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Q8. Stakeholder type	Environment group	
Q9. Stakeholder type - Other not answered		
Q10. Stakeholder type - Staff not answered		
Q11. Organisation name	Ms	
Q12. What is your preferred method of contact?	Mobile	
Q13. Would you like to receive further information and updates on IFOA and forestry matters?	Yes	
Q14. Can the EPA make your submission public?	Yes	
Q15. Have you previously engaged with the EPA on forestry issues?	Yes	
Q16. What parts of the draft Coastal IFOA are most important to you? Why? See attached submission.		

Q17. What parts of the draft Coastal IFOA do you think have a positive outcome on the management of environmental values or the production of sustainable timber? Why?

See attached submission

Q18. What parts of the draft Coastal IFOA do you think have a negative outcome on the management of environmental values or the production of sustainable timber? Why? See attached submission		
Q19. What are your views on the effectiveness of the combination of permanent environmental protections at the regional, landscape and operational scales (multi-scale protection)? See attached submission		
Q20.In your opinion, would the draft Coastal IFOA be entimber industry? Why? See attached submission	ffective in managing environmental values and a sustainable	
Q21. General comments See attached submission		
Q22. Attach your supporting documents (Document 1)		
Q23. Attach your supporting documents (Document 2)	not answered	
Q24. Attach your supporting documents (Document 3)	not answered	





IFOA Remake
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12 July 2018

Submission to the draft Integrated Forestry Operations Approval

The National Parks Association of NSW (NPA) and Nature Conservation Council of NSW (NCC) appreciate the opportunity to comment on the draft Integrated Forestry Operations Approval (IFOA).

The National Parks Association of NSW (NPA) is a community-based organisation with over 20,000 supporters from rural, remote and urban areas across the state. The NPA promotes nature conservation and evidence-based natural resource management.

The Nature Conservation Council of New South Wales (NCC) is the state's peak environment organisation. We represent over 150 environment groups and thousands of supporters across NSW. Together we are dedicated to protecting and conserving the wildlife, landscapes and natural resources of NSW.

We oppose the remake of the IFOA, and urge the Government to use the end of the Regional Forest Agreements (RFA) to transition away from native forest logging on public land. The IFOA, if implemented in its current form, will inflict enormous damage on the environmental values of forests, including forest wildlife. It will jeopardise water supplies, it will further reduce carbon stores from forests and their ability to sequester carbon, and it will undermine the tourism industry.

The RFA/IFOA model has failed to manage public native forests effectively. There is an inherent contradiction between managing forests under Ecologically Sustainable Forest Management principles and maximising wood production and profits. The commercial viability of native forest logging in NSW continues to decline with substantial government subsidies continuing to prop up a failing industry.

We believe that the end of the RFAs provides an opportunity to shift the use of our native forests from logging to sustainable management. Our forests can provide safe, well-connected habitats for native wildlife and help the state become a world leader in nature-based tourism, recreation, and outdoor education. Existing proposals from environment groups, including Forests for All and the Great Koala National Park reflect this model and should be adopted.

Rather than commenting on the draft IFOA in detail, our enclosed submission outlines the deep flaws contained within and underlying the proposals, and urges the Government to abandon the proposed IFOA, instead moving to transition away from native forest logging. Our full set of recommendations is summarised at the start of our submission.

Please do not hesitate to contact either NPA or NCC if you have any questions or would like to discuss any aspects of this submission.

Yours sincerely,



Alix Goodwin

Chief Executive Officer

National Parks Association of NSW



Kate Smolski
Chief Executive Officer
Nature Conservation Council of NSW

NPA and NCC Submission to the 2018 draft Coastal Integrated Forestry Operations Approval

The National Parks Association of NSW (NPA) and Nature Conservation Council of NSW (NCC) appreciate the opportunity to comment on the draft Integrated Forestry Operations Approval (IFOA).

We believe that the end of the Regional Forest Agreements (RFAs) provides an opportunity to shift the use of our native forests from logging to sustainable management under the protected area system (i.e. *National Parks and Wildlife Act* and Indigenous Protected Areas). Our submission outlines the deep flaws contained within and underlying the proposals, and urges the Government to abandon the proposed IFOA, instead moving to transition away from native forest logging.

Recommendations

We have made a number of recommendations throughout the document that are summarised here.

