

THE CENTRAL HIGHLANDS REGIONAL FOREST AGREEMENT

THIS AGREEMENT is made on the _____ day of _____ 1998

BETWEEN

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

THE COMMONWEALTH OF AUSTRALIA (“the Commonwealth”).

Preamble

Victoria’s forests are of great importance. The Parties are committed to ensuring that Victoria’s forests are managed effectively to ensure that current and future generations enjoy the benefits and uses associated with forests.

The Parties acknowledge Victorian Traditional Owners as the original custodians of Victoria’s land, forest and waters, over which Victorian Traditional Owners maintain their sovereignty has never been ceded. The Parties recognise and value Victorian Traditional Owners’ unique ability to care for and deep spiritual connection to Country. The Parties honour and pay their respects to Elders past, present and emerging whose knowledge and wisdom has ensured the continuation of culture and traditional practices in the face of colonisation.

Victoria is committed to genuinely partner with Victoria's Traditional Owners to support the protection of Country, foster land, water, forest and fire management practices, and maintain all spiritual, mythological, religious and cultural practices.

The parties recognise that natural disturbances, which are occurring at greater frequency and intensity, have the potential to impact on Forest values. Where Forest values are significantly impacted by such events the impacts will be the subject of monitoring and assessment within the framework of this RFA.

Recitals

WHEREAS:

Purpose of Agreement

- A This Regional Forest Agreement (RFA) establishes the framework for the management of the forests of the Central Highlands. 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 *Regional Forest Agreements Act 2002* (Cth), *Export Control Act 1982* (Cth), *Environment Protection and Biodiversity Conservation Act 1999* (Cth), *Export Control (Hardwood Wood Chips) (1996) Regulations* (Cth) and the *Export Control (Regional Forest Agreements) Regulations* (Cth). 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 RFA 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 RFA 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.

D This Agreement took effect on 27 March 1998. It was subsequently varied by the Parties on 26 March 2018 and in March 2020.

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:

“Aboriginal Heritage Values” means:

- (a) “Aboriginal cultural heritage”; and
- (b) “Aboriginal intangible heritage”,

as those terms are defined in the *Aboriginal Heritage Act 2006* (Vic);

“Aboriginal person” has the same meaning as in the *Aboriginal Heritage Act 2006* (Vic);

“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 World Heritage Intergovernmental Agreement” means the Australian World Heritage Intergovernmental Agreement, as agreed by the Commonwealth, the States and the Territories, as amended from time to time;

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

“CAR Reserve System” or “Comprehensive, Adequate and Representative 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 entered into 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;

“Central Highlands RFA Region” is the area described in clause 4 of this Agreement;

“Climate Change” has the same meaning as in the *Climate Change Act 2017* (Vic);

“Climate Change Vulnerable” means the degree to which a system is susceptible to, and unable to cope with, adverse effects of Climate Change, including climate variability and extremes. Vulnerability is a function of the character, magnitude and rate of Climate Change to which the system is exposed, its sensitivity, and its adaptative capacity;

“Code of Practice for Timber Production” means the Code of Practice for Timber Production 2014 developed in accordance with the *Conservation, Forest and Lands Act 1987* (Vic) and includes all incorporated documents but does not include associated documents;

“Code of Practice for Bushfire Management on Public Land” means the Code of Practice for Bushfire Management on Public Land 2012 developed pursuant to the *Conservation, Forests and Lands Act 1987* (Vic);

“Commissioner for Environmental Sustainability” or **“Commissioner”** means the person appointed to the position of the Commissioner for Environmental Sustainability under the *Commissioner for Environmental Sustainability Act 2003* (Vic) (including a person acting in that role) or its equivalent or statutory successor;

“Common Assessment Method MoU” means the *Memorandum of Understanding - Agreement on a national common assessment method for listing of threatened species and communities*;

“Commonwealth Heritage Management Principles” has the same meaning as “Commonwealth Heritage management principles” in section 341Y of the EPBC Act;

“Commonwealth Heritage Place” has the same meaning as “Commonwealth Heritage place” in subsection 341C(3) of the EPBC Act;

“Commonwealth Heritage Values” has the same meaning as “Commonwealth Heritage values” in section 341D of the EPBC Act;

“Competition Principles Agreement” means the agreement of the same name updated by the Council of Australian Governments in 2007, as amended from time to time;

“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;

“Country” means all of the sentient and non-sentient parts of the world and the interactions between them, according to Traditional Owner cultural lore. Cultural lore and life originate and are governed by Country;

“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;

“Data Sovereignty” means, for the purposes of this Agreement, the rights of Aboriginal peoples to govern and control the collection, ownership and application of data (information and knowledge) about their communities, peoples, cultural heritage, Traditional Owner Knowledge and traditional cultural expressions;

“Dedicated Reserve” means a formal 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 existed at 1998 are described in the Central Highlands CRA “Biodiversity Report” published by the Commonwealth and Victorian RFA Steering Committee in 1997. EVCs as they existed at 2019 in the Central Highlands RFA region are listed in Attachment 1;

“Ecosystem Services” are the benefits (including goods and services) provided by ecosystems, and the contributions that ecosystems make to human well-being, arising from both biotic and abiotic processes as well as their interaction. Ecosystem Services related to Forests include, but are not limited to, carbon sequestration, provision of biomass including timber, provision of recreation, provision of clean water and pollination;

“Environment and Heritage Values” means values assessed as part of the CRA pursuant to Attachment 1 of the RFA Scoping Agreement. These include Old Growth Forests, Wilderness, endangered species, National Estate Values, World Heritage Values and Indigenous heritage values;

“EPBC Act” means the *Environment Protection and Biodiversity Conservation Act 1999* (Cth);

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

“FFG Act” means the *Flora and Fauna Guarantee Act 1988* (Vic);

“Five-yearly Review” means a review of the same name undertaken pursuant to clause 36 of this Agreement;

“Five-yearly Review Report” means a report prepared pursuant to clause 37I(c);

“Forest” means an area, incorporating all living and non-living components, that is dominated by trees having usually a single stem and a mature or potentially mature stand height exceeding 2 metres and with existing or potential crown cover of overstorey strata about equal to or greater than 20 per cent. This includes Australia’s diverse Native Forests and Plantations, regardless of age. It is also sufficiently broad to encompass areas of trees that are sometimes described as woodlands;

“Forest Ecosystem” means a forest ecosystem as defined in the JANIS Report. Forest Ecosystems in the RFA Region are listed in Attachment 1 of this Agreement;

“Forest Estate” means all Forests growing on Public Land or Private Land;

“Forest Industries” for the purpose of this Agreement means industries that generate jobs and economic benefits that depend on Forests including (but not limited to) Timber and Forestry Products Industries, nature based tourism and apiculture;

“Forest Management” means the management and administration of all Forests on Public Land and Private Land, including Native Forest and Plantations;

“Forest Management Plan” means:

- (a) the Forest Management Plan for the Central Highlands until a plan as described in subparagraphs (b) or (c) is in force;
- (b) a working plan made pursuant to the *Forests Act 1958* (Vic) that remains in force; and
- (c) a plan made under current or future State legislation which contains:
 - (i) objectives;
 - (ii) strategies to meet objectives; and
 - (iii) priority management actions,pertaining to Forest Management which remains in force;

“Forest Management Plan for the Central Highlands” means the document titled ‘Forest Management Plan for the Central Highlands’ produced by the then Victorian Department of Natural Resources and Environment dated May 1998;

“Forest Management System” means the State’s suite of legislation, policies, codes, plans and management practices and processes, as amended from time to time, being as generally described in the ‘*Overview of the Victorian Forest Management System*’ published by the State (which is to be maintained by the State, and updated from time to time to reflect amendments in legislation, policies, codes, plans and management practices and processes);

“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;

“Further Assessment of Matters Report” means the joint report prepared by the Parties that summarises the findings of the further assessments of forest values undertaken to inform the 2020 variation of this Agreement;

“General Management Zone” or **“GMZ”** means the zone of the same name described in a Forest Management Plan that applies, either in part or wholly, to land within the RFA Region;

“Harvest Level” means the volume of Timber Resources that can be harvested from Native Forests in the RFA Region in any financial year, consistent with ESFM, until Native Forest harvesting ceases on 30 June 2030;

“Indigenous” means the Aboriginal and Torres Strait Islander peoples of Australia and includes those persons who are descendants of the Aboriginal and Torres Strait Islander peoples of Australia;

“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;

“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, Consent or Authority” in clause 90 means any licence, consent or authority pursuant to the *Mineral Resources (Sustainable Development) Act 1990* (Vic);

“Listed Species and Communities” or **“Listed Species or Community”** means, for the purposes of this Agreement, a species, taxon, or community:

(a) listed under:

(i) Part 13 of the EPBC Act; or

(ii) Part 3 of the *Flora and Fauna Guarantee Act 1988* (Vic); and

(b) that is, or has the potential to be, impacted by Forestry Operations;

“Major Event” means a substantial change in circumstances that has the potential to significantly impact upon:

(a) the objectives and operation of this Agreement;

(b) the comprehensiveness, adequacy or representativeness of the CAR Reserve System;

(c) ESFM;

(d) one or more MNES; or

(e) the stability of Forest Industries,

within the RFA Region, and includes (but is not limited to) natural events such as bushfires, floods and disease;

“Major Event Review” means a review of the same name undertaken pursuant to clause 38F of this Agreement;

