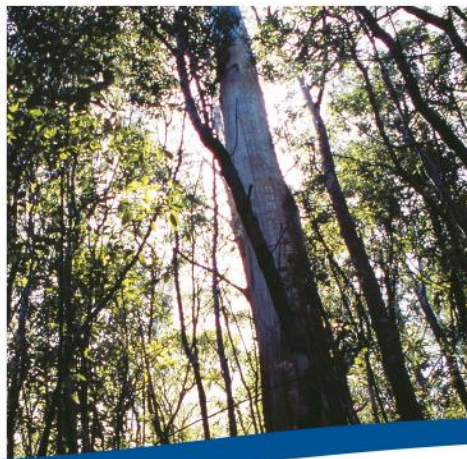


May 2017

Tasmanian Wood Encouragement Policy



Contents

Introduction	1
Application	1
Purpose	1
Why wood	2
What agencies should do	2
Procurement considerations	2
Building and construction	3
What suppliers should do	4
Buy local	4
Reporting and review	5
Further information	5
Acknowledgements	6

Introduction

The Tasmanian Government (the Government) recognises the importance of the Tasmanian forest and wood products industry to regional employment and economic development and is committed to growing the forestry industry on a sustainable basis.

The Government also recognises the significant contribution that sustainable, renewable timber use can make to climate change mitigation.

"Given their ability to store carbon in standing trees and long-lasting wood products, sustainably harvested forests have the potential to surpass the carbon storage benefits provided by conserved forests over the long term." – *Forestry for a low-carbon future – integrating forests and wood products in climate change strategies* <http://www.fao.org>

To achieve these objectives, the Government's Tasmanian Wood Encouragement Policy has been established to increase the use of sustainably sourced forest and wood products (wood) within Government procurement activities, particularly in building and construction and the heating and energy requirements of building and construction projects.

Application

The Tasmanian Wood Encouragement Policy applies to inner Budget agencies and other entities subject to the *Financial Management and Audit Act 1990*.

In addition, for private sector and local government building and construction projects that receive support, including in kind support, valued at or greater than \$500 000 from the Government, or are to be leased by Government – agencies are to request that proponents have their designers/architects fully consider the use of wood in the project where it: represents value for money, provides appropriate quality and functionality, complies with the Buy Local Policy and associated Treasurer's Instructions, and there is no technical or performance reason for not considering wood.

Purpose

The Tasmanian Wood Encouragement Policy will:

- help stimulate sustainable economic development within the Tasmanian forest and wood products industry and encourage investment in wood processing innovations and technology
- support actions by Government to mitigate climate change
- encourage the use of materials that store atmospheric carbon in the fabric of the building
- reduce carbon emissions associated with the building and construction industry
- facilitate a culture of wood

- demonstrate local and national leadership
- encourage agencies to consider the use of wood, particularly in construction, fit out, and the heating and energy requirements of building and construction projects
- encourage agencies to recognise the benefits of wood
- encourage agencies to share information and encourage education regarding the benefits of using wood in construction and fit out of buildings and infrastructure
- encourage agencies to consider the use of wood in demonstration projects
- complement the Buy Local Policy and associated Treasurer's Instructions.

Why wood

Responsibly sourced wood is sustainable, low carbon (in many cases it is a carbon sink), low energy, attractive, high performance and economical. Additionally, the increased use of wood makes a positive social and economic impact on the Tasmanian community, supporting manufacturing and jobs and recognising the historical and cultural importance of the timber industry to Tasmania and regional areas.

Wood is unique in that it sequesters (stores) carbon and in most cases has low embodied and maintenance energy and low carbon emissions associated with its production.

As trees grow they remove carbon dioxide from the atmosphere. When trees are harvested the carbon is locked in the wood and remains there for the life of products made with that timber. Forest growth ensures the whole system is sustainable and provides ongoing carbon sequestration.

"The re-use or the cascading use of timber can significantly increase the medium term sequestration of carbon" – *Forestry for a low-carbon future – Integrating forests and wood products in climate change strategies*
<http://www.fao.org>

The Intergovernmental Panel on Climate Change (IPCC, 4th Assessment Report) states that:

"A sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual sustained yield of timber, fibre or energy from the forest, will generate the largest sustained mitigation benefit".

Wood construction can bring additional benefits such as: speed of construction, reduced waste, reduced traffic to/from site and thermal insulation properties which allow buildings to consume less energy.

What agencies should do

Procurement considerations

Although the focus of the Tasmanian Wood Encouragement Policy is building and construction, for general procurement, including goods & services, the use of wood can provide an opportunity to contribute to multiple government policy objectives such as buying locally, employment creation, industry development, climate change,

and environmental policies. These are important considerations in achieving a good value for money outcome for the Tasmanian community and should be considered for all relevant procurement.

Building and construction

Agencies should ensure that the procurement planning and design for all building and construction projects fully considers the use of wood, so long as:

- it represents value for money (refer to Treasury "How to Assess Value for Money" guide)
- it provides appropriate quality and functionality
- it complies with the Buy Local Policy and associated Treasurer's Instructions
- there are no technical or performance reasons for not considering wood
- it complies with relevant Australian Standards.

