

Forest Management System – Summary Audit Report

Client name:	Forestry Corporation of NSW – Hardwood Forests Division	Certificate #:	AFS 604224
Client address	121-123 Oratava Ave West Pennant Hills NSW 2125	Website:	forestrycorporation.com.au
Audit type:	Recertification	Audit date:	6-30 August 2024
Standard:	AS/NZS 4708:2021	Auditors:	Ross Garsden and Mick Berry

This document provides a summary of the findings contained in a report to Forestry Corporation with respect to the implementation of this client's management system as determined during an audit conducted by BSI Group ANZ.

Scope of certification:

Activities associated with the sustainable management of native forests and hardwood plantations within NSW State forests. This includes the production and sale of forest products; the management of non-productive areas for conservation values; the development and maintenance of forest infrastructure; management of planned and un-planned fires; and the provision of visitor facilities, forest permits and access for recreation activities.

The Defined forest area incorporates the following Forest Management Units: South coast hardwoods; Southern tablelands hardwoods; Cypress forests in western NSW; Redgum forests in the Riverina; Northern Coastal hardwoods; Northern Tablelands hardwoods and Northern hardwood plantations.

Executive summary:

This report presents the findings of a recertification assessment of the Forestry Corporation of NSW (FCNSW) with respect to conformance with the requirements of the Australian Standard for Sustainable Forest Management AS/NZS 4708: 2021. FCNSW has two operational divisions namely, Softwood Plantations Division (SPD) and Hardwood Forests Division (HFD). A separate report has been prepared for each Division. This report presents the findings with respect to HFD.

The majority of the assessment was conducted on site; however, part of the assessment was conducted remotely using Information and Communication Technology ICT. Microsoft Teams was used for interviews, file sharing and screen sharing. There were no connectivity issues, and the audit objectives were achieved.

The assessment focused on three forest management units within the Hardwood Forests Division: namely, Northern Coastal Hardwoods, Northern Hardwood Plantations and Northern Tablelands Hardwoods in addition to the management of Cumberland State Forest. The opportunity to assess some operational sites and activities was constrained by weather conditions and in some instances, the assessment was restricted to review of documentation, and interviews with relevant staff and stakeholders.

The assessment verified the effectiveness of stakeholder engagement processes. FCNSW invites and welcomes stakeholder input from interested parties through an online portal for each planned operation. This includes input during the planning process.

This assessment provided an opportunity to review actions taken to address concerns raised by stakeholders in relation to the planning and management of harvest operations in

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hardwood plantations. The concerns mostly related to zoning and the definition of operational boundaries; processes for identification and protection of special values; and processes for timely and meaningful engagement with stakeholders. The assessment verified the effectiveness of the planning process, particularly with respect to the processes for identification and management of special values.

FCNSW has acknowledged that procedures for identification and mapping of remnant trees within the hardwood plantation estate did not always capture the complexities of the process. FCNSW has developed improved procedures in response to the identification of these gaps. The assessment has determined that there is no systematic conversion of native forests to plantations. A review of Tarkeeth State forest provided evidence of the application of these procedures across the landscape. This has resulted in a 30% reduction in the area of original mapped plantation which is no longer available for harvesting.

This audit also included a detailed assessment of the organisation's compliance with regulatory requirements. The report notes that breaches of regulations have resulted in a range of regulatory actions including penalty notices and prosecution. In response to identified deficiencies, in each case FCNSW has undertaken a thorough investigation to determine the cause of the problem and has implemented appropriate corrective action with the aim of preventing recurrence.

This has included:

- Strengthening of planning processes;
- Proactive internal identification through a structured audit program of operations and prompt remedial action;
- Formation of a dedicated compliance team that reports directly to the CEO, and
- Continued development of mapping and spatial data technology to ensure compliance with regulatory obligations.

The audit has confirmed that Forestry Corporation has robust systems and processes which aim to ensure forestry operations comply with environmental regulations. A comprehensive monitoring system detects compliance incidents and risks and drives adaption to new regulatory expectations, consistent with the organisations commitment to continuous improvement.

Forestry Corporation is actively working with regulators to ensure its systems continue to evolve with the changing expectations of stakeholders and regulators.

The assessment has identified key strengths of the management system, particularly in relation to:

- The Planning Framework for plantations and native forests;
- Utilisation of MapApp and PlanPortal;
- Inventory and modelling processes, and
- Provision of publicly available information, and in particular the comprehensive information provided in the Sustainability Report.

Significant improvements identified in this assessment include:

- The reporting and analytical capability with respect to the use of MapApp for range of forest management activities and compliance with requirements;
- Chain of responsibility processes;

- Recording of depot inspections now in Riskware to enable reporting and tracking of actions; and
- Strategic fire management and cross-tenure coordination

There were no non-conformances requiring closure from the previous assessment. This audit has identified minor non-conformances in relation to:

- DFA maps;
- Depot management;
- Emergency preparedness and testing;
- System documentation, and
- Effectiveness of actions taken to address non-conformances.

FCNSW has subsequently developed action plans to address each of the minor non-conformances, and these plans have been reviewed and accepted by BSI. The effectiveness of these actions will be assessed at the next scheduled assessment.

The audit has also identified several further opportunities for improvement which are detailed in the report.

The overall Defined Forest Area (DFA) is largely unchanged since the previous assessment.

The audit has determined that Forestry Corporation Hardwood Forests Division continues to operate a forest management system that complies with the requirements of the Standard. Accordingly, the report includes a recommendation for recertification to AS/NZS 4708:2021.

The auditors would like to acknowledge the constructive engagement of all staff involved in the planning and preparation for this assessment, as well as those who contributed throughout the audit process.

Defined forest area statement

Hardwood Forests Division incorporates the following FMUs

FMU 1 – South Coast hardwoods
 FMU 2 – Southern Tablelands hardwoods
 FMU 3 – Cypress forests
 FMU 4 – Redgum forests
 FMU 5 – Northern Coastal hardwoods
 FMU 6 – Northern Tablelands hardwoods
 FMU 7 – Northern hardwood plantations

Defined forest area (in hectares):	1,760,890 ha
Advised to AFS Limited on:	03.11.2023
Certificate expires on:	31.12.2027

Report prepared by:

Ross Garsden

Lead Auditor

Name of person who prepared this report

Position

END OF REPORT