

2026-2027

CHARTER

of the

SOUTH AUSTRALIAN FORESTRY CORPORATION

1. INTRODUCTION

- 1.1. This Charter has been prepared by the Minister for Primary Industries and Regional Development and the Treasurer, following consultation with the South Australian Forestry Corporation, in accordance with section 12 of the *Public Corporations Act 1993 (SA)*.
- 1.2. This Charter should be read in conjunction with:
 - *Public Corporations Act 1993 (SA)*
 - *South Australian Forestry Corporation Act 2000*
 - *Forestry Act 1950 (SA)*
 - Forestry Regulations 2013
 - *Public Finance and Audit Act 1987 (SA)*
 - *Work Health and Safety Act 2012 (SA)*
 - *Legislation (Fees) Act 2019 (SA)*
 - *Native Vegetation Act 1991 (SA)*
 - *Fire and Emergency Services Act 2005 (SA)*
 - *Landscape South Australia Act 2019*
 - *Native Title (South Australia) Act 1994*
 - *Aboriginal Heritage Act 1988 (SA)*
- 1.3. Expressions used in this Charter have the same meaning as in the *Public Corporations Act 1993 (SA)*.
- 1.4. In this Charter, the South Australian Forestry Corporation is referred to as "the Corporation."
- 1.5. This Charter sets out the Government's strategic objectives, priorities and requirements for the Corporation.

PART 1: STRATEGIC POSITION

2. BOARD RESPONSIBILITIES

- 2.1. The Board is responsible to the Minister for Primary Industries and Regional Development for overseeing the operations of the Corporation with the goal of:
 - 2.1.1. securing continuing improvements of performance
 - 2.1.2. encouraging and facilitating regionally based economic activities based on forestry and other industries to protect the long-term viability of the Corporation and the Crown's financial interest in the Corporation for the benefit of the people and economy of the State.

3. STRATEGIC-COMMERCIAL DIRECTIONS

- 3.1. The Government requires the Corporation, in fulfilling its statutory functions as set out in the *South Australian Forestry Corporation Act 2000*, to be a business

enterprise with the principal responsibility to manage public plantation forests and pursue the following strategic commercial directions:

- 3.1.1. Manage public plantation forests for commercial production in line with best practice standards for forestry operations and environmental management to maximise value whilst ensuring the protection of Aboriginal, environmental and social values and heritage.
- 3.1.2. Undertake directly or with industry partners and, where appropriate commercialise, forestry related research for the benefit of the Corporation and the State.
- 3.1.3. Maximise the value of the Corporation whilst achieving other key requirements of Government set out herein.

4. STRATEGIC NON-COMMERCIAL DIRECTIONS

The Government requires the Corporation in fulfilling its statutory functions as set out in the *Forestry Act 1950* to have control and management of every forest reserve:

The Corporation may—

- (a) plant any forest reserve with trees;
- (b) take any action necessary or convenient to protect any trees in a forest reserve and ensure their proper growth.

5. ECONOMIC DIRECTIONS

The Government's ambition for the ongoing development of the South Australian economy is to be smart, sustainable and inclusive as identified in the South Australian Economic Statement. Through its operations, procurement process and sales, the Corporation will deliver on the three missions by balancing commercial outcomes and its social responsibilities within the State, by:

- ***Capitalising on the global green transition***
 - The Corporation will support sustainability through the management of natural assets and the supply of carbon positive building products and ecosystem services;
- ***Being a partner of choice in an insecure world***
 - The Corporation will facilitate regionally focused forest management and economic development initiatives and activities based on wood products and eco-tourism; and
- ***Building South Australia's talent***
 - The Corporation will support cooperative research activities and facilitate industry development within the forest industry value chain, embrace technologies and drive innovation that will build a future focused skilled workforce.

6. GOVERNMENT POLICIES

- 6.1. In pursuing the strategic objectives in the context of the Government's directions, and undertaking its functions and exercising its powers, the Corporation shall act in accordance with the Government's:
 - 6.1.1. governance framework for public corporations
 - 6.1.2. policies generally applying to its commercial agencies
 - 6.1.3. policies specifically applying to Public Corporations.

- 6.2. The Corporation in developing its operating policies shall have regard to other Government strategies and policies, and the roles and responsibilities of other Government agencies.

PART 2: THE CORPORATION'S OPERATIONS

7. COMMERCIAL OPERATIONS

7.1. General

For the purposes of the *Public Corporations Act 1993*, all operations of the Corporation are commercial operations, except for those operations referenced as non-commercial operations in Section 8 of this Charter.

7.2. Scope of Operations

The Corporation's principal operations will be based in South Australia.

