

MEMBERS' BULLETIN

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Welcome

This *Members' Bulletin* is intended to keep you up-to-date with ATIF activities. This edition covers matters related to timber supplies post the summer bushfires. Also, some remarks on timber supply-related issues arising from the Indonesia-Australia Comprehensive Economic Partnership Agreement and future Canadian timber imports. Finally, further clarification about the end of the current brown marinated stink bug (BMSB) treatment season.

Note that from this edition hard copies of the *Bulletin* will not be distributed. Distribution will be solely via email.

Post bushfires timber supplies and planned meeting with Senator Duniam, Assistant Minister for Forestry and Fisheries

In the wake of the summer bushfires and ongoing recovery efforts, ATIF has raised concerns with the Federal Government about future timber supplies to domestic building and construction industries. ATIF efforts have also included representations to Senator Duniam, Assistant Minister for Forestry.

ATIF concerns relate to the medium- and longer-term supply of structural softwoods, engineered wood products and high-quality hardwoods. A meeting with the minister is scheduled and matters listed for discussion include:

1. Issues around post-bushfire supply of structural softwood timber, noting the challenges related to meeting Australian dimensional specifications, Australian Building Code compliance, illegal logging regulations and biosecurity issues.
2. Ongoing challenges with BMSB treatment, especially those in relation to Canadian timber imports and a reluctance by the Department to except Canadian Heat Treatment Certificates as meeting BMSB treatment requirements.

3. The probable reduction in domestic hardwood timber supplies the prospects for expanded imports given past over-cutting in Australia's major South East Asian supply countries. Possible opportunities that may emerge from the signing of a trade agreement with Indonesia.

Indonesian and Australia trade agreement

ATIF is following the outcome of recent trade talks between Prime Minister Scott Morrison and Indonesian President Joko Widodo, and the enhanced prospects that Indonesia may have some additional capacity to help fill the supply gap, particularly for high quality hardwoods.

The Indonesian Parliament voted to approve the Indonesia-Australia Comprehensive Economic Partnership Agreement that was signed in 2019. Current exports from Indonesia to Australia are concentrated in sawn timber, plywood, miscellaneous forest products, furniture, printing and writing paper and packaging and paper products.

ATIF will be actively involved to looking at opportunities to expand present volumes of merbau and other high-quality hardwood products into the Australian market.

Canadian softwood imports

A recent meeting of major Canadian and Swedish timber exporters in Sydney, among other issues, discussed the impact on the supply of structural softwood timber products in the Australian market in the wake of the bushfires. The meeting acknowledged the substantial contribution by international firefighters, including Canadian expertise and aircraft, to support efforts to combat the extensive fires.

The meeting considered opportunities and impediments for Canadian exporters to continue to support the Australian building and construction industries in the medium and longer term with compliant structural softwood timber products. The meeting noted that supplying Canadian products into the Australian market had faced a number of significant and commercially difficult challenges related to specifications, building code compliance and biosecurity issues, notably those associated with the treatment requirements of BMSB.

End of current BMSB treatment season

As per earlier correspondence, and further to information set out in the Department of Agriculture, Water Resources and Environment website at: www.agriculture.gov.au/import/before/brown-marmorated-stink-bugs the following advice to clarify the situation has been confirmed by Departmental officials:

Goods exported only up until 30 April 2020 need to be treated prior to export or treated on arrival. There is no requirement to treat goods shipped after 30 April. The Department will assess documents for all in-scope goods and direct for release or treatment as appropriate. The "31 May" date that is referred to on the Department's website above relates solely to slight changes in the way that documents will be assessed by the Department past this date (31 May 2020).

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