



REPORT

NRW FOREST PRODUCTS

**AFS SUMMARY AUDIT REPORT
OCTOBER 2008**

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1. INTRODUCTION

This audit was conducted as a normal periodic audit of the NRW Forest Products Forest Management System, which has been certified to the Australian Forestry Standard. The audit encompassed assessment of Head Office and Regional offices and field activities.

2. THE AUDIT

2.1 Audit Scope

Commercial harvest and removal of native forest products and related activities on the NRW Forest Products' Defined Forest Areas designated for this purpose.

2.2 Audit Objectives

Conduct a periodic audit against the requirements of the Australian Forestry Standard (AS4708:2007).

2.3 Audit Protocols

The audit was conducted in accordance with JAS-ANZ Procedure 26 Revision 3, DNV Certification audit protocols and with the requirements of the Australian Forestry Standard. The audit was conducted by a lead auditor assessed by DNV as meeting the competency requirements for qualification as an AFS auditor. The audit comprised three audit days in total.

2.4 Audit Process

The audit was conducted from the 14th – 16th October 2008 at Forestry House, Brisbane, Forest Management Area (FMA) Office Gympie, Maryborough Office & Depot, and operational sites in the SEQ FMA. The audit included an opening meeting, review of operational documentation, interviews with operational management and senior Management, review of records associated with management and control of the forest management system, and field assessments of forestry activities.

2.5 Background of Client

NRW Forest Products is a Business Unit of the Queensland Department of Natural Resources & Water, which conducts native forest harvesting and regeneration operations in accordance with State legislation on behalf of the State of Queensland.

DPI Forestry achieved certification of its environmental management system to ISO14001 in 1999 and to the AFS in 2005. Native forest and plantation operations were separated in April 2006. This is the fifth audit of NRW Forest Products covering harvesting and regeneration of native forest in Queensland. The operations of NRW Forest Products are divided across a Central Office, North, Western, Southeast and Cypress Forest Management Areas (FMAs).

3. AUDIT RESULTS

3.1 Performance against assessed Criteria & Requirements

Findings of this audit demonstrated a high level of achievement of the requirements of the Australian Forestry Standard (AFS), including continual improvement of forest management performance.



3.1.1 Criterion 1 – Forest management shall be undertaken in a systematic manner that addresses the range of forest values

NRW Forest Products maintains a “Forest Management Policy” which complies with the requirements of the AFS. The Policy is well displayed for employees and effectively communicated to interested parties and the public.

The NRW Forest Products *Code of Conduct for the Sale of Forest and Quarry Products* has been recently released. This Code supports the Forest Management Policy and details staff conduct expectations with respect to key AFS criteria.

NRW Forest Products has produced a Draft NRW Forest Products Forest Harvesting Safety Policy. The Draft includes proposals for permittees to undertake assessments/audits of their own operations, or those of their contractors, against requirements of the *Workplace Health & Safety Act 1995*, the *Forest Harvesting Code of Practice 2007* and any specific conditions of the Sales Permit and Operational Harvesting Plan developed according to the *Code of Practice for Native Forest Timber Production on State Lands 2007*. The development and implementation of this Safety Policy is strongly supported.

The core document outlining forest management in accordance with the requirements of the Australian Forestry Standard is the “*NRW Forest Products Forest Management System (FMS) for Commercial Forestry Activities in Native Forests on State Land*” Version 1.5 (April 2008). (referred to in this report as the “Forest Management Plan”). The introduction of the Forest Management Plan could be reviewed to more fully explain the scope, coverage and influence of the FMS, including NRW Forest Products forest management position, roles, responsibilities and authorities (e.g. MOU), and roles of, and arrangements with, other key management authorities and stakeholders (e.g. EPA, WorkSafe, permittees, harvesting contractors, lessees, neighbours etc.). Also, the Forest Management Plan could be reviewed to improve its direction to relevant and related NRW Forest Products policies and procedures and their application tools (i.e. forms, checklist etc.). For example, the explanation of process for conformance with AFS does not identify the Operational Harvesting Plan Template and instructions for its use despite this Plan being the single most important planning document that NRW Forest Products uses for achievement of operational performance requirements. Further, the Plan does not, identify the *NRW Forest Products Risk Management Plan* which details NRW Forest Products risk management planning process nor does it effectively describe the Continuous Improvement Audit (CIA) process and its Terms of Reference.

NRW Forest Products maintains an “*Overview of Legislative and Policy Obligations*” and have linked these to specific forest management aspects and impacts in the *NRW Forest Products Aspects and Impacts Risk Register*. Consistent with the requirements of AS/NZS ISO 14001:2004, NRW Forest Products could review identified acts, policies, standards, codes, regulations and agreements to determine how they apply to forest management aspects (e.g. what part or clause of a regulation applies to the specific forest management aspect?).



NRW Forest Products continues to develop its process for the identification and assessment of forest management aspects and impacts. The current *NRW Forest Products Aspects and Impacts Risk Register* is comprehensive and demonstrates increasing understanding of activities, aspects, impacts and legal requirements. These are effectively linked to controls, procedures and performance indicators. Most notably, the Register includes forest management aspects relating to a full suite of economic, social, environmental and cultural criteria, including government and legislative processes operating outside of NRW Forest Products, but with considerable potential for business impact.

It is suggested that considerable value will be obtained if the Aspects and Impacts Risk Register is completed (for risk assessment) under separate headings for Forest Management Areas or key forest types. This will allow for more targeted assessment and review of performance against identified risks.

