

Forest Produce Licence Policy

2026



We acknowledge and respect Victorian Traditional Owners as the original custodians of Victoria's land and waters, their unique ability to care for Country and deep spiritual connection to it.

We honour Elders past and present whose knowledge and wisdom has ensured the continuation of culture and traditional practices.

DEECA is committed to genuinely partnering with Victorian Traditional Owners and Victoria's Aboriginal community to progress their aspirations.



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Overview of Forest Produce Licences

Commercial native timber harvesting ended in Victoria in January 2024. Going forward, the removal of forest produce and timber resources from state forests will be permitted under certain circumstances in line with legislation and the Victorian Government's forest management policies and objectives.

Forest Produce Licences (FPLs) are licences issued for forest produce and timber resources within State forests, including reserved and protected forest areas, under section 52(1A)(d), (e), (f) and (g) of the *Forests Act 1958*.

Applications for FPLs are considered on a case-by-case basis. This policy provides guidance for how applications will be assessed. It is intended this policy will be in place until regulations are made under the *Forests Act 1958* to set out matters that must be considered when issuing FPLs. FPLs may be issued for a range of purposes, including:

- the cut, dig and removal of non-timber forest produce (page 2)
- the removal of timber by-products in certain circumstances as outlined in *Victoria's State Forests By-Products Framework* (By-Products Framework) (page 3)

- for research purposes, including regeneration trials
- small-scale cutting and removal of timber to support niche industries who recently held a VicForests-issued FPL (see further details on page 3)
- small-scale eucalyptus oil production for existing licence holders
- harvesting plantations in State forests
- to enable Traditional Owner activities.

All FPLs are subject to any relevant legislation, regulations and instruments that apply. The *Code of Practice for Timber Production 2014* (the Code) will apply to any FPLs that authorise cutting and/or taking away of timber forest produce for a commercial purpose. All FPLs will consider Traditional Owner rights and interests.



FPLs to enable Traditional Owner activities

DEECA will continue to work with Traditional Owners to consider mechanisms that enable Traditional Owners to undertake activities to achieve their objectives in forests. FPLs may be an appropriate mechanism if other tools are found to not be suitable. Statutory reform will also be pursued to enable self-determination by Traditional Owners.

Forest Produce (non-timber)

FPLs will continue to be issued to authorise the cut, dig and removal of non-timber forest produce from State forests.¹ This includes, but is not limited to:

- seed collection
- research requiring forest disturbance (e.g. cut of plants or removal of samples)

- cut and take of parts of trees and plants (e.g. leaves, grass tree fronds, plant specimens)
- collection of stone or soil (excluding minerals), and
- bushfoods (e.g. berries and leaves).

When issuing these licences, a standardised assessment process will be followed to ensure that appropriate values checks are conducted, including for environmental, cultural and heritage values. The licence conditions will be set on a case-by-case basis to manage and protect these values.

Plantations

There are isolated examples of historic plantation sites across Victoria that have a land tenure status of State forest. Plantations are managed stands of trees of either native or exotic species that are planted or sown primarily for timber harvesting operation purposes. FPLs may be issued to enable third parties to continue managing these plantations, including timber harvesting.

¹ "Forest produce" and "timber" is defined in section 3 of the *Forests Act 1958*.

Removal of by-products

Timber by-products are created when DEECA is carrying out forest and fire management activities, such as building strategic fuel breaks or removing hazardous trees that may fall or drop limbs causing injury or blocking road access.

The Victorian State Forest By-Products Framework (the Framework) clarifies what by-product is and how DEECA will ensure by-products are distributed to the most appropriate uses, so it can reflect the rights and interests of Traditional Owners and provides community and economic benefit where possible.

In some situations, individuals and businesses may need to be authorised to remove by-products from the forest – an FPL will be a legal instrument to permit this. Where this occurs, a different application process to issuing an FPL for the small scale cutting and removal of trees for niche industries will be used.

Niche industries

Commercial native timber harvesting in Victorian State forests ceased as of 1 January 2024. Under the previous native timber harvesting regime, VicForests issued FPLs through its Community Forestry Program. These licensees included small businesses that harvested low volumes of timber for niche industries.

The decision to end commercial native timber harvesting was not directed at closing businesses that remove small amounts of timber for high-value outcomes, such as musical instrument making. Consideration has been given to the viability of relying on by-products of DEECA's forest and fire management activities to support niche industries in an ongoing way. However, DEECA's land management activities are driven by forest and bushfire management objectives and therefore the by-products from these activities are sporadic, unpredictable and will generate unknown species and quality. This is not a reliable or viable supply of timber for niche industry use. Therefore, under this policy, niche industries that meet relevant criteria and were operating under VicForests' community forestry program will continue to be able to apply to DEECA for FPLs for small-scale cutting and removal of trees.

