

REGIONAL FOREST AGREEMENT
for the
NORTH EAST REGION
of
NEW SOUTH WALES

(Upper North East and Lower North East Regions)

*Progress on the implementation of the
Regional Forest Agreement for the North East Region*

1 July 2003 – 30 June 2004

ANNUAL REPORT

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Introduction

Regional Forest Agreements (RFAs) are separate agreements between the Australian Government and the State Governments of NSW, Victoria, Tasmania and Western Australia. Based on good science and extensive consultation, the agreements set out broad strategies to achieve a balance between conservation and a sustainable and competitive forest industry. The agreements are in place for 20 years.

In NSW there are three RFAs in place covering the North East, Eden and Southern regions. The Prime Minister, the Hon John Howard MP and the Premier of NSW, the Hon Bob Carr MP, signed the North East RFA on 31 March 2000.

The RFAs are subject to annual reporting during the first five years and thereafter five-yearly reviews, to report progress against milestones. Progress reporting by the Australian and NSW governments (the Parties) on the implementation of the NSW RFAs has been aligned to a financial year basis, being the period 1 July to 30 June each year.

This is the fourth North East RFA annual report and provides details on the achievement of milestones for the period 1 July 2003 to 30 June 2004.

Progress on Milestones

Note: References to NSW Government agencies are at 30 June 2004.

Clause	Action	Timeline	Implementation
6	The Parties to determine the process for extending the Agreement for a further period.	As part of the third five-yearly review	Not required until the third five yearly review.
33	Commonwealth to use its best endeavours to secure the enactment of legislation which amends the <i>Environmental Protection and Biodiversity Conservation Act, 1999</i> (Cwlth).	30 June 2000	The Australian Government enacted the <i>Regional Forest Agreements Act 2002</i> in May 2002. The Act defines forestry operations, Regional Forest Agreements (RFAs) and amended the relevant sections of the <i>Environment Protection and Biodiversity Conservation Act 1999</i> to reflect these definitions and exempt forestry operations under the RFAs.
39	Parties to report annually on the achievement of milestones in this Agreement.	Annually for the first five years	This is the fourth annual report on the achievement of milestones contained in the RFA for North East New South Wales (North East RFA) and covers the period 1 July 2003 to 30 June 2004.
42	The Parties to determine the mechanism for the five yearly review.	Before the end of the five-yearly review period	NSW is continuing to develop a scoping agreement (including terms of reference) for the five yearly review. Elements of the scoping agreement that deal with the review of the RFAs will be finalised with the Australian Government following the establishment of a State position.
43	Commonwealth will table the signed RFA in the Commonwealth Parliament.	Following Signature	The signed North East RFA was tabled in the Federal Parliament on 30 May 2001.
43	Commonwealth will table in the Commonwealth Parliament the annual reports of achievement of milestones for the first four years.	Annually	This is the fourth annual report for the North East RFA to be tabled in the Federal Parliament.
43	Commonwealth will table in the Commonwealth Parliament the first five-yearly review on performance against milestones and commitments.	Following first five yearly review	Not required until after the first five yearly review. [Refer clause 42]
48(c)	NSW to complete and publish plans of management for areas dedicated under the NSW <i>National Parks and Wildlife Act 1974</i> (NSW).	1 January 2005	Plans of management for areas dedicated under the <i>National Parks and Wildlife Act 1974</i> are being progressively completed. There were 337 national parks/nature reserves/state conservation areas (SCAs)/historic sites/Aboriginal areas in the North East region requiring management plans to be prepared. At 30 June 2004, 102 areas had plans of management adopted or awaiting adoption by the NSW Minister for the Environment (including 11 that were being revised). Plans approved during the year included, Yuraygir National Park and SCA, Cooperabung Nature Reserve and Middle Brother National Park. A further 44 draft plans of management had been publicly exhibited. Planning had also commenced for a further 105 reserves, six of which were in draft form. The increase in the total number of management plans required across the estate since 2002/2003 reflects the addition of new reserves and the inclusion of SCAs. There were 11 SCAs created from former Crown reserves in the North East region following the commencement of the <i>National Park Estate (Reservations) Act 2002</i> in January 2003. [Refer also Att 1A and 1B(4)]
48(d)	NSW to complete and publish Regional ESFM Plans for State forests.	30 June 2000	Draft Regional Ecologically Sustainable Forest Management (ESFM) Plans were publicly exhibited in 2000. In response to comments received from the public and other State agencies, State Forests of New South Wales (SFNSW) continued to develop the plans throughout 2003/2004. However, progress was limited due to SFNSW having to direct resources into key NSW

