



CLARENCE ENVIRONMENT CENTRE

87-89 Skinner St, South Grafton 2460

Phone: 0425 162 172

Email: admin@cec.org.au

Website www.cec.org.au

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NSW Department of Climate Change, Energy, the Environment and Water

By email: npws.carbonmethod@environment.nsw.gov.au

Dear Sir/Madam

Improved Native Forest Management in Multiple-use Public Native Forests method proposal

The Clarence Environment Centre (CEC) has maintained a proud history of environmental advocacy for more than 35 years. The conservation of our region's natural environment, both terrestrial and aquatic, has always been a priority for our members and we believe the maintenance of healthy ecosystems and biodiversity is of paramount importance.

To this aim, we have consistently expressed concerns regarding the industrial-scale extraction of timber from our native forests, particularly in the high-rainfall catchment of our community's water supply. As well as leading to high silt loads in the Nymboida River upstream of the intake weir, this extraction of timber is demonstrably unsustainable, with log sizes diminishing with time and the essential habitat of arboreal hollows never being re-established.

We appreciate the opportunity to provide comment on a proposed method to improve native forest management (INFM) in multiple-use public native forests.

THE BIG PICTURE

- CEC is highly sceptical of the Government's reliance on ACCUs to offset emissions. It should be urgently pursuing real reductions in our fossil fuel usage rather than approving coal mine extensions and the Narrabri CSG project and pipeline.
- Presumably, the same total amount of timber will still be harvested each year despite whatever clever accounting is used to calculate ACCUs, so how is any extra carbon being locked up?
- CEC considers it blatantly dishonest to claim to be trying to Improve Management of such complex ecosystems as forests by focusing on one element (Carbon - literally one element) above the much greater but overlooked value generated by forests in water quality, air quality, biodiversity and habitat, tourism and scenic beauty and Aboriginal cultural heritage.

1. Leakage prevention

It is clear that the climate benefits of protecting certain forested areas currently available to logging will result in a reduction in the supply of logs to timber mills from those forests. There is a significant danger that this will result in more intensive logging activity on other lands to make up the shortfall, which will result in no carbon benefit at all.

The CEC recommends:

Robust controls to prevent leakage across forest tenures and jurisdictions through:

- Requiring that Wood Supply Agreements are amended to reduce timber supply proportionate to the volumes claimed to have avoided emissions.
- Ensuring baseline estimates are established for each type of product (i.e. large high-quality sawlogs, small high-quality sawlogs, low-quality sawlogs, pulp logs etc.), to ensure substitution isn't used to misrepresent reductions.
- Regular monitoring of standing carbon stocks using LiDAR (or similar) to ensure carbon sequestration targets are being delivered.

- Including provisions to prevent logging under the guise of fire management to be automatically excluded from leakage calculations.
- Preventing the use of ACCU revenue to subsidise logging in unprofitable or ecologically sensitive areas not included in the INFM project areas.

2. Why has NPWS prepared the INFM method proposal?

The CEC understands that the INFM proposal has been prepared by the NSW Department of Climate Change, Energy, the Environment and Water. It was expected that the relevant part of this mega-department responsible for the proposal would be the ‘climate change’ part.

The CEC is confused, therefore, by the email address to which submissions on this proposal are being sent. Why is this proposal being exhibited and developed by the NSW National Parks and Wildlife Service (NPWS)? Surely the NPWS only manages public native forests that fall within the National Park and Nature Reserve network for one use, namely conservation??

The draft method does not explicitly mention there will be future tenure changes, apart from a reference to “national park or other reserve or subject to any other applicable law that prevents commercial forestry use”. Is this proposal part of a new (and long overdue) National Parks Establishment Plan? But how is this relevant for any areas subject to the proposed deferral of logging?

We question whether this proposal even has the support of the Forestry Corporation of NSW (FCNSW), which (mis)manages the bulk of the ‘multiple-use public native forests’ in NSW and, presumably, will continue to do so.

FCNSW has a well-established track-record of misreporting their activity, over-estimating available timber resources, and either condoning or pleading ignorance when logging contractors fell trees outside the bounds of harvesting plans, enter and log trees from adjoining properties, destroy habitat trees or enter into and log/disturb filter strips.

