



ForestFit™

NATIONAL FOREST SERVICES COMMERCIAL MANAGEMENT

V01_JUN 2025

Australian Timber Harvesting and Haulage - ForestFit™ annual surveillance audit



Australian
Forest
Products
Association



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Collaboration

ForestFit™ was born out of the forestry sector's desire to have an assurance process which demonstrated that forest service businesses had capabilities beyond service delivery, in areas such as work health and safety, environmental management and sustainable business practices.

With much hard work and industry support, ForestFit™ became fully operational in June 2022. With an assurance process in place comprising the nationally accredited Standards and Certification Scheme it became evident that forest growers needed assistance.

Over the past three years, ForestFit™ has worked proactively across the sector to build an assurance process for growers engaging ForestFit™ certified forest service businesses. The project steering committee had representatives from over 80% of the largest growers in the country and ForestFit certified businesses.

Australian Forest Industries ForestFit Memorandum of Understanding

In addition to the successful project delivery, the growers and the Australian Forest Products Association (AFCA) who is the owner ForestFit™ and national peak body for forest services, acknowledged that the ongoing operation and maintenance of ForestFit™ is in the overall interest of the production forestry sector. By becoming signatories to the MOU, all parties demonstrated their support for the future direction of the industry and increase overall confidence of the efficiencies and benefits for forest services in becoming certified.

Time to grow

ForestFit™ has become recognised as the benchmark for sustainable self-managed businesses providing forestry services across Australia. It provides opportunity to build improved sustainable and efficient forest service provision and commercial relationships. Our ambition is that ForestFit™ be recognised as a preferred prerequisite for all forest growers across Australia.

To achieve this, those across the sector who sought for a standard to be developed are now called upon to evaluate their internal commercial management processes and consider if they are delivering the assurance, efficiency and performance how the inclusion of ForestFit™ as a preferred or mandatory requirement may improve delivery of quality assurance, efficiency and performance.

Similarly, forest service businesses who wants to showcase their professionalism, support their valuable employees and run a more sustainable business are encouraged not to wait for the growers to demand it, look today at what ForestFit™ has to offer.

In a world of increasing compliance, stretched human resources and squeezed margins, maximising the value from your forest service business relationships has never been more critical.

ForestFit™ is available today to help you achieve your goals for safe, sustainable, professional and productive relationships.



Lachlan Spencer
Chair, Project Steering Committee

Industry transformation

For over 20 years, AFCA has been the leading national voice for forest services, to strengthen the forestry sector. Our advocacy ensures that forestry professionals are heard at the highest levels, influencing policies that shape the future of the industry.

AFCA is dedicated to fostering strong partnerships with our members, industry sectors and all levels of government. Our primary goal is to provide a value-add advantage for our members through meaningful collaboration.

Our strong collective voice represents the interests of a diverse range of professional forest services which include harvest, haulage, civil (earthworks and roading), silviculture and minor forest products. Together we are shaping industry and ensuring that AFCA members, the forest industry, supply chain and governments are well-informed about the latest developments and best practices for a sustainable and prosperous forest industry.



Adan Taylor,
Chair, AFCA Board of Directors

Australia became the first country to establish a national Standard and Certification Scheme for forest service businesses, but like any novel innovation it came with challenges.

The ForestFit™ Standard certifies Australian forest service businesses and sits in alignment with the Forest Stewardship Council and Responsible Wood to provide assurance through the forestry supply chain.

Whilst ForestFit™ set a new international standard for safety, sustainability and commercial management of forest service businesses, it also challenged forest growers and managers to evaluate their internal commercial management process and consider if those processes were delivering the required assurance, efficiency and performance.

Leveraging the success of the initial ForestFit™ development project and the experiences of the early adopter forest service businesses, a three year research pilot was undertaken to:

- Collaboratively evolve the commercial relationship within the sector to improve risk and liability management and support all to prosper in the medium to long term.
- Develop a Forest Services Commercial Management model that underpins the growers' commitments embodied in the Australian Forest Industries ForestFit™ Memorandum of Understanding.
- Assess how forest grower incentivisation of ForestFit™ certification for forest service businesses will increase business viability, work health and safety performance and environmental outcomes.

Dionne Olsen,
Project Manager, Pursuit Consultants



Continuous improvement

The 2022-25 pilot research program aimed to clarify and evolve the commercial management of certified forest service businesses (businesses) by forest growers (growers). The commercial management model provides guidance to growers for best leveraging the capability of ForestFit™ certified businesses through the engagement, commencement, implementation and reporting and review cycle.

The national Forest Services Commercial Management Steering Committee (SC), was convened by growers and supported by AFCA, to drive long-term industry transformation, which included:

- Identifying how grower cost savings from reduced assessment activities and management of certified businesses will be recognised and incentivised for ForestFit™ certified businesses.
- Exploring alignment and streamlining of current audit arrangements with ForestFit™ Certification.
- Cooperating and working together to maximise efforts and resources.
- Sharing consistent information and messages.
- Developing a transition pathway for growers.

Sector continuous improvement was the primary purpose of the project. The initial focus from the outset was to create consistency and efficiencies by eliminating audit duplication and burden with a nationally agreed upon optimal auditing pathway.



Jen Ferguson, Austimber Harvesting and Haulage – ForestFit™ early adopter, certified 2022

However, the mapping of the existing sector processes highlighted opportunities to improve delivery of due diligence and compliance. The project was strategically broadened to include reviewing the overall commercial management relationship, particularly risk and liabilities. This resulted in the renaming the model underpinning the Australian Forest Industries ForestFit™ MOU.



