

11 March 2018

NSW Regional Forest Agreements
DPI Forestry
Department of Primary Industries
GPO Box 5477
Sydney NSW 2001

Dear Sir/Madam,

Re: Extending Regional Forest Agreements

This submission forms part of Weathertex Pty Ltds response to the 'Extending Regional Forest Agreements' online questionnaire.

What elements would you want to see retained and remain unchanged in the extended RFAs?

Apart from some minor amendment the following sections of the RFAs should remain unchanged:

- The Purpose of the Agreements
- The Duration of the Agreements
- The Basis of the Agreements
- The Five Yearly Review
- The ESFM principles
- Monitoring of sustainability indicators
- The commitments to Industry and Regional Development
- The commitments to Competition Principles
- The commitments to Research
- The commitments to a long term timber supply strategy

What elements would you want to change or see included?

All native forests



- Include a legally binding commitment that requires the State of NSW to introduce new legislation to protect and balance all forest values (environmental, social and economic). The following provisions to be included within the legislation:
 - a minimum proportion and area of public native forest and a minimum yield of high quality timber from public native forest to be made available to the industry in perpetuity.
 - Flexibility mechanisms based on agreed criteria that permit the tenure and use of public land tenures to be more easily changed to achieve better environmental, social and economic outcomes.
 - Forest landscape management principles that explicitly recognise the importance of active and adaptive forest management, and a tenure-neutral approach to the management of common land management issues (i.e. wildfire, pest, weeds and climate change, recreation and tourism).
 - Implementation of a long term cross-tenure forest monitoring system within each RFA region.
 - An explicit requirement to use fire more proactively to protect and promote forest values including ecological health.
 - A requirement to improve forest health and productivity through investment in forest silviculture, ecological thinning and the pro-active marketing of low quality timber.
- Include a commitment to markedly improve the accountability and performance of public forest management with special emphasis on the tenure-neutral management of common issues (i.e. fire, pests, weeds, disease, recreation and tourism).
- Include a statement that recognises the critical role of fire as an ecological management tool that was successfully applied for thousands of years prior to European settlement.

- Include an acknowledgement that the current guidelines for ecological sustainable fire management are too conservative and are failing to protect and promote forest values.
- Include a commitment to engage more indigenous people in ecological fire management.

The CAR reserve system

- Include an acknowledgement that further expansion of the CAR reserve system is not required within the RFA regions as targets have been met and in many cases exceeded.
- Include a statement that enables boundaries of the CAR reserve system to be adjusted in the future to improve biodiversity conservation outcomes.
- Include a full disclosure about the cost of the CAR reserve system
- Include an acknowledgement that the CAR reserve system is seen as very valuable but whose purported benefits are not well evidenced.
- Include a commitment to dramatically improve transparency and accountability in the performance of National Parks and Reserves.
- Include a commitment to review and benchmark the performance of the NPWS against leading private companies who are specialising in biodiversity conservation.
- Include an acknowledgement that the listing of over 1,000 species as 'threatened or endangered' has been poorly evidenced and does not accord with international listing standards. Include a fully funded commitment to rapidly complete a scientific review of the listing of all threatened species in NSW in accordance with IUCN guidelines (as required under the Biodiversity Conservation Act, 2016) and make the findings of that review public.
- Include an acknowledgement that hundreds of thousands of hectares of forests with the CAR reserve system have been

heavily impacted by catastrophic wildfire since the RFAs were first signed.

- Include a statement that explicitly recognises that wildfires within the CAR reserve system continue to pose a major direct threat to biodiversity and the protection of iconic threatened species like the koala.
- Include a statement that explicitly recognises that the guidelines for ecological sustainable fire management that were designed to protect biodiversity values within the CAR reserve system have not worked and require a fundamental review.

State forest areas available for timber harvesting

- Include an acknowledgement that sustainable timber yield monitoring obligations have not been properly met and that more resources will be required to restore confidence in the government's timber resource modelling.
- Include a fully funded commitment to improve the accuracy and precision of timber yield modelling from + or – 30% at a regional scale to + or – 10% at a supply area scale.
- Include an acknowledgement that the inclusion of exclusive conditions within wood supply agreements have not been transparent and that this has seriously undermined the efficiency and competitiveness of the timber industry on the NSW north coast.
- Include an explicit commitment to restore and maintain a level playing field where the allocation of public timber resources is fair, efficient and transparent.
- Include a new long term timber supply strategy that is endorsed by the industry.
- Includes an explicit commitment to encourage the use of biomass as renewable bioenergy.
- Include a commitment to de-corporatise the hardwood division of the Forestry Corporation NSW on the basis that long term



sustainability is more important than the organisation's short term profitability.

