



Benefit Assessment & Reporting Plan



Version 1

1.0 Introduction & Background

FWPA has developed this Benefit Assessment and Reporting Plan (Plan) in order to provide feedback to the FWPA Board, FWPA staff and external stakeholders about the returns of FWPA's project portfolio.

The Plan aims to produce the following outcomes:

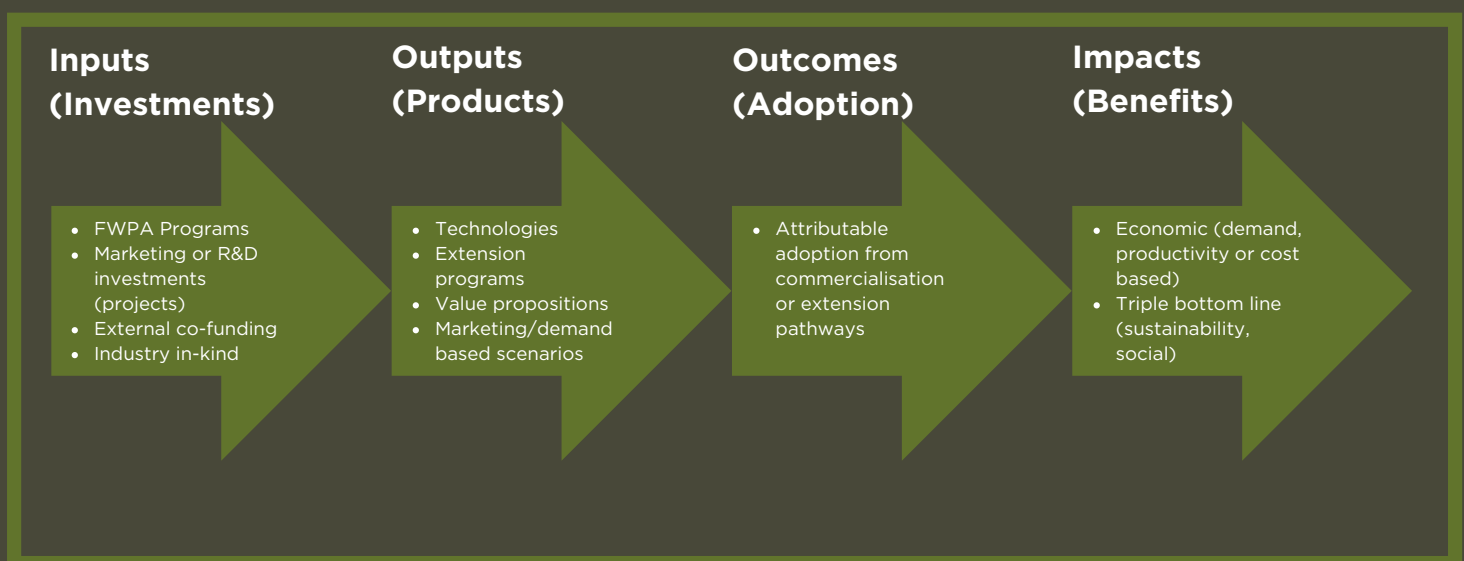
- Increase focus on projects that deliver impact via:
 - Productivity changes
 - Demand changes
 - Social/environmental/economic benefits
- Provide a project ROI guidance that allows comparison between external third parties for a sample of FWPA's programs/projects.
- Provide a social/environmental/economic evaluation structure for assessment and reporting.
- The ability to calculate project ROI in a systematic and timely basis rather than relying on a 5-year evaluation cycle.
- The ability to monitor the timing and value of the benefits derived from FWPA's projects in an ongoing manner.
- Managing and reporting on portfolio balance considerations that are informed by potential industry benefits.

This Plan supports the assessment and reporting processes needed to deliver the above outcomes.

2.0 Evaluation Approach

The evaluation approach used the following classifications to define inputs and outputs of the Plan.

Products are defined as an output from a related set of individual projects that contribute to developing or delivering that outcome area. Attributable outcomes (adoption) and triple bottom line impacts are linked to that product so as to measure industry benefits.



Products may be tangible e.g., a technology or producer extension program, or an intangible value proposition such as increased exports.

