

**GIPPSLAND  
REGIONAL FOREST AGREEMENT**

**between  
THE COMMONWEALTH OF AUSTRALIA  
&  
THE STATE OF VICTORIA**

**March 2000**



# THE GIPPSLAND REGIONAL FOREST AGREEMENT

THIS AGREEMENT is made on the \_\_\_\_\_ day of \_\_\_\_\_ 2000

**BETWEEN**

**THE STATE OF VICTORIA**, (“Victoria” or “the State”), and

**THE COMMONWEALTH OF AUSTRALIA** (“the Commonwealth”).

## **Recitals**

WHEREAS:

### **Purpose of Agreement**

A This Regional Forest Agreement (RFA) establishes the framework for the management of the forests of the Gippsland region of Victoria. Parties are committed to ensuring the Agreement is durable and that the obligations and commitments that it contains are delivered to ensure effective conservation, forest management and forest industry outcomes.

B This Agreement is a Regional Forest Agreement, for the purposes of the *Export Control Act 1982* (Cwth), *Export Control (Hardwood Wood Chips) Regulations 1996* (Cwth) and the *Export Control (Regional Forest Agreements) Regulations* (Cwth). As such, the Agreement:

- identifies a Comprehensive, Adequate and Representative Reserve System and provides for the conservation of those areas;
- provides for the ecologically sustainable management and use of forests in the region;
- is for the purpose of providing long-term stability of forests and forest industries; and
- has regard to studies and projects carried out in relation to all of the following matters relevant to the region:
  - (a) environmental values, including old growth, wilderness, endangered species, national estate values and world heritage values;
  - (b) indigenous heritage values;
  - (c) economic values of forested areas and forest industries;
  - (d) social values (including community needs); and
  - (e) principles of ecologically sustainable management.

C This Agreement is divided into Parts. Part 1 applies to the whole Agreement. Part 2 is not intended to create legally binding relations. Part 3 is intended to create legally binding relations. The Attachments are not intended to create legally binding relations except to the extent that this is necessary to give effect to Part 3.

**NOW IT IS AGREED** as follows:

## **PART 1**

### **Interpretation**

1. This Agreement is to be interpreted, unless the contrary intention appears, with reference to the definitions and general provisions specified in clauses 2 and 3.

### **Definitions and General Provisions**

2. In this Agreement unless the contrary intention appears:

**“Action Statement”** means an Action Statement made under the *Flora and Fauna Guarantee Act 1988* (Vic);

**“Agreement”** means all parts of this Agreement between the Commonwealth of Australia and the State of Victoria and includes the Attachments to this Agreement;

**“Australian Heritage Commission”** or **“the Commission”** means the Commission established by the *Australian Heritage Commission Act 1975* (Cwth);

**“Biodiversity”** means biodiversity as defined in the JANIS Report;

**“Comprehensive, Adequate and Representative Reserve System”** or **“CAR Reserve System”** means areas under any of the following categories of land tenure - as described in the JANIS Report - Dedicated Reserves, Informal Reserves and other areas on Public Land protected by prescription, and areas of private land where the CAR Values are protected under secure management arrangement by agreement with private landholders. This reserve system is based on the principles of comprehensiveness, adequacy and representativeness;

**“CAR Values”** means the conservation values as described by the JANIS Reserve Criteria embodied in the CAR Reserve System;

**“Code of Forest Practices for Timber Production”** means the Code of Forest Practices for Timber Production Revision No 2 1996 developed in accordance with the *Conservation, Forest and Lands Act 1987* (Vic);

**“Code of Practice for Fire Management on Public Land”** means the Code of Practice for Fire Management on Public Land developed pursuant to the *Conservation, Forests and Lands Act 1987* (Vic);

**“Competition Principles”** means principles as described in the Compendium of National Competition Policy Agreements, January 1997, National Competition Council;

**“Comprehensive Regional Assessment”** or **“CRA”** means the assessment process carried out pursuant to Attachment 1 of the Scoping Agreement for Victorian Regional Forest Agreements between the Commonwealth of Australia and the State of Victoria;

**“Crown land”** means land which is, or is deemed to be, unalienated land of the Crown and includes--

- (a) land of the Crown reserved permanently or temporarily or set aside by or under an Act; and

- (b) land of the Crown occupied by a person under a lease, licence or other right.

**“Dedicated Reserve”** means a reserve equivalent to International Union for the Conservation of Nature and Natural Resources (IUCN) Protected Area Management Categories I, II, III, or IV as defined by the IUCN Commission for National Parks and Protected Areas (1994). The status of Dedicated Reserves is secure, requiring action by the Victorian Parliament or in accordance with Victorian legislation for reservation or revocation. In Victoria, Dedicated Reserves include, but are not limited to, parks under the *National Parks Act 1975* (Vic) and flora, fauna or nature conservation reserves under the *Crown Land (Reserves) Act 1978* (Vic);

**“Ecologically Sustainable Forest Management”** or **“ESFM”** means forest management and use in accordance with the specific objectives and policies for ecologically sustainable development as detailed in the National Forest Policy Statement;

**“Ecological Vegetation Class”** or **“EVC”** means for the purposes of the Agreement a forest ecosystem as defined in the JANIS Report. EVCs as they exist at the present time are described in the *Gippsland Biodiversity Assessment Report* published by the Commonwealth and Victorian RFA Steering Committee in 2000;

**“Environmental and Heritage Values”** means values assessed pursuant to Attachment 1 of the RFA Scoping Agreement;

**“Environment Conservation Council”** means the Council of the same name established under the *Environment Conservation Council Act 1997* (Vic);

**“Forest”** means a vegetation type dominated by woody vegetation having a mature or potential mature stand height exceeding 5 metres, with an overstorey canopy cover greater than 20%;

**“Forest Management Area”** or **“FMA”** means a Forest Management Area as defined in the *Forests Act 1958* (Vic);

**“Forest Management Plan”** means a forest management plan as defined in the Code of Forest Practices for Timber Production to address the full range of values and uses in State Forest;

**“Forest Management System”** means the State’s suite of legislation, policies, codes, plans and management practices and processes as described in the *“Victorian Statewide Assessment of Ecological Sustainable Forest Management”* published by the Commonwealth and Victorian RFA Steering Committee in 1997 as varied by this Agreement;

**“Forest Products”** means all live and dead trees, ferns or shrubs or parts thereof;

**“Forestry Operations”** means -

- (a) the planting of trees; or
- (b) the managing of trees before they are harvested; or
- (c) the harvesting of Forest Products

for commercial purposes and includes any related land clearing, land preparation and regeneration (including burning), and transport operations;

**“General Management Zone”** means the zone of the same name described in a Forest Management Plan;

**“Informal Reserve”** means a reserve that contains and is managed for conservation values which unequivocally contribute to the CAR Reserve System and meets the principles for Informal Reserves as described in the JANIS Report. In Victoria, it includes, but is not limited to, the State Forest Special Protection Zone;

**“Integrated Forest Planning System”** means Victoria’s integrated forest planning system for forecasting Sustainable Yield;

**“Interim Forest Agreement”** means the Interim Agreement between the Commonwealth of Australia and the State of Victoria signed in January 1996;

**“JANIS Report”** means the report by the Joint Australian and New Zealand Environment and Conservation Council (ANZECC) / Ministerial Council on Forestry, Fisheries and Aquaculture (MCFFA) National Forests Policy Statement Implementation Sub-committee, titled ‘Nationally Agreed Criteria for the Establishment of a Comprehensive, Adequate and Representative Reserve System for Forests in Australia’, published by the Commonwealth of Australia in 1997;

**“JANIS Reserve Criteria”** means the criteria as described in the JANIS Report for establishing the CAR Reserve System addressing biodiversity, old growth forest and wilderness, taking account of reserve design and management and social and economic considerations;

**“Land Conservation Council”** means the Council established under the former *Land Conservation Act 1970* (Vic);

**“Licence, Permit or Authority”** in clause 96 means any licence permit or authority pursuant to the *Mineral Resources Development Act 1990* (Vic) and the *Extractive Industries Development Act 1995* (Vic);

**“Mineral”** means mineral as defined in the *Mineral Resources Development Act 1990* (Vic) and stone as defined in the *Extractive Industries Development Act 1995* (Vic), excluding stone on private land for the private use of the owner and mineral or stone obtained for non-commercial purposes;

**“Mining”** means any operation or work carried out to obtain Minerals;

**“Mining Operations”** means

- (a) any operations or work of a commercial nature carried out on a mining licence or extractive industry work authority with a view to obtaining or treating Minerals; or
- (b) where a valid exploration licence or extractive industry search permit is held, any operations or work in the area covered by that licence or search permit for the purpose of exploring for Minerals;

**“Mining Product”** means any Mineral obtained by Mining;

**“Montreal Process Criteria”** means the Montreal Process criteria for the conservation and sustainable management of temperate and boreal forests;

**“Montreal Process Implementation Group”** or **“MIG”** means the Montreal Process Implementation Group established by the Commonwealth and all State and Territory Governments;

**“National Estate”** means those places as defined under section 4 of the *Australian Heritage Commission Act 1975* (Cwth);

**“National Estate Values”** means values attributed by the Australian Heritage Commission to the National Estate;

**“National Forest Policy Statement”** or **“NFPS”** means the *National Forest Policy Statement 1992* endorsed by the Commonwealth and all State and Territory Governments;

**“Old Growth forest”** means old growth forest as defined in the JANIS Report;

**“Parties”** means the State of Victoria and the Commonwealth of Australia;

**“Party”** means a Party to this Agreement;

**“Private Land”** means lands other than Public Land and land owned or leased by the Commonwealth;

**“Public Land”** means public land as defined in section 3 of the *Environment Conservation Council Act 1997* (Vic);

**“Recovery Plan”** means a recovery plan made under Part 3 of the *Endangered Species Protection Act 1992* (Cwth);

**“Regional Forest Agreement”** or **“RFA”** means a Regional Forest Agreement within the meaning of the Export Control (Hardwood Wood Chips) Regulations 1996 (Cwth);

**“Register of the National Estate”** means the register of the same name kept pursuant to the *Australian Heritage Commission Act 1975* (Cwth);

**“Special Protection Zone”** or **“SPZ”** means the zone of the same name described in a Forest Management Plan;

**“State Forest”** means land described in section 3 of the *Forests Act 1958* (Vic);

**“Statement of Significance”** means a statement of significance made by the Australian Heritage Commission for a place which forms part of the National Estate;

**“Statewide Forest Resource Inventory”** or **“SFRI”** means Victoria’s Statewide Forest Resource Inventory of Victoria’s public native forest resources;

**“Sustainability Indicators”** means qualitative or quantitative measures, at the regional (sub-national) level developed to assess the criteria for sustainable forest management;

**“Sustainable Yield”** means sustainable yield rate as defined in the *Forests Act 1958* (Vic);

**“Threat Abatement Plan”** means a threat abatement plan made under Part 3 of the *Endangered Species Protection Act 1992* (Cwth);

**“Wilderness Values”** means the values of the same name as defined in the JANIS Report;

**“Wild Rivers”** means a river of natural origin, in which the biological, hydrological and geomorphological processes of river flow, and intimately linked parts of its catchment, have not been significantly altered by modern or

colonial society. Wild rivers may include permanent, seasonal or underground water courses;

**“Woodchips and Unprocessed Wood”** means those goods within the meaning of the Export Control (Hardwood Wood Chips) Regulations 1996; the Export Control (Regional Forest Agreements) Regulations; and the Export Control (Unprocessed Wood) Regulations;

**“World Heritage Nomination”** means the submission by the Commonwealth of a nominated area to the UNESCO World Heritage Committee for assessment as a World Heritage area;

**“World Heritage Values”** means features, formations, areas, and sites of outstanding universal value within the meaning of Article 2 of the *Convention Concerning the Protection of the World Cultural and Natural Heritage*, also known as the World Heritage Convention.

3. In this Agreement unless the contrary intention appears:
- (a) a reference to a clause or Attachment is a reference to a clause or Attachment to this Agreement and a reference to this Agreement includes a reference to an Attachment;
  - (b) a reference to this Agreement or another instrument is a reference to this Agreement or that other instrument as amended or varied from time to time;
  - (c) a reference to a statute or ordinance includes any consolidations, amendments, re-enactments or replacements thereof and also includes regulations and other instruments made under them;
  - (d) a reference to a code or other instrument includes any consolidations or amendments thereof;
  - (e) a word importing the singular includes the plural and vice versa, a word importing a gender includes each other gender and a reference to a person includes an individual, firm, body corporate, association (whether incorporated or not), government, governmental or semi-governmental body, local authority or agency;
  - (f) a reference to an act, matter or thing includes the whole or any part of that act, matter or thing and a reference to a group of acts, matters, things or persons includes each act, matter, thing or person in that group;
  - (g) where any terms and conditions are added to an Attachment of this Agreement it is agreed that those terms and conditions will form part of this Agreement;
  - (h) headings are inserted for convenience and do not affect the interpretation of this Agreement.

### **Definition of Region**

4. The area covered by this Agreement is the Gippsland region as shown in Map 1 accompanying this Agreement.

### **Duration of Agreement**

5. This Agreement takes effect upon signing by both parties and, unless earlier terminated in accordance with clause 98, 99 or 100, will remain in force for twenty years.

6. The process for extending the Agreement for a further period will be determined jointly by the Parties as part of the third five yearly review.

### **Basis of Agreement <sup>3</sup>/<sub>4</sub> National Forest Policy Statement**

7. Parties confirm their commitment to the goals, objectives and implementation of the *National Forest Policy Statement* (NFPS) by:

- developing and implementing Ecologically Sustainable Forest Management (ESFM);
- establishing a Comprehensive, Adequate and Representative (CAR) reserve system; and
- facilitating the development of an internationally competitive wood production and wood products industry.

### **Changes to the Agreement**

8. This Agreement may only be amended with the consent, in writing, of both Parties. Parties agree to work cooperatively to address any differences between them as to the interpretation or implementation of the Agreement.

### **Dispute Resolution**

9. The Parties agree that if a dispute arises between the Parties regarding this Agreement it must be resolved expeditiously in accordance with the provisions of clauses 10 to 14.

10. When a dispute arises, a Party may serve a notice on the other specifying:

- (a) the nature and substance of the matter or issue in dispute;
- (b) that it is a dispute to be resolved in accordance with clauses 10 to 14.

11. Within 14 days of the notice under clause 10 being served the Parties must attempt to settle the dispute and, in default of settlement, appoint a mediator to conduct a mediation concerning the matter or issue in dispute.

12. If the dispute is not settled under clause 11 and the Parties fail to appoint a mediator, either of them may request the President of the Law Council of Australia, or the equivalent officer of such body as in future may have the functions of the Law Council of Australia, to nominate a mediator to conduct the mediation.

13. The costs of a mediator appointed under clauses 11 or 12 are to be shared equally between the Parties.

14. Each of the Parties agrees to use its best endeavours to resolve the dispute through mediation.

### **Notices**

15. Any notice or other communication to be given or made pursuant to this Agreement shall be in writing and addressed as the case may be as follows:

THE COMMONWEALTH  
The Secretary  
Department of the Prime Minister and Cabinet  
3-5 National Circuit  
BARTON ACT 2600

THE STATE  
The Secretary  
Department of Premier and Cabinet  
Treasury Place  
EAST MELBOURNE VIC 3002

## **PART 2**

16. This Part is not intended to create legally binding relations and provisions in Part 1 in so far as they relate to Part 2 are also not binding. Where there are references in this Part to obligations which are referred to in Part 3 and are intended to be legally binding, they are only included in Part 2 in so far as they provide context and for the sake of completeness so that the whole scheme which the Parties wish to implement is set out in this Part. The inclusion of references to these legally binding obligations in Part 2 does not derogate from the Parties intent that they be legally binding in Part 3.

