

SUBMISSION BY

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Trading as



A Submission in Response to an Invitation to Comment on
**FORESTRY CORPORATION OF NSW
DRAFT FOREST MANAGEMENT PLAN
JUNE 2022 TO JULY 2027**



Prepared by the NSW Branch Committee

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BACKGROUND

Forestry Australia is an independent professional association of forest scientists, managers and growers who work in native forests, plantations and provision of environmental services. Its members are committed to the principles of sustainable forest management and applying these principles to generate environmental, economic and social outcomes in all types of forests and tenures. This submission is based on contributions from members who are highly experienced foresters, forest scientists, forest growers, policy professionals and academics from the public and private sectors.

We welcome the opportunity to provide input into Forestry Corporation of NSW's (FCNSW) draft Forest Management Plan.

CONSIDERATIONS

On reading the draft Forest Management Plan, it was felt that the Plan is comprehensive and well considered, therefore there were only a few areas that were identified by the Committee for comment. The following points are raised in a spirit of identifying opportunities to enhance the management of NSW forests.

The document is comprehensive in its coverage of the obligations of Forestry Corporation of NSW (FCNSW) that is detailed in the regulations, and the systems in place to meet these obligations. The people, tools and infrastructure in place that support forest management is substantial and forest management, sophisticated.

1. The Document

The document is possibly unnecessarily large, with a lot of repetition of commitments to sustainability and good stewardship. If the document's purpose is to ensure that effective management is in place, then careful consideration of that audience, and a focus on serving that audience may produce better outcomes. An executive summary of no more than 2,000 words, with a focus on the elements that contribute most significantly to FCNSW's management objectives, would be useful.

2. All Products and Forest Values

FCNSW is challenged to supply a wide range of products from public forests including clean water, biodiversity, conservation, recreation and wood. The general theme of the document presents a rationale for wood production within a framework for environmental protection. In the opinion of the Committee, the management plan would benefit from presenting all forest products with equal value and management more broadly designed to treat all products with

equal importance, noting that the legislation that defines the obligations of FCNSW does not set priorities.

This approach in the view of the Committee, will provide the audience with a more accurate, bigger picture and balanced understanding of FCNSW management. In turn it demands a consideration of how financial objectives are balanced against products that do not feature in the financial reports. Introduction of ecological assets or environmental services provision to the financial report is overdue.

3. Feedback by Forest Type

For the remainder of the Forest Management Plan a few specific issues are raised in relation to the forest types referenced below.

3.1 Softwood

In respect to Softwood management, the Plan would benefit from acknowledgment of an emerging shortfall in supply caused by fire (in part), but more importantly by increasing population and therefore demand which is not being matched by estate expansion.

A significant risk from these pressures is failure to meet softwood demand resulting in the risk of losing market share to imports. Once market share has been lost, it is difficult to regain this ground and investment in processing is undermined. Consideration and planning is urgently needed in this space.

The Committee notes that it is difficult to see how significant areas of new plantation can be established in the key production area of southern and central NSW. There may be lands available in the north.

Scandinavia provides useful insights into opportunities that could be considered. Scandinavia is characterised by large estates that grow very slowly, produce small logs sustainably, and supply large domestic demand as well as exports to European markets. Energy markets for forest residues add value to Scandinavia forest resources Western NSW cypress pine forest presents a good analogy despite the absence of significant markets close to the resource. Distance to market and possibly distribution of resource present technical challenges and business opportunities. The cost of energy, the demand for renewable energy sources and sources for transport and aviation fuels present opportunities that grow in importance at an increasing rate.

The Plan could be improved with an acknowledgment of the need to lift production and explore new supply and indicate how management planning can be respond to this increasing opportunity.

3.2 Coastal Native Forests

In regard to coastal native forests, the management plan speaks to the subject of risk with a general theme of identifying sources of damage to the environment or breaches of protocols established by the Environmental Protection Authority (EPA). As forestry features very heavily in the media when a fine is levied by EPA due to a breach of license specifications, there is an argument that suggests a dialogue with EPA could be established. This dialogue could discuss and demonstrate the nature of managing field works and how these intersect with the very literal application of operational protocols.

Other risks

There is a risk to supply of *all forest products* identified in relevant legislation, namely clean water, biodiversity, conservation, recreation and wood. Ecologically sustainable forest management (ESFM) is aimed at the maintenance or increase of the full set of forest values. As signatories to the National Forest Policy Statement, NSW is obliged to produce ecologically sustainable wood. Equally, regulation is in place that obligates the corporation to supply of non-wood values.

The risk to *wood supply* is not considered among risks in the Management Plan, while the paradigm that has emerged is that wood supply and supply of environmental values are in conflict. The emerging risk is that the environmental regulator (EPA) only sees the restriction of disturbance (harvest of wood) as the primary means of protection. While this might be relevant where particularly rare and fragile systems exist, it should not be assumed that all forested land falls into this category, as no substantial data set exists to support any thesis on the impacts of disturbance.

More data and evidence-based approaches

The consequence is that as Management Plans evolve with time wood supply is incrementally excluded. While this may be considered to be the best approach to sustaining the supply of the full set of forest values, this approach is not supported in scientific evidence. Indeed, there is a good argument supported by years of experience, observation and practice that only through active and adaptive management can the full set of values be sustained, consistent with the aboriginal view of caring for country.

Many specifications embedded within the Coastal Integrated Forestry Operations Approvals (CIFOA) may not be supported by evidence of the benefits of excluding wood production. Indeed, the benefits of disturbance making contributions to weed control, vehicle access, recreation, fire management, forest structural variety and forest health are also not known sufficiently well.

The Committee would like to encourage Forestry Corporation of NSW to pursue a substantial and ongoing effort to measure the production of the full set of forest values FCNSW are obliged to produce.

This information enables confidence and evidence that the management of forests is sustaining production. This data will also inform the evolution of forest management principles

and techniques that balance and optimise the production of the full set of forest products and forest values. The subjective nature of operational specifications aimed at sustaining forest values risks making poor decisions, that can only be remedied with additional data and consistent monitoring leading to new knowledge.

A regulatory framework that sets one view of management against another based on subjective assessments is not a framework that will produce effective and efficient management for sustaining native forests.

The data collection proposed here should not be regarded as research. An analogy in other industries would be that of quality control in which routine monitoring supports continuous improvement.

Consistent and ongoing data collection to ensure the product is on specification and contributing to continuous improvement is required. The data could be reported in terms of ecological assets in the Annual Report. An improved Management Plan would include a program to inform decisions on good stewardship of forests, using evidence. This in turn manages a significant operational risk.