

## **Terms of Reference**

### **Independent oversight of a NSW Forest Monitoring and Improvement Program**

The Premier requests the Natural Resources Commission (the Commission) to independently oversee and advise on the design, implementation, review and continuous improvement of a state-wide NSW Forest Monitoring and Improvement Program. The program will incorporate, but will not be limited to, requirements for the monitoring, evaluation, reporting and improvement of forest management and environmental protection under the three NSW Regional Forest Agreements (RFAs) and four NSW Integrated Forestry Operations Approvals (IFOA).

The NSW Forest Monitoring and Improvement Program forms part of the \$9.2 million forest monitoring and mapping funding package announced as part of the NSW Budget 2018-19. Further significant funding is provided by the Environment Protection Authority through the Waste and Environment Levy and contributions from Forestry Corporation of NSW and agencies.

Forest monitoring will improve the evidence-base for decision-making across forest tenures – public and private – and strengthen the NSW Government's ability to strategically and adaptively manage forests and forestry practices over time. It will provide opportunities to: enhance the NSW Government's engagement with stakeholders; enable the NSW Government to track progress against commitments and milestones made under the RFAs; assess the effectiveness and performance of the IFOAs in delivering their intended objectives and outcomes; and contribute to improving community confidence in line with the NSW Forestry Industry Roadmap.

In particular, the required monitoring program for the new Coastal IFOA program will enable parties to monitor the effectiveness of key Coastal IFOA settings, and adaptively manage the Coastal IFOA settings where it is required. Further, the program will design and implement a monitoring program for the RFA commitments that impact the private forest estate. This will enhance NSW's performance monitoring against the Sustainability Indicators, which the State reports on under the Montreal Process Implementation Group for Australia, which have national and regional relevance.

Independent oversight will hold NSW to account and ensure outcomes are balanced and achieved.

#### Background

NSW contains over 27 million hectares of forest and woodlands. Around 68 per cent of forests is found on private or leasehold land. The remainder is found on public land such as State forests and National Parks.

#### Regional Forest Agreements

The NSW Government has renewed its Regional Forest Agreements with the Australian Government. RFAs are long-term bilateral agreements between the Australian and state governments to balance environmental, economic and social uses and values of key native forest regions across Australia.

RFAs set commitments for forest management to deliver:

- the ecologically sustainable management of forests across tenures, on public and private land
- a permanent forest conservation estate
- certainty for industry.

Under the renewed RFAs, NSW has agreed to develop and maintain a Monitoring, Evaluation and Reporting Plan, including the identification of research priorities, within the broader Forest Management Framework across relevant forest management tenures and to support RFA outcomes reporting for ecologically sustainable forest management (ESFM). In addition, NSW has agreed to implement, adapt and improve its Forest Management Framework across forest management agencies and land tenures.

The RFAs set out commitments and obligations that must be met, including reporting against Sustainability Indicators (as defined by the Montreal Process Criteria and Indicators).



NSW RFAs cover matters relevant to policy and service delivery of NSW agencies including the NSW Department of Primary Industries (DPI), the Environment Protection Authority (EPA), NSW Office of Environment and Heritage (OEH), NSW Local Land Services (LLS) and NSW Crown Lands and Water, Department of Industry.

#### Integrated Forestry Operations Approvals

IFOAs are granted by the NSW Minister for Environment and Minister for Lands and Forestry. They set the rules for how forestry operations can be carried out on State forests and other Crown-timber lands in NSW so that they balance the sustainable supply of timber whilst providing ongoing protection of threatened plants, animals, water and soils. The IFOAs adopt Protocols made and amended from time to time by the EPA – enabling the IFOAs to be adaptively managed and improved. There are four IFOAs in force. They cover coastal forests, cypress forest and woodlands in the Brigalow Nandewar bioregion and south west region of NSW and river red gum and woodlands in the Riverina bioregion.