“Matters of National Environmental Significance” or **“MNES”** means, for the purpose of this Agreement, those matters protected by Part 3 of the EPBC Act as matters of national environmental significance that are potentially impacted by Forestry Operations, including:

- (a) World Heritage Values of declared World Heritage Places;
- (b) National Heritage Values of National Heritage Places;
- (c) ecological character of Ramsar Wetlands; and
- (d) species and communities listed in accordance with Part 13 of the EPBC Act (excluding those categories referred to in paragraphs 178(1)(a) and (f), and paragraph 181(1)(c) of the EPBC Act);

“Matters of Traditional Owner Significance” or **“MTOS”** means matters of high importance to Traditional Owners as identified through the development and operation of Traditional Owner knowledge management systems. For the purposes of this Agreement, MTOS means only those matters related to Forests and their management and use;

“Milestone” means, for the purposes of this Agreement, an obligation under this Agreement which contains a temporal commitment;

“Mineral” means:

- (a) mineral; and
- (b) stone,

as defined in the *Mineral Resources (Sustainable Development) Act 1990* (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 remove or extract Minerals;

“Mining Operations” means any work carried out under a licence, consent to search for stone or extractive industry work authority granted under the *Mineral Resources (Sustainable Development) Act 1990* (Vic) with a view to obtaining or treating Minerals including the removal or extraction of a Mineral and the treatment of a Mineral;

“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 for Australia” 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 repealed *Australian Heritage Commission Act 1975* (Cth);

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

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

“National Heritage Management Principles” has the same meaning as “National Heritage management principles” in section 324Y of the EPBC Act;

“National Heritage Place” has the same meaning as “National Heritage place” in subsection 324C (3) of the EPBC Act;

“National Heritage Values” has the same meaning as “National Heritage values” in section 324D of the EPBC Act;

“National Sustainability Indicators” means the indicators in the framework used for reporting on the state of Australia’s forests, as developed by the Montreal Process Implementation Group for Australia;

“Native Forest” has the same meaning as in the Code of Practice for Timber Production;

“Old Growth Forest” has the same meaning as ‘old growth’ in the Code of Practice for Timber Production;

Note: As at March 2020, the definition of ‘old growth’ appears in the ‘Management Standards and Procedures for timber harvesting operations in Victoria’s State forests’, which is a document that is incorporated into the Code of Practice for Timber Production.

“Panel” means a Panel constituted in accordance with clause 37D of this Agreement;

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

“Party” means a Party to this Agreement;

“Plantation” means an intensively managed stand of trees of either native or exotic species that is created by the regular placement of seedlings or seeds;

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

“Processed and Unprocessed Wood” means, for the purposes of this Agreement, processed or unprocessed wood (including woodchips) sourced from a region covered by an RFA;

“Public Land” means:

- (a) Crown land;
- (b) State Forest;
- (c) park, within the meaning of the *National Parks Act 1975 (Vic)*; and
- (d) land vested in any public authority, other than a municipal council;

“Rainforest” has the same meaning as in the Code of Practice for Timber Production;

“Ramsar Convention” means the Convention on Wetlands of International Importance especially as Waterfowl Habitat 1971;

“Ramsar Wetlands” means a declared Ramsar Wetland as defined under section 17 of the EPBC Act;

“Recovery Plan” means a recovery plan made or adopted under the EPBC Act;

“Regional Forest Agreement” or **“RFA”** means a Regional Forest Agreement within the meaning of the *Regional Forest Agreements Act 2002* (Cth);

“Refugia” has the same meaning as in the JANIS Report;

“RFA Forestry Operations” has the same meaning as in the *Regional Forest Agreements Act 2002* (Cth);

“RFA Region” has the same meaning as Central Highlands RFA Region;

“Special Management Zone” or **“SMZ”** means the zone of the same name described in a Forest Management Plan that applies, either in part or wholly, to land within the RFA Region;

“Special Protection Zone” or **“SPZ”** means the zone of the same name described in a Forest Management Plan that applies, either in part or wholly, to land within the RFA Region;

“State Forest” has the same meaning as in section 3 of the *Forests Act 1958* (Vic);

“Statement of Regulatory Intent” means a statement of the same name published by the Victorian Office of the Conservation Regulator, which provides a detailed explanation of the law in a specified area and guidance on how the regulator will exercise its powers;

“Statutory Conservation Planning Document” means:

- (a) an approved conservation advice, recovery plan, threat abatement plan or wildlife conservation plan as defined under the EPBC Act; and
- (b) an Action Statement or Interim Conservation Order as defined under the *Flora and Fauna Guarantee Act 1988* (Vic);

“Supplementary Report” means the report prepared by the Parties pursuant to clause 37H of this Agreement;

“Sustainability Indicators” means qualitative or quantitative measures, at the regional (sub-national) level developed to assess the criteria for sustainable forest management, as described in *Criteria and Indicators for Sustainable Forest Management in Victoria – Guidance Document*, as amended from time to time, under the *Sustainable Forests (Timber) Act 2004* (Vic);

“System of Environmental-Economic Accounting Framework” or **“SEEA Framework”** means the United Nation’s framework of the same name that is a framework for organising and presenting statistics on the environment and its relationship with the economy. It contains the internationally agreed standard concepts, definitions, classifications, accounting rules and tables for producing internationally comparable statistics and accounts;

“Threat Abatement Plan” means a threat abatement plan made or adopted under the EPBC Act;

“Threatening Process” means a:

- (a) threatening process as defined in section 188(3) of the EPBC Act; and
- (b) potentially threatening process as defined in section 3 of the *Flora and Fauna Guarantee Act 1988* (Vic);

“Timber and Forestry Products Industries” means industries involved in growing, management, harvesting, haulage to mill, milling and processing, importing/exporting, haulage of finished goods to market, and wholesale and retail sales of wood and paper products in

Australia associated with plantations, native forestry and farm forestry. This includes all processing where wood is the dominant component of goods being produced;

“Timber Resources” means:

- (a) “timber resources” as defined in the *Sustainable Forests (Timber) Act 2004* (Vic); and
- (b) “timber”, as that term is defined in the *Forests Act 1958* (Vic), taken pursuant to a licence issued under section 52 of the *Forests Act 1958* (Vic), but does not include ‘firewood’ (as that term is defined in the *Forests Act 1958* (Vic)) taken for domestic purposes;

“Traditional Owner Country Plans” means plans developed by Traditional Owners that describe objectives, aspirations and strategies for management of Country;

“Traditional Owner Knowledge” means the specialised knowledge that Traditional Owners have acquired, passed down and adapted through generations. This knowledge may include, but is not limited to, cultural lore, spiritual and religious customs, oral history, cultural practices and knowledge and relationships with land regarding the landscape, the environment, the seasons and species. Traditional Owner Knowledge includes the adapted use of this knowledge as it is translated into culturally specific and appropriate practices today and into the future;

“Traditional Owners” means Victorian Aboriginal persons or entities recognised under the *Native Title Act 1993* (Cth), *Traditional Owner Settlement Act 2010* (Vic) or *Aboriginal Heritage Act 2006* (Vic);

“United Nations Sustainable Development Goals” means the collection of global goals set by the United Nations General Assembly in 2015 for the year 2030 that form part of Resolution 70/1 of the United Nations General Assembly, or their equivalent, as amended from time to time;

“Victorian Environmental Assessment Council” or **“VEAC”** means the Victorian Environmental Assessment Council established under the *Victorian Environmental Assessment Council Act 2001* (Vic), or its equivalent;

“Victorian Scientific Advisory Committee” means the committee known as the Scientific Advisory Committee established under the *Flora and Fauna Guarantee Act 1988* (Vic), or its equivalent;

“Wilderness” means wilderness as defined in the JANIS Report;

“Wilderness Values” means the values of the same name as described 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;

“World Heritage Committee” means the UNESCO World Heritage Committee;

“World Heritage List” means the list kept under that title under Article 11 of the Convention for the Protection of the World Cultural and Natural Heritage;

“World Heritage Place” means a declared World Heritage property as defined in section 13 of the EPBC Act; and

“World Heritage Values” has the same meaning as in subsection 12(3) of the EPBC Act;

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, amendments, re-enactments or replacements thereof and also includes any consolidations, amendments, re-enactments or replacements of documents incorporated into the code or other instrument;
 - (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; and
 - (i) where a term is defined by reference to a statute, ordinance, legislative instrument or code, that term has the same meaning as in the relevant statute, ordinance, legislative instrument or code, as amended from time to time.

Definition of Region

4. The area covered by this Agreement is the Central Highlands Region as shown in Map 1 accompanying this Agreement.

Duration of Agreement

5. This Agreement took effect on 27 March 1998 and will remain in force until 30 June 2030 unless:
- (a) terminated earlier pursuant to clauses 92 or 93; or
 - (b) extended until a later date by agreement between the Parties.
6. Subject to clause 6A, the process for extending the Agreement for a further period will be determined jointly by the Parties. The Parties agree that it is preferable that any proposed extension be initiated at least 36 months prior to the expiry of the Agreement.
- 6A. The Agreement may only be extended for a further period if:

- (a) the findings in respect of the Five-yearly Review most recently required to have been undertaken pursuant to the terms of this Agreement demonstrates that the operation of the Agreement has produced outcomes that contribute to the items listed in clause 36(a); or
- (b) the Parties have taken, or have commenced, remedial action to address any substantive issues identified in the most recent Five-yearly Review Report.

