



# REPORT

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GUNNS FOREST PRODUCTS  
PTY LTD

AFS SUMMARY AUDIT REPORT  
OCTOBER 2009

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## **Table of Contents**

### **1. INTRODUCTION**

### **2. THE AUDIT**

- 2.1 Audit Scope
- 2.2 Audit Objective
- 2.3 Audit Protocol
- 2.4 Audit Process
- 2.5 Background of Client

### **3. AUDIT RESULTS**

#### **3.1 Performance against assessed criteria and requirements**

- 3.1.1 Criterion 1 - Forest management shall be undertaken in a systematic manner that addresses the range of forest values.
- 3.1.2 Criterion 2 – Forest management shall provide for public participation and foster on-going relationships to be a good neighbour.
- 3.1.3 Criterion 3 – Forest management shall protect and maintain the biological diversity of forests, including their successional stages, across the regional landscape.
- 3.1.4 Criterion 4 – Forest management shall maintain the productive capacity of forests.
- 3.1.5 Criterion 5 – Forest management shall maintain forest ecosystem health and vitality.
- 3.1.6 Criterion 6 – Forest management shall protect soil and water resources.
- 3.1.7 Criterion 7 – Forest management shall maintain forests' contribution to carbon cycles.
- 3.1.8 Criterion 8 – Forest management shall protect and maintain, for Indigenous and non-Indigenous people, their natural, cultural, social, religious and spiritual heritage values.
- 3.1.9 Criterion 9 – Forest management shall maintain and enhance long-term social and economic benefits

### **4. AUDIT CONCLUSIONS**



## **1. INTRODUCTION**

This audit was a triennial re-certification audit of Gunns' Safety, Health & Environmental (SHE) Management System according to the requirements of the Australian Forestry Standard (AS 4708-2007). At the same time in an integrated fashion, the SHE System was audited against the requirements of the international Environmental Management System Standard (ISO AS/NZS 14001:2004). This audit was also a re-certification audit.

The audit encompassed assessment of the South East and North East Management Regions, including forest management records held in the Triabunna, Austin's Ferry and Longreach offices, and site inspections of a full range of forest operations and activities..

Gunns' corporate management performance was assessed through interviews with senior staff and inspection of records at Head Office in Launceston. The audit also examined corrective and preventive actions arising from findings of an integrated AFS & EMS scope extension audit of Gunns' operations in the green triangle area of South East Australia (Victoria and South Australia).

## **2. THE AUDIT**

### **2.1 Audit Scope**

Gunns Forest Products Division, native forest and plantation management activities in Tasmania, Victoria and South Australia.

### **2.2 Audit Objectives**

Conduct a triennial re-assessment audit of the Safety, Health & Environmental (SHE) Management System operated by Gunns Forest Products against the requirements of the Australian Forestry Standard (AS 4708 – 2007) and ISO14001, including site assessment of operations in the South East and North East Regions of Tasmania.

### **2.3 Audit Protocols**

The audit was conducted in accordance with JAS-ANZ Procedure 26 Revision 3, DNV Certification audit protocols, and with the requirements of AS 4708 - 2007. The audit was conducted by two auditors assessed by DNV as meeting the competency requirements for qualification as AFS and EMS auditors. The audit comprised of nineteen auditor days in total, not including report preparation.

### **2.4 Audit Process**

The audit was conducted from the 19<sup>th</sup> – 30<sup>th</sup> October 2009. The audit included opening and closing meetings in each Region and at Head Office in Launceston. Assessment activities included review of operational documentation, interviews with senior (CEO and Directors) and operational management, review of records associated with management and control of the forest management system, and field



audits of forestry and forest management activities. Discussions with a variety of stakeholders and interested parties were also undertaken.

## **2.5 Background of Client**

Gunns Forest Products is an integrated forestry organisation operating across northern and eastern Tasmania and South East Australia (Green Triangle). Gunns achieved certification of its forestry operations to ISO 14001 in 1998. It achieved certification of its forestry operations to the Australian Forestry Standard in August 2003. It is presently maintaining certification to both AS/NZS ISO 14001:2004 and AS4708:2007.

