



# Sustainable Investment in Forestry for Timber and Biomass

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# Overview

- What is sustainability?
- Characterising risk
- Attracting investment
- Opportunities

# What is sustainability?

- Environmental sustainability
  - Long-term forestry production
  - Soils & nutrition
- Social sustainability
  - Community acceptance
- Financial sustainability

# Financial sustainability

- Ensuring ongoing investment at scale
- Scale
- Meeting investor expectations
  - Investment certainty (volatility)
  - Risk vs Return

# Risk

- Technical forestry risk
  - Growing trees over the longer term
  - Higher for:
    - Greenfield developments
    - Non-traditional forestry areas
- Market risk
  - Performance history
  - Diversification

# Attracting investment

- Demonstrated stable business model
  - Processing vs growing – which comes first?
- Achieve scale
  - Balancing environmental, social & financial issues
- Meet grower expectations on feedstock price

# Opportunities

- Existing forestry resource
  - Competition for biomass
- Distributed processing
- Combining timber, biomass & carbon
  - Extend geographic boundary of commercial estate
  - Policy development
- Integration into agricultural systems
  - At farm scale



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