognised as world leaders in plantation management, processing and marketing, who are supported by education and training;
- encourages and is underpinned by leading edge research and development that targets market research, product development and productivity enhancement in different growing environments;
- presents internationally as a model of environmental, social and economic sustainability due to the adoption of best-practice environmental standards;
- helps the nation reduce net greenhouse gas emissions and provides other environmental benefits without compromising commercial attractiveness; and
- provides a wide range of environmental services that benefit plantation owners and communities.

*Centre for International Economics (CIE) 1997, "A plan to achieve the plantations 2020 vision".

The Principles

1. Government business enterprises will conform to normal business principles and the principles of competitive neutrality, endorsed by all Governments through the National Competition Policy, ensuring that commercial plantation operations are clearly separated from traditional policy and regulatory agency functions.
2. Sustainable and profitable plantation forestry needs private capital investment.
3. State and Territory forestry agencies and industry will encourage more competitive markets.
4. Individual States and Territories will be free to determine the level of financial involvement in plantations.
5. State and Territory Governments, plantation growers and processors agree to collaborate with each other and with other stakeholders, particularly Local Governments and landholders, to achieve the Vision, to regularly review industry needs, and to constructively address emerging issues.
6. The Vision Partners are committed to addressing the microeconomic and macroeconomic reforms and infrastructure issues necessary to ensure that Australian industry is competitive in the global marketplace.
7. State/Territory and regional strategies should be complementary and supportive of forestry as another potential agricultural activity.

The Framework for Achieving the Vision

Responsibilities for implementation

Plantations for Australia: The 2020 Vision is a national strategy with shared responsibilities for its implementation and shared accountabilities. Coordination of the strategy nationally is supported by a National Plantations Strategy Coordinator, sponsored jointly by the Vision Partners.

The Australian Government's role is primarily one of providing leadership and clear and consistent policies that support sustainable plantation development.

The responsibility for implementing the actions in the framework to achieve the Plantations 2020 Vision lies with industry and Government, working with stakeholders in plantation growing and processing regions around Australia.

State and Territory Governments and regional bodies will determine the most appropriate structures for implementing Vision actions within their jurisdictions or regions. Local planning requirements will continue to be met by plantation managers according to relevant laws and Local Government planning requirements.

Management structures

The Private Forestry Consultative Committee of the Forest and Forest Products Committee, comprising representatives of the Australian Government, State and Territory Governments and industry (Plantation Timber Association Australia (PTAA), Australian Forest Growers (AFG), and the

National Association of Forest Industries (NAFI)), will oversee the implementation of the strategy, in consultation with other stakeholders and experts. The National Plantations Strategy Coordinator works under the direction of the Private Forestry Consultative Committee.

Accountability, monitoring and evaluation

Industry is accountable to the executives and boards of the major forest industry groups - PTAA, AFG and NAFI - for implementing the strategy to achieve the Vision. Each year industry will report on its progress through these industry groups. The Australian Government and the State and Territory Governments will report to the Primary Industries Ministerial Council on progress towards the Vision.

The National Plantations Strategy Coordinator will prepare an annual report as soon as possible after 30 June each year, reporting on progress in implementing actions in the strategic framework for consideration by the Vision Partners. Progress towards the notional plantation area target will be reported through the National Plantation Inventory's annual tabular reports and major five-yearly reports on Australia's plantation resource.

The 2020 Vision framework will be reviewed every five years and revised as considered necessary, with the next review and revision to be completed by the end of 2007.

Summary of Actions

Strategic Element 1: The Policy Framework

1. Facilitate better regional planning for plantation expansion.
2. Pursue a comprehensive policy approach to support plantation development.

Strategic Element 2: The Regulatory Framework

3. Promote development of legislation covering the rights to plant, harvest and trade plantations and their products.
4. Promote the development of appropriate structures to encourage investment in the plantation sector.
5. Promote the development of guidelines and codes of practice that support sustainable plantation development.
6. Work with State and Territory forestry organisations in terms of National Competition Policy and developing transparent and competitive markets.
7. Promote the development of State, Territory and Australian Government legislation that complements plantation establishment.