The NSW Government has recently updated the rules for native timber harvesting in NSW's coastal state forests with the Coastal IFOA. It establishes outcomes that must be achieved through the approval. Under the Coastal IFOA, forest monitoring programs must be applied at multiple landscape scales to ensure the ongoing effectiveness of the approval. The Coastal IFOA requires that a forest monitoring program must be overseen by a monitoring steering committee, which is to be independently chaired by the Commission.

The three western IFOA also have a requirement for the design and delivery of a long-term biodiversity monitoring program.

The EPA regulates native forestry operations on public lands under the *NSW Forestry Act 2012*, and is responsible for the ongoing administration of the IFOAs, including adaptively managing the IFOAs. The Forestry Corporation of NSW (FCNSW) manages commercial native and plantation forests in NSW under an ecological sustainable forest management framework. FCNSW is also responsible for fire, pest and weed management and supporting recreation activities on state forests.

The Commission is currently independently overseeing a program to reassess existing old growth forest mapping and associated special environmental values on coastal State forests, under a separate terms of reference. Work undertaken under this program may be considered in monitoring the Coastal IFOA.

#### Forests on private land

Native vegetation, including forests are primarily managed by land or lease holders. These forests provide a range of important benefits such as habitat for native plants and animals, cultural or aesthetic values for people, production of timber, and other socio-economic benefits.

The *NSW Local Land Services Act 2013* and *NSW Biodiversity Conservation Act 2016* are the primary instruments that regulate how landholders can manage native vegetation on private and leasehold land.

LLS provide advisory services and approvals for native vegetation management on private land, including private native forestry. The NSW Biodiversity Conservation Trust provides incentives to invest in native vegetation. The EPA and OEH have compliance and enforcement functions.

#### NSW state of forest reporting

NSW reports state-wide on the Sustainability Indicators - 'the Montreal indicators' - as part of Australia's five-yearly State of the Forests Report, prepared by the State and Australian Governments.

#### Stakeholder reporting requirements

Environmental groups, industry and the community have an increasing interest in the health and sustainability of NSW's forests and the adequacy of forest monitoring and forest management. Improving community acceptance of the forestry industry as a sustainable and renewable industry is a key commitment of the NSW Forestry Industry Roadmap. Improved oversight, adaptive management and



reporting against key stakeholder priorities are critical components in building the industry's social licence to operate.

#### Aims of forest monitoring and improvement

The aims of the Forest Monitoring and Improvement Program are to:

- focus on the information required to improve the adaptive management of NSW forests
- transparently provide the public with independent, accessible and robust evidence of forest management performance
- be adaptable to changes to both research priorities and forest monitoring methods
- be cost effective by employing efficient mechanisms to meet program objectives
- satisfy NSW's obligations to national and international forest management reporting.

#### Independent oversight of forest monitoring and improvement

The Premier requests the Commission provide independent oversight of a NSW Forest Monitoring and Improvement program. The Commission will establish and independently chair a NSW Forest Monitoring Steering Committee to oversee the design, implementation and review and continuous improvement of a NSW Forest Monitoring and Improvement Program.

**The Commission's independent oversight role** will include (but is not limited to):

- *Program governance and design* – establishing and chairing the Monitoring Steering Committee; establishing a governance charter; establishing a program logic, program outcomes, program schedule and performance expectations; leading and advising on program scope, analysing existing forest MER activities to reduce duplication and address MER gaps across private and public tenures; developing assessment criteria to determine monitoring priorities; and determining an approach that fulfils NSW Government obligations; and testing opportunities to innovate.
- *Program direction and review* – tracking the program's achievement of objectives; reviewing the program against performance expectations; providing independent advice on program implementation and reporting; and advising on risks, timelines and priorities.
- *Program accountability and reporting* – providing a commitment to open government; ensuring program methodologies and datasets are accessible and transparent; ensuring program effectiveness and outcomes are monitored and reported; ensuring RFA and IFOA obligations and commitments are being tracked; and independently providing advice or recommending approval of plans, reports, and allocation of funding or improvements to the relevant Ministers and/or agencies.

