

# Montana Timber verification of controlled wood supply 2014-15.

## Introduction

Montana Timber has controlled wood supply for their products from local controlled material source

Local supply is from the following suppliers:

Approved Fibre supplier	FSC product group	FSC Claim
VicForest Level 7, 473 Bourke Street, Melbourne Vic 3000 via stumpage agreement to Ironwood Bridge and Wharf Components Pty Ltd.	W1.1 Roundwood (logs)	Controlled material

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Montana Timber has conducted a risk assessment on supply as part of their verification program for controlled wood sources under FSC-STD-40-005(V2-1) EN. Given that FSC Australia have published an FSC accredited national (Annex 2) risk assessment there is already a determination of **Low risk for Victoria** at the annex 2 level for 4 of the 5 controlled wood criteria. Therefore the risk assessment is confined to an Annex 3 verification focused on High Conservations values (HCV) only.

The national risk assessment found an unspecified risk for HCV. **Therefore a verification process according to FSC-STD-40-005(V2-1) EN. Annex 3 needs to be carried out.** In order for the wood to qualify as controlled wood this verification needs to confirm that supplier and harvest contractors have a strong system of control for HCV at all stages of their operations.

This verification process has been updated to be consistent with FSC ADVICE-40-005-14 and FSC Australia guidance on controlled wood implementation <http://www.fscaustralia.org/policies-and-standards/controlled-wood/guidance-on-controlled-wood-implementation>. In addition all applicable and current FSC International advice notes are followed.

For the determination of a strong system of control for HVC the FSC Australia guidelines have been used. <http://au.fsc.org/download.high-conservation-values-evaluation-framework-final-v3-4.231.htm>

## Contents

- 1 Assessment of The suppliers system of control for HCV.
- 2 Procedures for verifying the supplier's procedures at the annex 3 level.
- 3 Summary and rationale for Districts and sample plans.

### **1. Assessment of the HCV control system**

Ironwood Bridge and Wharf Components Pty Ltd buys logs on a Stumpage basis from VicForest and harvests on contract to Montana Timber. The land is owned by the State Government and is under the management of the Department of Environment and Primary Industries (DEPI)

DEPI have responsibility for setting standards and administering Regulations codes of practice pursuant to the [Sustainable Timber Act](#) and conducting compliance e.g. audit and possible prosecutions of breaches. VicForest have responsibility for all operational issues including evaluation and planning of coups for harvest.

See <http://www.depi.vic.gov.au/forestry-and-land-use/timber-production/roles-and-responsibilities>

#### IMPORTANT NOTE

Coups harvested by Iron Wood for Montana Timber are coups that were allocated to VicForest, for which full planning and evaluation for harvest (including protection of HCV) has been done but have been rejected by VicForest for their harvest programme normally for economic reasons. However these coups are still viable for selective harvest of durable species so the wood is bought by Ironwood on a stumpage basis for supply to Montana.

**Therefore examination of the HCV control system focuses on planning and controls developed by VicForest and how this is operationalized by Ironwood and the harvest contractor.**

**However Montana and their harvest contractors take additional measures to preserve HCV values for example using a method of harvesting that leaves most of the original structure of the forest intact therefore HCV 2 values (landscape level values) are not compromised.**

## General

The controlled materials are sourced from mixed foothill and coastal mixed species forest in [East Gippsland Forest management area](#)

## **HCV Control systems**

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

Vicforest generate maps of RTE species using publically available overlays provided by DEPI plus additional information eg from ground truthing exercises or specific species surveys or research

This leads to a map of known values which are developed into an operations plan and a coup plan . In the operations plan a management planning framework is used to decide the management prescription for each of the values found. In addition other reference material may be used for specific values e.g. [Action Statement No. 254 Long-nosed Potoroo - Potorous tridactylus Flora and Fauna Guarantee Act 1988](#)

The map may trigger a site survey which in turn may alter the operations and Coup plan if additional values are found. These surveys are only done close to the time when the coup is scheduled for harvest so that the most current status of the HCV 1 values are identified and managed.

Once finalized the protection focuses on habitat protection. Normally this involves an on ground exclusion or buffer around the identified value. These exclusions are demarked by physical on ground markings.

In the case of Ironwood VicForest hand over to the current Harvest contractor<sup>1</sup>. The contractor is given the coup plan and the reasons for the exclusions outlined. The contractor has no latitude to vary the exclusions but can identify additional values and bring these to the attention of ViCForest for inclusion in the operations plan and coup plan.