Issue	Page No	Recommendation
Logging in general	4	Use the end of the Regional Forest Agreements to transition away from native forest logging on public land, and implement NPA's <u>Great Koala National Park</u> and <u>Forests For All</u> proposals
IFOA in general	4	Abandon the proposed IFOA
Wood supply volumes	6	Verify the loss of wood supply arising from the draft IFOA provisions prior to its finalisation with maximum volumes set for all elements and each sub-region. Supply volumes to be substantially reduced, be no greater than those used for the purposes of assessing the IFOA settings adjusted for NRC's estimated shortfall in supply, comply with the principle of EFSM and meet the commitment of no diminution in environmental values.
State of the industry	8	Evaluate the cost involved for an industry transition package out of native forest logging and seek to secure this funding in forthcoming budget cycles to initiate an exit following the expiry of the Regional Forest Agreements
State of the industry	8	Urgently seek to quantify the present and future threat of BMAD and climate change; remove logging from BMAD susceptible forests; cost the remediation of BMAD damage and add a levy to native forest timber to be ring-fenced to fund forest restoration
Logging old-growth and rainforest	9	Abandon plans to log protected old-growth and rainforest and retain all formal and informal reserves
Stream buffers and giant trees	10	Abandon plans to reduce stream buffer sizes and make any additional protections conferred via LiDAR mapping of unmapped streams additional; protect all hollow-bearing trees and trees over 100cm DBH, and abandon remapping and rezoning of old-growth.
Intensive logging	11	Abandon the implementation of the intensive harvesting zone
Mixed-intensity harvesting	12	Mixed-intensity harvesting not be permitted
Intensive harvesting	12	Two recruitment trees per habitat tree be retained, requirements to protect nectar trees be reinstated, and all

Issue	Page No	Recommendation
		hollow bearing trees regardless of size or location be retained as a matter of urgency.
Clumping	13	Retain the requirement to look for species prior to logging, and undertake research into the size and configuration of clumps necessary for the persistence of forest-specialist species such as greater and yellow-bellied gliders
Koalas	13	Implement the Great Koala National Park instead of the intensive harvesting zone
Front-loading	14	No transition arrangements be put in place, beyond those designed to transition to an exit from native forest logging on public land
Matters of national environmental significance	15	Ensure that logging is compatible with recovery plans, conservation advice and action plans at both a state and federal level.

Overarching comments

The IFOA, if implemented in its current form, will inflict enormous damage on the environmental values of forests, including forest wildlife. It will jeopardise water supplies, it will further reduce carbon stores from forests and their ability to sequester carbon.

The Government should abandon this IFOA and better consider the realities facing the timber industry. Implementing this IFOA will impose a large environmental and economic burden on the citizens of NSW, and will not in the long run serve the timber industry.

NPA and NCC are concerned that the rationale for the IFOA settings is flawed. We do not accept the premise in the documentation that the koala protections proposed in the IFOA, and the Threatened Ecological Community (TEC) Mapping conducted by the Environment Protection Authority have reduced wood supply to such a degree so as to require such dilution of environmental protection TECs have not been allowed to be logged under the current regime and so citing the TEC mapping as an impact on timber supplies is misleading. In addition, the koala prescriptions (see section 11, page 13) require protection of trees of just 20cm diameter. These trees are not large enough to provide high quality sawlog timber, and therefore their protection cannot be deemed to negatively impact wood supply to any great extent.

Ewan Waller, the reviewer appointed by the NSW Government to analyse the 10 and 15-year Regional Forest Agreement implementation reports recommended that the Government undertake a 'contemporary review' of the logging industry considering climate change, conservation, socio-economic issues and support for the logging industry. We consider this an absolute minimum requirement, and indeed would go further: we urge the Government to use the end of the Regional Forest Agreements to transition away from native forest logging on public land, and implement NPA's Great Koala National Park and Forests For All proposals.

We make more detailed comment below under several headings. We have not sought to address, beyond a few examples, the detail of the settings, because we believe that the IFOA is so imbalanced that it is not possible to improve it through small adjustments. We instead outline the serious flaws contained within and underlying the proposals, and **recommend that the Government abandon the proposed IFOA in its entirety.**

1. The 'dual commitment'

The Natural Resources Commission (NRC) stated that "following analysis of the expected cumulative impact of the agreed and recommended settings, the Commission has determined that it is not possible to meet the Government's commitments around both environmental values and wood supply". We are extremely disappointed that this advice did not prompt the NSW Government to reconsider the dual commitment and instead investigate options such as timber buy-backs and mill rationalisation. The response in this IFOA—to abandon ecological sustainability and to 'remap and rezone' old-growth and rainforest to make up timber shortfalls—is not optimal, and will reduce the comprehensive, adequate and representative (CAR) reserve network of forest ecosystems. It also breaks a promise by the EPA made in 2015 around the IFOA remake that "existing RFA commitments to the protection of old growth, rainforest, rare non-commercial forest types and the Forest Management Zone (FMZ) layer will be maintained unchanged".