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			<p>Government activities, including the Western Regional Assessment. Planning was initiated for supplementary plans that specifically address areas of significant environmental risk to the forest including pests, weeds, roads and the management of informal reserves.</p> <p>The final plans are scheduled for completion towards the end of 2005, following which a further public exhibition period will occur prior to publication in 2006.</p>
48(e)	NSW to implement the Forest Management Zoning system for the Upper North East and Lower North East regions.	30 June 2000	<p>The Forest Management Zoning (FMZ) system for State forests was publicly announced in March 1999 with the release of the document entitled, <i>Managing Our Forests Sustainably: Forest Management Zoning in NSW State Forests</i>.</p> <p>A Geographic Information System (GIS) operational layer was agreed at the time of signing of the NSW forest agreements for the Upper North East and Lower North East regions in 1999 and subsequently applied. These areas were illustrated on maps attached to SFNSW draft Regional ESFM Plans in 2000, showing the areas of State forest to be managed for conservation purposes and those to be managed for timber production by applying the FMZ system. The FMZ layer for the North East region is complete. Final maps showing the FMZ layer will be attached to the Regional ESFM Plans, due for release in 2006.</p> <p>The FMZs have been progressively implemented across State forests in the region, including minor changes to some FMZs, such as areas classified as FMZ 8 (lands for further assessment). FMZ 8 areas are reviewed as SFNSW completes its harvesting. The FMZ 8 layer is reported corporately in the corporate <i>Social Environmental and Economic (SEEing)</i> Report and the assessment of these areas may take a full harvest rotation to assess.</p>
48(g)	NSW to implement the review and monitoring processes and develop the strategic and operational requirements of sustainable yield systems and processes to enable a review of Sustainable Yield.	1 December 2006.	<p>Development of sustainable yield systems and review of sustainable yield will be considered once the improvements to FRAMES [see Clause 81] are complete. The improvements to FRAMES and sustainable yield systems will contribute to improved strategic and tactical wood flow estimates, and a better understanding of sustainable yield available from the forest estate.</p>
48(h)	NSW to develop and implement environmental management systems.	Within five years of signing	<p>Development of the National Parks and Wildlife Service (NPWS) environmental management system (EMS) continued throughout 2003/2004. The EMS is to cover all areas of NPWS operations. A major element of the EMS is the <i>State of the Parks</i> report, components of which continued to be trialled during 2003/2004. [Refer Att 6 Point 1(p)].</p> <p>SFNSW continued development of its EMS throughout 2003/2004, which included the completion of a series of internal EMS audits in its Native Forests Division in preparation for external EMS certification audits. As a result of these audits, SFNSW identified areas of business that needed further improvement, including corporate document controls, maintenance of training records (including training matrices to determine training shortfalls into the future), standardised road and harvest maps, management of occupation permits areas, safety issues and a need to update corporate systems and management documents.</p> <p>A key area is the corporate non-conformance reporting and tracking system, which is being developed to comply with the ISO 14001 standard, and to provide a standard tool for assisting in delivering ESFM.</p> <p>Development of an EMS for SFNSW' planted forests also continued throughout the year.</p> <p>During 2003/2004 a draft procedures EMS manual existed, specifically addressing native forest issues. The manual was</p>