Strategic Element 3: Investment Growth

8. Provide better information to maintain foreign and local investor confidence in the plantation sector and build on existing investment levels.
9. Improve grower and investor access to markets.
10. Inform farmers of the profitability of plantations as part of an on-farm production system.
11. Identify research and development priorities for the plantation sector to complement the industry's potential growth.
12. Improve skills and safety of commercial tree growers through extension, education and training.

Strategic Element 4: Social and Environmental Factors

13. Improve stakeholder engagement in plantation industry expansion and inform communities about the strategic role of plantations in wood and fibre supply and environmental service delivery.
14. Review and promote opportunities for environmental services to enhance plantation forestry.
15. Promote the natural resource management benefits of commercially planted trees.

Strategic Element 5: Monitoring and Review

16. Monitor the implementation of Plantations 2020 Vision Actions and identify future opportunities to maintain investment in the plantation sector.

Summary of Actions

Overarching Principle of Plantations 2020 Vision

Enhance regional wealth creation and international competitiveness through a sustainable increase in Australia's plantation resources, based on a notional target of trebling the area of commercial tree crops by 2020.

Principal Goals

- Increased plantation resources to supply processing industries or build new market opportunities for a greater range of forest products.
- Enhanced domestic value-adding.
- Recognition and delivery of environmental services from commercial tree crops through their strategic location and optimal management.
- Enhanced international competitiveness.
- Industry recognised as a leader in the fields of commercial tree crop investment, growth, management, marketing and processing.
- Plantations complementing other industries and employment sectors such as environment, agriculture and rural tourism.

Expected Outcomes

- Government policy development to complement long-term industry growth, with an emphasis on developing a whole-of-supply chain approach to internationally competitive industries.
- Plantation sector development that complements activities undertaken in response to the Forest and Wood Products Action Agenda.
- A greater range of plantation options (tree species and silvicultural regimes) on a scale to support regional timber processing.
- The potential to develop environmental services products from commercial tree crops.

Strategic Element 1: The Policy Framework

A comprehensive policy framework is required to maintain the growth of the plantation sector, to improve investor confidence in the industry, and to maximise the economic, environmental and social benefits of the industry, particularly for rural communities. Information on a range of matters, specific for each plantation region, will be required to gain an understanding of the industry's future development potential. Planning and rational expectations of future plantation expansion lend weight to the incorporation of plantation sector needs into infrastructure, regional development, social, rural and environmental policy settings.

Action 1 Facilitate better regional planning for plantation expansion

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Stakeholders in plantation regions to investigate expected expansion patterns, timber flows and infrastructure (roads, rail, ports and utilities eg water) to support the plantation industry, taking into account regional NRM plans.</p> <p>Following investigations and reports such as TIRES*, plan and develop regional infrastructure requirements.</p> <p>Streamline planning procedures and ensure that local land use planning controls and land rating systems are supportive of commercial tree growing.</p> <p>Acknowledge the potential for plantation development to be adopted to meet the needs/interests of Local Government.</p> <p>Vision partners to encourage and facilitate the development of appropriate State, regional and industry strategies to implement the Vision.</p> <p>COMMENTS</p> <p>High priority, and complements Action 2. Private Forestry Development Committees (PFDCs) play an important role in the regional coordination of information collection to identify industry expansion pathways, and of regional development and infrastructure needs to support growth.</p> <p>Consideration of the social issues surrounding industry growth is important (Action 13).</p>	<p>PFDCs, in consultation with industry and Local Government, and State and Territory Governments. PFDCs to play an important role within regions to promote planning and building of development scenarios.</p> <p>PFDCs and industry, helping Local Governments in their consideration of land valuation and rating systems.</p> <p>PFDCs and industry, helping Local Governments and regional transport planning bodies in their consideration of planning, funding and use of local and regional road and other transport networks.</p> <p>Industry representative organisations or PFDCs, representing industry interests on regional, catchment and similar bodies.</p> <p>Coordinator, providing a national perspective on regional plantation developments and planning requirements.</p> <p>Coordinator, using information from planning studies to build links between industry and Government programs.</p>	<p>Local Government understanding of and support for plantation industry development.</p> <p>State and Territory Government valuation and Local Government rating systems supportive of plantation developments.</p> <p>Critical assessment of infrastructure needs and funding requirements/ arrangements.</p> <p>Industry participation in regional bodies considering plantation developments in broader social, economic and environmental strategies.</p>

*TIRES: Timber Industry Road Evaluation Study.

