

REGIONAL FOREST AGREEMENT

for

NORTH EAST

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 2000 – 30 June 2001

ANNUAL REPORT

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Introduction

Regional Forest Agreements (RFAs) are separate agreements between the Commonwealth 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. They are in place for 20 years. RFAs are subject to annual reporting during the first four years and thereafter five-yearly reviews, to report on progress against milestones and recommend remedial action where necessary.

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 Agreement for the North East region on 31 March 2000. An interim progress report was prepared in September 2001 covering the period 31 March 2000 to 30 April 2001.

In order to align the reporting timelines for RFA annual reports and NSW Forest Agreements, the State and Commonwealth Governments (the Parties) agreed to change the North East RFA reporting date to a financial year basis. This report therefore covers the period 1 July 2000 to 30 June 2001. As a result, there is some overlap in reporting. Progress made during the period 30 April to 30 June 2001 is noted in this report.

To date, implementation of the North East RFA has focused on preparatory tasks, with participating NSW agencies setting up processes and procedures for achieving the requirements set out in the Agreement, including the delivery of public reports. This has required a considerable amount of 'ground work' to establish the systems and processes for proper implementation. Consequently, progress towards some milestones has been slower than expected.

The Parties are continuing to work towards achieving a balance between a sustainable timber industry and the conservation of forested areas.

Progress on Milestones

Note: All references to NSW State agencies are as they were established in 2000/2001

| 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 | This does not need to be considered until the third five year 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 <i>Commonwealth Environment Legislation Amendment (no 1) Bill 2000</i> (CELA Bill) was tabled in the Senate on 12 April 2000. This Bill included proposed amendments to the <i>Environment Protection and Biodiversity Conservation Act 1999</i> to include the definitions identical to those in the Regional Forest Agreements Bill. Debate on the CELA Bill was adjourned on 15 August 2000. The amendments have not been agreed by the Federal Parliament. |
| 39 | Parties to report annually on the achievement of milestones in this Agreement. | Annually for the first five years | An interim progress report was provided in 2001, covering the period 31 March 2000 to 30 April 2001. This is the first annual report covering the period 1 July 2000 to 30 June 2001. Reporting for the North East and Eden regional forest agreements (RFA) are now aligned to cover a financial year and with reporting on the NSW forest agreements. |
| 42 | The Parties to determine the mechanism for the five-year review. | Before the end of the five-year review period | Initial discussions between the State and Commonwealth were held in January 2001, with more regular discussions to take place from late 2002. State agencies meet every two months to discuss various issues regarding the RFAs, NSW forest agreements and integrated forestry operations approvals (IFOA), including the review and the need for agencies to provide any relevant information. In preparation for the five year review, the State is initiating a system to retain information and implementing strategies for data generation and retention. |
| 43 | Commonwealth will table the signed RFA in the Commonwealth Parliament. | Following Signature | The signed RFA for North East NSW was tabled in the House of Representatives 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 | The interim annual report covering the period 31 March 2000 to 30 April 2001 was provided to the Commonwealth Government in October 2001. This is the first annual report covering the period 1 July 2000 to 30 June 2001. |
| 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 year review. |