Tim Lester, AFCA and Lauren Carter, JCH Harvest - ForestFit™ early adopter, certified 2022

Project Funding

This project was a national forest industries initiative. It was funded by voluntary contributions of the Australian Forest Products Association (AFPA) Growers chamber. Matched funding was provided by the Commonwealth delivered through the Forest Wood Products Australia (FWPA) voluntary matched funding agreement.

Growers' provided \$125,000/year of support during the project. Contributing members included:

- Australian Bluegum Plantations
- Forest Products Commission (WA)
- Forestry Corporation NSW
- Forico
- Green Triangle Forest Products
- Hancock Victorian Plantation (HVP)
- HQ Plantations Pty Ltd
- Midway
- Plantation Pine Products
- New Forests
- PF Olsen
- Reliance Forest Fibre
- SFM Environmental Solutions
- Southern Cross Forests
- Sustainable Timber Tasmania
- WA Chip & Pulp (WAPRES)

Milestones

- (1) NOV 2022 Steering Committee establishment
- (2) APR 2023 National auditing pathway (draft) - identification and alignment of growers' current audit processes, includes criteria and incentives.
- (3) NOV 2023 Mapping of forest growers' audit criteria cross referenced with Governing Advisory Panel review of ForestFit™ Standards' criteria.
- (4) APR 2024 a. National Commercial Management model (draft) - unifying and streamlining of audit processes.
MAY 2024 b. Undertake a pilot to validate the draft Commercial Management model.
- (5) NOV 2024 Requirements and strategy for implementation of Commercial Management model post project.
- (6) MAY 2025 National Commercial Management model (final) - agreement of a model for managing certified forest service businesses.
- (7) JUL 2025 Audited Financial Report and Final Research Report.

ForestFit™

ForestFit™ is fully operational

With much hard work and industry support ForestFit™ has been fully operational since June 2022. ForestFit™ comprises a range of training, assurance, standards and certification, specifically contextualised for forest service businesses, which are currently being utilised across the sector, with:

- 16 business owners, leaders and emerging leaders have undertaken the ForestFit™ Training Program.
- 5 forest service businesses are currently certified.
- 8 forest service businesses are currently undertaking certification.
- 8 growers have indicated that ForestFit™ certification is a preferred capability within service provision tenders or contracts.

ForestFit™ Standards and Certification Scheme provide a whole of business approach to support sustainable, safe and environmental business practices to strengthen future viability. ForestFit™ was codesigned by representatives of the entire forestry supply chain to certify that forest service businesses meet the evolving needs of the industry and international standards.

The ForestFit™ Certification Scheme meets the international requirements set by International Accreditation Forum (IAF) resulting in JASANZ endorsement. ForestFit™ is owned by AFCA and as per certification scheme requirements, ForestFit™ is governed by a nine member Governing Advisory Panel (GAP). The daily administration of ForestFit™ is undertaken by the ForestFit™ team contracted to AFCA.

In 2024 the scheme successfully underwent its inaugural Scheme Review and Standards Revision process. In addition, to support the continuous improvement philosophy the scheme is undertaking implementation case studies to understand how businesses new to certification engage with the standard and evolve their commercial relationships with the engaging grower.



Deemed to Comply

To reduce audit duplication a Deemed to Comply agreement has been established with Responsible Wood for the forest services specific criteria. Certified businesses are audited annually to these criteria as part of their ForestFit™ Surveillance therefore are expected to be excluded from the sample selected as part of the forest grower's AS/NZS 4708 audit.

FSC-STD-AUS-01-2018 is being revised which may include criteria recognising certificate holder use of non-FSC third party contractor certification schemes to demonstrate compliance (eg ForestFit™). In lieu of this criteria acceptance, a Deemed to Comply will be pursued with FSC.

ForestFit™ is aligned to work together with Responsible Wood and FSC to provide assurance across the supply chain.

Australian forestry Standards

Standard

The national Standard to which your system, product or service must conform

Scope

Range or characteristics of objects of conformity assessment covered by certification

Certification scheme

Owner/Operator responsible for the daily operations of the certification scheme

Object(s) of conformity

Assurance

Assessment that systems and processes are risk based, successfully operationalised and continuously improved.

Audit frequency



FSC-AUS-01-2018: forest management
FSC-STD-30-010: supply of controlled material by forest managers
FSC-STD-40-004: sourcing, processing, labelling and sale of forest-based materials
FSC-STD-40-004: sourcing of controlled material

System principles for the management and evaluation of managed forest operations.

System requirements for sourcing to distributing forest-based products:

- Wood products
- Pulp and paper products
- Non-timber forest products

FSC Australia and New Zealand

Forest management system and practices

Independent third party conformity assessment by ASI accredited Certification Bodies

Certification: 5 years
Surveillance: Annually



Sustainable Forest Management AS/ANZ 4708
Chain of Custody of Forest and Tree-based products AS/NZ 4707

System performance requirements for the production of forest products and forest services, including the protection of sustainability values.

System procedures for purchasing, tracking, manufacturing, selling and recordkeeping of tree-based materials.