Clause	Action	Timeline	Implementation
			being reviewed for its appropriateness for planted forests. SFNSW is working towards certification of a corporate EMS (ISO 14001) by early 2006 for both native and planted forests.
51	NSW to report on compliance of the <i>Integrated Forestry Operations Approval</i> for the Upper North East Region and the <i>Integrated Forestry Operations Approval</i> for the Lower North East Region and furnish the Commonwealth with a copy of these reports.	Annually	Annual reporting on compliance with the IFOAs for the Upper North East and Lower North East regions has been incorporated into the NSW forest agreements reports that are completed for each financial year (1 July to 30 June). [Refer Att 6 2(f)]
53(d)	Both Parties to further develop, review, and if necessary revise Sustainability Indicators.	In time for the first five-yearly review	<p>The sustainability indicators (ESFM criteria and indicators) referred to in clause 49 of the North East RFA and described in Table 1 and Attachment 9 of the NSW forest agreements for the Upper North East and Lower North East regions were developed consistent with the Montreal process criteria.</p> <p>The sustainability indicators for the North East region have been monitored since 1999/2000. Results of monitoring of the indicators for the North East (Upper North East and Lower North East) and Eden regions are reported together for each financial year (1 July to 30 June) in the ESFM criteria and indicators monitoring reports. Results of monitoring of the indicators for the Southern region have also been included since 2002/2003. A summary of the results of monitoring has been included in the NSW forest agreement reports for the above years.</p> <p>The reports for 1999/2000, 2000/2001 and 2001/2002 are complete. The report for 2002/2003 is awaiting final approval.</p> <p>A summary of the results of monitoring has been included in the NSW forest agreement reports for the above years. From 2003/2004 the results of monitoring ESFM criteria and indicators will be solely contained within the NSW forest agreement reports. This will simplify the reporting process and provide a more accessible and concise record of monitoring each year.</p> <p>[Also refer to clause 51 and Att 6 2(f)].</p>
57	NSW to produce a code of practice for Timber Harvesting of native forest on private lands.	By the first five-yearly review	<p>With the introduction of the <i>Native Vegetation Act 2003</i> (assented to on 1 December 2003) replacing the former <i>Native Vegetation Conservation Act 1997</i>, all private native forestry activities will need to meet the 'maintain or improve' test and be regulated by a Native Vegetation Regulation.</p> <p>In late 2003 a stakeholder working group was formed, lead by the Department of Infrastructure, Planning and Natural Resources (DIPNR)¹, to progress the development of the regulations. The working group included representatives from industry and conservation groups, forest growers, and State government agencies such as SFNSW, DEC² and NSW Agriculture.</p> <p>At 30 June 2004, development of the regulation was continuing.</p>
58	NSW to complete Code of Practice for Plantations on Private Land.	31 December 2000	The <i>Plantations and Reafforestation Act 1999</i> and Code of Practice for Private Plantations came into effect in December 2001. It is intended to commence a five-year review of this Act in early 2005.
81	NSW to review the Forest Resource and Management Evaluation System (FRAMES) and Wood supply.	1 December 2006	In relation to FRAMES improvements, by the end of 2006, SFNSW expects to have completed a broad series of improvements to its FRAMES modelling, including to inventory data used as input, pre- and post-harvest assessment, growth modelling, improvements to biometrics within FRAMES, and the

¹ Incorporates the Department of Planning and the Department of Land and Water Conservation.

² Incorporates the National Parks and Wildlife Service and Environment Protection Authority.