Basis of Agreement — National Forest Policy Statement

- 7. Parties confirm their commitment to the goals, objectives and implementation of the *National Forest Policy Statement* (NFPS) by:
 - (a) implementing Ecologically Sustainable Forest Management (ESFM);
 - (b) establishing and maintaining a Comprehensive, Adequate and Representative Reserve System;
 - (c) supporting internationally competitive Timber and Forestry Products Industries; and
 - (d) promoting the conservation and management of Native Forests.

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; and
 - (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 (or to the successor to the named Department, or such other address as notified in writing by the relevant Party):

THE STATE

The Secretary
Department of Environment, Land, Water and Planning
8 Nicholson Street EAST MELBOURNE VIC 3002

THE COMMONWEALTH

The Secretary
Department of Agriculture, Water and the Environment
18 Marcus Clarke Street
CANBERRA ACT 2601

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 insofar 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 replaced the Interim Forest Agreement, signed by the Commonwealth and Victorian governments on 27 January 1996, in relation to the Central Highlands 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. NOT USED
21. NOT USED
22. NOT USED
23. NOT USED
24. NOT USED
25. The Commonwealth notes that its obligations under the EPBC Act to promote protection of MNES in the RFA Region will involve ongoing cooperative work with Victorian agencies concerning the Central Highlands.

Matters of National Environmental Significance

- 25A. Victoria will maintain a Forest Management System that provides for the protection and management of MNES and will take into account relevant Commonwealth principles, policies and plans.
- 25B. The Parties recognise the importance of research, monitoring, reporting, evaluation and communication to support ongoing decision making with regard to MNES.
- 25C. Victoria agrees to continue to improve, where necessary, the research, monitoring, management, reporting, evaluation and communication mechanisms as part of its adaptive Forest Management System.

Listed Species and Communities

- 25D. The Parties acknowledge there are a wide range of Threatening Processes that have the potential to impact on Listed Species and Communities, including habitat loss and fragmentation (such as timber harvesting and loss of hollow bearing trees), weed invasion, predation and competition, disease, inappropriate fire regimes and Climate Change.
- 25E. The Parties, recognising that priorities can change in light of new information and science, will continue to regularly consult on the priorities for:
- (a) assessment of the conservation status of native species and ecological communities;
 - (b) recovery of Listed Species and Communities (further information provided in Attachment 2);
 - (c) conservation of Forest Ecosystems;
 - (d) abatement of Threatening Processes that have the potential to impact upon Listed Species and Communities;
 - (e) the preparation, alignment and review of all Statutory Conservation Planning Documents relevant to this Agreement; and
 - (f) research on Listed Species and Communities, Forest Ecosystems and Threatening Processes.
- 25F. The Parties reaffirm their commitment to the implementation of the Common Assessment Method MoU, which seeks to create a single operational list of nationally threatened taxa and communities that is consistent across all State, Territory and the Commonwealth jurisdictions. The Parties note that, in Victoria, the agreement under the Common Assessment Method MoU will be implemented through the provisions of the *Flora and Fauna Guarantee Amendment Act 2019* (Vic), which will come into effect on or before 30 June 2020.
- 25G. Victoria will ensure that the components of its Forest Management System that relate to Listed Species and Communities will:
- (a) provide for the conservation and recovery of Listed Species and Communities;
 - (b) be based on the best available science and give consideration to the advice of, or any determinations made by relevant scientific bodies or committees, including the Victorian Scientific Advisory Committee;
 - (c) to the extent practicable having regard to the associated environmental, social and economic impacts, provide equivalent or greater protection to Listed Species and Communities than afforded by relevant Commonwealth Statutory Conservation Planning Documents;
 - (d) provide for active management of Native Forests in order to build their resilience and diversity; and
 - (e) where relevant, take into account public comment.
- 25H. Where a species or community that is present in the Central Highlands RFA Region becomes a Listed Species and Community by virtue of it being newly listed under the EPBC Act, the Commonwealth agrees to develop and publish a Statutory Conservation Planning Document for

that species or community at the time of listing, save for in relation to a species that is included in the extinct or conservation dependent categories of the list under section 178 of the EPBC Act.

- 25I. Where a taxon or community that is present in the Central Highlands RFA Region becomes a Listed Species and Community by virtue of it being newly listed under the FFG Act, Victoria agrees to develop and publish a Statutory Conservation Planning Document for that taxon or community within 24 months of the date of listing.
- 25J. The Commonwealth agrees not to release, amend or update any Statutory Conservation Planning Document made under the EPBC Act for a Listed Species or Community in the Central Highlands RFA Region without first consulting with Victoria on the draft Statutory Conservation Planning Document at least six months prior to it coming into effect or being amended or updated.
- 25K. Where:
- (i) a Listed Species or Community is present in the Central Highlands RFA Region; or
 - (ii) there is a change in the conservation status of a Listed Species or Community present in the Central Highlands RFA Region,

Victoria will, having regard to relevant Commonwealth Statutory Conservation Planning Documents:

- (a) undertake a risk assessment within six months from each Relevant Date and determine whether additional interim or permanent protections and management actions are necessary;
- (b) where necessary, use reasonable endeavours to implement interim enforceable protections and priority management actions for the Listed Species or Community within six months from each Relevant Date;
- (c) where necessary, use reasonable endeavours to implement permanent protections and any other changes to the Forest Management System required for the Listed Species or Community within 24 months from each Relevant Date; and
- (d) use reasonable endeavours to include any protections or management actions implemented pursuant to sub-paragraphs (b) or (c) in any new or updated Victorian Statutory Conservation Planning Documents.

In this clause, **Relevant Date** means each of the following:

- (i) 1 April 2020;
 - (ii) the date of listing, where that date postdates 1 April 2020; and
 - (iii) the date of any change in the conservation status where that date postdates 1 April 2020.
- 25L. Where Victoria has not implemented additional permanent protections or management actions within 18 months of the date on which:
- (a) any such protections or management actions were determined necessary under sub-clause 25K(a); or

- (b) a determination was required to have been made pursuant to sub-clause 25K(a) (provided no subsequent determination found that no additional protections or management actions were required),

Victoria agrees to use its best endeavours to implement the protections and management actions specified in a relevant Commonwealth Statutory Conservation Planning Document as a management guideline.

25M. By December 2022, Victoria will review relevant provisions of the FFG Act, *Sustainable Forests (Timber) Act 2004* (Vic), *Forests Act 1958* (Vic), and their subordinate instruments, including the Code of Practice for Timber Production, to identify what, if any, measures or improvements could be made to strengthen protections for Listed Species and Communities within Victoria's Forests.

25N. In addition to reviewing Statutory Conservation Planning Documents at the legislatively defined intervals, the Parties agree to work collaboratively to review respective Statutory Conservation Planning Documents within 24 months, and update as necessary, following the occurrence of the following events:

- (a) a substantial scientific body of new information relating to a Listed Species or Community that is accepted by, in case of:
 - (i) Victoria, the Victorian Scientific Advisory Committee; and
 - (ii) the Commonwealth, the Threatened Species Scientific Committee, becoming available; or
- (b) a change in the conservation status of a Listed Species or Community.

25O. The Parties agree to:

- (a) work together to try and achieve alignment of Statutory Conservation Planning Documents for the same species or community, within any constraints imposed by legislation; and
- (b) encourage implementation of priority actions identified in any relevant Statutory Conservation Planning Document,

that relate to a Listed Species or Community.

25P. Victoria agrees to:

- (a) use and maintain science-based planning tools to determine priority actions for the management of Listed Species and Communities, and make those planning tools publicly accessible; and
- (b) consider the broader benefits and potential impacts on other native species in determining priority actions.

25Q. The Parties acknowledge the need to achieve a net improvement in the outlook for native species through an improvement in suitable habitat and the active management of threats.

25R. For all Listed Species and Communities present in the Central Highlands RFA Region, Victoria will use its best endeavours to:

- (a) protect important populations and sufficient current and future habitat in the CAR Reserve System where such action is likely to ensure that viable populations are maintained throughout the species' range;
- (b) as appropriate, apply additional measures where that species or community is Climate Change Vulnerable, including (but not limited to) measures such as:
 - (i) identification and protection of Refugia;
 - (ii) greater active management, including of threats; and
 - (iii) consideration of options for translocation, gene mixing and ex situ conservation; and
- (c) protect important occurrences of the species or community in the CAR Reserve System and maintain or restore ecological management regimes to ensure its viability.

25S. The Parties recognise the vital role that active management of threats to Listed Species and Communities plays in achieving their recovery. Victoria is committed to the active management of Native Forests on Public Land through proactive measures such as pest and weed control, use of silviculture practices to improve the Forest's structure and condition and revegetation of priority areas.

World Heritage Places

- 26. The Parties acknowledge that the World Heritage Values of a World Heritage Place are protected by Part 3 of the EPBC Act as, pursuant to section 42 of the EPBC Act, the exemption to the application of Part 3 for RFA Forestry Operations does not apply to a property included in the World Heritage List.
- 26A. The Parties agree to participate in the assessment of any future World Heritage Places consistent with the Australian World Heritage Intergovernmental Agreement.

National Heritage Places

- 26B. The Parties agree that the Forest Management System provides for the protection of National Heritage Values of National Heritage Places in accordance with National Heritage Management Principles.

Commonwealth Heritage Places

- 26C. The Parties agree that the Forest Management System provides for the protection of Commonwealth Heritage Values through the management of Commonwealth Heritage Places in accordance with Commonwealth Heritage Management Principles.