The contractor and VicForest Sign the coup plan to notarize the handover.

Exhibits retained by Montana Timber for the FSC auditor.

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<sup>1</sup> Beveridges Logging Pty LTD 97 Prestons Rd Newmerella VIC 3888.

Lists of data overlays used  
Map produced from use of Overlays  
Completed operational plan showing prescriptions applied for specific values.  
Completed coup plan showing handover is completed.  
Photographs of physical exclusions market in the coup.

**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.**

The East Gippsland forest region contains landscape level forests comprising national parks, reserves and production forests.

Landscape level values are considered by VicForests in the planning state eg codes of practice for maximum thinning and coup size.

**However the coups are not harvest by Vicforests.**

Ironwood apply a harvesting techniques of non-conventional “thinning”, single tree and gap selection techniques that contribute to improved structural diversity so that forest remains largely stocked with a mix of retained trees and regeneration in gaps.

Under this approach the landscape level values for the whole forest area are not compromised.

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

Vicforest generate maps of Ecosystems and EVC using publically available overlays provided by DEPI plus additional information e.g. from ground truthing exercises or specific species surveys or research eg  
This leads to a map of known values with are developed into an operations plan and a coup plan . In the operations plan a management planning framework is used to decide the management prescription for each of the values found. In addition other reference material may be used for specific values

The map may trigger a site survey which in turn may alter the operations and Coup plan if additional values are found. These surveys are only done close to the time when the coup is scheduled for harvest so that the most current status of the HCV 3 values are known and managed.

Once finalized the protection focuses on ecosystem protection. Normally this involves an on ground exclusion or buffer around the identified value. These exclusions are demarked by physical on ground markings.

In the case of Montana Timber VicForest hand over to the current Harvest contractor<sup>2</sup>. The contractor is given the coup plan and the reasons for the exclusions outlined. The contractor has no latitude to vary the exclusions but can identify additional values and bring these to the attention of ViCForest for inclusion in the operations plan and coup plan.

The contractor and VicForest Sign the coup plan to notarize the handover.

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

Planning for preservation of HCV 4 values is based on the DEPI [Code of Practice for Timber Production](#)

VicForest also follow Their [Utilization Procedures](#) when planning for HCV 4 protection e.g for road and haulage planning.

Vicforest may vary the plan from the Code of Practice ONLY with DEPI approval for the variation. The site map produced clearly shows the protections and any variations.

For water issues the overlay used will identify if the coup is in a water catchment area. In this case DEPI or the relevant Catchment Management Authority may impose restrictions e.g. seasonal closures and these become part of the plan approval process.

For other issues such as drainage management set-backs from water ways etc the Code of Practice is followed.

The operations plan and the Coup plan reflect the Code of Practice and other controls applied.

Fire management is prescribed by DPIE according to the identified fire zones the overlays show the fire zone for the coup.

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<sup>2</sup> Beveridges Logging Pty LTD 97 Prestons Rd Newmerella VIC 3888.

The four Fire Management Zones are:

- Asset Protection Zone
- Bushfire Moderation Zone
- Landscape Management Zone
- Planned Burning Exclusion Zone.

Source: [Code of Practice for Bushfire Management on Public Land](#)

The prescribed fire management strategy is operationalized by the operations plan and the coup plan.

The contractor is given the coup plan and the prescriptions are outlined. The contractor has no latitude to vary the prescriptions.

The contractor and VicForest Sign the coup plan to notarize the handover.

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

NOTE: These are not applicable in this situation i.e., no one relies on these forests for basic needs such as food or shelter.

**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)**

VicForest generate maps of cultural and historical sites using publically available overlays provided by DEPI plus additional information e.g. from discussions with local communities or site inspections.

If any values are identified they are referred to the appropriate authority (Aboriginal Affairs Victoria and *Cultural Heritage Victoria*) who will advise on the management prescriptions required.

This may involve a site visit or bringing affected local people e.g. traditional owners or families to inspect the site. ALL VicForest staff also have training in identification of cultural heritage values, training is refreshed every 2 years.

In addition VicForest has a dedicated officer who liaises with local and indigenous groups on matters of cultural heritage management.

This work leads to a map of known values with prescriptions for management developed into an operations plan and a coup plan .

