

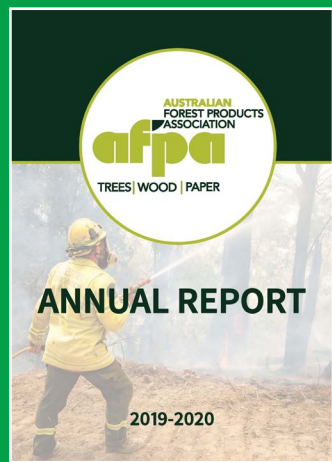
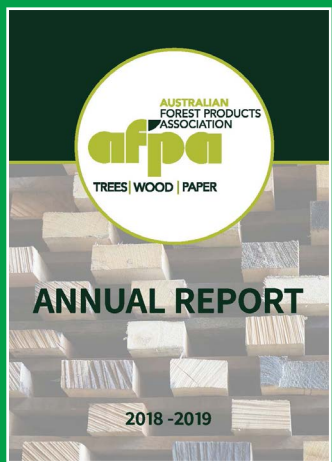
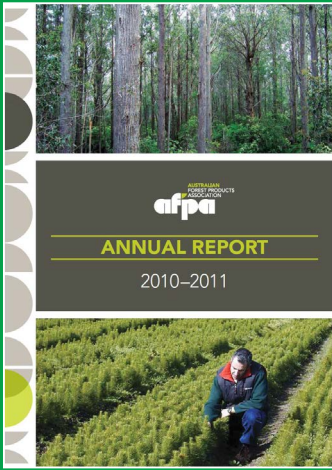


Australian
Forest
Products
Association

ANNUAL REPORT

2023-2024





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MEMBERS

Memberships at 30 June 2024

FULL MEMBERS

AAM Timber
African Mahogany Australia
Allied Natural Wood Exports
Allied Timber Products Pty Ltd
Altus Renewables
Associated Kiln Driers Pty Ltd (AKD Softwoods)
Australian Bluegum Plantations Pty Ltd
Britton Timbers
Capital Battens Pty Ltd
Forest Products Commission WA
Forestry Corporation of NSW
Forico Pty Ltd
Green Triangle Forest Products Ltd
HQPlantations Pty Ltd
HVP Plantations Pty Ltd
Hyne & Son Pty Ltd
McDonnell Industries Pty Ltd
McKay Timber Pty Ltd
Midway Ltd
Mitsui Bussan Woodchip Oceania Pty Ltd
Neville Smith Forest Products Pty Ltd
New Forests Asset Management Pty Ltd
Norske Skog (Australasia) Pty Ltd
Oji Fibre Solutions (Aus) Pty Ltd
OneFortyOne Plantations Pty Ltd
OneFortyOne Wood Products Pty Ltd
Opal Group
Pentarch Forest Products Pty Ltd
PF Olsen (Aus) Pty Ltd
Reliance Forest Fibre
SFM Environmental Solutions Pty Ltd
Southern Cross Forests
Sustainable Timber Tasmania
Ta Ann Tasmania Pty Ltd
Timberlands Pacific Pty Ltd
Timberlink
Tiwi Plantation Corporation
VicForests
Visy Industries Australia Pty Ltd
WA Blue Gum Ltd
WA Plantation Resources Pty Ltd
Wesbeam Pty Ltd
Wespine Industries Pty Ltd
Western Junction Sawmill Pty Ltd

ASSOCIATE MEMBERS

A.G. Brown Sawmill Pty Ltd
AE Gibson and Sons Pty Ltd
Appita Inc.
Arbuthnot Sawmill Pty Ltd
Austimber Harvesting & Haulage Pty Ltd
Australian Carbon Farming
Australian Forest Contractors Association
Australian Sustainable Hardwoods Pty Ltd
CHEP Australia Ltd
CLTP Tasmania
CO2 Group Pty Ltd
Engineered Wood Products Assoc. of Australasia Ltd
Farming For The Future
Fennell Forestry Pty Ltd
Forest Industries Federation (WA) Inc.
Forest Industry Association (NT) (FIANT)
Forestry Australia
ForestrySA
Global Forest Partners Group
Harvestco Group of Companies
Hayden Timber Pty Ltd
K & S Pallets Pty Ltd
KILAND Ltd
Koppers Performance Chemicals Australia Pty Ltd
Landari Pty Ltd
LITA Training
Margules Groome Consulting Pty Ltd
Morgan Sawmill Jamestown
Nutrien Ag Solutions Limited
Nuveen Natural Capital Westchester Group of Australia Pty Ltd
Plantation Pine Products Australia Pty Ltd
Porta Mouldings Pty Ltd
Powelltown Sawmills Pty Ltd
Radial Timber
Reid Bros Timber Pty Ltd
SA Pine Pty Ltd
SFM Asset Management
Sheild Resources Pty Ltd
Softwoods Working Group
South East Pine Sales
Sumitomo Forestry Australia Pty Ltd
Tabeel Trading
The Drug Detection Agency
Timber NSW Ltd
Timber Queensland Ltd
Van Schaik's Bio Gro Pty Ltd



ACKNOWLEDGEMENT OF COUNTRY



The Australian Forest Products Association acknowledges and pays respect to the past, present and future Traditional Custodians and Elders of this nation and recognises the continuation of cultural and spiritual connections to lands, waters, and communities.





“There is growing political urgency to address the nation’s future housing needs”



After a year of internal renewal, I'm pleased to share that AFPA is entering a period of relative stability, allowing the Board and Executives to focus on delivering policy outcomes for AFPA members across all chambers. I was honoured to take on the role of Chair earlier this year and together with our new CEO, Di Hallam, have worked hard to support the organisation and strengthen our bipartisan relationships with the Government, Opposition and other members of the Australian Parliament.

It has been a challenging year for many in the forestry and forest products sector, with the national housing market downturn and rising energy costs impacting members across all Chambers. In addition, disappointing State Government decisions to close native forestry operations in Victoria and Western Australia have posed further challenges. Company closures and industry contraction have had a sobering effect on our dedicated employees and regional communities.

However, the industry has also made bold and exciting investments in new technology and capacity, particularly in areas like engineered wood products for Modern Methods of Construction. There is growing political urgency to address the nation's future housing needs, and forest products will play a crucial role in this challenge. Australia added 5,000 hectares of new plantations over the last year—five times more than the previous year. However, with our housing crisis in mind, we need to be planting 18,000 hectares annually to meet domestic housing demand, so much work remains.

AFPA has continued to support the implementation of the Government's 2022 election commitments. Earlier this year, we saw the launch of Australian Forest and Wood Innovations (AFWI), which enhances our national research capability.

We commend the commissioning of new capital projects under the sawmill innovation grants scheme, and there have now been two successful rounds of the Plantation Establishment Program. On National Forestry Day in August, the Government announced ForestWorks as the successful tenderer for the Forestry Workforce Training Program, and in September, Parliament passed legislation to protect Australia from illegally logged timber products.

As we head into an election year, AFPA will continue to advocate for sensible and supportive policies that recognise Australia's forest industry as the most sustainable in the world. It's critical that we remain central to discussions on decarbonisation, sovereign capability and the supply of essential products for housing, packaging, industry, and infrastructure. Now, more than ever, we appreciate the support of our members and AFPA will continue to serve them through our advocacy. We'll recognise success when the essential contribution our industry makes to the national economy and the lives of every Australian is truly understood and appreciated.

A handwritten signature in black ink, appearing to read 'Stephen Dadd', written in a cursive style.

Stephen Dadd

AFPA Chair



“AFPA is a key part of the national conversations occurring around housing, decarbonisation, sovereign capability and how to meet the forecast future demand for timber and fibre”



I feel very privileged to be authoring this year's CEO report. Firstly, a thank you to all AFPA Members who have welcomed me to the role, shared their expertise, and given clear guidance. It has been invaluable, and I look forward to continuing the united, strong and impactful work of my predecessors with the support of all Members.

Pleasingly, my engagement with Members of Parliament and bureaucracies to date has confirmed that AFPA is a key part of the national conversations occurring around housing, decarbonisation, sovereign capability and how to meet the forecast future demand for timber and fibre. There are numerous opportunities in these policy areas from which all Members will benefit.

It has been a very busy year for the AFPA team, and they have worked hard to deliver quality outcomes and tangible benefits for Members. In addition to celebrating successes like the continued delivery of \$300 million of 2022 election commitments such as processor innovation grants, plantation establishment grants and Australian Forest and Wood Innovations (AFWI), they have also worked hard to protect the sector from punitive policy such as the multinational tax integrity package, the proposed Biosecurity Levy and the closure of our sustainable native timber industry.

After six months in the role, I have come to understand the nature and breadth of issues affecting the forest industries. Thankfully AFPA has a knowledgeable and committed team of people who work tirelessly on your behalf to ensure decisions made in Canberra and other parliaments around Australia advance the industry, its businesses, our workers and communities.

I have been surprised at how little the ordinary Australian knows about this great industry given we collectively are so impactful to the everyday

lives of Australians, whether it be in our own homes, employment opportunities, construction and manufacturing sectors or the environment, particularly addressing climate change and providing biodiversity benefits.

The pace of change and demand for intelligent policy, influential advocacy and clear communications is increasing. In such an environment, a united industry with united representation is essential. I am confident that every member of the Association has had the opportunity to benefit from their investment in AFPA membership over the past twelve months and I look forward to continuing to deliver further policy success in the coming year.

A handwritten signature in black ink, which appears to read 'D Hallam'.

Diana Hallam

AFPA Chief Executive Officer

AFPA BOARD

Board at 30 June 2024

The AFPA Board is comprised of a group of directors drawn from AFPA's membership and chambers along with independent directors.

Each of AFPA's four membership chambers (hardwood processing, softwood manufacturing, growers & pulp, paper & bioproducts) are represented on the Board with two nominated representatives each. The remaining places are filled by independent directors.

AFPA is lucky to have a breadth of experience and expertise on its Board, which, along with the CEO, staff and broader membership, guide the Association to achieve its aims.



Ian Telfer

TREASURER

Chief Executive Officer,
WA Plantation Resources



Diana Gibbs

Principal, Diana
Gibbs and Partners



James Malone

Chief Executive Officer,
Wesbeam



Jessica Douglas

Director, External
Affairs, OneFortyOne



Stephen Dadd

CHAIR
Executive Director,
The Pentarch Group



Jean-Yves Nouaze

DEPUTY CHAIR
Executive General Manager,
Visy Pulp & Paper



Shane Vicary

Chief Executive Officer,
AKD



Steve Whiteley

Chief Executive Officer,
Sustainable Timber Tasmania



Matt Crapp

Global Head Of Asset Management
New Forests



Jon Ryder

Chief Executive Officer,
Oji Fibre Solutions



MISSION

To promote and grow Australia's sustainable and renewable forest products sector

COMMITMENT

To be the leading national voice on public policy for the Australian forest products sector, delivering positive outcomes for industry and increasing community understanding and support

VALUES



INTEGRITY

Demonstrating honesty, transparency and accountability in all aspects of our work



EXCELLENCE

Striving for the highest quality outcomes through innovation and a commitment to our workforce



RESPECT

Being mindful and maintaining our commitment by interacting with others in an open and courteous manner



COLLABORATION

Operating in a collaborative and positive manner with members, stakeholders and the wider community



DIVERSITY

Providing an inclusive and tolerant environment and promoting the benefits of workplace diversity

ABOUT AFPA

The Australian Forest Products Association (AFPA) represents the full value chain of Australia's forest products sector, from the growers and managers of Australia's plantations and native forests, to timber processors and manufacturers of forest related products. Whether it's member companies or organisations, or the tens of thousands of Australians who work across the value chain, AFPA fights for the interests of those involved in forest industries.

AFPA MEMBERS' FORUM

The AFPA Members' Forum is the consultative body made up of all AFPA members. The Forum meets quarterly to hear from politicians, experts, senior public servants and to discuss industry policy positions.

AFPA CHAMBERS

All AFPA members are provided the opportunity to participate in more specific discussions through their membership of one of the four sub-groups called Chambers. Each Chamber meets quarterly and permanent Subcommittees or Working Groups report back to each respective Chamber to ensure more detailed work proceeds between meetings.

AFPA OPERATIONS

AFPA members own Forest Industries House in Deakin ACT, just a few kilometres from Australia's Parliament House. Since its formation in 2010, AFPA has proven it is one of the most effective industry advocacy organisations, zealously championing issues affecting the full forest industries value chain and delivering outcomes for members. AFPA is staffed by a team of professionals dedicated to advancing the interests of all members.