Ramsar Wetlands

- 26D. The Parties acknowledge that the Forest Management System, in conjunction with Commonwealth law, provides for the protection of the ecological character of Ramsar Wetlands, in accordance with Australia's obligations under the Ramsar Convention, by:
 - (a) the application of Part 3 of the EPBC Act, as the exemption to the application of Part 3 of the EPBC Act for RFA Forestry Operations does not apply to Ramsar Wetlands pursuant to section 42 of the EPBC Act;

- (b) management of Ramsar Wetlands under the Forest Management System, including having regard to Ramsar Wetland information sheets and Ramsar Wetland ecological character descriptions; and
- (c) management of the relevant threatened ecological communities listed under the FFG Act or the EPBC Act.

27. NOT USED

28. NOT USED

29. NOT USED

30. NOT USED

Export Controls

31. Parties note that current Commonwealth export arrangements provide that exports of Processed and Unprocessed Wood sourced from:

- (a) native forests in areas covered by a RFA can occur without the need for a licence under the *Export Control Act 1982* (Cth) in accordance with its terms, and those of the regulations made thereunder, and the terms of the *Regional Forest Agreements Act 2002* (Cth); and
- (b) Victorian Plantations in areas covered by a RFA will not be subject to the operation of the *Export Control Act 1982* (Cth) or any other export control law within the meaning of the *Regional Forest Agreements Act 2002* (Cth) where a code of practice for Victoria has been approved under the *Export Control (Unprocessed Wood) Regulations* and that approval remains in effect.

32. Parties agree that no controls under the *Export Control Act 1982* (Cth) or the regulations made thereunder, other than those described in clause 31, will apply to Processed and Unprocessed Wood sourced from the Central Highlands RFA Region while this Agreement is in place.

33. NOT USED

34. NOT USED

Monitoring of the Agreement

34A. The implementation of this Agreement is monitored through:

- (a) the Milestones provision at clause 35;
- (b) annual meetings conducted in accordance with clauses 35A and 35B;
- (c) Five-yearly Reviews conducted in accordance with clauses 36 to 38E;
- (d) Major Event Reviews conducted in accordance with clauses 38F to 38J;
- (e) the monitoring and reporting provisions contained in clauses 41 to 44; and
- (f) the auditing provisions contained in clauses 45A to 45J.

34B. The Parties agree to maintain open communication on matters relating to the implementation of

this Agreement, including raising and responding to issues at any time.

Milestones

35. This Agreement establishes Milestones. The Parties will report annually on their achievement as part of each annual meeting using an appropriate public reporting mechanism.

Annual meetings

- 35A. The Parties agree to hold annual executive-level bilateral meetings to monitor the implementation and performance of the Agreement. As part of each annual meeting the Parties will:
- (a) assess progress against or achievement of the Milestones that fell due in the preceding year, or were outstanding from any of the preceding years;
 - (b) assess progress against agreed research activities and identify new research needs and objectives (if any);
 - (c) consider any timber harvesting compliance issues which have arisen in the preceding year;
 - (d) consider the impacts of any Major Events within the preceding year;
 - (e) identify and discuss any issues relating to the operation or performance of the Agreement in the preceding year;
 - (f) discuss the preparation and implementation of Statutory Conservation Planning Documents in accordance with the terms of this Agreement for Listed Species and Communities within the RFA Region; and
 - (g) discuss any matters or issues or events that have arisen in the preceding year.
- 35B. A joint statement that reports on the outcomes of the annual meetings will be made publicly available by being published on an internet site maintained by, for or on behalf of one or both Parties.

Five-yearly Reviews

Five-yearly Review scope and process

36. Subject to clauses 37C and 93B, for each five year period, a review of the performance of the Agreement will be undertaken. The purpose of the Five-yearly Review is to assess and evaluate:
- (a) the extent to which the operation of the Agreement has produced outcomes that:
 - (i) provide for a CAR Reserve System;
 - (ii) provide for ESFM and adaptive Forest Management;
 - (iii) provide for the long-term stability of Forests and Forest Industries;
 - (iv) demonstrate effective management of MNES, which is to be assessed having regard to condition trends of each MNES;

- (v) advance Traditional Owner self-determination and the effective management of MTOS;
 - (vi) achieve the highest and best value uses of Native Forests on Public Land having regard to all Forest values, including Traditional Owner, social, environmental, Ecosystem Services and economic values; and
 - (vii) support the achievement of objectives within national and Victorian biodiversity strategies;
- (b) the effectiveness of management prescriptions and responses to disturbances related to Listed Species and Communities;
 - (c) the Parties' progress in developing and implementing Statutory Conservation Planning Documents in accordance with the terms of this Agreement;
 - (d) whether the Milestones have been implemented in a manner that furthers the outcomes listed in clause 36(a);
 - (e) Victoria's performance against the list of Sustainability Indicators developed under clause 49B of this Agreement;
 - (f) the social and economic benefits derived from the management and use of Forests;
 - (g) whether current and proposed research across the Forest Estate is sufficient, is prioritised appropriately and addresses known knowledge gaps;
 - (h) the extent to which Victoria has supported the advancement of Traditional Owner Knowledge and its application to Forest Management;
 - (i) the extent to which the commitments in the joint government responses to the preceding Five-yearly Reviews have been adequately implemented;
 - (j) the current and forecast impacts of Climate Change on the CAR Reserve System, ESFM and the stability of Forests and Forest Industries; and
 - (k) the adequacy of the CAR Reserve System (as provided for under this Agreement) in meeting the functions identified in clause 60 of this Agreement.

36A. NOT USED.

37. The purpose of the Five-yearly Review process under this Agreement is not to renegotiate the Agreement. While the review process will not open up the Agreement to re-negotiation, both Parties may agree to modifications to this Agreement to incorporate the results of the review.

37A. The Parties note that the Victorian State of the Forests Report required by the *Sustainable Forests (Timber) Act 2004* (Vic) provides an ongoing mechanism to monitor implementation of ESFM, including across key environmental, social and economic indicators. As such, it will be a key source of information in the Five-yearly Reviews under this Agreement.

37B. The Parties agree that:

- (a) the timing of the Five-yearly Review will align with Victorian and national forest reporting;

- (b) consultation and the Further Assessment of Matters Report undertaken in 2019 as part of the process of extending this Agreement, the results of the monitoring of Sustainability Indicators for the national *State of the Forests Report 2018* and the Victorian *State of the Forests Report 2018* constitute the Five-yearly Review that was due in 2020; and
- (c) the next Five-yearly Review will commence in 2025 and thereafter, subject to clause 37C, within the last year of each five year period during the term of the Agreement.

37C. The Parties agree that, where a Five-yearly Review falls due for commencement in the final year of the Agreement, no Five-yearly Review is required to be undertaken, however, Victoria will provide the Commonwealth with a report on the condition trends of MNES present in Victoria.

Conduct of Five-yearly Review

37D. Five-yearly Reviews are to be conducted by a panel (the Panel) comprised of:

- (a) the Victorian Commissioner for Environmental Sustainability or, if there is no Victorian Commissioner for Environmental Sustainability, an independent reviewer selected by Victoria and agreed by the Commonwealth;
- (b) an independent reviewer selected by the Commonwealth of Australia, and agreed by Victoria; and
- (c) other members, as agreed by the Parties.

37E. For the purposes of clause 37D(c), the Parties will actively consider Traditional Owner representation on the Panel.

37F. The Parties must jointly prepare and agree upon the terms of an agreement (the Scoping Agreement) which:

- (a) sets out the matters which the Panel must consider and report on, which must include the matters specified in clauses 36(a) to (k);
- (b) includes the proposed approach to consultation and engagement with Traditional Owners, stakeholders and communities; and
- (c) identifies any agreed timeframes, priorities, procedures and funding arrangements.

37G. For the purposes of clause 37F(c), the Parties agree that they will share equally the costs associated with activities that the Parties agree are required to be undertaken for each Five-yearly Review, and that such activities will be set out in the Scoping Agreement.

37H. The Parties must jointly prepare a report (the Supplementary Report) that supplements the Victorian State of the Forests Report by providing any additional information or data required in order to:

- (a) inform the consultation and engagement; and
- (b) enable the Panel to consider the Parties' progress in achieving the outcomes set out in clauses 36(a) to (k).

37I. The Parties agree that, in conducting each Five-yearly Review, the Panel will be engaged to:

- (a) consider the matters specified in clauses 36(a) to (k) and any other matters outlined in the Scoping Agreement developed pursuant to clause 37F, having regard to:
 - (i) the Victorian State of the Forests Report;
 - (ii) the Supplementary Report;
 - (iii) the statements prepared jointly by the Parties pursuant to clause 35B of this Agreement as part of the annual meeting procedure;
 - (iv) feedback received from consultation and engagement undertaken to inform the Five-yearly Review; and
 - (v) any other public reports which the Panel considers relevant to the matters that are to be considered by it;
- (b) set the strategic direction for, agree the approach to and take into account feedback received from consultation and engagement with Traditional Owners, stakeholders and communities to inform the Five-yearly Review; and
- (c) develop and submit a report (the Five-yearly Review Report) detailing the Panel's findings and recommendations,

in accordance with the terms of and the timeframes prescribed in the Scoping Agreement.

38. NOT USED.

38A. In accordance with subsection 10(6) of the *Regional Forest Agreements Act 2002* (Cth), the Commonwealth Minister responsible for forestry will table each Five-yearly Review Report in each House of the Parliament within 15 sitting days of that House after the report is provided to the Minister.