Responsible Wood (PEFC)

Forest management system and practices

Independent third party conformity assessment by JASANZ accredited Certification Bodies

Certification: 3 years
Surveillance: 9 months



Forest Services Standard
Standard 1: Mandatory Requirements
Standard 2: Business Sustainability
Standard 3: Work Health and Safety
Standard 4: Environmental Practices

Management systems and practices requirements for forest services operations:

- Harvest
- Haul
- Civil
- Silviculture

Australian Forest Contractors Association

Management system(s) and practices

Independent third party conformity assessment by JASANZ accredited Certification Bodies

Certification: 5 years
Surveillance: Annually

This table has been approved by FSC and Responsible Wood.

Growers supporting ForestFit™ certification

The Memorandum of Understanding (MOU) outlines the shared support for the successful implementation and maintenance of ForestFit™. It sets the terms of understanding between the grower signatories and AFCA as the owner of ForestFit™ and representative national peak body for forest service businesses. The parties together will advocate for and where practicable support certification to the ForestFit™ Standard.

For the purposes of procurement the growers have committed to:

- Preference ForestFit™ certified businesses
- Accept that ForestFit™ meets the same requirements for management systems as certified or aligned to the respective ISO standards.
- After 31 December 2024, support businesses entering new contracts with growers to be certified to a minimum of Standard 1: Mandatory Requirements and Standard 3: Work, Health and Safety.

Upon finalising the Forest Services Commercial Management model, growers will align their businesses processes to this national model.

Signatories

Signatories to the Forest Industries ForestFit™ MOU support the implementation of ForestFit™ and adoption of ForestFit™ Certification. Organisations signed up to the Forest Industries ForestFit™ MOU are pledging their support for the aims outlined in this MOU and a desire to support, implement and acknowledge ForestFit™ as a nationally recognised Industry Certification.



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A full copy of the MOU can be accessed at: www.forestfit.com.au

Factors for change

The forest sector is experiencing increasing pressure on the availability of employees and businesses to meet ever increasing demands. Therefore, it is critical for growers to leverage the expertise and maximum capabilities of forest service businesses to meet the grower's commercial needs.

This need is occurring in an environment when growers commonly have reduced support and are relying upon the systems and resources of the forest service businesses they engage.

Grower expectations of forest service businesses now go well beyond production and value recovery, it also requires verifiable:

- Safe work practices
- International Labour Organisation (ILO) aligned work practices,
- Environmental protection,
- Chain of custody management
- Chain of responsibility delivery
- Commercial sustainability.

To survive these pressures the capabilities of all involved in the commercial relationship must evolve. The utilisation of capabilities that exist beyond core operational tasks must be understood and recognised.



Luke Jones, Jones Group - ForestFit™ certified 2025

Collaboratively evolving the commercial relationship within the sector can improve risk and liability management and supports all to prosper in the medium to long term.



What is being transformed

Service provision

Service provision in the forestry sector, like most sectors, is delivered through a variety of arrangements. This spectrum ranges from internal employees through to third party contracts. On this spectrum are sole providers and forest service businesses utilised to deliver single jobs or ongoing complex services.

The traditional service commercial arrangement utilised within the forest sector strongly emphasised production capacity as the key performance indicator. Growers manage the engagement through “supervision” utilising activities such as operational “monitoring” and “auditing”.

Given the diversity of forest services being delivered it is acknowledged that the capabilities of those providing the services also varies. This may also be influenced by the maturity and size of the business.

While there was value obtained from this model, it had a potential to view the forest services delivered by businesses solely through an operational lens. This overlooked the capacity for self management, continuous improvement and governance which these businesses could also deliver.

A more mature commercial arrangement recognises the management capabilities of forest service businesses to provide a higher level service, greater assurance and improved outcomes.

Internal and external capacity building

Independent third party assurance of a forest service business’ sustainability and management systems adds value to the service they provide. However the businesses need some flexibility to determine the appropriate time in which to pursue certification and confidence of transparent grower recognition of the value.

ForestFit™ certification is a lead indicator that demonstrates to growers that certified businesses are able to engage on a higher level than non-certified businesses. However, growers need some flexibility to consider when it may be a preference or a requirement for engagement.

The forest services commercial management model demonstrates how engaging a service provider with external assurance can lead to safer, more productive and sustainable business relationships in the short and long term.

This model identifies that both parties are able and willing build stronger and more professional commercial relationships. This is important as it is this relationship between the grower and certified business is critical to achieving commercial, safety and environmental outcomes.

For example, a ForestFit™ certified business enables the conversation between the grower and the forest service provider to evolve from one of supervision and minor non conformances to be about outcomes, continuous improvements and performance.



Assurance spectrum: Advantages of standardisation

ForestFit™ provides business assurance at the highest level with options to include assurance standards covering safety, environment and/or business management.

ForestFit™ is suitable for businesses who want to assure their systems, demonstrate their professional performance and develop longer term sustainable business relationships.

It may not be possible or desirable for all situations or service providers to meet the ForestFit™ Standard. In these instances alternative assurance systems may be utilised by engaging businesses or contractors.

For example, growers may only wish to have assurance regarding specific safety criteria therefore audits such as the Forest Owner and Service Provider (FOSP) audit may be appropriate if broader business assurance is delivered through internal monitoring and controls.

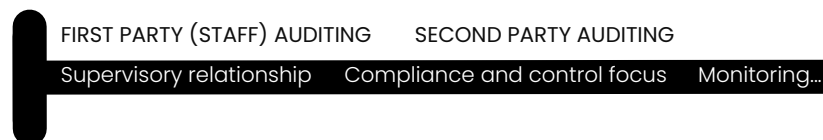
Alternatively, closely supervised and managed service providers may require no external assurance as they are managed under the grower's systems, therefore deemed as employees by the grower.