The map may trigger a site survey which in turn may alter the operations and Coup plan if additional values are found. These surveys are only done close to the time when the coup is scheduled for harvest.

Once finalized the protection focuses on value protection. Normally this involves an on ground exclusion or buffer around the identified value. These exclusions are demarked by physical on ground markings.

In the case of Ironwood VicForest hand over to the current Harvest contractor . The contractor is given the coup plan and the reasons for the exclusions outlined. The contractor has no latitude to vary the exclusions but can identify additional values and bring these to the attention of ViCForest for inclusion in the operations plan and coup plan.

The contractor and VicForest Sign the coup plan to notarize the handover.

If un recorded sites or values or suspected values are identified during harvest operations, these will stop and a buffer applied to the identified area. The VicForest Cultural Heritage officer is informed and the appropriate authority (Aboriginal Affairs Victoria and Cultural Heritage Victoria) is called in to advise on the appropriate protection of the identified value.

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## **2. Procedure for verifying the supplier's at the Annex 3 level.**

### **Controlled Wood Verification Program**

Detailed records are kept of supplying blocks and these are made available to FSC auditors. In addition the blocks form part of the publically available [current approved VicForest Timber release Plan](#).

Montana Timber has adopted the FSC Australia Annex 2 risk assessment. It identified low risk for all controlled wood categories except HCV (3.1 and 3.2) which was undetermined at all IBRA bioregions in Australia.

Therefore Montana Timber completes an annex 3 risk assessment on HCV for all its suppliers using the draft guidelines from FSC Australia as the benchmark. "High Conservation Values (HCVs) evaluation framework for use in the context of implementing FSC Controlled Wood standards <http://au.fsc.org/download/high-conservation-values-evaluation-framework-final-v3-4.231.htm>

Under this approach there is verification that appropriate 'tools' have been used to satisfy the 6 classes of HCV. The assessments have been completed of all suppliers using FSC Australia guidelines (the 'tools not rules approach'). Under this there is verification that appropriate 'tools' have been used to satisfy the 6 classes of HCV e.g. publically available ecological maps of RTE species and ecosystems for HCV 1 and HCV 3

In the Annex 2 risk assessment under 3.1 and 3.2 there is an undetermined risk. Therefore the onus is on VicForest as the supplier and the harvest contractors to demonstrate a strong system of control that Montana Timber can confirm in their verification audits. The system of control for each of the suppliers is set out in detail in this document (above).

### **Stakeholder consultation**

Montana Timber has developed a stakeholder consultation process including NGOs and local indigenous representatives. On at least an annual basis these stakeholders are consulted on the verification audits. In practice the consultation is ongoing over the operational year. Where issues are raised these are taken into account if possible/practical.



The publication of this document is part of that stakeholder process.

#### Auditor training

Montana Timber personnel or their contract auditors conducting field verification audits have had appropriate training on the concept of High Conservation Values against the requirements of the FSC Australia HCV framework. Training records are kept.

#### Audit timing

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 or just before or after the wood is harvested.

### **3. Districts and Sampling Plans**

There are nominally 2 districts for the sampling plan. These are selected because these are [distinct IBRA Bioregions](#)

East Gippsland Uplands  
East Gippsland Lowlands. .

#### **NB**

The sampling plan is calculated on the basis of the number of:

Sample frequency =  $0.8 \times \sqrt{n}$  FMUs

The FSC definition of a Forest Management Unit (FMU) is :

*“A clearly defined forest area with mapped boundaries, managed by a single managerial body to a set of explicit objectives which are expressed in a self-contained multi-year management plan”.*

FSC Source: FSC-STD-20-011 V1-1 ref FSC Glossary of Terms FSC-STD-01-002 (V1-0) EN

**For the purpose of the sampling plan an estimate of the number of harvest blocks (not FMUs) in an audit year is used to calculate a meaningful sample in each district.**

**Often up to 12 blocks are allocated but only 2-3 are harvested. As a conservative estimate 100% of harvest blocks are sampled up to 3 harvest blocks. In order to meet the sampling requirements additional blocks sampled when more than 11 blocks are harvested in one year.**

This sampling regime means that the sample will always meet or exceed the sample rates required by FSC STD 40 005 Annex 3.

This results in the following audit frequency for the 2014/15 wood flow year

Supplier	East Gippsland Lowland	East Gippsland Highlands
Vicforest	3	0