



Plantation timber building Australia

# **Controlled Wood Risk Assessment Version 2.0**

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# 1 Introduction

Timberlink Australia Pty Ltd (“TLA”) is a timber manufacturing company that purchases *Pinus radiata* plantation log from private plantation owners in the Districts of south west Victoria and south east South Australia; known as the Green Triangle Region (“GTR”), and Tasmania.

TLA purchases log on a delivered mill door price basis (“MDP”). TLA does not own or manage plantations, and does not manage the harvesting and delivery process associated with TLA log purchases.

At least 90% of TLA sawlog is sourced from large corporate plantation owners, all of whom are certified as either FSC Forest Management (“FSC FM”), FSC Controlled Wood, or Australian Forestry Standard. In 2014 over 80% of TLA log purchases are certified as FSC Well Managed Forest.

Other sources include a number of small private plantation owners. Collectively these sources can be characterized as small low intensity managed plantations (“SLIMF”) generally on former farm land, sometimes referred to as “Farm Forestry”. SLIMF harvest coupe sizes are generally in the range of 5ha to 25ha in Tasmania, and 10ha to 40ha in the GTR. Many SLIMF owners are members of Australian Forest Growers Association which has a focus on providing support for small farm forest owners, with active branches in the Green Triangle and Tasmania. Very few farm forestry owners manage the harvesting and marketing process, with most preferring to engage a third party harvest and marketing manager or agent.

The area of small plantation owner estate is generally less than 10% of the Australian plantation estate<sup>1</sup>. The collective District area of SLIMF plantations is estimated to be approximately 10,000ha in the GTR and approximately 5,000ha in Tasmania. As TLA is not the only market option for SLIMF owners, not all these areas supply TLA.

FSC Australia has conducted a Controlled Wood National Risk Assessment for Australia. The FSC Standard for Company Evaluation of Controlled Wood, FSC-STD-40-005(V2-1) EN, Annex 3, which outlines the approach and criteria for assessing risk, is used by TLA to assess risk. FSC Australia’s national (Annex 2) risk assessment has assessed a low risk for South Australia and Victoria for 4 controlled wood criteria, and an unspecified risk for High Conservation Value (“HCV”) forest. Tasmania is rated as an unspecified risk for both HCV and conversion of native forest.

TLA believes its verification process is consistent with FSC ADVICE-40-005-14 and FSC Australia guidance on controlled wood implementation<sup>2</sup>. TLA has used the framework from High Conservation Values evaluation framework from FSC Australia (Final V3-4)<sup>3</sup>

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<sup>1</sup> M Gavran, M Parsons (2011) Australian Plantation Statistics 2011, [www.abares.gov.au](http://www.abares.gov.au)

<sup>2</sup> <http://www.fscaustralia.org/policies-and-standards/controlled-wood/guidance-on-controlled-wood-implementation>

<sup>3</sup> <http://au.fsc.org/download.high-conservation-values-evaluation-framework-final-v3-4.231.htm>.

## 2 Approach for assessing HCV risk

The assessment of HCV control systems is examined separately from the perspective of mill door price purchases from SLIMF owners, and large corporate forest owners with their own sophisticated HCV control systems.

### 2.1 Assessing HCV risk for SLIMF suppliers:

SLIMF plantations represent a minor proportion of forest area in relevant Districts, with approximately 10,000ha in the GTR and approximately 5,000ha in Tasmania. To provide context of the extent of SLIMF in the landscape these areas are compared to forest statistics in Table 1 sourced from the national State of the Forests Report<sup>4</sup>.

**Table 1: State of the Forests Report<sup>5</sup>**

State	Pine Plantation Area ('000 ha)	Total Plantation Area ('000 ha)	Total Forest inc Native Vegetation and Plantation Area ('000 ha)	Total Land Area ('000 ha)
Tasmania	75	248	3,116	6,840
Victoria	226	396	7,838	22,742
South Australia	129	172	8,855	98,348

Although *Pinus radiata* is regarded as an endangered species in its native North American habitat, in Australia the introduced species *Pinus radiata* is not listed as a Rare Threatened or Endangered (RTE) species having special habitat significance. Hence the assessment of risk for HCV values associated with the harvest of SLIMF *Pinus radiata* plantations generally focus on the potential impact that the harvesting of SLIMF *Pinus radiata* plantations may have on the values in adjoining areas.

TLA purchases logs from SLIMF suppliers on a mill door basis either direct from the forest owner, or more commonly via an Agent appointed by the forest owner. The Agent is usually a consulting forester or timber marketing company that organizes the necessary harvesting plans and approvals, engages a harvesting contractor, marketing and delivery of the plantation products.