## **FUNCTIONING OF THE AGREEMENT**

### **Relationship to the Interim Forest Agreement**

17. This Agreement replaces the Interim Forest Agreement, signed by the Commonwealth and Victorian governments on 27 January 1996 and subsequently amended on 30 June 1998 and 31 December 1999, in relation to the Gippsland region.

### **Relationship to Statutory Obligations**

18. This Agreement cannot impose on either Party or a third party any obligation that is inconsistent with Australia's international obligations, or a law of the Commonwealth or of Victoria.

19. Neither Party will seek to use existing or future legislation to undermine or impede this Agreement.

20. The Commonwealth, in signing the Agreement, confirms that its obligations under the *Australian Heritage Commission Act 1975* (Cwth) have been met.

21. Parties will manage their respective responsibilities with regard to the National Estate in accordance with the provisions of this Agreement as detailed in Attachment 3.

22. The Commonwealth confirms it has on or before the date of this Agreement entered into an agreement with the Australian Heritage Commission in which the Commission has agreed to perform and comply with all the agreements and confirmations which are specified in Attachment 3 as being agreements and confirmations on the part of the Commission.

23. The Commonwealth, in signing the Agreement, confirms that its obligations under the *Environment Protection (Impact of Proposals) Act 1974* (Cwth) have been met. The Commonwealth also confirms that, under the administrative procedures of the Act, any activities covered by the Agreement, including the 5 yearly review and minor amendments to the Agreement, will not trigger further environmental impact assessment.

24. The Commonwealth, in signing the Agreement, confirms that its obligations under the *Endangered Species Protection Act 1992* (Cwth) have been met.

25. The Commonwealth notes that its obligations to promote endangered species protection will involve ongoing cooperative work with Victorian agencies concerning the Gippsland region.

26. The Commonwealth undertakes to use its best endeavours to secure the enactment of legislation which amends the *Environment Protection and Biodiversity Conservation Act 1999* (Cwth) by inserting definitions of 'Forestry Operations',

'RFA Forestry Operations' and 'RFA' or 'Regional Forest Agreement' identical to those contained in the Regional Forest Agreements Bill (Cwth) and introduce such legislation into the Parliament of the Commonwealth by 30 June 2000. The purpose of these amendments is to give effect to the Commonwealth Government's intention that Forestry Operations in RFA regions may be undertaken without approval under the *Environment Protection and Biodiversity Conservation Act 1999* (Cwth).

27. Parties agree to actively investigate, and participate in, World Heritage assessment of the Australia-wide Eucalypt theme, including any potential contribution from the Gippsland region.

28. Parties note that in order to progress work and then proceed to World Heritage nomination, the agreement of all relevant governments will be required.

29. Parties agree that any potential World Heritage nomination involving areas in the Gippsland region will be from within the CAR Reserve System.

30. The Commonwealth agrees that it will give full consideration to the potential socio-economic consequences of any World Heritage nomination of places in the Gippsland region and that any such nomination will only occur after the fullest consultation and with agreement of the State.

31. The Parties agree that before any World Heritage nomination is made:

- all necessary management arrangements, including joint policy coordination arrangements will be agreed; and
- all related funding issues will be resolved to the satisfaction of both Parties.

32. Parties note that current Commonwealth export arrangements provide that, after 31 March 2000, exports of hardwood woodchips from native forests will only be permitted from areas covered by an RFA.

33. Parties note that no controls under the *Export Control Act 1982* (Cwth) will apply to hardwood woodchips or unprocessed wood sourced from the Gippsland region while this Agreement is in place.

34. The Commonwealth notes Victoria's intention to separate more clearly its commercial forestry activities within native State Forests from the broader policy, strategic planning and regulatory functions associated with the management of those forests. Victoria also confirms its commitment to the ongoing implementation of its plans, codes and prescriptions relevant to the achievement of ESFM.

35. The Commonwealth notes Victoria's change to the administration arrangements applying to the management of its parks, and that the primary emphasis of management will continue to be the conservation and protection of Environmental and Heritage Values.

### **Milestones**

36. This Agreement establishes milestones (Attachment 4) and Parties will report annually on their achievement for the first five years, and then as they fall due and as part of the 5 yearly review, using an appropriate public reporting mechanism.

### **Five yearly review**

37. Within each five year period, a review of the performance of the Agreement will be undertaken. The purpose of the five yearly review is to provide an assessment of progress of the Agreement against the established milestones, and will include:

- the extent to which milestones and obligations have been met including management of the National Estate;
- the results of monitoring of Sustainability Indicators; and
- invited public comment on the performance of the Agreement.

38. While the review process will not open up the Agreement to re-negotiation, both Parties may agree to some minor modifications to incorporate the results of the review.

39. The outcomes of the review will be made public. The mechanism and timing for the review will be determined by both Parties before the end of the five year period and the review will be completed within three months.

## **ECOLOGICALLY SUSTAINABLE FOREST MANAGEMENT**

40. The Parties agree that ESFM is an objective which requires a long term commitment to continuous improvement and that the key elements for achieving it in accordance with clause 7 are:

- the establishment of a CAR Reserve System (Attachment 1);
- the development of internationally competitive Forest Products industries; and
- a fully integrated and strategic forest management system capable of responding to new information.

41. The Parties agree that Victorian processes and systems provide for ecologically sustainable management of forests in the Gippsland region and that these processes and systems are accredited in clause 48 of this Agreement.

## **Monitoring, Reporting and Consultative Mechanisms**

42. Victoria will report on the results of monitoring of Sustainability Indicators.

43. Comprehensive Regional Assessments and the development of this Agreement have provided extensive opportunities for public participation and reporting. Parties recognise that the public reporting activities and on-going opportunities for public participation and consultation associated with existing Victorian and Commonwealth processes and instruments will continue. These processes are listed in Attachment 5.

44. In addition to these activities, Victoria agrees to publish future reports of audits of compliance with the Code of Forest Practices for Timber Production. Supporting documents will also be publicly available.

45. Parties note that to develop the transparency and accountability of its forest management processes, Victoria is implementing an on-going quality assurance program utilising, as appropriate, expertise external to the forest agency in the Department of Natural Resources and Environment or its equivalent.

46. Victoria undertakes to:

- (a) continue to manage the Dedicated Reserves within the CAR Reserve System in accordance with the relevant government approved recommendations of the Land Conservation Council or Environment Conservation Council;
- (b) manage cultural values, both Aboriginal and non-Aboriginal, in the Gippsland region, based on Statewide Guidelines for the Management of Cultural Heritage Values in Forests, Parks and Reserves which will be jointly agreed; and

- (c) implement the Integrated Forest Planning System and the Statewide Forest Resource Inventory (SFRI) across Victoria in accordance with the schedule set out in Attachment 10.

### **Accreditation**

47. Parties agree that Victoria's Forest Management System (including its legislation, policies, Codes, plans and management practices) as described in the Statewide Assessment of Ecologically Sustainable Forest Management and including responses reported in chapter 17 of the *Gippsland Comprehensive Regional Assessment Report* provides for continuing improvement in relation to ESFM.

48. The Commonwealth accredits Victoria's Forest Management System for the Gippsland region as amended by this Agreement. The system includes:

- the forest management planning process;
- the *Flora and Fauna Guarantee Act 1988* (Vic);
- the process for forecasting sawlog Sustainable Yield in the Gippsland region; and
- the systems and processes established by the Code of Forest Practices for Timber Production and the Code of Practice for Fire Management on Public Land.

### **Sustainability Indicators**

49. Parties agree that the current Forest Management System could be enhanced by further developing appropriate mechanisms to monitor and review the sustainability of forest management practices. To ensure that this occurs, Parties agree to establish an appropriate set of Sustainability Indicators to monitor forest changes. Any indicators established will be consistent with the Montreal Process Criteria (as amended from time to time), the current form of which is specified in Attachment 7, and will take into account the framework of regional indicators developed by the Montreal Process Implementation Group (MIG). Indicators will be practical, measurable, cost-effective and capable of being implemented at the regional level.

50. In developing effective indicators, Parties agree to take into account the results of the Forest and Wood Products Research and Development Corporation's pilot studies for the development of effective regional indicators.

51. Development of indicators, and collection of results for those indicators which can be readily implemented, will be completed in time to enable assessment during the first review of this Agreement.

### **Private land**

52. The Parties reaffirm their commitments made in the NFPS to the conservation and management of the private forest estate. The Parties note that Victoria has, under the *Planning and Environment Act 1987* (Vic), native vegetation retention controls to regulate the clearance of native forest on private land.

53. Victoria will continue to encourage private forest owners to ensure that their management operations are consistent with the Code of Forest Practices for Timber Production, and to have in place adequate mechanisms to protect nature conservation and catchment values.

54. The process for determining those ecological vegetation classes which are priorities for the CAR Reserve System and which occur on private land is outlined in Attachment 1. Parties agree that the EVCs identified as priorities can be managed to protect values consistent with the JANIS Reserve Criteria or could contribute to the CAR Reserve System through a range of mechanisms, with the consent of the land owner.

### **Threatened Flora and Fauna**

55. The Parties agree that the CAR Reserve System, actions under the *Flora and Fauna Guarantee Act 1988* (Vic) and the *Endangered Species Protection Act 1992* (Cwth), and the application of the strategies in Attachment 2 provide for the protection of rare or threatened flora and fauna species and ecological communities. These will guide the development of the range of management strategies to be included in the Gippsland Forest Management Plan.

56. Where threatened species, ecological communities and threatening processes restricted to Victoria are listed under both the *Flora and Fauna Guarantee Act 1988* (Vic) and the *Endangered Species Protection Act 1992* (Cwth), any new or revised Action Statements will be jointly prepared to meet the requirements of both Acts. Where the Action Statements meet the requirement of the *Endangered Species Protection Act 1992* (Cwth), the Commonwealth intends to adopt Action Statements as Recovery Plans under Section 46 of the *Endangered Species Protection Act 1992* (Cwth).

57. Recovery Plans for items listed under both Acts and extending beyond Victoria will be prepared jointly with Victoria and other relevant governments, and incorporate the agreed Action Statement as the Victorian component of the Recovery Plan.

58. Parties will continue to consult on the priorities for listing threatened species, ecological communities and threatening processes, and the preparation of Action Statements and Recovery Plans, recognising that priorities can change in the light of new information. Currently agreed priorities and commitments for the next five years are outlined in Attachment 2.

59. Parties reaffirm their commitment that species in the Gippsland region for which Recovery Plans or Action Statements have already been prepared will have all recommended actions completed or significantly advanced in accordance with the timelines specified in the Recovery Plans or Action Statements.

60. Parties agree that within five years pest plant and pest animal control programs will be developed within the framework established by the relevant Catchment Management Authority.

### **Water**

61. Parties agree that the provision of adequate flows of high quality surface water and maintenance of groundwater processes is a fundamental goal of forest management and note that a range of measures (see Attachment 9) have been implemented through the Victorian Forest Management System to address the issues associated with water supply, water quality and groundwater processes in forests. As part of the Forest Management System, Victoria proposes to conduct hydrological research on the impacts of timber harvesting on water quality and yield.

## **THE CAR RESERVE SYSTEM**

62. Parties agree that the primary function of the CAR Reserve System is to ensure the conservation and protection of environment and heritage values.

63. Parties agree that the CAR Reserve System as identified on Map 1 and described in Attachment 1, in conjunction with the arrangements proposed for private land in Attachment 1, satisfies the JANIS Reserve Criteria. Each element of the reserve system will be administered in accordance with Victorian legislation.

64. Victoria agrees to implement the CAR Reserve System, including the required public land tenure changes, described in Attachment 1 and identified on Map 1.

65. Parties agree that changes to that component of the CAR Reserve System in State Forest will only occur in accordance with this Agreement, will not lead to a net deterioration in the protection of identified CAR Values, and will be publicly available.

66. Parties agree that best endeavours will be used to maintain the levels of protection of national estate values in a regional context, however, minor changes to the levels of protection of individual values may occur as a result of changes to the CAR Reserve System in State Forest.

67. Victoria agrees to produce and publish by 31 December 2001 the Gippsland Forest Management Plan that reflects the outcomes of this Agreement. Attachment 9 provides further details on the Forest Management Plan process and other relevant forest management issues.

## **INDUSTRY DEVELOPMENT**

68. The Parties agree that State Forest outside the CAR Reserve System is available for timber harvesting in accordance with the Victorian Forest Management System. Victoria also confirms that the Sustainable Yield for forests for the Gippsland region will continue to be based on areas available for timber harvesting outside the CAR Reserve System.

69. Parties agree that any changes to the area of State Forest will not lead to a net deterioration in the timber production capacity of those areas available for harvesting in terms of volume, species and quality.

70. The Parties acknowledge that the forest-based industries in the Gippsland region make an important contribution to both the regional and State economies and are an essential component of many communities in the region. The Parties intend that this Agreement will enhance opportunities for further growth and development of forest-based industries in the Gippsland region and provide long-term stability for these industries. The Parties therefore acknowledge that this Agreement must provide enhanced security of access to resources on forested land for the life of the Agreement. This, in turn will facilitate industry development including through:

- new investment, plantation development, reforestation, downstream processing, value-adding and jobs growth in forests-based industries;
- further introduction of new technology, enhanced utilisation of regrowth timber for sawn products, and more efficient utilisation of residual wood;
- investment in Mineral exploration and Mining; and
- tourism and recreation investment.

71. As part of providing greater security of access to forest resources, the Commonwealth will not prevent enterprises obtaining, using or exporting timber, woodchips or unprocessed wood products sourced from the Gippsland region in accordance with this Agreement.

72. The Parties:

(a) acknowledge that this Agreement is expected to provide 115,000m<sup>3</sup> per annum of D+ sawlogs from the Gippsland region comprising:

- (i) the Tambo FMA (62,000 m<sup>3</sup> per annum),
- (ii) eleven blocks of the Wodonga FMA (13,000 m<sup>3</sup> per annum) and
- (iii) the eastern part of the Central Gippsland FMA (40,000 m<sup>3</sup> per annum of the expected 175,000 m<sup>3</sup> from the whole FMA)

but recognise that timber supply levels in Victoria are subject to change based on periodic review of Sustainable Yield and that Sustainable Yield estimates are based on the full extent of the FMAs;

(b) recognise that the expected available volume of D+ sawlogs referred to in Clause 72 (a) includes forest stands which may be less desirable to harvest under existing market conditions, due to low yields, accessibility and product distribution. The available volume is dependent on the capacity of the timber industry to harvest these areas. Timber Resource Analyses identified that approximately 8 per cent of the total Gippsland resource and 20 per cent of the mixed species resource is sourced from forest stands which fall into this category;

(c) agree that economic and social issues have been taken into account in providing a land base that is expected to deliver the yields in Clause 72(a).