**The role of the Monitoring Steering Committee** will include (but is not limited to):

- develop an overarching Monitoring, Evaluation, Reporting and Research Plan, for the NSW Forest Monitoring and Improvement Program, which at a minimum:
  - identifies and prioritises all the RFA, IFOA and other monitoring and reporting obligations and commitments, and the extent of monitoring, evaluation and reporting required to satisfy each obligation/commitments
  - identifies strategies to build on existing programs or adjust them so there is consistency and relevancy
  - lists commitments and relevant agency responsibilities and timelines and funding (and source of such funding) required to meet obligations and commitments
- ensure the program is efficiently implemented and look for opportunities to align, complement and leverage existing data sets, indicators and programs to maximise efficiencies and avoid gaps and overlaps



- provide strategic direction, and where possible, forecasting and future scenario planning to inform adaptive management of NSW forests and the NSW Forest Monitoring and Improvement Program
- lead and coordinate periodic and major strategic reviews of the Monitoring and Improvement Program and the development of evaluation and progress reports, including against the project plan, as well as RFA and IFOA requirements
- develop a stakeholder and community engagement plan, and lead stakeholder and community planning and engagement, including with the Australian Government.

The NSW Forest Monitoring Steering Committee will include relevant NSW agencies and independent experts as obliged under relevant statutory instruments, agreements or approvals, including:

- NSW Department of Primary Industries
- NSW Environment Protection Authority
- NSW Local Land Services
- NSW Office of Environment and Heritage, including NSW National Parks and Wildlife Service
- Forestry Corporation of NSW
- NSW Department of Industry – Lands and Water
- NSW Aboriginal Affairs.

The Commission can invite other agencies, including the NSW Department of Premier and Cabinet, and appoint technical committees as required. The Monitoring, Evaluation, Reporting and Research Plan will be approved by relevant Ministers, or delegates. Commission staff will provide secretariat support to the NSW Forest Monitoring Steering Committee.

The role of NSW agencies will include (but is not limited to):

- implement the NSW Forest Monitoring and Improvement Program and stakeholder and community engagement plan
- allocate and spend funding in accordance with the agreed Monitoring, Evaluation, Reporting and Research Plan
- collect, procure, analyse, store, organise, share and make available data and reports – data will be collected and analysed for all tenures in RFA and IFOA regions
- participate in technical committees
- conduct periodic and major reviews and the development of progress reports, including reporting on the Sustainability Indicators
- implement research and evaluation projects and publish results
- implement recommendations for design, implementation and improvement of monitoring from the NSW Forest Monitoring Steering Committee
- implement adaptive forest management to enhance ESFM across tenures where agreed, in response to relevant findings, advice and recommendations of the NSW Forest Monitoring and Improvement Program
- in the case of the NSW Department of Primary Industries, disbursing funds for those parts of the Monitoring, Evaluation, Reporting and Research Plan funded under the \$9.2 million forest monitoring and mapping package announced in the NSW Budget 2018-19.

Timeframes and reporting

RFA, IFOA and other reporting commitments and obligations will be set out in the Monitoring, Evaluation, Reporting and Research Plan and must be met.

The Commission, as independent chair of the NSW Forest Monitoring Steering Committee will report to the Premier, Minister for Environment, Minister for Lands and Forests and Minister for Primary Industries in accordance with the reporting timeframes set out in the Monitoring, Evaluation, Reporting and Research Plan.

#### **Out of Scope**

The Commission and the Monitoring Steering Committee are independent from the ongoing implementation, administration and adaptive management of the IFOAs and RFAs. Instead the Monitoring Steering Committee, via the Commission as independent Chair may provide evidence-based recommendations on improvements to the IFOAs and RFAs as part of the reporting on the Monitoring and Improvement Program for the agencies responsible for IFOA and RFAs (on behalf of the signatory Ministers) to consider.