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## **SUBMISSION TO THE REMAKE OF THE COASTAL INTEGRATED FORESTRY OPERATIONS APPROVALS - DISCUSSION PAPER FEB 2014**

### **KOPPERS WOOD PRODUCTS PTY LTD**

Thank you for the opportunity to participate in Stage 2 of the consultation process about the Remake of the Coastal IFOAs.

**Koppers Wood Products Pty Ltd (Koppers)** is part of a global company with a head office based in Pittsburgh, USA, listed on the New York stock exchange. (KOP)

In Australia Koppers is a long established supplier of CCA treated timber poles used for overhead electricity and communication lines. The “poles and wires” distribution network is recognized as critical infrastructure carrying power to our industries, farms and homes across Australia and near Pacific Nations.

Native forest along the NSW coast and hinterland is the pre-eminent source of durable hardwood poles. Historically over 50% of our annual pole supply is delivered from State Forest in line with the company’s long-term Wood Supply Agreements (WSAs). Private native forest provides the balance of our pole supply from the same geographic area. Koppers is a significant regional employer. Poles are a premium forest product and any remake of the Coastal IFOAs that affects access to pole supply from State Forest may have wide social and economic impacts extending to FCNSW and timber manufacturers like Koppers and on timber dependent rural communities.

Koppers broadly supports the objectives of the proposed new IFOA structure and the evolution of a single Coastal IFOA. Koppers representatives attended information sessions conducted at Lismore and Grafton and look forward to participating in Stage 3 of community consultation to finalize the design of the new IFOA.

*M Combe*

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## SUBMISSION TO THE REMAKE OF THE COASTAL INTEGRATED FORESTRY OPERATIONS APPROVALS - DISCUSSION PAPER FEB 2014

### 1. Overview.

The broad direction, key concepts and purpose of the IFOA remake is supported by Koppers.

### 2. Why the NSW Government is remaking the coastal IFOAs.

Reasons for a comprehensive IFOA remake *to address identified weaknesses and deliver a modern regulatory framework* are accepted. It is refreshing to see some candid admissions that the regulations lack clarity and are full of tortuous conflict, impose high cost in the service of process and do not deliver on environmental protection nor the provision of goods and services to industry and the public. We thank the government agencies for confirming that the existing regulations are difficult to implement and proposing a collaborative new approach to regulation. Other contributors to this discussion paper provide a historic perspective and erudite commentary on the construction of the existing regulatory framework (AST submission). The regulations were cast in a toxic adversarial political forum that has impeded progress towards a sustainable timber industry and maintenance of environmental and social values.

The objectives for the IFOA remake have been succinctly stated however Koppers is concerned that environmental, social and economic values should be balanced consistent and equitably defined. This is not the case as outlined in the discussion paper.

It is understood that *legislative amendments are being developed as part of the IFOA remake process* and will emerge over time for subsequent community feedback.

### 3. Stakeholder engagement

The IFOA remake potentially impacts access to wood supply to industry and is of concern to anyone exposed to long-term timber markets. It is fitting that the new IFOA remake is to be a collaborative and dynamic process. Koppers supports the 3 stage consultation process.

### 4. The NSW forestry framework

Koppers acknowledge that the non-alignment of the four NSW Forest Agreements, the three Regional Forest Agreements and the four current IFOAs in coastal NSW has led to the existing conflicting compliance regimes, inefficiency and ineffective controls.

### 5. The proposed coastal IFOA structure and framework

The aims of the new IFOA structure are commendable and supported by Koppers. Casting a single coastal IFOA to harmonize the regulatory conditions across 4 licenses is pragmatic and necessary. The new coastal IFOA remake must be practical to implement and remove any conditions that are inimical to sound forest practice and maintenance of a healthy forest environment.

Koppers supports the four key sections identified for the new IFOA. The discussion paper informs us that the new coastal IFOA framework that will:

- *reduce prescriptions;*
- *provide clarity to intent;*
- *contain best-practice protocols and guidance material;*
- *introduce greater flexibility;*
- *be outcome-based;*
- *take a landscape approach;*

- *be easier to implement; and*
- *improve enforceability.*

These are commendable aims and are supported by Koppers. Delivery of these aims will require collaboration and good will from all parties to develop the new framework to take us to a lasting regulatory paradigm.

