



Australian  
Forest  
Products  
Association

# AUSTRALIAN FOREST PRODUCTS ASSOCIATION

SUBMISSION – Inquiry into the Environment Protection and  
Biodiversity Conservation Amendment (Reconsideration of  
Decisions) Bill October 2024





18 October 2024

To Environment and Communications Legislation Committee  
c/o Committee Secretary  
Senate Standing Committees on Environment and Communications  
PO Box 6100  
Parliament House  
Canberra ACT 2600  
[ec.sen@aph.gov.au](mailto:ec.sen@aph.gov.au)

Inquiry into the Environment Protection and Biodiversity Conservation Amendment  
(Reconsideration of Decisions) Bill 2024

**About Australian Forest Products Association (AFPA)**

*The Australian Forest Products Association (AFPA) is the peak national industry body representing the Australian forest, wood and paper products (forestry) industry's interests to governments, the general public and other stakeholders on matters relating to the sustainable development and use of Australia's forests and associated manufacturing and marketing of wood and paper products in Australia.*

*Australia's Forestry Industries directly employ approximately 80,000 people and another 100,000 indirect employees and is a major employer in many regional towns. Australian Forest Industries contribute \$24 billion to the Australian economy each year.*

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AFPA thanks the Committee for the opportunity to provide a submission to this inquiry.

AFPA supports that the proposed Bill, Environment Protection and Biodiversity Conservation Amendment (Reconsideration of Decisions) Bill 2024 which amends the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) through the introduction of limitations on timeframes permissible for reconsideration of decisions, and on those who may seek reconsideration after a period of three years.

AFPA notes that the recent decision to rescind an environmental approval after 11 years must send a concerning signal to the investment market.

The proposed changes in the Bill will substantially improve regulatory certainty for investors in projects that require environmental approvals, increase investment overall and directly assist the government's efforts to promote expansion of, and investment in, the plantation forestry sector.

**Timber supply for the future**

Australia's national plantation estate has fallen by 230,000 hectares from 1.973 million hectares in 2014-15 to 1.744 million hectares in 2020-21.<sup>1</sup> Political decisions, particularly in

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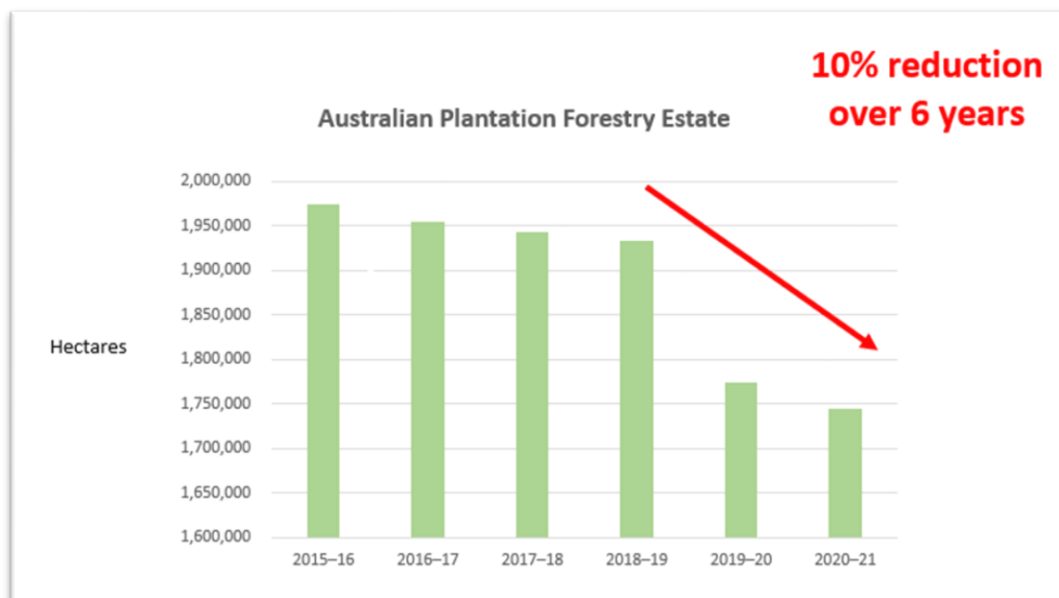
<sup>1</sup> <https://www.agriculture.gov.au/abares/research-topics/forests/forest-economics/plantation-and-log-supply#australian-plantation-statistics-and-log-availability-2021-report>

Victoria and Western Australia, have also reduced hardwood timber supplies and put jobs, businesses and in some cases whole towns at risk.<sup>2</sup> The policy environment must support investment and growth of sustainable, renewable timber fibre industries to maximise our opportunities, which include supplying timber for housing.