NRW Forest Products Business Plan for 2008/09 and the associated 2008/09 Operational Plan has been well prepared. The Business Plan addresses Qld Govt. priorities (e.g. managing climate change and protecting the environment, building economic success, embracing growth in cities and regions, strengthening indigenous communities and delivering accountable government) through identifying NRW Strategic Plan Objectives and delivery targets and performance requirements and establishing key additional actions for the achievement of NRW Forest Product Business Goals.

NRW Forest Products has completed a Continual Improvement Audit (CIA) report for the Cypress FMA (June/08) in accordance with Terms of Reference approved by the General Manager on 5/6/2008. This audit, the first of its kind, demonstrates a very comprehensive internal assessment against all criterion of the AFS and the FMA level. It is envisaged that CIAs undertaken with this type of focus and rigor will provide powerful information for both performance achievement demonstration, and for the establishment of management objectives, strategies and actions for continual improvement.

3.1.2 Criterion 2 – Forest management shall provide for public participation and foster on-going relationships to be a good neighbour

Stakeholder interaction and consultation as a result of community concerns associated with the harvesting of a native hardwood plantation in the West Cooroy State Forest demonstrate timely and appropriate response by NRW Forest Products.

The events surrounding the harvesting planning and operations in the West Cooroy State Forest point to increasing complexities for forest management where it occurs in close proximity to growing and changed communities in rural areas. It is evident that planning and operations, most notably communication and engagement of an increasing diverse array of stakeholders, will need to consider strategies and activities that have not been the norm in the past.

3.1.3 Criterion 3 – Forest management shall protect and maintain the biological diversity of forests, including their successional stages, across the regional landscape

The development of harvesting plans go to considerable lengths to identify important biodiversity values and to implement protective and conservation measures.

Whilst well demonstrating implementation of measures to protect biodiversity, NRW Forest Products are not always able to determine the value or success of such measures on species presence (e.g. increase in buffer zones for the Nationally Endangered Giant Barred Frog in the West Cooroy State Forest). It is suggested that the collection of such data, either in qualitative or quantitative forms, will provide powerful direction for future forest planning and operational control activities designed for biodiversity protection and conservation.

3.1.4 Criterion 4 – Forest management shall maintain the productive capacity of forests

NRW Forest Products has been allocated forests resources (ie wood production areas) by regional planning processes, consequently the need to ensure that productive capacity of the forests is not compromised by wood production is not a principal responsibility led by NRW Forest Products. Nevertheless, silvicultural practices are well established and documented in NRW Forest Products Manuals. These practices are satisfactory for regeneration responses considering future forest use.

3.1.5 Criterion 5 – Forest management shall maintain forest ecosystem health and vitality

NRW Forest Products influence over forest management is largely limited to sale area operations (i.e. harvesting) where planning and operational activities consider forest ecosystem health and vitality. Pest plants and weeds are identified during the preparation of the harvesting plans and appropriate control measures formulated. These include consideration of haulage routes to prevent spread.

3.1.6 Criterion 6 – Forest management shall protect soil and water resources.

Examination of Operational Harvesting Plans for Sale Areas and inspection of the sites showed rigorous attention to the identification of soil and water values and the application of controls for their protection. Measures included soil assessment (e.g. erodibility), water course protection, slope and instability exclusions zones and forest road and track management.

3.1.7 Criterion 7 – Forest management shall maintain forests' contribution to carbon cycles

Native forest management practices maintain current levels of carbon capture and Queensland Government policy of no permanent native forest clearing and active wildfire preventive activities will significantly contribute to native forests contribution to carbon cycles. NRW maintain a fleet emissions policy aimed at reducing greenhouse gas emissions, consistent with Queensland Government emission targets.



3.1.8 Criterion 8 – Forest management shall protect and maintain, for Indigenous and non-Indigenous people, their natural, cultural, social, religious and spiritual heritage values

NRW Forest Products has prepared a *Cultural Heritage Policy & Procedures Manual*. (7 October 2008), This appears to be very relevant and practical guide that includes support material for its implementation. All harvesting plans that were examined showed diligent attention to the interrogation of cultural heritage data bases (including completion of *Indigenous Cultural Heritage Search* forms, the *Indigenous Cultural Heritage Risk Assessment Worksheet*) and controls to protect values where they occur.

3.1.9 Criterion 9 – Forest management shall maintain and enhance long-term social and economic benefits

Requirements of the *Workplace Health & Safety Act 1995* and the *Forest Harvesting Code of Practice 2007* are incorporated into harvesting plans (e.g. Safety and Emergency Response, including safety risk management, operator training and certifications, plant and equipment, PPE, first aid and response to emergencies and accidents). However, implementation, enforcement, monitoring & measurements and reporting arrangements are less clear. It is expected that the Draft NRW Forest Products Forest Harvesting Safety Policy, when approved and implemented, will provide a more transparent understanding of responsibilities relating to the provision of a safe workplace in the forest during sale area harvesting operations.

The *NRW Forest Products Certified Agreement 2007*, made under the Queensland *Industrial Relations Act 1999* on 20 May 2008 between the Director General of NRW and The Australian Workers Union of Employees and Others includes Forest Management Certification Payments to staff made on the basis of NRW Forest Products commitment to certification of its forestry management system to the requirements of the AFS, and staff commitment through the adoption of best practice management standards and continual improvement processes, and the rectification of any issues raised through the audit process.

4 AUDIT CONCLUSIONS

It is recommended that the certification of NRW Forest Products to AFS AS 4708 - 2007 be continued with no additional audit requirements.

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