7.3. Subsidiaries, Joint Ventures and Other Arrangements

With the approval of the Minister for Primary Industries and Regional Development and the Treasurer, the Corporation may pursue commercial opportunities through subsidiaries, joint ventures or other appropriate arrangements, provided that the services delivered under the arrangements relate to forestry or ancillary services.

7.4. Investment Activities

The Corporation may invest:

7.4.1. in the development and continuation of the Corporation's business, consistent with this Charter and directly related to its legislative functions.

7.4.2. surplus funds so as to maximise the return in accordance with sound investment practices appropriate to the nature of the funds invested.

8. NON-COMMERCIAL OPERATIONS

8.1. The Corporation's non-commercial operations include those operations that are:

8.1.1 agreed to be non-commercial by the Minister for Primary Industries and Regional Development and the Treasurer;

8.1.2 costed and funded in accordance with arrangements determined by the Minister for Primary Industries and Regional Development and the Treasurer; and

8.1.3 subject to a Community Service Obligation agreement between the Corporation and the Minister for Primary Industries and Regional Development.

8.2 The Corporation's non-commercial operations are:

8.2.1 Mount Lofty Ranges

- Native forest management;
- Community use of forests; and
- Community fire protection.

8.2.2 Green Triangle

- Native forest management
- Community use of forests; and
- Community fire protection.

8.2.3 Mid North

- Administration of Leases

8.3 The Corporation is required to perform all non-commercial operations in an efficient and effective manner.

PART 3: FINANCIAL AND COMMERCIAL MANAGEMENT

9. FINANCIAL AND COMMERCIAL MANAGEMENT

9.1. Performance Targets

The financial and commercial targets to be met by the Corporation shall be those set out in the annual Performance Statement.

9.2. Form and Content of Accounts and Financial Statements

The Corporation must prepare financial statements based on Australian Accounting Standards, generally accepted accounting principles and practices, including applicable instructions of the Treasurer issued under the *Public Finance and Audit Act 1987*.

9.3. Accounting and Internal Auditing Systems and Practices

The Corporation must establish and maintain:

- 9.3.1. an Audit Committee
- 9.3.2. financial and accounting processes, practices and systems in accordance with appropriate standards of practice
- 9.3.3. effective internal auditing of its operations in accordance with appropriate standards of practice and the *Public Corporations Act 1993 (SA)*.

9.4. Reports on Operations

9.4.1. As a minimum, and in addition to statutory requirements, the Chief Executive must provide the following reports to the Board, and therefore enable review by the Treasurer's Representative:

9.4.1.1. Quarterly performance monitoring reports, including Statement of Comprehensive Income, Statement of Financial Position, Capital Investment Statement and Statement of Cash Flows detailing the Corporation's actual performance year to date against budget and forecast.

9.4.1.2. Other information as requested from time-to-time by the Minister for Primary Industries and Regional Development or the Treasurer.

9.4.1.3. Exception reports on any other information which in the opinion of the Board should be provided.

9.5. Fees and Charges

9.5.1. The Corporation's Fees and Charges will be in accordance with the *Forestry Act 1950 (SA)* and Forestry Regulations 2013 and the Department of the Premier and Cabinet Fees and Charges Guidelines 2023.

9.5.2. For operations not subject to the *Forestry Act 1950 (SA)* and Forestry Regulations 2013, fees and charges will be in accordance with the Corporation's revenue targets and the costs it incurs in relation to the commercial activity.

9.6. Asset Management

- 9.6.1. The Corporation must develop Asset Management Plans reflecting prudent commercial practice.
- 9.6.2. The Corporation shall consult other agencies and take account of any Government requirements in the disposal of surplus land (excluding easements) and buildings.
- 9.6.3. The Corporation will undertake appropriate risk management actions.

9.7. Dividend and tax equivalent payments

- 9.7.1. The Corporation will comply with Government policies and relevant Treasurer's Instructions on dividend and tax equivalent payments.
- 9.7.2. Before the end of each financial year the Corporation will recommend to the Treasurer that the Corporation pay a dividend, or not pay any dividend, for that financial year, with the final dividend to be determined by the Treasurer, after consultation with the Minister.

10. DATE OF OPERATION

This Charter comes into operation upon the signature of the Minister for Primary Industries and Regional Development and the Treasurer and is binding on the Corporation.



**HON CLARE SCRIVEN MLC
MINISTER FOR PRIMARY INDUSTRIES AND
REGIONAL DEVELOPMENT**

Date 23/7 / 2026



**HON Tom Koutsantonis MP
TREASURER**

Date 1/7 / 2026