It is unfortunate that the dual commitment was made before the Government undertook the 2017 Department of Primary Industries-commissioned <u>review of Coastal Wood Supply Agreements</u> and the <u>north coast primary processors review</u>. This research into the status of wood supplies and timber resources should have preceded the dual commitment and it appears, in light of the contents of those documents, that the commitment was imprudent. The IFOA resulting from this commitment is likely to come at an extremely high cost, both financial and ecological.

2. Timber supply

We are deeply concerned at the opaque nature of timber commitments. The IFOA does not make it clear what future timber commitments were used as the baseline for the settings either at an aggregate level or at the regional level, nor is this clear in the NRC report. Further published information in response to specific questions asked during the consultation period has gone some way to clarifying this and forms the basis of our comments on timber supply.

Using the north-east sub-regions and high-quality sawlogs (HQL) as an example, Table 8 of the draft IFOA states that an average of 269,000m³ per annum can be logged from north-east NSW (based on current IFOA, 20-year commitment). The IFOA applies only to native forests so it would appear reasonable to assume that this figure does not include HQL from hardwood plantations. The North-East Long Term Wood Supply model used to guide wood supply agreements, uses a figure of 237,000m³ per annum sourced from native forest and hardwood plantations (IFOA FAQS). Wood supply agreements commit to 220,423m³ of HQL per annum sourced from native forest and hardwood plantations (IFOA FAQS). Further advice indicates that the IFOA settings have been modelled on average HQL volume of ~180,000m³ per annum of 100 years sourced from native forests (State Forests and Crown-timber land) only (IFOA FAQS).

Staying with this example, it is our understanding that:

- Wood supply volumes in Table 8 are carried forward from the current RFAs and are *deemed to* comply with the principle of ecologically sustainable forest management (EFSM)
- Wood supply model volumes are used to guide wood supply agreements and represent commercially sustainable yields (100 years)
- Wood supply agreement volumes represent the volumes for which Forestry Corporation NSW (FCNSW) is prepared to enter legally binding contracts
- The IFOA setting volumes (e.g. ~180,000m³ HQL in north east sub-regions) are those which will enable the NSW government to meet current wood supply agreement commitments but not the commitment to no diminution of environmental values.

Over the life of the current agreements, the NSW government has bought back wood supply (north east NSW) of 50,000m³ per annum for nine years from Boral (effective from 2014), terminated a wood supply agreement with an annual value of 1,900m³ (2015), and agreed to the termination of two Boral wood supply agreements with a value of 23,723m³ HQL (2012). We note that, in its 2016 the NRC stated that "In mid-2015, the Commission advised government on the risks associated with the species-specific contract and five-year contract extension provided to Boral as part of the high-quality wood supply quota buyback on the North Coast." In addition to this, the review of the Coast Wood Supply Agreements recommended an additional buy-back of 15,000m³ of HQL.

In light of the above, we are strongly opposed to the timber volumes listed in Table 8 of the IFOA conditions document as they exceed the volumes used to determine the IFOA settings. We are also opposed to the volumes used to determine the IFOA settings as they are designed to address a shortfall in wood supply at the expense of the environment and the CAR reserve system. In its supplementary advice, the NRC recommended that "before potentially rezoning any areas for harvesting, there needs to be a verified loss of wood supply arising from the Coastal IFOA provisions". Implementation of this recommendation is essential and should precede any remaking of the IFOA, with wood supply volumes being based on EFSM only, and only if this is deemed achievable following a full independent and transparent scientific review of the RFAs and alternative future management options (as we have previously recommended).

We are also deeply concerned about the failure to include maximum annual volumes for pulpwood (with the exception of Eden), other timber products, and heads and offcuts in Table 8. Our concern stems partly from the fact that in 2017 the Department of Primary Industries released research which indicated support for the use of biomass from logging for bioenergy production in three sites in Northern NSW (*North Coast Residues*, 2017) in response to "operational challenges" and "reduced profit margins", as well as strong emerging international evidence that biomass is driving deforestation, undermining the role forests play in carbon sequestration and storage, and may impact health outcomes (references can be supplied). It is apparent from the answers to the IFOA FAQS that it is possible to determine volumes for these items for the purposes of wood supply agreements (e.g. commitment of 300,000m³ per annum for north east). Given this it is imperative that maximum limits for these elements that comply with EFSM, and result in no diminution of environmental values, be set in any remade IFOA.

We recommend that the NSW government verify the loss of wood supply arising from the draft IFOA provisions prior to its finalisation, and that maximum volumes be set for all elements and each sub-region listed in Table 8. Volumes in Table 8 should be substantially reduced, be no greater than those used for the purposes of assessing the IFOA settings (e.g. 180,000m³ in the case of north east native forests) less the NRC's estimated shortfall in supply, comply with the principle of EFSM and meet the commitment of no diminution in environmental values.