Action 2 Pursue a comprehensive policy approach to support plantation development

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Use the Plantations 2020 Vision as the basis for a comprehensive policy approach to support the plantation sector, in terms of national, State, regional and sectoral approaches.</p> <p>Build industry development scenarios for identifying industry needs.</p> <p>Inputs may include physical infrastructure (roads, rail and ports) as well as social infrastructure needs and incentives for attracting processing industries to encourage additional plantation investment.</p> <p>Plantation establishment to take into account National, State and regional industry development, environmental and planning objectives.</p> <p>COMMENTS</p> <p>Utilise economic assessments of plantation regions and industry trends (using inputs from Actions 9, 10, 11, 13 and 15).</p>	<p>Australian Government, State and Territory Governments, in association with industry, PFDCs and participating Local Governments.</p> <p>Coordinator, as a link between and industry and government to pull together the details for supporting and developing a comprehensive policy approach.</p> <p>PFDCs, advising on obstacles at local or regional levels that should be addressed through this action.</p> <p>The Australian Government, adopting a leadership role, acknowledging that implementation resides with State and Territory Governments, Local Governments and industry.</p>	<p>Basis for whole-of-government commitment to policies and reforms underpinning plantation expansion.</p> <p>A range of appropriate strategies for each region to assist coordinated and strategic plantation expansion and industry development.</p> <p>Catchment Management Authorities and regional Natural Resource Management (NRM) groups incorporating plantations in their regional strategies and plans.</p> <p>Local Governments incorporating timber production in their municipal strategic development plans.</p>

Strategic Element 2: The Regulatory Framework

A consistent regulatory framework is essential to deliver long-term certainty for plantation investors, growers and processors. The Plantations 2020 Vision will promote the continued development of a regulatory framework that supports and complements the policy framework to maintain investor confidence and encourage plantation sector investment.

Action 3 Promote development of legislation covering the rights to plant, harvest and trade plantations and their products

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>State and Territory Governments to enact legislation covering the rights to plant, harvest and trade plantations, so that;</p> <ul style="list-style-type: none"> plantations are treated as long rotation agricultural crops in terms of the planning approval process; uncertainty is removed over harvesting rights; there is a streamlined approval process to facilitate plantation developments; and a range of ownership arrangements are encouraged by having a sound legal basis, which is nationally consistent where appropriate, (for example, in relation to carbon rights), for separating the ownership of plantations/forest products from the land on which they grow. <p>COMMENTS</p> <p>Link to Actions 4, 5 and 7, with an emphasis on the codes of forest practice being used as the basis for securing rights to plant and harvest plantations.</p>	<p>State and Territory Governments, in consultation with Local Governments and industry.</p> <p>Coordinator, collating information and providing advice on existing frameworks for the right to establish, harvest and trade plantations.</p> <p>Coordinator, providing a link between plantation rights and other activities to encourage further plantation establishment, such as environmental credits or regional development initiatives.</p>	<p>Legislative environment that promotes plantation establishment.</p> <p>Investor confidence that ownership of trees and other products can be reliably separated from land ownership.</p> <p>Plantation owners having the secure right to harvest their plantations in accordance with relevant codes of practice and/or guidelines.</p> <p>Local Governments being assisted to streamline the plantation planning approval process in those States and Territories where they have regulatory control to approve land use developments.</p>

Action 4 Promote the development of appropriate structures to encourage investment in the plantation sector