38B. The Parties agree to:

- (a) meet to consider the findings and recommendations of each Five-yearly Review Report; and
- (b) publish a joint government response to the recommendations within six months of the publication of the Five-yearly Review Report, which will provide details of any actions that the Parties agree to take, either jointly or individually.

38C. In the development of a joint government response pursuant to clause 38B, Victoria will consult with Traditional Owners in relation to the findings and recommendations contained in the Five-yearly Review Report.

38D. The Parties agree to work collaboratively to implement the Parties' commitments in the joint government response released by the Parties pursuant to clause 38B(b) of this Agreement.

Satisfactory completion of Five-yearly Review

38E. A Five-yearly Review will be satisfactorily completed upon the public release of the joint government response to the Five-yearly Review Report pursuant to clause 38B(b) of this Agreement.

Major Event Review

- 38F. Subject to clause 38G, within six months of the occurrence of a Major Event, the Parties may jointly agree to conduct a review to assess the impacts of the Major Event on the:
- (a) operation of the Agreement;
 - (b) ESFM;
 - (c) CAR Reserve System;
 - (d) effective management and protection of MNES;
 - (e) Harvest Level; or
 - (f) long-term stability of Forests and Forest Industries.
- 38G. A review pursuant to clause 38F of this Agreement:
- (a) can only be undertaken if both Parties jointly agree to undertake the review;
 - (b) is to be conducted by a Panel constituted in accordance with clause 37D of this Agreement;
 - (c) is to be jointly funded by the Parties in accordance with clause 38H;
 - (d) must include public consultation and an assessment of the impacts of the Major Event on Environment and Heritage Values, Listed Species and Communities, Ecosystem Services, economic and social values; and
 - (e) can constitute a Five-yearly Review if it:
 - (i) is agreed by both Parties;
 - (ii) is carried out for the whole of the RFA Region;
 - (iii) is conducted within one year of the date on which the Five-yearly Review is due to be commenced pursuant to clause 37B(c);
 - (iv) meets the purpose and scope of a Five-yearly Review described in clause 36; and
 - (v) is conducted in accordance with clauses 37D – 38E.
- 38H. For the purposes of clause 38G(c), the Parties agree that they will share equally the costs associated with activities that the Parties agree are required to be undertaken for each Major Event Review, and that such activities will be set out in a Scoping Agreement prepared in accordance with clause 38I of this Agreement.
- 38I. The Parties must jointly prepare and agree upon the terms of an agreement (the Scoping Agreement) which:
- (a) sets out the matters which the Panel must consider and report on;
 - (b) includes the proposed approach to consultation and engagement with Traditional Owners, stakeholders and communities; and

- (c) identifies any agreed timeframes, priorities, procedures (including the process for ending a review) and funding arrangements.

38J. For the avoidance of doubt, the Parties agree that the purpose of a Major Event Review is not to open the Agreement up to renegotiation, but to assess the impacts of the Major Event on the matters identified in clause 38F for the purposes of considering what, if any, remedial action needs to be undertaken to address the impacts of the Major Event.

ECOLOGICALLY SUSTAINABLE FOREST MANAGEMENT

39. 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 are:

- the establishment and maintenance of a CAR Reserve System (Attachment 1);
- providing for the long-term stability of Timber and Forestry Products Industries;
- an integrated and strategic Forest Management System that actively generates and is capable of responding to new information; and
- ensuring that harvested areas of Native Forest on Public Land are successfully regenerated, maintaining the natural floristic composition.

40. The Parties agree that the Victorian Forest Management System provides for ecologically sustainable management of Forests in the Central Highlands RFA Region and that these processes and systems are accredited by the Commonwealth in clause 47 of this Agreement.

40A. The Parties recognise that the Victorian Forest Management System is designed to produce effective outcomes for fauna, flora, soil and water conservation and Environment and Heritage Values in State Forests and provides a sound basis for implementation and continual improvement of such to achieve ESFM.

40B. Victoria confirms its commitment to the ongoing implementation and achievement of ESFM on both Public Land and Private Land through the continued implementation of and improvements to its Forest Management System and adaptive Forest Management.

40C. Victoria commits to:

- (a) undertaking a comprehensive review of the Code of Practice for Timber Production by December 2023; and
- (b) thereafter, considering what, if any, updates to the document are required at least every five years for so long as the Agreement remains in effect.

In line with relevant legislative requirements, the process to amend the Code of Practice for Timber Production will include consultation with the public.

40D. The Parties recognise that ongoing and enhanced monitoring and data analysis is necessary to ensure the Forest Management System is able to adapt in response to changing circumstances and to enable strategic, long-term decisions about Forests.

Monitoring, Reporting and Consultative Mechanism on Ecologically Sustainable Forest Management

41. Victoria will report on the results of monitoring of Sustainability Indicators.
- 41A. The Parties agree that, for the purposes of clause 41, Victoria will publicly report on the results of monitoring of Sustainability Indicators as part of each Five-yearly Review.
- 41B. The Parties recognise that:
- (a) the Forest Management System is enhanced by adaptive management and continuing mechanisms to monitor, report and evaluate the sustainability of Forest Management policies and practices;
 - (b) ESFM outcomes are enhanced by genuinely engaging with stakeholders and local communities in a transparent and accessible way, to enable meaningful participation in decision-making processes;
 - (c) fostering stakeholder and community understanding of ESFM in the Central Highlands RFA Region is important; and
 - (d) a range of processes and instruments exist which provide for public participation, consultation and/or reporting, including (but not limited to) processes associated with:
 - preparation and review of legislation, regulations, codes of practice and Statutory Conservation Planning Documents;
 - Victorian Environment Assessment Council studies;
 - preparation and review of strategies and plans for the management of Native Forest, including the management of Forestry Operations in State Forests (until such time as they cease on 30 June 2030) and fire;
 - reporting on Harvest Levels and volumes of Timber Resources taken from the RFA Region;
 - State of the Forests reporting; and
 - Five-yearly Reviews and Major Event Reviews.
42. Comprehensive Regional Assessments and the development of this Agreement 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.
43. In addition to these activities, Victoria agrees to publish future reports of audits of compliance with the Code of Practice for Timber Production. Supporting documents will also be publicly available.
44. Victoria will further develop the transparency and accountability of its Forest Management processes by producing, publishing and regularly reviewing Statements of Regulatory Intent.
45. Victoria undertakes to:
- (a) NOT USED
 - (b) NOT USED

- (c) continue to manage the Dedicated Reserves within the CAR Reserve System in accordance with the relevant government approved response to the recommendations of the Land Conservation Council, the Environment Conservation Council and VEAC; and
- (d) manage cultural values, both Aboriginal and non-Aboriginal, in the Central Highlands RFA Region in accordance with the principles set out in Part 2 of Division 1 of the *Aboriginal Heritage Act 2006* (Vic) and the *Heritage Act 2017* (Vic).
- (e) NOT USED

Auditing of the Agreement

Initiating an audit

- 45A. Subject to clauses 45B and 45C either Party may initiate an audit if that Party has reasonable grounds to suspect that a Party has not complied with a:
- (a) material term of this Agreement; or
 - (b) Milestone.
- 45B. Before a Party may initiate an audit, the initiating Party must issue upon the other Party a written notice which:
- (a) advises of its intention to initiate an audit;
 - (b) outlines the reasons why it intends to initiate an audit; and
 - (c) if relevant, specifies what remedial actions the other Party could take to wholly address the concerns being raised by the initiating Party.
- 45C. Where a Party initiates an audit, the written notice provided under clause 45B must identify the period of time which the audit is to consider. The period of examination cannot pre-date the period of time reviewed as part of the most recent Five-yearly Review.
- 45D. A Party cannot initiate an audit unless:
- (a) a period of 90 calendar days has passed since the date on which a written notice was issued pursuant to clause 45B;
 - (b) a remedial action identified in a notice given under clause 45B (if any) has not been complied with; and
 - (c) it has consulted with the other Party in relation to the:
 - (i) scope of the audit;
 - (ii) the conduct of the audit, including any public facing components;
 - (iii) criteria against which the audit will be conducted; and
 - (iv) appointment of an independent auditor.

Conduct of audits

- 45E. Audits must be conducted by an independent auditor that is to be appointed by the initiating Party in consultation with the other Party. The independent auditor must be directed by the initiating Party to produce a report that makes findings and identifies any remedial actions that should be taken to address any identified issues.
- 45F. The scope of an audit is confined to an assessment of the matters identified in a written notice given under clause 45B of this Agreement.
- 45G. An audit should be conducted in the most efficient and effective manner possible to address the matters identified by the initiating Party and must have regard to the views and concerns of both Parties.
- 45H. The Parties agree to cooperate fully in any audit.
- 45I. Either Party may publish a report produced by the independent auditor in accordance with a direction issued under clause 45E:
- (a) with the prior written consent of the other Party; or
 - (b) as required by law.
- 45J. The costs of an audit will be borne by the initiating Party.