Despite our natural advantage in growing trees in many parts of Australia, to grow our forest industries we need to capitalise on the increasing domestic and global demand for timber and wood-fibre<sup>2</sup>. Domestically this increased demand is being most keenly being felt by homebuilders relying heavily on our softwood saw-millers and timber processors around Australia to build the next generation of homes.

As Australia’s population grows, and with global demand for timber expected to quadruple by 2050<sup>3</sup>, this challenge will get even more pronounced unless something changes. From high-rise timber construction to replacing plastics with new and emerging wood-fibre based materials, global demand for wood and fibre is continuing to increase.

**Figure 1: The plantation forestry estate is declining.**



Growing, diversifying and securing Australia’s sustainable forest industries will be essential to meeting Australia’s fibre needs and to contribute to the global climate change solutions. Global sustainable forest industries will be critical as the world deals with climate change impacts and pivots toward preferencing the circular bioeconomy and sustainable renewable and environmentally friendly products, over harmful plastic packaging and emissions intensive building and construction materials.

Australia’s almost two million hectare plantation estate has shrunk rather than grown in the last 10 years due to the existing economic and regulatory environment. It currently occupies 0.25 per cent of Australia’s land area. More than 75 per cent of Australia’s plantation forests are owned by the private sector. The vast majority of these are replanted after harvest. Investment decisions to establish new areas of plantation are complex; investors need to

<sup>2</sup> <https://www.abc.net.au/news/2022-05-06/greenbushes-mill-closes-as-wa-native-forest-logging-ban-looms/101044632>

consider issues including land price, long growth times and pest and climate risks. Of prime concern for investors must be return on investment. In the case of plantation the time scale for fully realising that investment is likely to be 30 to 40 years. This means that part of the risk assessment is security of tenure and security in the regulatory environment over the medium to long term.

Actions that increase the uncertainty within the regulatory environment can only reduce the availability investment capital, not least in medium to long term investment. The decision to rescind an environmental approval after 11 years must send a concerning signal to the investment market. The changes proposed by the Bill will substantially improve regulatory certainty for investors in projects that require environmental approvals and directly assist the government's efforts to promote expansion the plantation. forestry sector.

### **Regional Forest Agreements**

AFPA notes the government's commitment to bring Regional Forest Agreements (RFAs) within the scope of the EPBC Act. AFPA notes that RFAs are not a 'loophole' in the regulatory environment but an alternative way to meet the same regulatory requirements. This was demonstrated on 10 January 2024 when the Federal Court<sup>3</sup> dismissed a challenge by the Northeast Forestry Alliance on the validity of the NSW Northeast Regional Forestry Agreement. A key objective of RFAs was to give the native forest harvesting sector a level of regulatory certainty while fully addressing biodiversity needs. RFA

Simple inclusion of RFAs within a revised EPBC Act could render the agreements inoperative, create overlapping regulatory responsibilities between state and Commonwealth entities and provide an opportunity for forum shopping for those seeking to frustrate approval processes. It would encourage vexatious legal disputation and regulatory gridlock used in the past by conservation groups to render the industry unviable regardless of the merits or otherwise of the disputed claims. RFAs were created to address the requirements of ecologically sustainable native forestry and provide the regulatory certainty of a single (State) regulator. RFA's require regular reviews (5 years) which provide for cooperation between state and federal government to ensure contemporary management of the environmental at a landscape scale. This provides for investment certainty while delivering structured continuous improvement model for environmental management. The EPBC ACT allows potentially unlimited ad hoc interventions at a species-by-species level which encourages activists to campaign for action irrespective of the science.

The introduction into the EPBC Act of limitations on timeframes permissible for reconsideration of decisions, and on those who may seek reconsideration after a period of three years would at least limit the scope for vexatious legal disputation although at the cost of the formal cooperation of state and federal governments and processes for regular reviews (recognising that RFAs would cease to be operative).

Thank you for providing AFPA with the opportunity to provide this submission. If you have any questions regarding this submission, please contact Richard Hyett, Director of Policy via email

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<sup>3 3</sup> <https://www.judgments.fedcourt.gov.au/judgments/Judgments/fca/single/2024/2024fca0005>