



Joint Media Release



9 April 2010

ASIC benchmarks to support retail forestry investment disclosure

The Australian Plantation Products and Paper Industry Council (A3P) and the National Association of Forest Industries (NAFI) have welcomed the release of the Australian Securities and Investments Commission (ASIC) Consultation Paper — *Agribusiness managed investment schemes: Improving disclosure for retail investors*.

The Consultation Paper presents for public comment a draft set of 'disclosure benchmarks' that ASIC has developed to enhance investor protection for investors in agribusiness managed investment schemes.

This follows similar benchmarks already introduced for investors in unlisted mortgage and property schemes, and unlisted unrated debentures, and is consistent with an undertaking ASIC gave to the Parliamentary Joint Committee Inquiry last year.

Once finalised, these industry benchmarks are intended to apply from early in FY2011.

A3P CEO, Richard Stanton, said A3P, and the plantation industry at large, strongly support appropriate levels of investor protection as a matter of principle, particularly for retail investors, who comprise the majority of those joining forestry schemes.

"Having determined the collapse of the two largest agribusiness companies last year was not caused by the managed investment scheme structure itself, the Government has been considering ways to minimise the risk of company failures in the future and the impact on investors if that were to occur," Mr Stanton said.

NAFI CEO, Allan Hansard said, Government Ministers have repeatedly said they want to help rebuild confidence in plantation investment through the managed investment scheme structure, and they recognise that the integrity measures embodied in the 2007 statutory tax deduction for retail forestry investments are an important foundation.

"Improving the regulatory framework, such as through effective ASIC benchmarks for the industry, should be another important step." Mr Hansard said.

"A3P and NAFI will now examine and assess the draft disclosure benchmarks in detail and provide ASIC with constructive comments, and will then work with ASIC and retail forestry companies to ensure a workable set of disclosure benchmarks can be implemented in a timely way in the new financial year.

"A3P and NAFI will continue working with the Government and its regulators to provide an effective regulatory framework that gives investors and managers the confidence to enable retail forestry projects to continue growing a very substantial wood resource to supply Australia's regionally-based value-adding plantation products and paper industries." Mr Hansard said.

Further information:

Richard Stanton, A3P CEO — 0421 310 758

Allan Hansard, NAFI CEO — 0438 243 994

Natalie Loudon, Communications Officer — 0401 757 172