Forest Management System

46. Parties agree that Victoria's Forest Management System (including its legislation, policies, codes, plans and management practices) provides for continuous improvement in relation to ESFM.
47. The Commonwealth accredits Victoria's Forest Management System for the Central Highlands as amended by this Agreement. The system includes:
- Forest Management Plans and the process for their review;
 - the *Sustainable Forests (Timber) Act 2004* (Vic);
 - the *Flora and Fauna Guarantee Act 1988* (Vic);
 - the process for forecasting the Harvest Level in the Central Highlands RFA Region; and
 - the systems and processes established by the Code of Practice for Timber Production and the Code of Practice for Bushfire Management on Public Land.
- 47A. Victoria will notify the Commonwealth of any substantive changes to the Forest Management System in a timely manner and, where possible, discuss the proposed changes with the Commonwealth in advance of any final decision.

Sustainability Indicators

48. Parties agree that the current Forest Management System will maintain appropriate mechanisms to monitor and review the sustainability of forest management practices. The Parties note that Victoria will continue to align key performance indicators in the Victorian State of the Forests Report with the Montreal Process Criteria and indicators (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 for Australia (MIG). Indicators will be practical, measurable, cost-effective and capable of being implemented at the regional level.

49. Victoria has a set of Sustainability Indicators, which are aligned with the Montreal Process Criteria and indicators, as adapted to Australia through the Montreal Process Implementation Group for Australia, and are reported on every five years in the Victorian State of the Forests Report and inform the Five-yearly Review.
- 49A. Victoria will continue to publicly report on its Sustainability Indicators every five years in its State of the Forests Report to align with and inform the Five-yearly Reviews required under this Agreement.
- 49B. Victoria will, in consultation with Traditional Owners, review its Sustainability Indicators by 2023 having regard to:
 - (a) maintaining a list of Sustainability Indicators which, at a minimum, will account for the Montreal Process Criteria and indicators;
 - (b) the United Nations Sustainable Development Goals and their successors or equivalents;
 - (c) the United Nations Declaration on the Rights of Indigenous Peoples;
 - (d) Traditional Owner Knowledge and practice;
 - (e) relevant MTOS;
 - (f) a wide range of contemporary Forest values and uses; and
 - (g) any relevant national targets.
50. Victoria agrees to review its Sustainability Indicators following each relevant review of the National Sustainability Indicators and will, at a minimum, maintain a list of indicators that satisfies national level reporting requirements.

Private Land

51. 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.
52. Under Victorian law private Forest owners are required to ensure that their management operations are consistent with the Code of Practice for Timber Production, and to have in place adequate mechanisms to protect nature conservation and catchment values.
53. Ecological Vegetation Classes which were priorities for the CAR Reserve System in 1998 and which occurred on Private Land are listed in Table 3 in Attachment 1. EVCs predominantly occurring on Private Land within the RFA Region which are current priorities for conservation are identified in Tables 1a and 1b in Attachment 1. The Parties agree that priority EVCs occurring predominantly on Private Land (as identified in Tables 1a and 1b in Attachment 1) 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, including (but not limited to) the mechanisms identified in Attachment 1.

- 53A. The Parties recognise the importance of Environment and Heritage Values, Listed Species and Communities and Ecosystem Services on Private Land. Victoria agrees to continue to support processes which will facilitate the voluntary participation by private landholders to protect these values on Private Land, which in turn becomes part of the CAR Reserve System.
- 53B. Victoria will, for the duration of this Agreement, investigate and pursue opportunities to increase permanently protected areas as well as enhance conservation on Private Land through additions to the CAR Reserve System.
54. NOT USED
55. NOT USED
56. NOT USED
57. NOT USED
58. NOT USED
59. NOT USED

THE CAR RESERVE SYSTEM

60. Parties agree that the primary function of the CAR Reserve System is to ensure the long-term conservation and protection of Environment and Heritage Values, Listed Species and Communities and Ecosystem Services, and that the CAR Reserve System will be maintained for this purpose. The CAR Reserve System includes the land described in Attachment 1.
- 60A. The Parties acknowledge that, in addition to the maintenance of the CAR Reserve System, achieving the long-term conservation and protection of Environment and Heritage Values, Listed Species and Communities and Ecosystem Services requires active management by Victoria to address Threatening Processes.
61. Parties agree that the CAR Reserve System described in Attachment 1, in conjunction with the arrangements proposed for Private Land in Attachment 1, satisfies the JANIS Reserve Criteria, through the provision of each of the constituent elements as described in clause 61A. Each element of the reserve system will be administered in accordance with Victorian legislation.
- 61A. The Parties agree that the CAR Reserve System established in accordance with this Agreement (including as it has been progressively added to and as further defined in Attachment 1), comprises:
- (a) Dedicated Reserves;
 - (b) Informal Reserves;
 - (c) areas with CAR Values protected by prescription; and
 - (d) Private Land with CAR Values protected under secure management arrangements entered into with Private Land owners,

and that changes to the composition of these constituent elements enable the provision of adaptive and ecologically sustainable management of Forests.

62. Victoria agrees to implement the CAR Reserve System described in Attachment 1. The extent of the CAR Reserve System within Dedicated Reserves and Informal Reserves:
- (a) at the time of the establishment of the Agreement in 1998 is identified on Map 1;
 - (b) as at December 2019 is identified on Map 2; and
 - (c) will be periodically mapped and made publicly available.
- 62A. Victoria agrees to maintain a CAR Reserve System in the Central Highlands RFA Region that satisfies the JANIS Reserve Criteria (through the provision of each of the constituent elements as described in clause 61A) and contributes towards the National Reserve System in respect of Forest communities.
- 62B. Victoria will use its best endeavours to progressively increase protection levels for priority EVCs as soon as practicable, subject to wood supply commitments.
- 62C. Victoria will use its best endeavours to conserve and protect all EVCs, with a particular focus on vulnerable, rare and endangered EVCs, both within the CAR Reserve System and off reserve (non-CAR Reserve components of State Forests and Private Land), by:
- (a) identifying opportunities to reduce the extent and severity of Threatening Processes;
 - (b) increasing the protection of hollow bearing trees and tree ferns in relevant EVCs to maintain ecological processes;
 - (c) limiting the impacts of bushfires and planned burning and associated operational activities;
 - (d) actively managing pest plants and animals;
 - (e) investigating opportunities to implement alternative silviculture techniques such as variable retention harvesting;
 - (f) adapting to the impacts of natural disturbances, such as bushfires; and
 - (g) implementing any other mechanisms considered appropriate, as determined based on the best available science.
- 62D. Victoria commits to review the conservation status of EVCs prior to the commencement of each Five-yearly Review under this Agreement.
- 62E. Subject to clauses 63 and 63A, the Parties agree that changes will be periodically required to the CAR Reserve System to reflect changes in information or management arrangements and the impacts of natural disturbances such as bushfires.
63. 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.
- 63A. The Parties note that, for the purposes of clause 63, the principles and guiding considerations that will inform changes to the CAR Reserve System in State Forests are:
- (a) providing for the highest and best value uses of Forests (greatest benefits);
 - (b) providing climate Refugia for Listed Species and Communities;

- (c) increasing habitat connectivity;
 - (d) addressing Climate Change Vulnerability;
 - (e) considering the impacts on Forest Industries and other uses;
 - (f) considering the impacts on Ecosystem Services;
 - (g) providing for appropriate Forest structure and age distribution and sufficient protection and management of areas of maturing Forest to facilitate Old Growth Forest recruitment; and
 - (h) adapting to the impacts of natural disturbances such as bushfires on Forest values.
64. NOT USED
- 64A. Victoria will notify the Commonwealth of any substantive changes to the CAR Reserve System that may significantly impact on MNES or wood supply to industry.
65. Victoria agrees to:
- (a) produce, publish and maintain in force at any given time one or more Forest Management Plans that apply to the land within the RFA Region; and
 - (b) review and update any Forest Management Plan that applies, either in part or wholly, to land within the RFA Region by December 2023 and at least every ten years thereafter for so long as this Agreement remains in effect.
- 65A. For the purposes of clause 65, in reviewing the Forest Management Plans Victoria will have regard to all relevant matters, including (but not limited to):
- (a) the needs of the Forest in order to maintain ecosystem health and vitality;
 - (b) Traditional Owner Country Plans or equivalent, associated strategies and agreements or relevant documents;
 - (c) the objectives, targets and metrics in Victoria's current biodiversity strategy;
 - (d) the broad range of values and uses of the Forest;
 - (e) the impacts of Climate Change;
 - (f) community aspirations and objectives;
 - (g) the need for active management to reduce bushfire risk and support the recovery of Forests and communities that depend on them after bushfire;
 - (h) threat management; and
 - (i) actions for surface and groundwater catchment management and soils.
66. The Parties recognise that all Victorian Rainforest is protected from timber harvesting through the Forest Management System which, in addition to protecting Rainforest from disturbance will provide for the recovery of Rainforest in areas where it has been fragmented or disturbed. Victoria will protect Rainforest communities from the impacts of timber harvesting through the

use of appropriate buffers to maintain microclimatic conditions and protect from disease and other disturbance.

- 66A. The Parties note that, on 7 November 2019, Victoria committed to protecting all Old Growth Forest within Native Forests on Public Land from timber harvesting. Victoria will include in the Forest Management System mechanisms to protect all Old Growth Forest within Native Forests on Public Land from timber harvesting.
- 66B. Victoria commits to ensuring that, for the duration of the Agreement, all Rainforest and Old Growth Forest within Native Forests on Public Land will remain protected from timber harvesting.