Forest service businesses are very diverse across industry, however over time it is envisaged that the value of ForestFit™ certification will be demonstrated across the sector and it will become the norm for the majority of commercial arrangements.

What is critical is that businesses within the sector who engage forest service businesses are clear on the level of assurance and governance that they require and that they have internal and/or external processes that meet those expectations.

All levels of management must understand what each assurance process delivers.

Grower assurance model



ForestFit™ assurance model



HQP and Jones Group

PARTNERSHIP BACKGROUND

Since 2010 HQP has been managing 300,000 hectares of certified plantations across Queensland.

Jones Group became HQP's first harvest and haulage business in 2011.

CURRENT ASSURANCE PROCESS

HQP assessment program includes planned audits, inspections and checks. Duplication of internal processes was identified, to the extent that some businesses are having more than 3 times the number of planned site visits.

FORESTFIT™ CERTIFIED ASSURANCE PROCESS

HQP participated in the ForestFit™ pilot with select businesses to assess its benefits and plans to expand over the next three years.

ForestFit™ certification will be embedded in their commercial agreements to ensure consistent standards and assurance.

ADVANTAGES OF CERTIFIED ASSURANCE: HQP AND JONES GROUP PERSPECTIVE

ForestFit™ is helping HQP and Jones Group strengthen their commercial relationship through increased transparency, clearer expectations and a shift toward more accountable self-managed practices.

Key insights as presented by Daniel Pfrunder (HQP) and Luke Jones (Jones Group):

- ForestFit™ allows businesses to take ownership of outcomes and demonstrate compliance to HQP.
- The integration of ForestFit™ digital systems supports stronger collaboration and trust.
- The process supports a shift towards self-management and reduced industry risk.
- ForestFit™ is standardising practices and simplifying commercial agreements
- Opportunities exist to align with NHVR standards.
- ForestFit is contributing to a more mature and accountable industry culture.
- Broad industry participation, evolving attitudes and recent challenges are driving the shift.
- Growing interest and support for businesses working through certification are helping drive uptake.

Together, HQP and Jones Group see ForestFit™ as a key step toward future-proofing operations and strengthening industry partnerships.



HQP works closely with contractors to deliver safe and sustainable forestry outcomes through schemes such as ForestFit™.

Daniel Pfrunder, HQ Plantations



ForestFit™ strengthens our relationship with HQP through transparency, trust and continuous improvement.

Luke Jones, Jones Group

Forico and JCH Harvest

PARTNERSHIP BACKGROUND

Forico, established in 2014, manages over 170,000 hectares of land across Tasmania.

Since inception in 2018, JCH Harvest has delivered safe and sustainable harvesting for Forico.

CURRENT ASSURANCE PROCESS

Forico conducts monthly audits on all sites for all forest service providers, focusing on quality over minor compliance.

However, significant duplication highlighted the need for streamlined assurance.

FORESTFIT™ CERTIFIED ASSURANCE PROCESS

Forico has integrated ForestFit™ certification into commercial agreements, recognising its role in improving business governance and streamlining operational processes.

ADVANTAGES OF CERTIFIED ASSURANCE: FORICO AND JCH HARVEST PERSPECTIVE

ForestFit™ has played a key role in evolving the commercial relationship between Forico and JCH Harvest. It has built trust, aligned systems and realised shared efficiencies through capability, knowledge and collaboration.

Key insights as presented by Ben Roberts (Forico) and Lauren Carter (JCH):

- As a new entrant, JCH demonstrated that the perception that ForestFit™ might be too complex for new entrants to the industry was invalid.
- The shift from compliance checks to value-driven conversations has improved safety, planning and efficiency.
- Utilising the independent third-party assurance of ForestFit™ eliminated an identified duplication of over 200 data points.
- Monthly audits now occur as part of the site handover rather than interrupting operations.
- ForestFit™ replaced FOSP audits, providing deeper insights into systems and practices.
- Governance, incident reporting and overall business practices improved with streamlined reporting from lengthy PDFs to practical formats.
- Collaboration with operators enhances site planning and operational efficiency.

The process reinforced Tasmania's high standards and the vital role of trust in grower and forest service business relationships.



ForestFit™ has helped JCH's business grow and in turn has helped Forico with efficiencies, with more to realise still.

Ben Roberts, Forico



ForestFit™ provides a strong foundation for our management systems, improves internal confidence and helps reduce inefficiencies.

Lauren Carter, JCH Harvest

HVP and Austimber

PARTNERSHIP BACKGROUND

HVP manages over 240,000 hectares of plantations across Victoria.

Austimber has provided harvest and haulage services since 2006, driven by a strong focus on innovation.

CURRENT ASSURANCE PROCESS

HVP relies on management reviews with key stakeholders to monitor performance and compliance. While valuable, the process involves duplication and inefficiencies, highlighting an opportunity for a more streamlined approach.

FORESTFIT™ CERTIFIED ASSURANCE PROCESS

HVP has been an active representative on the Steering Committee. While not yet a formal MOU signatory, they have used the pilot to work with Austimber, an early ForestFit™ adopter, to explore integration opportunities and streamline processes.

