Draft Strategic Plan 2016-2021

Forest&Wood Products Australia
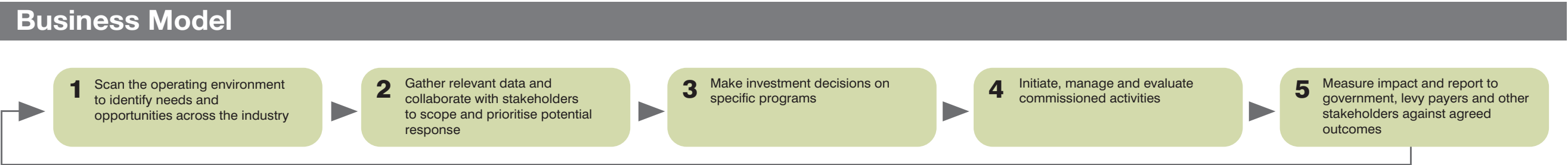*Knowledge for a sustainable Australia*

Industry Vision

The forest and wood products industry will grow as a result of increased demand for its market-oriented, sustainable and competitive products and services.

FWPA Mission

We collaborate with government and industry stakeholders to determine strategy and deliver programs designed to grow the market for forest and wood products, increase productivity and profitability across the value chain and ensure positive environmental and social outcomes.

Business Model

1. Scan the operating environment to identify needs and opportunities across the industry
2. Gather relevant data and collaborate with stakeholders to scope and prioritise potential response
3. Make investment decisions on specific programs
4. Initiate, manage and evaluate commissioned activities
5. Measure impact and report to government, levy payers and other stakeholders against agreed outcomes

We work with FWPA members and levy payers, the Australian government and other key stakeholders to secure the co-operation and collaboration required to deliver outcomes that will be of optimal benefit to the industry as a whole.

Outcomes

A — Increased Demand

We will employ a range of strategies to boost demand, including:
- promoting the positive benefits of wood through education, promotion and advertising
- improving the product knowledge of specifiers and consumers
- addressing any perceived or real impediments to the use of wood in a range of applications.

Key measures
- Increased consumption.
- Increased consumer and building specifier perception that 'wood is good'.
- Increased consumer awareness of advertising and/ or brand awareness and improved perceptions of wood as an environmentally positive and suitable material.
- Greater understanding of the role of wood products in future construction applications.

B — Increased Community Acceptance

We will increase the industry's social licence to operate by:
- using social research to inform strategy
- implementing targeted educational and promotional programs
- leveraging strategic partnerships
- making effective use of social and traditional media.

Key measures
- Maintenance of social licence relating to production and harvesting of wood.
- Uptake of relevant teaching resources.

C — Increased Productivity and Profitability

We will increase value chain productivity and profitability by:
- pursuing greater alignment between the initial resource and the finished product (tree to market)
- improving market knowledge
- ensuring products are fit-for-purpose, safe and durable with performance that meets user expectations
- minimising strategic and operating risk.

Key measures
- Increased capital investment in forest growing and processing.
- Increased profitability along the value chain.
- Industry benefits from company's investments are at least double the investment (i.e. benefit-cost analyses (BCA) greater than 2).

D — Increased Sustainability

We will enhance the sustainability credentials of forest and wood products by:
- assisting the industry to identify, measure and manage the environmental and social impact of products and management practices
- engaging with the community to engender positive attitudes to the industry.

Key measures
- Increased acceptance of the sustainability credentials of the sector by consumers and building specifiers.

E — Increased Capability

We will impact decision making by providing readily accessible information that assists industry participants to:
- adapt to changes in the business environment
- achieve better commercial outcomes.

Key measures
- Uptake and usage of information and analysis.
- Industry support for skills development programs.

Linking outcomes to programs

Program	A	B	C	D	E
Program 1 Promoting the advantages of wood products	■	■			
Program 2 Aligning products to market needs	■	■	■	■	▨
Program 3 Assisting value chain optimization		▨	▨		▨
Program 4 Increasing resource availability and reducing risk		▨	■		
Program 5 Impacting decision making and industry capability		▨	■		■

During the period of the plan, FWPA will pursue the stated outcomes through five integrated programs.

We accept accountability for the return on investment to our levy payers and other contributors.

To that end, we provide a high level of transparency regarding our program activities through this plan, regular consultative forums, the FWPA website and our annual reporting.

Our strong corporate governance ensures investors know how their money is being spent and what has been achieved.

Programs

1 Promoting the advantages of wood products

This program promotes the benefits and usage of forest and wood products. Research will concentrate on increasing our ability to track and understand market attitudes to industry products, as well as on the environmental and design attributes of timber products in comparison to those of other materials.

Priorities for 2016-2021

Continue current promotional activities aimed at the consumer that leverage off the partnership with Planet Ark and focus on a broad range of beneficial wood attributes. **Ⓐ Ⓑ**

Expand promotional activities to include the non-structural (and non-decorative) use of wood such as landscaping and packaging. **Ⓐ Ⓑ**

Increase the uptake and active use of teaching resources from forestlearning.edu.au website. **Ⓑ**

Proposed % of expenditure: xx%

2 Aligning products to market needs

This program aims to ensure that the industry's products and services are fit-for-purpose, appropriately aligned to market needs and better communicated to key influencers. Research will identify trends, gaps and opportunities across key segments.