3. Active Expressions of Interest

Further to 2, Forestry Corporation currently has two active Expressions of Interest. One for the Eden area for up to 25,000m³ High Quality Logs released in December 2017, and one for the North East for 95,000m³ Low Quality Logs and 321,850m³ pulp logs released in March 2018. It is not clear what the status of these EOIs is, nor their contribution to overall wood supply. What is clear is that, at the same time as the NSW Government was inviting feedback on the RFAs and IFOA, FCNSW was actively seeking new 10-year wood supply contracts raising serious doubts about the integrity of

these consultation processes. Negotiation and finalisation of these EOIs should be suspended given the significant flaws in the draft IFOA settings.

4. The state of the industry

We reiterate our disappointment that a thorough assessment of the state of the industry was not undertaken before embarking on a new IFOA and making the dual commitment, because several sources indicate that even a cursory analysis would have highlighted that the dual commitment is unrealistic.

The 2017 review of coastal wood supply agreements is informative. It reveals widespread concern at the ability of FCNSW to accurately predict wood supply, and disquiet among processors at the favourable treatment received by Boral. It also highlights an industry that has over-utilised its sawlog resource which will inevitably result in future shortfalls. It appears highly likely that this is driving the implementation of the intensive harvesting zone and the proposals to log old-growth.

Some of the more telling points include:

"For the Eden Management Area in particular, the transition to a greater reliance on smaller log sizes beyond 2018 is a primary concern."

"The Eden sawmill, in particular, faces major challenges in transitioning to a smaller log size with redevelopment of one of its two processing lines required to process the 'super small' log class."

"...since its corporatisation, FCNSW had put its commercial objectives above the interests of many of its customers and regional development imperatives."

"Customers on both the North and South Coast raised concern that areas of forest are being over cut in some instances to manage supply commitments."

In addition, a submission by the Eden sawmill to the 2014 Forest Industries Taskforce reveals huge uncertainty as to wood supply, and the pre-eminence of pulpwood production over sawlog in that part of the State:

"While the Forest Agreement identifies sawlog production as the "driving" objective, and specifically denies exclusive production of pulpwood except from thinning operations, the dominant product is pulpwood."

"Harvesting of timber products in the Eden forest management area has been economically dependent on integrated operations."

"It appears doubtful that there will be the necessary volumes of pulpwood available from Integrated Operations to achieve the required volume of sawlogs."

"The company is convinced that the resource in Eden, is the most defective and natural featured material it has worked with in its 65-year history."

"Supply of sawlogs (as currently utilised) from the Eden region cannot be sustained. Resource in the multi-aged forest is severely diminished, pre-1970s regrowth has already been well utilised and is unlikely to be a significant form of supply beyond 2015. Given that multi-aged forest and pre-1970s regrowth will not sustain supply as projected, early harvesting of post-1970 regrowth will further reduce rotation age and yield and also log size to a point of restricting viability. Alternative supply is necessary to meet the yield of the current Forest Agreements and the allocations of the Hardwood Timber Term Agreement."

The following quotes contained in the report by the Threatened Species Expert Panel to the IFOA settings also highlight the poor state of the industry, and how the NSW government's determination to maximise wood supply will come at the cost of the environment:

"I find it extremely frustrating to try and contribute to a solution when the underlying driver of the wood supply agreements fundamentally restricts any chance of a balanced approach and I can see the environment being the inevitable loser in the equation."

"I think this remake is an interventionist approach to remedy a situation that has evolved through poor and desperate practices adopted to meet an unsustainable wood supply agreement at significant expense to the environment and the people of NSW. Continuing down this path will have long term deleterious environmental outcomes for the public forests of NSW in order to limp across the line and meet the final years of the wood supply agreements. This will be entirely at the expense of these forests."

"The intensive harvesting zones are being formally introduced to prop up an unsustainable wood supply arrangement at the expense of the environment."

NPA's Forests For All Case for Change revealed, based on census data and date from the NSW Department of Primary Industries that the plantation industry now dominates jobs in the forestry industry. Coupled with Government documents, NPA estimates that native forest logging in coastal NSW—from Victoria and Queensland—now supports approximately 1,500 people in both the logging and processing sectors which is a fraction of a percent of all primary industries employment. We do not believe that it is appropriate to inflict such environmental degradation on public property in order to support such a low number of jobs.

We recommend that the NSW Government evaluate the cost involved for an industry transition package out of native forest logging and seek to secure this funding in forthcoming budget cycles to initiate an exit following the expiry of the Regional Forest Agreements.

