

AUDIT REPORT

App./Cert.

FMS20001 C10332

Date

19-30/11/07

AFS PUBLIC SUMMARY REPORT

Client:

Forestry Tasmania

Site Address:

Head Office 79 Melville Street HOBART TAS 7001 AUS

Standard(s):

AS 4708: 2007 The Australian Forestry Standard

AS/NZS ISO 14001:2004 Environmental management system - Specification with guidance for use.

Relevant Codes

FMS - E0301, E0302, E0303, F01, F02, F03, F04, F05, F06**CEM** - E0301, E0302, E0303, E02, E03, E07

Scope of Certification:

The registration covers the Forestry and Environmental Management System for processes involved in the management of the State Forests of Tasmania. Activities include forest land management, road establishment and maintenance, plantation and native forest timber establishment and maintenance, timber harvesting and sales, tourism and State forest recreational management and development.

The Defined Forest Area registration applies to the forest area under Forestry Tasmania management control as detailed in the registers described in the Forestry Tasmania Defined Forest Area Procedure.

COMMERCIAL- IN – CONFIDENCE

The contents of this report must not be disclosed to a third party without the agreement of the SAI Global Client

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INTRODUCTION

SAI Global conducted an audit of Forestry Tasmania (FT) on 19/11/07 to 30/11/07 with additional reporting time offsite. This audit was a surveillance audit against several Australian Forestry Standard (AFS) and ISO 14001 criteria and was conducted in conjunction with an SAI Global Occupational Health and Safety (OHS) auditor undertaking an OHS recertification audit against the requirements of AS/NZS 4801. A forestry technical expert was also part of the audit team providing forest management, silvicultural and native forest expertise.

The purpose of this report is to summarise the results of the audit against the requirements of AS 4708, The Australian Forestry Standard.

SAI Global audits are carried out within the requirements of international standards relating to audit practice such as ISO 19011 and to the requirements of JAS-ANZ Procedure 26.

In addition to the information contained in this audit report, SAI Global maintains files for each client. These files contain all observation sheets and notes taken during the audit including communication with stakeholders. Information in these files is treated as confidential.

AUDIT SCOPE

The focus of this audit was to assess the Forestry Tasmania (FT) forestry management system against the Australian Forestry Standard (AFS). As a surveillance audit, the elements of the standard are sampled and the areas of concern raised at the previous surveillance audit are examined to ensure they have been addressed. Forestry performance criteria relating to forestry management practice were audited with the assistance of a technical specialist with native forest expertise.

As Forestry Tasmania comprises five districts with regional offices, the sample for this audit included the Bass and East Derwent District offices and field activities in addition to Hobart office processes including fire management, quality standards and legal compliance.

OVERVIEW

There has been considerable effort put into the management system over the past six months despite the requirements to manage other issues such as delivery of the Sustainable Forest Management report. Attention is focussed on improving the system processes and the recently purchased data management system will assist. The development and delivery of a DVD and PowerPoint presentation to assist in reinforcing knowledge of the FMS has been good and the awareness levels were noticeably improved during the audit. System procedures have also been reviewed and in the field, there is some improvement in their use. FT personnel will still need reminding that whilst the AFS component of their management system includes an outcome based result i.e. performance is assessed; it is built on the structured approach of ISO 14001 (to which the Forest Management System is also certified) which requires system procedures to be developed and followed with appropriate documentation and records to demonstrate this.

Business developments since the last audit have included the transfer of the Murchison District Forest Manager to the Huon district and publishing of the 5 yearly report on the sustainable high quality sawlog supply from Tasmanian State forest. An independent five year review of the progress with the implementation of Tasmanian Regional Forest Agreement is nearing completion

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with a report to be publicised shortly. The 2005/2006 Sustainable Forest Management report has been released and FT have signed and released the Heads of Agreement with Gunns. A public announcement was made in June 2007 that there would no longer be any conversion of native forest to plantation in line with the new requirements of the AFS. Any coupes not commenced prior to 31 December 2006 will not be available for conversion. This will result in a shortfall of the required 15,000ha of plantation forest that FT was to provide by 2010.

One of the most proactive processes has been the drafting of the ten year Forest Management Plan and the intention to put this out for public comment. As part of the transition phase, further changes to the system to meet the requirements of the Standard will be progressively viewed.

A new glasshouse has been constructed at the Perth nursery. FT were involved in a very large fuel reduction burn at Bicheno with the Tasmanian Fire Service and Parks and Wildlife. As a joint agency initiative FT were locked into the use of other agencies systems, however, there was a very good Forest Operation Plan developed and signed off by all parties four months before the burn. Good aspects and impacts and hazards were identified. Permits to take flora were viewed and very good notes kept on some of the adverse consequences, risks and controls.