OBJECTS OF THE ASSOCIATION

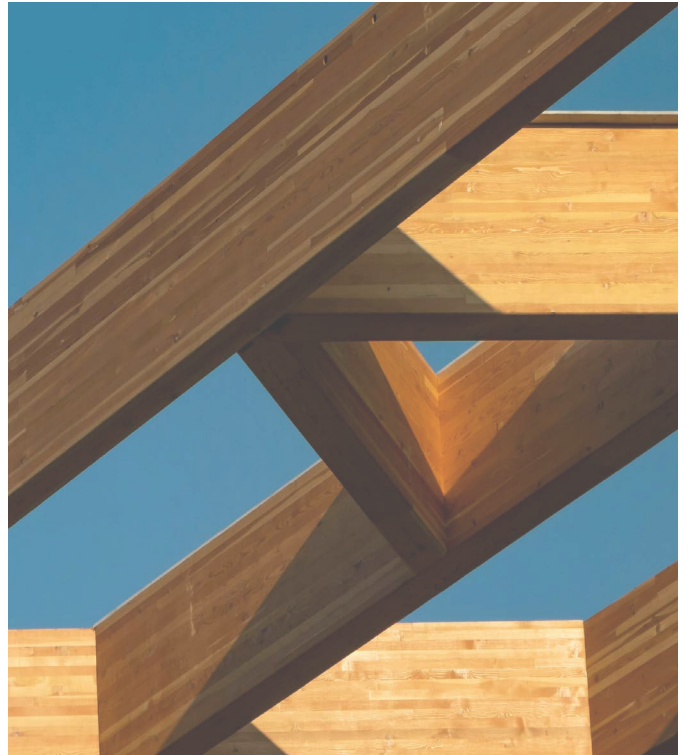
- Be a vehicle for effective and efficient communication between various sectors within the industry
- To shape and drive industry and government policy development for the benefit of industry and secure the best outcomes for the industry in important policy development through effective lobbying and other targeted representation
- To raise the profile of the industry with community opinion leaders, for the purpose of making the industry relevant, profitable and sustainable. Encouraging and facilitating education on issues relevant to the sustainable growth of the industry and developing and maintaining cohesive and positive working relationships with other bodies within the industry

AFPA-SUPPORTED STATE ASSOCIATIONS

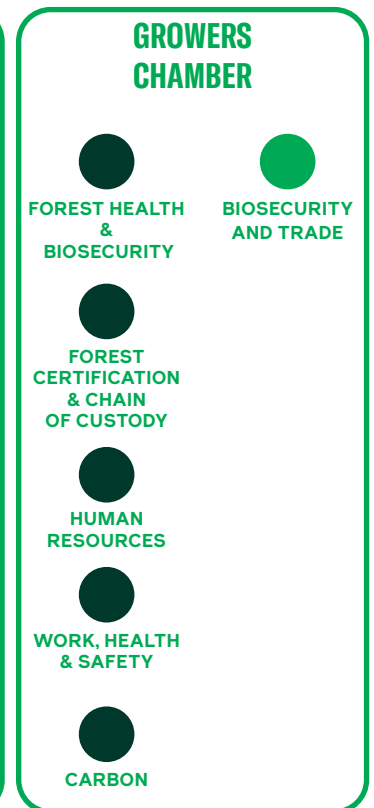
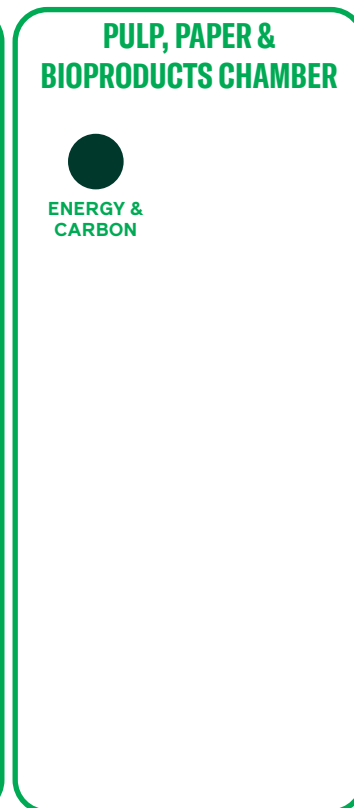
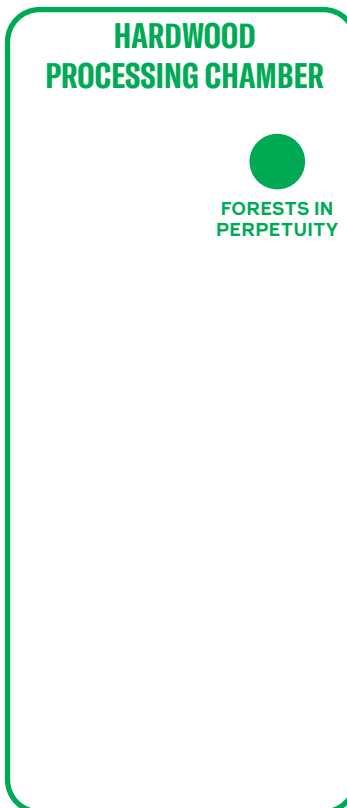
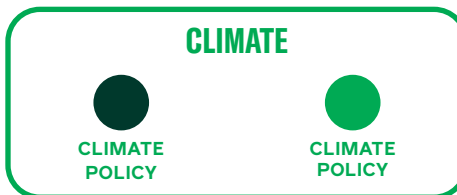
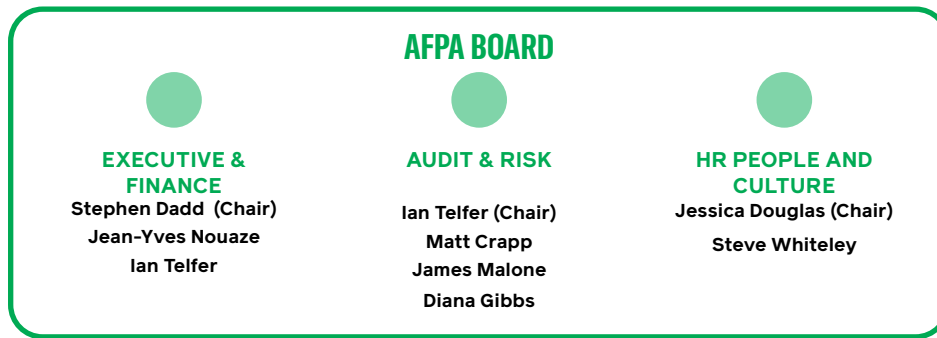
AFPA members in four states asked AFPA to support a new model of advocacy arrangements in an endeavour to maximise outcomes and minimise costs.

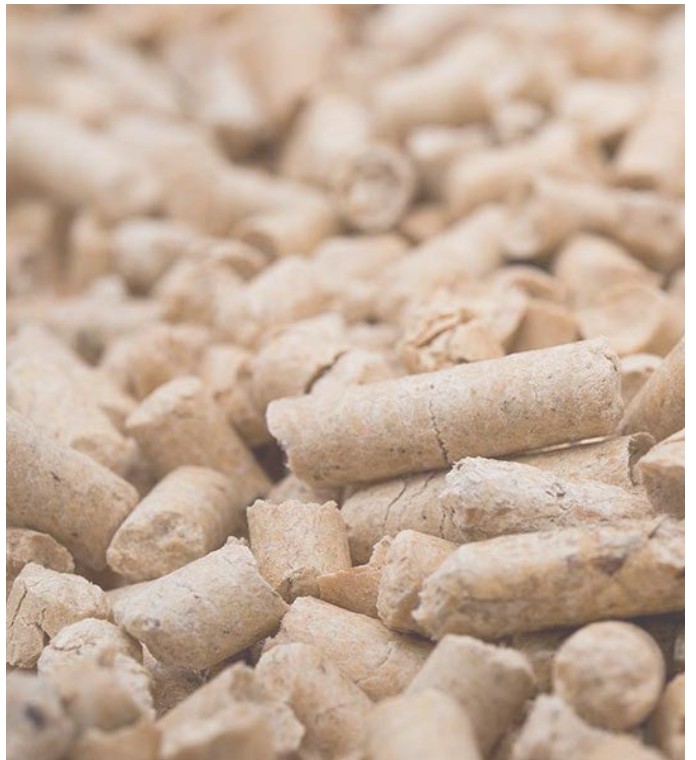
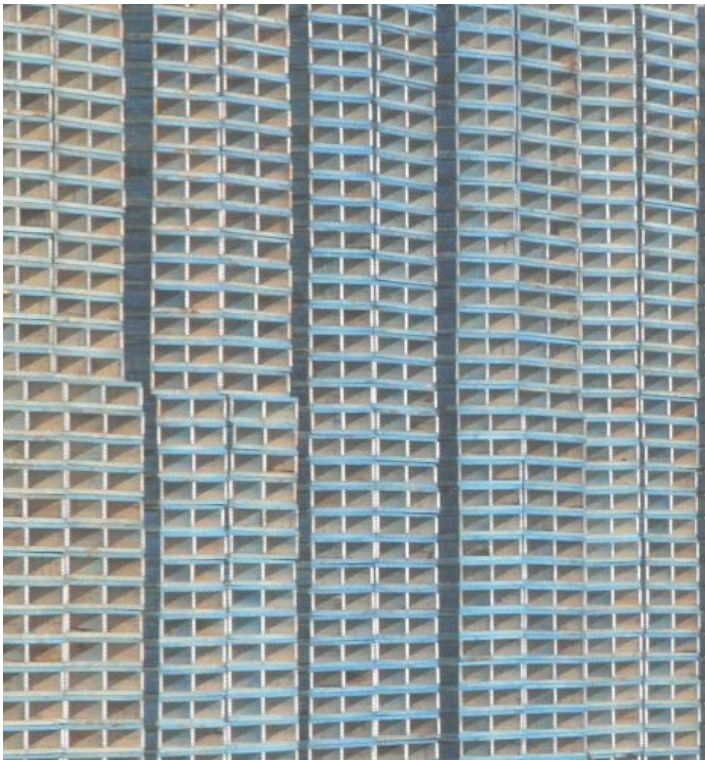
The states now running semi-autonomous operations are Victoria, South Australia, Tasmania and NSW (alongside Timber NSW). In these jurisdictions the advocacy body operates independently under a delegation from the AFPA Board.

AFPA provides back-office support and a coordination role to promote synergies and shared advocacy priorities across the jurisdictions. Each of the four states raises its own funding and manages its own budget, including employment of a Chief Executive Officer who executes a state-based strategic plan. The four states provide reports on their progress under the new model in this annual report.



COMMITTEES, WORKING GROUPS AND SUBCOMMITTEES





SOFTWOOD MANUFACTURING CHAMBER

Solid Wood Processing Technical Subcommittee

The SWPTC advises the SMC (and Hardwood Processing Chamber as required) on matters relating to timber product technical issues and R&D specifically affecting the solid wood manufacturing sector.

An active network of individuals with wood product related technical capacity, the SWPTC progresses technical issues related to solid wood processing and use, provides technical content to other industry forums, and builds relationships with other stakeholders and organisations. Key activities include:

- Structural performance and grading system (MGP project)
- Timber durability and treatment
- Timber product standards and Standards Australia Committees

Market Development Subcommittee

The MKDS focuses on activities to build the brand of timber products for the whole industry and grow community understanding of the value and importance of timber and its sustainability attributes.

The object of the MKDS is to provide a forum for consultation and dissemination of information on marketing matters which are likely to affect the sector. Key activities include:

- Timber Framing Collective marketing campaign
- Managing industry reputation through timber shortage issues
- Collaborating across industry sectors

Workplace Health & Safety Subcommittee

The WHSSC advises FWPA and the SMC on matters relating to workplace health, safety and wellbeing specifically affecting the timber manufacturing sector.

The WHSSC provides a forum of industry WHS leaders to drive the model of continuous improvement in WHS across industry through consultation, collaboration and information sharing on matters which are likely to affect the health, safety and welfare of employees, contractors and visitors in the timber manufacturing sector. Key activities include:

- Sharing learnings on incidents, reporting, investigations and post incident improvements
- Continual monitoring of safety statistics
- Providing submissions to reviews including SWA WEL review of wood dust

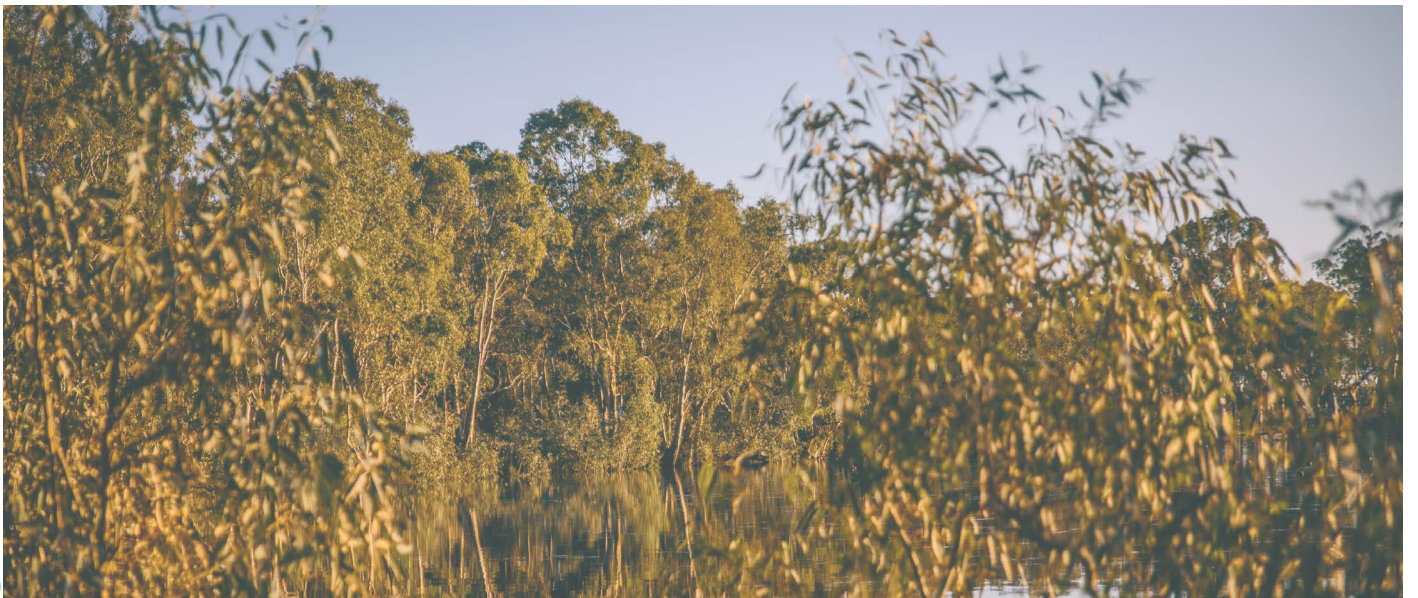
PULP, PAPER & BIOPRODUCTS CHAMBER

Energy & Carbon Subcommittee

The Energy & Carbon Subcommittee works on energy supply and security, biomass-based renewable energy development, and emissions policy matters relating to paper, packaging and bioproducts industries.

