



# CONSULTANTS EXPRESSION OF INTEREST



## PLANTATION INVESTMENT MODELS Cypress plantation feasibility scoping study

Our focus is to grow the forestry sector to deliver strong financial outcomes and design and test new models of investment for plantation forest.

## **EXPRESSION OF INTEREST**

### **Cypress plantation feasibility scoping study**

#### **Key EOI Information**

The South & Central Queensland Regional Forestry Hub is seeking Expressions of Interest (EOI) from individuals and organisations with the necessary expertise to assist Hub members in assessing of:

- a. Identify the available X class land available for cypress plantation development
- b. Describe / Develop of forest management system/guidelines for cypress plantation management and timber production
- c. Model the value adding potential as well as socio-economic and environmental benefits from the development of cypress plantations
- d. Examine basic wood density and quality as well as processing potential
- e. Identify the current cypress processing capacity, products and potential markets
- h. Estimate the required technical skills, input and costing for the establishment of cypress plantation

The project is expected to be completed using a combination of desk research and in-person/remote stakeholder consultation.

The objectives described in Section 3 may be delivered as a single project or separate projects conducted by multiple consultants.

If you believe that your expertise satisfies the requirements outlined in this document, please complete and submit an Expression of Interest (EOI).

**Closing date for the EOI submission:** 10 October 2022

**Email your EOI to:** [k.fullarton@seqfh.com.au](mailto:k.fullarton@seqfh.com.au)

Contact person: Kerry Fullarton, Hub Manager South & Central Queensland Regional Forestry Hub

Phone: 0498 018 144

Once submitted, your EOI will be considered by the Hub Committee. If the proposal is deemed acceptable for consideration, a Hub representative will contact you to discuss your proposal.

## 1. Introduction

### South & Central Queensland Regional Forestry Hub

In September 2018, the Australian Government launched the National Forest Industries Plan: Growing a Better Australia – A Billion Trees for Jobs and Growth. The Plan outlines the Commonwealth Government’s strategy to drive growth in the renewable timber and wood fibre industry. It provides the vision and certainty needed for Australia’s forestry industry and supports the sustainable forest industries as long-term growth engines for regional Australia.

The plan ambitiously aims to deliver a billion new trees over the next decade (including 400,000 new hectares of plantations nationally) to meet a projected fourfold increase in global demand for timber and wood fibre products by 2050. This translates to planting the right trees, at the right scale, in the right places.

The Commonwealth Government supported the Plan in the 2018-2019 Federal Budget with a \$20 million commitment over four years to help implement actions identified in the Plan. The Hub was setup as part of the Commonwealth’s commitment which, pursuant to the Plan, includes nine forestry hubs across Australia.

The South & Central Queensland regional forestry hub will determine the opportunities and barriers for the forestry and wood products sector and detail the finding of its assessment and growth pathways in reports to the Commonwealth Government and stakeholders.

The steering committee is representative of industry and includes key stakeholders in the region. In order to drive the Commonwealth’s key objective of planting one billion trees in the next decade under the plan, the Hub has identified a number of key priorities in consultation with both industry, community, and government stakeholders.

The Hub’s five priorities include:



#### Skills & Training

We will support forestry training and education and promote further uptake of forestry-related courses. In addition, we will support sustainability and contribute to growing a skilled and safe workforce to meet industry’s future needs.



#### Manufacturing Competitiveness

Our goal is to maximise manufacturing processes and products through innovation, science, and technology, and add value through improved supply chain logistics.



#### Plantation Investment Models

Our focus is to grow the forestry sector to deliver strong financial outcomes and design and test new models of investment for plantation forest.



### **Native Forest Management**

We want to ensure ecological and sustainable forest management of native vegetation on private and state property for increasing timber supply.



### **Bioenergy & Carbon**

We aim to promote the benefits of forestry in reducing climate change, by delivering bioenergy, carbon storage, and biomass for future sustainable growth.

