



PROJECT SUMMARY

Silvicultural interventions to improve short term solid wood production from Australian forests

Summary prepared for the Tasmania Forestry Hub 24 October 2023

SUMMARY OF RECOMMENDATIONS

Individual growers

Hardwood plantations

Identify and assess hardwood plantation areas which are suitable (based on species, growth potential, age and proximity to market) for conversion to long rotation solid wood production. It is preferable that targeted plantations are less than seven years old with MAI capability of at least 18m³/ha/yr.

Regrowth native forests

Larger native forest growers identify regrowth forest areas (clearfelled since 1970) suitable for transition silvicultural regimes aimed at generating multi-aged forests.

Timber purchasers and relevant agencies (specifically PFT) continue to engage smaller private native forest growers to build a program of regrowth thinning in appropriate areas.

Whole of industry

Provide advocacy support to generate policy and funding outcomes (detailed further below) through Government incentives and positions which:

1. Address shortfalls in the ERF framework for participation of hardwood plantations and regrowth native forests.
2. Bridge the cost gap for interventions which deliver a shift to long rotation plantations and additional forest health outcomes.

PROJECT OVERVIEW

Rationale

The Tasmanian Forestry Hub engaged Greenwood Strategy to analyse and report on the potential for generating short term solid wood (sawlog) production from Australian forests (both plantation and native forests) from targeted silvicultural interventions. Two reports were prepared:

1. [Stage 1: Building the case for supporting intervention to increase sawlog production from Australia's forests](#); and
2. [Case study: Silvicultural interventions to improve sawlog production from Tasmanian forests](#).

This document presents a summary of the project outcomes for Tasmania Forestry Hub members and stakeholders.



Context

Australia's current and future supply/demand imbalance for solid wood construction material is well documented. The combination of stabilised plantation area, forecast increases in population and limited available of imported timber mean that Australia is likely to be about 250,000 house frames short of demand by 2035¹. One approach with potential to generate shorter term improvements in sawlog availability at any scale is to increase the proportional volume of sawlogs produced from suitable forests through targeted silvicultural interventions.

Project findings

The project identified a number of important findings, including:

1. Tasmania is the only region in Australia where the combination of forest types and processing capacity support silvicultural interventions at scale to generate increased sawlog production in the short term.
2. Opportunities are strongly weighted towards hardwood plantations (conversion from short to long rotation) and regrowth native forests. Softwood plantations do not present any significant opportunities.
3. Silvicultural investment now has the potential to deliver an additional 234,000m³ annually from hardwood plantations and at least 170,000m³ annually from native regrowth forests by the late 2030s.
4. Further increases are likely to come at a cost to growers and processors. Given the alignment with Federal and State policy, there is an opportunity to encourage investment support for active pursuit of these silvicultural strategies.

INTERVENTION OPTIONS

Individual grower actions

Hardwood plantations

The primary intervention focus is to identify areas of plantation suited to long rotation sawlog production (based initially on site and age suitability) and commence the process of converting from short rotation. These plantations then require thinning and pruning (for shining gum). Ideally some of the required funding can be generated from application of Schedule 2 of the Carbon Credits (Carbon Farming Initiative- Plantation Forestry) Methodology (the plantation forestry method) under Australia's ERF. However, there is currently a methodology flaw that means sawlog production is not recognised for long rotation shining gum and Tasmanian blue gum plantations in Tasmania (addressed below).

It is recommended that, subject to alignment with business objectives, individual growers identify and assess hardwood plantation areas which are suitable (based on species, growth potential, age and proximity to market) for conversion to long rotation solid wood production. It is preferable that targeted plantations are less than seven years old with MAI capability of at least 18m³/ha/yr.

Regrowth native forests

Timber stand improvement by applying appropriate silvicultural techniques to native forests which have regenerated from clearfell events between 1970 and 2000 has the potential to bring forward sawlog

¹ 250,000 house frames short by 2035 – new report confirms looming cliff without new plantings. <https://ausfoa.com.au/250000-house-frames-short-by-2035-new-report-confirms-looming-cliff-without-new-plantings/> Accessed 27 September 2022



production from these forests by decades, as well as delivering a range of other forest and ecosystem health benefits. Private Forests Tasmania has recently invested considerably in providing landowners with information to support this approach and some growers and processors are already actively engaged.

It is recommended that:

1. Larger native forest growers identify regrowth forest areas (clearfelled since 1970) suitable for transition silvicultural regimes aimed at generating multi-aged forests.
2. Timber purchasers and relevant agencies (specifically PFT) continue to engage smaller private native forest growers to build a program of regrowth thinning in appropriate areas.

Whole of industry actions

The cost of the proposed interventions is potentially considerable and would benefit from Government incentives. Specific incentives canvassed in the report, which require whole of industry support are summarised below.

1. Emissions Reduction Fund rules:

- a. Species eligibility: It is imperative that industry be provided confidence that *E. nitens* and *E. globulus* in Tasmania, as a minimum, are eligible species for long rotation plantations under Schedule 2 of the plantation forestry method and that sawlogs produced from them are recognised in FullCAM.
- b. Additionality: It is important to ensure that any additional incentive is excluded from the current additionality exclusions related to Government program funding, so that plantation conversion projects can be supported in the same fashion as environmental plantings.
- c. Program funding: Commonwealth or State funding incentive, in the form of a subsidy to bridge the gap between ACCU price and the costs to convert to long rotation is required at up to \$2 million annually.

2. Long rotation plantation forestry fund:

Establish a dedicated long rotation conversion fund of up to \$2.5 million annually for ten years, for eligible plantations with agreed criteria addressing species, productivity, scale and proximity to processing facilities and infrastructure.

3. Forest health restoration fund:

Establish a forest health restoration fund of up to \$4 million annually for ten years to support active silvicultural management of regrowth native forests on public and private land where additional and tangible forest and ecosystem health benefits can be demonstrated and the activity would not be viable without financial support. Criteria for participation to be determined through the application of an appropriate natural capital accounting method and monitoring.