Its current focus is analysing the Emissions-Intensive Trade-Exposed (EITE) status of activities in anticipation of likely developments in carbon pricing and trade, and enforceable emission limits on large energy-intensive sectors. The analysis will strengthen our advocacy to maintain industry's competitive position in the face of increasing pressure from imports. Key activities include:

- Undertaking detailed analysis of EITE activities to better position and protect industry's sovereign manufacturing capability
- Progressing development of an Energy and Carbon Statement to guide policy on the transition to a low-carbon economy, and opportunities to promote industry-driven climate solutions
- Reviewing emerging international Carbon Border Adjustment Mechanisms to inform industry of developments and implications



GROWERS CHAMBER

Human Resources Subcommittee

The Subcommittee advises the Growers Chamber on a range of human resources topics across forest industries from marketing, recruitment, staff wellbeing and equity. The group helped develop the Forest Industry Diversity Charter and has been focusing on two target areas of Attraction and Marketing and Diversity and Inclusion. Key activities include:

- Salary benchmarking through Mercer
- Developing an additional diversity survey
- Developing a new recruitment campaign to show the positives of working in the forestry industries

Work Health & Safety Subcommittee

The Subcommittee advises the Growers Chamber on initiatives to improve the health, safety and wellbeing outcomes in the forest growing sector. The Growers Chamber has recently employed a Forest Industry Safety Manager, Amanda Bell, who will provide Secretariat services and develop a three-year strategy for the group. Key activities include:

- Undertake an annual work plan
- Continual monitoring of safety statistics
- Progress towards complete compliance with the Safe and Skilled program of the Australian Forest Contractors Association

Forest Certification & Chain of Custody Subcommittee

The Subcommittee advises the Growers Chamber on Forest Management certification and Chain of Custody certification across forest industries. The Subcommittee is focusing on the two main certification schemes in Australia, Responsible Wood and Forest Stewardship Council. Key activities include:

- Undertaking a comparison review between the two forestry certification standards
- Review potential measures to undertake biometric monitoring
- Development of methods to ensure correct chemical procedures

Forest Health & Biosecurity Subcommittee

The Subcommittee advises the Growers Chamber on key forest health and biosecurity issues that could potentially impact plantations. Key activities include:

- Supporting AFPA staff representing industry with Pest reports or Emergency Plant Pest incidents (e.g., Giant Pine Scale)
- Development of a Biosecurity Incident Standard Operating Procedure (BISOP)
- Continual review and implementation of the Plantation Forests Biosecurity Plan
- Advise on operational and research capacity gaps in forest health and biosecurity
- Work with AFPA's National Biosecurity Manager to progress industry goals

Carbon Subcommittee

The Carbon Subcommittee advises the Growers Chamber on opportunities for forestry growers to participate in the carbon market.

CLIMATE

AFPA Climate Policy Subcommittee

The Climate Policy Subcommittee reports directly to the Board and works across all four AFPA Chambers. Its overarching objectives are to provide better coordination and delivery in identifying climate policy issues, consultation, development of policies and advocacy priorities.

Key activities include:

- Developing new carbon market opportunities for forest industries
- Coordinating research and advocacy activities to promote the climate change mitigation contribution and potential of forestry and forest products
- Developing an industry-wide net zero position





KEY MOMENTS

The 2023-24 year meant continued advocacy and policy work from the organisation on both domestic and international fronts.

AFPA hosted a farm forestry tour to Jigsaw Farms in western Victoria for key MPs and Senators to demonstrate the power of production trees on farms to complement traditional farming enterprises from a carbon and practical point of view.

Mark Wootton AO was an excellent host at the property, explaining the operation to Labor, Liberal, Nationals and Greens parliamentarians and staff.

In August the second annual National Forestry Day went ahead with increased buy in from members and stakeholders from around the country. AFPA helped facilitate a number of events, including with the Murray Region Forestry Hub at another commemorative tree planting ceremony in Albury, NSW.

Around Australia various events were held to celebrate the day and the sector.

In September of 2023, AFPA was very pleased to host Federal Opposition Leader The Hon. Peter Dutton MP as our guest speaker for our Members Dinner in Canberra.

Mr Dutton was very generous with his words of support for the sector and his time on the evening meeting members and stakeholders who attended.

In November, Minister for Agriculture, Fisheries and Forestry The Hon. Murray Watt spoke at the Members Dinner and the Hon. Michael Sukkar, Shadow Minister for Housing, was guest speaker in February 2024.

Joe Prevedello
Communications Director





AFPA COP28 REPORT

AFPA holds formal observer organisation status to the United Nations Framework Convention on Climate Change (UNFCCC). The objective of the UNFCCC is to “stabilise greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system.”

Each year, a Conference of the Parties (COP) is held to progress the UNFCCC objective. AFPA is able to directly engage in sessions of the UNFCCC.

Trip Purpose

Building on a successful campaign at COP27 Sharm El Sheikh, Egypt (2022), AFPA sought to have a positive and material impact on Australian forestry policy through hosting six events at COP28 in Dubai (30 November – 12 December 2023).

The AFPA delegation included: Hon Joel Fitzgibbon- Board Chair, Natasa Sikman – Acting CEO, Sara Bray – Senior Policy Manager.

AFPA collaborated with local and international colleagues to deliver the six events over the period of the conference.

AFPA was successful in securing a UNFCCC official side event. This premiere event ‘Design Thinking, Global Standards & Integrative Solutions for a Net Zero Built Environment’ was a collaboration with a number of organisations including the American Institute of Architects, the Royal Institute of British Architects, together with AFPA. The event focused on how the carbon footprint of the built environment can be significantly reduced. AFPA’s key message at that event was that AFPA supports the



increased use of timber in the built environment to achieve positive climate goals, but policy makers need to also ensure they have strong forestry policy to increase supply of timber to feed the global need for timber and fibre.

AFPA continued its collaboration with our international partners: the World Farmers Organisation and the International Forestry Students Association by providing platforms for their speakers across our events. AFPA also utilised our time on the ground collaborating with our colleagues at forestry industry associations from around the globe, understanding common challenges and leveraging off each other’s learnings.

AFPA was also successful in obtaining a prized event spot at the Australian Pavilion. Our event: “Sensitive afforestation: winning solutions for the climate and communities” showcased forestry aspirations of the Fijian Government, the Dja Dja Wurrung Nation (near Bendigo, Victoria), Australian forest growers and community foresters across the Asia Pacific.

AFPA engaged in a number of high-profile ministerial meetings, including with:

- Hon. Chris Bowen, Minister for Climate Change and Energy
- Senator the Hon. Jenny McAllister, Assistant Minister for Climate Change and Energy
- Hon. Ged Kearney MP, Assistant Minister for Health and Aged Care

AFPA also engaged with non-Government members of Parliament including:

- Senator the Hon. Bridget McKenzie – Shadow Minister for Infrastructure, Transport and Regional Development
- Hon. Kevin Hogan – Shadow Minister for Trade and Tourism
- Senator Perin Davey – Deputy Federal Leader of the Nationals, Shadow Minister for Emergency Management
- Senator Dean Smith – Shadow Assistant Minister for Competition, Charities and Treasury
- Senator Andrew Bragg – Shadow Assistant Minister for Home Ownership

AFPA continued to build on its relationships with Australian officials across multiple departments through the COP process and our presence on the ground.

We thank AFPA members for their support in recognising the importance of AFPA's delegation presence at COP28. It is through our diverse range of events that AFPA will continue our discussions with the Australian Government as we look to future opportunities the low carbon bio economy will deliver for our sector.

Finally, AFPA also thanks all of our presenters who contributed to our events providing meaningful and thought-provoking content.



AFPA events

To see the full details of the AFPA events please visit <https://ausfpa.com.au/cop28/>

1. Design Thinking, Global Standards & Integrative Solutions for a Net Zero Built Environment – Official UNFCCC event
2. Forestry Communities: Renewable Energy and the Bioeconomy – World Bioenergy Association event
3. Mobilising biomass sustainably for meeting climate goals– Chinese Government Pavilion
4. The Bioeconomy: powered by nature based solutions - Chinese Government Pavilion
5. Sensitive afforestation: winning solutions for the climate and communities – Australian Government Pavilion
6. Sustainable Forest Management in Australia: A digitalization Forest Management to support Good Forestry

Sara Bray

Senior Policy Manager





HARDWOOD PROCESSING CHAMBER

The recent UN State of World Forest Report highlighted that Australia is second globally for net gain in forest area between 2010 and 2020 adding an additional 4.4 million hectares, second only to China in area increased. In a world where deforestation continues to be a problem, this is a significant achievement.

Despite this reality we continue to fight a sea of misinformation and fractional truths being pedalled by a large array of individuals and organisations who use this misinformation to drive fundraising to shut down honest sustainable rural and regional businesses in campaigns that can only be described as Carbon Colonialism.

On 23 May 2023 the Victorian Government announced it was bringing forward the time line for closure of that state's native forest harvesting industry to 1 January 2024. This has been a challenging and life changing experience for many members with major impacts on local communities. As we predicted this has not resulted in changes to consumption by Australia of hardwood products but instead substitution of imported products from many places with lower environmental standards for

worse environmental outcomes including increases from countries like Brazil and Uruguay. Both WA and Victoria are still trying to adjust to the new paradigm where the rules and boundaries are not clear, and the significant risks of poor management threatens the very forest the states have claimed they are saving. The irony that environmental groups are shutting down the industry leading to worse environment outcomes is not lost on the industry.

On 10 January 2024, Justice Perry in Federal Court dismissed a challenge to the validity of the NSW North East Regional Forestry Agreement. As part of her findings Justice Perry concluded: "In other words, an RFA provides an alternative mechanism by which the objects of the EPBC Act can be achieved by way of an intergovernmental agreement allocating responsibility to a State for regulation of environmental matters of Commonwealth concern within an agreed framework.



Richard Hyett
Chamber Manager

Deputy CEO
Director of Policy,
AFPA



Ian Telfer
Chamber Chair

Chief Executive Officer,
WAPRES

It is important therefore to reiterate that entry into an RFA does not result in a regulatory void with respect to any particular forestry region on matters of national environmental significance.”

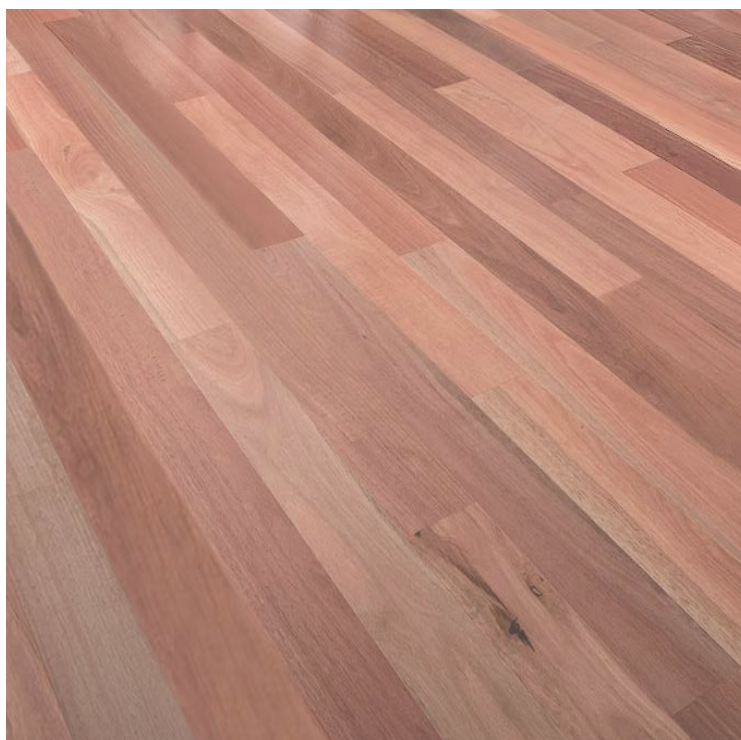
Our NSW colleagues continue to work with government and industry to develop a Great Koala National Park while retaining a strong native forestry sector. Research from CSIRO and others have shown that sustainable native forest harvesting isn't a threat to koala populations and activists groups have simply pivoted to other species where lack of data more than lack of animals helps them prosecute more misinformation and fractional truths.

As an industry we have worked hard on two ACCU methods, “Timber in the Built Environment” and an “Integrated Native Forest Method” to quantify the benefits of using timber and actively managing native forests, and we look forward to seeing what methods are selected for development.

It is fantastic that AFPA's Chair Stephen Dadd is on the Strategic Forest and Renewables Material Partnership as they develop a National Fibre Strategy and we are looking forward to progress. The Government has committed to update the National Forest Policy Statement, but it appears the states don't share the same aspiration and when you look closely at the current version from 1995 the principles and objectives are remarkably still fit for purpose.

We have commenced a priority setting process to ensure our Chamber is focusing on the right issues and we look forward to the discussion that ensues. I thank members for the time and contributions this year and look forward to tackling challenges and opportunities together for the future.

Richard Hyett





SOFTWOOD MANUFACTURING CHAMBER

The Chamber focuses on working together to achieve industry wide priorities and objectives for the improvement of Softwood Manufacturing across Australia. To support and guide the collaborative effort, the Chamber developed and finalised a new Pillars of Advocacy document that supplements the five-year Strategic Plan that was launched in 2022. Thanks to all the members for their time and great engagement in developing this shared vision for our sector of the forestry industry.