- Remove all references that allow the use of private property timber resources to prop-up shortfalls in timber supply from public lands.
- Include a commitment to reinvest the proceeds from the sale of public softwood plantations in the hardwood forestry sector.

What improvements could be made to the five yearly review and consultation processes?

Greater commitment and better public resourcing is needed to build a more durable monitoring and reporting systems that can be used to track RFA performance. Lack of commitment and poor resourcing both at the state and commonwealth level appears to be the primary reason why the Parties have performed poorly in the delivery of some of their key monitoring and reporting commitments.

Please also refer to Timber NSW's submission on the NSW Regional Forest Agreements Second and Third Five-Yearly Review.

What improvements could be made to support the day-to-day implementation of RFAs?

Integrated Forest Operations Approvals (IFOAs) are the principal mechanism for implementing RFAs. IFOAs are extremely inflexible, unduly proscriptive, extremely complex and costly to implement. The IFOAs are unfortunately focused on enforcement rather than the achievement of quality outcomes.

The Remake of the coastal IFOAs has been led by the NSW EPA. We believe that the NSW EPA is conflicted as it operates as both a forest policy maker and an environmental regulator. The historical record of the EPA's forestry unit reveals a culture that is wholly committed to reducing size and scale of the timber industry. Day to day implementation of the RFAs will remain problematic while ever the EPA remains in control of making and policing the IFOAs.

What further research and monitoring could be important to consider for the extended RFAs?

The introduction of long term cross-tenure forest monitoring is essential. Forest monitoring just on State forest is a major waste of public monies as there is no benchmark to which performance can be objectively judged.

Research and monitoring data is needed to properly assess and report on the performance of the RFA forest sustainability indicators. In particular, the timber industry seeks greater confidence in timber resource modelling. Research and technology that can improve the reliability of timber yield modelling should be a key Research & Development (R&D) priority.

Cross tenure research into the conservation status of species listed as threatened under the Biodiversity Conservation Act is sorely needed and long overdue. Vast tracts of land have been taken from timber harvesting and reserved on the dubious premise that they are providing critical habitat for threatened species. For many of these species, their listing can be traced back to there being a lack of basic knowledge and information about their natural distribution and density. Knowledge of the status of plants and animals in National Parks and reserves has barely advanced in fifteen years. In contrast over the last twenty years extensive fauna surveys on State forests have revealed that most of the species listed as threatened are in fact common and widespread, albeit at low densities (e.g. forest owls, yellow-bellied glider, quolls and koalas).

What improvements could be made to RFA related communication?

Communication needs to be more timely, frank and honest. Many of the implementation failures under the RFA occurred because they were not properly communicated. When these failures were revealed, it was too late to address them. Through the five yearly reporting process, it is obvious that individual parties have been unwilling to make a full and frank disclosure when an obligation has not been met.

Both federal and state governments blame each other for the failure to meet five yearly reporting requirements in a timely manner either by



levelling blame at a busy parliamentary timetable (federal and state) or agency failure at state level to meet milestones. This reflects the clash of ideologies at both state agency and political levels. The RFA process should be independent of political meddling and be based entirely on scientific monitoring and evaluation with peer review.

What improvements could be made to the RFA implementation framework to support a rolling extension mechanism?

Having RFAs that last for 20 years and have a rolling extension mechanism (which automatically extends RFAs for a further five years if the five-yearly review is undertaken and a satisfactory outcome is achieved) is strongly supported.

Additionally rolling extension mechanisms need to be considered for wood supply agreements.

RFAs have not been immune from sovereign risk. Wood supply agreements have been effective in reducing that sovereign risk. If the industry is expected to innovate and reinvest, the certainty provided by the combination of an RFA and a wood supply agreement must continue.

The number of reporting obligations associated with the five-yearly review should be streamlined. The requirement for such a large number of reporting obligations will greatly diminish if the NSW government introduces legislation to protect and balance all forest values (as proposed above).

What other improvements could be made to the RFA framework?

Greater government accountability must occur. Under the current RFAs there are many cases where the Parties have failed to deliver on their commitments, obligations and milestones. Where this has occurred there has been no acknowledgement of fault, no commitment to make good and no recourse for those companies and people affected. This obfuscation of responsibility and duty has undermined the integrity of the existing RFAs.



As proposed above the RFA framework would be greatly improved if more of the commitments, obligations and milestones were made legally binding.

Thank you for the opportunity to comment.

Yours sincerely,

[Faint signature and name of the sender, likely a member of the public or a stakeholder, are visible but illegible due to low contrast.]