

Comment	EPA response
Coupe selection should ensure that 50% of the audited coupes are active, more post-coupe marking but pre-logging and burning inspections must be undertaken and build in previous breaches by individuals.	<p>EPA has adopted the auditor's recommendation that at least 25% of coupes audited should be active.</p> <p>The audit assesses coupes at a number of stages, active, completed and, pre and post burning. This allows the auditor to verify if values identified on the coupe plan (e.g. rainforest) are marked for protection prior to harvest.</p> <p>The purpose of the audit is to identify systematic issues with code compliance having regard to the levels of compliance in certain focal areas, it is not intended to target the performance of individuals.</p>
The audit should be statistical and the coupe selection methodology statistically representative.	<p>EPA will maintain the current coupe selection methodology as:</p> <ul style="list-style-type: none"> <li>• EPA is satisfied that audit program is providing useful and transparent information to assist in improving code compliance</li> <li>• The current methodology targets coupes where there is a greater potential for damage to the environment and samples approximately 10% of all coupes harvested annually</li> <li>• Use of statistical selection methods removes the auditor's ability to target specific coupe issues identified by stakeholders e.g. rainforest; and</li> <li>• It is estimated that the program may need to be increased up to three times in size to encompass the range of factors to provide a statistical comparison between audit years. Such a program would resemble a supervisory arrangement and not an audit approach.</li> </ul>
The audit should examine greater amounts of stream buffers, rainforest, habitat trees, areas where fire has impacted on vegetation and has an over emphasis on Melbourne Waters Catchments.	<p>Assessment of these values is based on the current weighting within the Code. Assessment of roads and snig tracks also provides important information. If these features are not properly constructed and rehabilitated they can increase the likelihood of turbid water entering streams.</p> <p>EPA has asked the auditor to record and highlight the number of coupes where regeneration burns have significantly damaged retained vegetation.</p> <p>The inclusion of catchments supplying water to Melbourne relates to obligations specified in the 'Our Water Our Future' policy.</p>
The audit report should specify minimum levels of compliance required and report more on FMA's.	<p>The 2005 audit report does not categorise the compliance level as good or otherwise. To identify issues for discussion and the development of recommendations the auditor uses compliance scores and/or Environmental Impact Assessment values.</p> <p>EPA will ask the auditor to consider if greater emphasis can be placed on the assessment of performance at the FMA or regional level.</p>
Recommendation should be built into the Code, be practical and based on the audit observations.	<p>EPA has provided relevant audit recommendations into the Code review process. Relevant recommendations can be built into the management and harvesting procedures that provide the detail on the requirements for application of the Code. EPA agrees that the recommendations need to be practical and based on the audit observations.</p>
What provisions do you have in place to ensure that the 2006 audit will involve the revised code.	<p>The 2006 audit program will focus on coupes harvested in the 2005-06 financial year. As a result, these coupes will have been harvested under the current Code (Revision 2). The new Code (Revision 3) will be assessed as part of the 2007 audit program.</p>
The audits help to improve adherence to codes of practice and report this to the public.	<p>EPA will ensure future audits continue to contribute to providing the community with independent information regarding compliance with the code.</p>
Another party, prior to harvesting commencing, should confirm coupe boundaries.	<p>The Special Forest Audit recommended that signoff by senior management is undertaken to confirm that boundaries are correctly located.</p>

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Audit should recommend sanctions and penalties for breaches of the Code.	The independent auditor makes recommendations so compliance with the code can be improved, these recommendation are based on the audit findings. DSE and VicForests have primary responsibility for enforcement action.
Water quality should be one of the audits primary focuses.	EPA will ask the auditor to consider water supply catchments in coupe selection to address concerns about domestic water quality. The coupe assessment undertaken reflects the requirements for water protection provided for within the Code.
Audit should look at protection of indigenous sites.	The 2006 annual audit will look at the coupe planning this should identify any issues relating the identification and protection of indigenous sites.
Are plantations established on leased Crown Land included within the scope of the audit process?	No, the audit focuses on native forest timber harvesting on public land.
The coupes to be audited should not be pre-announced.	Active coupes are selected and audited within the same week. Notification arrangements for completed coupes, along with other stakeholder comments will be considered as part of the 2007 program. Some period of notification is necessary for planning and logistical purposes.

## SPECIAL FOREST AUDIT

Comment	EPA response
<p>The Special audit did not identify procedures required under the Yorta Yorta cooperative agreement and should have recommended the agreement be complied with and a moratorium on logging in the Mid Murray area be required.</p>	<p>The auditor noted that the Yorta Yorta agreement applied to the Barmah State Forest and highlighted the role of the joint body. Compliance with the agreement will be examined during the annual audit which will include the Mid Murray (East and West) Forest Management Areas.</p> <p>The independent auditor makes recommendations based on the audit findings with the aim of improving code compliance.</p>
<p>The Special Audit did not assess the impact on the Superb Parrot or selective logging on the forest and did not include an on-ground inspection.</p>	<p>In line with the Minister's request to EPA, the audit assessed the nature, cause, extent and reasons for the incursions into the Superb Parrot Special Protection Zone. EPA will look at how impact assessment can be built into any future audits of this nature.</p> <p>The auditor did not conduct an on-ground inspection of the coupe in the Barmah forest, as it was flooded at the time of audit. EPA was also advised of the need to avoid disturbance during the nesting period.</p>
<p>The Special Audit did not allow an assessment of whether the Barmah State Forest incident was indicative of a wider systemic failure.</p>	<p>The next annual audit will look at the coupe planning issues, which should identify any systemic issues in this area.</p>