Protection of Environment and Heritage Values

- 66C. The Parties agree to maintain the level of protection of Environment and Heritage Values in the RFA Region, but recognise that minor changes to the manner in which such protections are implemented may occur as a result of changes to the CAR Reserve System in State Forest.
- 66D. The Parties agree that the CAR Reserve System, established in accordance with this Agreement, and the application of the Forest Management System in Victoria, protects Environment and Heritage Values. Further protection is provided through other mechanisms within the Forest Management System.

Climate Change

- 66E. The Parties acknowledge:
 - (a) Climate Change is driving more extreme weather and disturbance events that will impact on a wide range of Forest values, including Biodiversity, water and Timber Resources;
 - (b) Climate Change is a continuing and Threatening Process for Listed Species and Communities and other MNES;
 - (c) Climate Change will have an impact on ESFM, the CAR Reserve System and the stability of Forests and Forest Industries;
 - (d) integrating Climate Change adaptation into Forest Management, including the management of Listed Species and Communities and other MNES, is required to build resilience and manage climate risks and meet the objectives of ESFM;
 - (e) the need to manage Forests to maintain or enhance the sequestration and storage of carbon;
 - (f) that maintaining Native Forests, through the CAR Reserve System, the Forest Management System and other mechanisms, plays an important role in the effective management of carbon within the carbon cycle; and
 - (g) that effective management of Forests to maintain functioning Forest Ecosystems in a changing climate is required to maintain the quality and quantity of water resources.
- 66F. The Parties agree to use their best endeavours to improve Climate Change resilience and future viability of Listed Species and Communities and other MNES informed by best practice approaches, best available science and Traditional Owner Knowledge.
- 66G. Victoria:

- (a) agrees to manage its Forests in accordance with the NFPS objectives and policies as they relate to Climate Change, adaptation and carbon;
 - (b) will review the comprehensiveness, adequacy and representativeness of the CAR Reserve System by December 2021, having regard to current and forecast impacts of Climate Change using the best available science, and thereafter as part of each Five-yearly Review; and
 - (c) will use reasonable endeavours to ensure that all EVCs that are Climate Change Vulnerable are afforded additional protections beyond that provided for under the JANIS Reserve Criteria.
- 66H. The Parties agree that, if the outcome of a Five-yearly Review indicates that Climate Change has had, or is forecast to have, a significant impact on the CAR Reserve System, Victoria will consider whether changes are required to the CAR Reserve System.
- 66I. For the purposes of clause 66H, Victoria must consider the impact that any changes to the CAR Reserve System may have on ESFM and the long-term stability of Timber and Forestry Products Industries.

FOREST INDUSTRIES

67. NOT USED
68. NOT USED
69. The Parties recognise the importance of Forest Industries to generating jobs and economic benefits for Victorian communities. The Parties intend that this Agreement will enhance opportunities for further growth and development of Forest Industries in the Central Highlands RFA Region.
- 69A. Victoria is committed to:
- (a) supporting the expansion of a range of Forest Industries to drive jobs and economic benefits to rural and regional communities;
 - (b) undertaking, as appropriate, activities to better quantify the benefits and impacts of a range of current and emerging Forest Industries; and
 - (c) including data and information about a wide range of Forest Industries, values and uses in future reviews and reporting.
- 69B. Victoria will facilitate greater collaboration between Forest Industries to enable the highest and best use of the available Forest resources.

Timber and Forestry Products Industries

- 69C. The Parties recognise that, from 1 July 2030, all commercial harvesting of Timber Resources from Native Forests on Public Land in Victoria will cease.
- 69D. The Parties recognise that, until 30 June 2030, State Forest outside the CAR Reserve System can be available for timber harvesting in accordance with the *Sustainable Forests (Timber) Act 2004* (Vic) and the Code of Practice for Timber Production.

- 69E. Victoria recognises that, until 30 June 2030, the provision of forecasts of the long- and medium-term supply of available Timber Resources from State Forest plays a vital role in supporting investment and diversification by Timber and Forestry Products Industries. In addition, Victoria recognises that the provision of supply forecasts and the basis for their calculation is important to other Forest Industries and users, and the broader Victorian community.
- 69F. Victoria will forecast and make publicly available the Harvest Level from State Forests in the RFA Region. In determining the Harvest Level, Victoria will have regard to the following factors:
- (a) the requirements of ESFM for the RFA Region;
 - (b) the area available for timber harvesting;
 - (c) the inventory of timbers of each productive forest type (ash and mixed species eucalypt) in the area available for timber harvesting;
 - (d) the forecast structure and growth rates of forests in the RFA Region having consideration to Climate Change, bushfires and other relevant factors;
 - (e) any policy and regulatory obligations; and
 - (f) any other relevant factors.
- 69G. When publishing and making available the Harvest Level, Victoria will specify the methodology and assumptions used to forecast the Harvest Level.
- 69H. Victoria commits to ensuring that the volume of Timber Resources harvested from State Forest in the RFA Region over the period 1 July 2019 to 30 June 2030, for both ash and mixed species, will not:
- (a) over any five year period from 1 July 2019 to 30 June 2030, exceed the cumulative total of the Harvest Level as calculated for each year of that five year period; or
 - (b) in any given year, amount to more than 120 per cent of the annual Harvest Level for that year.
- 69I. Up until 30 June 2030, Victoria will:
- (a) review and, as necessary, adjust the Harvest Level at least once in every five-year period, taking into consideration the findings of the most recently completed RFA Five-yearly Review process and the findings of the most recent Major Event Review (if any); and
 - (b) make the outcomes of these reviews publicly available.
- 69J. Should a Major Event with the potential to significantly impact the Harvest Level occur, Victoria commits to commencing a review of the Harvest Level within 12 months. A review undertaken following a Major Event can constitute the next regular review required under clause 69I.
- 69K. Victoria will annually report on the annual and cumulative harvest volume of Timber Resources taken for commercial purposes (including sawlog, pulp wood and commercial firewood) from State Forests in the RFA Region that has occurred since 1 July 2019 up until harvesting ceases on 30 June 2030.
- 69L. The Parties commit to working to remove regulatory barriers to, and stimulate private and public investment in, Timber and Forestry Products Industries across Victoria's Forest Estate, including:

- (a) new research and development, innovation and technology to maximise job creation and the efficient, high-value utilisation of timber; and
 - (b) Plantation and farm forestry development, downstream processing, value-adding industries.
70. As part of providing greater security of access to resources, the Commonwealth will not prevent enterprises obtaining, using or exporting Processed and Unprocessed Wood sourced from Forests in the Central Highlands RFA Region in accordance with this Agreement.
71. NOT USED
72. NOT USED
73. NOT USED

Apiculture

- 73A. The Parties recognise that the apiculture industry contributes to food security through the provision of crop pollination services and requires access to floral resources within Forests.
- 73B. The Parties support access to and management of select areas of Native Forest on Public Land to provide beekeepers with access to apiary sites for the purposes of apiculture.

Tourism and recreation

- 73C. The Parties acknowledge that nature-based tourism, cultural tourism and recreation associated with Native Forests provide a growing source of employment and revenue for regional communities.
- 73D. The Parties support access to and management of select areas of Native Forest on Public Land to provide opportunities for a diverse range of recreation and tourism experiences.

Carbon markets

- 73E. The Parties acknowledge the social, environmental and economic opportunities from Forests presented by emerging carbon markets.

INDIGENOUS HERITAGE AND TRADITIONAL OWNER RIGHTS AND PARTNERSHIPS

74. Victoria agrees to ensure the appropriate management and protection of Aboriginal heritage including the maintenance of Traditional Owner identified living natural and biocultural uses and values.
- 74A. The Parties agree that the Forest Management System provides a framework for the protection of Aboriginal Heritage Values.
- 74B. Victoria will ensure that the Forest Management System provides for the management and protection of Traditional Owner identified living natural and biocultural values and uses.
- 74C. Through self-determination, Victoria will empower Traditional Owners to lead the application of Traditional Owner Knowledge in land management practices and innovations, including tangible and intangible heritage and identity.

75. This Agreement is not intended to influence either current or future Native Title claims in any way. The Parties acknowledge that if any implementation of this Agreement could affect Native Title rights and interests, that action will be taken in accordance with the *Native Title Act 1993* (Cth) and any future State legislation which deals with Native Title matters.
- 75A. This Agreement is not intended to influence or impact upon any agreements entered into under the *Traditional Owner Settlement Act 2010* (Vic), or those currently under negotiation. The Parties acknowledge that if the implementation of this Agreement could affect rights under the *Traditional Owner Settlement Act 2010* (Vic), that action will be taken in accordance with the *Traditional Owner Settlement Act 2010* (Vic), and any agreements made under that Act that remain in force.
- 75B. The Parties acknowledge the:
- (a) cultural obligations and responsibilities of Traditional Owners under Traditional Owner cultural lore, including spiritual, mythological, religious and cultural practices;
 - (b) legal rights of Victorian Traditional Owners to partner in land, cultural heritage, cultural, natural resource and ecological management on Country as provided for under law; and
 - (c) rights of Traditional Owners to practice cultural activities and generate economic, environmental, cultural and social benefits from the management and use of Country.
- 75C. Victoria:
- (a) will ensure that Traditional Owners are empowered to have an active role in the management of Forests on Public Land on Country;
 - (b) is committed to ensuring the involvement of Traditional Owners in decision making;
 - (c) agrees to support the development of a Traditional Owner cultural landscapes strategy, which it will actively seek to implement once developed;
 - (d) will actively seek to:
 - (i) implement relevant Traditional Owner Country Plans or equivalent, associated strategies and agreements; and
 - (ii) incorporate Traditional Owner Knowledge, when making decisions regarding the management of Forests;
 - (e) will empower Traditional Owners to:
 - (i) develop a sustainable funding model to enable Traditional Owners to meaningfully partner in Forest Management;
 - (ii) identify opportunities for Traditional Owners to partner in land, water, fire and environmental management;
 - (iii) facilitate, where possible, the use of Country for traditional cultural practices including, but not limited to, cultural burning and healing by Traditional Owners;
 - (iv) lead the development of Traditional Owner knowledge management systems including identification and monitoring of MTOS;
 - (v) build awareness and appreciation of Traditional Owner cultures; and
 - (vi) identify economic and employment opportunities from Forests;
 - (f) recognises that Traditional Owners seek greater access to privately managed Forests; and

- (g) acknowledges that the development and maintenance of Traditional Owner knowledge management systems will need to be adequately resourced to meaningfully inform Forest Management and Five-yearly Reviews.