## **2. Project Justification**

The long-term demand for timber is projected to grow through building demand, renewable, biophilic design and low carbon benefits. Softwood plantation supply is constrained by high land costs with new softwood plantation investment stalling over the past decades. Cypress offers an innovative alternative as a naturally termite resistant softwood that can grow on lower rainfall and lower land costs with less competition with agriculture

The cypress timber industry is relatively small by Australian and international standards, based mainly on white cypress pine (*Callitris glaucophylla*) native conifer with distinctive timber properties. White cypress pine has been traditionally sold into the domestic market where it was regarded by the building industry as a relatively low-value product. This was mainly the result of poor marketing, variable product quality.

Historically, much of the private resource has had little forest management input. Silvicultural regimes for cypress forests have been developed principally for the Crown estates and there has been no parallel application of silvicultural regimes on private land. In the past, large volumes of cypress pine were harvested from private land; however, this has been declining for many years. Future harvest levels from private land are uncertain due to extensive land clearing for agriculture in recent years.

For the industry to maintain and potentially expand levels of harvest It will have to look for land other than Crown land and a stimulus to encourage private landholders to manage their forest areas for timber production. Few landholders in the sub-humid zone have seriously practiced farm forestry in the past. Most capitalise on the available standing timber when the economic need arises and fail to adequately manage their forest in the interim period thereby substantially decreasing long term productivity and quality.

There are now compelling reasons for many private landholders to take a second look at forest management and for cypress processing industry to support this. The cypress industry is reliant on the Crown resources in Queensland and New South Wales where harvesting and varying degrees of forest management for timber production have been practiced for up to 100 years.

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Privately owned resources on freehold land contributes to the annual cut, more so in Queensland than New South Wales; however, this has declined over recent time and is likely to continue to decline. In most cases decreased harvest levels can be attributed to either loss of the resource through tree clearing for agriculture purposes, more recently in Queensland, or reduced productivity in remaining stands from lack of management.

A proposal for the development of a novel cypress plantation project proposed for establishment in the one of the Hub region will utilise the unique biology of cypress and vast arid regions of land that is X classified, land that is not viable for agriculture.

To inform the development of such an idea and to successfully support investment, technical information is required at this stage and is in the scope of this EOI.

### 3. Project Scope

The proposed project aims to conduct and deliver the following activities that can provide the technical support required for the development of cypress plantation projects in the Hub regions:

#### Activity 1:

- a. Identify (desktop work) the available X class land available for cypress plantation development on private land
- b. Describe best in practice planting and silviculture methods with applicability to cypress plantations
- c. Review the applicability of Nicholson (1997) guidelines 'forest management system (ethic) /guidelines for timber production' are applicable to private land in white cypress zone
- d. Investigate / model the value adding potential from the development of cypress plantations on X class land in the Hub regions - to provide an overview of what a diversified future income/estimate the economic viability/ return might be.
- e. Review / describe basic log and wood properties and quality for the current cypress logs on private land, to use as a proxy for (future) logs/wood from new cypress plantations
- f. Identify the current local cypress processing capacity – update the available ABARES data – location, production capacities
- g. Determine potential markets (and products)
- h. Estimate the required technical skills, input and costing for the establishment of cypress plantation on X rated land

### 4. Methodology

The project in scope should identify and discuss the following key components:

1. Identification (through use of spatial mapping, databases/GIS datasets and -as applicable - stakeholders consultation) of the available X class land available for cypress plantation development on private land in the Hub local areas
2. Use previous studies, available literature and industry experience to describe best in practice / most appropriate planting and silviculture methods with applicability to cypress plantations

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3. Review of the existent forest management system (ethic) /guidelines for timber production – asses their applicability on private land in white cypress zone and
4. Determine the potential socio-economic and environmental benefits from the development of cypress plantations on X class land in the Hub regions
5. Review and describe information available on current cypress logs / wood properties on private land (without any silviculture treatment applied versus selected logs with silviculture treatment applied), as a proxy to new cypress plantations – determine and/or describe cypress wood basic density and quality (mechanical properties, machinability, etc.) affecting its value adding potential.
6. Identify the current local cypress processing capacity – update the available ABARES data – location, production capacities
7. Describe potential markets (and products)
8. Estimate the required technical skills, input and costing for the establishment of cypress plantation on X rated land

The project is expected to be completed using a combination of desk research and in-person / remote stakeholder consultation.