The document identifies four pillars of advocacy:

1. **Carbon and Timber:** Support the greater use of timber in housing and construction. Government and public recognition of timber products are essential in ensuring that the government reaches its emissions targets
2. **Housing:** Increase capacity to deliver Australia's housing needs and remove the boom bust cycle
3. **Trees and Supply:** Grow the plantation estate to secure Australia's sovereign capability by becoming less reliant on imported timber

4. **Regional Manufacturing Industry Development:** Support the regional manufacturing industry to develop and secure Australia's timber product capability

This advocacy document guides AFPA's policy and advocacy activities on behalf of the softwood manufacturing sector.

During the 2023-24 financial year the demand for processed softwood timber remained soft due to a decline in the housing construction market.

AFPA worked with Master Builders Australia to release an advocacy document prior to the 2024-25 federal budget titled 'How Timber can Help Solve Australia's Housing Crisis.' The document outlined to government how the timber industry has the capacity to provide an extra 50,000 timber house frames per year to support the construction and housing industry. The document garnered support from local media outlets and was quoted by politicians to support the role of the timber industry in helping solves Australia's housing crisis.

Day-to-day work of the Chamber includes activities undertaken within three separate subcommittees:



Georgina Williams
Chamber Manager

Policy Manager,
AFPA



Patrick Warrand
Chamber Chair

Managing Director,
Wespine

The Market Development Subcommittee: successfully merged the multi-year promotional campaign for Timber Framing – The Ultimate Renewable, with FWPA's Wood Solutions brand to combine industry resources to achieve greater brand recognition.

The Work Health & Safety Subcommittee: uses the knowledge, skills and experience across the membership to improve safety performance through sharing learnings and creating guidance material for the sector.

The Solid Wood Processing Technical Subcommittee: addresses technical issues relating to timber product processing, highlighted by a major project to provide feedback to industry on the structural properties of their softwood.

A newly established Human Resources Working Group was also recently established to support collaboration between members regarding best practice for attracting and retaining processing sector skilled workers.

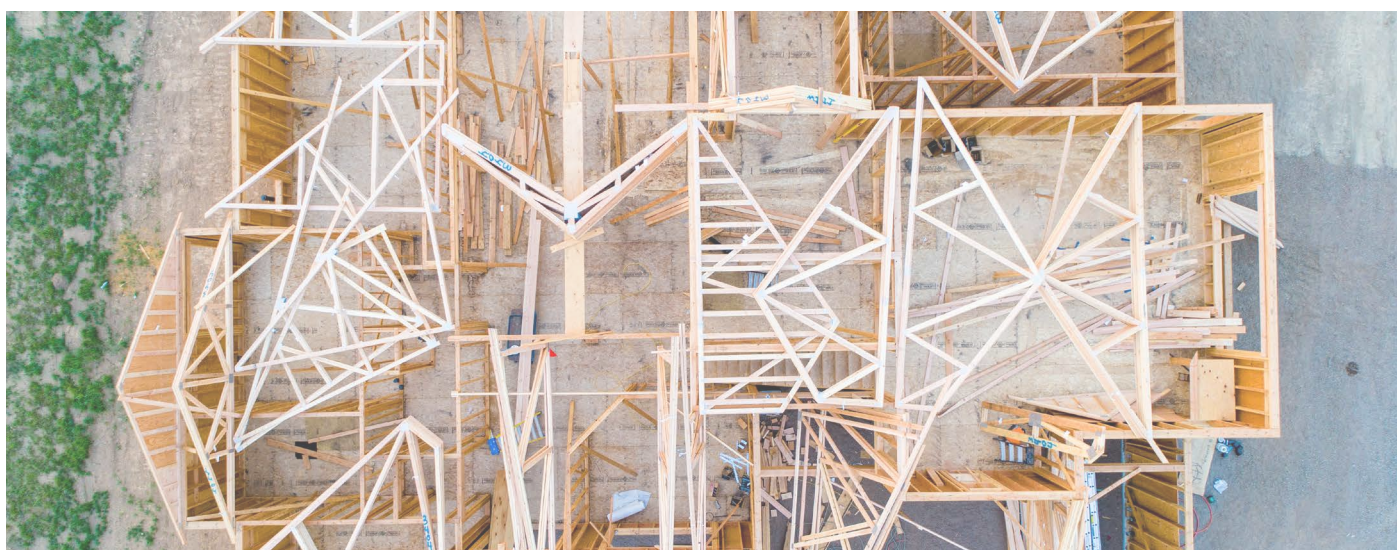
The 2023-24 year also saw the launch of the Timber Market Index that will improve market

data transparency across industry. Notably the Built Environment Working Group completed the EOI for a new interim proponent led method development process for the ACCU Scheme. The methodology outlines how to value the role of carbon stored in timber used in large construction projects.

Activities in the coming financial year will further enhance the credentials of timber as a preferred and renewable building material. A new project by the University of the Sunshine Coast is investigating opportunities to repurpose preservative-treated timber and engineered wood products at end-of-life rather than disposal through landfill or combustion.

Meanwhile the University of South Australia finished a project which gathered a huge representative sample of Australian softwood sawmill sawn timber production to identify potential amendments to the relevant Australian standards and enable implementation of more efficient testing regimes.

Georgina Williams





GROWERS CHAMBER

The Growers Chamber covers all the major plantation owners, Government Business Enterprises managing native forests, as well as plantation management services companies and environmental services companies.

Combined, the Growers Chamber members own or manage more than 90% of the nation's plantation trees, and a similar proportion of the multiple-use public forests.

In the last year the Growers Chamber met three times in person and had one meeting via video conference.

Attendance at the meetings continued to grow with increasing diversity.

Key achievements of the Growers Chamber in 2023/24:

- Recommencement of post-graduate tertiary education for Forestry
- Successful federal advocacy in relation to the unintended consequences of the
 - i. Treasury Laws Amendment Bill and,
 - ii. Biosecurity Protection Levy to fund Department of Agriculture, Fisheries and Forestry
- Supported efforts to establish a National Forestry Research and Development entity

- Successful completion of Round 1 of the Supporting Plantation Establishment Grants
- Australian-Wide removal of the 'water rule' attached to the ACCU Scheme Plantation Method (1 June 2024)

The Growers Chamber has five subcommittees which address areas of specific interest to the Chamber and consider current issues and develop policy.

The key achievements of the five Subcommittees for 2023/24 are:

1. HR Subcommittee:

Advises the Growers Chamber on a range of human resources topics across forest industries from marketing, recruitment, staff wellbeing and equity

Achievements

- Appointment of 0.1FTE secretariat Amanda Bell
- Participation in the development of the \$9.5 mil Federal Forestry Workforce Training Program, which will commence in FY24/25
- Participation in Jobs and Skills Council
- Participation in public consultations including the Federal Visa Core Skills Occupation List consultation and Food Supply Chain Capacity Study



Sara Bray
Chamber Manager
Senior Policy Manager,
AFPA



Steve Walker
Chamber Chair
Chief Operating Officer,
HQP

- Inclusion of additional questions about indigenous employment in the members' annual voluntary Gender and Diversity Survey
- Engagement with the International Forestry Students Association regarding collaboration opportunities

2. Work Health & Safety Subcommittee:

Advises the Growers Chamber on matters relating to work health and safety across the forestry industry

Achievements

- Signing of the ForestFit Memorandum of Understanding (MOU) between AFPA and the Australian Forest Contractors Association
- Forest Industry Safety Conference held over 3 days in Launceston in November 2023
- Industry webinars and training delivered to AFPA members including Human Factors in Incident Investigation, Psychosocial Risk Management and Mental Health first responder training
- Forest and Wood Products Australia funding secured for industry backed projects including
 - (a) Unauthorised Access in active harvest areas and,
 - (b) Intelligent image-based hazard identification systems

3. Forest Certification & Chain of Custody Subcommittee:

Advises the Growers Chamber on Forest Management certification and Chain of Custody certification across forest industries

Achievements

- Participated in the Forest Stewardship Council Forest Management Standards Development Group
- Keeping members abreast of European Union Deforestation Regulation developments

4. Forest Health & Biosecurity Subcommittee:

(FH&B) advises the Growers Chamber on and AFPA's Biosecurity Manger on forest health and biosecurity issues across forestry

Achievements

- Finalised AFPA's Biosecurity Incident Standard Operating Procedure
- Prepared 2 submissions in response to the government's proposed Biosecurity Protection Levy
- Provision of technical and industry support to AFPA's Forest Biosecurity Manager
- Guidance on delivery of the Forest Watch Australia program

- Responded to 12 biosecurity pest reports
- Provision of industry representation in 2 major pest incident responses:
 - i. Monitoring and advice on the Polyphagous Shot Hole Borer incursion in WA
 - ii. Successfully implemented a government-industry tree removal response plan to the Giant Pine Scale outbreak in Adelaide

5. Carbon Subcommittee:

Advises the Growers Chamber on opportunities for forestry growers to participate in the carbon market

Achievements

- Participation in the Clean Energy Regulator streamlining online form process
- Development of templates to speed up ACCU Scheme Application processing times
- Suggesting to the Clean Energy Regulator to implement small allotment alternative assurance requirements (changing the auditing requirements) and participating in public consultation about this
- Engagement with the Department of Climate Change, the Environment, Energy and Water around Full CAM Guideline changes
- Greater focus on Plantation Method ACCU method transparency
- Prioritisation of future carbon accounting method amendments and developments
- Keeping members abreast of ASX ACCU Futures Market development

Sara Bray





PULP, PAPER & BIOPRODUCTS CHAMBER

In 2024, the AFPA Pulp and Paper Chamber has focused on several key policies aimed at driving sustainability, decarbonisation, and resource security across the industry. This report highlights progress, challenges, and future directions for these projects as we work to strengthen the sector's resilience, environmental impact, and economic potential.

A key focus area for the Chamber this year has been industry-wide sustainability measures, grounded in the industry-funded Sector Decarbonisation Report. This report provides baseline emissions data for the pulp and paper sector, enabling the Chamber to identify strategic opportunities for reducing emissions across the value chain. With insights from the report, the Chamber is assessing pathways for further decarbonisation efforts that not only benefit the industry but also contribute meaningfully to the broader economy's transition to net-zero emissions. Potential strategies under review include energy efficiency enhancements,

and process improvements that mitigate greenhouse gas emissions. The report will help the chamber understand baseline emissions, develop industry wide strategies for decarbonisation and promote the sustainability credentials of the sector.

The Chamber is supporting the sector's role in the shift to more sustainable products. The chamber is exploring new opportunities within carbon markets, which offer potential for companies within the sector to generate additional revenue streams by contributing to carbon reduction goals. The chamber has a focus on sustainable product promotion, including recyclable materials and increased recycled content in paper products, to align with both consumer demand and regulatory expectations for circularity.

Additionally, the Chamber has addressed the pressing issue of rising energy costs, which remains a significant operational challenge.



James Jooste
Chamber Manager
Senior Policy Manager,
AFPA

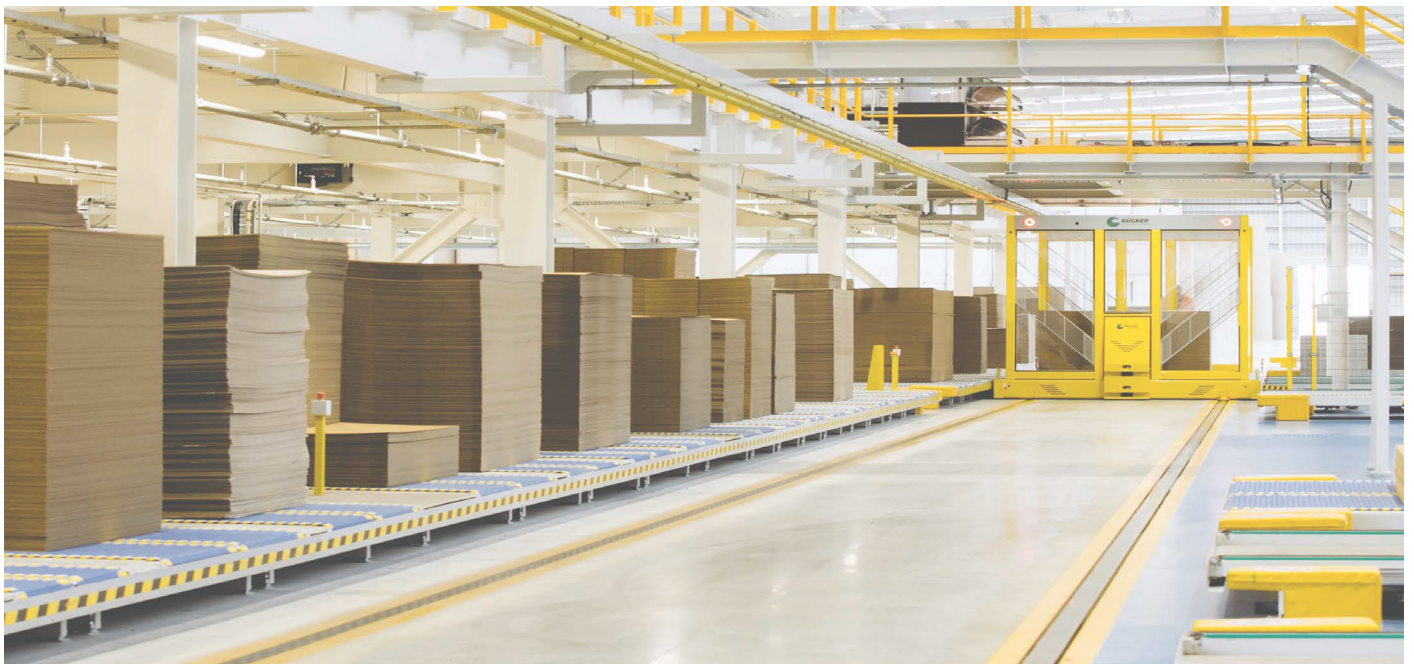


Kate Baker
Chamber Chair
General Manager,
Circular Economy &
Sustainability, Visy

The chamber is exploring solutions for more stable and sustainable energy, we aim to reduce cost pressures while enhancing our sector's competitiveness. Resource security is another focal area, particularly in light of recent fire events, fluctuating global supply chains and rising demand for sustainable materials. To mitigate these risks, the Chamber is investigating opportunities to build on government policies to ensure a steady supply of sustainable raw materials essential to pulp and paper production.

