

Regional Forest Agreements Reference Group

Summary Report

The Reference Group has been appointed to enable representatives of key organisations representing diverse community interests to work together to provide advice on potential changes to the Victorian RFAs. The reference group will provide a forum for strategic discussion around relevant issues and opportunities, informed by contemporary science and community values.

Meeting 4: Monday 29 July 2019

Chair Jane Brockington

Attendees Ian Cane (Victorian Apiarist's Association)
Wayne Hevey (Four Wheel Drive Victoria)
Tim Johnston (Victorian Association of Forest Industries Inc.)
Andrew Knight (Outdoors Victoria)
Jonathan La Nauze (Environment Victoria)
Mike Nurse (Federation of Victorian Traditional Owner Corporations)
Amelia Young (The Wilderness Society)

In the fourth meeting of the Reference Group, the Group discussed Theme 4, Timber Industry Development and Theme 5, Other Forest Values and Uses. These are two of seven themes which form the basis of Victoria's negotiations with the Commonwealth on the RFA renewal, and on which DELWP has sought the Reference Group's advice.

The Reference Group received presentations from Monique Dawson from the Department of Jobs, Precincts & Regions and Dr Scott Rawlings and Dr Kangmin Moon from the Office of the Commissioner for Environmental Sustainability.

The Reference Group considered the themes and there was a level of agreement on some, but not all, points of discussion. The topics were separated into three groups of questions: those relating specifically to the timber industry, those relating to other forest values and uses, and those that have implications for both topics.

The following summarises the Reference Group's advice to DEWLP on Themes 4 and 5 but does not represent a consensus view.

Theme 4 – Timber Industry Development

The Reference Group considered the topic of timber industry development including: opportunities to provide stability and certainty for the timber industry, removing barriers to or stimulating investment to expand the plantation estate, how the RFAs could support industry adaptation to greater reliance on plantations, what effect plantations would have on supply of timber and on other forest uses.

The following summarises the key points of discussion where there was some acknowledgement amongst Reference Group members, but does not necessarily represent a consensus view:

- The current RFAs have struggled to deal with intersections of competing pressures, and have failed to meet jobs, skills and training objectives for the industry
- Promising sawlog volumes and then reducing them, as happened under the current RFAs, would be difficult for and detrimental to the timber industry
- Victoria exports a range of timber products derived from native forest reserves and plantation estates. If the area of timber grown and/or harvest volumes expanded, particularly from plantation estates, it would be desirable to encourage and support greater value-adding local processing to maximise the economic value returned to the Victorian economy

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- Plantations could help reduce the pressure on native timber forests but are unlikely to meet all of Victoria's timber supply needs, for example:
 - the economics of private plantation hardwood timber are challenging, requiring a long-term investment approach as the trees mature over decades (noting that the market for Victorian hardwood timber is changing in the face of lighter weight and higher performing alternatives such as engineered wood products)
 - plantations often compete for prime agricultural land, finding locations with a suitable climate and rainfall is already challenging and likely to become more so under climate change scenarios, expanding urban sprawl and as world food and fibre requirements grow
 - there are logistical challenges, for example, the expense of overland transport of timber generally, which may also be exacerbated for plantations that are remote from existing major land and port infrastructure, particularly processing facilities.
- Social license to operate requires nuanced consideration when determining the policy and forest management policy setting and management plans as:
 - there can be community concern about negative ecological and amenity impacts from timber harvesting practices
 - but forest industries can also be seen as important socio-economic contributors in regional communities
 - plantations may have some increased social license because they are considered a 'better' alternative to native timber harvesting, but this can be challenged, for example, where a plantation becomes a habitat for some species, or where the plantation becomes viewed as a community amenity.

Parts of the discussion were more contested, and the Reference Group did not reach an agreement or consensus. These included:

- The group agreed that restoration of forests is necessary, and has previously been poorly undertaken or inadequate. However, there were differing opinions over the best way to address this.
 - Some believe that industry-managed regeneration of harvested forest areas could produce better outcomes with better alignment of responsibilities and incentives for realising a long-term sustainable resource. It was also suggested that is the potential for industry to be able to commit resources to this more consistently over time than governments can
 - Others believe industry would not adequately manage forests and restoration should be managed by other groups.
- Existing native timber harvesting could apply more sustainable practices, for example, adequate forward planning, selective harvesting and thinning programs
- Sawlog volume guarantees are necessary to the stability of the timber industry
 - But Victoria should not lock itself into an unsustainable guarantee of timber volume, particularly in the face of climatic disruption.
- Export exemptions are necessary for the timber industry to continue to do business, and removing the exemptions would put large export contracts at operational risk.
- That the exemptions address and remove red-tape between the Commonwealth and State jurisdictional regimes and ought not be conflated with other forest management mechanisms.

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- A strong counter-view expressed that the timber export control exemptions are fundamentally flawed and inequitable as they are not available to all forest-based industries and activities, and further, are a driver of poor forest management. The view was that they protected some industries from market imperatives and allowed ecologically and economically unsustainable activities and practices to continue.
- This point is highly contested - noting the controls apply only to export-related activities.

Theme 5 - Other Forest Values and Uses

This discussion centred around forest values, uses and users and their access to Victorian forests, with a focus on tourism, apiary and carbon, and how RFAs could support non-timber forest-based industries, noting the current RFAs provide little acknowledgement of most non-timber industry values and uses.