ADVANTAGES OF CERTIFIED ASSURANCE: HVP AND AUSTIMBER PERSPECTIVE

HVP and Austimber recognise the value of the current management review process and expect it to remain part a key part of their assurance framework. They also see opportunities to refine and streamline the process.

Key insights as presented by John Love (HVP) and Ian Reid (Austimber):

- The existing formal annual and informal six-monthly management reviews are valuable touchpoints involving regional and harvesting managers, district foresters, harvesting businesses and crew leaders.
- These reviews encourage an open dialogue and promote a shared understanding.
- There is a clear opportunity to review HVP duplication and streamline assurance activities to improve efficiency.
- While ForestFit™ is not yet been recognised as part of the system, there is an opportunity to consider where its inclusion can add value.
- Effective record keeping that adds value is critical, as concerns were raised over processes that do not add value.

HVP and Austimber expect the management review process to evolve by streamlining processes and integrating ForestFit.



An opportunity exists to integrate ForestFit™ and streamline processes by eliminating duplication.

John Love, HVP



The biggest value of being ForestFit certified is that I sleep better at night knowing we have the right systems in place that are annually audited by an independent third party.

Ian Reid, Austimber

Professional relationships

ForestFit™ certified businesses have demonstrated their capacity to professionally manage their business activities with a high level of assurance. To gain most value from this assurance growers should evolve their commercial engagement and management from a supervisory model to a professional commercial relationship.

To achieve this both the grower and service business must build mutual respect through collaboration, transparency and communications. This does not impact the frequency of engagement between the parties, instead the conversations move from minor level compliance to continuous improvement.

The ForestFit™ commercial management model proposes that from engagement, to onboarding to operations, a high level of business engagement should be aimed for, leveraging the internal processes assured through ForestFit™ certification.

Growers can also leverage the expertise of certified businesses to provide solutions for industry-wide operational issues or incidences. Growers can engage with the ForestFit team to include, where applicable, assurance through the annual surveillance audit process that these issues have been addressed through appropriate policies, procedures, risk assessments and change management processes.

The least preferred outcome is that growers encourage businesses to become ForestFit™ certified and then do not leverage the capabilities of the business which the certification process assures.

PHASE	OPTIMAL OUTCOME
Engagement	Contracts and/or tenders recognise ForestFit™ certified business as preferred suppliers. ForestFit™ certification and surveillance audit outcomes accepted as compliance with appropriate commercial requirements, therefore reducing duplication for growers and certified businesses.
Commencement	Onboarding processes enable ForestFit™ certified businesses to induct growers into their systems and processes to demonstrate their capabilities. Growers align commercial management model to full forest service business capabilities instead of generic model aligned with lowest common denominator. Clearly define relationship parameters, including self management requirements, to ensure that duplication is minimised and internal capabilities are fully utilised.
Implementation and reporting	Commercial management relies on engagement that utilised ForestFit™ certified business' internal systems as opposed to duplicating assurance methods. Site visits respect capabilities of service businesses and lift conversations to that of commercial partners.
Review	Periodic reviews to jointly assess performance and continuous improvement opportunities for greater work health and safety, environmental and business outcomes.

Certified forest services commercial management model

Commercial Management

Engagement

Growers procure outsourced providers for harvest, haulage, civil, silviculture and/or minor forest products operations.

ForestFit™ certified business tender documentation:

- ForestFit™ Certificate
- Other certifications or accreditations.

Commencement

Requirements of growers (eg PEFC, FSC, ILO, EUDR) relevant to outsourced providers who are ForestFit™ certified.

ForestFit™ certification to a minimum Standard 1 and Standard 3 provides assurance that businesses can demonstrate conformance to current requirements.

Implementation and reporting

Periodic verification of key performance metrics

ForestFit™ certification requires recording and consolidation of key performance metrics.

Review

Annual review

- Assurance verification that systems and processes are risk based, successfully operationalised and continuously improved.

ForestFit™ certified business documentation:

- Incident investigation outcomes.
- Annual management review.
- Audit outcomes report.

Operational Management

GROWERS

Planning

Preplanning – identify key characteristics and controls.

Planning – identify legal, regulatory, site and method requirements.

Implementation

Site handover – induction of principal contracting business, acknowledgement of known hazards and site sign off.

Measurement

Commercial risk assessment activity

Verification

- Estimated average of 1 hour per month, excluding value recovery checks.
- Contractual requirements are implemented.
- Verify assessment activities have been undertaken.
- Any identified issues, hazards or risks and/or guidance questions.

Incident investigation

- Stakeholder who receives a copy of incident investigation outcomes.

Reporting

Validate data for value recovery, safety and environmental outcomes.

Operations review

Final site assessment

Undertaken upon completion

FORESTFIT™ CERTIFIED BUSINESS

Preplanning – participate with growers as required

Planning – internal allocation of resources to meet requirements.

Site risk assessment – updates to safety and/or environment plans.

Site operations – initiation of activities as per plan method and specifications.

Operational risk assessment activities

Compliance

- Quarterly documented systematic checks.

Inspection

- Monthly documented visual examinations.

Observation

- Weekly (minimum) physical examination.

Incident investigation

- Undertakes investigation.
- Incident investigation outcomes provided to stakeholders as required.

Reporting

Provide value recovery, safety and environmental outcomes data.

Management review

- Internal systems review and audit preparation.

ForestFit™ Certification audit

- Audit (annual) – external third party procured to undertake management systems audit.