The AFPA Pulp, Paper and Bioproducts Chamber remains committed to advancing the sustainability of the sector through decarbonisation, resource security, and circularity initiatives, positioning the industry as a vital contributor to a sustainable, low-carbon economy.

James Jooste





CLIMATE POLICY

The past 12 months saw climate policy focus on the role and decision makers to turn their minds to the role natural capital will play in the transition to a low carbon circular bioeconomy. The AFPA-wide Climate Policy Subcommittee (CPSC) chaired by Sara Gipton continued its work to support the AFPA Board and to develop a holistic narrative as to how Australia's nature-based sustainable and renewable forest and forest products sector can constructively contribute to both capturing more carbon emissions and to the Decarbonisation of Australia's economy.

The Climate Policy Working Group (CPWG), a subgroup of the CPSC, was formed to progress a report ('Decarbonisation Report') into the net carbon emissions baseline and projection of Australian softwood plantation forests, hardwood plantation and native forests, wood processing sites and pulp and paper production out till 2050. This will be a critical project in helping establish credible evidence of the role timber and pulp and paper products can play in reaching net zero. The CPWG consists of at least one representative from each AFPA

Chamber to ensure every part of the supply chain is accurately represented in the report. The consultant has begun work to complete the Decarbonisation Report which is due for completion in the first half of 2025. Establishing a good baseline data set took longer than expected and presenting the data in a way that accurately reflects the unique attributes of our industry while respecting international accounting rules has taken some time, but it is critical to get it right.

AFPA attended COP 28 in Dubai to execute the CPSC strategic objectives as outlined in the COP 28 report to ensure Australian Government decision makers understand the role sustainable forestry and forest products will play in decarbonising Australia. AFPA has also been active across a plethora of climate related activities throughout government including the Australian Government's Net Zero Plan.

Australia, along with all parties to the Paris Agreement, has committed to the global goal of holding the increase in global average temperatures to well below 2 °C of warming and pursuing efforts to keep warming to less than 1.5 °C.

The Net Zero Plan is intended to guide our transition to the legislated target of net zero greenhouse gas emissions by 2050.



Georgina Williams
Climate Policy Manager

Policy Manager,
AFPA



Sara Gipton
Chair

Business Development
Manager, PF OLSEN

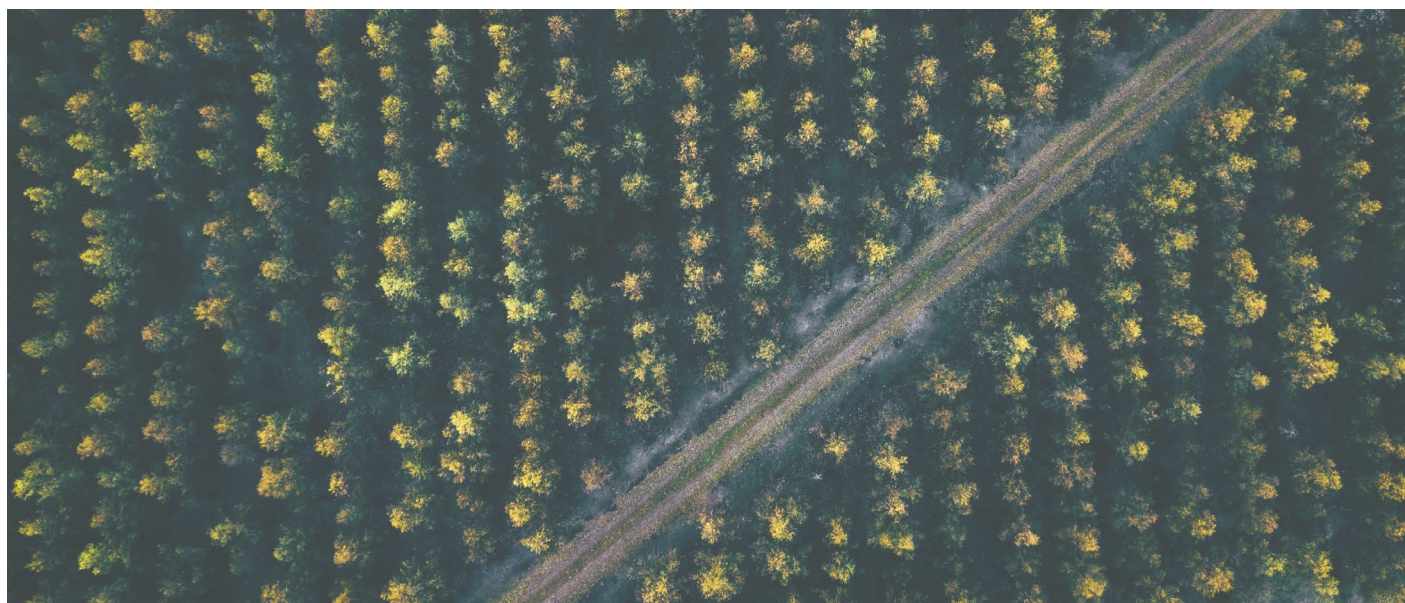
Six sectoral emissions reduction plans will support the Net Zero Plan. This will enable the Plan to capture the full breadth of the economy while recognising that emissions vary significantly across and within sectors; the challenges and opportunities of reducing those emissions also vary accordingly.

These six sectors forming the plans are:

- Electricity and energy
- Transport
- Industry
- Agriculture and land
- Resources
- The built environment

The sectoral plans have struggled to interact and recognise or account for leakage and interplay between plans so it will be critical under the Net Zero Plan to bring together the sectoral plans and whole of economy strategy to reach net zero while supporting Australian industry to retain sovereign capability.

Georgina Williams





AFPA NSW

NEW SOUTH WALES AUSTRALIAN FOREST PRODUCTS ASSOCIATION

AFPA NSW continues to meet regularly with members of government and parliament in NSW and key agency staff on matters critical to the timber industry in NSW. AFPA NSW sits on the Forestry Industry Advisory Committee, Industry Advisory Panel for the Great Koala National Park and working committee on the review of the NSW Sawmilling Code of Practice. AFPA NSW has built a genuine trust with the NSW Government on all forestry issues as a key stakeholder for our industry providing regular feedback to government on forestry issues.

A significant win endorsed by the Forestry Industry Advisory Panel was securing \$13 million in underspent funds to be put towards the NSW Plantations Fire Protection Fund in Southwest NSW. The Government has started work on the Forestry Industry Action Plan that will set-up the future of the forestry industry in NSW. AFPA NSW has met with senior staff at Homes NSW to promote greater involvement for the timber sector in new Modern Methods of Construction projects.

There continues to be significant change and disruption in the native forestry sector and on-going consultation on the NSW Labor Governments election commitment to create a Great Koala National Park. We have also seen a major shift in policy by the EPA in enforcing and amending native forestry rules. This has had a dramatic impact on wood supply in the last 12-months.

AFPA NSW has visited all major timber growing and processing regions in NSW in the last 12-months from the north coast to the south coast and all softwood growing regions in the Central West and Southwest. Seeing the capital upgrades and investments in mills and sharing that with Ministers and members of parliament has been important in promoting our high-tech and advanced industry. It has also been a great pleasure to welcome two new members to AFPA NSW – Haydens Timber and Sustainable Forest Management who both make an immense contribution to the native hardwood sector on the NSW mid and north coast.

It was a great pleasure to host the AFPA NSW dinner in Parliament House in August this year. It was a well-attended event with stakeholders from across the industry, the Minister for Agriculture and government and opposition MP's.



James Jooste
Chief Executive Officer
AFPA NSW



Stephen Dadd
Chair
Executive Director,
The Pentarch Group

I look forward to hosting more events at NSW Parliament over the next year. AFPA NSW launched two major campaigns this year; a media campaign alongside the CFMEU to raise awareness about the hardwood industry on the South Coast where timber mills had their wood supply cut by 50 per cent following changes to state forestry rules and a campaign to reverse a decision by Essential Energy to transition 1.33 million power poles from hardwood to fiberglass composites. Both campaigns will conclude at the end of the year (or if appropriate resolutions are achieved) and I look forward to sharing more details about these campaigns with you.

The top priority for the remainder of 2024 and into 2025 will be secure major policy outcomes for the industry through the Forestry Industry Road Map. AFPA NSW submitted a significant submission to Independent Forestry Panel outlining key policy initiatives to grow our sector and boost our economy. These major policy initiatives include:

- Increasing our plantation estate by 100,00 hectares
- NSW Government procurement prioritisation for MMC based government housing, and infrastructure projects
- Designation of specific MMC manufacturing “precincts” in regional communities
- Commit to priority investment incentives in engineered wood products close to supply

- hub regions to improve NSW’s capability to contribute to the built environment.
- Review the fire management strategy focusing on fuel reduction including mechanical thinning and fuel reduction burning
- Commitment to delivery on the dual election commitments to create a GKNP and retain a viable native hardwood industry
- Fund research and development initiatives focused on improving technologies for converting timber residues into bioenergy and other valuable products
- A statutory review process of Integrated Forestry Operations Approval should be established which includes public consultation on changes or amendments to the IFOAs

While this is not the exhaustive list of policy proposals, they alone will help us take a big leap forward for the future of the forestry sector in NSW.

AFPA NSW continues to promote all of our sector in the media in regional, metropolitan and with the NSW press gallery. These include raising critical issues around housing supply, native forestry, carbon credits and native forestry. AFPA NSW is well established as the peak body representing the forest and wood products industry in NSW across our state media channels.

There is a significant amount still to do and I look forward to working with our members to grow this sector in NSW.

GOVERNING COUNCIL

At 30 June 2024



Jacob Lazarus
Deputy Chair
General Manager,
Southern Cross Forests



Shane Vicary
Council Member
CEO, AKD Softwoods
Trading



Wolf Lorenz
Council Member
General Manager
Packaging Australia,
Oji Fibre Solutions





SAFPA

SOUTH AUSTRALIAN FOREST PRODUCTS ASSOCIATION

As the peak advocacy body for the forest industries in South Australia, the South Australian Forest Products Association (SAFPA) has worked closely with our members to ensure our values and targets are sharp and relevant to deliver maximum benefit to all sectors of the industry.

SAFPA operates as the political wing of the forest industries in South Australia and under the guidance of CEO Nathan Paine, Chair Tammy Auld and the Governing Council, our industries have been well recognised through deep engagement with political parties which has secured significant positive outcomes for the industry.

In 2022, SAFPA's inaugural Policy Platform secured the industry almost \$25 million in commitments from the Government and since the election additional commitments have been secured, not least of which is the almost \$30 million Connecting up the South East project where SAFPA worked with Telstra to bring together six of the seven local governments in the Limestone Coast along with the State Government and the Federal Government and which will see almost 30 mobile base stations installed across the region to make it the most connected up region in the nation.

A great step forward over the last year has been the launch of the South Australian Government's Wood

Fibre and Timber Industry Master plan, which is directing the \$2 million in funding from which SAFPA is rolling out a range of projects including a deep-dive into our sovereign capability to grow enough fibre for our future needs and a Master Plan for a secondary fibre processing precinct at Manarto in South Australia.

However, our biggest project is the launch of a new forest industries jobs and careers campaign called This Is Wood Work. This industry awareness campaign celebrates the diversity of jobs and careers in our industries and ensures the forest industries are front of mind for school leavers and job seekers. To learn more about the campaign, I encourage those to visit thisiswoodwork.com.au.

Further recent commitments from Government include an additional \$450,000 for Tree Breeding Australia in Mount Gambier to expand their facility and strengthen their reputation as Australia's leading forestry genetics research centre.

In the next financial year, SAFPA will be offering the industry an exciting program as the year 2025 marks the 150th anniversary of commercial plantation forestry in the nation. A year of celebrations will earmark the occasion along with a celebratory dinner with political heavyweights, industry and stakeholder leaders, and the past, present and future trail blazers of the South Australian forest and timber industries.



Nathan Paine
Chief Executive Officer
SAFPA



Tammy Auld
Chair
Customer and Regional
Manager, Timberlands
Pacific

Whilst we have a number of exciting and worthwhile projects on the horizon, politically South Australia will have two major elections within the space of 18 months – the Federal election and the State election which will be held on 21 March 2026.

As we look towards the 2026 State Election, SAFPA has refreshed its in-depth, solutions focused Policy Platform and is working with all political parties to ensure the voice of South Australia’s forest and timber industries is heard, that our policy solutions are embedded in Government and Opposition platforms and that positive outcomes can be delivered for the region and the industry.

