

New Zealand Standard for Sustainable Forest Management Summary Report

Hancock Forest Management NZ Ltd

Tauranga, New Zealand
Unit 5, 120 Hamilton Street, Tauranga, 3110, New Zealand
Kerry Ellem, General Manager
www.hnrg.com

CERTIFIED	EXPIRATION
Pending	[DATE]

DATE OF FIELD AUDIT
15 – 18 November 2016 31 March and 3 April 2017
DATE OF LAST UPDATE
19 May 2017

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SECTION A – PUBLIC SUMMARY REPORT

1. General Information

1.1 Name and Contact Information

Organization name	Hancock Forest Management NZ Ltd		
Contact person	Kerry Ellem		
Address	Unit 5, 120 Hamilton Street, Tauranga 3110, NZ PO Box 13404 Tauranga 3141 NZ	Telephone	+64 7 571 7915
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		e-mail	kellem@hrng.com
		Website	Hrng.com

1.2 NZS / PEFC Sales Information

<input checked="" type="checkbox"/> AFS/ PEFC Sales contact information same as above.			
AFS/ PEFC salesperson	As above		
Address		Telephone	
		Fax	
		e-mail	
		Website	

1.3 Scope of Certificate

Checking this box indicates this is a Stage 1 summary report, and the scope table below reflects relevant information for the certification *applicant* (i.e., certification decision not yet determined).

Certificate Code <input type="checkbox"/> N/A (Stage 1 summary report)		
Certification Statement <input type="checkbox"/> N/A (Stage 1 summary report)	The scope of the certificate includes all activities associated with the Organization’s sustainable forest management system with the Defined Forest Area(s) (DFA), including the management of forest and log processing and handling facilities. The Organization has sufficient control over any contracting or outsourcing of forest management planning and activities to ensure conformance to applicable certification requirements.	
Certification Recommendation by Audit Team to SCS <input type="checkbox"/> N/A (Stage 1 summary report)	<input checked="" type="checkbox"/> Initial or continued certification is recommended, subject to the Organization meeting deadlines to response any findings issued.	<input type="checkbox"/> Initial or continued certification is not recommended (<i>explain</i>):
Certificate Type	<input checked="" type="checkbox"/> Single DFA	<input type="checkbox"/> Multiple DFA
	<input type="checkbox"/> Group	

# Group Members (if applicable)	N/A	
Number of DFAs in Scope of Certificate	Single Defined Forest Area with 3 Forest Management Units. The forest management units are described as Group A: Central Region, Group B: Eastern Region, and Group C: Northern Region.	
Description of DFA(s) as Advised to AFS Limited	Area (ha):	Central Region is 117024 ha.
	Area (ha):	Eastern Region is 36113 ha.
	Area (ha):	Northern Region is 52641 ha.
	Refer to publicly available maps and information about the DFA(s) provided by the Organization on its website at http://htrg.com/forest-management or upon request via the contact person cited at the beginning of this report.	
Exclusion of areas from DFA(s)	<input checked="" type="checkbox"/> N/A – Entire DFA(s) owned or managed by the Organisation is included in the scope of certification	
	<input type="checkbox"/> Organisation wishes to exclude portions of the DFA(s) under evaluation from the scope of certification (check all that apply):	
	<input type="checkbox"/> Nursery areas within the DFA(s); <input type="checkbox"/> Transportation infrastructure under the control of the Organisation, but outside of the DFA(s); <input type="checkbox"/> Areas under the control of the Organisation such as log dumps, merchandising yards or ports within or outside of the DFA(s). Note that COC requirements still apply to the forest products that have come from the DFA(s) and may be evaluated onsite to determine conformance to such requirements; and/or	
	<input type="checkbox"/> Public infrastructure development areas not under the management control of the Organisation (see AS4708 GN01-2013, Requirement 3.9, Guide to implementation, infrastructure, item 2 for more information).	
<input type="checkbox"/> The Organisation has persistently or seriously failed to meet the certification requirements for specific areas within the DFA(s). The Certification Body has reduced the scope of certification to exclude these areas not meeting the certification requirements. These reductions have been duly reviewed by the Certification Body and are in line with AFS certification requirements.		
Applicable Standards/Guidance	NZS AS4708-2014 (New Zealand Standard for Sustainable Forest Management)	
Forest Management Type	<input checked="" type="checkbox"/> Plantation	<input type="checkbox"/> Natural/ semi-natural
Forest Product Type(s)	<input checked="" type="checkbox"/> Sawlog	<input type="checkbox"/> Chips
	<input type="checkbox"/> Non-timber Forest Products	<input type="checkbox"/> Other (describe):
Species (Common and Scientific Name(s))	Radiata Pine (<i>Pinus radiata</i>); some Douglas Fir (<i>Pseudotsuga menziesii</i>), mixed eucalypt species	
Statement on the conformity and effectiveness of the	Hancock Forest Management has strong environmental and HSE management systems. The estate is managed under a single forest	