Priorities for 2016-2021

Continue to develop the WoodSolutions program including website, lectures, conferences and in house/onsite delivery of training and reference materials that cover a wide range of key influencers and market segments. **Ⓐ Ⓑ**

Develop a timber design life and durability system that is evidence-based, stakeholder inclusive and improves the market opportunity and competitiveness of wood products compared to other materials. **Ⓐ Ⓑ Ⓒ Ⓓ Ⓔ**

Increase the uptake of the new building code change by providing in-the-field information about key wood-building technologies to building specifiers and developers. **Ⓐ Ⓑ Ⓒ Ⓓ Ⓔ**

Continue activities to remove unnecessary impediments to wood products in the National Construction Code and key building standards. **Ⓐ Ⓑ Ⓒ Ⓓ Ⓔ**

Continue activities to improve the efficiency and effectiveness of key timber material standards. **Ⓑ Ⓒ**

Proposed % of expenditure: xx%

3 Assisting value chain optimisation

This program is about increasing the value and volume recovery from existing resources to ensure that all woodfibre is utlised to its highest and best use.

This will involve identifying and developing improvements to forest management, harvesting, transport, manufacturing processes, product development and information systems to provide value to all participants in the value chain.

Research areas will include improved understanding of wood properties, resource characterization, information capture, storage and dissemination, wood handling and processing, manufacturing systems and improved fit-for-purpose products.

Identifying key knowledge gaps will involve industry and other stakeholders and international liaison to minimise unnecessary duplication of effort and to ensure the knowledge has a pathway to adoption.

Priorities for 2016-2021

Develop and adopt improved techniques for the allocation of standing trees, logs, timber and fibre to the most appropriate use. **Ⓒ Ⓓ Ⓔ**

Optimise product and building standards to increase the volume and value recovery along the value chain and to help ensure products are fit-for-purpose. **Ⓑ Ⓒ Ⓓ Ⓔ**

Evaluate new market opportunities for forest and manufacturing residues. **Ⓒ Ⓓ Ⓔ**

Proposed % of expenditure: xx%

4 Increasing resource availability and reducing risk

This program aims to increase the availability of woodfibre to support an expanding market and associated manufacturing capacity.

Research focused on improved genetics for existing and potential commercial species, better site selection, management inputs and practices, and the commercial and social operating environment can help increase the productivity of the current estate and reduce the impediments to an expanded estate.

Forest growing is a long-term venture that is exposed to environmental risks (pests, fire, climate change) as well as market and political risk. Improved knowledge and systems can help mitigate these risks and expand the economic and sustainable outcomes for the industry, including the provision of new environmental services. By raising awareness of best practice and new technologies, industry can build the capability to evolve commercial operations and reap the benefits of innovation.

Priorities for 2016-2021

Develop and deploy improved genetic stock that can increase value recovery and reduce risk to plantation owners and their customers. **Ⓑ Ⓒ Ⓓ Ⓔ**

Develop forest health and biosecurity systems that can minimise risk to forest owners. **Ⓑ Ⓒ Ⓓ Ⓔ**

Develop and deploy forest management and forest operation tools to ensure that in-field practices are scientifically sound and are compatible with international best practice. **Ⓑ Ⓒ Ⓓ Ⓔ**

Proposed % of expenditure: xx%

5 Impacting decision making and industry capability

This program will help ensure that the industry has the skills and systems necessary to support improved decision making by all players across the value chain.

Part of the answer to building capability may lie in recruiting from outside the industry. However, this program will focus on retaining and leveraging existing knowledge and expertise and strengthening the infrastructure necessary for effective decision making. We will pursue new approaches to capturing and disseminating accurate, timely and relevant information through both on-line and traditional channels.

Priorities for 2016-2021

In conjunction with willing industry participants, develop systems to aggregate data for a range of key management indicators - while protecting confidentiality - and make these available in an easily accessible form. **Ⓒ Ⓔ**

Improve understanding of key market drivers, including competition from alternative materials, to improve forecasting of key market segments. **Ⓒ Ⓔ**

Provide ongoing support for the development and distribution of publicly available information, including that available through partnership with ABARES, that supports the economic, social and environmental contribution of the industry. **Ⓑ Ⓒ Ⓓ Ⓔ**

Conserve and leverage key historical data series that can help improve current and future decision making. **Ⓓ Ⓔ**

Provide professional development programs to ensure that current and future decision makers are using information that is evidence-based and compatible with international best practice. **Ⓑ Ⓒ Ⓓ Ⓔ**

Proposed % of expenditure: xx%

Contribution to Outcomes Legend

Ⓐ Increased Demand **Ⓑ** Increased Consumer Acceptance **Ⓒ** Increased Productivity and Profitability **Ⓓ** Increased Sustainability **Ⓔ** Increased Capability