Nathan Paine

GOVERNING COUNCIL

At 30 June 2024



John Forster
Deputy Chair/
Treasurer
General Manager,
SE Pine



Adrian Flowers
Council Member
General Manager,
Tabeel Trading



Greg Boulton
Council Member
Chair, SA Pine



Mike Lawson
Council Member
Chief Operating Officer,
SFM Environmental
Solutions



Odette Lubbe
Council Member
Managing Director,
GTFP



Phil Mason
Council Member
Director Operations
ANZFF, New Forests



Ben Edser
Council Member
Chief Executive Officer,
AAM



Simon Angove
Council Member
EGM Sales, Marketing
& Corporate
Affairs, Timberlink
Australia



Darren Sims,
Council Member
General Manager
Finance Australia,
OneFortyOne
Green Triangle



Laurie Hein
Council Member
Director,
Australian Bluegum
Plantations

STAFF



Haley Welch
Communications
Advisor,
SAFPA



TFPA

TASMANIAN FOREST PRODUCTS ASSOCIATION

TFPA is the peak body for forestry in Tasmania, undertaking policy development, lobbying and advocacy for our members interests.

TFPA represents all elements of the value chain - including harvesting, plantations, forest management and processing - to governments, the Tasmanian Parliament, media, and the general public.

The last 12 months has been bookmarked by victories and challenges for the TFPA and the whole Tasmanian forestry sector. Despite the challenges, it is pleasing that the industry continues to receive bipartisan support from both sides of politics.

However, attacks on our flanks over the continuation of native forest logging, the long-term sustainability of the public estate, and growing concerns about plantation forestry means the TFPA have been kept busy fighting for our industry.

The biggest Tasmanian event of the last 12 months would surely have been the re-election of the Rockliff Liberal Government for a record breaking fourth term.

The TFPA's election wish list was embraced by both major parties, with the industry securing several key promises - including a further \$5 million towards on-island processing grants and an

increase in local benefits test to 30 per cent for all government timber contracts.

So, despite a growing and more dysfunctional cross bench in the new parliament, having both major parties publicly back our industry gives our members a level of stability - ensuring confidence that the prosperity and growth of our industry will continue over the coming years.

Since the election, the TFPA continues to work constructively with STT to ensure that our members get a fair and equitable deal in all post-2027 public estate harvesting contracts.

Ensuring an equitable supply for Tasmanian businesses after the new contracts begin is a key focus for the TFPA, and essential to ensure the Tasmanian businesses are not unfairly impacted following the closure of some mainland state's native forest sectors.

This year, we've also seen an ongoing campaign to end native forest logging, run by the extreme environmental groups and misguided academics such as Dr David Lindenmayer.



Nick Steel
Chief Executive Officer
TFPA



Sarah Courtney
Independent Chair

Despite their mistruths, the TFPA has been joined by business, environmental and academic leaders to dispel the wild and untrue claims. The TFPA is also working behind the scenes to ensure that our leaders and key decision makers are presented with the facts on the forestry industry, and not taken in by their untrue rhetoric.

While the coming 12 months will be a challenging time for the Tasmanian forestry industry, the TFPA is committed to ensuring that our respected, responsible and renewable industry continues to build on its strengths for the future.

Nick Steel

GOVERNING COUNCIL

At 30 June 2024



Shawn Britton
Deputy Chair
Managing Director,
Britton Timbers



Steven Brown
Treasurer
CEO, Timberlands
Pacific



Andrew Morgan
Council Member
Managing Director,
SFM



Clint Webb
Council Member
Manager,
Midway Tasmania



Owen Hoffman
Council Member
General Manager,
Reliance Forest Fibre



Darren Davis
Council Member
Chief Commercial
Officer, Forico



Trevor Innes
Council Member
GM - Technical &
Sustainability,
Timberlink Australia

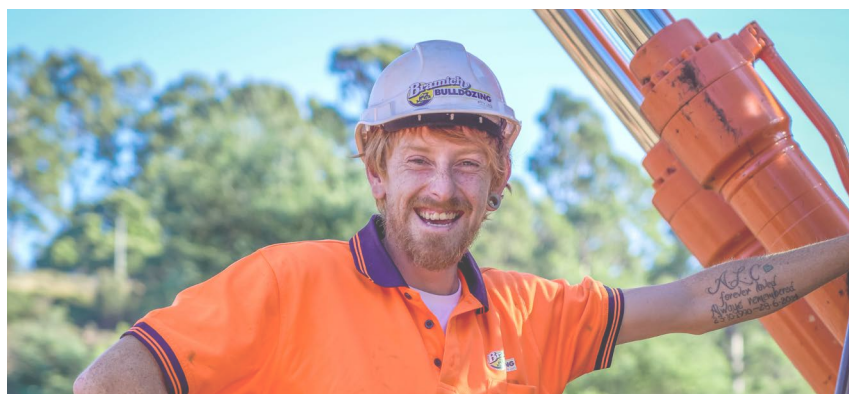


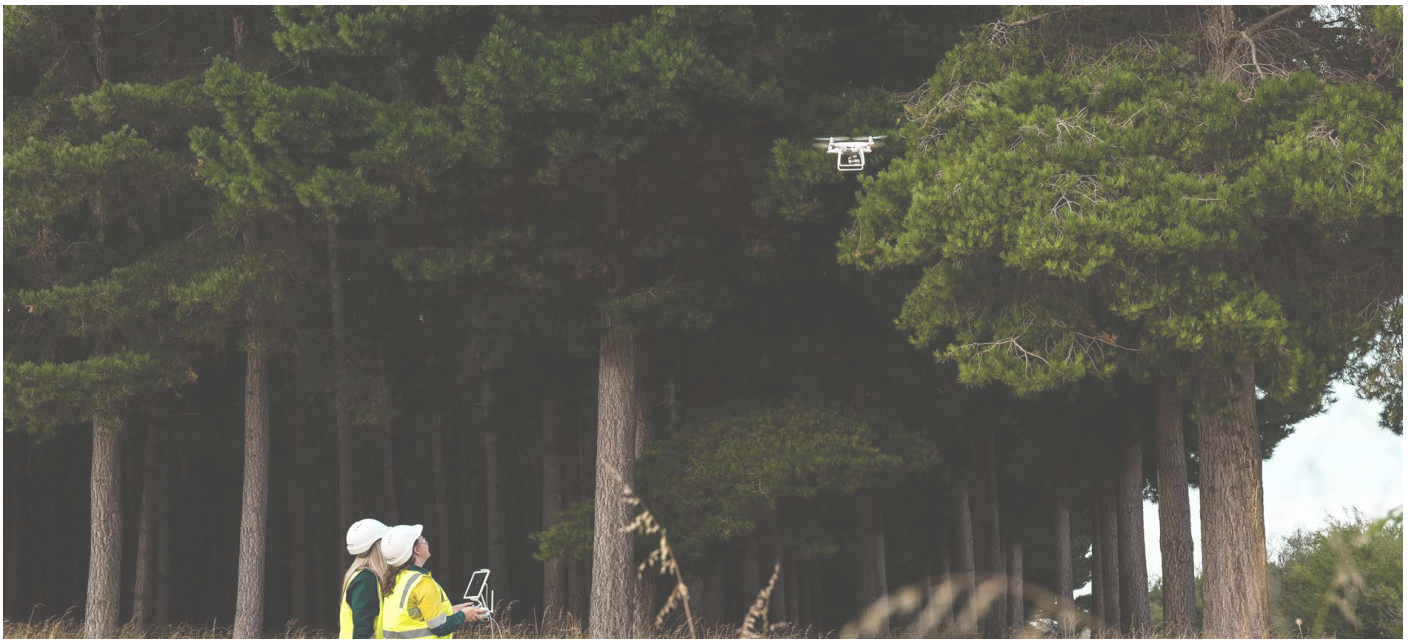
Andrew Wye
Council Member
State Manager,
Wood Based Products

STAFF



David Bauche
Media & Public
Relations Manager,
TFPA





VFPA

VICTORIAN FOREST PRODUCTS ASSOCIATION

The Victorian Forest Products Association (VFPA) is the primary industry organisation representing the timber and wood fibre sector in Victoria. This encompasses businesses engaged in the production, processing and value adding of wood fibre.

VFPA has 21 full members and five associate members. During the year VFPA welcomed one new Associate Members – The Drug Detection Agency. Full member numbers declined because of the Victorian Government's decision to exit native forestry. A key challenge going forward is the recruitment of new members.

The most significant news of the year was the resignation of former Premier, Daniel Andrews. From the start, Premier Jacinta Allan's Government has been considerably more open and transparent with its interactions with industry and stakeholders. The change in leadership has resulted in increased responsiveness and more engagement with Ministers and their staff.

VFPA's executive hosted a dinner with the new Agriculture Minister, the Hon Ros Spence, along with Opposition Leader, John Pesutto. The VFPA CEO has met with Environment Minister, the Hon Steve Dimopoulos along with staff from the Premier's office, Ag Minister, and several key portfolio agencies.

VFPA is currently undertaking two important projects, that will be

co-funded by VFPA and FWPA. The first project is looking at the regulatory and non-regulatory barriers to plantation greenfield establishment and the harvest of hardwood from private native forests. The second project is seeking to develop a long-term strategy focusing on wood fibre use from a range of sources such as wood waste and forest biomass.

VFPA's Governing Council is reviewing its priorities and focus, which will form part of the incoming CEOs remit for 2024-25.

Finally, we would like to thank outgoing Council members Owen Trumper (AKD), Paul Heubner (Pentarch/ANWE), and Tim Benny (PF Olsen) for their contributions and wise counsel.

Chair of VFPA, Rob Hescock, would also like to acknowledge the contribution Deb Kerr has made to the organization over the past three years. She has set up a strong governance framework and managed the organisation through a turbulent period during the closure of native forestry in Victoria. VFPA will move forward with a strong focus on plantation timber and the manufacturing.

Deborah Kerr



Deb Kerr
Chief Executive Officer
VFPA



Rob Hescock
Chair
Chief Operating Officer,
HVP Plantations

GOVERNING COUNCIL

At 30 June 2024



Phil Mason
Deputy Chair
Fund Lead,
ANZFF and FIT



Darren Shelden
Treasurer
General Manager –
Operations, ABP



Sarah Harvie
Council Member
Head of Corporate
Affairs & Media,
Opal



Mike Lawson
Council Member
Chief Operating Officer,
SFM Asset
Management



Hamish Little
Council Member
General Manager
Plantations &
Carbon, Midway



Dan Pote
Council Member
CEO, Powelltown
Sawmill



Andrew Matheson
Council Member
Regional Manager –
Green Triangle, PF Olsen
Australia



Vince Hurley
Council Member
Managing Director,
ASH



Steve Allen
Council Member
General Manager –
Operations,
Pentarch Forestry





AFPA STAFF

At 30 June 2024

Diana Hallam	Chief Executive Officer
Richard Hyett	Deputy Chief Executive Officer & Director of Policy
Sandi Grant	Company Secretary and Finance Manager
James Jooste	Senior Policy Manager
Sara Bray	Senior Policy Manager
Georgina Williams	Policy Manager
Gordon Neil	Policy Manager
Amanda Bell	Forest Industry Safety Manager
Paco Tovar	National Forest Biosecurity Manager
Joe Prevedello	Communications Director
Fairlie Pearce	Creative Director
Candice Haydam	Office & HR Manager

AFPA STATE ASSOCIATIONS

At 30 June 2024

James Jooste	AFPA New South Wales Chief Executive Officer
Deborah Kerr	VFPA Chief Executive Officer
Nathan Paine	SAFPA Chief Executive Officer
Haley Welch	SAFPA Communications Adviser
Nick Steel	TFPA Chief Executive Officer
David Bauche	TFPA Media and Public Relations Manager

AUSTRALIAN FOREST PRODUCTS ASSOCIATION LIMITED

ABN: 40 008 621 510

FINANCIAL STATEMENTS

For the Year Ended 30 June 2024

Financial Statements

Australian Forest Products Association

ABN 40 008 621 510

For the year ended 30 June 2024

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Directors Report

Australian Forest Products Association For the year ended 30 June 2024

Director's Report

The directors present their report on Australian Forest Products Association Limited for the financial year ended 30 June 2024.

Directors

The names of the directors in office at any time during, or since the end of, the year are:

Name	Appointed / Resigned
Matt Crapp	Appointed; 29 November 2023
James Malone	Appointed; 24 November 2016
Ian Telfer	Appointed; 24 November 2016
Jean -Yves Nouaze	Appointed; 17 October 2017
Mark Rogers	Resigned; 29 November 2023
Stephen Whiteley	Appointed; 13 September 2018
Diana Gibbs	Appointed; 2 May 2019
Shane Vicary	Appointed; 30 November 2022
Craig Dunn	Resigned; 19 June 2024
Jessica Douglas	Appointed; 21 October 2020
Stephen Dadd	Appointed; 11 November 2020
Joel Fitzgibbon	Resigned; 5 February 2024

Meetings of Directors

During the financial year, ten meetings of directors were held. Attendances by each director during the year were as follows:

Committee Members Name	Number of Directors' meetings attended	Number of Directors' meetings eligible to attend
Matt Crapp	5	6
James Malone	6	10
Ian Telfer	10	10
Jean -Yves Nouaze	8	10
Mark Rogers	3	4
Stephen Whiteley	6	10
Diana Gibbs	6	10
Shane Vicary	9	10
Craig Dunn	8	10
Jessica Douglas	10	10
Stephen Dadd	10	10
Joel Fitzgibbon	6	8

Principal Activities

The principal activities of Australian Forest Products Association Limited during the financial year were:

- gathering and disseminating information on commercial, environment and political issues relating to the forest industries and their development;
- liaison with politicians and their advisors;
- liaison with various government departments on matters affecting the industries;
- development of ties with other forest based associations;
- speeches to industry gatherings;
- liaison with associated groups both within the forest industries and the wider economy; and
- liaison with media and preparation of articles for journals and newspapers

No significant changes in the nature of the Company's activities occurred during the financial year.