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Inform investors about the benefits of forestry as an investment.</p> <p>Ensure a regulatory system that</p> <ul style="list-style-type: none"> • is supportive of long-term investments with irregular income such as plantation forestry, particularly where public good benefits are delivered; • does not discriminate against separation and sale of secondary products from plantations, such as environmental services or credits, which may be sold as a 'right'; and • enables the development of secondary markets. 	<p>Australian Government, in consultation with appropriate regulatory and investment promotion agencies.</p> <p>State and Territory Governments.</p> <p>Coordinator, collecting and disseminating information to investors.</p>	<p>A regulatory environment that recognises the long-term nature of commercial tree investments.</p> <p>A regulatory environment that does not discriminate against the separation and sale of non-timber wood products from plantations.</p> <p>An informed investment community willing to provide capital for plantation industry development.</p> <p>Secondary markets operating effectively.</p>

Action 5 Promote the development of guidelines and codes of practice that support sustainable plantation development

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Promote regionally consistent and transparent guidelines or codes of practice for sustainable plantation management, including Australian Standards (eg: the Australian Forestry Standard).</p> <p>Assist Local Government to streamline the planning approval process. Provide information/support to address the concerns of Local Government over plantation developments.</p> <p>Ensure that land management practices for plantations (including protocols of chemical use and land and fire protection) are consistent with those applying to other agricultural activities.</p> <p>COMMENTS</p> <p>Demonstrate achieving environmental benchmarks by combining codes with outputs from (Action 11), and inputs to (Action 13) other Actions.</p>	<p>State and Territory Governments, in consultation with Local Government and industry.</p> <p>Coordinator, collecting relevant information and distributing to grower organisations, PFDCs and Local Government.</p>	<p>Recognition of the effectiveness of State and Territory codes of plantation practice in achieving high environmental standards.</p> <p>Consistent treatment of plantations and other primary production land uses when planning regulations to protect environmental values are applied.</p> <p>Removal of impediments to plantation development imposed by unnecessary planning restrictions.</p>

Action 6 Work with State and Territory forestry organisations in terms of National Competition Policy and developing transparent and competitive markets

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Review the commercial forestry activities of State and Territory Governments to ensure they are consistent with Government obligations under the National Competition Policy agreement.</p> <p>Ensure that Government ownership of plantations does not unnecessarily impede private investment in plantation establishment.</p>	<p>State, Territory and Australian Governments. Coordinator, collating outcomes of NCP review by Government forestry agencies.</p>	<p>Competitive neutrality applying to Government forestry business enterprises.</p> <p>Government forestry agency activities not impeding private investment in regional plantation development.</p> <p>A plantation investment environment that is conducive to new private entrants.</p>

Action 7 Promote the development of State, Territory and Australian Government legislation that complements plantation establishment

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Ensure that native vegetation legislation protects regional conservation values while not impeding sustainable plantation development.</p> <p>Ensure plantation expansion policies take into account policies on biodiversity and natural resource management.</p> <p>Facilitate the integration of accepted plantation practices and prerogatives into new or amending legislation.</p> <p>Ensure that policy initiatives are cognisant of the future expansion goals of the plantation industry.</p> <p>Link plantation establishment to additional Government policy objectives, including salinity, water, climate change, which is nationally consistent where appropriate, (for example, in relation to carbon rights) for separating the ownership of plantations/forest products from the land in which they grow.</p> <p>Communicate the benefits of plantation establishment in delivering environmental, social and commercial outcomes.</p> <p>COMMENTS</p> <p>Links to Action 12.</p>	<p>Australian, State and Territory and Local Governments in association with regional NRM groups (eg: CMAs* or CMBs¹).</p> <p>Coordinator, working with Governments to identify and improve links between codes of practice/guidelines and natural resource legislation, particularly on rules that relate to commercial plantation management.</p>	<p>Improved guidelines on natural resource management, in the context of plantation expansion, consistent with the requirements for and expectations of other agricultural industries.</p> <p>Clear regulatory processes for ensuring the protection of regional conservation objectives with a transparent process for the sustainable management of native forests.</p> <p>A regulatory framework that supports plantation expansion and recognises expected environmental outcomes.</p>