5. Threats to timber resources

The IFOA ignores future threats to timber resources. The NRC report made it clear that climate change and bell-miner associated dieback (BMAD) make future resource security extremely uncertain. The former as a result of increases of incidences and unpredictability of wildfire and drought, and the latter a legacy of historic logging. The NRC identified that, already, five forests in northern NSW totalling 11,000 hectares are 'impractical to manage for commercial purposes' as a result of BMAD. One of these, Mount Lindsay, is now a new koala reserve. Given the finding of a recent review of BMAD that canopy disturbance should be minimised in susceptible forest types, the IFOA is almost certain to exacerbate BMAD, and therefore undermines the future timber resource.

We strongly believe that quantification of the supply risks associated with BMAD and its potential impact on the future of the industry is essential and should have informed the decision to extend the RFA and remake the IFOAs. Further, we are concerned that in the future, as in the case of Mount Lindsay, when logging has triggered BMAD in a state forest, the land will be transferred to the protected area system (National Parks and Wildlife Service/Indigenous Protected Area) with the cost of rehabilitating the forest borne by the public rather than FCNSW.

We recommend that the Government urgently seek to quantify the present and future threat of BMAD and climate change; remove logging from BMAD susceptible forests; cost the remediation of BMAD damage and add a levy to native forest timber to be quarantined to fund forest restoration.

6. Logging old-growth and rainforest

We are opposed to the decision to 'remap and rezone' areas of old-growth forests in response to "timber shortfalls". These areas form part of the informal reserve network and count towards the comprehensive, adequate and representative reserve system and Australia's performance against the Aichi protected area target 11, against which NSW performs poorly (9% as opposed to 17%). There can be no doubt that if this proposal proceeds the protected area system will be reduced given the results of the remapping and rezoning trial which "reduced the extent of old growth forest by 78 percent, and rainforest by 35 percent". Any remapping should only be undertaken for the purposes of increasing protections of old-growth forests and rainforests.

We note that the recent RFA 10 and 15-year implementation review states (pg. 46) that "parties agree that the primary function of the CAR Reserve System is to ensure the conservation and protection of Environmental and Heritage Values". This does not accord with accessing them for logging. We accept that in the nearly 20 years since old-growth and rainforest were mapped that there have been advances in aerial photographic and satellite technology. However, what is beyond doubt is that these areas, that have been off-limits for logging for at least two decades, are likely of high conservation value, whether or not new mapping suggests boundary differences. We therefore do not support the proposal to remap and rezone these areas to address "timber shortfalls", and do not have confidence that any additions to offset these areas will be of similar quality.

We recommend that the Government abandon its plans to log protected old-growth and rainforest and retain all formal and informal reserves.

7. Stream buffers

It is disappointing that the new IFOA proposes a reduction in headwater stream buffer width from 10m to 5m. This is clearly against the advice of the Threatened Species Expert Panel who highlighted that these areas were the parts of harvestable forest that retained the best structure and habitat values, as well as being extremely important for landscape connectivity. Riparian zones provide essential habitat for numerous species, notably frogs, and often contain the largest trees (because they're more fertile sites) and the most significant habitat features for threatened species (such as large hollows for gliders and owls). These riparian areas are therefore some of the most ecologically important features of forests. Without evidence to indicate that these areas have been voluntarily protected from logging to this point, it seems unlikely that the identification of previously unmapped streams with the use of LiDAR will offset this reduction in protection.

Although we acknowledge that there was a diversity of opinion on the expert panel, the following quotes from the expert panel highlight the likely negative outcomes from logging such areas—as well as being informative as to the intensity of logging and its ecological impact:

"In some areas where areas once mapped as riparian buffers are no longer identified then there would be a loss of habitat protected for the past 20-year period. Given the intensity of operations over the last 10 years, it would be important to try to ensure these areas remain protected".

"No further loss or impact on the retained riparian areas that have been protected to date under the existing rule set should occur. The expert panel agreed that these areas were the few areas seen on the site visit that still retained habitat elements and the diversity, form and structure of a native forest".

"I am not convinced that the proposed riparian buffers are adequate for ecological protection of these features. The widths seem to have been generated to deliver no net loss of available harvestable area rather than driven by an appropriate buffer for the size/importance of the feature".

