

Frequently Asked Questions – Update to the *Code of Practice for Timber Production 2014*

1. What is the Code of Practice for Timber Production 2014, and why is it important?

The *Code of Practice for Timber Production 2014* is the primary instrument for regulating timber harvesting operations in Victoria's publicly owned state forests, private native forests and plantations. It recognises Victoria's native forests are an important part of our environmental, economic, social, recreational and cultural identity and outlines the environmental standards for planning and conducting commercial timber harvesting.

The Code regulates private native forests and plantations to ensure that practices are sustainable and manage the ongoing health of land, water and biodiversity assets.

2. Who is responsible for regulating timber harvesting in Victoria's State forests?

Regulation of timber production occurs through several mechanisms, with ultimate responsibility resting with the Minister for Energy, Environment and Climate Change.

The Minister (through the Department of Environment, Water, Land and Planning), makes the *Code of Practice for Timber Production 2014* (the Code); which regulates timber production in line with relevant laws (including *Sustainable Forests (Timber) Act 2004*, *Flora and Fauna Guarantee Act 1988* and *Forests Act 1958*). The Code incorporates the *Management Standards and Procedures for timber harvesting operations in Victoria's State forests 2014* (the MSPs). The MSPs provide specific directions and mandatory operational instructions that timber harvesting managers must follow to ensure compliance with the Code.

The Office of the Conservation Regulator (OCR) is responsible for monitoring compliance and enforcing legislation and statutory rules administered by DELWP – including for timber harvesting in State forests. The OCR also provides feedback to policy areas of DELWP on the functioning of timber harvesting laws including opportunities for improvements to support outcomes and enforceability. VicForests is responsible for ensuring its employees and contractors comply with the regulatory framework.

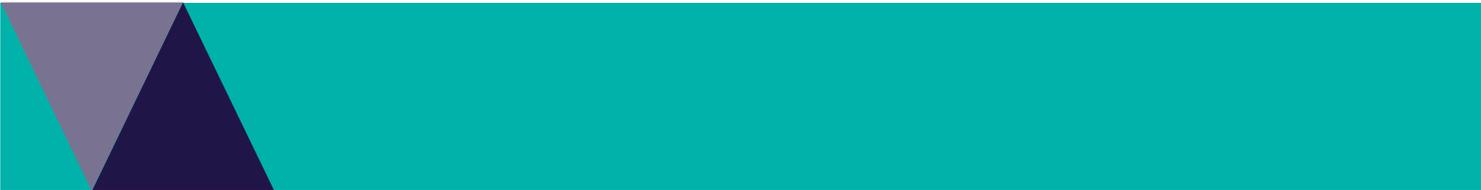
3. Why is the Code being updated?

The 2018 *Independent Review of Timber Harvesting Regulation* report was requested by the Minister for Energy, Environment and Climate Change as part of a continuous improvement process, to ensure that timber harvesting regulations were contemporary, and to provide greater clarity and certainty for state forest management.

Recommendation 10 of the report outlined the need to improve regulatory tools. As such, DELWP has started a two-staged review of the Code to provide greater regulatory certainty and improve environmental outcomes. This update is part one of the staged review of the Code, and the goals are explained in the next section.

4. What is the focus of this update to the Code?

The updates to the Code are focused on timber production in State forest. The Code is being updated to ensure that it and its incorporated document, the *Management Standards and Procedures for timber harvesting operations in Victoria's State forests* (MSPs), are clear, accurate and enforceable. The update will focus on clarifying roles and responsibilities, clearly stating purpose, scope and the intent of the instrument, and correcting administrative errors. It will also incorporate a limited number of existing government commitments such as the protection of large trees. A draft copy of the updated Code and MSPs is available for review and feedback at <https://engage.vic.gov.au/future-of-our-forests/code-of-practice>.



5. How will the 2019 update to the Code respond to the Independent Review of Timber Harvesting Regulations?

The current update responds to Recommendation 10 of the 2018 *Independent Review of Timber Harvesting Regulations*. It will ensure the code is clear, accurate and enforceable and help build a shared understanding of the Code across the community. The public consultation process will provide an opportunity for stakeholders and the general public to raise concerns about the proposed changes to the Code.

6. Can I provide feedback on the draft Code? If so, how will it be considered?

Yes. Public consultation will occur for a minimum of 28 days. During this phase anyone can provide feedback via the Engage Victoria website at <https://engage.vic.gov.au/future-of-our-forests/code-of-practice>. Feedback on the draft Code, MSPs, and the Regulatory Impact Statement (RIS) will be considered before any regulatory changes being made.

7. What is the second stage of the Code review and when will it occur?

The comprehensive scientific review of the Code will be based on new scientific evidence, information and findings from the Regional Forest Agreements (RFA) forest value assessments, and broader regulatory and forest management planning reviews. The scope of the review will be developed in consultation with DELWP's Chief Conservation Regulator, Traditional Owners, key stakeholders and forest management and biodiversity experts. Planning for the scientific review will commence later this year.