*CMAs: Catchment Management Authorities ¹CMBs: Catchment Management Boards

Strategic Element 3: Investment Growth

Private sector investment is essential in delivering the objectives of the Plantations 2020 Vision. Information is required at several levels to enable transparent and repeatable assessment of the plantation sector as a destination for investment capital. This complements Strategic Element 2, and includes information on Australia's international competitiveness, investment and environmental regulatory systems, and market access, plantation valuation and trading mechanisms. Research activities aimed at delivering a long-term competitive advantage to the plantation sector and market transparency for growers are other important priorities.

Action 8 Provide better information to maintain foreign and local investor confidence in the plantation sector and build on existing investment levels

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Provide readily available information on requirements to be met by investors interested in Australian plantation investment.</p> <p>Ensure widespread adoption and use of AFG's "Disclosure Code for Afforestation Managed Investment Schemes" and "Investors' Guide to Afforestation Investment".</p> <p>Provide information on market opportunities for potential investors in growing and processing plantation timber.</p>	<p>Invest Australia, in consultation with the Australian Securities and Investments Commission and the Australian Taxation Office, providing information on the regulatory environment for investment.</p> <p>State and Territory Governments, providing information on options to encourage investment.</p> <p>State and Territory Governments and PFDCs, working with the Coordinator to assist the transfer of market information.</p> <p>Coordinator, collating information and updating through the national website.</p> <p>Coordinator and PFDCs, working with the Australian Government to provide information on Australian industry development opportunities for attracting investors to Australia.</p>	<p>A plantation industry with a sound reputation as a credible investment destination.</p> <p>Well-informed investors willingly participating in well-run and profitable managed investment plantations projects.</p> <p>The national investment package linked to State and regional investment initiatives.</p> <p>International investors aware of the opportunities for plantation establishment and/or timber processing in Australia.</p>

Action 9 Improve grower and investor access to markets

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Provide current and potential tree growers with indications of log requirements and prices by region, species and product.</p> <p>Collectively design and contribute to an information broadsheet or Web-based system that regularly presents information on;</p> <ul style="list-style-type: none"> • log prices by log type, specifications and region; • international log prices; and • commercial opportunities for tree growers (including non-wood products). <p>Encourage the development of treegrower co-operatives or brokerages to increase small growers' market strength and effective use of resources.</p> <p>Maximise opportunities to increase the volume and variety of marketable wood products.</p> <p>COMMENTS</p> <p>Link market information to development of an investment package (Action 8).</p>	<p>State, Territory and Australian Governments and PFDCs, in association with independent conduits, providing market information.</p> <p>AFG, PTAA and NAFI and PFDCs, helping to communicate information to growers.</p>	<p>Transparent and readily accessible information for growers on timber processors' requirements and prices.</p> <p>Provision of information on international and domestic market trends and conditions.</p> <p>Australian plantation growers and timber processors aware of emerging international opportunities for logs and timber products.</p> <p>Co-operatives, brokerage services or other structures operating effectively to increase market strength and effective use of small grower resources.</p>

Action 10 Inform farmers of the profitability of plantations as part of an on-farm production system

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Compile and release to farming communities, on a regular basis, regional information on the profitability of plantations relative to other agricultural enterprises.</p> <p>COMMENTS</p> <p>Link to the outputs of Action 11.</p>	<p>Coordinator, gathering information on comparative profitability and making it available via the internet, PFDCs and industry associations.</p> <p>Coordinator, advising on the range of marketing options available to small-scale growers and disseminating through website, PFDCs and industry associations.</p> <p>PFDCs, grower organisations and Government agencies to provide advice on regional marketing options (cooperatives, E-commerce, futures contracts, joint venture or first right of refusal contracts) for small-scale growers.</p>	<p>Plantation development based on realistic and innovative approaches to marketing.</p> <p>Reliable information to make informed decisions about comparative, competing or associated land use.</p> <p>Improved matching of plantation locations based on potential returns from wood and non-wood outputs.</p>