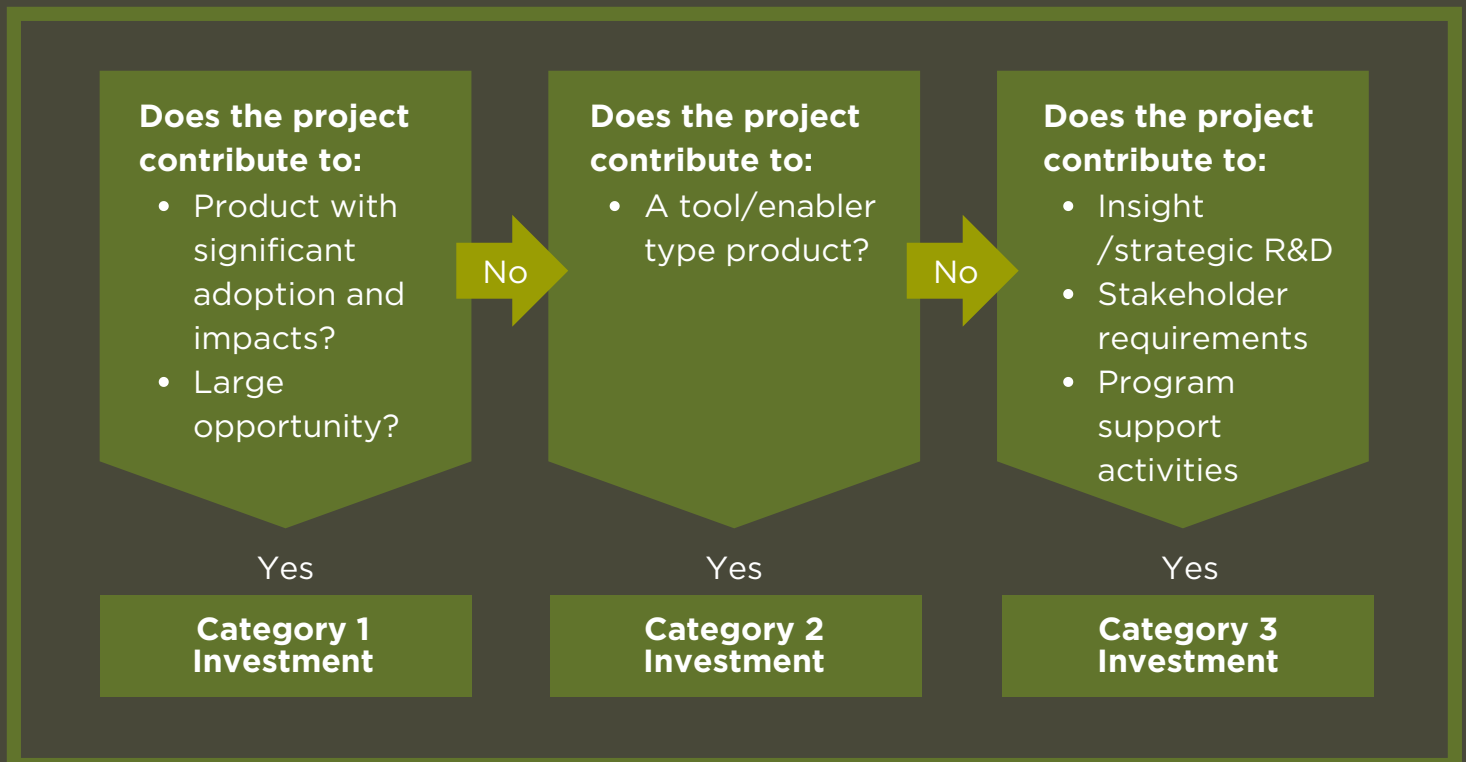
This Plan suggests that generally evaluations will be undertaken at an FWPA outcome area rather than the project level. Some evaluation groups (primarily for R&D projects) aggregate the adoption and impacts from many products, while other evaluation groups will usually have a few key value proposition type products underpinned by many contributing projects.

The Plan also recognises that not all projects result in a product with directly attributable adoption and impact and separates projects into the following three categories.

2.1 Categorisation Decision Tree

This Plan requires decision-makers to categorise projects into three classes.