<p>management system together with a summary of the evidence relating to:</p> <ul style="list-style-type: none"> • the capability of the management system to meet applicable requirements and expected outcomes; • the internal audit and management review process 	<p>management system from three regional offices located in Rotorua, Tokoroa and Whangarei. Each region has a Regional Manager who is supported by the relevant technical expertise and supervisory staff. An internal audit was conducted prior to this evaluation and reviewed by senior management who considered that the company was suitable to move towards certification.</p>
<p>Conclusion on the appropriateness of the certification scope</p>	<p>The certification scope includes only lands managed by HFM as appropriate.</p>

2. Audit Dates and Activities

2.1 Audit Itinerary and Activities

N/A (Stage 1 Audit)

Type of Audit:	<input checked="" type="checkbox"/> Evaluation/ re- evaluation	<input type="checkbox"/> 1 st annual surveillance audit	<input type="checkbox"/> 2 nd annual surveillance audit	<input type="checkbox"/> 3 rd annual surveillance audit
	<input type="checkbox"/> Combined audit	<input type="checkbox"/> Joint audit	<input type="checkbox"/> Integrated audit	
	<input type="checkbox"/> Special audit (<i>explain</i>):			
Date of Audit:	15 - 18 November 2016 and 31 March to 3 April 2017.			
Auditor(s):	Graeme Lea (GL), Kimberley Robertson (KR), Mick Berry (MB), Beth Jacqmain (BJ)			
Objective and Scope of the Audit: <input checked="" type="checkbox"/> Check if audit objectives were met	<p>Determination of the conformity of the organization’s forest management system with audit criteria;</p> <p>Evaluation of the ability of the forest management system to ensure the organization meets applicable statutory, regulatory and contractual requirements;</p> <p>Evaluation of the effectiveness of the forest management system to ensure the organization is continually meeting its specified objectives; and</p> <p>As applicable, identification of areas for potential improvement of the forest management system (OFIs)</p> <p>Visits to a sample of operational sites representing a range of forest management activities in the three regional Forests Management Units including supporting infrastructure including: 3 Regional offices; Harvesting operations in all 3 regions – Eastern Region: Maungawaru crews 908 and 902 in Houpoto Forest, Newton Logging and DK Logging in Matahina Forest) and Trimax Logging in Matahina Forest (Eastern); Sinton crew 14, Fast Harvesting crew 86, Baird Logging crew 24 and Goodman Logging crew 52 all in Kinleith Forest (Central); Rosewarne Cable Logging crews 61 and 82 in Avoca Forest and Stokes Logging crew 719 in Awakino Forest (Northern); Archaeological site management in Houpoto Forest (numerous sites of maori origin) and Kinleith Forest (rock cave and paintings, Pohaturoa cultural HCV); Depots and centralised log storage/processing areas: Athol Depot, Tokoroa (security, fire control and chemical store), Kawerau Fire</p>			

	<p>Store, Kawerau Processing Yard (centralised log processing), Forest Protection Services Ltd depot (acts as the Northland fire depot), Kinleith Logyard; Engineering construction: Totara and Mutu Road log landing construction; Reserves and sites of Significant Biodiversity Value under management: Houpoto wetland, River Road riparian area and water point, Lake Road wetland (HCV), Raukawa Totara legacy project (Totara planting for cultural use and adjacent wetland restoration), Hall Road wetland, Hippo Road wetland, Len Road wetland, Opareiti Stream wetlands. Engineering construction: Viewed road systems and new engineering construction in all regions, viewed new road and landing construction in Kinleith and Houpoto Forests.</p>
<p>Any deviations from the audit plan and their reasons, if applicable:</p>	<p>During the 15 - 18 November 2016 audit there was an unplanned deviation from the audit plan due to closure of State Highway 35 in the Eastern region resulting from heavy rain on the day of the audit, which cut off Orete Forest from road access for the day. The audit team was able to adjust the schedule to take in other Eastern Region forests with no overall loss to meet sampling requirements. Field sites not visited: Orete Forest (Eastern Region) On 18 November, the Lead Auditor added an unplanned stop at a processing facility, (Kawerau). The 31 March to 3 April 2017 audit involved supplemental sampling during a visit to the Central, Eastern and Northern regions and the following field sites were added to the audit: <u>Central:</u> Goodman Logging 52 (Kinleith); Kinleith Logyard; Eastern: Kawerau Fire Store; and <u>Northern:</u> Avoca Forest harvest sites: 1797, 1795 and planting site, and Awakino Forest harvest area 1761, Forest Roads inspections Avoca and Awakino; and the Forest Protection Services Ltd Fire depot (Whangarei).</p>
<p>Summary of most important observations, positive as well as negative, regarding implementation and effectiveness of the Forest Management System:</p>	<p>Overall the Forest Management system is well implemented. The audit team found that regions were consistently implementing the management plan and stakeholder consultation is actively promoted and undertaken by HFM. Reporting to Head office is carried out frequently (daily to weekly) via phone, teleconference calls and meetings. There also appears to be a considerable amount of interaction and sharing of knowledge by management teams from all regions. Major non-conformities identified during this evaluation included: Criterion 2.6 - The forest manager shall make publicly available summaries of the Forest Management Plan (this CAR was closed prior to the completion of the audit, now available at http://htrg.com/forest-management).</p>