Assurance across Australin forestry supply chain

ForestFit™ role in providing appropriate risk allocation and assurance of business, safety and environmental due diligence requirements and industry standards.

Commercial management of outsourced providers

The two outcomes of strategic and commercial management of risk appetite is detailed within contracts and managed operationally.

Creating a common language

Identified and defined key assessment activities required during the operations management stage agreed upon by the Steering Committee.

Value and cost savings 2023

Highlights of mapping grower assessment activities and harvesting case study

Annual assessment costs: Harvesting case studies 2023

Harvesting assessment cost case studies by grower, forester and forest service business.

Assurance across Australian forestry supply chain

Accessing professional forest service businesses (outsourced providers) with the experience, expertise and resources to undertake active forest management operations is integral to the growers' supply chain. Utilising certified outsourced providers assures appropriate risk allocation of business, safety and environmental due diligence requirements and that industry standards are met.

National and international policies and acts

(eg Fair Work, Environment Protection, Work Health and Safety, Sustainable Development Goals, Environmental, Social and Governance Frameworks, International Labour Organisation Standards, European Union Deforestation Regulation)

Growers/ managers

Holder of sales contract or permit:

- Sustainable forest planning and management
- Commercial management of outsourced providers
- Supplying controlled wood

Forest service businesses

Viable and sustainable outsourced providers:

- Silviculture
- Harvest
- Haulage
- Roading
- Civil
- Environmental services
- Fire management

Processing and manufacturing

Sourcing and processing sustainably managed and/or controlled wood:

- Sawmilling
- Wood processing
- Value add
- Treatment

Distribution and logistics

Management and transportation of sustainably managed and/or controlled wood:

- Product transportation
- Inventory management
- Supply chain logistics

Customer

Influence market and drive sustainable practices:

- Purchasing requirements for forest products

Certification

FSC and/or Responsible Wood enable access to market

Certification

ForestFit™ provides capability assurance and appropriate risk allocation

Certification

FSC and/or Responsible Wood enable access to market

Certification*

Not currently in ForestFit™ scope, may provide suitable assurance opportunity

Certification

FSC and/or Responsible Wood assure responsibly sourced products

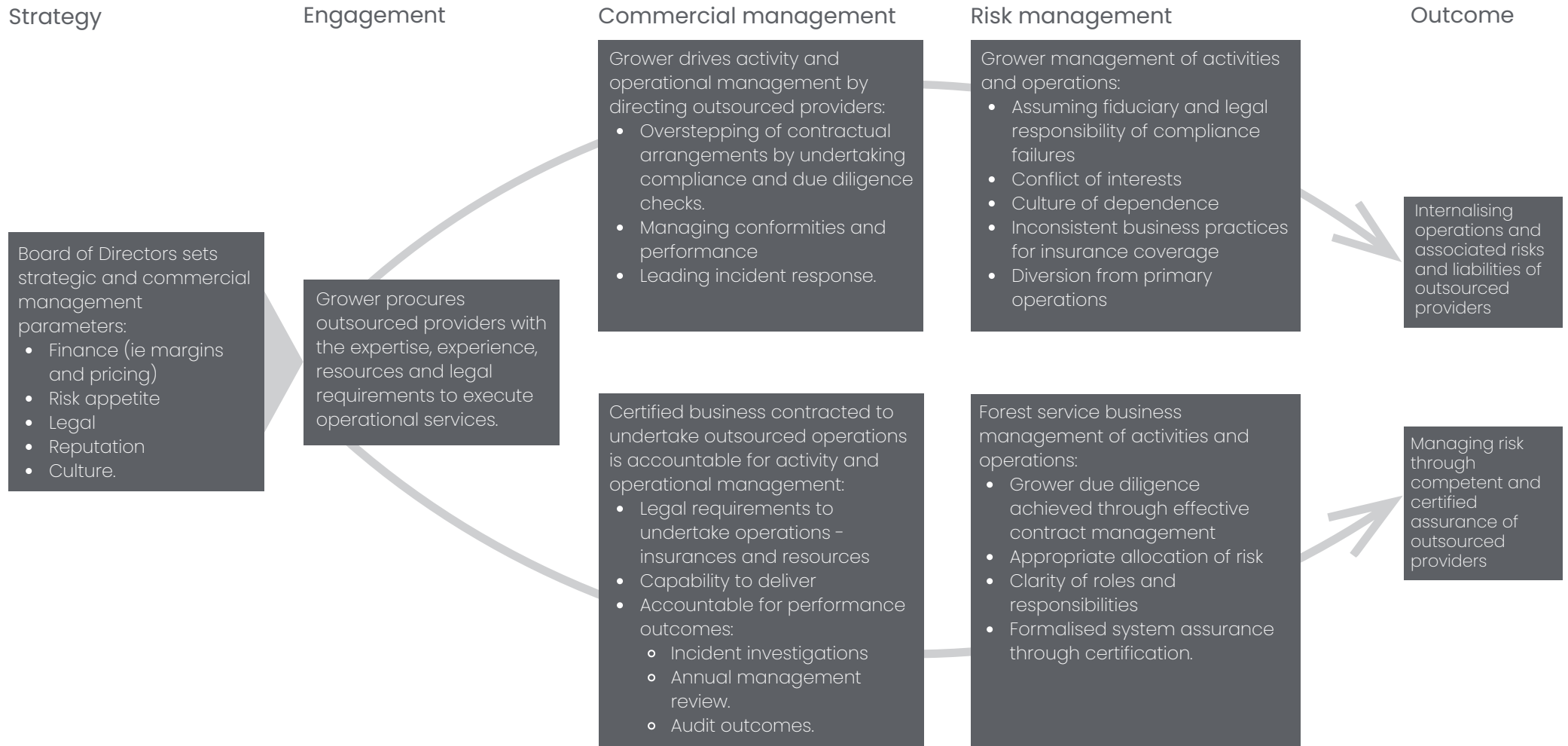
Deemed to Comply

To eliminate audit duplication of outsourced providers ForestFit™ is aligned and benchmarked to relevant criteria:

- Formalised DTC with Responsible Wood.
- FSC DTC process to commence post FSC Standard updates.