Clause	Action	Timeline	Implementation
			<p>architecture of the model itself.</p> <p>In 2003/2004 further data were collected and analysed to improve the recovery factors, volume functions, taper functions, height/diameter functions and tree product proportionment equations biometrics for the North East region.</p> <p>[Refer also Clause 83].</p>
83	Changes in contracted volumes following review to be incorporated in this Agreement and Wood Supply Agreement holders to be advised.	1 December 2006	Changes to contracted volumes were made following the transfer of lands facilitated by the <i>National Park Estate (Reservations) Act 2003</i> .
100	NSW to establish a Research Liaison Committee and publish a list of research priorities.	1 August 2000	<p>The committee was formed in October 2000, and held its first meeting in November 2000. The committee included representatives from the NPWS, Planning NSW and SFNSW. Representatives identified current research being undertaken by their agency and priorities for future research. Future priorities and current research were provided to DIPNR and are to be included in the compendium of forest research.</p> <p>[Refer also clause 102]</p>
102	NSW to prepare a Compendium of New South Wales Forest Research.	By the first five-yearly review	<p>DIPNR has collated contributions from a range of land management agencies, research organisations and universities on current and published research related to forests. This information has been included in a draft compendium of forest research. At the end of 2003/2004 refinement of the document was continuing. Further refinement was also being undertaken on the database specifically set up to manage the large amount of information collected through this process and enable further information to be added on an ongoing basis.</p> <p>[Refer also clause 100]</p>
105	NSW and the Commonwealth to lodge archival copies of data.	Within six months of signing	A joint NSW/Australian Government archive was completed in July 2001.
Att 1 A & Att 1 B Point 4	NSW to prepare Plans of Management for Crown Reserves.	1 January 2005	<p>As reported in 2002/2003 all 11 Crown reserves managed by the NPWS in the North East region were reclassified as SCAs, facilitated by the <i>National Park Estate (Reservations) Act 2002</i>.</p> <p>Similar to the intention of the Crown reserve land use category (under the <i>Crown Lands Act 1989</i>) which was established through the NSW forest agreement process, an SCA is a reserve category (under the <i>National Parks and Wildlife Act 1974</i>) which makes provision for mining and exploration activities, subject to these having regard to the conservation of the natural and cultural values of the area.</p> <p>Plans of management for SCAs will now be prepared progressively and will be included in the figures reported for clause 48(c).</p>
Att 1 A Point 5	NSW will finalise boundaries of CAR reserve to enable implementation.	Within six months of signing	Boundaries were established by the assent of the <i>Forestry and National Park Estate Act 1998</i> on 14 December 1998 and adjustments made by 28 February 1999. [Refer Att 1A Point 8 and Att 1B Point 12]
Att 1A Point 8 & Att 1B Point 12	New South Wales to establish all Dedicated Reserve and Informal Reserve components of the CAR Reserve System.	Within six months of signing	<p>Dedicated – All national parks, nature reserves and flora reserves were created by the <i>Forestry and National Park Estate Act</i> assented to on 14 December 1998. Additional areas were added to the dedicated reserve system by the <i>National Park Estate (Reservations) Act 2002</i> assented to on 18 December 2002.</p> <p>Informal – Crown reserves were created by the <i>Forestry and National Park Estate Act</i>. The <i>National Park Estate (Reservations) Act 2002</i> changed some Crown reserves to SCAs and declared FMZ 2 and 3a special management zones (under</p>