NON-CONFORMANCES

No major non-conformances have been raised as a result of this audit and therefore certification of the system may continue.

As with most surveillance audits, a number of areas of concern (minor non conformities) have been identified where there is a partial failing to meet the requirements of the Standard or there is a risk of a requirement not being met. These areas of concern require corrective action by Forestry Tasmania to be followed up by SAI Global at the next surveillance audit.

PREVIOUS AUDIT AREAS OF CONCERN

Progress against all previously raised areas of concern has been excellent to the point that none are required to be carried over. Details of the verification observed are in the auditor observation notes however, a brief comment is also made here to indicate what has been completed as much of the work over the past six months has been focussed on improvements in these areas and as such the audit also focussed on this.

Positive actions to address the previous areas of concern have included the following:

- Training and awareness sessions have been provided with a DVD developed to improve the awareness levels of all staff in relation to the aspects and impacts assessment process and the links within the Forest Management System.
- A new initiative has been introduced to detail the current objectives and targets and will assist both in communication and Districts and Branches taking more of their part in the process of assisting FT in achieving it's performance improvement goals. More communication is leading to more ownership and the objectives and targets are being cascaded down to the next level such as aggregated retention moving to Harvesting and Sales. This is a new process but is commencing well.
- Maps are progressively improving in their depiction of issues outside the coupe that have a more regional effect.

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- TAFE Tasmania are auditing the operations of contractors and FT are auditing the contractor systems as per the contractor spreadsheet with schedule. This is slowly being populated. With regards to the external auditing of contractors operations, 30 harvesting and 15 silvicultural contractors will be audited.
- Apiary sites are now available as a layer in map composer and the District peer review process will ensure that these are checked.
- FT have categorised the different types of forest health problems and reporting through the internal system by the Districts will allow personnel in the Forest Health unit to check on the progress as notifications will be sent out. This has been a good initiative. The annual progress review for the Forest Health Surveillance Branch was held in May and progress noted in the minutes.
- It has been recognised that the non Forest Practices Plan process was not as required and a corrective action was raised and discussed at management review. A comprehensive draft of the non FPP requirements with sections on contract management included has been prepared. Personnel have been allocated the task of looking at the requirements for a risk based approach to new projects assessment with a Key Result Area linked to the assessment side of the non FPP process.

KEY FINDINGS MADE DURING THE AUDIT

FT has paid considerable attention to ensuring that their forest management practices meet the requirements of the full version of AS 4708 particularly in the areas of conversion and chemical usage. There will no longer be any conversion of coupes that commenced after 31 December 2006 and this was verified in the change of conversion coupes in the plans to return to native forest. The only allowable conversion may be to achieve practicable coupe boundaries but these are to be assessed by the Planning Branch and offsets authorised by the Manager Planning.

Areas of Concern

- There were a number of instances indicating that the system has difficulty in managing change to allow a process of quickly assessing and documenting aspects and impacts and noting controls put in place which can then be checked.
- It is noted that many of the opportunities for improvement that had been listed in the audit reports should actually be raised as Corrective Action Requests. FT should investigate if this is due to an issue with Corrective Action Requests being treated as the last resort, a paperwork problem or lack of awareness. If they are not raised as CARs then there is no onus on the Districts to deal with the issues being raised.
- In line with the comments relating to document control in the OHS report, the quality control on maps, files and documents requires improvement. Documents were found to be unsigned or incomplete or at times completely missing from the coupe files. The absence of coupe files in relation to plantation forestry in one District is preventing a systematic method of managing and recording documentation required to indicate forest management planning and monitoring.
- The system needs to ensure that there is a further follow up check on stakeholders or

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neighbours associated with a coupe where the initial contact was made several years prior to work being undertaken. There is potential for new neighbours to be involved or for new values that might be infringed.

- The key issues summary from several coupe files indicated that a seed crop assessment was required however, no evidence could be found to indicate that this had taken place. The process of follow up checks is not sufficient to show that where further work is recommended that it is actually undertaken.

DISTRICT OFFICES

The audit included a visit to the Triabunna office. Discussions with personnel and viewing of office and coupe information indicated that the management of Wedge Tailed Eagle's nests is now very good. There had been a very good pick up that whilst no eagles had been sighted in one of the nests; white droppings had been noted to indicate occupancy.

Toolbox meetings were well documented and note topical issues such as the need to watch out for seed and any specific forest health issues. Seed crop evaluation forms were noted and the eucalypt seed spotting form in use.