Commercial management of outsourced providers

How strategic and commercial management of risk appetite is detailed within contracts and managed operationally has two outcomes.



Creating a common language

The key assessment activities required during the operations management stage have been identified, defined and agreed upon by the Steering Committee (July 2023) to create a 'common language' for growers and forest service businesses that are ForestFit™ certified. These definitions were reviewed and updated (June 2025) to reflect more specifically the commercial management model for certified businesses.

AUDIT [Annual]	VERIFICATION [As required]	COMPLIANCE [Quarterly]	INSPECTION [Monthly]	OBSERVATION [Minimum weekly]
A systematic, independent and documented process by a Certification Body (third party) for obtaining evidence and evaluating it objectively to determine if the audit criteria is fulfilled.	A documented process by the Grower or its agent (second party) to assure the information provided is valid and compliant with contractual requirements and system implementation.	A documented systematic check conducted by the forest service business (first party) to ensure adherence to the required laws, regulations, policies or standards. Involves document reviews, conducting interviews and inspecting operations and sites.	A documented visual examination process by the forest service business (first party) to assess the condition of a site, operation, system or process for a specific purpose, such as identifying safety hazards, quality controls or environmental concerns.	A physical examination completed by the forest service business (first party) of a site, operation or process to gather information, assess conditions and identify potential issues or opportunities for improvement.
CRITERIA Work Health and Safety Environmental Practices Mandatory Requirements (People) Business Sustainability	Work Health and Safety Environmental Practices Mandatory Requirements (People) Business Sustainability	Work Health and Safety Environment	Work Health and Safety Environment	Work Health and Safety Environment
VALUE Reputable assurance and confidence for all stakeholders, including Grower and forest service business, that the systems and processes are risk based, successfully operationalised and continuously improved.	A validated approach confirming systems and processes are implemented and assessed. Undertaken when a new process occurs (ie new contract) and as part of commercial risk assessment activities.	A risk based approach to systematically assess, manage and implement systems and processes to ensure responsibilities and obligations are met.	Systematic monitoring of on site processes, ensuring alignment with sustainable practices and identifying opportunities for improvement, including areas that may pose new risks.	Fostering a culture of continuous improvement through knowledge sharing and feedback utilising tools such as risk assessments, toolbox meetings, etc, to ensure daily operations are safe and environmentally sustainable.

Value and cost savings

Increasing value and minimising risk

- ForestFit™ Standards are a lead indicator providing growers assurance that certified businesses have systems in place to achieve deliverables.
- Market value can be attributed to certified businesses through demonstrated risk mitigation and minimisation resulting in a lower risk profile for insurance and financing purposes.
- Concomitantly growers should benefit with lowering of their risk profile for engaging certified businesses.

Methodology assumptions

- Steering committee representatives estimated the number of contracted businesses, including how many businesses were contracted to other growers.
- The target estimate aligns with identified businesses contracted to multiple forest growers; which demonstrates how the minimum cost savings for these businesses would quickly compound through recognition of ForestFit™.
- A target of certifying 30 percent of the forest service businesses, based on current modelling, ensures ForestFit™ is fully self funding.
- Costs were disaggregated to per crew for both forester and forest service business case studies; costs originally based on varying business sizes, four and seven crews respectively.
- Average crew estimates of 4 per business, consisting of 3 personnel and equipment were based on an industry economic survey.

FOREST GROWER	CONTRACTING BUSINESSES	MULTIPLE FG CONTRACTS	TARGET CERTIFY 30% BUSINESSES	ESTIMATED # OF CREWS	FORESTFIT CERTIFICATION TARGET COST SAVINGS		
					FOREST GROWER	CONTRACTING BUSINESS	TOTAL
Respondent 1	30	4	9	36	\$216,000	\$288,000	\$504,000
Respondent 2	60	15	18	72	\$432,000	\$576,000	\$1,008,000
Respondent 3	142	29	43	170	\$1,022,400	\$1,363,200	\$2,385,600
Respondent 4	15	13	5	18	\$108,000	\$144,000	\$252,000
Respondent 5	75	Unknown	23	90	\$540,000	\$720,000	\$1,260,000
Respondent 6	53	39	16	64	\$381,600	\$508,800	\$890,400
Respondent 7	9	9	3	11	\$64,800	\$86,400	\$151,200
Respondent 8	60	10	18	72	\$432,000	\$576,000	\$1,008,000
Respondent 9	16	9	5	19	\$115,200	\$153,600	\$268,800
Respondent 10	51	10	15	61	\$367,200	\$489,600	\$856,800
Respondent 11	60	3	18	72	\$432,000	\$576,000	\$1,008,000
Total	571	141	171	685	\$4,111,200	\$5,481,600	\$9,592,800

Creating consistency, efficiencies and cost savings

- A significant cost savings for growers and forest service businesses is demonstrated through the elimination of the duplicated time, cost and equipment downtime burden of assessment activities.
- Case studies were provided by a forest grower, forester and a forest service business to estimate the annual cost of assessment activities and identify duplication..

