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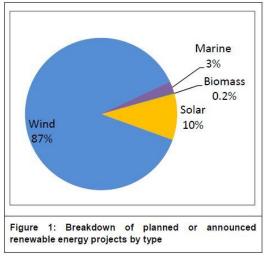


New Report Backs Renewable Industrial Heat

A new report from respected climate change and energy advisory firm, Energetics, has revealed that Australia could significantly increase its renewable energy targets by simply including renewable industrial heat as well as electricity in its definition of energy.

Chief Executive Officer of the Australian Forest Products Association (AFPA), Mr Ross Hampton said, "Coming as the major parties finalise their election policies, this is a very timely report which demands attention. Energetics has found that Australia is well outside the international mainstream by failing to include recognition of the renewable industrial heat component in our national renewable energy target, with the exception of small-scale solar hot water heaters under the existing small-scale renewable energy scheme."

"The rest of the world is making large inroads into climate targets by incentivising businesses to transfer from coal and gas heating to heating from biomass - from forestry residues or other sources, such as sugarcane bagasse and slash. This new report also makes it clear that meeting any target larger than the current 33,000 gigawatt hours of additional renewable electricity generation will likely be impossible without renewable industrial heat being included."



Page 4 - Energetics report 'Industrial heat credits and the Renewable Energy Target.

"Labor has announced a goal of 50 per cent of Australia's energy generated from renewables by 2030, but is silent on recognition of renewable industrial heat credits. The Coalition Government is yet to declare its policy position for the next term. A positive response to recognising renewable industrial heat would not only be the right thing to do for the climate, it would support the forest products value chain transition from non-renewable fuel sources and help secure tens of thousands of regional jobs in the medium term." said Mr Hampton.

The Energetics report can be found on Forest & Wood Products Australia's website here.

AFPA represents forest growers, harvesters, and manufacturers of timber and paper products.