In implementing the Tasmanian Wood Encouragement Policy agencies should:

- encourage the sourcing of wood products, consistent with the objectives of the Buy Local Policy and associated Treasurer's Instructions
- actively seek to develop demonstration projects that showcase the use of wood within Tasmania
- ensure that, where possible, comparisons between the cost of building materials takes into account all long-term and life cycle considerations
- ensure the use of responsibly sourced wood and wood products
- seek those who can find practical, efficient, versatile and cost-effective building and design solutions using wood when sourcing design and architectural expertise
- incorporate the following standard clause in all design and architectural briefs for building and construction projects:

"Through its Tasmanian Wood Encouragement Policy, the Government encourages the use of wood and wood products as a preferred material in building and construction procurement solutions where:

- **it represents value for money**
- **it provides appropriate quality and functionality**
- **it complies with the Buy Local Policy and associated Treasurer's Instructions**
- **there are no technical or performance reasons for not considering wood**
- **it complies with relevant Australian Standards.**

You should be familiar with the Tasmanian Wood Encouragement Policy and ensure you have fully considered the use of wood in your design to take advantage of the opportunities provided by the modern forest and wood products industry including engineered wood products, building systems, biomass heating and associated energy production."

The procurement manager should review the design to satisfy themselves that the designer has considered the use of wood and reported any impediments to wood use, to allow future analysis.

Examples of areas where wood can be particularly encouraged in building and construction projects are:

- structural elements
- visual/decorative products

- wood fit out options
- building envelope and included joinery
- outdoor structures and landscape projects
- biomass heating and associated energy production.

During construction tendering, alternative design proposals which reduce the amount of wood used should be considered in the context of the overall Tasmanian Wood Encouragement Policy and should only be accepted if they represent proven value for money, or where they enhance the quality, functionality, technical aspects or building performance such as cost efficiency over the life of the building. Any changes should also be considered in the context of the Buy Local Policy and associated Treasurer's Instructions.

What suppliers should do

The Government recognises that architects and designers have a long history of working with wood.

Architects and designers should ensure that they familiarise themselves with the Tasmanian Wood Encouragement Policy and meet its requirements in their design briefs. They should identify suitable wood products and options and ensure they specify appropriate and available wood products.

Where a detailed comparison of life cycle benefits is required, suppliers may consider a life cycle assessment (LCA) and/or the use of an Environmental Product Declaration (EPD) available through the Australasian EPD Program <http://www.epd-australasia.com/> (for products based on the same product category rules) or similar.

Suppliers should also advise agencies of any significant impediments to wood use, such as a lack of product availability or product information, to ensure they are captured in reporting and policy review.

Buy local

The Tasmanian Government is committed to backing local businesses to create jobs and stimulate the economy to deliver growth. The Government's Buy Local Policy has been released to increase awareness of the requirements for, and benefits in, buying locally and improve access to Government contracts for small and medium enterprises (SMEs).

The Government's Buy Local Policy:

- enhances opportunities for local businesses to compete for Government business by requiring Government entities to take into account the wider community and social benefits of purchasing decisions
- promotes within Government, the advantages of buying locally
- reduces administrative burden on businesses providing services by simplifying procurement documentation
- provides businesses (and Government entities) with key information, tips, tools and training to effectively increase their future competitiveness to win government business
- increases transparency in relation to Government procurement activities.

Maximising the opportunities for local business to compete for Government business stimulates competition and contributes to the achievement of Government policy objectives, such as industry development and employment creation. To this end, the Government requires its agencies to undertake procurement activity in accordance with the requirements and processes set out in the Buy Local Policy, associated Treasurer's Instructions and the How to Assess Value for Money guide.

Reporting and review

Government entities and suppliers should report through the Tasmanian Wood Encouragement Policy email forests@stategrowth.tas.gov.au any identified issues or impediments to the use of wood, such as availability of technical data or supply. This will facilitate continuous improvement in the operation of the policy.

Examples of wood use by agencies can also be highlighted to forests@stategrowth.tas.gov.au

The Tasmanian Wood Encouragement Policy will be reviewed by the Department of State Growth after one year of operation.

Further information

Refer to the following Treasury policies and other references:

- Buy Local Policy
- Treasurer's Instruction 1119: Buy Local Policy: Goods and Services
- Treasurer's Instruction 1225 Buy Local Policy: building and construction
- Climate Change and Environmental Policies
- Reporting
- How to Assess Value for Money
- Co-operative and Free Trade Agreements
- Treasurer's Instruction 1102: International Obligations: goods and services
- Treasurer's Instruction 1202: International obligations for building and construction or roads and bridges
- Ximenes, F. & Grant, T. 2013. Quantifying the greenhouse benefits of the use of wood products in two popular house designs in Sydney, Australia. *International Journal of Life Cycle Assessment*, 18(4): 891–908.

Policies listed above can be found at:

www.purchasing.tas.gov.au/buyingforgovernment/getpage.jsp?uid=5B3DA4BA4D0968A7CA2577120021EC84

Acknowledgements

The following organisations are acknowledged for their assistance and support in developing this Policy, and in the provision of materials contained in this Policy:

- *The Ministerial Advisory Council on Forestry - Wood Encouragement Sub-Committee*
- *Planet Ark – makeitwood.org/wep*
- *Forest & Wood Products Australia – www.fwpa.com.au*
- *Latrobe Council (Victoria) – <http://www.latrobe.vic.gov.au/Home>*
- *Wood Solutions – <http://www.woodsolutions.com.au/>*
- *Forestry Innovations Investment Ltd (British Columbia, Canada) <http://www.bcfii.ca/> and www.naturallywood.com/*
- *Photography courtesy of the University of Tasmania (CSAW). Photographers Dr David Bylund, Associate Professor Greg Nolan, Pieman Collection – Hadyn Cattach, Hydrowood and Samuel Shelley.*

The contribution of the Latrobe Council (Victoria) in allowing the use of substantial elements of their Wood Encouragement Policy is particularly noted.



Department of State Growth

10 Murray St
Hobart TAS 7001 Australia

Phone: 03 61664461

Email: forests@stategrowth.tas.gov.au

Web: www.stategrowth.tas.gov.au