Harvesting of *Pinus radiata* plantations in Tasmania is regulated by the same regulations applicable to the harvesting of native forest, cannot proceed without a Forest Practices Plan prepared by an independently registered Forest Practice Officer, and independently audited by the Tasmanian Government authority Private Forests Tasmania. Harvesting in Victoria must comply with the Victorian Code of Forest Practices and be performed in accordance with a Timber Harvest Plan ("THP") submitted and to regulated by the Local Government Authority. In South Australia harvesting must be in accordance with the Guidelines for Plantation Forestry South Australia<sup>6</sup>.

Prior to purchasing log TLA requires all owners to provide evidence of ownership and complete a grower questionnaire to establish to the best of the forest owners knowledge information on HCV values<sup>7</sup>.

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<sup>4</sup> Unfortunately statistics for total forest cover are not reported for the GTR which straddles the SA and VIC border.

<sup>5</sup> <http://data.daff.gov.au/forestsaustralia/forestsaustralia>

<sup>6</sup> PIRSA (2009) Guidelines for Plantation Forestry in South Australia. Government of South Australia

<sup>7</sup> Self Declaration for uncertified log; TLA Form

For audit purposes publicly available information can be referenced to verify the presence or absence of HCV's in the general area near the SLIMF.

**HCV 1. Forest areas containing habitat for national or state-listed threatened species or species of high significance.**

SLIMF are small plantations, generally in and around highly modified farmed land with little or no native vegetation. Hence the likelihood of RTE species being present the SLIMF *Pinus radiata* is very low. If values are present, they are more likely to be associated with native vegetation in the surrounding area. Regardless of the low risk, the following steps are taken:

- The owner declares any known sites with RTE species.
- Non plantation areas such as native vegetation are shown on a site map.
- As a precaution any areas of native vegetation adjoining each FMU are excluded from the harvest operation regardless of the presence or absence of RTE species.

**HCV 2. Forest areas containing large landscape level forests, contained within, or containing the management unit, where viable populations of most, if not all, naturally occurring species exist in natural patterns of distribution and abundance.**

SLIMF are small scattered plantations in and around farmed land. There are no large landscape level forest considerations at the FMU level.

**HCV 3. Forest areas that are in or contain rare, threatened or endangered ecosystems.**

The same process as HCV 1 applies

**HCV 4. Forest areas that provide basic services of nature in critical situations such as slope, erosion control, water catchment.**

THP requirements are followed in accordance with the state code of practice for forestry. This includes management constraints such as:

- Riparian zones are excluded from disturbance during harvest.
- Creek lines are kept free of activity or debris.
- For erosion control roading is maintained and drainage is maintained.
- Stream crossing is only at designated points.
- In wet periods there are restrictions on harvesting or delivery to minimise turbid run off into drainage lines and erosion.

In the GTR where SLIMF *Pinus radiata* is generally grown on low quality sandy soils with flat terrain, the presence of water courses and associated riparian vegetation is extremely rare, and runoff or erosion hazards negligible.

**HCV 5. Forest areas fundamental to meeting basic needs of local communities (water, food, firewood, shelter, income) with no readily available alternative.**

The provisions for HCV5 are not applicable. SLIMF *Pinus radiata* is grown on private land and purchase of logs is done with the approval of the plantation owner. There is no community reliance on such small privately owned plantations for shelter or fuel wood.

**HCV 6. Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities)**

SLIMF may be located on land with some cultural or heritage values, so the owner is asked to declare any known sites heritage sites<sup>8</sup>. Publicly available databases may also be interrogated for the presence of Heritage sites for audit or THP purposes. If sites or artifacts are found during activities the SLIMF owner or agent can contact the appropriate authority and follow their instructions.

## 2.2 Assessing HCV risk for large corporate suppliers

In the GTR, there are currently four large corporates that own *Pinus radiata* plantations. Hancock Victorian Plantations and the Green Triangle Forest Trust (managed by Timberlands Pacific Pty Ltd) have FSC Well Managed Forest certification, and One Forty One plantations and Green Triangle Forest Products have Australian Forestry Standard certification only.

In Tasmania there are four large corporate forest owners that own *Pinus radiata* plantations. Taswood Growers (managed by Timberlands Pacific Pty Ltd) and Norske Skog have FSC Well Managed Forest certification, Forico (previously Gunns Ltd) have FSC Controlled Wood certification, and Forestry Tasmania has Australian Forestry Standard certification only.

Regardless of the type of certification, all large corporate plantation owners have sophisticated management plans and processes, including THP processes and management plans for the management of special values such as HCV. These processes are subject to independent scrutiny via the audit processes of the certification scheme, as well as independent audit by various customer controlled wood or chain of custody certification requirements.