| Clause | Action | Timeline | Implementation |
|--------|--|----------------|---|
| 48(c) | New South Wales 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 | <p>At 30 June 2001, of the 274 national parks/nature reserves/state recreation areas/historic sites/Aboriginal areas in the North East region, 50 had plans of management adopted by the NSW Minister for the Environment (including 11 which were being revised). A further 62 were in preparation.</p> <p>Of the remaining 162 parks in the North East region; 115 parks had plans scheduled for 2000/2001, 46 parks had plans scheduled for 2001/2002, 32 had plans scheduled for 2002/2003, 22 had plans scheduled for 2003/2004, and two had plans scheduled for 2004/2005.</p> <p><i>(note: the planning program is a three year rolling program and does not really include 2004/2005 at this stage).</i></p> <p>Management plans can be viewed on the NPWS website http://www.nationalparks.nsw.gov.au.</p> |
| 48(d) | New South Wales to complete and publish Regional ESFM Plans for State forests. | 30 June 2000 | <p>The draft Regional Ecologically Sustainable Forest Management (ESFM) Plans were displayed for public comment in September 2000. The plans included:</p> <ul style="list-style-type: none"> • Timetable for preparation of working plans for flora reserves. • Strategy for management of informal reserves and areas managed by prescription within State forests. • Policy on Aboriginal input into forest management. <p>The plans are to be finalised following consideration of public comment and discussion with regulatory agencies.</p> |
| 48(e) | New South Wales to implement the Forest Management Zoning system for the Upper North East and Lower North East regions. | 30 June 2000 | <p>Public announcement of the Forest Management Zones (FMZ) and release of the document 'Managing Our Forests Sustainably: Forest Management Zoning in NSW State Forests' occurred in March 1999¹. The maps displaying proposed FMZs were placed on public display with the draft Regional ESFM Plans in September 2000. These maps define the areas of State forest which are to be managed for conservation purposes and those to be managed for timber production.</p> <p>The FMZ system is being progressively implemented across State forests. However, final procedural action associated with the FMZs was postponed due to further negotiations to be undertaken as a requirement of the <i>Action for the Environment: NSW Government's Environment Statement, 2001</i> between the National Parks and Wildlife Service (NPWS), State Forests of NSW (SFNSW), the Department of Mineral Resources, and facilitated by PlanningNSW (formerly the Department of Urban Affairs and Planning).</p> |

¹ The date of the announcement was incorrectly referenced in the Interim Report as 2000.

| Clause | Action | Timeline | Implementation |
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| 48(g) | New South Wales 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. | At 30 June 2001, SFNSW were finalising an approach, including pre and post harvest assessment and growth and other model refinement. Further discussions on the approach are to occur with the NSW Environment Protection Authority, PlanningNSW, NPWS and stakeholders to develop a Forest Resource and Management Evaluation System (FRAMES) implementation strategy. |
| 48(h) | New South Wales to develop and implement environmental management systems. | Within five years of signing | <p>Development of an environmental management system (EMS) at NPWS is scheduled for completion by April 2004. A project has been established to achieve this and a draft has been circulated internally. The EMS is now being expanded to cover all areas of NPWS operations.</p> <p>SFNSW is developing an EMS to assist in continuous improvement in environmental management in native and planted forests. The EMS will be a comprehensive planning, assessment, implementation, monitoring, auditing and reporting system which details how SFNSW is implementing ESFM on its native and planted forest estate.</p> <p>A draft overview of the Native Forest Management System (NFMS), developed as part of the EMS, was placed on public display in September 2000. The operational manual, which forms part of the NFMS is being progressively developed and integrated into day to day management.</p> <p>Progress to develop the NFMS is progressing, and has included the development of simulated EMS audits that are to be undertaken following a gap analysis to assess if the system meets the ISO 14001 standard.</p> |
| 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 | <p>Reporting on compliance with the IFOAs has been incorporated into the NSW Forest Agreement Annual Report.</p> <p>The first annual report for 1999/2000 is complete and covers compliance with the IFOAs for the Upper North East and Lower North East regions for the period 1 January 2000 to 30 June 2000.</p> <p>The second annual report for 2000/2001 covers compliance with the IFOAs for the Upper North East and Lower North East regions for the period 1 July 2000 to 30 June 2001.</p> <p>Reporting will continue on a financial year basis.</p> |