The following is a non-exhaustive list of values, uses and users the Reference Group agreed ought to be considered in the RFA renewal:

- Ecosystem services
 - Climate regulation
 - Water supply and quality
 - Air production and quality
 - Carbon - both for carbon markets and carbon sequestration
 - Biodiversity
 - Honeybee pollination services
 - Recreation, spirituality, connection to nature and other passive uses
- Forest management activities including:
 - Forest thinning and restoration
 - Emergency management
 - Management of pests and invasive species
- Traditional Owner practices, rights to and aspirations for country including
 - Cultural services, for example, food gathering practices, native foods and botanicals, and fibre gathering
 - Cultural fire management which requires significant time and resource commitment and delivers benefit to other values and uses (as well as risk reduction)
- Tourism including nature-based tourism
- Recreational access and activities including driving, biking and walking; camping; game hunting and fishing; and preservation/maintenance of tracks, trails and campsites
- Food security including apiary and bee-pollinated horticulture crops that are dependent on the productive health of forests
 - Noting that food security is linked to healthy forest ecosystems, one example being that many food crops are dependent on honeybees for pollination, and honeybee health is dependent on healthy forest ecosystems
- Agriculture, for example, stock grazing

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- Research and education purposes, including Traditional Ecological Knowledge (TEK)
- Health uses including physical and mental well-being by accessing forests as well as harvesting native botanicals for wellness and medicinal or pharmacological purposes
- Infrastructure uses such as transmission of electricity and power through forest areas.

The discussion centred on how the RFAs could recognise and provide for multiple forest values, support non-timber forest-based industries, support more equitable coexistence and competitive neutrality, and how allocation transparency can support sustainability outcomes.

The following summarises the key points where there was a level of in-principle acceptance, but does not necessarily represent a consensus view:

- Multiple use management should be a core tenet of the updated RFAs and central to all forest allocation, management and investment decisions to support, optimise and realise the highest and best use and value of forests. The term 'multiple use' was taken to mean holistic and integrated approaches, not 'taking turns' or compartmentalising individual uses. The Reference Group proposed a definition for the renewed RFAs:
 - Multiple use means managing the natural world as a holistic natural system, for all its ecological, productive and cultural values and processes.
- The RFAs must have a robust and timely review process (Refer to Theme 1 detail in Reference Group Summary Report of 3 June 2019)
- More sophisticated management processes are required in a genuinely multiple use, and potentially coexistence, model of forest management. For example:
 - recognising and engaging the capability of different users as a resource able to contribute to the effectively management and health of the forest is necessary
 - the Victorian Government should adopt an integrated management matrix to reduce siloed decision-making, including having regard to the long term impact and access implications of one activity on others
 - management initiatives should be supported by a set of environmental economic accounts that recognise multiple uses and benefits
 - tree planting initiatives are common and helpful, but alone are not sufficient to restore or regenerate forests or manage climate change effects for all forest uses long-term
 - genuine engagement and inclusion of diverse voices is required, invitations to stakeholder briefings are not sufficient and
 - meaningfully and effectively engaging with and supporting participation of Traditional Owners requires careful consideration and co-design, founded on the application of cultural knowledge and practice in planning and management.
- The renewed RFAs need to recognise the importance of water in all its uses and values, and clauses that refer only to the importance of Melbourne's water supply need to be updated to include, for example, rural and regional water needs and users
- The renewed RFAs must:
 - acknowledge the competing pressures on forests and land
 - recognise a fuller range of forest uses and values in order to properly balance these and their needs

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- consider opportunities for synergies and complementarities between different uses/users in a multiple-use context
- re-visit the definition of forest operations to align with a multiple use approach
- define 'multiple use', which could encompass managing the ecology of the whole system; holistic multiple use that is multi-faceted; sharing of planning and management.

The discussion returned to the issue of export and environmental law exemptions in the current RFAs creating an unequal playing field for forest uses and users beyond the timber industry. Options to readdress the balance were explored, such as adding analogous exemptions, removing the exemption entirely, and whether there are other ways to ensure an equal playing field, for example, access rights. As noted in the earlier discussion, the Reference Group did not reach a consensus view on this issue.

Cross-Cutting Questions

These were the several questions that pertained both to the timber industry and to other forest uses considered by the Reference Group, including how the RFAs could encourage investment and new market opportunities; could support adaptation to climate change and other natural disturbances; could support data collection and monitoring for sustainable native forest uses; and the potential for complementary certification.

There was some repetition of matters raised in the earlier discussion, which are not repeated. The following summarises the key points discussed but does not necessarily represent a consensus view:

- More data are needed for government to make sustainable management plans that account for multiple forest uses, particularly around fire risk management
- The need to understand what the forest can provide over time
- Cultural forest strategies will need to be taken into account, both from data and management perspectives
- It is unlikely the renewed RFAs would or could formally recognise third party accreditation requirements, but equally the RFAs should not create a barrier to attainment of such accreditations (also refer to Theme 2 detail in Reference Group Summary Report 3 July 2019.)
- Carbon was considered at some length, with the discussion covering:
 - accounting for, valuing and protecting and/or releasing to market all carbon stocks and flows in forests and plantations
 - planning and accounting for carbon sequestration in standing forests and plantations, harvested timber products, and avoided harvested timber products
 - the concept of carbon trading does not resonate with Traditional Owner groups, and it will require significant effort before Traditional Owners are willing or able to engage in the same way as with forest management

In the context of industry support and investment, the renewed RFAs should avoid creating barriers or impediments to efficient supply chains.

Next Meeting

- 12 August 2019.

Prepared by: Jane Brockington, Chairperson