The following decision-making tree charts the process to guide the categorisation.



2.2 Category 1 Projects - products with attributable adoption and impact

All projects that contribute to a product with attributable outcomes (adoption) and/or impacts are considered as category 1 projects. These products can form the basis of all FWPA evaluation reporting.

2.3 Category 2 Projects - tool/enabler products

The project may deliver a tool/enabler that contributes to/is essential for a product that in turn does deliver impact. For example, a web-based tool may support an extension program that delivers impact via practice change, or a data series product that supports the value proposition (product) for improving sawmill output.

There may be measurable outcomes (adoption) for tool/enabler products, but there will be no direct, attributable impact. Instead, these projects should be assessed on their technical success, as well as their contribution to impact type products arising from category 1 projects.

2.4 Category 3 Projects - strategic R&D, insight, support

The project may be funded as an essential insight, consultation, program support or strategic horizon activity, where no products can be identified at this time.

Category 3 projects will be evaluated only on their technical success, rather than being assessed within this evaluation framework.

2.5 Examples of project/program categorisations

All projects that contribute to a product with attributable outcomes (adoption) and/or impacts are considered as category 1 projects. These products can form the basis of all FWPA evaluation reporting.

Category 1	Category 2	Category 3
Increasing deemed to satisfy height limits for timber construction Cost benefit analysis	ForestLearning	Sustainability reporting frameworks
Improving wood quality in radiata and southern pines	WoodSolutions	Review of modified wood
The Ultimate Renewable TV Campaign	Timber Market Index	Future market dynamics and potential impacts on Australian timber imports

2.6 Sample Selection Process

By FWPA Outcome area

(One FWPA outcome area selected for review each year)

Projects within FWPA outcome area must be 1-5 years post completion

All projects within the Outcome Area sorted into three classifications:

- Under \$50,000
- \$50,000 - \$250,000
- Over \$250,000

Sorted projects ascribed with number, random number generator to select sample of each for assessment and review

3.0 Assessment Reporting Principles

The following principles need to be taken into consideration when undertaking assessment and reporting.

Best practice assessment and reporting principles will be followed in accordance with the Council of Rural Research and Development Corporations Impact Assessment Guidelines, either if this work is undertaken by FWPA, or an external party undertaking Benefit Cost Analysis on FWPA's behalf.

3.1 Internal Assessment & Reporting Structure

FWPA focuses on the following outcome-based, integrated outcome areas which are based on five strategic priorities.

- Outcome area 1 – The market
- Outcome area 2 – The pipeline
- Outcome area 3 – The resource base
- Outcome area 4 – Industry capacity and decision making
- Outcome area 5 – FWPA internal program management

FWPA collaborates with our members, the Australian government, researchers, building specifiers, consumers, regulators and other key stakeholders to ensure these outcome areas are delivered with optimal benefit to the industry as a whole.

The Plan will use these outcome area groupings as the assessment and reporting categories. FWPA staff and business units are mapped to these six outcome areas, and any changes in business unit structures will not affect evaluation, business planning or reporting at the outcome areas level.

Occasionally, FWPA will undertake assessment and reporting of a project as required, which may be a sub-set of one of these outcome areas.

3.2 Assessment Reporting Timelines

FWPA will undertake random sampling across outcome areas for review, complemented by a formal review of one outcome area per year.

Individual projects within outcome areas must be between 1-5 years post completion of the project.

FWPA will undertake assessment and reporting of a stand-alone project as required, generally at the conclusion of this project.

3.3 Impact Attribution

Attribution of product impact must be carefully considered in terms of the following:

- How much of the impact is attributable to FWPA projects?
- How will the above impact be allocated across the 5-year evaluation reporting period?

3.4 Define counterfactual or baseline (without project)

What outcome could be reasonably expected if no industry projects were made? Importantly, the 'without industry project' case does not imply that no action would be undertaken by non-forest products sectors or government in the absence of FWPA project.

4.0 Communication to Stakeholders

FWPA will communicate results of all assessment and reporting in several forums:

- Publication of a summary of findings in the FWPA Annual Report.
- Publication on the FWPA website.
- Communication to members and stakeholders at FWPA meetings.

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