| Clause | Action | Timeline | Implementation |
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| 53(d) | Both Parties to further develop, review, and if necessary revise Sustainability Indicators. | In time for the first five-yearly review | <p>The ESFM indicators (sustainability indicators) referred to in clause 49 of the RFA, and described in Table 1 and Attachment 9 of the NSW forest agreements for the Upper North East and Lower North East regions, have been developed, consistent with the Montreal process criteria.</p> <p>The parties are continuing to undertake activities to monitor progress on implementation of the regional indicators and review and revise them as appropriate. This includes ongoing liaison between NSW State agencies to further develop and refine monitoring and reporting processes.</p> <p>The NSW Forest Agreement Annual Reports contain summaries of the data and information collected for the indicators for the Upper North East and Lower North East regions. Further details are contained in the <i>Ecologically Sustainable Forest Management Criteria and Indicators Annual Reports</i>.</p> <p>An evaluation of the indicators will be made at the five year review of the NSW forest agreements using the evaluation framework.</p> |
| 57 | New South Wales to produce a code of practice for timber harvesting of native forest on private lands. | By the first five-yearly review | A 'Draft Interim Best Operating Standards for Harvesting of Private Native Forests', under <i>Native Vegetation Conservation Act 1997</i> has been prepared, and will replace existing draft Best Management Principles and other standards used by Department of Land and Water Conservation vegetation officers. Further agency and stakeholder meetings will be held to finalise the Standards. |
| 58 | NSW to complete a Code of Practice for Plantations on Private Land. | 31 December 2000 | <p>A Code of Practice under the <i>Plantations and Reafforestation Act 1999</i> to be completed in 2001.</p> <p>Preparation of the Code has taken longer than expected due to complexities in completing the environmental standards.</p> |
| 81 | NSW to review the Forest Resource and Management Evaluation System (FRAMES) and Wood supply. | 1 December 2006 | Approach discussed in clause 48(g) will include the review of FRAMES and wood supply levels. Annual reporting on wood supply against FRAMES estimates contained in the NSW Forest Agreement Annual Report. |
| 83 | Changes in contracted volumes following review to be incorporated in this Agreement and Wood Supply Agreement holders to be advised. | 1 December 2006 | Not required until 2006. |
| 100 | New South Wales 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 includes representatives from NPWS, the Department of Land and Water Conservation, PlanningNSW and SFNSW.</p> <p>Representatives are currently identifying current research being undertaken by their agency and other non-government groups and universities.</p> |

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| 102 | New South Wales to prepare a Compendium of New South Wales Forest Research. | By the first five-yearly review | The task has been identified as being required by the five year review. The Research Liaison Committee is to over see the completion of this task. |
| 105 | New South Wales and the Commonwealth to lodge archival copies of data. | Within six months of signing 1 October 2000 | A joint State/Commonwealth archive is being finalised. This is to be complete by July 2001. |
| Att 1A & Att 1 B Point 4 | NSW to prepare Plans of Management for Crown Reserves. | 1 January 2005 | Plans of management to be prepared progressively pending clarification of legal issues. Memorandum of Understanding regarding the management of Crown Reserves was signed 26 March 2000 between the Directors-General of NPWS and the Department of Mineral Resources. |
| Att 1 A Point 5 | NSW will finalise boundaries of CAR reserve to enable implementation. | Within six months of signing | Boundaries established by the <i>Forestry and National Park Estate Act 1998</i> have been finalised. Refer also to progress detailed at 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 | Flora reserves were created by the <i>Forestry and National Park Estate Act</i> and identification of informal reserves on State forests is complete. Administrative steps to create FMZ 2 and 3a are underway. All national parks, nature reserves and Crown reserves have been created by the <i>Forestry and National Park Estate Act</i> . |
| Att 3 Point 4 | NSW will complete the Threat Abatement Plan for the European Red Fox. | 1 July 2000 | The draft plan is to be publicly exhibited in July 2001. The Plan is to be finalised following consideration of public submissions. The final plan is to be launched in December 2001. |
| Att 2 [sic Att 3] Table 1 | New South Wales to develop Recovery Plans for species listed in Table 1 of Attachment 2 (<i>sic should be Attachment 3</i>). | Within five years of signing | Recovery plans are being prepared progressively in accordance with priorities set by a formal prioritisation process. Of the 68 NPWS recovery plans listed, two are complete and publicly exhibited, 10 are complete pending public exhibition, a further seven have been approved and 36 are being prepared. Plans for the Yellow Spotted Bell Frog (<i>Litoria castanea</i>) and the Peppered Frog (<i>Litoria piperata</i>) were approved in June 2001. <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> Recovery plans can be viewed on the NPWS website http://www.nationalparks.nsw.gov.au . |
| Att 6 1(p) | New South Wales to publish a State of Parks report. | 1 April 2001 | The Report is to be finalised for release in October 2001. The delay in releasing the report was due to an extended period of stakeholder and community consultation, which resulted in the refinement and clarification of specified management outcomes. |