Note: Costs do not include any parties' participation in external forest grower certification audits (eg FSC or Responsible Wood) due to variances in sampling process.

Annual cost savings: Harvesting case study highlights

\$6k

Forest grower cost savings per Crew

Costs savings per crew for growers engaging ForestFit™ certified businesses

Annual cost estimated by forester and forest service business of duplicated assessment activities, representing 75% of time spent on equivalent

75%

Cost savings for growers engaging ForestFit™ certified businesses

Forester estimate of assessment activity time spent on equivalent criteria within ForestFit™ Standards. Applied to forest services case study, equals \$42K per annum for the forest grower.

\$8k

ForestFit™ certified cost savings per Crew

Cost savings per crew for ForestFit™ certified business

Annual cost estimated for internal forest service business and grower assessment activities.

20%

Cost savings for ForestFit™ certified business

Annual cost savings of duplicated assessment activities being eliminated. This equals \$60K per annum for the case study certified business.

Annual assessment costs: Harvesting case studies 2023

Grower

- Demonstrates cost per harvested tonne of external safety management system audits and internal assessment activities.
- The external audit covers safety only.
- This cost could be saved through the use of ForestFit™ certified businesses.
- Cost savings could be mutually shared by forest grower and ForestFit™ certified business through increased rates.

ITEM	UOM	VALUE
Annual Harvest Volume	tonnes	1,000,000
Safety Management System Audits		
SMS audit	#	6
External party cost per audit	\$/audit	\$3,500
Re-audit frequency	years	3
Total Cost	\$	\$21,000
Audit cost per annum	\$	\$7,000
Compliance Costs		
Harvesting supervisors	#	5
Employee cost per annum	\$/person/yr	\$97,500
Compliance and quality control task	% role	20%
Compliance cost per annum	\$	\$97,500
TOTAL Forest Grower cost/annum	\$	\$104,500
TOTAL Forest Grower cost/tonne/annum	\$/tonne	\$0.10

Forester

- Demonstrates annual cost per crew of individual forester time to undertake assessments for harvesting operations.
- Costs preclude travel costs and time to attend sites as these vary generally from 1-3 hours return.
- 75% of time is spent duplicating assessment criteria within the ForestFit™ Standards.
- 25% of current activities would continue for quality and production assessments.

ITEM	UOM	VALUE
Contract management per FCB	Per crew	
Assessment Activities		
	Hrs/ yr	
VRFW Major (annual)	1	\$50
VRFW Minor (monthly)	12	\$600
Field Safety Environment Check (quarterly)	6	\$300
Log Quality Check (weekly)	24	\$1,200
Load Assessment (weekly)	24	\$1,200
Thinning Stocking Plot (weekly)	48	\$2,400
Observations (ad hoc)	20	\$1,000
Toolbox meeting (ad hoc)	12	\$600
Site completion (ad hoc)	12	\$600
Forest Grower cost per Crew/ annum	159	\$7,950
Forest Grower cost per Crew/annum		
Quality and production assessments	40	\$1,988
Safety, environment and business (equivalent to ForestFit Standard)	119	\$5,963
TOTAL Forest Grower cost/ Crew/ annum	159.0	\$7,950

Forest Services Business

- Demonstrates annual costs per crew for their own internal assessment activities that form business operations and legal requirements.
- Costs of assessments include Supervisor undertaking assessments plus crew and equipment downtime as required.
- Costs associated with additional interactions and assessments, including duplication, per grower contract have been separately identified.

ITEM	UOM	VALUE
Forest Contracting Business (FCB)	Per crew	
FCB internally conducted activities		
	Hrs/ yr	
Safety Check (monthly)	12	\$7,800
Environmental Check (monthly)	12	\$7,800
Log Check (weekly)	48	\$9,600
Plots - Thinning/ Value Recovery (weekly)	48	\$9,600
Load Construction (ad hoc)	3.5	\$525
FCB cost per Crew/ annum	123.5	\$35,325
FCB cost and downtime of Forest Grower site activities		
Field Safety Environmental Check (quarterly)	6	\$3,800
Value Recovery (monthly)	6	\$900
Plots - Thinning (weekly)	12	\$1,800
Log Check (weekly)	12	\$1,800
Load Construction (ad hoc)	3.5	\$350
FCB cost per Crew/annum	39.5	\$8,650
TOTAL FCB cost / Crew/annum	163.0	\$43,975

10¢

Cost of assessment activities per tonne

20%

Time on compliance and quality control

336 hours

Harvesting supervisor assessment activities and management

\$8k

Cost of assessment activities per Crew

75%

Time on assessment activities equivalent to ForestFit™ Standard

119 hours

Time on assessment activities equivalent to ForestFit™ Standard

\$44k

Cost of assessment activities per Crew

24%

Time on duplicated assessment activities per Crew

40 hours

Time on duplicated assessment activities per Crew



The ForestFit™ Standard and Certification Scheme has been codesigned by national representatives from forest growers, forest services businesses, processors, industry associations, existing industry certification schemes and the New South Wales (NSW) Government in partnership with Australian Forest Contractors Association (AFCA).

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