	<p>Minor non-conformities identified during this evaluation included:</p> <p>Criterion 1.1.1 - The forest manager shall define a forest management policy that includes commitments to a systematic approach to forest management; the compliance with 'other' requirements not just legal requirements; compliance with the Treaty of Waitangi; provision of resources necessary to meet the standard and; proactive engagement with Stakeholders;</p> <p>Criterion 1.2.2a - The Forest Management Plan shall identify applicable legal requirements and other requirements to which the forest manager subscribes;</p> <p>Criterion 1.2.2.g - The Forest Management Plan shall describe the forest values to be managed, including those important for the protection of environmental, economic, social and cultural benefits;</p> <p>Criterion 1.4.3.c - The forest manager shall ensure procedures are in place for routine monitoring and evaluation of the performance outcomes using approaches that are as scientifically-rigorous and sufficiently powerful as is possible and practical and that allow timely remedial actions to be applied when requirements of the Standard are not met;</p> <p>Criterion 1.4.3.d - The forest manager shall ensure procedures are in place for periodically auditing of the management system to determine conformance with the requirements of the Standard and that planned practices have been properly implemented and maintained;</p> <p>Criterion 2.1 - The forest manager shall establish and maintain a list of stakeholders and identify their interests and whether they are affected or interested stakeholders;</p> <p>Criterion 6.2.b - The forest manager shall manage forest operations to minimize adverse changes to water quality (physical, chemical or biological) with the objectives of maintaining streamside management zones;</p> <p>Criterion 7.2.1 - The forest manager shall demonstrate a commitment to minimizing fossil fuels usage by forest operations and in the conduct of the enterprise;</p> <p>Criterion 9.2.1 - The forest manager shall pursue the efficient and optimal use of harvested forest products to encourage best use of forests within the defined forest area having due regard to the environmental, economic, social and cultural requirements of the Standard; and</p> <p>Criterion 9.5.1 The forest manager shall foster a safe working environment by complying with relevant workplace health and safety legislation and regulations; facilitating improvements in workplace health and safety; adopting working conditions that do not endanger health or safety; and cooperating and consulting with forest workers and their representative organizations where they exist, on workplace health and safety.</p>
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	<p>OFI identified during this evaluation included: Criterion 5.2 - The forest manager shall not use World Health Organization Class 1A and 1B pesticides unless legally approved for use.</p>
<p>Significant changes, if any, that affect the management system of the client since the last audit took place:</p>	<p>The only significant change relating to management of the forest estate was the sale of the Nelson Region estate after the stage 1 review.</p>
<p>Effectiveness of taken corrective actions regarding previously identified nonconformities, if applicable:</p>	<p>Not applicable as this is a certification assessment.</p>
<p>Unresolved issues (if identified):</p>	<p>The audit team found that HFM has several unresolved issues, mainly relating to land titles or shareholding issues, most of which are with the Maori Land Court for resolution.</p> <p>In the Eastern Region, there is an ongoing issue with a single forest entity (Torere 64) which is a shareholder/landowner issue, which has halted any harvesting, but is being dealt with by the Maori Land Court (MLC).</p> <p>Auditors met with representatives of landowners (trusts) finding that unresolved issues were mainly directed towards employment and forest return issues.</p> <p>Overall, HFM was determined to be proactive in stakeholder communications and found to encourage communications between and from stakeholders. Additionally, evidence indicates HFM actively undertake actions to mitigate or minimise impacts of forest operations. Examples observed include a realigned access road, trialling of different/new roading materials to minimise dust pollution, and where possible responding to land owner issues or concerns.</p> <p>In the Northern Region, there is an ongoing issue with a public access road administered by the District Council that is causing dust pollution for several stakeholders with residences alongside the road. The auditors separately interviewed stakeholders in relation to this issue finding that HFM had been involved in several meetings with the groups concerned, and had taken action to mitigate dust pollution by using a dust suppressant (dustlock), which was seen to be quite successful. Stakeholders report while HFM had taken a leading role in this issue, the main party concerned was the District Council but with grievances also being directed at HFM as a road user. The Lead auditor also interviewed District Council engineering staff and were informed that a further application for funding had been presented to central government and the council was hopeful that further funding would be made available to enable sealing of a significant portion of this road.</p>

	<p>The auditors also found that across the HFM estate landowner issues are generally similar in nature, and concluded that operationally there was little to no significant or substantial differences among the three regions.</p>
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