CRCNA

NORTHERN FORESTRY & FOREST PRODUCTS INDUSTRY SITUATION ANALYSIS

AN EMERGING ROADMAP

FOR THE FUTURE DEVELOPMENT OF THE FORESTRY AND FOREST PRODUCTS INDUSTRY IN NORTHERN AUSTRALIA

NORTHERN AUSTRALIA HAS EXTENSIVE FOREST RESOURCES

$80	48%	13	22	100,000
million annual production value & 1200 direct jobs	of Australia's total forests	million hectares of native forest with commercial potential	million hectares of private native forest	hectares of plantation forest

REGIONS FOR DEVELOPMENT

FAR NORTH QUEENSLAND
(excluding Cape York) Of all of Australia's plantation regions, Far North Queensland has the largest area of land on which softwood plantations may be potentially viable. Largest plantation resource = softwood pine.

CAPE YORK
Has an extensive area of Indigenous owned or managed forest. The communities are seeking economic activity to create business and jobs. In general, the forests of Cape York are large and valuable.

EAST ARNHEM LAND
Comprises vast indigenous owned and managed native forests. A Gumatji owned hardwood mill provides sawn products to local markets.

TIWI ISLANDS
Acacia plantations providing export chips for pulp and bioenergy markets, with interest in transferring to more productive eucalyptus species. Woodchip processing and wharf facilities on Melville Island.

DOUGLAS DALY & KATHERINE
These regions include African mahogany and Indian sandalwood plantations that are moving into harvest age and sale into markets. There are opportunities for projects exploring the benefits of silvopastoralism with cattle.

NORTHERN WESTERN AUSTRALIA
Has the world's largest commercial Indian sandalwood plantation in the Ord River Irrigation Area, which is also home to commercial African Mahogany plantations.

NORTHERN GROWTH OPPORTUNITIES

Despite the regional diversity, the opportunities to grow forestry and forest products industries are consistent across northern Australia, with strong domestic and international demand for forest and timber products.

Improve security of access to supply of resource

Furtherdomestic **processing & value adding**

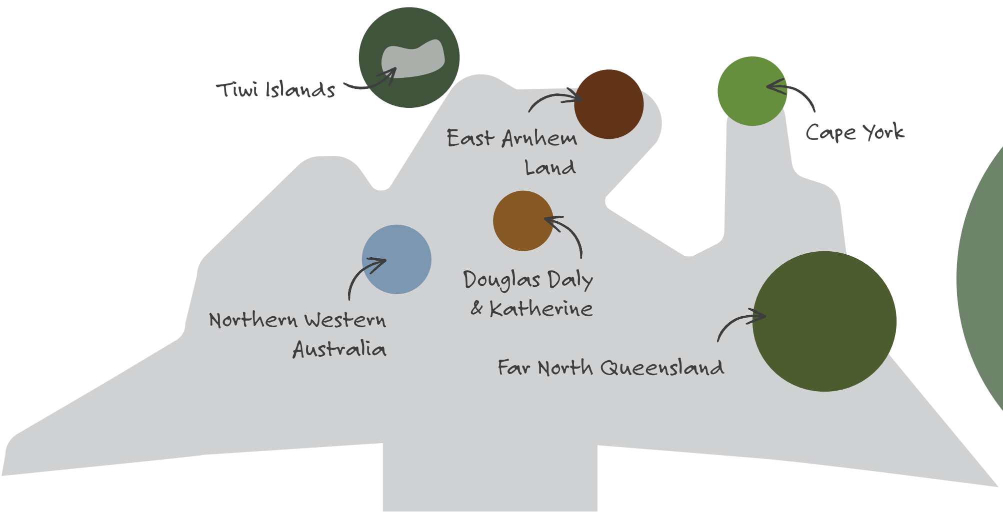
Build **better engagement** models with stakeholders

Generate sustainable local employment and incomes

Increase supply of wood products from northern Australia locally and globally

SIX RECOMMENDATIONS

1. Build on the newly formed industry and cross-jurisdictional agency alliance to promote forest sector development across Northern Australia.
2. Promote indigenous forestry development through better engagement models and commercial arrangements between industry and indigenous landowners, and build indigenous forestry capacity and understanding of commercial forest resources, including forest resource inventory.
3. Develop secure access arrangements for supply from crown native forest land (i.e. leasehold) in northern Queensland.
4. Develop a market research study into the potential supply and demand for wood products from Northern Australia, including key markets and supply chain needs (e.g. regional infrastructure).
5. Assess silvopastoral opportunities (i.e. integrated forestry and livestock production) as a vehicle for new commercial tree plantings.
6. Review Emissions Reduction Fund (ERF) barriers to carbon market access for forestry activities, with priority on the 'water rule' requirement for new plantations.



Over the next decase, the industry could treble in production value to over $300 million per annum and create 600 new direct jobs.

OVERARCHING NEEDS TO ADVANCE NORTHERN AUSTRALIAN FORESTRY

Improved stakeholder engagement and participation to identify all needs, opportunities and knowledge

Improved carbon accounting research and access to carbon markets

Ongoing forest inventory and silivicultural information especially for native forests

NEXT STEPS FOR DEVELOPMENT

An Industry Development Alliance comprising of CRC NA Forestry and Forest Products Industry Situation Analysis project partners and a number of relevant state departments, industry bodies and companies will work with relevant key influencers to identify new research and development proposals, offer targeted briefings at key policy forums and meetings and ensure greater industry collaboration and partnerships in northern Australia.

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CRCNA

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NORTHERN TERRITORY GOVERNMENT

Queensland Government

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Project Participants & Contributors

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