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			<p>section 21a of the <i>Forestry Act 1916</i>).</p> <p>The <i>National Park Estate (Reservations) Act 2003</i> (assented to on 7 July 2003) reserved additional areas of national park, nature reserve and SCA or vested land in the NPW Minister on behalf of the Crown. Additionally, areas previously available for timber harvesting were declared special management zones under section 21A of the <i>Forestry Act</i>.</p>
Att 3 Point 4	NSW will complete the Threat Abatement Plan for the European Red Fox.	1 July 2000	The draft plan was publicly exhibited in July 2001, and a final plan was approved by the NSW Minister for the Environment in December 2001.
Att 2 [sic Att 3] Table 1	NSW to develop Recovery Plans for species listed in Table 1 of Attachment 2 (sic Attachment 3).	Within five years of signing	<p>Recovery plans are being progressively prepared. At 30 June 2004, all 68 recovery plans listed in the RFA were underway or complete. Thirteen plans had been approved, five had drafts publicly exhibited, a further six had drafts completed. A further 28 were in preparation and 11 were in the initial planning stage.</p> <p><i>Note: 'complete' means the draft is complete and ready for public exhibition. Plans are not final until they have been approved by the NSW Minister for the Environment and may change in response to public submissions received during exhibition.</i></p>
Att 6 1(p)	NSW to publish a <i>State of the Parks</i> report.	1 April 2001	<p>The first <i>State of the Parks</i> report was released in November 2001.</p> <p>The <i>State of the Parks</i> program is continuing, with the trial and implementation of quantitative indicators of management effectiveness on a sample of parks throughout the State in 2002/2003. This was repeated in 2003/2004 along with a broader qualitative survey across all parks.</p> <p>The next report is due for release in early 2005.</p>
Att 6 2(b)	NSW will publish Eco Field Guides for the Upper North East Region and the Lower North East Region.	30 June 2000	<p>Eco-field guides for the Upper North East and Lower North East regions have been published. The guides are made up of two parts:</p> <p>Part 1 - Overview of Forest Management in North East NSW. Part 2 – Diagnostic component.</p> <p>In accordance with EMS principles (continual improvement), SFNSW review its corporate documents and systems. At the end of 2002/2003, Part 1 of the eco-field guides were being internally reviewed by SFNSW. Subsequent comment has been made by staff within SFNSW, however, changes have been postponed until the end of the five yearly review.</p> <p>Part 2 of the eco-field guides continued to be applied in the field and updated on an ongoing basis.</p>
Att 6 2(c)	NSW to publish the <i>Native Forest Silviculture Manual</i> (SFNSW).	31 December 2000	SFNSW published a <i>Native Forests Silvicultural Manual</i> in 2000. The manual complements SFNSW' field guides and training programs, documents the basis for its silvicultural practices and contains the silvicultural specifications and guidelines required by the NSW forest agreement and IFOAs.
Att 6 2(d)	NSW to document and publish a description of the NSW Forest Management System covering Public and Private Lands.	In time for the first five-yearly review	Approach is being developed. It will likely update the overviews of each of the NSW agencies that were contained in the Comprehensive Regional Assessment/Regional Forest Assessment (CRA/RFA) ESFM report, <i>Description of Management Systems and Processes for Achieving Ecologically Sustainable Forest Management in NSW</i> . No further progress on this milestone was made during 2003/2004, principally due to resourcing and restructuring issues within DIPNR.
Att 6 2(e)	NSW to publish a description of the methods and results of calculating Sustainable Yield on Public Land.	1 December 2006	Not completed as sustainable yield systems described in clause 48(g) have not been finalised.
Att 6	NSW to publish independent audits of Sustainable Yield as	For the second and subsequent	Milestone not due until the second five yearly review.

Clause	Action	Timeline	Implementation
2(g)	outlined in Attachment 12.	five-yearly reviews	
Att 6 2(f)	NSW to table in each House of Parliament an annual report on the New South Wales <i>Upper North East Region Forest Agreement</i> and <i>Lower North East Region Forest Agreement</i> in accordance with the <i>Forestry and National Park Estate Act 1998</i> (NSW) which will include an ESFM report and the outcomes of compliance with any Integrated Forestry Operations Approval for the regions.	Annually	<p>Reporting for the NSW forest agreements provides progress on:</p> <ul style="list-style-type: none"> ▪ achievement of milestones in the NSW forest agreements. ▪ monitoring of ESFM criteria and indicators (sustainability indicators) by NPWS and SFNSW. ▪ compliance with the IFOAs. <p>Reporting for the NSW forest agreements for the Upper North East, Lower North East and Eden regions has been underway since 1999/2000. The report for 1999/2000 was tabled in the NSW State Parliament on 28 February 2002. The reports for 2000/2001 and 2001/2002 have been submitted for tabling in State Parliament. Reporting for 2002/2003 and 2003/2004 (covering the NSW forest agreements for the Upper North East, Lower North East, Eden and Southern regions) are awaiting final approvals.</p> <p>A supplementary report which provides details on the monitoring of the sustainability indicators contained in the NSW forest agreements for each region has also been completed for 1999/2000, 2000/2001 and 2001/2002 for the North East (Upper North East and Lower North East) and Eden regions. Reporting for 2002/2003 is being finalised and includes details on the Southern region. From 2003/2004 the results of monitoring ESFM criteria and indicators will be solely contained within the NSW forest agreement reports. This will simplify the reporting process and provide a more accessible and concise record of monitoring each year. [Refer clause 53(d)]</p> <p>Delays in the preparation of all reporting requirements have been related to a number of issues, including departmental restructures across all of the NSW Government following the March 2003 State election and more recent legislative changes. These issues are being progressively overcome and all reports being completed as a matter of priority.</p>
Att 8 1(a)	NSW NPWS will develop an Environmental Management System for lands dedicated under the <i>National Parks and Wildlife Act 1974</i> (NSW).	1 April 2004	Refer clause 48(h).
Att 8 1(b)	SFNSW to develop a Native Forest Management System as an Environmental Management System.	1 April 2001	Refer clause 48(h).
Att 8 1(l) [<i>sic</i> <i>provisions</i>]	NSW to incorporate codes of practice that address in an integrated fashion bush and other fires within Regional ESFM Plans and plans of management for areas dedicated under the <i>National Parks and Wildlife Act 1974</i> (NSW).	By the first five-yearly review	<p>SFNSW and the NPWS are recognised as two of four fire authorities under the <i>Rural Fires Act 1997</i>, and are members of the NSW Bush Fire Coordinating Committee, subject to the Coordinated Fire Management provisions of the <i>Rural Fires Act</i>. The Bush Fire Coordinating Committee is responsible for planning in relation to bush fire prevention and coordinated fire fighting, and to advise the Commissioner for NSW Rural Fire Service on bush fire prevention, mitigation and coordinated bush fire suppression.</p> <p>District Fire Committees under the <i>Rural Fires Act</i> are responsible for the completion of District Hazard Reduction Plans. These plans are finalised following consideration being given to a variety of landscape values. Both SFNSW and the NPWS, and other land managers, are represented on the committees. Both SFNSW and the NPWS have statutory obligations for fire management under the <i>Rural Fires Act</i>.</p> <p>The NPWS address bushfire management in several ways; ESFM principles are incorporated into bush fire risk management plans and reserve fire management plans (prepared at the individual reserve level). These address the provisions outlined and are</p>