Personnel interviewed in the field were knowledgeable as to system requirements and all indicated a good commitment to ensuring the best outcomes of forest management are achieved. Corrective Action Requests were being raised by them for appropriate issues and communication through the toolbox meetings appeared to be very good. Minutes of meetings are very thorough and there appear to be excellent communication processes in place. Annual forest health checks are being completed and there is good forest health assistance from the Biology and Conservation branch in relation to insects and game control. Forest health audit sheets provide very good records of this process.

Induction records for new personnel were viewed and found to be very thoroughly done. There are good systems in place for assessors and the documenting of progress. Native forest sales minutes and toolbox minutes were viewed and diary information is well recorded by the harvesting supervisors and sales personnel.

Whilst in the Bass District office at Scottsdale, discussions were held with planning personnel to view the protection of special values and the changes in management plans in relation to conversion. The Simpson Stag Beetle and Giant Velvet Worm are important values in the District and the awareness and protection mechanisms in place were very good. Confirmation of management practices and procedures was also found when following this through in the Hobart office.

FIELD INSPECTIONS

A large selection of forest coupes in the Bass and Derwent East Districts were visited with the forestry technical specialist. Whilst there were issues with litter noted and management of system documentation, forest management practices were found to be very good with excellent outcomes across all sites viewed. The phase out of plantations on converted native forest sites was demonstrated and appeared compliant with 4.3.2 AS 4708 – 2007 in both the planning information and in the field.

Good Practices Viewed during the Field Inspection

- Planning process and harvesting management appear sound, thorough and comprehensive and sound forest management systems were demonstrated.
- FT coupe management indicated a high focus on quality on ground outcomes.
- Staff were found to be dedicated and motivated.
- Seed tree management is very good, wildlife habitat clumps as required and boundary marking and adherence appropriate.

Areas of Concern

- There were several instances noted where management of bark heaps and other stacked vegetation was not as required and will need reinforcement with the contractors.
- Industrial litter such as wire ropes, old tyres etc were located on several coupes suggesting that there will need to be further training of contractors and improved monitoring of activities.

4.4 FOREST MANAGEMENT SHALL MAINTAIN THE PRODUCTIVE CAPACITY OF FORESTS**Quality Standards**

The quality standards are being followed very well and checked through a very good series of tables and reviews conducted on an annual basis. Native forest information is being very well collated through this process. Shooting invoices are supplied to enable a full count of events and the success of browsing control strategies to be noted. Information for a number of coupes was interrogated.

Inventory and Productive Capacity

Pocket PC platforms are currently being used to collate all inventory data in the field. Two person inventory teams are currently in use and a training program is being prepared for these personnel.

- Forest inventory processes appeared to be efficient and effective.
- Fixed and temporary plots are used to maximise data value at reasonable cost.
- Photo interpreted structural stand classes are mapped on a 20 year rotation.
- Annual updates are made for changes to structure.
- Internal audit processes are used to check data integrity.
- Performance of inventory crews is monitored against targets.
- Yield forecasts use good systems.
- Sales results are compared directly with inventory forecasts on the actual harvest area.
- Discount factors are then calculated for both sawlog and pulpwood for each inventory area.

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- There are 21 inventory areas based on districts and blocks.
- Forest Practice Plan yields are not used in these processes.
- Area discounts are calculated from the gross areas and the actual net areas. These are applied to forecast models in Woodstock.
- Further contingency allowances are not used and reliance is on the area and volume discounts.
- No wildfire allowance is made because the inventory data includes the impacts of past fires.
- Climate change may alter fire regimes and sensitivity to fire needs to be tested.
- Area discounts are also applied to plantation areas.
- The sustainable yield calculation process is externally audited by ANU.
- The process is well considered and reliable given the extreme variability inherent in native forest inventory.

Fire Management Branch

The Incident Resource Management System checks and competency requirements have been very thorough and good records have been developed. This has ensured that the integrity of the current training data held in the system is reflective of actual skills. All weather instruments have been checked and listed and District records viewed. The fire management maps have all been signed off and GIS layers indicate the vegetation types, assets etc. Information is located on the "S" Drive.

Mammal Browsing/Statistical Power

The work being done in this area is very thorough and has been very well documented to date. A key focus of the work has been to determine which plantations are at higher risk from browsing. This information will be written up once completed. Progress is being discussed at the monthly DFRD meetings and a Key Result Area is noted in the Performance Review and Development Plan.

Conclusion

The audit has indicated that the Forestry Tasmania forest management system is maintaining a steady course of improvement particularly with the renewed focus on training and awareness of all personnel. It is anticipated that as technological improvements are made to allow greater collation of field data and the management of system information, processes will become more streamlined. Certification of the system has been recommended to continue.



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