73. It will be necessary to provide industry with sufficient time to adjust to the revised timber resource availability resulting from the RFA outcomes. The Parties agree that this adjustment will take place within two years of the date of signing this agreement in conjunction with the actions in Clause 77.

74. Victoria agrees that Sustainable Yield levels will be reviewed based on new resource information from the SFRI when available and the use of IFPS.

75. The Parties agree that Victoria will manage the forest estate in the Gippsland region to at least maintain its timber production capacity in terms of volume, species and quality.

76. Wherever possible Victoria will enhance Statewide silvicultural programs and reforestation works to improve the productive capacity of State Forests.

77. The Parties agree that the funding available through the joint Commonwealth-Victorian Hardwood Timber Industry Development and Restructuring Program (VicFISAP) has been increased to \$42.6 million across the five Victorian RFA regions. The Parties agree to review the Memorandum of Understanding for the VicFISAP which establishes the respective roles and responsibilities of the two governments in administering the program to take into account the outcomes of this Agreement. The Parties acknowledge that Victoria will provide an additional \$20 million dollars to facilitate improvements in the productive capacity of public native forests, establish hardwood plantations, and other forest-based initiatives that will generate significant employment opportunities in regional Victoria. This brings the

total funding package associated with the five Victorian RFAs to \$62.6 million. Attachment 11 provides details.

## **INDIGENOUS HERITAGE**

78. The Parties agree to develop a package of measures that will be implemented by Victoria to ensure the appropriate management of Aboriginal heritage including the maintenance of traditional historic uses and values, in the Gippsland region. These measures are the development of: Statewide guidelines for the management of cultural heritage values; provision for participation and negotiation through the establishment of formal consultation mechanisms with local Aboriginal communities; modelling to establish priority areas for future surveys of Aboriginal sites; and training of staff. These measures are further outlined in Attachment 8.

79. This Agreement is not intended to influence either current or future Native Title claims in any way. Where any government action to implement this Agreement could affect Native Title, that action will be taken in accordance with the *Native Title Act 1993* (Cwth).

## **PLANTATIONS**

80. The Parties recognise that export controls have been removed from unprocessed wood and woodchips sourced from Victorian plantations in accordance with the Export Control (Unprocessed Wood) Regulations.

81. Parties agree that a significant expansion in the extent of hardwood and softwood plantations on previously cleared land in the Gippsland Region, consistent with environment and heritage objectives, would be desirable and note that a range of programs, including initiatives through the *Plantations for Australia the 2020 Vision*, have been established to encourage investment in plantations as a source of both sawlogs and pulpwood.

82. Parties agree that the current extent of hardwood sawlog plantations is not sufficient to provide an alternative source of supply to native forest hardwood sawlog resources in the Gippsland Region. Governments recognise the need to facilitate product diversification in the plantation sector.

## **OTHER FOREST USES**

83. Parties agree that forest uses other than timber production will be determined in accordance with Victorian legislation with due regard for protection of Environmental and Heritage Values. In some limited circumstances that do not relate to the substance of this Agreement (for example foreign investment approval, export controls for non-forest products and major infrastructure developments) Commonwealth legislative provisions may also apply.

84. Parties recognise that under legislative provisions in Victoria, issuing of new exploration licences and subsequent mining is not permitted in National Parks, Wilderness Parks, State Parks and Reference Areas.

85. Parties recognise that exploration and mining may be permitted in parts of the CAR Reserve System, other than those identified in Clause 84, where the identified conservation values are not incompatible with exploration and mining. To this end, Victoria will ensure that in accordance with relevant Victorian legislation proposed Mining Operations in the CAR Reserve System will be subject to an Environmental Effects Statement or planning permission (eg planning permit) as required. In the case of exploration, the provisions of the *Mineral Resources Development Act 1990*

(Vic) require the application of conditions to protect environmental values, and may in the case of proposed road construction or bulk sampling require an exploration impact statement. Victoria will ensure these provisions apply to proposed exploration activities in the CAR Reserve System. The Parties note that no new activities under the *Extractive Industries Development Act 1995* (Vic) will be permitted in the State Forest component of the CAR Reserve System in the Gippsland region unless it will make a significant contribution to the regional economy and unless the values within the CAR Reserve System can be maintained or provided for elsewhere.

86. Rehabilitation of any mining site will be in accordance with the provisions of the *Mineral Resources Development Act 1990* (Vic) or the *Extractive Industries Development Act 1995* (Vic), and it will aim to achieve world's best practice.

87. Parties agree that the harvesting of firewood, posts and poles, will be phased out within the CAR reserve system within three years of signing this Agreement.

### **COMPETITION PRINCIPLES**

88. Parties recognise that under the Competition Principles Agreement, Governments aim to achieve more transparency and greater efficiency in Government business enterprises. The Commonwealth agrees that the day to day pricing and allocation arrangements for wood from public forests are matters for Victoria. Victoria confirms its commitment to the pricing and allocation principles set out in the National Forest Policy Statement. Victoria confirms that legislation and policies relevant to the allocation and pricing of hardwood logs from State Forests have been reviewed as part of the Competition Principles Agreement. Competitive neutrality principles will be taken into account in any changes following the review.

### **RESEARCH**

89. The results of the Comprehensive Regional Assessments of the forest values of the Gippsland region indicated a number of areas requiring further research. The *Compendium of Victorian Forest Research* (1998) provides a bibliography of research in progress as well as published and unpublished works. Parties have outlined Statewide research priorities in Attachment 6.

90. Parties agree to consult each other in the development of future research projects that may affect the Agreement and note that the subject areas and priorities may change throughout the duration of the Agreement.

91. Parties agree to make publicly available, wherever possible, research reports relevant to this Agreement.

### **DATA AGREEMENT**

92. Parties note the signing of a State-wide data agreement on 28 March 2000. Both Parties agree to develop a schedule to the State-wide agreement concerning the management of the data used to develop this Agreement by 30 June 2000. The data agreement covers:

- ownership and custodianship;
- archival lodging and location and associated documentation standards; and
- access, use and maintenance of the data.

Parties also agree to lodge archival copies of data by 31 March 2001.

## **PART 3**

### **Nature of Obligations under this Part**

93. It is the intention of the Parties that this Part is to create legally enforceable rights and obligations. It is also their intention that, in the event that any provision of this Part exceeds the power of either Party or is unenforceable for any other reason, that provision is to be read as not intending to create legally enforceable rights and obligations.

### **Forest Management**

94. Victoria will:

94.1. Implement the CAR Reserve System, including any required public land tenure changes, described in Attachment 1 and identified on Map 1.

94.2. Produce and publish by 31 December 2001 the Gippsland Forest Management Plan that reflects the outcomes of this Agreement.

94.3. Implement the Integrated Forest Planning System and the Statewide Forest Resource Inventory (SFRI) in the Gippsland region by 31 December 2002;

94.4. Publish future reports of audits of compliance with the Code of Forest Practices for Timber Production;

95. The Commonwealth will:

95.1. Maintain accreditation of Victoria's Forest Management System for the Gippsland region as amended by this Agreement providing changes to the system are consistent with the provisions of this Agreement;

95.2. Not prevent enterprises obtaining, using or exporting timber, woodchips or unprocessed wood products sourced from the Gippsland region in accordance with this Agreement;

### **Compensation**

96. The Parties agree that:

96.1. If to protect the Environmental and Heritage values in native forests and in connection therewith the protection of:

- (a) CAR Values; or
- (b) National Estate Values; or
- (c) World Heritage Values; or
- (d) Wild Rivers

the Commonwealth takes any Action during the period of this Agreement which is inconsistent with any provision of this Agreement and a foreseeable and probable consequence of which is to prevent or substantially limit:

- (e) the use of land which is not included within the CAR Reserve System for Forestry Operations which, immediately before the announcement of the proposed Commonwealth Action, are being undertaken or were intended to be undertaken at any time or the use of land which is not included within the CAR Reserve System or of land within that system but not within a Dedicated Reserve in which Mineral exploration and mining is prohibited pursuant to a statutory licence, permit or authority permitting those Mining Operations

which was in force immediately prior to the announcement of the proposed Commonwealth Action; or,

- (f) the sale or commercial use of Forest Products sourced from land which is not included within the CAR Reserve System or the first sale or first commercial use of Mining Products sourced from land which is not included within the CAR Reserve System or land within that system but not within a Dedicated Reserve in which Mineral exploration and mining is prohibited for a purpose for which, immediately prior to the announcement of the proposed Commonwealth Action, they had been intended to be sold or used commercially at any time; or,
- (g) the construction on land which is not included within the CAR Reserve System of roads being built or intended to be built, immediately before the announcement of the proposed Commonwealth Action, where those roads' primary purpose is for the transportation of Forest Products sourced from land which is not included within the CAR Reserve System,

the Commonwealth will pay compensation to the State in accordance with the remaining provisions of clauses 96.2 to 96.20.

96.2. Subject to:

- (a) clauses 96.3, 96.4, 96.5, 96.6, 96.8, 96.9, 96.10, 96.11 and 96.12 the compensation to be paid by the Commonwealth to the State in accordance with clause 96.1 in relation to the prevention by Commonwealth Action of the use of land for Forestry Operations or prevention by Commonwealth Action of the sale or commercial use of Forest Products is the amount of the reasonable loss or damage sustained by reason of that prevention, calculated as at the time at which the prevention referred to in clause 96.1 occurred, by any person in any of the following classes of person:
  - (i) the Owner of the land or of the Forest Products on the land;
  - (ii) any person who, prior to the announcement of the proposed Commonwealth Action but not in anticipation of that Action, entered into a contract with the Owner of the land or of the Forest Products on the land or with any person mentioned in sub-paragraph (iii) below for the carrying out of Forestry Operations on the land; and
  - (iii) any person who, prior to the announcement of the proposed Commonwealth Action but not in anticipation of that Action, entered into a contract with the Owner of the land or of the Forest Products on the land to purchase the Forest Products on the land.
- (b) clauses 96.3, 96.4, 96.5, 96.6, 96.7, 96.8, 96.10, 96.11 and 96.12 the compensation to be paid by the Commonwealth to the State in accordance with clause 96.1 in relation to the prevention by Commonwealth Action of the use of land for Mining Operations or the first sale or first commercial use of Mining Products is the amount of the reasonable loss or damage sustained by reason of that prevention, calculated as at the time at which the prevention referred to in clause 96.1 occurred, by any person carrying on Mining Operations on the land pursuant to a statutory licence, permit or authority permitting those operations which was in force immediately prior to the announcement of the proposed Commonwealth Action.
- (c) clauses 96.3, 96.6, 96.8, 96.11 and 96.12 the compensation to be paid by the Commonwealth to the State in accordance with clause 96.1 in relation to the

prevention by Commonwealth Action of construction of a road is the amount of reasonable loss or damage sustained by reason of that prevention, calculated as at the time at which the prevention referred to in clause 96.1 occurred, by any person who, immediately before the announcement of the proposed Commonwealth Action, was contracted to construct that road.

96.3. No amount of compensation is payable in the event of any loss or damage being sustained which would have been so sustained regardless of the Commonwealth Action. No compensation is payable hereunder in respect of any additional areas included pursuant to this Agreement in the CAR Reserve System.

96.4. The State warrants that no claim will be made in respect of areas where Forestry Operations or Mining Operations would not have been permitted by this Agreement and that any claims will be certified by it as being or not being in respect of such areas and as having been assessed by the State in this regard.

96.5. The State warrants that no claim will be made in respect of Forest Products or Mining Products which would not have been available for sale or commercial use under this Agreement and that any claims will be certified by it as being or not being in respect of such Products and as having been assessed by the State in this regard.

96.6. The State undertakes to supply to the Commonwealth on request information, including as to areas protected by prescription, required by the Commonwealth for the purposes of considering claims under this clause.

96.7. To the extent that clause 96.2(b) relates to loss or damage in respect of an exploration licence or search permit, that clause is to be read as providing for compensation to be payable only:

- (a) in respect of the part of the area to which that licence or permit relates that is affected by the Commonwealth Action; and
- (b) up to the loss in market value of that licence or permit resulting from the prevention of the Mining Operations.

96.8. Any claim made by the State hereunder is to be notified in writing within 6 months after the loss or damage is sustained.

96.9. For the purposes of clause 96.1(e), the intention to conduct Forestry Operations is to be established on the basis of contracts, documentation of management history or other records establishing clear intent and in existence immediately prior to the announcement of the proposed Commonwealth Action.

96.10. For the purposes of clause 96.1(f), the purpose for which there was an intention to sell or use commercially is to be established on the basis of contracts, documentation of management history or other records establishing clear intent and in existence immediately prior to the announcement of the proposed Commonwealth Action.

96.11. No compensation is payable under clause 96.2 in relation to any loss or damage which the person who sustained the loss or damage might have avoided by taking reasonable steps in mitigation including by the making of alternative contractual arrangements which would have avoided or reduced that loss or damage.

96.12. Clause 96.2 does not apply so as to entitle the State to recover compensation more than once in respect of the same loss or damage.

96.13. The initial procedure in relation to a claim for compensation under this clause is as follows:

- (a) A person who claims to have sustained loss or damage for which compensation is payable may lodge an initiating claim with the State.
- (b) On receiving a claim, the State must make a corresponding claim for compensation to the Commonwealth.
- (c) The State is to make the claim for compensation by a notice in writing to the Commonwealth which indicates the amount claimed, for whom the claim is made, the area to which it relates and gives detailed particulars of the basis for the claim, and of the manner in which it has been calculated.
- (d) Where there is a dispute concerning a claim for compensation, or on or before the expiry of thirty days after the receipt of the claim, the Commonwealth notifies the State that it does not accept the amount claimed, then either Party may serve a notice of dispute under clause 10.
- (e) In the event that the amount of compensation payable in response to a claim has not been agreed in the dispute resolution process for which clauses 10 to 14 provide, or the Commonwealth fails to pay the agreed amount of compensation to the State within 60 days of agreement (for reasons other than lack of the necessary appropriation), the Parties hereby refer the claim to arbitration.
- (f) An arbitration under this Agreement is to be conducted in accordance with the provisions of the *Commercial Arbitration Act 1984* (Vic) which are, to the extent permitted by the *Judiciary Act 1903* (Cwth) and the Commonwealth Constitution, incorporated by reference into this Agreement.

96.14. The procedure in relation to any arbitration required by reason of the provisions of clause 96.13 is as follows:

- (a) The Parties must meet to appoint an arbitrator within 7 days of an unsuccessful mediation.
- (b) If the Parties are unable to agree on the appointment of an arbitrator, either of them may refer the matter to the President of the Law Council of Australia, or equivalent officer of such body as in future may have the functions of the Law Council of Australia, with a request that that person appoint an arbitrator.
- (c) At an arbitration under this clause:
  - (i) the Parties are entitled to representation by a legal practitioner qualified to practice in any State or Territory of Australia;
  - (ii) the arbitrator may order the Parties to discover any relevant documents prior to the hearing;
  - (iii) the arbitrator may order the Parties to exchange proofs of evidence of witnesses (whether expert or not) prior to the hearing;
  - (iv) the arbitrator may, in accordance with clause 96.13(f), inform himself or herself in relation to any matter in such manner as the arbitrator thinks fit; provided that if the arbitrator takes advice from any person who is not a Party to this Agreement as to the matters in issue, the arbitrator must provide the Parties with an opportunity to:
    - (1) make submissions on the matter in which the advice is to be taken;
    - (2) make submissions on the identity of the person from whom the advice is to be taken;

- (3) make submission on the substance of any advice given before making any decision on the issue on which the advice is taken.