8. Why are you updating the Code now when you are about to commence a comprehensive review?

Immediate amendments to the Code will ensure the Chief Conservation Regulator can rely on the Code to enforce Victoria's conservation laws. This update to the Code will also ensure that Victorian Government policies, such as the large tree protection, are incorporated in these laws.

9. How does the 2019 update to the Code fit in with broader forest policy reforms and renewal of the Regional Forest Agreements?

The Code, a regulatory tool, is being updated as part of the reform of forest management. This includes modernising Victoria's RFAs and forest management system. The reform of forest management will ensure the best possible outcomes for the environment and community.

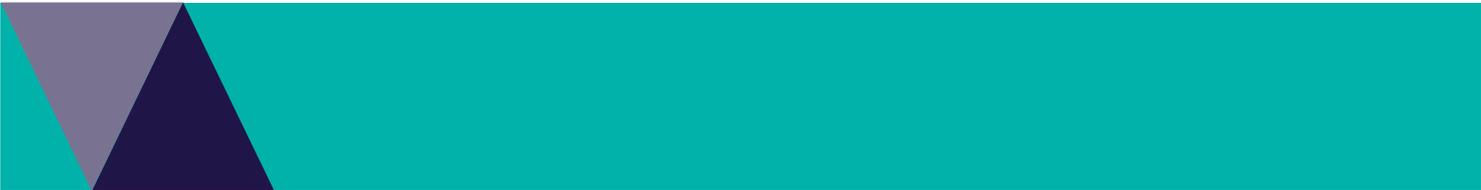
Amendments to the Code

10. What are the proposed changes you have made to the Code?

This update to the Code incorporates the protection of large trees and the Large Brown Tree Frog to ensure the Code is in line with current government policy. Other changes, that are not expected to have a significant social and economic impact on Victoria and do not fundamentally alter the nature of forest management and timber harvesting in Victoria include:

- clarifying roles and responsibilities,
- clearly stating the purpose, scope and the intent of the instrument
- clarifying existing prescriptions, and
- fixing spelling errors and incorrect species names.

These changes are being made to make it easier for stakeholders, government and industry to read, use and interpret the Code.



11. Why have sections of the Management Standards and Procedures for timber harvesting operations in Victoria's State forests 2019 been removed? Doesn't this reduce regulatory requirements?

Some sections of the *Management Standards and Procedures for timber harvesting operations in Victoria's State forests 2014* (MSPs) have been removed where they cause unnecessary duplication with other regulatory requirements or confuse the roles and responsibilities for timber production. These changes do not change the regulatory requirements already in place.

12. Why have you changed the structure of the Management Standards and Procedures for timber harvesting operations in Victoria's State forests?

The *Management Standards and Procedures for timber harvesting operations in Victoria's State forests* (MSPs) are currently confusing and inefficiently laid out – for example, some sections cross reference between multiple tables and clauses which may heighten the risk of misinterpretation of instructions or prescriptions. The 2019 Code update will simplify the structure of this document. The update will also merge the relevant information for detection-based prescriptions from the *Planning Standards for timber harvesting operations in Victoria's State forests 2014* (Appendix 5) to the MSPs, which will mean only one document will be required to obtain all necessary information.

13. How will the 2019 Code be structured?

The Code and its incorporated document, the MSPs, will continue to be the primary regulations for timber harvesting in Victoria. The *Planning Standards for timber harvesting operations in Victoria's State Forests 2014* (formally Appendix 5 to the MSPs) will be removed. Regulations that applied to timber harvesting managers that were previously in the Planning Standards have been consolidated into the MSPs.

14. Why have the Planning Standards for timber harvesting operations in Victoria's State forests been removed from the Code? Does this reduce the responsibility of DELWP to deliver effective forest management zoning to protect important forest values?

The *Planning Standards for timber harvesting operations in Victoria's State forests* contained:

- Fixed-zoning actions for forest assets like streams and specific vegetation communities; and
- Detection-based zoning actions, for instances like when threatened flora and fauna species are found.

Fixed-zoning actions represent forest management actions and zones that have historically been undertaken, established and maintained to protect important forest values. These zones, which are still described in Forest Management Plans and Action Statements, form a part of the Forest Management Zoning scheme which complements Victoria's 'comprehensive, adequate and representative' (CAR) system of protected areas (first developed under the first round of the RFAs in the late 1990s).

When the Code was reviewed in 2014, it consolidated the fixed-zoning actions into one document, the Planning Standards, to provide a handy reference guide outlining the forest management zoning directions from a point in time.. However, the fixed-zoning actions relate to the role of the Secretary to DELWP rather than VicForests, so this change created confusion about roles and responsibilities in relation to the Code.