Gunns forestry operations are divided into four business units – North East, North West and South East Tasmania, and South East Australia (Green Triangle in Victoria and South Australia).

## **3. AUDIT RESULTS**

### **3.1 Performance against assessed Criteria & Requirements**

Findings of this audit demonstrated a high level of achievement of the requirements of the Australian Forestry Standard (AFS), including continual improvement of resulting forest management performance.

#### **3.1.1 Criterion 1 – Forest management shall be undertaken in a systematic manner that addresses the range of forest values**

Gunns' *Forest Management Statement 2009* represents an excellent publication describing the forest estate and associated social issues, scope and objectives of management, legal and other requirements, processes for the identification and significance assessment of forest management aspects and continual improvement to forest management performance, stakeholder involvement and forest practices and controls with respect to requirements of the Australian Forestry Standard and the ISO 14001 Environmental Management System Standard.

The four Forest Management Aspects Registers (environmental, safety, social and economic) represent a comprehensive dataset and modelling tool providing insight to management for forest management decisions addressing risk management and business performance improvement. The extent to which these aspects registers are used for this purpose may influence the extent of performance improvement. Towards this end Gunns could consider instigating a management system “refresher training program” for staff with key forest management system roles and responsibilities.

It is noted that Gunns are progressing discussions and actions towards integration of management systems, including the formalising of steps required for the achievement of objectives and targets. As usual, Gunns attention and performance regarding the Tasmanian Code of Forest Practices is exemplary. Non-core business activities (e.g.



property management for non-wood production activities, HR management, plant and asset maintenance, waste and energy management etc.) are progressively being addressed.

Gunns could however, better capture all continual improvements processes by including measurable objectives and targets and programs for their implementation within AFS documentation (e.g. Energy and Climate Change Strategies, stakeholder engagement and participation, management systems integration, 1080 reduction etc.). There is a risk that Gunns may not demonstrate through the maintenance of its SHE System its continual improvement achievements (i.e. document with an audit trail).

Peer Review Checklists were found to be diligently completed covering checks of property details, local government, landowner agreements, special values (e.g. plan coupe, biodiversity, geomorphology, cultural heritage, landscape soil and water etc.) silviculture and infrastructure. The process showed demonstrated application and verification of management response when required.

### **3.1.2 Criterion 2 – Forest management shall provide for public participation and foster on-going relationships to be a good neighbour**

Regular meetings between Gunns and Forestry Tasmania (FT) to discuss forestry issues relevant to AFS criteria is noted.

Gunns commitment to the engagement of stakeholders is exemplified by the *“Proposal: Corporate Strategy to Improve Gunns Presence in the Community”*. Gunns efforts to engage with stakeholders with entrenched beliefs and opinions disparate to those of the forestry industry have resulted in some very positive indications (e.g. a willingness to meet and engage in dialogue towards resolution).

### **3.1.3 Criterion 3 – Forest management shall protect and maintain the biological diversity of forests, including their successional stages, across the regional landscape**

Within the constraints of Tasmanian legislation favouring the spread of exotic species in native vegetation, Gunns are facilitating activities to control populations of fallow deer (*Dama dama dama*). These efforts could be better measured. In addition, Gunns could lobby relevant regulatory authorities to develop more pragmatic policies for deer management based on nature conservation, sustainability and economics, rather than simply recreational hunting.

All harvested areas inspected showed diligent attention to achievement of effective regeneration to meet company standards.

Gunns can also demonstrate an extensive, well resourced and skilled fire suppression force and active communication channels with State fire protection authorities.



### **3.1.4 Criterion 4 – Forest management shall maintain the productive capacity of forests**

The *State of the Forests Report* (Estate Reporting as at 30 June 2009) includes detailed figures of forest status and uses in both the permanent and semi permanent estate comprising of the Defined Forest Area (DFA). Analysis of these figure show productive uses. Figures show that the growth volume per annum will exceed the cut volume by a significant margin over the next few years (see Sustainable Forest Management Report 2007-2008).

Silvicultural prescriptions include soil and water assessments of a block prior to cultivation for plantation establishment, but no data is collected regarding soil chemistry. Monitoring the soil chemistry, particularly PKN and sodicity would assist calculations for appropriate fertilizer application rates.