96.15. Unless the Commonwealth appeals the decision of the arbitrator, and subject to clause 96.18, the Commonwealth undertakes to pay the State the amount of any award made by an arbitrator under clause 96.14 as a debt due to the State, within 60 days of the award.

96.16. Except where the State is the person who sustained the relevant loss or damage, any payment of compensation made by the Commonwealth to the State in accordance with this clause will be paid to and received by the State as trustee for the person who sustained the relevant loss or damage.

96.17. Subject to clause 96.18(b), where the State receives monies as a trustee pursuant to clause 96.16, it will pay those monies to the person who sustained the relevant loss or damage within 30 days.

96.18.

- (a) Where the Commonwealth has agreed to pay compensation to the State under this clause, or an award of compensation has been made under clause 96.14 as a result of arbitration, and the Commonwealth claims that events have since taken place which have the result that the compensation so agreed or awarded no longer reflects the actual loss or damage that has been or will be sustained, the Commonwealth may by notice in writing to the State, decline to pay that compensation.
- (b) If a notice under paragraph (a) is delivered after the State has received the compensation so agreed or awarded, but before the State has paid it to the person who sustained the relevant loss or damage, the State will not pay the compensation to that person.
- (c) If a notice under paragraph (a) is delivered, the Parties will attempt to agree the amount of the compensation which the Commonwealth should pay, and -
  - (i) in default of agreement, will first seek to resolve the dispute by dispute resolution under clauses 10 to 14; and
  - (ii) in the event that the dispute is not so resolved, or the Commonwealth fails to pay the agreed amount of compensation to the State within 60 days of agreement (for reasons other than lack of the necessary appropriation), hereby refer the claim for compensation to arbitration in accordance with clause 96.13(f).
- (d) Subject to paragraph (e) of this clause, where an arbitration takes place in accordance with sub-paragraph (c)(ii), clauses 96.14 and 96.15 of this Agreement apply to that arbitration and to any amount awarded in that arbitration.
- (e) If, following the observance of paragraph (c) of this clause, it is determined by agreement or award that the Commonwealth should pay a reduced amount of compensation to the State, the State will within 30 days of that determination -
  - (i) repay to the Commonwealth the amount by which the compensation paid to it by the Commonwealth is reduced; and
  - (ii) pay the balance of the compensation to the person who sustained the relevant loss or damage.

- (f) If, following the observance of paragraph (c) of this clause, it is determined by agreement or award that the amount of compensation previously paid to the State is correct the State will within 30 days of that determination pay to the person who sustained the relevant loss or damage the amount of the compensation previously paid to it by the Commonwealth.

96.19. Where the State:

- (a) has received monies as a trustee pursuant to clause 96.16; and
- (b) has made all reasonable endeavours to pay the monies to the person who sustained the relevant loss or damage; and
- (c) but has been unable to do so within six months of receiving payment

the State shall repay to the Commonwealth at the expiry of that period the monies so received.

96.20. In this clause

- (a) "Action" means
- (i) the commencement of legislation or subordinate legislation; and
- (ii) administrative action which is taken pursuant to legislation or subordinate legislation, or otherwise than in accordance with such legislation.
- (b) "Owner" means
- (i) in relation to land
- (1) the owner of any estate or interest in that land, including the Crown in right of the State; and
- (2) any statutory corporation which has the power to carry on Forestry Operations or Mining Operations, as the case may be, on the land for profit.
- (ii) in relation to Forest Products or Mining Products, as the case may be, the owner of any interest in those products.

### **Industry Development Funding**

97. The Commonwealth will, subject to the terms and conditions under any Commonwealth Act which appropriates money, provide an amount of \$18.8 million and Victoria will provide \$23.8 million to implement a Hardwood Timber Industry Development and Restructuring Program across the five Victorian RFA regions. A revision of the Memorandum of Understanding between the two Parties which established the respective roles and responsibilities of the two governments in administering VicFISAP will be required to take into account the outcomes of this Agreement.

### **Termination**

98. This Agreement may only be terminated by the Commonwealth:

- (a) where the dispute resolution procedures in clauses 10 to 14 have been observed and the State has been given a 90 day period of notice on:

- (i) a failure by the State to comply with clause 94.1, being a failure to implement the CAR Reserve System described in Attachment 1 and to manage and conserve the identified CAR Values; or
- (ii) a failure to comply with clause 94.2, being a failure to produce and publish by 31 December 2001 the Gippsland Forest Management Plan that reflects the outcomes of this Agreement; or
- (iii) a failure to comply with publishing and/or reporting requirements in accordance with clauses 42 and 44; or
- (iv) a failure to comply with clause 46(c), being a failure to implement the Integrated Forest Planning System and the Statewide Forest Resource Inventory (SFRI) in the Gippsland region by 31 December 2002; or
- (v) a failure by the State to observe the terms and conditions referred to in clause 97 or a failure to use the money referred to in clause 97 for the purpose for which it is appropriated;

other than a failure of a minor nature which is not one or part of a series of deliberate or reckless failures of a minor nature; and save that the above provisions do not apply if rectification is possible and has occurred before the end of the 90 day period; or

- (b) on a fundamental failure by the State to comply with the spirit of the Agreement after the observance of the dispute resolution procedures in clauses 10 to 14.

99. This Agreement may only be terminated by the State:

- (a) where the dispute resolution procedures in clauses 10 to 14 have been observed and the Commonwealth has been given a 90 day period of notice on:
  - (i) a breach by the Commonwealth of clause 97, being a failure to pay the financial assistance in accordance with that clause; or
  - (ii) a failure by the Commonwealth to comply with clause 96, being a failure to pay compensation due under that clause;

save that the above provisions do not apply if rectification is possible and has occurred before the end of the 90 day period; or

- (b) on a fundamental failure by the Commonwealth to comply with the spirit of the Agreement after the observance of the dispute resolution procedures in clauses 10 to 14.

100. This Agreement may be terminated with the consent of the Commonwealth and the State.

#### **Notice of intention to review before termination by consent**

101.

101.1. A consent under clause 100 is of no effect, unless:

- (a) it is given at least 12 months after a notice of intention to review the operation of this Agreement is published in the Commonwealth *Gazette* and a national newspaper and a newspaper circulating in Victoria stating that a joint review is being undertaken by the Parties because they intend to terminate the Agreement by consent; and
- (b) the Parties have conducted the joint review.

101.2. The joint review must consider whether the operation of the Agreement has met the goals set out in Recitals A and B.

101.3. Within 8 months after the notice of intention to review is published under this clause, and after considering any submissions to the joint review, the Parties must make a report of the review publicly available.

101.4. If, under clause 37, a 5 yearly review is to be conducted during the 12 month period after a notice of intention to review is published under this clause, and the joint review is conducted under this clause, the Parties may agree that the review under clause 37 need not be undertaken.

**Miscellaneous**

102. This Agreement may be executed in any number of counterparts, all of which taken together constitute one and the same instrument.

IN WITNESS WHEREOF this Agreement has been signed for and on behalf of the Parties as at the day and year first above written.

SIGNED by

the HONOURABLE JOHN WINSTON HOWARD MP, Prime Minister

for and on behalf of the Commonwealth of Australia

in the presence of:

SIGNED by

the HONOURABLE STEVE BRACKS MP, Premier

for and on behalf of the State of Victoria

in the presence of:

## COMPREHENSIVE, ADEQUATE AND REPRESENTATIVE (CAR) RESERVE SYSTEM

The *National Forest Policy Statement* (NFPS) established that the CAR Reserve System will in the first instance be selected from public land. Provision is also made in the JANIS Reserve Criteria for inclusion of private land in the CAR Reserve System, with the agreement of landholders, where the Criteria cannot be met from public land.

### Public Land

In the Gippsland region, the CAR Reserve System on public land primarily comprises areas established for conservation purposes (eg national and State parks) and areas reserved for conservation within the Special Protection Zone (SPZ) in State forest.

The CAR Reserve System has the following three components, as described by the JANIS Reserve Criteria:

- i. **Dedicated Reserves.** This comprises reserves established through legislation for conservation purposes such as National Parks, State Parks and Flora and Fauna Reserves.
- ii. **Informal Reserves.** This comprises elements of the Special Protection Zone (SPZ) in State forest.
- iii. **Values protected by Prescription.** This comprises those CAR values protected by prescriptions.

The CAR Reserve System covers an area of approximately 780,500 hectares (about half of the public land in the region or 29 per cent of the entire region). Approximately 266,500 hectares have been added to the existing reserve system of 514,000 hectares.

Map 1 illustrates the extent of the CAR Reserve System in the Gippsland region in Dedicated and Informal Reserves as a consequence of this Agreement. Other areas protected by prescription are also included in the CAR Reserve System. Levels of protection of Ecological Vegetation Classes (EVCs) and old growth forest achieved in the CAR Reserve System by this Agreement are shown in Tables 2 and 3.

To implement the CAR Reserve system Victoria will change the tenure of the following areas to Dedicated Reserves as shown in Table 1 and illustrated on Map 1. Victoria will use its best endeavours to introduce legislation giving effect to this commitment by 31 December 2002. From the date of signing of this Agreement, until the tenure changes are effected, Victoria agrees to manage these areas as part of the CAR Reserve System.

**Table 1 Schedule of tenure changes (as identified on Map 1)**

Map Reference	Locality	New Tenure
1	Wongungarra	Addition to the Alpine National Park
2	Tarra-Bulga	Addition to Tarra-Bulga National Park
3	Morwell	Addition to Morwell National Park
4	Marble Gully - Mount Tambo	Nature Conservation Reserve
5	Mount Elizabeth	Nature Conservation Reserve
6	Glenmaggie	Nature Conservation Reserve

The forest zoning as illustrated on Map 1 will be effective on the signing of this Agreement. Victoria will produce a Gippsland Forest Management Plan by 31 December 2001 which includes the Special Protection Zone within State Forest as illustrated on Map 1.

The boundaries of the CAR Reserve System at the time of signing this Agreement will be included in the Data Archive for the Gippsland region, as required in the RFA Data Agreement. Copies of the Data Archive are to be held by both Parties.

### ***Endangered, Vulnerable or Rare EVCs***

The entire occurrence of the endangered, vulnerable or rare EVCs Clay Heathland, Coastal Lagoon Wetland, Wet Swale Herbland, Cool Temperate Rainforest, Dry Rainforest, Sub-alpine Shrubland, Treeless Sub-alpine Mosaic, Lake Bed Herbland, Valley Heathy Forest, Plains Grassland, Limestone Pomaderris Shrubland, Gallery Rainforest, Coastal Tussock Grassland, Bird Colony Shrubland, Coastal Dune Scrub, Montane Rocky Shrubland, Calcareous Swale Grassland, Wet Rocky Outcrop Scrub, Deep Freshwater Marsh, Calcarenite Dune Woodland, Blocked Coastal Stream Swamp, Coastal Dune Grassland and Spray-zone Coastal Shrubland on public land is within the CAR Reserve System. The distribution of these EVCs outside the CAR Reserve System is on private land. For the remaining endangered and rare EVCs the occurrence outside of the CAR Reserve System is primarily on private land or small areas in other public land.

Over 60 per cent of the current extent of the vulnerable EVC Riparian Forest is within the CAR Reserve System. Inclusion of areas of two vulnerable EVCs Plains Grassy Forest and Shrubby Foothill Forest in the CAR Reserve System, has increased the level of protection of these EVCs to 48 and 43 per cent respectively. Additional protection of Plains Grassy Forest and Shrubby Foothill Forest would have significant social and economic consequences. The majority of the occurrence of the vulnerable EVC Valley Grassy Forest occurs on private land. The major occurrence of Coast Banksia Woodland outside of the CAR Reserve System is also on private land.

Areas of unreserved Plains Grassy Forest are contained within the Mullungdung State Forest which is also on the Register of the National Estate. Harvesting in this area will take into account the need to maintain the structural and floristic diversity of the forest, consistent with the Code of Forest Practices for Timber Production.

### ***Old Growth***

The dispersed nature of the old growth forest of several EVCs in the Region is such that in some cases, it would be necessary to include a considerable area of non-old growth of already well-represented EVCs in order to achieve comparatively small gains in old growth forest protection. This would have resource availability implications. Reserving small isolates of old growth also presents operational and management problems particularly in relation to the identification of old growth forest in the field and the delineation of identifiable boundaries.

The national reserve criteria provide for protection by prescription when certain values are dispersed in the landscape and it is not practicable to place reserve boundaries so as to capture them effectively or efficiently. The Agreement recognises that further protection is afforded to old growth forest values outside the formal and informal CAR reserve elements through areas identified by the Code of Forest Practices for Timber Production prescriptions for exclusion of timber harvesting from streamside buffers and slopes of 30 degrees or more.

**Table 2 Ecological Vegetation Class Representation in the Gippsland Region based on pre-1750 vegetation mapping**

EVC No	Ecological Vegetation Class	Area (ha)		Per cent Remain	Status	EVC representation and area in each land category										
		CAR reserve system					SMZ (ha)	GMZ (ha)	Code P'script (ha)	Other parks & reserve (ha)	C'with Land (ha)	Other Public Land (ha)	Private Land (ha)			
		CAR Reserves (including additions)				Formal Reserve (ha)								Informal Reserve (SPZ) (ha)		
		Pre-1750	Current													ha
1	Coastal Dune Scrub Mosaic	11,200	8,925	80		6,640	59	6,640	-	-	-	-	-	2	271	1,990
2	Coast Banksia Woodland	3,475	1,382	40	V	802		58	802	-	-	-	-	-	10	569
*3	Damp Sands Herb-rich Woodland	40,883	14,306	35	E, V	7,884		55	7,877	7	-	-	-	-	438	5,944
5	Coastal Sand Heathland	23	23	100	R, V	17		73	17	-	-	-	-	6	-	-
6	Sand Heathland	8,289	7,402	89		6,795	82	6,795	-	-	-	-	-	2	302	304
7	Clay Heathland	683	685	100	R	605		88	319	287	-	-	-	-	0	79
8	Wet Heathland	14,390	7,408	51		6,629	46	6,428	201	0	88	0	-	-	63	627
*9	Coastal Saltmarsh	7,710	7,059	92	E, R, V	4,391		62	4,391	-	-	-	-	-	207	2,107
*10	Estuarine Wetland	8,377	12,266	146	E, V	6,641		54	6,641	-	-	-	-	-	547	4,813
11	Coastal Lagoon Wetland	59	59	100	R	59		100	59	-	-	-	-	-	-	-
12	Wet Swale Herbland	171	193	112	R	193		100	193	-	-	-	-	-	-	-
*15	Limestone Box Forest	1,430	746	52	R, V	330		44	188	142	-	-	-	34	10	361
16	Lowland Forest	258,999	116,680	45		39,932	15	17,247	22,685	476	32,271	1,834	2,952	0	1,277	37,925
17	Riparian Scrub Complex	-	5	-		-	-	-	-	-	-	-	-	-	-	5
18	Riparian Forest	9,687	9,014	93	V	6,226		69	3,660	2,566	13	828	987	101	307	512
19	Riparian Shrubland	4,375	1,660	38	R	760		46	418	342	-	0	-	-	230	111
20	Heathy Dry Forest	88,161	85,014	96		53,345	61	41,061	12,284	582	18,989	6,174	817	-	182	4,871
21	Shrubby Dry Forest	272,744	263,821	97		127,961	47	69,760	58,201	3,219	95,620	24,177	1,301	-	102	11,429
22	Grassy Dry Forest	39,824	33,350	84		15,711	39	8,374	7,336	359	5,889	2,288	499	-	135	8,463
23	Herb-rich Foothill Forest	130,909	116,605	89		71,261	54	57,467	13,793	831	20,743	14,435	848	-	442	7,984
27	Blackthorn Scrub	7,429	7,378	99		5,376	72	1,469	3,906	27	1,428	413	-	-	2	132
28	Rocky Outcrop Shrubland	1,816	1,807	100	R	1,751		97	659	1,093	-	0	-	-	6	46
29	Damp Forest	183,397	106,062	58		37,169	20	13,717	23,452	404	40,551	16,292	581	-	429	10,636
*30	Wet Forest	111,093	68,453	62		13,102	12	8,664	4,437	61	13,028	4,731	89	-	937	36,505
31	Cool Temperate Rainforest	2,207	893	40	E, R, V	517		58	338	178	-	-	-	-	1	376
32	Warm Temperate Rainforest	6,078	2,513	41	E, R, V	2,280		91	1,330	949	-	-	-	2	20	203
34	Dry Rainforest	31	13	41	E, R, V	10		75	3	7	-	-	-	-	-	3
35	Tableland Damp Forest	11,034	11,031	100		2,678	24	1,408	1,271	47	7,430	861	14	-	-	-