8. Giant trees

We are disappointed that the proposed IFOA will permit the logging of giant trees of 140cm diameter at breast height (DBH), or 160cm DBH for blackbutt and alpine ash. It is clear from the existence of this prescription that the reduction in stream buffer size, as well as the remapping and rezoning of old-growth, is anticipated to free up large timber, of which this prescription will enable harvesting. Given the paucity of large trees and hollow-bearing trees in logged forests, all hollow bearing trees regardless of size should be retained, and we concur with the scientist that stated "all giant trees should now be a given as harvesting in public forests is meant to be regeneration harvesting not old growth harvesting. All trees over 100 cm dbh should now be protected regardless of what regimes are adopted". Implementation of this setting will have the effect of abandoning the principle that logging is supposed to be regeneration harvesting.

We recommend that the Government abandon its plans to reduce stream buffer sizes and make any additional protections conferred via LiDAR mapping of unmapped streams additional; that all hollow-bearing trees and trees over 100cm DBH be protected; and remapping and rezoning of old-growth be abandoned.

9. The Intensive harvesting zone and mixed-intensity harvesting

We do not accept the premise in the IFOA that intensive harvesting is a valid approach to forest management and are strongly opposed to this proposal. It would appear from the published IFOA documents that intensive harvesting—'Heavy Single Tree Selection' (HSTS)—has been happening since 2007 but not formally 'codified'. This is extremely concerning as the regulator has previously stated that HSTS is outside the intent of the current IFOA where the maximum size of legal clearfelling in northern NSW under the current IFOA is 2,500m², or 0.25ha (defined under Australian Group Selection). The new proposals will see a maximum size of 45ha—a 180-fold intensification of logging¹.

¹Although we recognise that there are some requirements in the intensive zone to retain a few small trees for koalas and all hollow-bearing trees, in reality the historic impacts of logging mean there are few hollow-bearing trees left. There is no minimum basal area retention requirement in this zone, so there will be very little left in intensively logged coupes. Hence the use of the term clearfell.

We are extremely concerned and oppose the proposal to backdate the implementation of the intensive harvesting zone to effectively and retrospectively legalise the last 11 years of logging, as evidenced by the reduced return time of seven years for the transition arrangements. This means that FCNSW will be able to return to adjacent coupes for all areas logged outside the current IFOA under HSTS between 2007 and 2011 (as opposed to between 2007 and 2008 under a 10-year return time).

All of the measures to protect the environment protection flow from the premise that the intensive harvesting zone will be implemented. We are surprised by the suggestion that in forests as biologically diverse as those of the north coast of NSW—<u>a global biodiversity hotspot</u>—that the intensive harvesting zone will not completely destroy habitat for the majority of forest-specialist species. We note also that no effort was made to evaluate the impacts of 11 years of HSTS on environmental values when deciding on a permanent implementation of this regime, which suggests either that no data were being collected (consistent with the lack of data available in the RFA implementation reports) or that the intensive zone was to be implemented regardless of impact.

The expert panel said: "in North East NSW, hollow-dependent species are already in very low numbers or absent from the harvest area in the regrowth forests. Implementing a more intensive logging regime will mean that these species will be increasingly dependent on protected areas". They then pointed out that the areas currently zoned for protection in production forests are biased away from preferred habitat of these species, and are concentrated in escarpment forests. They stated that the proposals will result in "a patchwork of areas that have not been properly assessed for their ability to sustain viable populations of threatened fauna or provide connectivity. There has been no systematic assessment at a regional or sub-regional scale." This again demonstrates the deep uncertainties surrounding the ability of wildlife to persist in the intensive regime.

The implementation of the intensive zone will result in the rapid homogenisation of large swathes of forests at the landscape and stand scale, summarised thus by a member of the expert panel: "it must be clearly understood that these proposed intensive harvesting practices are effectively clear felling diverse native forest to replace with even age native plantations in a deliberate manner."

The intensive harvesting will render the 45ha-areas practically useless for hollow-users like gliders for centuries, and the short return time (10 years) to adjacent coupes means forests will be rapidly simplified over large areas. Each Local Landscape Area (= a 1,500ha area of forest) can be cut over in 21 years so specialist species will probably never be able to use harvested parts of LLAs again for denning (due to the lack of hollows), they will likely have limited utility as food resources and they are likely to act as barriers to dispersal (potentially mitigated by the size and configuration of clumps and exclusions, which are not yet clear).

We recommend that the Government abandon the implementation of the intensive harvesting zone.

We believe that after approximately 50 years of woodchipping in the Eden area of NSW, the NSW Government should have viewed the end of the RFAs as an opportunity to end an industry that has been enormously environmentally destructive and which now accounts for over 85% of all logged timber in that area. Instead, it is proposing to replicate the model in northern NSW. The Eden model is still worse, as the IFOA specifies no minimum return time. It is not clear to us why Eden does not

have a return time, but the intensive zone has a return time of 10 years. At a minimum Eden should have a specified return time of 10 years.