The 2019 update to the Code aims to improve clarity of roles and responsibilities by moving the detection-based zoning prescriptions that were found in the Planning Standards into the *Management Standards and Procedures for timber harvesting operations in Victoria's State forests 2019* (MSPs).

Moving forward, the department will also develop a procedure that outlines the process for forest management zoning including a description of historic fixed zoning actions previously described in the Planning Standards. DELWP's processes for forest management zoning will be documented and published, ensuring that there is transparency of current regulatory requirements. There is no reduction to environmental protections as a result of these proposed changes to the Code.



15. Why have you changed the habitat tree retention rates in the Management Standards and Procedures for timber harvesting operations in Victoria’s State forests? Does this reduce protection for habitat trees?

There has been no reduction in protection for habitat trees. In the current Code, trees are specified to be retained during timber operations, generally prioritising large hollow bearing trees. In addition to this requirement, there is also guidance around the minimum number of trees to be retained relative to the area of the timber harvesting operations. These prescriptions have not changed in the proposed variations to the Code, but we have clarified that the minimum number of trees retained can be applied across the whole coupe, not on each hectare of the harvested area. For example, for a 20-hectare area requiring 5 trees being retained per harvested hectare, this means that 100 trees can be retained across the gross harvest area – not that each hectare of the harvested area is required to have a minimum of 5 trees. This clarification ensures that the high priority trees are retained where they occur, which will mean that some parts of the harvested area may have many more trees retained than the minimum requires.

Large Tree Protection

16. Why are you protecting large trees? What benefits will we see now that large trees are going to be protected?

Large trees are rare and valuable environmental assets in native forests. Without adequate protection, this uncommon tree age cohort may be lost. Large trees are particularly important as they are often hollow-bearing trees, providing habitat for threatened forest-dependent fauna such as the Greater Glider and Leadbeater’s Possum. They also play an important role in carbon storage.

17. Aren’t large trees already protected?

Large and giant trees are not uniformly protected across State forests. For example, in the East Gippsland and Tambo Forest Management Area, the Code requires the protection of all living trees equal to or greater than 4 m diameter (giant trees) from the direct effects of timber harvesting operations and regeneration burning. This differs from requirements in other areas. Furthermore, the Code requires the protection of pre-1900 trees in the Central Highlands FMA, some of which would be classified as large trees. The degree to which other prescriptions in the Code also inadvertently protect large trees is not possible to quantify and therefore, a consistent state-wide protection was required to ensure all large trees are protected.

18. How big does a tree have to be to get protection?

A large tree is defined as a living tree of any species with a diameter at breast height (1.3 metres above ground) equal to or greater than 2.5 metres over bark. A size-based measure has been implemented because tree age is difficult to estimate by observation in most forest types, whereas diameters can be reliably measured.

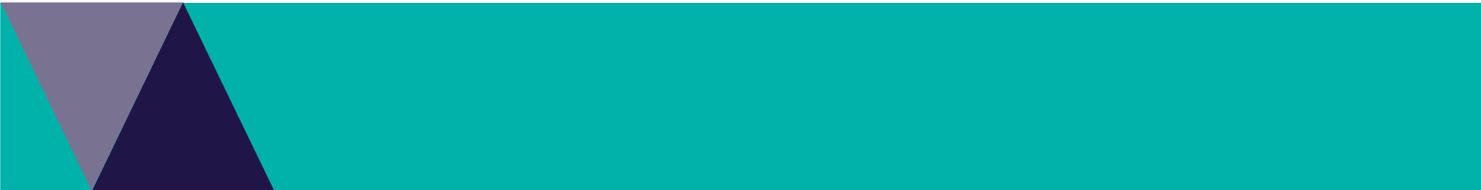
19. Why is the large tree prescription being incorporated into the Code?

In March 2018, the Minister for Energy, Environment and Climate Change, Lily D’Ambrosio introduced a policy to protect all large trees from the direct effects of timber harvesting in Victoria, including regeneration burns. This was initially implemented by agreement with VicForests and has now been reflected in the draft Code.

20. The RIS analysed two options for protecting large trees. Why was the option to protect single large trees selected for inclusion in the Code?

In the context of prescribing actions to protect large trees, the objective is to ensure large trees are protected from the direct effects of timber harvesting and regeneration burns.

The preferred large tree (no buffer) option will achieve this objective by requiring the protection of large trees from the direct effects of timber harvesting operations and regeneration burning and, where possible ensuring that large trees are incorporated in retained patches or expanded buffers or exclusion areas.



The analysis found that the predicted 50-year biodiversity benefits of the additional buffers is low. By way of comparison, the biodiversity benefit provided by the buffer represents 0.2% of the maximum theoretical benefit that could be achieved if the threat of timber harvesting was entirely mitigated in all eastern Forest Management Areas.