EVC No	Ecological Vegetation Class	Area (ha)		Per cent Remain	Status	EVC representation and area in each land category											
						CAR reserve system			SMZ (ha)	GMZ (ha)	Code P'script (ha)	Other parks & reserve (ha)	C'wth Land (ha)	Other Public Land (ha)	Private Land (ha)		
		CAR Reserves (including additions)				Formal Reserve (ha)	Informal Reserve (SPZ) (ha)										
		Pre-1750	Current					ha	% pre-1750	% current							
36	Montane Dry Woodland	139,459	131,619	94		68,030	49		59,277	8,753	898	50,365	6,368	754	-	212	4,992
37	Montane Grassy Woodland	58,302	29,952	51		11,686	20		3,030	8,656	99	9,127	656	189	-	461	7,734
38	Montane Damp Forest	105,672	104,136	99		47,782	45		42,306	5,476	392	45,498	8,775	702	-	386	600
39	Montane Wet Forest	11,694	11,613	99		5,117	44		4,448	669	1	4,873	1,563	20	-	2	37
*40	Montane Riparian Woodland	7,476	2,759	37	E	1,507		55	1,004	503	-	-	-	0	-	601	651
41	Montane Riparian Thicket	2,631	2,654	101	R	2,581		97	406	2,176	-	-	-	32	-	19	21
42	Sub-alpine Shrubland	111	111	100	E, R	111		100	107	4	-	-	-	-	-	-	-
43	Sub-alpine Woodland	38,468	38,388	100		28,769	75		27,945	825	67	8,198	371	-	-	761	222
44	Treeless Sub-alpine Mosaic	167	167	100	E, R, V	167		100	167	-	-	-	-	-	-	-	-
45	Shrubby Foothill Forest	133,917	36,887	28	V	15,793		43	7,235	8,558	80	15,682	2,493	660	-	106	2,072
*47	Valley Grassy Forest	11,697	3,115	27	V	1,090		35	705	384	8	62	39	-	-	33	1,884
48	Heathy Woodland	44,049	34,506	78		21,330	48		16,907	4,423	10	2,988	123	-	-	2,754	7,294
*53	Swamp Scrub	82,570	4,180	5	E	2,308		55	1,677	631	-	-	-	5	-	73	1,794
*55	Plains Grassy Woodland	134,044	3,112	2	E, R, V	916		29	807	109	-	0	-	-	-	235	1,953
*56	Floodplain Riparian Woodland	17,817	1,080	6	E, R, V	8		1	5	3	-	-	0	-	-	301	729
*61	Box Ironbark Forest	7,503	2,497	33	R, V	1,445		58	1,445	-	-	-	-	-	-	31	1,017
72	Granitic Hills Woodland	3,979	3,979	100		3,977	100		3,977	-	-	-	-	-	1	-	-
73	Rocky Outcrop Shrubland/Herbland Mosaic	9,383	9,394	100		7,312	78		6,892	420	6	479	1,440	97	-	-	61
*74	Wetland Formation	580	1,871	322		1,058	182		954	105	-	3	15	-	-	21	424
82	Riverine Escarpment Scrub	9,231	8,637	94		6,112	66		3,149	2,963	198	1,018	826	-	-	11	467
*83	Swampy Riparian Woodland	15,630	97	1	E, R, V	65		67	42	23	-	-	-	-	-	16	16
*84	Riparian Forest/Swampy Riparian Woodland/Riparian Shrubland/Riverine Escarpment	105	7	7		2	2		-	2	-	-	-	-	-	-	3
107	Lake Bed Herbland	605	712	118	E, R, V	712		100	712	-	-	-	-	-	-	-	-
123	Riparian Forest/Warm Temperate Rainforest Mosaic	2,023	-	-		-	-		-	-	-	-	-	-	-	-	-
125	Plains Grassy Wetland	1,093	-	-		-	-		-	-	-	-	-	-	-	-	-
*126	Swampy Riparian Complex	8,549	667	8	E, R, V	8		1	2	5	-	-	-	-	-	181	478

EVC No	Ecological Vegetation Class	Area (ha)		Per cent Remain	Status	EVC representation and area in each land category												
						CAR reserve system			SMZ (ha)	GMZ (ha)	Code P'script (ha)	Other parks & reserve (ha)	C'wlth Land (ha)	Other Public Land (ha)	Private Land (ha)			
		CAR Reserves (including additions)				Formal Reserve (ha)	Informal Reserve (SPZ) (ha)											
		Pre-1750	Current					ha	% pre-1750	% current								
127	Valley Heathy Forest	1,242	1,130	91	R, V	1,062		94	-	1,062	-	-	-	-	-	-	-	68
*128	Grassy Forest	1,794	7	0	E, R, V	-		-	-	-	-	-	-	-	-	-	-	7
*132	Plains Grassland	37,284	291	1	E, R, V	287		99	287	-	-	-	-	-	-	-	-	4
*133	Limestone Pomaderris Shrubland	174	74	42	E, R, V	56		76	43	13	-	-	-	-	-	-	-	17
*135	Gallery Rainforest	269	46	17	E, R, V	12		25	12	-	-	-	-	-	-	-	-	30
*136	Sedge Wetland	2,215	965	44	E, R, V	424		44	392	32	-	-	-	-	-	-	79	463
*140	Mangrove Shrubland	2,933	3,074	105	E, V	2,510		82	2,510	-	-	-	-	-	-	-	47	237
*141	Sandy Flood Scrub	2,456	394	16	R, V	100		25	100	-	-	-	-	-	-	-	163	121
*143	Estuarine Wetland/Coastal Saltmarsh	-	642	-	R, V	112		17	112	-	-	-	-	-	-	-	-	530
144	Coast Banksia Woodland/ East Gippsland Coastal Warm Temperate Rainforest Mosaic	13	13	100		13	94		13	-	-	-	-	-	-	-	-	-
151	Plains Grassy Forest	88,017	19,781	22	V	9,559		48	1,637	7,922	19	5,136	146	4	-	107	4,804	
154	Bird Colony Shrubland	50	50	100	R	50		100	50	-	-	-	-	-	-	-	-	-
159	Clay Heathland/Wet Heathland/Riparian Scrub Mosaic	55	42	77		37	68		-	37	-	-	-	-	-	-	-	5
160	Coastal Dune Scrub	31	31	100	R	31		100	31	-	-	-	-	-	-	-	-	-
*161	Coastal Headland Scrub	1,110	949	85	E, R, V	744		78	744	-	-	-	-	-	15	-	189	
163	Coastal Tussock Grassland	1,348	1,231	91	R	949		77	949	-	-	-	-	-	-	1	187	
164	Creekline Herb-rich Woodland	1,009	-	-	E	-		-	-	-	-	-	-	-	-	-	-	-
169	Dry Valley Forest	24,999	18,851	75		8,103	32		2,560	5,542	128	5,194	2,376	-	-	1,127	1,895	
*175	Grassy Woodland	48,592	13,981	29	E, V	7,076		51	5,689	1,387	-	0	5	21	-	275	6,605	
177	Valley Slopes Dry Forest	1,996	1,840	92	R	1,566		85	534	1,033	-	-	0	-	-	13	224	
*191	Riparian Scrub	13,549	3,903	29	R, V	2,962		76	2,507	455	-	48	37	-	-	187	665	
192	Montane Rocky Shrubland	3,259	3,259	100	R	3,153		97	2,998	155	-	96	10	-	-	-	-	
195	Seasonally Inundated Shrubby Woodland	131	-	-		-		-	-	-	-	-	-	-	-	-	-	-
201	Shrubby Wet Forest	2,250	2,250	100		408	18		20	388	3	1,539	200	100	-	-	-	
206	Sub-alpine Grassland	15,827	15,386	97		14,106	89		13,974	132	34	618	76	-	-	190	363	
*207	Montane Grassy Shrubland	88	29	32	R, V	1		2	-	1	-	-	-	3	-	-	25	
210	Sub-alpine Wet Heathland	2,106	1,224	58	R, V	1,135		93	467	668	-	41	18	-	-	-	30	

EVC No	Ecological Vegetation Class	Area (ha)		Per cent Remain	Status	EVC representation and area in each land category											
		Pre-1750	Current			CAR reserve system			SMZ (ha)	GMZ (ha)	Code P'script (ha)	Other parks & reserve (ha)	C'with Land (ha)	Other Public Land (ha)	Private Land (ha)		
						CAR Reserves (including additions)											
						ha	% pre-1750	% current									
233	Wet Sand Thicket	65	-	-		-	-	-	-	-	-	-	-	-	-	-	-
265	Valley Grassy Forest/Grassy Dry Forest Mosaic	7	2	27		-	-	-	-	-	2	-	-	-	-	-	0
307	Sand Heathland/Wet Heathland Mosaic	3,440	3,719	108		3,710	108		3,710	-	-	-	-	-	-	-	9
309	Calcareous Swale Grassland	552	305	55	R	305		100	305	-	-	-	-	-	-	-	-
310	Wet Rocky Outcrop Scrub	521	521	100	R	521		100	521	-	-	-	-	-	-	-	-
315	Shrubby Foothill Forest/Damp Forest Complex	7,995	7,707	96		1,745	22		299	1,446	292	3,821	1,576	-	-	-	272
316	Shrubby Damp Forest	68,783	68,162	99		31,372	46		11,160	20,212	539	26,083	9,027	193	-	1	946
317	Sub-alpine Wet Heathland/Sub-alpine Grassland Mosaic	3,654	3,413	93		1,422	39		1,370	52	19	1,486	149	4	-	-	334
318	Montane Swamp	702	219	31	E, R, V	19		9	19	-	-	-	-	-	-	186	14
319	Montane Herb-rich Woodland	24,766	22,421	91		12,634	51		8,463	4,172	69	6,231	1,592	128	-	491	1,275
320	Grassy Dry Forest/Heathy Dry Forest Complex	529	503	95		503	95		503	-	-	-	-	-	-	-	-
322	Dry Rainforest/Warm Temperate Rainforest/Gallery Rainforest/Riparian Shrubland Mosaic	185	198	107		5	3		2	4	-	-	-	-	-	19	8
*334	Billabong Wetland	851	12	1	E, R, V	0		1	-	0	-	-	-	-	-	2	10
*342	Rocky Outcrop Shrubland/Herbland Mosaic/Shrubby Foothill Forest Complex	3	3	100		1	31		-	1	-	-	-	-	-	-	2
637	Swampy Scrub/Damp Sands Herb-rich Woodland/ Wet Heath	4	-	-		-	-		-	-	-	-	-	-	-	-	-
638	Swamp Scrub/Wet Heathland Mosaic	1,128	-	-		-	-		-	-	-	-	-	-	-	-	-
639	Swamp Scrub/Plains Grassy Forest Mosaic	4,280	164	4		-	-		-	-	149	-	3	-	-	-	11
*681	Deep Freshwater Marsh	8,173	3,982	49	E, V	1,200		30	1,200	-	-	-	-	-	-	0	2,578
686	Wet Heathland/Damp Heathland Mosaic	7,085	-	-		-	-		-	-	-	-	-	-	-	-	-
687	Swamp Scrub/Plains Grassland Mosaic	22,233	-	-		-	-		-	-	-	-	-	-	-	-	-

EVC No	Ecological Vegetation Class	Area (ha)		Per cent Remain	Status	EVC representation and area in each land category												
		Pre-1750	Current			CAR reserve system			SMZ (ha)	GMZ (ha)	Code P'script (ha)	Other parks & reserve (ha)	C'with Land (ha)	Other Public Land (ha)	Private Land (ha)			
						CAR Reserves (including additions)		Formal Reserve (ha)								Informal Reserve (SPZ) (ha)		
						ha	% pre-1750										% current	
688	Swampy Riparian Woodland/Swamp Scrub Mosaic	4,112	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
*689	Gippsland Plains Grassy Woodland/Gilgai Wetland Mosaic	31,018	73	0	E, R, V	-	-	-	-	-	-	-	-	-	-	-	-	73
690	Floodplain Riparian Woodland/Billabong Wetland Mosaic	3,057	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
691	Aquatic Herbland/Plains Sedgey Wetland Mosaic	1,153	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
*695	Dry Valley Forest/Swamp Scrub/Warm Temperate Rainforest Mosaic	4,938	18	0		5	0	5	-	-	-	-	-	-	-	-	-	11
698	Lowland Forest/Heathy Woodland Mosaic	9,638	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
699	Valley Grassy Forest/Swamp Scrub Mosaic	222	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
700	Swamp Scrub/Plains Sedgey Wetland Mosaic	26	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
*701	Swamp Scrub/Warm Temperate Rainforest/Billabong Wetland Mosaic	1,814	4	0		2	0	2	-	-	-	-	-	-	-	-	-	2
*702	Montane Grassland	2,013	69	3	E, R, V	20	29	20	-	-	-	-	-	-	-	38	11	
703	Montane Grassy Woodland/Montane Grassland Mosaic	1,867	71	4		3	0	2	2	-	-	-	-	-	-	68	-	
795	Lowland Forest/Damp Sands	24,958	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
858	Calcarene Dune Woodland	3,568	3,831	107	R	3,829	100	3,829	-	-	-	-	-	-	-	-	-	2
863	Floodplain Reedbed	1,623	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-
875	Blocked Coastal Stream Swamp	29	32	111	R	32	100	32	-	-	-	-	-	-	-	-	-	-
876	Spray-zone Coastal Shrubland	47	47	100	R	47	100	47	-	-	-	-	-	-	-	-	-	-
877	Lowland Herb-rich Forest	36,051	20,444	57		5,794	16	1,552	4,242	178	5,621	1,187	27	-	178	7,456		
878	Damp Sands Herb-rich Woodland/Swamp Scrub Complex	5,103	157	3		149	3	149	-	-	-	-	-	-	-	-	8	
879	Coastal Dune Grassland	34	34	100	E, R, V	34	98	34	-	-	-	-	-	-	-	-	-	