### **3.1.5 Criterion 5 – Forest management shall maintain forest ecosystem health and vitality**

Inspection of recently planted seedlings near Triabunna revealed mortality rates sometimes exceeding 50%. Investigations to date suggest “wet feet” due to record rainfalls in the region. Whilst it will always be impossible to accurately predict weather patterns, it is suggested that Gunns could review knowledge (e.g. normal weather patterns, slope, prevailing winds, soil types, seasonal condition conducive to growth etc.) and document options for seed bed preparation and planting.

Inspection of an aerial (helicopter) spraying operation showed comprehensive and diligent attention to identification and control of health & safety and environmental aspects, hazards and risks.

### **3.1.6 Criterion 6 – Forest management shall protect soil and water resources.**

All FPPs inspected showed continuing diligent attention to the identification and assessment of soil and water values. Assessments include soil erodibility and erosion hazard, landslide hazard, slopes, town & domestic water supply catchments and streamside reserves.

Gunns undertake water tests where chemical residues have some potential to move off-site. Since tests commenced none have exceeded Australian water drinking guidelines.

Potential soil contamination issues were identified at a farm converted to plantation in the North East. The farm includes an old sheep dip and foot bath. Also found was an old fuel bowser serving an underground storage tank. Gunns had no information regarding the actual or potential threats of these facilities to soil and water health.



### **3.1.7 Criterion 7 – Forest management shall maintain forests’ contribution to carbon cycles**

Gunns plantations contribute to a very considerable annual amount of carbon sequestered (i.e. approx 150,000 tonnes). This contribution is also increasing every year (i.e. more than 30,000 tonnes increase in 2007-2008).

Gunns have prepared a new *Energy Management Policy* and an associated *Climate Change Strategy*, however associated measureable objectives and targets have not been formally established within the SHE System.

### **3.1.8 Criterion 8 – Forest management shall protect and maintain, for Indigenous and non-Indigenous people, their natural, cultural, social, religious and spiritual heritage values**

Gunns maintain and retain access to detailed databases showing of social, heritage, religious, spiritual and cultural values and specific sites. In 2007-2008 all request for cultural surveys under the *Forest Practices Act 1985* have been undertaken. Reserves are established where indigenous, cultural and heritage values are found. Also, staff are trained to recognise indigenous, cultural and heritage values

### **3.1.9 Criterion 9 – Forest management shall maintain and enhance long-term social and economic benefits**

In order to comply with the *Tasmanian Workplace Health & Safety Act 1995* and its regulations, Gunns operate according to the Forest Safety Code (Tasmania) 2002. It is suggested that the content of FOS Plans could be reviewed to reflect increased knowledge of hazards and applicable controls (e.g. risks and hazards associated with log piles on landings are not well addressed and some safety checks are no longer applicable due to the rapid increase in mechanisation).

Forest Operator Safety (FOS) Plans do not identify the need to consider risks associated with log piles waiting for transport to mill (e.g. risk of rolling logs to forest workers with access in around log stacks). Whilst the Contractor Monthly Safety Inspections of Coupe Operations check “are log stacks stable?” there is no risk assessment regarding forest worker safety.

Gunns recognised the importance of tourism to the Tasmanian economy and are committed to the “Tourism and Forestry Protocol Agreement” through its membership of the Forest Industry Association of Tasmania Gunns contribute to community projects and fishing, hunting, bushwalking and other recreational activities. Also, Gunns contribute hundreds of thousands of dollars to assist in a range of community projects (e.g. Launceston Women’s 5km Fun Run for Breast Cancer Research).



#### **4 AUDIT CONCLUSIONS**

Three minor non-conformances were raised as a result of the AFS audit, and most of the evidence collected related to conformance, and to note worthy efforts. Gunns can demonstrate a mature and improving management system that is performing very well against the requirements of the Australian Forestry Standard.

Recommendation has been made that the certification of Gunns Forest Products to both AFS AS 4708 - 2007 and ISO14001: 2004 be continued with no additional audit requirements.

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