

# Timber Market Survey Project

## Steering Committee Terms of Reference

### 1 Constitution

- 1.1 The Timber Market Survey Project involves the implementation of a series of surveys and subsequent reports to capture movements in selected timber product prices over time. These are conducted by a consultant (Consultant) under contract to a group of funding signatories (Clients) and overseen by their nominated representatives which form a Timber Market Survey (TMS) Project Steering Committee.
- 1.2 This Terms of Reference sets out the function, responsibility and authority of the TMS Project Steering Committee.

### 2 Function

The function of the Project Steering Committee is to:

- 2.1 Represent and establish the collective interests of the funding signatories to the TMS Contract ('Clients');
- 2.2 Determine the strategic direction of the TMS Project;
- 2.3 Oversee the quality and timeliness of the quarterly TMS results and report;
- 2.4 Implement measures to identify, control and protect confidential information;
- 2.5 Implement improvements to the TMS process where feasible and deemed appropriate in line with the objectives of the TMS contract;
- 2.6 Promote cooperation between the Clients;
- 2.7 Approve communications and public relation strategies.

### 3 Membership

- 3.1 Membership of the TMS Project ('Clients') is on the basis of organisations that:
  - 3.1.1 Provide a financial commitment for the period of the TMS Contract (i.e. are funding signatories), and
  - 3.1.2 Can provide best value to the ongoing TMS Project through technical knowledge, representativeness across product categories and regions and/or support for its future, including a commitment to the project's improvement and promotion of the TMS Project's end products.
- 3.2 Membership of the TMS Project ('Clients') is open to:

- 3.2.1 Organisations within Australia that are fundamentally forest managers or growers; and
  - 3.2.2 Up to two (2) representatives for the hardwood/native forest timber processing and sales sector and two (2) representatives for the plantation softwood forest timber processing and sales sector (noting that representatives can be individual or multiple timber processor organisations or representative bodies (e.g. industry associations)).
- 3.3 Each Client is entitled to be represented on the Project Steering Committee.
- 3.3.1 If the Client elects to be represented, the Client must nominate a person (Representative) in writing to represent them on the Project Steering Committee within 2 months after becoming a signatory to the TMS Contract. A Client may change its Representative at any time by written notice to all Clients.
  - 3.3.2 A Client may elect not to be represented on the Project Steering Committee, in which case that Client will continue to have access to all data and reports available to members of the Project Steering Committee, but that Client will not be subject to the duties specific to the Project Steering Committee nor have voting rights on the Project Steering Committee.
- 3.4 Each Client must ensure that its Representative is vested with the necessary authority to enable him or her to carry out his or her duties on the Project Steering Committee.
- 3.5 As soon as practicable after the execution of the TMS Contract, the Project Steering Committee will elect a Chair. The Chair will be responsible for communicating any and all directions to the Consultant in accordance with the decisions of the Project Steering Committee. The Chair must only direct the Consultant in accordance with the decisions of the Project Steering Committee and within the scope of the services specified in the TMS Contract.
- 3.6 Generally, issues for voting will be dealt with as part of the agenda for scheduled meetings. It will be necessary for a quorum to be present before a vote can proceed. For the purposes of the Project Steering Committee, a quorum is defined as at least half plus 1 of the total number of Representatives on the Project Steering Committee. When resolving issues and making decisions, the aim of the Project Steering Committee is to achieve unanimity of opinion wherever possible. However, a 75% majority of votes will be sufficient to carry the motion.
- 3.7 TMS Clients and Project Steering Committee Representatives are set out in Attachment 1. Attachment 1 is amended whenever there is a change in the TMS Clients and/or Project Steering Committee Representatives.

## **4 Term**

- 4.1 This Terms of Reference is effective from the date of approval by the Project Steering Committee (below) and will be ongoing until terminated or amended by agreement.

## **5 Roles and Responsibilities**

- 5.1 The Project Steering Committee will have the responsibility and authority to:
  - 5.1.1 Oversee the Consultant engaged by the Clients to perform the Services associated with conducting the TMS Project, including consolidating, analysing and reporting on the outcomes of each Timber Market Survey;

- 5.1.2 Consider any variation of the Services, consistent with the TMS Contract;
  - 5.1.3 Implement measures to identify, control and protect Confidential Information;
  - 5.1.4 Review and approve the TMS survey questions;
  - 5.1.5 Verify the quality, integrity and statistical robustness of TMS data;
  - 5.1.6 Review and determine the product indices that are included in the TMS quarterly reports;
  - 5.1.7 Provide feedback to the Consultant on the quality and content of the TMS quarterly reports;
  - 5.1.8 Review the commercial potential of all Project Intellectual Property and decide whether and how any commercialisation should proceed;
  - 5.1.9 Approve communications and public relations strategies including announcements or release of information to the public;
  - 5.1.10 Promote cooperation between the parties;
  - 5.1.11 Oversee TMS funding;
  - 5.1.12 Periodically review the TMS management and funding arrangements;
  - 5.1.13 Review and recommend to the Clients, applications for other parties to become Clients to the TMS Contract, with such conditions as the Project Steering Committee considers appropriate including the proportion of the fees to be paid;
  - 5.1.14 Carry out any other functions given to the Project Steering Committee under the TMS Contract or other functions as agreed in writing by the Clients from time to time.
- 5.2 Should an amendment to the TMS Contract be sought, the proposal to do so must be presented to the Project Steering Committee and must include explicit documentation of the financial and TMS Contract performance outcomes that would arise from the proposed amendment. The Project Steering Committee may only amend a TMS Contract by unanimous decision.
- 5.3 The Project Steering Committee does not have the power to make unilateral decisions about releasing or waiving any breach of the contract by a Client.
- 5.4 The Project Steering Committee does not have the unilateral power to:
- 5.4.1 Amend any of the raw data contributing to the TMS product indices;
  - 5.4.2 Amend any of the calculations used by the Consultant;
  - 5.4.3 Require the Consultant to identify the participants in the TMS survey.
- 5.5 The Project Steering Committee can request details from the Consultant in regard to the methodology used by the Consultant in deriving and updating existing or new product data series, for the purposes of reviewing the appropriateness of such methodology. In doing so, it is recognised that any changes may trigger changes in fees in an amended Contract.

## **6 Meetings**

- 6.1 The Project Steering Committee must meet at least twice a year to review the TMS project, with the meetings to coincide with the completion of project outcomes and receipt of project reports. The Consultant, in liaison with the Chair, is responsible for calling meetings of the Project Steering Committee and meetings may be held face-to-face, by teleconference or by use of any other technology agreed to by all of the Representatives. Each Client will be responsible for costs involved in the participation of its Representative on the Project Steering Committee.

## **7 Review**

- 7.1 This Terms of Reference will be reviewed no less often than every two years, or earlier as determined by the Project Steering Committee.

## **8 Definitions**

- 8.1 "Consultant" has the same meaning as in the TMS Contract
- 8.2 "Client" has the same meaning as in the TMS Contract.

## **9 Legal status**

- 9.1 If any conflict arises between this document and the TMS Contract, the TMS Contract shall take precedence.

Approved by the Project Steering Committee: March 2017

Date of next review: March 2019

## ATTACHMENT 1

TMS Clients and Project Steering Committee Representatives as at December 2016 are:

- Forestry Corporation of New South Wales (Chair);
- HQ Plantations;
- HVP Plantations;
- VicForests;
- OneFortyOne Plantations;
- Queensland Government Department of Agriculture and Forestry (DAF);
- Green Triangle Forest Products (GTFP)