EVC No	Ecological Vegetation Class	Area (ha)		Per cent Remain	Status	EVC representation and area in each land category											
						CAR reserve system						SMZ (ha)	GMZ (ha)	Code P'script (ha)	Other parks & reserve (ha)	C'with Land (ha)	Other Public Land (ha)
		CAR Reserves (including additions)				Formal Reserve (ha)	Informal Reserve (SPZ) (ha)										
		Pre-1750	Current					ha	% pre-1750	% current							
Other land																	
58	Cleared Severely Disturbed	2	11,544	680,219		3,157			2,741	417	96	2,819	324	156	-	1,243	3,598
149	Plantation	-	84,958	-		272			200	72	1	198	5	1	-	625	83,844
985	Sandy Beach	1,209	1,345	111		1,345			1,345	-	-	-	-	-	-	-	-
986	Rocky Shore	356	359	101		345			345	-	-	-	-	-	14	-	-
993	Bare Rock/Ground	60	61	101		61			61	-	-	-	-	-	-	-	-
995	Ocean	16,747	-	-		-			-	-	-	-	-	-	-	-	-
997	Non-vegetated/Non-treed	332	982,564	-		7,708			7,261	447	57	722	81	65	804	17,539	937,711
998	Water Body - Natural or man made	47,321	52,962	-		2,880			2,879	1	-	1	3	-	6	225	2,274
999	Unknown/Unclassified	-	16	-		5			5	-	-	-	-	-	-	1	10
Total		2,676,284	2,676,256			780,528			532,811	247,717	9,361	434,812	111,678	10,398	851	34,925	1,225,372

\* denotes EVCs that occur largely on private land

The figures shown in this table are based on modelled information mapped at a scale of 1:100,000 derived during the pre-1750 analysis of vegetation types in the Gippsland region, and are therefore only approximate. A vegetation mosaic consists of discrete floristic entities (EVCs) which were unable to be distinguished in the mapping due to the scale used (that is 100,000). A vegetation complex occurs where floristic entities are unable to be distinguished in the area but are known to exist discretely elsewhere. In the Gippsland RFA area complexes were mapped as part of the pre-1750 mapping exercise on private land where sufficient information was available to accurately map the boundaries between them. The areas on private land formerly occupied by each EVC is included in the category 'Non-treed Area' under 'Current Extent'. Code Prescription refers to areas protected under the Code of Forest Practices for Timber Production prescriptions for exclusion of timber harvesting from streamside buffers and slopes of 30 degrees or more. E – Endangered, R – Rare, V – Vulnerable in accordance with the national reserve criteria (JANIS 1997). Special Management Zone is abbreviated to SMZ and General Management Zone to GMZ

**Table 3 Representative conservation of Old Growth in the CAR Reserve System in the Gippsland Region.**

EVC No	Ecological Vegetation Class	Area of EVC (ha)	% EVC as Old Growth	Area of Old Growth (ha)	CAR Reserve System				Areas in ha				
					Total (ha)	%	Formal Reserves (ha)	Informal Reserves (SPZ) (ha)	SMZ	GMZ	Code P'scriptn	Other Parks & Reserve	Other Public Land
*3	Damp Sands Herb-rich Woodland	14,306	0.1	16	11	63.9	9	1	-	-	-	-	6
*15	Limestone Box Forest	746	5.8	43	38	87.7	29	9	-	-	-	5	-
*16	Lowland Forest	116,680	2.1	2,397	1,943	81.1	1,410	533	3	386	45	15	5
*18	Riparian Forest	9,014	2.9	261	201	77.2	132	70	0	29	31	0	0
20	Heathy Dry Forest	85,017	23.6	20,092	12,969	64.5	8,443	4,525	161	5,211	1,655	66	31
21	Shrubby Dry Forest	263,826	28.0	73,938	46,025	62.2	28,357	17,669	458	20,138	7,197	88	32
22	Grassy Dry Forest	33,368	30.3	10,110	6,611	65.4	3,978	2,632	250	2,025	1,126	95	3
23	Herb-rich Foothill Forest	116,606	10.6	12,353	9,692	78.5	8,316	1,377	37	1,363	1,233	27	0
27	Blackthorn Scrub	7,378	37.1	2,737	2,381	87.0	739	1,642	3	284	68	-	2
28	Rocky Outcrop Shrubland	1,807	46.3	838	838	100.0	276	561	-	-	-	-	-
29	Damp Forest	106,062	14.2	15,030	8,118	54.0	3,146	4,972	44	4,510	2,298	58	3
*30	Wet Forest	68,453	6.9	4,697	2,637	56.1	1,491	1,146	4	1,424	628	4	-
*35	Tableland Damp Forest	11,031	9.2	1,020	457	44.8	129	328	6	471	86	-	-
36	Montane Dry Woodland	131,619	12.6	16,564	11,227	67.8	9,388	1,839	192	4,016	1,087	35	7
*37	Montane Grassy Woodland	29,952	9.0	2,689	2,260	84.0	448	1,812	9	243	25	48	104
*38	Montane Damp Forest	104,135	6.7	7,000	4,425	63.2	3,738	687	4	1,880	681	2	8
39	Montane Wet Forest	11,613	18.2	2,116	1,419	67.1	1,282	136	-	448	249	-	-
*40	Montane Riparian Woodland	2,759	1.1	29	29	100.0	22	7	-	-	-	-	-
41	Montane Riparian Thicket	2,654	12.7	336	326	96.9	50	275	-	0	-	10	-
43	Sub-alpine Woodland	38,388	17.0	6,509	5,400	83.0	5,317	84	16	628	39	-	426
*45	Shrubby Foothill Forest	36,887	7.5	2,774	1,288	46.4	522	766	25	1,228	220	13	-
*47	Valley Grassy Forest	3,118	1.8	57	55	96.1	44	11	0	1	1	-	-
48	Heathy Woodland	34,506	23.8	8,226	7,708	93.7	5,296	2,412	7	362	12	-	137
72	Granitic Hills Woodland	3,979	30.2	1,203	1,203	100.0	1,203	-	-	-	-	-	-
*73	Rocky Outcrop Shrubland/Herbland Mosaic	9,394	5.9	554	480	86.6	455	25	-	27	46	-	-
*82	Riverine Escarpment Scrub	8,637	3.1	266	197	74.0	80	118	3	41	25	-	0
127	Valley Heathy Forest	1,130	45.1	510	510	100.0	-	510	-	-	-	-	-

EVC No	Ecological Vegetation Class	Area of EVC (ha)	% EVC as Old Growth	Area of Old Growth (ha)	CAR Reserve System				Areas in ha				
					Total (ha)	%	Formal Reserves (ha)	Informal Reserves (SPZ) (ha)	SMZ	GMZ	Code P'scriptn	Other Parks & Reserve	Other Public Land
*151	Plains Grassy Forest	19,781	8.2	1,618	1,072	66.3	307	765	1	517	28	-	-
*169	Dry Valley Forest	18,851	4.0	746	426	57.1	151	276	1	205	115	-	-
*175	Grassy Woodland	13,981	1.7	243	242	99.7	160	83	-	-	0	1	0
177	Valley Slopes Dry Forest	1,840	44.3	816	815	99.9	257	558	-	-	-	-	1
*191	Riparian Scrub	3,903	5.0	195	173	88.8	95	78	-	15	4	-	2
*192	Montane Rocky Shrubland	3,259	5.3	172	172	100.0	166	5	-	-	-	-	-
201	Shrubby Wet Forest	2,250	11.0	248	152	61.3	3	149	-	79	17	0	-
*315	Shrubby Foothill Forest/Damp Forest Complex	7,707	2.6	204	114	56.1	31	84	0	55	34	-	-
316	Shrubby Damp Forest	68,161	13.5	9,211	5,689	61.8	2,118	3,571	83	2,230	1,188	21	-
*319	Montane Herb-rich Woodland	22,421	8.8	1,984	1,344	67.8	1,078	266	8	322	310	0	0
*320	Grassy Dry Forest/Heathy Dry Forest Complex	503	5.3	27	27	100.0	27	-	-	-	-	-	-
*877	Lowland Herb-rich Forest	20,444	2.1	431	339	78.7	74	265	4	68	15	5	0
Total		1,436,164		208,261	139,013		88,765	50,248	1,320	48,206	18,461	494	767

\* denotes those Old Growth EVCs that are rare or depleted and which the nationally agreed JANIS Reserve Criteria specify all viable examples should be protected where ever possible.

The figures shown in this table are based on modelled information mapped at a scale of 1:100,000 derived during the pre-1750 analysis of vegetation types in the Gippsland region, and are therefore only approximate. For the Old Growth analysis in the Gippsland region it was considered that Old Growth only occurs on public land, due to the generally high levels of disturbances on private land. Only those EVCs that contain Old Growth are shown in the table. The total area of each EVC is derived from the pre-1750 analysis and includes extant forest on both public and private land. The proportion of Old Growth in each EVC has been derived using the total area of extant forest on both public and private land. Code Prescription refers to areas protected under the Code of Forest Practices for Timber Production prescriptions for exclusion of timber harvesting from streamside buffers and slopes of 30 degrees or more. Special Management Zone is abbreviated to SMZ and General Management Zone to GMZ.

## Private Land

The NFPS established that the CAR Reserve System will in the first instance be selected from public land. There are a number of EVCs in Gippsland that largely occur on private land. Such EVCs are denoted by an asterisk (\*) in Table 2 above.

The NFPS and National Reserve Criteria (JANIS 1997) recognise that a range of strategies will be appropriate for protecting biodiversity on private land. These range from purchase of priority areas for inclusion in the reserve system, to mechanisms which ensure protection, such as covenants on freehold land. Inclusion of private land in the CAR Reserve System will be voluntary.

Mechanisms which provide for the protection of biodiversity on private land in Victoria include:

- Conservation covenants under the *Victorian Conservation Trust Act 1972* (Vic);
- Land Management Cooperative Agreements under the *Conservation Forests and Lands Act 1987* (Vic);
- Wildlife Management Cooperative Areas under the *Wildlife Act 1975* (Vic);
- Critical habitat provisions of the *Flora and Fauna Guarantee Act 1988* (Vic);
- Provisions of the *Planning and Environment Act 1987* (Vic).

Private land protected by these mechanisms could be included in the CAR Reserve System with the consent of the landholder.

Both Parties agree that within the Statewide framework established in the Victorian Biodiversity Strategy and Regional Catchment Strategies, Victoria will review private land in Gippsland and identify native vegetation, including endangered, vulnerable and rare EVCs which are priorities for protection and possible inclusion in the CAR Reserve System. This review will be undertaken in consultation with, and the agreement of, landholders and will be incorporated into Regional Vegetation Plans which will be produced by 2001.

Priorities for protection of EVCs on private land will be assessed using, but not limited to, the following criteria:

### At the Victorian bioregion level:

- all EVCs that are rated endangered, vulnerable or rare based on the JANIS criteria have a high priority for protection

**At the landscape and site level:** the following criteria are to be used to assess EVCs on a site by site basis.

**Site values** are defined as values restricted to a particular site. These include:

- presence of threatened species or communities
- vegetation – quality involves an assessment of vegetation structure, floristics, diversity, effects of disturbance, density, cover and diversity of weed species present
- vegetation viability – involves an assessment of the degree of management required to maintain a remnant at its current quality or better, including time frame

- potentially threatening processes – are the processes that may result from disturbance. At the site level these include weed invasion, inappropriate fire regimes, erosion, salination, clearing, pathogens
- level of protection – assesses site characteristics which may afford protection from, or increase negative effects of potentially threatening processes eg. topography, palatability, erodability, fertility, fire response
- level of homogeneity of fragments of a particular EVC (will impact on the importance of a particular site) – assesses similarity to examples in conservation areas
- shape of remnant – assesses edge effects and buffering
- fragility – need to consider the EVC, the particular disturbance and resulting threats. For example EVCs on more fertile soils are more likely to be grazed (the disturbance) but the degree of threat will depend on the EVC present, eg. grazing may damage sub-alpine EVCs but certain grazing regimes may be of benefit to Plains Grassy Woodland.

**Landscape values** may be defined as features and processes in the landscape or surrounding areas that may impact on the vegetation at a particular site. These include:

- potentially threatening processes – are the processes that may result from disturbance. At the landscape level these include habitat loss, alteration of hydrological regimes, inappropriate fire regimes, erosion, salination
- fragmentation – effects include loss of connectivity, isolation of populations of flora and fauna, depletion of gene pool, increased edge effects, weed invasion, altered fire regimes, exposure which may lead to dehydration or dieback, decrease in species diversity. Effects may be partially ameliorated by application of buffer
- proportion of EVC on private land
- other considerations, including the importance of the region/study area for the protection of the EVC (edge of range, unique form, only region etc).

Victoria further agrees to review conservation covenants, established under the *Victorian Conservation Trust Act 1972*, in the Gippsland region, to identify the conservation covenants which cover land with the EVCs identified as priorities for protection on private land and which may be suitable for inclusion in the CAR Reserve System. Victoria will consult the landholders of these identified conservation covenants as to whether they consent to the covenanted area being included within the CAR Reserve System. If a landholder agrees to inclusion of the area, Victoria will assess the covenanted area, taking into account the viability, integrity and significance of each area, to determine whether the covenanted area should be included within the CAR Reserve System.

Victoria will maintain a schedule listing areas of private land which are included in the CAR Reserve System, and this schedule will be part of the Agreement. The Schedule of the Agreement will be amended from time to time as appropriate. Any

amendments will be approved by the Secretary of the Department of Natural Resources and Environment.

**GUIDELINE FOR REVIEWING MANAGEMENT GUIDELINES,  
MANAGEMENT PRESCRIPTIONS AND THE ZONING SCHEME**

Where proposed changes to the CAR Reserve System are made in accordance with the following Guideline the Commonwealth agrees to accept those changes. This Guideline will be included in the Gippsland Forest Management Plan.

Victoria will maintain records indicating the location, extent and purpose of any amendment to the informal reserve system and the net impact amendments have on CAR values and timber resource values. Summary information on amendments will be provided in RFA reports prepared in accordance with clause 36. Updated copies of digital maps will be provided to the Commonwealth for each five yearly review. Summary information and digital coverage would be provided between these periods if there were any substantial amendments to the informal reserve system. The information will be made publicly available on request.

## MANAGEMENT GUIDELINES

### **Reviewing Management Guidelines, Management Prescriptions and that component of the CAR Reserve System in State forest**

*Management guidelines and prescriptions may be reviewed under the following circumstances:*

- when new information on the impact of forest management or utilisation activities on biological or cultural values becomes available;
- if the status of a threatened species changes;
- if new species are identified that are considered to be threatened;
- when monitoring of the practical implementation of the reserve system indicates that improvements can be made;
- as required by new legislation, policies or action statements.

*CAR Reserve System boundaries may require review if:*

- changes to management strategies for certain species or values mean that the reserve system is more or less than adequate for those values;
- field inspections or better mapping indicate that minor amendments are required to create practical management boundaries or to more accurately define the location of a particular species or value. At the scale of mapping used in the Agreement, the boundaries of some values cannot be accurately defined.
- the reserve does not contain the values for which it was identified - amendments may be required to ensure that conservation targets are met;
- new records are listed for species whose conservation targets have not been met;
- new records of some species warrant changes to reserves to include areas of good-quality habitat in exchange for areas of poorer-quality habitat;
- existing boundaries are found to place unreasonable restrictions on the practical access to areas for timber production or for infrastructure development (easements etc).