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| 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 | The 'Overview of Forest Management in North East NSW' which forms Part 1 of the Eco-field Guide is still being prepared. Part 2 (the diagnostic component) of the Eco-field Guide has been prepared and was exhibited in September 2000. |
| Att 6 2(c) Att 8 1(s) | New South Wales to publish the <i>Native Forest Silviculture Manual</i> . | 31 December 2000 | SFNSW have published a <i>Native Forest Silviculture Manual</i> that complements its field guides and training programs. The Manual documents the basis for SFNSW's silvicultural practices and contains the silvicultural specifications and guidelines required by the NSW forest agreements and IFOAs. |
| Att 6 2(d) | New South Wales 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 | The approach will build on and update the overviews on the agencies contained in the CRA/RFA report entitled <i>Description of Management Systems and Processes for Achieving Ecologically Sustainable Forest Management in NSW</i> . Requirements to complete this task are to be discussed. |
| Att 6 2(e) | New South Wales to publish a description of the methods and results of calculating Sustainable Yield on Public Land. | 1 December 2006 | Not required until 2006 but currently being considered. See milestone under Clause 48(g). |
| Att 6 2(e) | New South Wales to publish independent audits of Sustainable Yield as outlined in Attachment 12. | For the second and subsequent five-yearly reviews | Milestone not yet due but approach is being considered. |
| Att 6 2(f) | New South Wales 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 | The first annual report on the NSW forest agreements and compliance with the IFOAs covers the forest agreements for the Eden, Upper North East and Lower North East regions and provides progress on: <ul style="list-style-type: none"> • Achievement of milestones in the forest agreements from March 1999 to 30 June 2000. • Monitoring of criteria and indicators by SFNSW (for the period 1 July 1999 to 30 June 2000) and NPWS (for the period from 1 January 1999 to 31 December 1999). • Compliance with the integrated forestry operations approvals from 1 January 2000 to 30 June 2000. • Discussion on significant achievements. The report has subsequently been tabled in State Parliament. The report for 2000/2001 provides progress for the period 1 July 2000 to 30 June 2001. A complimentary report on the monitoring of the ESFM criteria and indicators (sustainability indicators) is also prepared annually, providing greater detail on the data and information collected for the indicators. Refer milestone under Clause 53(d). Subsequent annual reports will cover a financial year for all these aspects. |

| Clause | Action | Timeline | Implementation |
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| Att 8 1(a) | NSW NPWS will develop and Environmental Management System for lands dedicated under the <i>National Parks and Wildlife Act 1974</i> (NSW). | 1 April 2004 | Refer to milestone under Clause 48(h). |
| Att 8 1(b) | SFNSW to develop a Native Forest Management System as an Environmental Management System. | 1 April 2001 | Refer to milestone under Clause 48(h). |
| Att 8 1(l) | New South Wales 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>Addressed through District Fire Committees under the <i>Rural Fires Act 1997</i> where consideration of these values is undertaken prior to finalisation of District Hazard Reduction Plan.</p> <p>Bushfire management is also addressed through NPWS plans of management. ESFM principles are also being incorporated into bushfire risk management plans.</p> |
| Att 8 1(m) | New South Wales 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-year review. | <p>Model management plans for weed, feral and introduced predators have been developed by SFNSW and displayed with draft Regional ESFM Plans in September 2000.</p> <p>Discussions are continuing with regulatory agencies on finalising the plans.</p> <p>Feral animal and weed control programs are integrated into NPWS plans of management, threatened species recovery plans and threat abatement plans.</p> |
| Att 8 1(n) | New South Wales 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>A strategy is being developed by the NPWS to enable proactive investigation and auditing of compliance with the Threatened Species Licence. In the mean time NPWS is continuing to record incidents of non-compliance reported by SFNSW, investigate all report and allegations of non-compliance and take appropriate actions where necessary. To date no complaints or reports of non-compliance have been received.</p> <p>SFNSW have included a process in the draft NFMS Overview displayed for public comment in September 2000, and will be finalised as part of EMS.</p> |

