Question 1

CHAIR: Thank you. Are you able to identify the names of those reports or references for them, or could you take that on notice and provide us with the information, please?

Mr KEARNEY: I will take that on notice, yes.

Response: Forestry Corporation has attached 2 relevant reports for the committee's consideration.

Report1 Title: 2011 Strategic Review of NSW Crown Native Forestry Regulatory Framework Date: September 2011 Authors: Troy Collings & Gillian Chappell

Report 2 Title: Issues Relating to the regulatory Framework for the Integrated Forestry Operations Approval Process in NSW – a report to the Chief Executive Officer of Forests NSW Date: June 2012 Author: Graham Wilkinson

Question 2

Dr MEHREEN FARUQI: I have had a quick look at your annual report—I think 2012-13 is the latest one—and I could not really find much in there about koala high-use areas or reporting on the principles of ecologically sustainable forest management. Does the EPA require a separate report from the Forestry Corporation on those sorts of issues?

Mr KEARNEY: There are annual returns required for each of the licences we hold. In terms of the content of our annual report, I would have to take that on notice because I am not sure.

Response: Forestry Corporation's annual reports do not specifically report on koala high use areas. Threatened species surveys and sightings are reported on in the Corporation's annual sustainability supplement.

In addition to the annual report and sustainability supplement FCNSW fulfils a number of reporting obligations to satisfy organisational, state, national and international requirements for sustainable forest management.

At the State level, FCNSW is required to contribute to or report on the:

- Commonwealth/State Regional Forest Agreements (RFA) (The NSW State Forest Agreements (FA) comprised of:
 - Criteria and Indicators Report
 - FA Milestones Report
- The Integrated Forestry Operations Approvals (IFOA) comprised of:

- IFOA Annual Report on Forestry Operations for Western IFOAs
- Annual Logging Plans of Operation
- IFOA Monthly Reports
- Forest Products Operations Reports
- Forest Products Plans of Operation
- Annual Logging Reports
- Annual EPL Returns

- State of the Environment Report (SoE).

At the national and international level, FCNSW contributes to the:

- State of the Forests (SoF) report, which is produced every 5 years by the Commonwealth, based on the international Montreal Process Criteria and Indicators. This report also fulfils Australia's international reporting obligations.
- The RFA report compiled by Office of Environment and Heritage for submission to the Commonwealth

FCNSW sustainability reporting, both voluntary and statutory, is based on the international Montreal Process Criteria and Indicators. These social, environmental and economic performance indicators were agreed at the state, national and international level in 1998. A review in 2008 revised the indicators to reflect performance measures that are more meaningful and which convey stakeholder expectations. The revised set of indicators has been endorsed by the Montreal Process Working Group (MPWG) at the international level. This revised set of indicators forms the basis of FCNSW sustainability reporting.

The Montreal Criteria and Indicators underpin FCNSWs Forest Management System, our Ecologically Sustainable Forest Management Plans and Australian Forestry Standard certification and thereby form a robust framework for all sustainability reporting.

Question 3

The Hon. LUKE FOLEY: You might like to take this question on notice. I would like some evidence on the extent of your logging operations in the Royal Camp State Forest. Could you come back to us with some figures on the volume extracted from the Royal Camp State Forest in recent years and the dollar value of that?

Mr KEARNEY: Yes.

The Hon. LUKE FOLEY: Could you place that in the context of the total volume you are required to supply to your customers in the North Coast region under the wood supply agreement?

Response: See over page.

Harvesting Figures for Royal Camp State Forests

Compartments 14, 15 & 16 September 2012 – September 2013

	Harvest Volume	Delivered Value
Row Labels	m3	\$
Girders	2	141
Poles	1,106	94,187
High Quality Sawlog	3,254	204,680
Low Quality Sawlog	3,263	215,815
Fire Wood	171	7,985
Total	7,796	522,808

Wood Supply Figures – Northern Rivers Supply Zone and North Coast Total Based on current wood supply agreements 2014

	Supply Zone 1		
	(Northern Rivers)	North Coast Total	
Product	m3	m3	
Girders	500	3,000	
Poles	1,800	27,000	
High Quality Sawlog	20,000	200,000	
Veneer Logs	1,250	15,000	
Low Quality Sawlog	13,500	210,000	
Firewood	750	12,500	
Pulp	-	15,000	
Total	37,800	482,500	

Significant Customer Impacts from Royal Camp State Forest Compartments 14, 15 & 16 September 2012 – September 2013

1. High Quality Sawlog Customers

	Mean Annual Intake	Intake from Royal Camp	
Customer	m3	m3	%
Hurfords	19,000	2,603	13.5%
Koppers	26,000	892	3.4%
Notaras	13,000	624	4.8%

2. Low Quality Sawlog Customers

	Mean annual intake	Intake from Royal Camp	
Customer	m3	m3	%
Hurfords	5000	1,150	23%
HARDOO HOLDINGS	1200	527	44%
HOGANS SAWMILL	1000	462	46%

All Customers

List of High Quality Product Customers supplied from Royal Camp State Forest Compartments 14, 15 & 16

September 2012 – September 2013 Including those supplied minor quantities

Boral Coffs Harbour Hardwoods Hurfords Building Products Koppers Wood Products JNS Notaras & Sons LJ Williams & Sons

List of Low Quality Sawlog Customers supplied from Royal Camp State Forest Compartments 14, 15 & 16 September 2012 – September 2013 Including those supplied minor quantities

HARDOO HOLDINGS HENSONS SAWMILL HOGANS SAWMILL HURFORD building Products McGregor Jordon JNS Notaras & Sons OUTBACK TIMBER PINEFLEX KILLARNEY URBENVILLE MILL Warner, D Wotton, B YARRAMAN PINE