

Compliance priorities ensure that the EPA targets its regulatory effort on issues deemed to be at high risk of harm or non-compliance. They also provide a clear indication of the EPA's expectations regarding environmental performance.

The EPA's compliance program comprises responsive and proactive activities. Responsive activities include investigating public complaints or notifications. They can also include self-reported incidents by Forestry Corporation. Proactive activities such as audits can focus on geographic areas where public notifications are less likely.

Range of regulatory tools to achieve compliance

The EPA uses a range of regulatory tools to help achieve compliance, including audits, monitoring inspections, investigations, notices, penalty notices, and education/training.

The EPA's compliance audits are independent from the entity being audited. Compliance audits are a preventative tool insofar as they aim to identify risks before they develop into an environmental incident. Compliance audits use a systematic process of assessing actual performance against environmental risk. The scale of harm, sensitivity of the environment and likelihood of environmental harm occurring are used to determine risk. This is followed by a request to take action where improvements are required to reduce environmental risk.

The request allows the auditee to take appropriate risk abatement action to prevent future incidents. Audits are not used to follow up community concerns or intelligence that suggests issues of non-compliance. Investigations are used in these instances.

The EPA carries out investigations to respond to incidents and community concerns about the impacts of logging. Unlike audits, investigations are designed to suit a specific incident or set of allegations. The investigative process is more flexible but aligns to principles of procedural fairness. Investigations can result in a range of actions such as no action, education, improving awareness of law and environmental issues, corrective action, warnings, cautions, penalties, prosecutions, or recommendations for policy and legislative reform.

Crown native forestry compliance and enforcement activities

The EPA's compliance priorities are set annually and are subject to ongoing review. The findings and proposed actions from compliance audits and investigations inform future regulatory activities.

In 2015-16, the EPA completed 14 proactive compliance audits and 21 investigations of forestry operations on NSW public lands. This regulatory work targeted our compliance priorities of hollow-bearing and recruitment trees, koala habitat, stream protection, water pollution and road drainage, forest structure and landscape, and threatened species exclusion zones.

Compliance audit reports for individual public forestry operations are available on the EPA's public register.

Total non-compliances on public land

Non-compliances found and reported by the EPA included:

- 29 non-compliances with EPL conditions
- nine non-compliances with section 120 of the POEO Act
- 190 non-compliances with TSL conditions.
- three non-compliances with the *National Parks and Wildlife Act 1974*.

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During 2015–16 the EPA issued Forestry Corporation with 56 requests to develop and implement audit action plans to prevent recurrence of non-compliances and minimise the risk of future environmental incidents. The EPA also issued Forestry Corporation with one formal warning, six show cause letters, 11 official cautions, two clean-up notices, and two penalty notices. The EPA also commenced prosecutions in the Land and Environment Court for impacts from logging in the Glenbog and Badja state forests.

Most non-compliances with TSL conditions were found through the EPA's compliance audit programs. For many of these, Forestry Corporation was asked to put specific action plans in place to address the root cause of a non-compliance. Some of the higher risk non-compliances were followed up with a separate investigation done outside the auditing process.

IFOA regional summary

Upper North East region (UNE)

Audits

The EPA completed three audits in this region during the reporting period.

The region achieved an overall compliance rate of approximately 82%, comprising 147 assessments of compliance with 26 recorded non-compliances. Non-compliance mainly related to water pollution, hollow-bearing and recruitment tree protection, and protection and field mark-up of exclusion zones.

As a result of these audit findings, the EPA requested Forestry Corporation to develop and implement 12 separate audit action plans for matters of non-compliance and environmental risk.

Investigations

The EPA completed one investigation in this region where Forestry Corporation was issued with two penalty notices for harming threatened plants while logging the state forest.

Lower North East region (LNE)

Audits

The EPA completed eight audits in this region during the reporting period.

The region achieved an overall compliance rate of approximately 68%, comprising 370 assessments of compliance with 118 recorded non-compliances. Non-compliances mainly related to incidents of water pollution, hollow-bearing and recruitment tree protection, recruitment tree selection and protection, and field mark-up of exclusion zones.

As a result of these audit findings, the EPA requested Forestry Corporation to develop and implement 39 separate audit action plans for matters of non-compliance and environmental risk.

Investigations

The EPA completed eight investigations in this region. Non-compliances found by these investigations related to inadequate protection of rainforest and old growth, not marking exclusion zone boundaries in the field, and failure to search for and protect wombat habitat north of the Oxley Highway. Official cautions were issued for most of these non-compliances. No penalty notices were issued.