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| Att 8 1(n) | New South Wales to undertake audits as described above. | By the first and subsequent five-yearly reviews of the Agreement | <p>NPWS assess compliance with the Threatened Species Licence by recording incidents of non-compliance under condition 4.1, and by investigating any reports and allegations of non-compliance and pro-active auditing.</p> <p>SFNSW are reviewing Forest Practices Code 1 and 2. A four-tiered audit, monitoring and measuring policy is being implemented in native forest areas. A policy for planted forest areas is under development.</p> <p>During 2000/2001, SFNSW completed 27 000 compliance checks for the Upper North East region and 43 860 for the Lower North East region. Results of these checks identified 186 incidents of non-compliance of conditions by SFNSW across the Upper North East region and 407 across the Lower North East region. In the Upper North East, 106 (57%) of the non-compliance incidents were related to soil erosion and water quality, 59 (32%) to flora and fauna, nil were related to fish habitat and passage, and 21 (11%) to other issues such as safety. In Lower North East region, 204 (50%) of the non-compliance incidents were related to soil erosion and water quality, 139 (34%) to flora and fauna, nil were related to fish habitat and passage, and 64 (16%) to other issues such as safety.</p> <p>For the same period, the NSW EPA conducted seven comprehensive audits of SFNSW operational compliance with the Environment Protection Licence, which forms part of the IFOAs for the Upper North East and Lower North East regions. Results of these audits identified 26 incidents of non-compliance. Remedial work was required in 13 locations across the regions.</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 silvicultural regimes practiced. | 1 April 2001 | <p>SFNSW Mid North Coast Region (part of North East Regional Forest Agreement region) have established three sites as silvicultural demonstration areas in the Upper North East region and two in the Lower North East region. These areas cover a range of forest types and silvicultural regimes permissible under the IFOA.</p> <p>An audit process is being developed with public consultation occurring as part of the exhibition of the Regional ESFM Plans in September 2000.</p> <p>An audit system has been endorsed and applied in native forest regions throughout 2000/2001.</p> |
| Att 8 1(q) | NSW will develop a model to predict recruitment and maintenance of habitat trees over time. | 31 December 2010. | Milestone not yet due but is under development. |
| Att 12 Part B 15 | SFNSW will complete the enhancement of FRAMES, commission and publish and independent review of the enhanced system and review the timber and annual volume to be harvested from 2007 – 2018. | 1 December 2006. | Milestone not yet due but is under development. |

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| 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 | The acquisition of lands available for purchase by SFNSW is continuing as part of an ongoing program. At 30 June 2001, four properties had been purchased in the North East region. SFNSW will undertake forest management zoning to these areas prior to harvesting. |
| 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 | During 1999/2000, approximately 2 000 hectares of hardwood plantation were established in the North East region. Approximately two thirds of this area is joint venture. During 2000/2001, approximately 3 400 hectares of hardwood plantation were established in the North East region. |
| 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 progressed. |
| Att 12 Part E 22 Dot 4 | Report on the annual production of all timber products. | Annually | Reported on in the NSW Forest Agreement Annual Report. |
| Att 12 Part E 22 Dot 6 | Monitor FRAMES through comparison of actual versus predicted volumes. | Annually | Reported in the NSW Forest Agreement Annual Report. The results of monitoring actual versus predicted volumes will form part of the process to review FRAMES. |
| 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

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| CAR reserve system | comprehensive, adequate and representative reserve system |
| CELA Bill | <i>Commonwealth Environment Legislation Amendment (no 1) Bill 2000</i> |
| CRA/RFA | Comprehensive Regional Assessment/Regional Forest Assessment |
| EMS | Environmental Management System |
| ESFM | Ecologically Sustainable Forest Management |
| FMZ | Forest Management Zone |
| FRAMES | Forest Resource and Management Evaluation System |
| IFOA | Integrated Forestry Operations Approval |
| NFMS | Native Forest Management System |
| NPWS | National Parks and Wildlife Service |
| RFA | regional forest agreement |
| SFNSW | State Forests of NSW |