Action 11 Identify research and development priorities for the plantation sector to complement the industry's potential growth

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Incorporate current R&D priorities of the plantation growing and processing sector into the long-term planning of R&D activities and funding considerations.</p> <p>Support a co-ordinated approach to:</p> <ul style="list-style-type: none"> • R&D planning, prioritisation and program selection; and • the sharing and dissemination of R&D results. <p>COMMENTS</p> <p>Priorities include a whole-of-supply-chain approach (to identify and link land capability, land suitability, species selection, genetic improvement, stand management, processing options to expand the range of wood products and markets), social impacts of plantation establishment, tests of new species in low rainfall areas, natural resource management outcomes from plantations, water use by plantation species, and assessment of the potential impacts of climate change and development of adaptation strategies.</p>	<p>Industry, Australian Government, State/Territory Governments, and R&D bodies.</p> <p>Coordinator, working with industries, Governments and key stakeholders (including PFDCs and R&D bodies) to communicate research priorities.</p> <p>Coordinator, helping to disseminate R&D findings.</p>	<p>A plantation industry underpinned by strategic and innovative research.</p> <p>Effective coordination of R&D to ensure priorities are met for improving industry efficiency.</p> <p>Clear communication of research priorities that can inform researchers and investors.</p> <p>Well-informed investors and communities recognising;</p> <ul style="list-style-type: none"> • an improved matching of plantations and land capability; • commercial and non-commercial benefits of plantations; • capacity for developing commercial plantations in lower rainfall zones or where trees are a partial solution to environmental problems; • better informed investment decisions with potential for 'returns' from all outcomes generated; and • expanded geographic opportunities for plantations. <p>Effective dissemination of R&D findings to industry participants.</p>

Action 12 Improve skills and safety of commercial tree growers through extension, education and training

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Improve tree-growing skills in rural communities.</p> <p>Provide regional extension services to facilitate the growing of trees on farms.</p> <p>Promote safe work practices.</p>	<p>Australian Government, State/Territory Governments and PFDCs.</p> <p>Coordinator, maintaining liaison with industry, governments and PFDCs on extension services.</p> <p>Coordinator, collating a national calendar of activities aimed at extension and education.</p>	<p>Rural landholders with well-developed tree planting and management skills.</p> <p>Farm forestry established as a well-accepted professional farm management option in farm management plans, and favoured by a significant proportion of farmers in plantation regions.</p> <p>A safer work environment for all forest managers.</p> <p>Accessible and valued farm forestry extension services in each plantation region.</p> <p>A much improved level of awareness about certification and the role of environmental management systems.</p>

Strategic Element 4: Social and Environmental Factors

The growth of Australia's plantation resources and timber processing industries is linked to strong community support and low environmental impacts of the industry. Rural communities are concerned about the impacts of changing land-use, and better interaction is required to build community support for the plantation sector. Where there is concern in the broader community about the sustainability of land-use, plantation forestry can be developed as a partial solution to region-specific environmental initiatives while acting as a catalyst for regional development. Furthermore, commercial tree crops can provide a long-term solution to a range of land management issues in the Australian landscape, including climate change and salinity.

Action 13 Improve stakeholder engagement in plantation industry expansion and inform communities about the strategic role of plantations in wood and fibre supply and environmental service delivery