The ability to undertake 'mixed intensity harvesting' appears to be a way of bypassing to the greatest extent possible, the 10-year return time by permitting the increased intensity STS to occur in the same Local Landscape Area (LLA) as intensive harvesting. It is therefore no surprise to us that concern was raised over this approach by EPA. While the NRC has recommended collaboration between EPA and Forestry Corporation recommended by the NRC we are concerned about the likelihood of this being an effective strategy given the challenges the EPA has faced in the past in regulating logging.

"EPA and FCNSW raised concerns about the potential for unforeseen wood supply and environmental impacts associated with this setting. A strong collaborative and adaptive management approach is recommended to allow issues to be addressed as they arise in a timely manner."

We recommend that mixed-intensity harvesting not be permitted.

Outside clumps, all hollow-bearing trees are to be retained in the intensive zone, and 5/ha in the selective and Eden alternative coupe zones. However, the long-term survival of hollow bearing trees in the intensive and Eden zones is optimistic at best. Disturbingly, the new regime requires no retention of recruitment trees (the next generation of hollow-bearing trees) outside of clumps. The current requirement is to retain one recruitment tree selected from the largest trees for each habitat tree, and even this is inadequate. The practical implication of this is that there will be no trees to replace the remaining hollow-bearing trees when they die. This will mean that hollow bearing trees will disappear over time throughout most of the landscape. Requirements to retain mature eucalypt feed trees are also removed.

In practice this will mean large tracts of the harvest area will end up devoid of nectar resources—important for critically endangered species like swift parrot and regent honeyeater. The loss of hollows mean that harvest areas are likely to functionally collapse in an ecological sense in the medium term, as their ability to provide resources required by forest specialist species will be almost non-existent.

We recommend that two recruitment trees per habitat tree be retained and requirements to protect nectar trees be reinstated, and that all hollow bearing trees regardless of size or location be retained as a matter of urgency.

10. Clumping of protected elements and Local Landscape Areas

We do not support the removal of pre-logging flora and fauna surveys. This is clearly being driven by the objective to lower the cost of implementing the IFOA, but it will lead inevitably to more animals being killed in logging operations, the destruction of flora and the substitution of occupied habitat for potential habitat. Although retention logging (where elements are protected though multiple logging events) is good in theory, we do not believe that clumping will be sufficient to protect the environmental values in the intensive zone. This is based on several issues:

• The clump budget is based on the need to maximise timber output in as short a time as possible, not the ecological needs of species.

- FCNSW, not the regulator or ecologists, will choose the location and composition of clumps. This creates the risk that clumps will be comprised of elements unwanted by industry, not most vital to biodiversity.
- The expert panel frequently referred to a lack of monitoring data upon which to base environmental protections, and in many cases the panels' recommendations were based on instinct and prior ecological experience rather than data.
- We do not know how species (particularly forest specialists like hollow-users) will respond to a
 landscape where resources are clumped, with large tracts of the landscape devoid of resources.
 If this leads to more competition and exclusion, and therefore fewer animals overall, it will likely
 translate into lower long-term persistence.
- Clumps are highly vulnerable to stochastic events like fires, so their persistence is not guaranteed. If species are concentrated in clumps, the sudden loss of clumps may lead to local extinctions.
- The application of a fixed 'clump budget' in each LLA means that decisions must be made as to whether there are lots of small clumps, one or two big ones, or a combination. We do not know what the best configuration is, and no single configuration is likely to suit all species. Much will depend on the spatial arrangement, connectivity and habitat quality of clumps. Clumping may work in a system with sustainable logging rates (i.e. where selective harvesting is still applied and the surrounding landscape is permeable to species), but is unlikely to effectively protect the full suite of species when the key motivation is clearly timber extraction.
- The proposals to remap and rezone protected old-growth and rainforest, coupled with industry
 <u>calls to log national parks</u> mean that the public can have no confidence that the clumps will be
 permanent. It is clear that, unless protected in the formal reserve network, there is no such
 thing as permanently protected in the production forest landscape, and even that permanency is
 now threatened as efforts to <u>degazette the Murray Valley National Park</u> attest.

In many Local Landscape Areas (LLAs) the 20% protection rule will give no additional protection, because existing exclusions already protect in 20% for most LLAs according to the threatened species expert panel. Any conservation gains in a given LLA via the 20% protection rule will likely be lost via increased logging intensity in the rest of the landscape.

In summary, this would appear to be a huge landscape-scale experiment using some of our most biologically diverse forests and special species.

We recommend that the Government retain the requirement to look for species prior to logging, and undertake research into the size and configuration of clumps necessary for the persistence of forest-specialist species such as greater and yellow-bellied gliders.