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LGAs covered by the Hub include:

- Banana Shire Council
- Bundaberg Regional Council
- Central Highlands Regional Council
- Cherbourg Aboriginal Shire Council
- Fraser Coast Regional Council
- Gladstone Regional Council
- Goondiwindi Regional Council
- Gympie Regional Council
- Livingstone Shire Council
- Lockyer Valley Regional Council
- Maranoa Regional Council
- Moreton Bay Regional Council
- Noosa Shire Council
- North Burnett Regional Council
- Rockhampton Regional Council

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- Scenic Rim Regional Council
- Somerset Regional Council
- South Burnett Regional Council
- Southern Downs Regional Council
- Sunshine Coast Regional Council
- Toowoomba Regional Council
- Western Downs Regional Council
- Woorabinda Aboriginal Shire Council

The project must also contain consultation with businesses market leaders, research and development organisations and other relevant stakeholders.

Key stakeholders to be consulted during the project include, but are not limited to:

- Local area councils
- Farming community
- Wood Processors
- R&D and research organisations
- Forest management companies / foresters
- Other market/sector relevant players

## **5. Project Deliverables**

Key deliverables include the completion of the following at the satisfaction of the Hub Committee:

- Detailed project plan, including stakeholder identification and consultation methodology, is completed by applicant;
- Draft reports are completed and presented to the Hub Committee at different stages of the project life (as agreed);
- A final report is completed and presented to the Hub Committee before the project completion.

## **6. Project Timeline**

The project is scheduled to begin 28 October 2022 and conclude 27 February 2023.

## **7. Selection Criteria**

The Hub will select the successful applicant for the report based on evaluation of all submitted proposals against the following criteria.

**CRITERIA 1: Capabilities and expertise in producing technical reports related to the project scope**

To address this selection criterion, the expression of interest should describe the following:

- Applicant's experience, skills and capabilities relating to the project's scoping requirements as outlined in Section 3 above; its ability to produce high quality technical reports
- Examples (list) of any publicly available reports that the applicant has produced related to the project scope;
- Contact details of two previous clients for which the applicant has produced similar reports, including company position, telephone and email address, that the Hub can contact as referees

**CRITERIA 2: Key point of contact and project team**

To address this selection criterion, the expression of interest should provide the following:

- An overview of the applicant's organisation and business operations and details of the proposed project team
- A brief description of each project team member's professional experience; highlighting their relevant experience and capabilities in relation to the project requirements
- A key point of contact for the Hub who will act as the project manager for the project

**CRITERIA 3: Proposed methodology to achieve the scope of works**

To address this selection criterion, the expression of interest should provide the following:

- An outline of the proposed methodology and/or approaches to be adopted to achieve the scope of works and deliverables, including an outline of a project plan; proposed industry sectors and main stakeholders to be contacted

**CRITERIA 4: Total cost and cost structure (against the identified deliverables)**

To address this selection criterion, the expression of interest should provide the following:

- Total cost that will be charged, inclusive and exclusive of GST, for completing the project;
- Breakdown of cost structure against key project deliverables.

The Hub may additionally request candidates to engage in interviews and/or to present their plans formally as part of the selection process.



**Attachment 1: EXPRESSION OF INTEREST FORM**

**Cypress plantation feasibility scoping study**

**PART A: Applicant Details**

Lead Organisation Name	
Address	
Primary Contact Name	
Position Title	
Telephone	
Email	

**Part B: Selection Criteria**

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