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Develop strategies to engage with Regional NRM bodies, Local Governments and communities on plantation issues and identify the economic environmental and social risks or benefits.</p> <p>COMMENTS</p> <p>The strategies to include;</p> <ul style="list-style-type: none"> • a framework that can be used by regional authorities to assess the benefits and costs of developing plantations in their region; • an empirical assessment of these benefits and costs for a plantation region— eg, economic, environmental and social and payoffs through, for example, direct and indirect jobs, property values and rate base, regional turnover and spending, impacts on existing industries; and • an evaluation of the main concerns of Local Government authorities, and an assessment of the best way for Local Governments to address these concerns. <p>The strategies should be developed on a national basis, and broken down into State and regional outcomes.</p> <p>Questions raised can be addressed through Action 11, with the results to inform stakeholders via this Action. Input into Action 11 to look at regional capability and use Action 5 to inform on environmental benchmarks.</p>	<p>PFDCs, in association with State/Territory Governments and industry, working on regional issues, and linked to a broader national approach, in consultation with Local Governments and regional bodies such as catchment management authorities.</p> <p>Coordinator, working with PFDCs and States/Territories to build stakeholder engagement processes, and oversee the preparation of a national information package based on outputs from other strategic elements to inform Local Governments and communities about the potential benefits and costs of plantation developments.</p>	<p>Social, environmental and economic concerns included in scenario planning and regional capability studies. Impacts reported back to stakeholders.</p> <p>Broader community understanding of, and support for, timber plantation investments.</p> <p>Local government commitment to plantations as a desirable regional industry.</p> <p>Integration of the plantation sector into sustainable regional rural landuse systems.</p>

Action 14 Review and promote opportunities for environmental services to enhance plantation forestry

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Incorporate environmental services outputs into plantation management strategies and design.</p> <p>Establish ground rules for 'winner' credits.</p> <p>Develop markets for environmental services, to ensure that growers and investors obtain the maximum return on their investment.</p> <p>Promote market development for environmental services to encourage plantation expansion in areas not currently viable based on timber production alone.</p> <p>Identify possible economic and policy instruments that would support private investment.</p> <p>COMMENTS</p> <p>Links with Actions 2, 3 and 5.</p>	<p>Industry and relevant Government agencies.</p> <p>Coordinator, advancing forestry perspectives in environmental services initiatives to ensure an effective linkage of private sector investment and government environmental services policies and programs.</p> <p>Coordinator, providing advice to encourage a greater level of investment in plantations that deliver marketable environmental outcomes.</p>	<p>Investors establishing trees for broader outcomes, including environmental services.</p> <p>Rationale for valuation of environmental services under consideration.</p> <p>Priority listing of the 'winner' or potential best eco-services.</p> <p>Improvements in potential returns on marginal plantation activities, encouraging tree planting in strategic locations to maximise timber and non-timber outputs.</p> <p>Plantations established with possible variations in silvicultural management and species selected to provide economic and environmental outcomes.</p>

Action 15 Promote the natural resource management benefits of commercially planted trees

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Collate and promote information on the natural resource management benefits of commercial trees.</p>	<p>Forestry, farming and landcare representative bodies, in collaboration with PFDCs.</p> <p>Coordinator, distributing output from Action 14 to State agencies, PFDCs, Local Governments and grower organisations.</p>	<p>Details on commercial timber production opportunities and indirect benefits from environmental services.</p> <p>Accessible information on developing commercial plantations and farm forests in a way that is compatible with landcare and other environmental benefits.</p>

Strategic Element 5: Monitoring and Review

Monitoring the progress of the Plantations 2020 Vision, and supplying that information to a review process, is critical to delivering meaningful outcomes for Vision stakeholders. Monitoring should take into account not only progress against Vision Actions and the planted area target, but also the social, economic and environmental effects of plantation development, particularly for rural communities.

Action 16 Monitor the implementation of Plantations 2020 Vision Actions and identify future opportunities to maintain investment in the plantation sector

	RESPONSIBILITY	EXPECTED OUTCOMES
<p>Review and report on progress against Vision Actions.</p> <p>Develop indicators for social, environmental and commercial outcomes of the Plantations 2020 Vision.</p> <p>Develop a Vision framework that is both reflective and forward looking.</p>	<p>Coordinator, working with industry and Government representatives to review progress with implementing the Vision Actions. Coordinator to identify future activities required to maintain plantation investment and monitor the effects of 2020 Vision implementation.</p>	<p>Identification of new or continuing plantation investment impediments that need to be addressed, and provision of options to overcome those impediments.</p> <p>Identification of new opportunities to expand the plantation sector.</p> <p>Monitoring of social, environmental and economic outcomes of 2020 Vision Actions.</p>





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