

Public submission

NAME REDACTED

Submission ID: 204781

Organisation: *N/A*

Location: *Redacted*

Supporting materials uploaded: *Attached overleaf*

Submission date: 10/13/2024 11:53:55 AM

For the attention of the independent forestry panel secretariate,

- I fully support an end to native forest logging and a future based on sustainable plantations.
- Logging of native forests is leading to the extinction of species, such as the Greater Glider and Koala and so cannot be described as sustainable.
- Logging public native forests is costing the taxpayer millions and leading to permanent damage to our forests.
- We need healthy forests for holding carbon, cleaning our water, providing habitat, improving fire management, providing recreation, spiritual connection and logging native forests damages all these values.

Thank you for your due attention to this matter.



OTHER ISSUES TO BE CONSIDERED IN RELATION TO PLANTATION EXPANSION

Introduction

Feasibility studies relating to plantation establishment tend to focus on a single rotation, with revenue derived solely from the value of logs sold during that rotation. Government policy also considers only this revenue stream from plantations, although the possibility of attracting ACCU's (carbon credits) may also be included.

Recent developments suggest the need to broaden the consideration of plantation expansion in two key areas:

1. Forestry's Role in the Value Chain

Beyond assessing the financial returns to private foresters and landowners, it is crucial to consider the broader economic benefits of expanded plantations to the community generally. These include:

- **Economic Stimulus:** Value-added manufacturing from plantation timber, which significantly boosts regional economic activity.
- **Balance of Payments:** Increased domestic timber supply reduces reliance on imports and reduces sovereign risks associated with global timber shortages.
- **Potential Housing Stimulus:** Greater timber availability is essential to support any stimulus packages introduced to boost the housing industry.

2. Linking Forestry with Nature-Positive Investment

Forestry should be integrated into a holistic land management strategy. Expanding the scope to include nature-positive aspects could highlight forestry's role in:

- Reducing carbon emissions through tree growth and carbon sequestration.
- Supporting the circular economy.
- Attracting foreign investment in nature-positive opportunities within Australia.

While this paper does not aim to quantify these benefits, it outlines additional considerations for developing policies that support plantation expansion. It is clear that limited grant funding alone will not be adequate to drive a significant increase in timber supply, necessitating more innovative policy solutions. This paper seeks to start a discussion on the wider economic and environmental benefits of plantation expansion.

1. Extending Forestry Planning Along the Value Chain

Australia faces a critical shortage of timber. Although current construction market conditions have slowed timber sales, this is expected to be a short-term issue. In the long term, Australia must develop a sustainable domestic timber supply to reduce reliance on imports, which have both economic and environmental downsides:

- **Economic Impact:** Timber imports negatively affect the balance of payments.
- **Environmental Concerns:** Timber production in countries may not adhere to the same stringent environmental and sustainability regulations as Australia.

Expanding domestic plantations can provide a more sustainable timber supply, but the full potential of plantations goes beyond trees alone. Timber from plantations supports a variety of down-stream industries, including building construction, furniture, packaging, and engineered wood products. The activity associated with this manufacturing sector offers significant economic benefits to many regional economies in Australia. Moreover, increasing the local timber supply will ensure that ambitious housing construction targets can be achieved using locally grown and manufactured materials.

Therefore, any assessment of policies to support plantation expansion should also account for the value of finished products derived from plantation timber. Additionally, reducing timber imports will not only benefit Australia's economy but also mitigate deforestation in countries with less stringent environmental controls.

A comprehensive evaluation of wider supply chain impacts should be included in any assessment of policy impacts relating to plantation expansion.

2. Nature-Positive Investment

Major investment initiatives are now considering trees not as a crop, but as:

- A sustainable driver of regional economies,
- A key element in nature-positive investment, and
- A critical component of the net-zero emissions target.

Many investors are now aligning their portfolios with the 'net zero' aspirations of the Paris Agreement and the concept of 'nature-positive' developed from the Montreal Global Biodiversity Agreement. The latter seeks to halt biodiversity loss by 2030 and achieve full and on-going recovery of nature by 2050. Nature-based real assets are increasingly converging into a natural capital asset class offering potential solutions to climate change, nature decline, and the provision of critical renewable resources. A leading company in this space estimates that global forestry investment is currently valued at \$300 billion, with natural capital investment projected to rise to \$1 trillion over the next two decades.

"Nature-positive" refers to efforts where ecosystems are repaired and regenerated, rather than depleted. The health of the biosphere is now seen as a systemic risk to human society.

The concept of 'net zero' is achieved when carbon dioxide emissions are offset by carbon sequestration, through reduced emissions and/or increased carbon capture. The IPCC has identified photosynthesis as the most effective mechanism for capturing carbon, with trees and the timber products they generate serving as a means of long-term carbon storage.

Although forests are recognized as key drivers of both a more diverse economy and a healthier environment, monetising the benefits of increasing the forest area remains a challenge. There is a growing need to assign value to nature and create economic incentives that make conservation more attractive than environmental destruction.

It is important to emphasise that the responsible and managed harvesting of trees from both plantations and native forests is neither 'environmental destruction' nor 'land clearing'.

Establishing production forests as a stand-alone activity is the quickest and most efficient way to increase timber production. However tree plantations can also enhance and complement

agricultural productivity, provide new revenue streams for farmers, and deliver carbon sequestration, habitat improvement, and biodiversity benefits.

Existing and emerging markets for carbon, salinity, and biodiversity credits offer further opportunities for nature-positive investments.

The combined goals of 'net zero' and 'nature positive' represent a call for systemic change in land use, aimed at fostering a sustainable global economy. **Expanding both natural and planted forests should be an integral part of policies to support these objectives.**