Objectives of the Company

The Company's short term objectives are to:

- be a vehicle for effective and efficient communication between various sectors within the forest industry;
- shape and drive forest industry and government policy development for the benefit of the forest industry;
- secure the best outcomes for the forest industry with important policy development through effective lobbying and other targeted representations;
- raise the profile of the forest industry with community opinion leaders, for the purpose of making the forest industry relevant, profitable and sustainable;
- develop and champion environmental, social, ethical and other standards for adoption with the forest industry;
- encourage and facilitate education on issues relevant to the sustainable growth of the forest industry; and
- develop and maintain cohesive and positive working relationships with other bodies with the forest industry.

Strategy for achieving the objectives

To achieve these objectives, the Company has adopted the following strategies:

- consulting with industry and industry representatives to identify emerging political, commercial and environmental issues;
- liaison with politicians and their advisers to convey the identified concerns of industry;
- prepare the submissions to governments on proposals which might affect the industry; and
- public comment and presentations regarding aspects effecting or having the potential to affect the viability of the industry using electronic and print media.

Performance Measures

The following measures are used with the Company to monitor performance:

- consultation with industry and industry representatives to identify emerging political, commercial and environmental issues;
- liaison with politicians and their advisers to convey the identified concerns of industry; and
- public comment and presentations regarding aspects effecting or having the potential to affect the viability of the industry using electronic and print media.

Members Guarantee

Australian Forest Products Association Limited is a company limited by guarantee. In the event of, and for the purpose of winding up of the Company, the amount capable of being called up from each members and any person or association who ceased to be a member in the year prior to the winding up, is limited to \$20.00. At 30 June 2024 there were 91 members (2023; 93)

At 30 June 2024 the Collective liability of members was \$1,820 (2023; \$1,860)

Operating results

The surplus of the Company amounted to \$527,756 (2023: \$-153,732)

The Auditor's Independence Declaration

Australian Forest Products Association

For the year ended 30 June 2024

The Auditor's Independence Declaration

The auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 30 June 2024 has been received.

Signed in accordance with a resolution of the Board of Directors.



Director: Stephen Dadd



Director: Ian Telfer

Sign date: 4 September 2024

Statement of Profit and Loss and Other Comprehensive Income

Australian Forest Products Association
For the year ended 30 June 2024

	NOTES	2024	2023
Income			
Revenue and Other Income	4	5,507,032	5,443,801
Total Income		5,507,032	5,443,801
Total Income			
		5,507,032	5,443,801
Expenses			
Other Expenses		1,435,720	1,628,378
Property Costs		27,218	35,159
Depreciation		61,690	56,459
Employee Benefit Expenses		1,695,185	1,836,181
State Expenses		1,759,462	2,041,357
Total Expenses		4,979,276	5,597,533
Profit/(Loss) before Taxation			
		527,756	(153,732)
Net Profit After Tax			
		527,756	(153,732)

Statement of Financial Position

Australian Forest Products Association

As at 30 June 2024

	NOTES	30 JUNE 2024	30 JUNE 2023
Assets			
Current Assets			
Cash and Cash Equivalents	6	3,806,293	3,551,004
Trade and Other Receivables	7	564,833	205,106
Prepayments	8	99,979	72,952
Total Current Assets		4,471,105	3,829,062
Non-Current Assets			
Property, Plant and Equipment	5	1,648,311	1,704,302
Total Non-Current Assets		1,648,311	1,704,302
Total Assets		6,119,416	5,533,365
Liabilities			
Current Liabilities			
Trade and Other Payables	9	242,201	217,079
Employee Entitlements	10	224,452	134,501
Other Current Liabilities	11	979,796	798,510
Total Current Liabilities		1,446,450	1,150,091
Non-Current Liabilities			
Employee Entitlements	10	45,275	26,250
Other Non-Current Liabilities	11	1,047,278	1,304,367
Total Non-Current Liabilities		1,092,553	1,330,617
Total Liabilities		2,539,003	2,480,708
Net Assets		3,580,413	3,052,657
Equity			
Retained Earnings		2,297,043	1,769,287
Reserves		1,283,370	1,283,370
Total Equity		3,580,413	3,052,657

Statement of Changes in Equity

Australian Forest Products Association

For the year ended 30 June 2024

	2024	2023
Equity		
Opening Balance	3,052,657	3,130,959
Increases		
Profit for the Period	527,756	(153,732)
Other Increases	-	75,431
Total Increases	527,756	(78,301)
Total Equity	3,580,413	3,052,657

Statement of Cash Flows

Australian Forest Products Association For the year ended 30 June 2024

	2024	2023
Operating Activities		
Payments to suppliers and employees	(2,757,428)	(2,888,227)
GST	(329,139)	(303,558)
Cash receipts from other operating activities	5,740,605	5,901,632
Cash payments from other operating activities	(2,299,941)	(2,856,231)
Net Cash Flows from Operating Activities	354,098	(146,383)
Investing Activities		
Payment for property, plant and equipment	(62,379)	(1,638,521)
Other cash items from investing activities		
Term Deposits	(299,917)	-
Accrued Interest	(21,349)	(6,368)
Prepayments	(5,677)	(12,710)
Total Other cash items from investing activities	(326,943)	(19,078)
Net Cash Flows from Investing Activities	(389,322)	(1,657,599)
Financing Activities		
Other cash items from financing activities	(38,032)	2,045,733
Net Cash Flows from Financing Activities	(38,032)	2,045,733
Net Cash Flows	(73,255)	241,751
Cash and Cash Equivalents		
Cash and cash equivalents at beginning of period	3,548,172	3,306,421
Net change in cash for period	(73,255)	241,751
Cash and cash equivalents at end of period	3,474,917	3,548,172

Notes to the Financial Statements

Australian Forest Products Association

For the year ended 30 June 2024

The financial statements are for Australian Forest Products Association Limited as an individual entity, incorporated and domiciled in Australia. Australian Forest Products Association Limited is a not-for-profit company limited by guarantee.

1. Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Entity is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

2. Change in Accounting Policy

Disclosure of Accounting Policies and Definition of Accounting Estimates - Amendments of AASB 2021-2

The amendments redefine the required disclosure of accounting policies from significant accounting policies, to material accounting policy information, if it can be reasonably expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, as outlined in AASB 101.

AASB 2021-2 also makes adjustments to AASB 108: Accounting Estimates by clarifying the cause and calculation of accounting estimates by improving the wording and aligning the definition across the AASB Standards.

There is no material impact on these financial statements from applying the amended AASB 2021-2.

AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements, Amendments to AASB 107 – Statement of Cash Flows, and AASB 7 – Financial Instruments

The amendments require an entity to disclose the terms and conditions of the arrangements, the carrying amount of the liabilities that are part of the arrangements, the carrying amounts of those liabilities for which the suppliers have already received payment from the finance providers, the range of payment due dates and the effect of non-cash changes.

There is no material impact on these financial statements from applying the amended AASB 2023-1.

3. Summary of Significant Accounting Policies

3.1. Accounts Payable and Other Payables

Accounts payable and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the accounting period. The balance is recognised as a current liability with amounts normally paid within 30 days of the recognition of the liability.

3.2. Comparative Amounts

Comparatives are consistent with prior years, unless otherwise stated.

The software mapping for individual accounts were adjusted in the year resulting in a change in the Comparative figures of the Statement of Profit and Loss and Other Comprehensive Income in the Financial Reports. No underlying change to individual account values or Net Profit have been made.

The adjusted reports reallocated \$444,622 previously included under Other Expenses in the 2023 Financial Report to State Expenses and \$157,428 previously included under Election Package Expenses in the 2023 Financial Report has been reallocated to Other Expenses.

3.3. Income Tax

No provision for income tax has been raised as the Company is exempt from income tax under Div 50 of the *Income Tax Assessment Act 1997*.

3.4. Critical Accounting Estimates and Judgements

Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. The Company expects most employees will take their annual leave entitlements within 24 months of the reporting period in which they were earned, but this will not have a material impact on the amounts recognised in respect of obligations for employees' leave entitlements.

Provision for Impairment of Receivables

The receivables at reporting date have been reviewed to determine whether there is any objective evidence that any of the receivables are impaired. An impairment provision is included for any receivable where the entire balance is not considered collectible. The impairment provision is based on the best information at the reporting date.

Building Valuation

An independent valuation of property (land and buildings) carried at fair value was obtained in 2023. The valuation is an estimation which would only be realised if the property is sold.

3.5. Revenue and Other Income

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods and services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific Revenue Streams

The revenue recognition policies for the principal revenue streams of the Company are:

Interest Revenue

Interest is recognised using the effective interest method.

Rental Income

Rental income is recognised on a straight-line basis over a period of the lease term so as to reflect a constant periodic rate of return of the net investment.

Membership Subscriptions

Revenue from the provision of membership subscriptions is recognised on a straight line basis over the financial year.

3.6. Goods and Services Tax (GST)

Revenue, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows in the statement of cash flows are presented on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to the ATO, are presented as operating cash flows included in receipts from customers or payments to suppliers.

3.7. Property, Plant and Equipment

Classes of property, plant and equipment are measured using the cost or revaluation model as specified below.

Where the cost model is used, the asset is carried at its cost less any accumulated depreciation and any impairment losses. Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Assets measured using the revaluation model are carried at fair value at the revaluation date less any subsequent accumulated depreciation and impairment losses. Revaluations are performed whenever there is a material movement in the value of an asset under the revaluation model.

Land and Buildings

Land and buildings are measured using the revaluation model.

Plant and Equipment

Plant and equipment are measured using the cost model.

Plant and equipment that have been contributed at no cost, or for nominal cost are valued and recognised at the fair value of the asset at the date it is acquired.

Depreciation

The depreciable amount of buildings is depreciated on a straight line basis and all other plant and equipment, except for leasehold land, is depreciated on a reducing balance method from the date that management determined that the asset is available for use.

The economic life used for each class of depreciable asset are shown below:

Fixed asset class	Economic life
Buildings	40 years
Plant and Equipment	5 to 10 years

At the end of each annual reporting period, the depreciation method, useful life and residual value of each asset is reviewed. Any revisions are accounted for prospectively as a change in estimate. When an asset is disposed, the gain or loss is calculated by comparing proceeds received with its carrying amount and is taken to profit and loss.

3.8. Financial Instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value depending on the classification of financial assets.

Classification

On initial recognition, the Company classifies its financial assets into the following categories, those measured at:

- Amortised cost
- Fair value through profit or loss - FVTPL
- Fair value through other comprehensive income – equity instrument

Financial assets are not reclassified subsequent to the initial recognition, unless the Company changes its business model for managing financial assets.

Amortised Cost

Assets measured at amortised cost are financial assets where:

- The business model is to hold assets to collect contractual cash flows; and
- The contractual terms give rise on specified dates to cashflows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measure the amortised cost comprised trade and other receivables and cash and cash equivalents in a statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method for less provision for impairment.

Interest income and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

Fair Value through Other Comprehensive Income

Equity instruments

The Company has no strategic investments in listed and unlisted entities of which they do not have significant influence nor control.

Financial Assets through Profit and Loss

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at FVTPL.

The Company does not hold any assets that fall into this category.

Impairment of Financial Assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets;

- Financial assets measured at amortised cost

When determining and whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company uses the presumption that an asset which is more than 30 days past due has seen significant increase credit risk.

The Company uses the presumption that a financial asset is in default when:

- The other party is unlikely to pay its credit obligations to the Company in full, without recourse to the Company to actions such as realising security (if any is held); or
- The financial assets are more than 90 days past due.

Credit losses are measured as the present value of the difference between cash flows due to the Company in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade Receivables

Impairment of trade receivables have been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Company has determined the probability off the non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Company renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in the profit or loss.

Other Financial Assets Measured at Amortised Cost

Impairment of other financial assets measured at amortised cost are determined using the expected credit loss model into AASB 9. On initial recognition of the asset, an estimate of the expected credit losses for the next 12 months is recognised. Where the asset has experienced significant increase in credit risk then the lifetime losses are estimated and recognised.

Financial Liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Company comprise of trade and other payables.

3.9. Impairment of non-financial assets

At the end of each reporting period, the Company determines whether there is any evidence of a impairment indicator for non-financial assets.

Where this indicator exists and regardless of goodwill, indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the assets is estimated.

Where assets do not operate independently of other assets, the recoverable amount of the relevant cash generating unit (CGU) is estimated.

The recoverable amount of an asset or CGU is the higher of the fair value less costs of disposal and the value in use. The value in use is the present value of the future cash flows expected to be derived from an asset or cash generating unit.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in the profit or loss.

Reversal indicators are considered in subsequent periods for all assets which have suffered an impairment loss, except for goodwill.

3.10. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of twelve months or less and bank overdrafts.

Bank overdrafts are shown within short term borrowings in current liabilities on the statement of financial position.

3.11. Employee Benefits

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits payable later than one year have been measured at the estimated future cash outflows to be made for those benefits. In determining the liability consideration is given to the employee wage increases and the probability that an employee may not satisfy the vesting requirements.

Contributions are made by the Company to an employee's superannuation fund and are charged as expenses when incurred.

Employee benefits are presented as current liabilities in a statement of financial position if the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date regardless of the classification of the liability for the measurement purposes under AASB 119.

3.12. Adoption of New and Revised Accounting Standards

The Company has adopted all standards which became effective for the first time at 30 June 2024, the adoption of the standards has not caused any material adjustments to the reported financial position, performance, or cash flow of the Company. Refer to Note 2 for details and changes due to standards adopted.

Standard Name	Effective Date for entity	Requirements	Impact
AASB 18 Presentation and Disclosure in Financial Statements	1 January 2028	<p>The key presentation and disclosure requirements established by AASB 18 are:</p> <ul style="list-style-type: none"> • the presentation of newly defined subtotals in the statement of profit or loss; • the disclosure of management-defined performance measures; and • enhanced requirements for grouping information (i.e. aggregation and disaggregation). 	Little impact expected, as entity already discloses all relevant accounting policies. no changes are required to accounting estimates.