11. Koalas

The intensive harvesting zone overlaps considerably with NPA's proposed <u>Great Koala National Park</u> (GKNP). Several Government mapping products have agreed with NPA's assessment of the importance of this area for koalas. Indeed, the koala habitat model used in the IFOA supports the importance of the area as koala habitat. We find it extraordinary that in possession of these multiple lines of evidence, and broad community support for the GKNP, that the Government would choose to implement a logging regime that will render the coastal forests of northern NSW near-useless for koalas, and increase koala mortality during logging operations (as a result of removing the requirement for pre-logging searches) instead of creating the GKNP.

We recommend that the Government implement the Great Koala National Park instead of the intensive harvesting zone.

It is of serious concern that the need to maximise timber production has meant that the lower koala prescription is applied where one model returns 'high' and the other 'moderate' (thus reversing the precautionary principle). We again note that it is tenuous to suggest that such weak prescriptions are sufficient to result in any significant loss of timber, and we therefore question the entire rationale of the new IFOA.

Besides this, there are several problems with this approach that we believe render the prescriptions inadequate for koala protection:

- Modelling koala habitat is not an accurate predictor of koala occurrence because of the influence of previous disturbance and socio-biology.
- There is no longer a requirement to look for koalas and fully protect the areas they are actually using (except in southern NSW where the species is near-extinct).
- Koalas prefer <u>big trees</u> and <u>mature forests</u>, and trees of just 20cm are therefore sub-optimal habitat with the EPA finding in its koala habitat mapping pilot that 80-90% of them are not used.
- There is no requirement to preferentially select trees with evidence of koala use.
- The trees can be retained anywhere in the harvest area, therefore likely resulting in a lack of connectivity.
- The prescriptions will result in only a single cohort of trees being retained (as Forestry Corporation is likely to protect the smallest trees possible to minimise the impact on wood supply).
- Under current (legal) selective logging prescriptions all trees under 20cm are required for retention, not just a few, so this is a significant weakening of protection.
- The NSW <u>Chief Scientist highlighted</u> a lack of data to assess the effectiveness of previous prescriptions.
- In light of the estimated 50% decline of koalas in northern NSW over the last 20 years, previous prescriptions are unlikely to have been effective. How is it therefore plausible that these weakened prescriptions will protect koalas?

12. Front-loading

We oppose the transition arrangements that permit logging intensity even greater than proposed in the new regime over the first five years by allowing five coupes of 60ha (compared to the 45 proposed) to be logged each year (25 in total) and reducing the return time to an adjacent coupe from 10 years to seven years. These arrangements appear to be designed to maximise timber production as quickly as possible.

We recommend that no transition arrangements be put in place, beyond those designed to transition to an exit from native forest logging on public land.

13. Matters of National Environmental Significance and Key Threatening Processes

We are concerned that the new IFOA will have significant negative impacts on Matters of National Environmental Significance. Beyond just the impact on the CAR reserve network of forest ecosystems, there are at least four fauna species that will be negatively impacted.

The koala is discussed at length above and is listed as 'vulnerable' under federal environment law. The National Koala Conservation and Management Strategy, that expired in 2014, states that: "loss of habitat is the major threat to the koala in Queensland and New South Wales, and is the primary factor responsible for declining populations in those states. This continuing problem, which results mainly from clearing or fragmentation of forest and woodland, must be addressed". The NSW Saving Our Species Icon koala toolbox identifies loss, modification and fragmentation of habitat as a threat. The intensive harvesting zone is clearly antagonistic to both plans, particularly when the Government's own koala habitat mapping has identified that almost half of mapped high-quality koala habitat falls in the intensive zone.

Greater gliders are also listed as vulnerable under federal law. The <u>conservation advice</u> that accompanied the listing of the species clearly identified the impacts of intensive logging practices driving the loss of hollow-bearing trees and fragmenting forests as key threats.

Swift parrots are critically endangered under federal environment law. The national <u>recovery</u> <u>plan</u> for the swift parrot proposes the retention of all trees over 60cm diameter – a recommendation that has clearly been ignored in the new IFOA, and which is entirely incompatible with the proposed intensive harvesting zone. The removal of the requirement to retain nectar trees in logging operations will also negatively impact upon swift parrots.

The regent honeyeater is also listed as critically endangered. The <u>national recovery plan</u> identifies all breeding and foraging habitat as critical to survival. This habitat includes the forests covered by the new IFOA. As in the case of the swift parrot, the removal of the requirement to retain nectar trees will negatively impact regent honeyeater.

We recommend that the NSW Government ensure that logging is compatible with recovery plans, conservation advice and action plans at both a state and federal level.

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