Clause	Action	Timeline	Implementation
			<p>important for risk management, threatened species management and recovery planning. The NPWS' reserve fire management plans are consistent with bush fire risk management plans but have a greater level of detail. These are prepared for reserves where such detail is necessary and a specific document is warranted. Where this level of detail is not required, provisions are incorporated directly in reserve plans of management.</p> <p>During the year, SFNSW identified the requirement for a corporate fuel management plan and supplementary ESFM regional fuel management plans. These plans will be developed in 2005/2006 to facilitate SFNSW contributions to the development of bush fire risk management plans and to provide a regional integration of the various Bush fire Coordinating Committee plans within each region into one consolidated plan in each region.</p>
Att 8 1(m)	NSW to incorporate within the Regional ESFM Plans and Plans of Management under the <i>National Parks and Wildlife Act 1974</i> integrated feral animal and weed control programs.	By the first five yearly review.	<p>At 30 June 2004, SFNSW had finalised the model (strategic) management plans for weeds, feral animals and introduced predators following discussions with NSW regulatory agencies. SFNSW Regions will develop supplementary ESFM regional weed and pest animal management plans based on the model to ensure consistency between SFNSW Regions. Completion of the supplementary plans is expected by the end of 2005.</p> <p>NPWS plans of management identify priority pest and weed problems and the need for actions which are in turn addressed by statewide threat abatement plans or regional pest management strategies. [Refer clause 48(c) and Att 2 Table 1]</p>
Att 8 1(n)	NSW to establish a process, including public reporting, for regular audits of compliance and reviews of Codes of Practice, Eco-Field Guides and Regional Prescriptions.	1 December 2002	<p>An overview of SFNSW audit process was included in its draft Native Forests Management System (NFMS) Overview, publicly exhibited in 2000 [since re-named the Native Forests Environmental Management System (NFEMS)]. The audit process has since been put in place following the implementation of its Operational Compliance Monitoring and Audit Manual. The final audit process will be included in the EMS when complete. The audit procedure is now defined in FNSW Circular 2003/01 Monitoring and Measuring Compliance of Operations.</p> <p>SFNSW continues to publicly report, at a statewide level, compliance and monitoring results in its <i>SEEing</i> report each year.</p> <p>Auditing and enforcement of SFNSW' compliance with the Threatened Species Licences and Environment Protection Licences is undertaken by DEC. The Parks and Wildlife Division (or NPWS) is responsible for assessing compliance with the Threatened Species Licences and the former EPA branch of DEC assesses compliance with the Environment Protection Licences.</p> <p>Compliance with the Threatened Species Licence is undertaken by DEC in accordance with comprehensive guidelines (endorsed in March 2002). The guidelines and procedures were compiled into handbook form and are used across the NPWS to ensure a consistent approach to compliance monitoring and enforcement. DEC has also implemented an active audit program of SFNSW' forestry operations to assess compliance with the Environment Protection Licence. The audit program ensures that SFNSW is taking the required measures to protect the aquatic environment through responsible planning and operational activities. Non-compliance with conditions of the Environment Protection Licence are dealt with through meetings with senior SFNSW officers, issuing feedback or warning letters, clean-up notices, penalty notices or prosecution actions as appropriate at the circumstances.</p> <p>NSW Fisheries carry out opportunistic threatened species compliance activities in relation to forestry operations where they coincide with other fishery compliance duties. NSW Fisheries investigate complaints when received.</p>