Quantifying future biodiversity benefits for highly dispersed and rare forest assets is inherently difficult and a qualitative assessment of biodiversity benefits was required for the Large Tree (no Buffer) option.

This uncertainty in biodiversity benefits should not detract from the imperative of protecting these remaining values. It does however highlight the importance of selecting an implementation option that achieves the intended regulatory objective (protecting large trees) without imposing an unreasonable economic and social burden.

For Large Brown Tree Frog and Large Tree (no Buffer), the reductions in wood supply are negligible. This is because the prescriptions under these options are voluntarily implemented and have already been incorporated into VicForests wood supply calculations.

In contrast to this, the costs of the Large Tree (with buffer) option are significant highlighting that a buffer is exceptionally restrictive to timber harvesting operations and that these impacts flow through the supply chain.

The additional buffer would result in a \$39 million impact over ten-year analysis period. This would include: \$17.75 million in costs to the State (VicForests), \$11.25 million in cost to the State associated with pulp log shortfalls to Australia Paper, \$9.45 million in costs to sawmill operators, and \$0.86 million in cost to harvest and haulage operators.

These costs are significant in the context of the total of \$1.2 million (post tax) profit report by VicForests in 2017-18 annual report and the limited opportunities for some elements of the supply chain such as sawmills to offset the reduced revenue that is associated with a loss of throughput.

In this context the cost-effectiveness of the biodiversity gains must be investigated closely. The RIS found that cost effectiveness of the additional buffer was low. By way of comparison, a similar (\$39 million) investment in fox and cat control over 10 years would be expected to secure a seven-fold increase in biodiversity benefits compared to the Large Tree (with buffer) option. The RIS therefore puts forward Large Brown Tree Frog and Large Tree (no Buffer) as the preferred option.

21. Will retained large trees be protected from regeneration burns?

Yes. The new large tree protection will require the retention of all living trees with a diameter at breast height (1.3 metres above ground) equal to or greater than 2.5 metres over bark and protect them from the direct effects of timber harvesting operations and regeneration burning; this includes not deliberately felling, falling into or damaging large trees during harvest and ensuring slash is not permitted to accumulate within 3m of the base of large trees, therefore reducing the risk of them being impacted by regeneration burns.

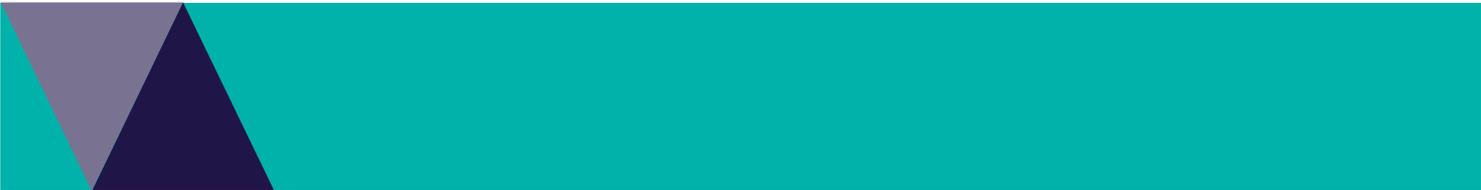
Large Brown Tree Frog Protection

22. Why is the Large Brown Tree Frog being protected?

The Large Brown Tree Frog (*Litoria littlejohni*) is listed as vulnerable under the Commonwealth *Environment Protection and Biodiversity Conservation Act 1999*, threatened under the *Flora and Fauna Guarantee Act 1988* and endangered according to the Advisory List of Threatened Vertebrate Fauna in Victoria – 2013.

Timber harvesting is one of several threats to the Large Brown Tree Frog and may adversely impact on populations by causing habitat degradation, clearance and fragmentation. Timber harvesting may also indirectly affect this species by reducing the availability and viability of breeding habitat, limiting accessibility to food, and increasing predation rates by removing or altering vegetation.

The prescription outlined in the Action Statement and reflected in the proposed variation to the Code is that if a Large Brown Tree Frog (adult, sub-adult, tadpole or egg cluster) is detected in State forest and the record is verified by DELWP according to the survey standards, an exclusion area equivalent to a Special Protection Zone of 28 hectare is applied that includes the detection site.



23. Why is the Large Brown Tree Frog prescription being incorporated into the Code?

Although the *Large Brown Tree Frog (Litoria littlejohni)* Action Statement was published in 2014, the associated management actions and prescriptions were not included in the 2014 Code update. Since 2014, VicForests has voluntarily implemented management actions and prescriptions as in accordance with the Action Statement. Incorporating the management actions and prescriptions into the Code formalises the protection of the Large Brown Tree Frog and ensures these measures are enforceable.