4. Revenue and Other Income

	2024 FY	2023 FY
	\$	\$
Interest Received	61,324	42,471
Membership Subscriptions	2,724,855	2,451,551
Other Income	530,890	607,260
Project Income		-
Rental Income	129,527	116,086
State Membership Income	2,060,436	2,226,433
Total Income	5,507,032	5,443,801

5. Property, Plant and Equipment

	2024 FY	2023 FY
	\$	\$
Land and Buildings		
At Fair Value	1,625,000	1,625,000
Accumulated Depreciation	(53,647)	(13,022)
Total Land and Buildings	1,571,353	1,611,978
Furniture & Fixtures		
At Cost	30,793	36,203
Accumulated Depreciation	(30,661)	(35,714)
Total Furniture & Fixtures	132	489
Office Equipment		
At Cost	117,964	163,568
Accumulated Depreciation	(86,698)	(130,938)
Total Office Equipment	31,266	32,630
Plant (Air-Conditioning)		
At Cost	55,400	116,982
Accumulated Depreciation	(9,839)	(57,776)
Total Plant (Air-Conditioning)	45,560	59,205
Total Property, Plant and Equipment	1,648,311	1,704,302

5.1. Movements in Carrying Amounts of Property, Plant and Equipment

Movements in carrying amounts for each class of property, plant and equipment between the beginning and the end of the current year:

	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Office Equipment	TOTAL
Year ended 30 June 2024					
Balance at the beginning of year	1,611,978	59,205	489	32,630	1,704,302
Additions / (Disposals) (or revaluations)	-	(7,265)	2,039	10,925	5,699
Depreciation expense	(40,625)	(6,380)	(2,397)	(12,289)	(61,690)
Balance at the end of the year	1,571,353	45,560	132	31,266	1,648,311

	Buildings	Plant and Equipment	Furniture, Fixtures and Fittings	Office Equipment	TOTAL
Year ended 30 June 2023					
Balance at the beginning of year	1,579,500	4,512	1,075	39,322	1,624,409
Additions / (Disposals) (or revaluations)	75,431	55,800	-	5,121	136,352
Depreciation expense	(42,953)	(1,107)	(586)	(11,813)	(56,459)
Balance at the end of the year	1,611,978	59,205	489	32,630	1,704,302

5.2. Land and Building Valuation

The Company's land and buildings were revalued at 6 March 2023 by Civium. Valuations were made on the basis of fair value for value in use. There is a crown lease purpose clause restriction that "not less than fifty percentage of the gross floor area of the building will be used and occupied only by the Association as the National Secretariat of the Association".

6. Cash and Cash Equivalents

	2024 FY	2023 FY
	\$	\$
Cash at Bank	907,969	883,305
Short-term bank deposits	2,898,324	2,667,699
	3,806,293	3,551,004

Reconciliation of Cash

Cash and Cash equivalents reported in the statement of cashflows are reconciled to the equivalent items in the statement of financial position as follows:

	2024 FY	2023 FY
	\$	\$
Cash and Cash Equivalents	3,806,293	3,551,004

7. Trade and Other Receivables

	2024 FY	2023 FY
	\$	\$
Trade Receivables	564,833	205,106
	564,833	205,106

The following table details the Company's trade and other receivables exposure to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon. Amounts are considered as 'past due' when the debt has not been settled, within the terms and conditions agreed between the Company and the customer or counter party to the transaction. Receivables that are past due are assessed for impairment by ascertaining solvency of the debtors and are provided for where there is objective evidence indicating that the debt may not be fully repaid to the Company.

The balances of receivables that remain with initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount	Past due and Impaired	Past Due but not impaired (days overdue)			
			<30	31-60	61-90	>90
2024 FY	\$	\$	\$	\$	\$	\$
Trade and term receivables and other debtors	564,833	-	228,893	72,828	-	263,112
Total	564,833	-	228,893	72,828	-	263,112

	Gross Amount	Past due and Impaired	Past Due but not impaired (days overdue)			
			<30	31-60	61-90	>90
2023 FY	\$	\$	\$	\$	\$	\$
Trade and term receivables and other debtors	205,106	-	77,539	102,059	-	25,508
Total	205,106	-	77,539	102,059	-	25,508

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables in the financial statements.

8. Prepayments

	2024 FY	2023 FY
	\$	\$
Prepayments	71,950	66,273
Accrued Income	28,029	6,680
Total	99,979	72,953

9. Trade and Other Payables

	2024 FY	2023 FY
	\$	\$
Trade Payables	57,235	68,764
Other Payables	81,059	81,655
GST Payable	79,907	50,660
Accrued Expenses	24,000	16,000
Total	242,201	217,079

All amounts are short term and carrying values are considered to be a reasonable approximation of fair value.

10. Employee Benefits

	2024 FY	2023 FY
Current Liabilities	\$	\$
Superannuation payable	78,186	-
Provision for Annual Leave	146,266	134,501
Balance at 30 June	224,452	134,501

	2024 FY	2023 FY
Non-Current Liabilities	\$	\$
Long Service Leave	45,275	26,250
Balance at 30 June	45,275	26,250

11. Other Liabilities

	2024 FY	2023 FY
Current Liabilities	\$	\$
Bi Annual Mercer	-	37,000
Giant Pine Scale Project	334,895	459,870
Timber framing MKDS campaign 3	190,049	97,333
MGP Project	79,001	79,001
SAFPA State Election Campaign	13,082	13,082
WHS subcommittee administrative support	75,194	112,224
Built Environment Working Group Timber	101,000	-
Circular Economy Project	18,876	-
De-Carbonation Report	36,699	-
Forest Industry 150th Anniversary	50,000	-
PPSA Project	20,000	-
Structural Timber - Test Methods Project	50,000	-
Telstra Connecting	11,000	-
Total Current Liabilities	979,796	798,510
Non-Current Liabilities		
FIAT Reserve	437,996	477,370
VAFI Native Reserve	169,174	236,889
VAFI Plantation Reserve	440,108	590,108
Total Non-Current Liabilities	1,047,278	1,304,367
Total Liabilities	2,027,074	2,102,877

12. Tenant Leasing Commitments

	2024 FY	2023 FY
Minimum lease payments receivable under non-cancellable operating leases:	\$	\$
Not later than one year	108,793	111,011
Between one and five years	112,606	133,987
	221,399	244,998

The Company has entered into commercial property leases of its surplus office space. Lease payments are increased on an annually basis to reflect market rentals.

13. Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below:

- Liquidity risk
- Credit risk
- Market risk - interest rate risk

13.1. Financial Instruments Used

The principal categories of financial instrument used by the company are:

- Trade receivables
- Cash at bank
- Trade and other payables

The totals for each category of financial instruments, measured in accordance with AASB 9: *Financial Instruments* as detailed in the accounting policies to these financial statements, are as follows:

		2024 FY	2023 FY
Financial Assets	Note	\$	\$
Held at amortised cost			
Cash and cash equivalents	6	3,806,293	3,551,004
Trade and other receivables	7	564,833	205,106
Total Financial Assets		4,371,126	3,756,110
Financial Liabilities			
Financial liabilities at fair value			
Trade payables	9	242,201	217,079
Total Financial Liabilities		242,201	217,079
TOTAL		4,128,925	3,539,031

The company has not restated comparatives when initially applying AASB 9, the comparative information has been prepared under AASB 139 *Financial Instruments: Recognition and Measurement*.

Risk management is carried out by the Company's executive committee under the delegated power from the Board of Directors. The Finance Manager has primary responsibility for the development of relevant policies and procedures to mitigate the risk exposure of the Company, these policies and procedures are then approved by the executive committee and tabled at the board meeting following their approval.

Reports are presented at each Board meeting regarding the implementation of these policies and any risk exposure which the executive committee believes the Board should be aware of.

Specific information regarding the mitigation of each financial risk to which the Company is exposed is provided below.

13.2. Specific Financial Risk Exposures and Management

The main risks Australian Forest Products Association Limited is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk.

Interest Rate Risk

The Company's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	2024 FY	2023 FY
Financial Assets	\$	\$
Cash and cash equivalents	3,806,293	3,551,004
Total	3,806,293	3,551,004

13.3. Liquidity Risk

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations in relation to financial liabilities. The Company manages this risk through the following mechanisms:

- preparing forward-looking cash flow analyses in relation to its operating, investing and financing activities;
- maintaining a reputable credit profile; and
- comparing that maturity profile of financial liabilities with the realisation profile of financial assets.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Company expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances and will not need to draw down any of the financing facilities.

The table below reflects the undiscounted contractual maturity analysis for financial liabilities.

Cash flows realised from financial assets reflect management's expectation as to the timing of realisation. Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflects the earliest contractual settlement dates.

Financial Liability and Financial Asset Maturity Analysis

	Within 1 Year		Total	
	2024 FY	2023 FY	2024 FY	2023 FY
Financial Liabilities due for Payment	\$	\$	\$	\$
Trade and other payables (excluding estimated annual leave)	242,201	217,079	242,201	217,079
Total Expected Outflows	242,201	217,079	242,201	217,079
Financial Assets - Cash Flows Realisable				
Cash and cash equivalents	3,806,293	3,551,004	3,806,293	3,551,004
Trade and other receivables	564,833	205,106	564,833	205,106
Total Anticipated Inflows	4,371,126	3,756,110	4,371,126	3,756,110
Net (Outflow)/Inflow Expected on Financial Statements	4,128,925	3,539,031	4,128,925	3,539,031

13.4. Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The Company has adopted a policy of only dealing with credit worthy counter parties as a means of mitigating the risk of financial loss from defaults. The utilization of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayments basis until credit worthiness can be re-established.

14. Members Guarantee

The Company is incorporated under the *Corporations Act 2001* and is a Company limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of \$ 20 each towards meeting any outstanding obligations of the Company. At 30 June 2024 the number of members was 91 (2023, 93).

15. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 30 June 2024 (30 June 2023, None).

16. Cash Flow Information

Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

		2024 FY	2023 FY
	Note	\$	\$
Surplus/(deficit) for the year		527,756	(153,732)
Non-cash flows in profit			
- Depreciation	5.1	61,690	56,459
Changes in assets and liabilities			
- (Increase)/decrease in trade and other receivables		(381,076)	(4,554)
- (Increase)/decrease in prepayments		(5,677)	(12,710)
- (Increase)/decrease in fixed assets		112,597	(60,921)
- Increase/(decrease) in income in advance		(75,802)	458,006
- Increase/(decrease) in trade and other payables		(32,759)	50,161
- Increase/(decrease) in GST creditor		29,246	(19,861)
- Increase/(decrease) in employee benefits		108,976	(71,097)
Cashflow from Operations		344,957	241,751

17. Events Occurring After the Reporting Date

The financial report was authorised for issue on 14 August 2024 by the Board of Directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

18. Company Details

The registered office of and principal place of business of the Company is:

Australian Forest Products Association Limited

24 Napier Close

Deakin ACT 2600

Directors Declaration

Australian Forest Products Association For the year ended 30 June 2024

The directors of the Company declare that:

The Financial Statements and notes, as set out on pages 7 to 28, are in accordance with the Corporations Act 2001 and:

- Comply with Australian Accounting Standards; and
- give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the entity.

In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Director: Stephen Dadd



Director: Ian Telfer

Sign date: 4 September 2024

Auditor's Report

Australian Forest Products Association Ltd
ABN 40 008 621 510

For the year ended 30 June 2024

Opinion

I have audited the financial report of Australian Forest Products Association Ltd (ABN 40 008 621 510), which comprises the statement of financial position as at 30 June 2024, the statement of profit and loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

The net position of the organisation is a Net Profit of \$527,756 with a Revenue Turnover of \$5,507,032 and Net Assets of \$3,580,413.

In our opinion, the accompanying financial report of Australian Forest Products Association Ltd (ABN 40 008 621 510) is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the company's financial position as at 30 June 2024 and of its performance for the year then ended; and
- complying with Australian Accounting Standards to the extent described in Note 1, and the Corporations Regulations 2001.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

Liability limited by a scheme approved under Professional Standards Legislation.

Suite 4, 28 Barralong Road, ERINA NSW 2250 | PO BOX 3268, ERINA NSW 2250
Phone: 02 43 656 633 | Fax: 02 43 656 622 | ABN: 72 812 213 452
Web: www.seeaccounting.com.au | Email: info@seeaccounting.com.au

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001*. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of the directors for the financial report

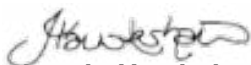
The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: <http://www.auasb.gov.au/Home.aspx>. This description forms part of our auditor's report.



Jennie Hawkshaw CPA, B-Com Accg, Adv Dip (FS) FP, JP
Registered Company Auditor
Registered Tax Agent
SMSF Auditor
Auditor Number: 403474

Dated: 5th August 2024



Auditor Independence Declaration
To the Members of Australian Forest Products
Association Ltd

The Director's received the following declaration from the auditor of the company:

In relation to our audit of the financial report of Australian Forest Products Association Ltd (ABN 40 008 621 510) for the financial year ended 30th June 2024, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

See Accounting Group

Certified Practising Accountants

A handwritten signature in black ink, appearing to read 'Jennie Hawkshaw', is positioned above the printed name.

Jennie Hawkshaw CPA, B-Com Accg, Adv Dip (FS) FP, JP

Registered Company Auditor

Registered Tax Agent

SMSF Auditor

Auditor Number: 403474

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FORECAST TO QUADRUPLE BY 2050



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