Clause	Action	Timeline	Implementation
			Public reporting of compliance audits is provided in the NSW forest agreement reports each year, as described under clause 51. Further details on compliance audits are also provided for Att 8 1(n).
Att 8 1(n)	NSW to undertake audits as described above.	By the first and subsequent five-yearly reviews of the Agreement	<p>During 2003/2004, DEC received nine new complaints from the public concerning alleged breaches of the Threatened Species Licences for the Upper North East and Lower North East regions. Of these complaints, eight were received for the UNE region, covering five separate harvesting operations. Non-compliance was identified with two separate Threatened Species Licence conditions and relevant enforcement actions undertaken. One complaint was received for the Lower North East region related to the management of fire with habitat of threatened species. Investigations did not identify any contravention of the Licence. DEC also undertook two proactive field audits, with further investigation required to determine any contravention of the Licence. Two pro-active desk-top audits identified a number of non-compliance incidents, resulting in SFNSW being issued warning letters.</p> <p>DEC also conducted six operational and planning audits of SFNSW' forestry operations in the Upper North East and Lower North East regions in relation to the Environment Protection Licence. Results of these audits identified 135 breaches of the Environment Protection Licence. For the Upper North East region, a total of 56 breaches were identified, of these 28 breaches were related to non-compliance with pre-operational planning requirements, and 15 breaches related to operational activities during harvesting in the region, 13 breaches pertained to non-compliance with operating conditions for roads. For the Lower North East region, a total of 77 breaches were identified, of these 57 breaches related to pre-operational planning requirements, two breaches identified for non-compliance with operational activities during harvesting operations, and 18 breaches related to non-compliance with operating conditions for roads in the region. Action taken by DEC in response to these breaches included feedback and instruction to seek expert soil conservation advice and the issuing of warning letters to SFNSW outlining the issues of non-compliance identified. Remedial work was also required to be undertaken at 48 locations. Prosecution action also commenced during the year as a result of one audit undertaken in 2002/2003.</p> <p>NSW Fisheries report that there were no known contraventions of the Fisheries Licence during 2003/2004.</p> <p>SFNSW is continuing to undertake internal monitoring on its compliance with the conditions of the IFOAs. These audits are undertaken independently of those undertaken by DEC and NSW Fisheries. Internal auditing of major harvest contractor/operations by SFNSW allows the identification of possible breaches of the conditions of the IFOAs and where better management/processes need to be implemented. During 2003/2004, SFNSW identified 501 incidents of non-compliance across the North East region. The total number of incidents recorded fell by about 10% compared to 2002/2003. Most of the incidents recorded were related to soil and water quality (48%), and flora and fauna (30%), with 21% of incidents related to other issues such as safety. The remaining 1% was related to fish habitat and passage. 2003/2004 was the first year incidents related to fish habitat and passage were recorded, all of which occurred in the LNE region.</p>
Att 8 1(o)	NSW will establish demonstration areas in both the Upper North East Region and the Lower North East Region for illustrating silvicultural practices and the suite of	1 April 2001	Three silvicultural demonstration areas have previously been established in the Lower North East region, including sites at Queens Lake (2001), Kiwarrak (2002) and Tuggolo (2004) State forests. The three sites continued to be available throughout 2003/2004 to assist the training of forest operators, covering a range of forest types and silvicultural regimes permissible under