The CEC recommends:

- Amendments to the *Forestry Act 2012* to reflect the INFM, with criminal penalties to FCNSW staff, contractors and board members should the terms of the INFM method be breached, with much harsher penalties for repeat offenders.

3. The INFM should not count deferral of logging as a form of carbon sequestration.

We understand the purpose of the INFM method is to produce a quantifiable carbon sequestration that meets the additionality requirements for approval under the Commonwealth *Carbon Credits (Carbon Farming Initiative) Act 2011*. This is so that Australian Carbon Credit Units (ACCUs) can be generated, reflecting a climate benefit from the method.

The CEC welcomes the recognition in the INFM method of the vital role native forests play in carbon sequestration and storage. However, we query why projects that merely defer logging would be even considered consistent with this purpose.

The CEC believes that carbon credits should only be available where a verifiable area of forest is **permanently** protected from logging or other forms of development (including creation of asset protection zones to protect plantations or development on private land) that would remove trees from the forest. There would be no long-lasting climate benefits from the short-term carbon sequestration with deferral of logging operations. Hence, the inclusion of deferral of logging would be a risk to the integrity of the scheme.

As indicated above, with log sizes reducing in size, the deferral of logging and increasing time between logging events is likely to occur anyway if FCNSW is to achieve the sustainable yield objectives of the NSW *Forestry Act 2012*. That is, deferral of logging does not demonstrate the ‘additionality’ required under the CFI Act.

The CEC recommends:

- Removal from the method of Part 2, Section 8 - *Projects to reduce timber harvesting by deferral of harvesting*

4. A high level of public transparency is required

Public trust in the integrity of the implementation of the INFM method relies on all relevant documents being subject to consultation and then published. There is a history of a lack of transparency in FCNSW's current and past management of public native forests, which has resulted in a culture of non-compliance and poor record keeping.

The documentation that needs to be publicly available includes the management plan for the INFM's implementation under Division 3.3. This plan must not be considered 'commercial in confidence', and it should undergo similar levels of public consultation and transparency as national park management plans as per the *National Parks and Wildlife Act 1974*, with independent review and with publication of detailed submissions reports.

Similarly, given the previous well-known errors when the FRAMES model was first used to estimate the sustainable yield of forested areas (e.g. during the Comprehensive Regional Assessments and negotiations leading to the Regional Forest Agreements of the early 2000s), there needs to be independent and public review of this model. Such a review process is essential for the INFM method to have any credibility. At that time, FRAMES modelled inflated yields to not only over-estimate losses in timber yields created by reservation of new parks but also how much timber could be sustainably harvested from the forests that would remain available for logging. The over/under estimation of yields has been the root cause of current unsustainable logging practices, where 'harvesting' of our public native forests has ended up becoming 'extraction or mining exercise'.

Further, there needs to be updated information to reflect the impact of the 2019-20 fires. The CEC understands FCNSW has not re-measured 659 plots in heavily burnt areas in north-east NSW, and recalculated post-fire yield estimates.

ACCU calculations will rely on the estimates of baseline sustainable yields. These estimates need to be grounded in credible, ecologically sound and independently verified survey and analysis to ensure potential yields are accurate. Otherwise, there is a high risk that an over-estimate of baseline yields will result in over-crediting carbon abatement and ecological degradation. This will undermine the integrity of the INFM method.

The CEC recommends:

- A comprehensive remeasurement of all forest plots affected by the 2019/20 wildfires, and that data fed into any model of baseline sustainable yield.
- Permanent monitoring plots be established with regular surveys undertaken to ensure long term compliance is achieved.
- FRAMES must be provided to an independent modeller for review, and the outcomes of that review published.
- The data used in relation to the initial or revised modified sustainable yield estimate (according to Division 5.5, 29, (9)), must be made publicly available from the date it is received by the Regulator.
- A legislated requirement for the draft management plan to be open to public comment for a period of at least 60 days with independent review in light of submissions, and for the final plan to be published at the time of its lodgement with the Regulator.
- All records provided in relation to Division 6.2 should be publicly available.

In closing, the CEC provides its full support for the responses to the consultation questions provided by the Nature Conservation Council of NSW.

Yours sincerely

Mark Purcell, Secretary