*Proposed changes to the reserve system will be assessed according to whether they:*

- ensure the CAR Reserve System continues to comply with the JANIS Reserve Criteria;
- adequately conserve the CAR values identified in the Comprehensive Regional Assessment data sets;
- ensure there is no net deterioration in the level of protection of identified CAR Values in the SPZ;
- will maintain the protection of national estate values at the agreed regional scale, noting that as a result of any change to the CAR Reserve System in State forest, some minor changes to individual values may occur;
- consider the maintenance of National Estate protection;
- conserve the values highlighted in the zoning scheme register of the Forest Management Plan;
- maintain a well-distributed, inter-connected network of protected areas;
- at least maintain the timber production capacity of State forest in terms of volume, species and quality;
- minimise practical problems for timber harvesting or access in the General Management Zone;
- make the best use of areas that are unavailable for timber harvesting due to other considerations such as slope, access and site quality;
- avoid conflict with strategic burning zones.

## THREATENED FLORA, FAUNA AND COMMUNITIES

Both Parties recognise the range of mechanisms in place to conserve the habitat of rare and threatened flora and fauna in the Gippsland region. These include protection within the CAR Reserve System, protection of rare or threatened Ecological Vegetation Classes (EVCs), and the development of Action Statements for species listed under the *Flora and Fauna Guarantee Act 1988* (Vic) and Recovery Plans for species listed under the *Endangered Species Protection Act 1992* (Cwth).

Current priorities for developing Action Statements and Recovery Plans for fauna, flora and EVCs in the Gippsland region are as follows. Species which have been identified as priorities in the East Gippsland, Central Highlands and North East RFAs and which also occur within the Gippsland region have not been identified in the following lists.

**Table 1. Priority species for nomination under the *Flora and Fauna Guarantee Act 1988* (Vic)**

Scientific Name	Common Name
<i>Epilobium brunnescens</i> ssp. <i>beaugleholei</i>	Bog Willow-herb
<i>Grevillea celata</i>	Colquhoun Grevillea
<i>Litoria verreauxii alpina</i>	Alpine Tree Frog
<i>Litoria littlejohni</i>	Large Brown Tree Frog
<i>Gobiomorphus australis</i>	Striped Gudgeon
<i>Engaeus australis</i>	Lilly Pilly Burrowing Cray
<i>Euastacus crassus</i>	Alpine Spiny Cray
<i>Euastacus neodiversus</i>	South Gippsland Spiny Cray

**Table 2. Priority potentially threatening processes under the *Flora and Fauna Guarantee Act 1988* (Vic) for preparation of Action Statements.**

Soil erosion and vegetation damage and disturbance in the alpine regions of Victoria caused by cattle grazing
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**Table 3. Priority species for preparation of an Action Statement / Recovery Plan**

Scientific Name	Common Name	Action
<i>Caladenia fragrantissima</i> ssp. <i>orientalis</i>	Cream Spider-orchid	Recovery Plan <sup>1</sup>
<i>Isopogon prostratus</i>	Prostrate Cone-bush	Action Statement
<i>Lepidium aschersonii</i>	Spiny Pepper-cress	Action Statement
<i>Prasophyllum correctum</i>	Gaping Leek-orchid	Recovery Plan <sup>1</sup>
<i>Rulingia prostrata</i>	Dwarf Kerrawang	Action Statement Recovery Plan <sup>1</sup>
<i>Engaeus rostrigaleatus</i>	Strzelecki Burrowing Crayfish	Action Statement

Note: <sup>1</sup> The Commonwealth intends to adopt Action Statements as Recovery Plans where an Action Statement meets the requirements of the *Endangered Species Protection Act 1992* (Cwth).

### Spot-Tailed Quoll

The Spot-tailed Quoll is an endangered species listed as threatened under the *Flora and Fauna Guarantee Act 1988* (Vic) and vulnerable under the *Endangered Species Protection Act 1992* (Cwth). An Action Statement has been prepared. Quolls have been recorded from a wide variety of habitat types, ranging from dry rainshadow woodland in eastern Victoria to Cool Temperate Rainforest in the Otway Ranges. Available research indicates that Quolls occur at low population densities and may occupy home ranges in excess of 1000 hectares. This, and their cryptic behaviour make the collection of data on population biology and habitat use difficult.

Potentially threatening processes were summarised in the Comprehensive Regional Assessment report and include incidental take of 1080 baits laid for pests, fragmentation of forest habitats through clearing for agriculture or plantation development and disturbance within forest areas from timber production, road construction and other activities. Insufficient information is currently available to assess the relative importance of these threats and they are likely to vary from place to place. Other threatening processes may also be important.

Design of the CAR reserve system addressed the conservation of habitat for Spot-tailed Quolls through the protection of approximately 1000 hectares of suitable habitat for records categorised as acceptable in the Atlas of Victorian Wildlife. Protection afforded by existing parks and reserves was considered and where necessary, new reserves were established in State Forest. For each record located in State Forest, 500 hectares of suitable habitat is protected in the CAR reserve system (including adjacent formal reserves where possible). Unless otherwise protected, a further 1000 hectares will be maintained within Special Management Zones contiguous with the CAR reserve, of which 500 hectares is maintained as suitable prey habitat at any point in time. These measures address the potential sensitivity of the Quoll to disturbance associated with timber production and supplement the requirements of the Action Statement, by taking account of the new information that has become available since its publication. Other measures, such as the protocols for the use of 1080 baits will be addressed through forest management processes.

The Action Statement for the Spot-tailed Quoll is currently under review. Parties agree that the extent of reservation and associated measures implemented in this Agreement will provide sufficient protection for the Spot-tailed Quoll pending the completion of the formal review of the Action Statement.

**LISTING, PROTECTION AND MANAGEMENT OF NATIONAL ESTATE VALUES IN THE GIPPSLAND REGION**

**Protection and management of National Estate values**

1. Both Parties endorse the findings of the joint Commonwealth and Victorian Regional Forest Agreement Steering Committee *National Estate Identification and Assessment in the Gippsland Region of Victoria* (1999) (the National Estate Assessment) and agree that national estate values exist as documented in the report.
2. Both Parties recognise that the extensive and systematic information and regional framework provided by the National Estate Assessment and this Agreement provide a unique regional context for national estate values in Gippsland.
3. Both Parties agree that many of the national estate values are well reserved in the CAR Reserve System and that the Gippsland Forest Management Plan and other mechanisms as described in Table 1 will provide for the conservation of many other national estate values within the region.
4. Both Parties agree that all national estate values in Gippsland will be conserved through the application of the principles for managing national estate values as will be detailed in the Gippsland Forest Management Plan.
5. Both Parties endorse the joint preparation of a set of Statewide Guidelines for the Management of Cultural Heritage Values in the Forests, Parks and Reserves of Victoria, based on those prepared for East Gippsland, and agree to finalise these guidelines by 30 June 2000. When completed Victoria agrees to manage in accordance with these guidelines.
6. Both Parties agree to maintain the databases of the values identified in the National Estate Assessment for the region and cooperate in relation to access to the data.

**Listings in the Register of the National Estate**

Existing Listings

7. Parties note that the Australian Heritage Commission (the Commission) has agreed to update the Statements of Significance and condition and description statements for all existing listings to incorporate the results of the Gippsland National Estate Assessment.

Parties note that existing national estate places will remain in the Register of the National Estate where the results of the National Estate Assessment confirm the presence of national estate values.

Listings Arising from the Gippsland National Estate Assessment

8. The Parties note that new listings recommended to the Commission will include national estate values protected by reservation, by reserve management prescription, by site exclusion, by consultation processes or other measures appropriate to the value, or which are robust and not affected by harvesting or other off-reserve management regimes or activity.
9. Parties note that the Commission will work in cooperation with Victoria in delineating places for National Estate listing. The identification of these areas will be based on the following principles:

- New listings in Dedicated and Informal Reserves, the boundaries of which are unlikely to change, should be distinct places and may be based on any national estate values.
  - Listing of other National Estate places outside the CAR Reserve System will be based on robust values and those values that are protected by forest management prescription. Areas of contiguous values will be listed as a single National Estate place.
  - Boundaries for listing National Estate places outside the CAR Reserve System will be based on identified values and will follow natural topographic features and/or roads as appropriate. In areas where a national estate value overlaps an Informal Reserve, but also continues outside that reserve, the full coverage of the value will be listed and it will be recognised that a portion of this value is protected.
  - For places arising from the National Estate Assessment, only places identified by the above principles will be listed in the Register of the National Estate.
10. Both Parties note that the identification and assessment of national estate values for the CRA has been completed with the only exception being Indigenous heritage. Parties note that the Commission will continue to consult with Victoria and Indigenous communities in an effort to finalise this work.

#### Future Listings

11. Parties note that future nominations will be referred to them by the Commission. The Parties agree to work cooperatively and in a timely fashion in considering whether such nominations will be recommended to the Commission for listing. The Parties are to compare the nominations with the existing agreed Gippsland national estate database, and to consider any new research or information provided. Parties will also jointly agree on any future recommendations to the Commission for listing. The Parties note that the Commission will work cooperatively with Victoria on the detail of any consequent listings that may arise.
12. The Parties note that the Commission has agreed not to undertake any further regional studies of forests in Gippsland.
13. Parties note that the Commission confirms that, based on the National Estate Assessment, there is no evidence to identify additional large areas with national estate values in the forested areas of Gippsland and that it therefore does not anticipate listing additional large places in the region.

#### **Statutory Advice**

14. The Parties agree that the advice of the Australian Heritage Commission has already been provided in relation to the protection of national estate values and the impact of forestry activities within Gippsland in developing this Agreement. The Commission is also satisfied regarding the range of mechanisms and levels of protection afforded to national estate values.
15. The Parties note that the advice of the Commission will be sought in relation to proposed actions by the Commonwealth which are outside the scope of this Agreement, such as actions specified in Clause 83 of this Agreement, and which might adversely affect national estate values in Gippsland including proposed actions that may affect national estate values in areas outside the CAR Reserve

System and which have not been listed in the Register of the National Estate. The Parties note that the Commission has agreed to take into account the undertakings in this Agreement in providing its advice and will provide such advice in a regional context.

16. The Parties note that the Commission may delegate the section 30 function for the Gippsland RFA area to an appropriate official in a Victorian Agency. This delegation would be limited to the Gippsland RFA area, and those operations which affect those aspects of the forest estate documented in the CRA.

**Table 1. Protection of National Estate values on Public Land**

National Estate Values	Percentage <sup>1</sup> of the area on Public Land containing the value which lies within the CAR reserve system			Existing and/or additional protection mechanisms operating within and outside the CAR reserve system
	Formal Reserve <sup>2</sup>	Informal Reserve <sup>3</sup>	Total Reserve	
Natural landscapes (B.1)	51%	20%	71%	Code of Forest Practice <sup>4</sup> (Code) and the Gippsland Forest Management Plan (FMP)
Undisturbed catchments (A.2)	56%	19%	75%	Code and FMP
Old-growth forest (A.2)	46%	24%	70%	Code and FMP
Endemic flora (A.1)	76%	4%	80%	Code and FMPs; For rare and threatened species: <i>Flora and Fauna Guarantee Act 1988</i> (FFG Act) and <i>Endangered Species Protection Act 1992</i> (ESP Act)
Flora species at the limits of their range (A.1)	69%	11%	80%	Code and FMP For rare and threatened species, FFG and ESP Acts
Disjunct flora (A.1)	99%	0%	99%	Code and FMP For rare and threatened species, FFG and ESP Acts
Relictual EVCs and associated flora (A.1) <sup>5</sup>	33%	11%	44%	Code and FMP
Refugia from Climate Change (A.1) <sup>5</sup>	45%	10%	54%	Code and FMP
Contemporary Flora Refugia (A.2) <sup>5</sup>	25%	21%	46%	Code and FMP
Remnant vegetation (A.2)	24%	30%	54%	Code and FMP For rare and threatened species, FFG and ESP Acts
Species richness (A.3)	52%	19%	71%	Code and FMP For rare and threatened species, FFG and ESP Acts
Rare/threatened flora (B.1)	62%	9%	71%	FFG and ESP Acts Code and FMP
Rare old-growth forest (B.1)	32%	31%	63%	Code and FMP
Areas Demonstrating Principle Characteristics of EVC's (D.1)	48%	22%	70%	Code and FMP
Endemic fauna (A.1)	62%	0%	62%	Code and FMP <i>Wildlife Act 1975</i> For rare and threatened species, FFG and ESP Acts
Fauna species at the limits of their range (A.1)	52%	13%	65%	Code and FMP <i>Wildlife Act 1975</i> For rare and threatened species: FFG and ESP Acts
Disjunct fauna (A.1)	N/A	N/A	N/A	Code and FMP <i>Wildlife Act 1975</i> For rare and threatened species: FFG and ESP Acts

National Estate Values	Percentage <sup>1</sup> of the area on Public Land containing the value which lies within the CAR reserve system			Existing and/or additional protection mechanisms operating within and outside the CAR reserve system
	Formal Reserve <sup>2</sup>	Informal Reserve <sup>3</sup>	Total Reserve	
Key fauna habitat (A.2) <sup>6</sup>	23%	0%	23%	Code and FMP <i>Wildlife Act 1975</i> For rare and threatened species: FFG and ESP Acts
Rare/threatened fauna (B.1) <sup>8</sup>	45%	1%	46%	FFG and ESP Acts <i>Wildlife Act 1975</i> Code and FMP
Geoheritage values (A.1, A.2, A.3, B.1, C.1, C.2, D.1, H.1)	86%	8%	94%	Major geological and geomorphological features are considered robust to harvesting and roading. Identified localised sites of significance may be protected under the <i>Crown Land (Reserves) Act 1978</i> .
Natural History Sites Type localities & research/reference areas (C.1) <sup>7</sup>	N/A 97%	N/A 0%	N/A 97%	Type localities are to be identified and managed appropriately.
Historic values (A.3, A.4, B.2, C.2, D.2, E.1, F.1, H.1) <sup>7,9</sup>	N/A	N/A	N/A	<i>Aboriginal and Torres Strait Islanders Heritage Protection Act 1984</i> ; <i>Archaeological and Aboriginal Relics Protection Act 1972</i> <i>Heritage Act 1995</i> Code and FMP Indigenous heritage to be protected through implementation of clause 78 of the Agreement.
Social values (G.1) <sup>7</sup>	N/A	N/A	N/A	<i>Aboriginal and Torres Strait Islanders Heritage Protection Act 1984</i> ; <i>Archaeological and Aboriginal Relics Protection Act 1972</i> <i>Heritage Act 1995</i> Code and FMP Indigenous heritage to be protected through implementation of clause 78 of the Agreement.
Aesthetic values (E.1)	86%	3%	89%	Code and FMP NRE Visual Management System
Cultural Landscapes (A.3, A.4, D.2) <sup>7</sup>	N/A	N/A	N/A	<i>Aboriginal and Torres Strait Islanders Heritage Protection Act 1984</i> ; <i>Archaeological and Aboriginal Relics Protection Act 1972</i> <i>Heritage Act 1995</i> Code and FMP Indigenous heritage to be protected through implementation of clause 78 of the Agreement.