Clause	Action	Timeline	Implementation
	silvicultural regimes practiced.		the IFOA.
Att 8 1(q)	NSW will develop a model to predict recruitment and maintenance of habitat trees over time.	31 December 2010.	Milestone not due but is under development.
Att 8 1(s)	NSW will publish the <i>Native Forest Silviculture Manual</i> (SFNSW).	31 December 2000	Refer Att 6 (2) (c).
Att 12 Part B 15	SFNSW will complete the enhancement of FRAMES, commission and publish an independent review of the enhanced system and review the timber and annual volume to be harvested from 2007 – 2018.	1 December 2006.	In relation to enhancement of FRAMES, see Clause 81. Improvements to FRAMES are yet to be finalised. Therefore, an independent review of enhanced FRAMES has not been commissioned. In relation to review wood supply volumes, see Clause 83.
Att 12 Part C 19	Subject to availability of suitable land, NSW will purchase Private Lands and/ or timber rights to supply High Quality Large Sawlogs and Large Veneer Logs.	31 December 2004	During 2003/2004, no additional private property purchases occurred or Timber Sale Agreements were entered into.
Att 12 Part C 19	Subject to availability of suitable land NSW will establish at least 10 000 hectares of hardwood plantations.	31 December 2004	SFNSW has successfully established 7 543 hectares of hardwood plantation in the region between 1999 and 2004. <i>(* note - that this is a reduction from the previous years reported figure of 10 607. This is because SFNSW has removed the inclusion of the figures for the TEPCO (Tokyo Electric Power Company) plantation; the TEPCO plantation was established as a result of a commercial deal and these plantations may not contribute to any future timber supplies in the North East region. Also a revision of these areas determined that the initial area reported was gross area. As a result of forest health issues including pest, disease and plantation losses as a result of drought the established area has been further reduced.)</i>
Att 12 Part D 21 Dot 5	Use best endeavours to undertake an inventory of private forests to determine the basis of yield of wood products.	Within five years of signature.	Inventory on private land is being considered.
Att 12 Part E 22 Dot 4	Report on the annual production of all timber products.	Annually	Reported in the NSW forest agreement reports each year.
Att 12 Part E 22 Dot 6	Monitor FRAMES through comparison of actual versus predicted volumes.	Annually	Actual timber harvest volumes against wood supply commitments are incorporated into the annual NSW forest agreement implementation reports. However, there are a number of issues related to information on actual yields against FRAMES estimates that have hindered comprehensive reporting. SFNSW highlighted problems with ‘actual versus predicted’ methods in 2001/2002 that have prevented any meaningful comparison of FRAMES estimates with actual volumes harvested. These problems are to be addressed by further studies of yield regulation processes and development of a systematic harvest event recording system built on geo-database technology.
Att 12 Part E 23	NSW will undertake independent audits of the progress of the Sustainable Wood Supply Strategy.	To be completed in time for the 2 nd and 3 rd five-yearly reviews.	Milestone not yet due but approach is being considered.

Acronyms

CRA/RFA	Comprehensive Regional Assessment/Regional Forest Assessment
DEC	Department of Environment and Conservation
DIPNR	Department of Infrastructure, Planning and Natural Resources
EMS	Environmental Management System
EPA	Environment Protection Authority
ESFM	Ecologically Sustainable Forest Management
FMZ	Forest Management Zone
FRAMES	Forest Resource and Management Evaluation System
GIS	Geographic Information System
IFOA	Integrated Forestry Operations Approval
NFEMS	Native Forest Environmental Management System
NFMS	Native Forest Management System
NPWS	National Parks and Wildlife Service
RFA	Regional Forest Agreement
SCA	State Conservation Area
SEEing	Social, Environmental and Economic report
SFNSW	State Forests of New South Wales
TEPCO	Tokyo Electric Power Company