Better integration and alignment of conditions applying to existing licences under a single coastal IFOA are likely to lead to lower costs and improved outcomes and efficiencies. Further gains may be possible if the 4 existing licenses fuse into a single license with harmonized conditions.

Koppers supports the proposed legislative amendments and appreciates that *additional legislative amendments may be identified as the IFOA remake process continues*. How this will occur is not clear. The engagement of key stakeholders needs to be sustained throughout the evolution of *legislative amendments* to ensure it meets the objectives of the IFOA remake and can be seamlessly integrated into the new IFOA and into practice.

#### **Introduce minimum competencies for forest contractors**

The IFOA remake calls for legislating minimum competencies for contractors. Under NSW Workplace Health and Safety Act (2011) and its attendant Regulations employers or Persons Carrying on a Business or Undertaking (PCBU) like FCNSW, have certain responsibilities to their employees including: *the provision of information, instruction, training or supervision to workers needed for them to work without risks to their health and safety and that of others around them*. All contractors currently working on State Forest must hold competency accreditation in accordance with National Skills Standards Council (NSSC) standards of training for any relevant forest-based activity being undertaken. Additionally operators on State Forest must have a current Forest Operations Licence (FOL) issued by FCNSW to work on State Forest. The FOL includes a suite of competency accreditations including 1<sup>st</sup> aid, environmental care, cultural heritage and core operator knowledge and skills. A forest supervisor competency could be added to this skill set for supervisors. There are numerous accredited training providers including TAFE. One specifically serving the forest industry is the Industry Skills Council (Forestworks). EPA's involvement in setting competency standards in this case would be contrary to fundamental tenets of the IFOA remake. Koppers recommends that the EPA and FCNSW consult to determine the appropriate forest supervisor competency standard for inclusion in the FOL for forest supervisors and leave it to FCNSW and the training industry to deliver it.

#### **Strengthen penalties and alternative regulatory tools**

Penalties and sanctions should be in line with the level of non-compliance and in keeping with the outcome focus principle.

#### **6. What will the new coastal IFOA cover?**

The area proposed to be covered by the new Coastal IFOA is supported.

#### **7. Landscape-based protection for threatened species and communities**

Koppers supports a landscape based approach to forest protection and supports the NSW FPA submission to this section.

In combination the landscape approach and outcome focus could provide an opportunity to apply adaptive management to BMAD areas for production or rehabilitation.

EECs and TECs are currently defined by description and are mostly not mapped. There has been a trend to describe more EECs and TECs and the net productive area available for harvest has been eroding. Approval to harvest in EECs or TECs areas under ecological harvest conditions to date has not gained favour. Taking a landscape approach to identifying and mapping EECs and TECs may help protect critical ecosystems and define a productive forest area available for harvest and assist sustainable forest management. The uncertain tide of resource loss via descriptive means has created uncertainty and forced more intensive operations in the remaining available productive forest areas. Future resource losses to new EECs and TECs may need to be balanced by rolling access to alternate harvest areas.

## 8 Soil and Water

Koppers supports the proposed changes to soil and water protection components of the IFOA to reduce the number of licence conditions, remove duplication and reduce the prescriptive nature of conditions.

### Steep slope harvesting trial

Koppers supports the steep slope harvesting trial to determine cost/benefits of alternate safe, efficient and sensitive harvesting methods. It is noted that trials proposed will be small in scale in native regrowth forest subject to past ground-based harvesting on predominantly stable soils.

## 9 Adopting new technology

Making use of available technology (LiDAR, GPS) for on-ground accuracy and moving towards requirements that are clear, outcome-based, standardized and offer advantages for monitoring and enforceability of conditions is also supported by Koppers.

## 10 A new strategic environmental monitoring environment

Koppers supports the focus on an outcome based regulatory regime and improving the effectiveness and efficiency of monitoring. Monitoring at the landscape level could extend to other tenures to act as controls against comparable State Forest areas.

## 11 Delivering the new coastal IFOA

In implementing the new coastal IFOA the roles, responsibilities and relationship between EPA and DPI in regulating FCNSW's forestry operations needs to be clearly defined and respected if they are to be an effective bilateral compliance managers.

### 11.3 Review of the new IFOA

The five year review is an appropriate review period for the new IFOA.