1. The percentages shown in this table are based on modelled information mapped at a scale of 1:100,000 derived during the Comprehensive Regional Assessment of the Gippsland Region, and are therefore only approximate.
2. Formal reserves are reserves established through legislation for conservation purposes, including national parks and flora and fauna reserves.
3. The figures in this column are based upon areas of the Special Protection Zone (SPZ) within State forest. Additional areas protected by prescription may also contribute towards the protection of National Estate values.
4. References to the Code of Forest Practice in this table is a reference to the *Code of Forest Practices for Timber Production*.
5. Areas of rainforest containing these values are fully protected by prescription in Victoria.
6. Many areas exhibiting this value are wetlands which are protected Ramsar sites but which are not considered formal or informal reserves for the purpose of this analysis.
7. Because of their particular characteristics, values such as natural history sites, cultural landscapes, social and historical were not subject to GIS-generated area calculations in this Table.
8. Significant occurrences of this value are on private land.
9. Victoria will manage the Grant Historic Area consistent with the Statewide cultural heritage guidelines which will be finalised by July 2000. Timber harvesting activities in this area are only to be undertaken following advice from cultural heritage experts with respect to protection of historic fabric.

## MILESTONES

Clause	Action	Timeline
26	Commonwealth to use its best endeavours to introduce legislation into the Parliament to insert into the <i>Environment Protection and Biodiversity Conservation Act 1999</i> (Cwth) definitions of 'Forestry Operations', 'RFA Forestry Operations' and 'RFA or Regional Forest Agreement' identical to those contained in the Regional Forest Agreements Bill (Cwth).	30 June 2000
36, 39 Attachment 1	Parties to report annually on achievement of milestones for the first five years, and then as part of the 5 yearly review.	Commencing 2001
46(c) Attachment 10	Victoria to implement the Integrated Forest Planning System and the Statewide Forest Resource Inventory in the Gippsland region	31 December 2002
49 and 51	Victoria and the Commonwealth to develop Sustainability Indicators.	2005
56, 58	Victoria and the Commonwealth to undertake and, where relevant, complete threatened species work as detailed in Attachment 2.	2005
60	Victoria to develop programs for pest plant and animal control.	2005
64 Attachment 1	Victoria agrees to implement the agreed land tenure change.	31 December 2002
67	Victoria to produce and publish the Gippsland Forest Management Plan.	31 December 2001
78 Attachment 3	Parties to prepare Statewide Guidelines for the Management of Cultural Heritage Values in the Forests, Parks and Reserves of Victoria, based on those prepared for East Gippsland.	30 June 2000
87	Victoria to phase out harvesting of firewood, posts and poles within the CAR reserve system.	2003
92	Victoria and the Commonwealth to: <ul style="list-style-type: none"> <li>• develop a schedule to the Statewide Data agreement</li> <li>• lodge archival copies of data</li> </ul>	30 June 2000 31 March 2001
Attachment 1	Victoria to prepare Regional Vegetation Plans covering the Gippsland region which provide for the protection of endangered, vulnerable or rare EVCs on private land.	2001

**PUBLIC REPORTING AND CONSULTATIVE MECHANISMS**

1. Public reporting and consultative mechanisms relevant to the management of the Gippsland region forests include:

- Land Conservation Council and Environment Conservation Council studies;
- preparation and amendment of forest management plans, National and State Park management plans, and regional fire protection plans;
- activities associated with the implementation of the *Flora and Fauna Guarantee Act 1988* (Vic);
- preparation and review of Codes of Practice;
- publication of audits of compliance with the Code of Forest Practices for Timber Production;
- preparation of Wood Utilisation Plans and Fuel Reduction Burning Plans;
- technical, research and other reports on such topics as
  - Sustainable Yield Reviews
  - Regeneration Performance
  - Old growth Surveys
  - Updates of the Schedules of the *Flora and Fauna Guarantee Act 1988* (Vic);
- nomination, preparation and possible contraventions of recovery plans and threat abatement plans prepared under the *Endangered Species Protection Act 1992* (Cwth);
- listing of places in the Register of the National Estate under the *Australian Heritage Commission Act 1975* (Cwth).

**RESEARCH**

1. Forest research in Victoria is aimed at ensuring the management policies and practices for Victoria's native forests are scientifically based, efficient and sustainable for all forest values.

2. The major priority of future research in Victoria will be the development of appropriate mechanisms to monitor and continually improve the sustainability of forest management practices. Accordingly, Statewide research will continue on the following major themes:

- silviculture
- flora and fauna conservation
- soil and water conservation
- fire ecology
- wood quality in regrowth forests.

3. Parties also recognise the importance of continuing research to address:

- control of feral pests
- environmental weed control in priority areas
- population monitoring of high priority threatened flora and fauna species
- the effectiveness of Ecological Vegetation Classes as surrogates of biodiversity
- the effects of differing buffer and filter strip widths on water quality and stream biota
- the development of ecologically based fire management regimes
- the effect of regrowth forests on water yields and their impacts on stream biota
- the effect of introduced fish species on aquatic fauna
- growth responses and ecological impacts of intensive silviculture in regrowth forests
- stem defect and wood quality in regrowth forest
- technologies and processes associated with the development of high value wood products.

4. Research on the above themes will vary from region to region. The directions of forest research and development in Victoria are contained in the Forests Service Research and Development Strategy 1998/99 to 2002/03. Details of current research projects are included in the Department of Natural Resources and Environment web site ([www.nre.vic.gov.au/forestry](http://www.nre.vic.gov.au/forestry)). The Compendium of Victorian Forest Research (1998) also provides a bibliography of research in progress as well as published and unpublished works.

**MONTREAL PROCESS CRITERIA FOR THE CONSERVATION AND SUSTAINABLE MANAGEMENT OF TEMPERATE AND BOREAL FORESTS**

- Criterion 1: Conservation of biological diversity
- Ecosystem diversity
  - Species diversity
  - Genetic diversity
- Criterion 2: Maintenance of productive capacity of forest ecosystems
- Criterion 3: Maintenance of ecosystem health and vitality
- Criterion 4: Conservation and maintenance of soil and water resources
- Criterion 5: Maintenance of forest contribution to global carbon cycles
- Criterion 6: Maintenance and enhancement of long term multiple socio-economic benefits to meet the needs of societies
- Production and consumption
  - Recreation and tourism
  - Investment in the forest sector
  - Cultural, social and spiritual needs and values
  - Employment and community needs
- Criterion 7: Legal, institutional and economic framework for forest conservation and sustainable management
- Extent to which the legal framework (laws, regulations, guidelines) supports the conservation and sustainable management of forests
  - Extent to which the institutional framework supports the conservation and sustainable management of forests
  - Extent to which the economic framework (economic policies and measures) supports the conservation and sustainable management of forests
  - Capacity to measure and monitor changes in the conservation and sustainable management of forests
  - Capacity to conduct and apply research and development aimed at improving forest management and delivery of forest goods and services.

**INDIGENOUS HERITAGE**

Governments agree to develop a package of measures that will be implemented by Victoria to ensure the appropriate management of Aboriginal heritage. The various elements of the package will be developed in conjunction with local Aboriginal communities. The following points provide the principles that will guide its development.

**1. Communication**

- Ensure there is an agreed framework for consultation with the Aboriginal people on forest management, incorporating adequate time to participate in the preparation of management plans.
- Ensure there is an agreed framework for consultation with the Aboriginal people to develop and implement protocols in regard to the implementation of management plans and in the conduct of management activities.

**2. Heritage Management**

- As specified by current Commonwealth and State legislation relating to cultural heritage protection and native title, Aboriginal people must be consulted when developing and implementing management plans for all Aboriginal cultural heritage sites and places.
- In consultation with Aboriginal people, develop and follow protocols to protect the confidentiality of Aboriginal heritage information.
- In consultation with Aboriginal people, develop and follow protocols to protect Aboriginal cultural heritage sites and places. These protocols will be incorporated in the 'Statewide Cultural Heritage Guidelines'.
- In consultation with Aboriginal people, Aboriginal heritage sensitivity models will be developed. Protocols will be developed in consultation with Aboriginal people to guide the appropriate use of the sensitivity models.

**3. Training**

- In consultation with Aboriginal people develop appropriate cross-cultural training programs within the Victorian Public Sector at various levels to enhance understanding of Aboriginal cultural heritage.

**4. Employment**

- In consultation with Aboriginal people, develop a strategic program for the sustained employment of Indigenous people within the Victorian public sector.

## FOREST MANAGEMENT

This attachment outlines the key purposes of a Forest Management Plan (FMP) which are required to be prepared or updated as necessary in accordance with this Agreement. The attachment also outlines some particular issues that will need to be addressed in the development or updating of plans in the Gippsland RFA region.

### Regional Forest Planning

Forest Management Plans are the fundamental plan for the management of environmental, cultural and resource values in public native forests. In accordance with the Code of Forest Practices for Timber Production (NRE 1996), plans must be prepared for each Forest Management Area and:

- be in accord with the relevant Acts, Agreements and policies of the Government of Victoria;
- be strategic, assessing and addressing the management and protection of environmental, cultural and resource values at the regional level and for the long-term;
- aim to achieve ecologically sustainable management, which includes the maintenance of environmental values and the sustainable use of natural resources;
- recognise the contribution of conservation reserves to, and the impacts of private land activities on, the determination of appropriate protection levels for environmental values in State Forest;
- take into account the Catchment Management Strategy prepared by the relevant Catchment and Land Protection Boards (now Catchment Management Authorities), and take account of any requirements of Special Area Plans made under the *Catchment and Land Protection Act 1994* (Vic);
- be planned and implemented so that the forest provides continuing opportunities for public recreation, scientific study and education;
- recognise the contribution of forest and forest resource use to the economic and social well being of Victorians;
- include public participation in their development process; and
- provide a basis for monitoring and reviewing management performance.

Plans should also:

- provide for the protection of regional biodiversity;
- provide protection for all flora and fauna listed as threatened under Victoria's *Flora and Fauna Guarantee Act 1988* (Vic);
- meet the requirement for sustainable yield under the *Forests Act 1958* (Vic);
- identify regional environmental, cultural and resource values and develop specific management aims, guidelines and actions for their management and protection;
- consider resilience, extensiveness, distribution and natural processes in determining protection for individual environmental values;
- sub-divide State Forest into zones, identifying where environmental, cultural and resources values are given management priority;

- link conservation reserves with special protection and special management zones where environmental values are given highest priority;
- provide opportunities for recreation, scientific study and education and specify separate objectives for these values;
- identify areas where forest stands can be managed more intensively by thinning and/or fertilisation to increase production of timber;
- identify areas which should be reforested;
- include public participation through advisory committees and opportunity to comment on proposed plans; and
- provide for periodic review and mechanisms for adjustment when new scientific data become available.

Forest Management Plans should be prepared with wide public consultation and reviewed every ten years.

**Note:** In general, timber is harvested according to a set of local prescriptions which are consistent with the Code of Forest Practices for Timber Production, but which incorporate local considerations necessary to achieve environmental care. The local prescriptions should be based on relevant scientific input, be consistent with Forest Management Plan strategies and be reviewed periodically.

### **Protection of water quality and yield**

Concerns have been raised about the impact of timber harvesting activities on water quality and yield in the Gippsland RFA region.

Road construction, timber harvesting and recreation and other activities may adversely affect water quality and yield from forested catchments. As part of Victoria's Ecologically Sustainable Forest Management system, a range of measures are currently in place to address the risks associated with these activities. The Victorian Code of Forest Practices for Timber Production, and associated forest management prescriptions require the establishment of buffers and filters along streams and water courses, establish limitations on harvesting on steep slopes and design standards and planning procedures for road construction and stream crossings. Forest operators involved in commercial timber harvesting operations are required to undertake training in environmental care principles which emphasise the measures required to protect soil and water values.

In addition, the effectiveness of these measures to manage water quality and yield and the applicability of any new information or research will be considered when the Gippsland Forest Management Plan is reviewed or updated.

**PROGRAM FOR COMPLETION OF SFRI AND SUSTAINABLE YIELD FORECASTS FOR RFAs IN VICTORIA**

Parties recognise the need to revise the Statewide Forest Resources Inventory (SFRI) and the Integrated Forest Planning System (IFPS) timetable across Victoria, to reflect current priorities as a result of completing the RFA program.

Parties agree to ensure the SFRI program is completed across Victoria in a timely and efficient manner to provide a sound scientific basis for sustainable yield projections. The SFRI and IFPS program will be implemented to allow legislative reviews of sustainable yields to take place based on best available information.

Table 1 shows agreed timelines for the completion of the Statewide Forest Resource Inventory (SFRI) and IFPS for all Forest Management Areas within the Victorian RFA regions.

Parties hereby consent to vary the completion dates for the SFRI and IFPS, specified in Clauses 45(e), 71, 88.2 and 92(b)(iv) of the Central Highlands Agreement, and Clauses 34 to 36 of the East Gippsland Agreement as described in this Table.

As part of the annual reporting process outlined in Clause 36 of this agreement Victoria will provide annual updates of work towards the implementation of SFRI and IFPS against the timetable in Table 1. Victoria will consult, as appropriate, with the Commonwealth on issues relating to the Statewide SFRI and IFPS program.

Parties acknowledge that Victoria has committed an additional \$3 million to accelerate the SFRI and IFPS program.

**Table 1 Completion of SFRI and Sustainable Yield forecasts**

<b>RFA region</b>	<b>Forest Management Area</b>	<b>Implement SFRI and IFPS</b>
West	Midlands	31 December 2003
	Otways	30 June 2005
	Portland	30 June 2006
Gippsland	Tambo	31 December 2002
	Central Gippsland (part)	31 December 2002
Central Highlands	Central Gippsland (part)	31 December 2002
	Central	31 December 2004
	Dandenong	31 December 2004
North East	Benalla/Mansfield	30 June 2001
	Wangaratta	31 December 2001
	Wodonga	31 December 2001
East Gippsland	East Gippsland	31 December 2005

## INDUSTRY ADJUSTMENT AND DEVELOPMENT

Both Parties are committed to facilitating the adjustment of the timber industry to the outcomes of this Agreement and to the further development of efficient and diverse forest based industries in Victoria.

Both Parties are committed to a no net job loss outcome and have contributed to a comprehensive funding package to ensure that this outcome is achieved.

Parties recognise that it will be necessary to provide industry with sufficient time to adjust to the revised timber resource availability resulting from the RFA outcomes. As provided in Clause 73, this adjustment will be phased-in over a period of two years from the date of signing this agreement.

To support this adjustment and to promote industry development, the Parties will provide an additional \$15 million to the Forest Industry Structural Adjustment Program in Victoria. Adjustment will be facilitated on a strategic basis, having regard to:

- industry structure, location and efficiency
- promoting value-adding.

The adjustment will be managed through current FISAP arrangements and include consultation with industry and the community.

Further to the additional FISAP funding, Victoria is committed to undertaking an additional \$20 million program of works across Victoria to support forest-based industries and improve the resource base through a range of initiatives including increased productivity through improved forest management, re-forestation, plantation development and farm forestry. Other initiatives will improve forest based tourism infrastructure.

Parties agree that the combination of FISAP projects and the additional Victorian program of works will ensure at the very least a jobs neutral outcome for West Victoria RFA.