Criteria and conditions for the issue of niche industry FPLs are outlined in **Schedule 1**.

Fees and royalties

Forest produce (non-timber and timber) is a public resource. Fees and royalties have been and will continue to be charged by the State Government for FPLs, so people and businesses pay for the access and extraction of these valuable forest resources, and to ensure broader markets for forest produce are not distorted. The money received through fees and royalties will not exceed the cost of administering the system.

Roles and responsibilities

The Secretary to DEECA (or delegate) will undertake the managing authority role as required for FPLs that authorise cutting and/or removing timber for commercial purposes, in accordance with the Code and existing regulations. In performing this duty, the Secretary's responsibilities include but are not limited to:

- planning, including:
 - using appropriate data, modelling and ground-truthing to ensure licensed activities take place in areas of the forest where environmental impacts can be minimised
 - surveys and values checking
 - specifying the trees that can be felled and taken, and
- assessing sites during and after operations.

The Conservation Regulator, which oversees the regulation of wildlife, forests and public land in Victoria, is responsible for:

- assessing applications and determining whether to issue licences as a delegate of the Minister for Environment
- monitoring and enforcing of compliance
- collecting fees and royalties.

FPL application process

The Conservation Regulator will assess licence applications and issue FPLs. Information can be found on the [Conservation Regulator website](#)

Niche industries

FPL applications to authorise limited and small-scale harvesting to support niche industries will be accepted from the time of the FPL Policy release in 2025.

The application process involves environmental assessments and engagement with stakeholders and relevant Traditional Owner groups. The Conservation Regulator will work with applicants to understand their applications and communicate assessment times, which will depend on the application.

Schedule 1: Criteria and standard conditions for niche industries

To be eligible for a FPL that authorises the cutting and removal of timber for a commercial purpose, an applicant must have been operating under VicForests' community forestry program with an agreement in place on 31 December 2023.

An application will only be considered if it is for a continuing 'niche industry' purpose, such as those described in Table 1, and that was authorised by the previously held agreement.

An application will only be considered if it is for less than 100m³ per year of timber to be harvested.

These eligibility criteria do not apply to applications for FPLs for other purposes, including those issued to authorise plantation harvesting, research, removal of by-products and Traditional Owner activities.

The eligibility criteria will guide the Minister and/or delegates in assessing applications and issuing FPLs to support niche industries.

Additional standard conditions have also been developed and will apply to all FPLs for niche industry purposes.

These criteria and conditions have been developed to align with the Victorian Government's decision to end commercial native timber harvesting in State forests, and therefore only permit very small-scale cutting and removal of timber with minimal environmental footprint.



Table 1: Criteria for applicants to cut and remove timber for niche industry purposes

Recent agreement-holder:

The applicant held an agreement under VicForests' community forestry program on 31 December 2023

Allowable niche industry purposes:

Timber authorised to be cut and removed under the licence must be used for a niche industry purpose, which includes, but is not limited to:

- Musical instruments
- Bespoke furniture
- Historical tourism
- Community or sporting events

Niche industry purposes do not include:

- Pulpwood
- Firewood
- Fence posts

*** Licence conditions can allow use for the above excluded purposes where they are an off-cut of a primary niche industry use.*

Standard conditions

Standard conditions to be placed on these FPLs will include:

- Single tree selection
- No heavy machinery*

Operators will undertake on-site processing and are responsible for the transport and delivery of timber products.

The above is in addition to the range of requirements under existing regulations and instruments (including the Code), and any other additional licence prescriptions, terms or conditions that the Minister or delegate may consider appropriate in any particular case. Any issuing of FPLs for niche industries will be consistent with government policy where relevant (for example, not issuing FPLs for niche industries in areas of State forest where government has committed to creating parks and reserves).

** There may be circumstances where this condition is altered to manage safety risks, provided licensees can demonstrate minimal environmental impact.*

Table 2: Criteria to limit scale and volume

Maximum licences per person/business: 1

Each person and/or business can only be issued one licence at a time.

Total maximum volume of timber per licence:

100m³ per year

This is a maximum. Consideration will be given to species and location, and some may require much lower volumes. Depending on the species and size of the trees available, this is an approximate range of 5–50 trees per year per licence.

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