Where plantation companies have FSC CW or FSC FM these certifications are relied upon as evidence of compliance with FSC HCV and conversion criteria. Where plantation companies have only Australian Forest Standard certification, additional audits and checks are conducted by TLA to verify compliance with FSC HVC and conversion criteria in compliance with Annex 3 of FSC-STD-40-005.

### **HCV 1. Forest areas containing habitat for national or state-listed threatened species or species of high significance.**

Company biodiversity, HCV or special values plans are checked and compared with FMU requirements in the THP.

### **HCV 2. Forest areas containing large landscape level forests, contained within, or containing the management unit, where viable populations of most, if not all, naturally occurring species exist in natural patterns of distribution and abundance.**

Plantation forests in districts supplying TLA are spread across the landscape and are generally remote from major population centres. Forest management plans are checked for landscape values and compared with FMU requirements under the THP

### **HCV 3. Forest areas that are in or contain rare, threatened or endangered ecosystems.**

The same process as HCV 1 applies.

### **HCV 4. Forest areas that provide basic services of nature in critical situations such as slope, erosion control, water catchment.**

All large corporate *Pinus radiata* owners engage full time professional plantation managers who use sophisticated THP management processes. These processes include requirements to ensure compliance with state code of practice for forestry operations.

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<sup>8</sup> Self Declaration for uncertified log; TLA Form

This includes harvest management constraints at a FMU level such as:

- Riparian zones are excluded from disturbance during harvest.
- Creek lines are kept free of activity or debris.
- For erosion control roading is maintained and drainage is maintained.
- Stream crossing is only at designated points.
- In wet periods there are restrictions on harvesting or delivery to minimise turbid run off into drainage lines and erosion.

**HCV 5. Forest areas fundamental to meeting basic needs of local communities (water, food, firewood, shelter, income) with no readily available alternative.**

The provisions for HCV5 are not applicable. Plantation forest products are sourced from privately owned plantation with the approval of the plantation owner. There is no community reliance on these privately owned plantations for shelter or fuel wood.

**HCV 6. Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities)**

Company biodiversity, HCV or special values plans are checked and compared with FMU requirements under the THP.

If sites or artifacts are found during harvest activities, all large corporate owners have systems to contact the appropriate authorities and stakeholders in order to seek their advice and guidance on future management.

### 3 Assessing conversion risk

FSC criteria require no native forest to be converted to plantation on or after 1994. Note the conversion of plantation land to other uses is not considered conversion<sup>9</sup>.

TLA processes *Pinus radiata* sawlog sourced from clear fell harvest events into structural solid wood products. In Tasmania SLIMF are typically managed on a single thinning (for pulplog, posts or poles) or unthinned clear fell silvicultural regime. Under these regimes sawlog purchased by TLA is generated from clear fell harvest events around 30 years of age.

Hence any *Pinus radiata* plantation converted from native forest will not generate sawlog from clear fell until around 2025, thirty years after 1995.

Regardless, if there is any doubt regarding whether establishment was in 1995 or later, TLA will either reject material planted on or after 1994 from suppliers not certified to FSC, or obtain evidence that the plantation was not established on converted native forest land.

### 4 Verification Procedure.

Suppliers lacking FSC Well Managed Forest or FSC Controlled Wood certifications in the GTR and Tasmania are included in TLA's verification audit program in compliance with Annex 3 of FSC-STD-40-005. For all suppliers including private growers detailed records are kept of supplying blocks and these are made available to FSC auditors.

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<sup>9</sup> Standard for Company Evaluation of FSC Controlled Wood. FSC-STD-40-005 (V2-1) EN

For undetermined HCV and or conversion risk, the onus is on the supplier to demonstrate a strong system of control that TLA can confirm in their verification audits. The system of control for each of the suppliers is set out in detail in this document (above).

TLA uses its audit procedure Controlled Wood Verification Audit Procedure and associated forms for the verification of uncertified (FSC) sources.

TLA personnel conducting field verification audits have had appropriate training and experience against the requirements of the FSC Australia HCV framework. Training records are kept.

Audits will occur at a timing that prevents uncontrolled wood passing through the supply chain. In practical terms this means audits will be on active harvesting blocks just before or just after the wood is harvested.

## 5 District Sampling Plans

There are 2 districts for the sampling plan. These are selected because these are distinct geographic regions with common features landscapes and morphology. Supply from all of these regions is *Pinus radiata* plantations.

District 1. Green Triangle Region.

District 2 Tasmania

Any FSC certified supply is outside the scope of the TLA controlled wood certification, and are therefore excluded from the calculation of the sampling plan.

The number of FMUs to be verified in an audit year is specified in the CW Verification Audit Procedure.

The small volume of log purchased from uncertified suppliers, plus the small number of FMU's means sample frequency is low for both districts, hence sample intensity often will exceed minimum requirements.