75D. The Parties recognise the United Nations Declaration on the Rights of Indigenous Peoples, including the right for the Aboriginal people of Victoria to practise and revitalise their cultural traditions and customs. This includes the right to maintain, protect and develop their cultural traditions and customs, and Data Sovereignty.

PLANTATIONS

76. The Parties note that in accordance with the terms of the *Export Control Act 1982* (Cth) or the regulations made thereunder, controls on the export of Processed and Unprocessed Wood sourced from Victorian Plantations will not apply where a code of practice for Victoria has been approved under regulation 4B of the *Export Control (Unprocessed Wood) Regulations* (Cth) and that approval remains in effect.

76A. The Parties recognise that, while this Agreement is in place, Part 3 of the EPBC Act does not apply to Forestry Operations (including in relation to Plantations) within the Central Highlands RFA Region that are undertaken in accordance with the terms of this Agreement, except for Forestry Operations (including in relation to Plantations) that are undertaken in a World Heritage Place or Ramsar Wetland, or incidental to another action whose primary purpose does not relate to forestry.

76B. Parties agree that an expansion in the extent of hardwood and softwood Plantations on land that was cleared of Native Forest or native vegetation prior to the commencement of this Agreement (other than land on which Native Forest was harvested and regrown), consistent with environmental and heritage objectives, would be desirable and note that a range of new and existing initiatives will encourage investment in Plantations as a source of both sawlogs and pulpwood.

76C. The Parties recognise the important contribution of Plantations to the sustainable future of Victoria's Timber and Forestry Products Industries and the generation of jobs and economic benefits for Victorian communities. Victoria acknowledges that the expansion of the Plantation estate will assist in supporting the Timber and Forestry Products Industries to transition out of harvesting of State Forest by 30 June 2030.

76D. The Parties will use their best endeavours to reduce red tape associated with Plantation establishment.

76E. Victoria commits to supporting local governments to resolve regulatory issues associated with Plantation establishment.

76F. The Commonwealth agrees to work with Victoria to identify and pursue options for improving the regulatory environment for Plantations in Victoria.

OTHER FOREST USES

77. Parties agree that other Forest uses will be determined in accordance with Victorian legislation with due regard for protection of Environment and Heritage Values, Listed Species and Communities and Ecosystem Services. In some limited circumstances that do not relate to the substance of this Agreement Commonwealth legislative provisions may also apply.

- 77A. The Parties recognise the wide range of values and uses afforded to Victorian communities from Forests and acknowledge:
- (a) that Victorians and visitors to Victoria access Forests in order to benefit from a wide range of cultural, recreation and leisure uses; and
 - (b) the health benefits, including physical and mental well-being, that people gain by accessing Forests.
- 77B. The Parties recognise the importance of Forest-based recreational activities to Victorians and Victorian communities. Victoria is committed to ongoing community consultation to identify opportunities to enhance the recreational experiences Victorians have in their Forests.
- 77C. The Parties recognise that the Central Highlands region is an important source of water, particularly for Melbourne.
- 77D. Victoria commits to, at a minimum, include specific references to the following when reviewing its Forest Management Plans (or future equivalents):
- (a) the impact of Forest Management on water supply and any associated actions for supply and catchment management;
 - (b) the need for the active management of Forests within the region in order to support a range of Forest values and uses, including Forest Industries; and
 - (c) the impacts of Climate Change.

Ecosystem Services

- 77E. The Parties acknowledge the range of Ecosystem Services provided by healthy Native Forests and the benefits (both market and non-market) they provide to people and communities.
- 77F. The Parties also acknowledge the need to consider Ecosystem Services, including (but not limited to) carbon sequestration, water supply and pollination services, in actively managing Victoria's Forests to deliver the greatest benefits to Victorian communities.
- 77G. The Parties agree to contribute towards implementing the *Environmental Economic Accounting: A common national approach – Strategy and Action Plan*, including the valuation of Ecosystem Services, which aims to foster consistent application of the System of Environmental-Economic Accounting Framework.

Mining Operations

78. The Parties recognise that any licence or other authority to undertake Mining Operations can only be granted in accordance with the provisions of the *Mineral Resources (Sustainable Development) Act 1990* (Vic) which, amongst other things, regulates the grant of licences and authorities within components of the CAR Reserve System. The Act provides that (subject to any relevant exemptions) no new licence or authority can be issued in respect of land that is within National Parks, Wilderness Parks, State Parks or Reference Areas.
79. Subject to clause 78, the Parties recognise that, to the extent permitted under Victorian and Commonwealth legislation, and subject to any required assessment of environmental impacts, exploration and Mining Operations may be permitted in parts of the CAR Reserve System where the identified conservation values are not incompatible with Mining Operations.

- 79A. The Parties note that the *Mineral Resources (Sustainable Development) Act 1990* (Vic) provides for principles of sustainable development (being those specified in section 2A of the Act) to which regard should be given in the administration of the Act. These principles include the protection of biological diversity and the maintenance of ecological integrity. Victoria will ensure that these principles are considered when assessing proposals to undertake Mining Operations in the CAR Reserve System.
80. Rehabilitation of any land that is the subject of a licence or extractive industry work authority granted under the *Mineral Resources (Sustainable Development) Act 1990* (Vic) will be carried out in accordance with the provisions of that Act.
81. NOT USED

COMPETITION PRINCIPLES

82. The Parties recognise that under the Competition Principles Agreement, Governments aim to achieve more transparency and greater efficiency in Government owned business enterprises. The Commonwealth agrees that the day to day pricing and allocation arrangements for Forest Products 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 and the application of competitive neutrality principles.

RESEARCH AND TRADITIONAL OWNER KNOWLEDGE

83. The Parties note the results of the Comprehensive Regional Assessments of the Forest values of the Central Highlands RFA Region, the Further Assessment of Matters Report prepared in 2019 as part of the process of extending the Agreement, and the Victorian *State of the Forests Report 2018*.
- 83A. The Parties recognise and value both Traditional Owner Knowledge and the best available science for managing Forests and acknowledge the importance of combining different forms of knowledge to deliver ESFM practices and outcomes, including adaptation to evolving environmental, climatic, economic and social factors.
- 83B. Research priorities to support the holistic and adaptive management of Forests (including the management of Biodiversity, fire and water) will be reviewed and considered as part of each Five-yearly Review process, and will include both science and Traditional Owner Knowledge. Statewide research priorities are outlined in Attachment 6.
- 83C. The Parties agree that Traditional Owners have the right to substantially shape directions and priorities in the application of Traditional Owner Knowledge. Victoria commits to working with Traditional Owners to agree Traditional Owner Knowledge priorities for the management of Native Forests on Public Land at least once every five years for so long as the Agreement remains in effect.
84. 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.
85. Parties agree to make publicly available, wherever possible, research reports relevant to this Agreement.

DATA SHARING

86. The Parties recognise that the implementation and monitoring of this Agreement depends on appropriate mutual access to and the availability of relevant information owned and held by each of them. Subject to clause 86B and the Parties' respective obligations under law, the Parties agree to strengthen agreed arrangements for the custodianship of data as well as the sharing, updating, maintaining, accessing and archiving of data.
- 86A. Subject to clause 86B, the Parties commit to a policy of open access to information and agree that all data held by each of them that is used for ongoing implementation and monitoring of this Agreement is published under the least restrictive AusGOAL endorsed licences (including Creative Commons) unless otherwise agreed.
- 86B. For the purposes of clauses 86 and 86A of this Agreement, the Parties agree that neither Party is obliged to provide access to or make available information that is:
- (a) information in respect of which Traditional Owners assert Data Sovereignty; or
 - (b) confidential; or
 - (c) otherwise restricted.

PART 3

Nature of Obligations under this Part

87. 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

88. Victoria will, for the duration of this Agreement:
- 88.1 NOT USED
 - 88.2 NOT USED
 - 88.3 NOT USED
 - 88.4 NOT USED
 - 88.5 NOT USED
 - 88.6 continue implementing and improving its Forest Management System;
 - 88.7 undertake a comprehensive review of the Code of Practice for Timber Production by December 2023 and at least every five years thereafter;
 - 88.8 ensure that the volume of Timber Resources harvested from State Forest in the RFA Region over the period 1 July 2019 to 30 June 2030, for both ash and mixed species, does not exceed either:
 - 88.8.1 the cumulative Harvest Level for any five year period in the period from 1 July 2019 to 30 June 2030; or
 - 88.8.2 more than 120 per cent of the annual Harvest Level in any given year;
 - 88.9 maintain a CAR Reserve System in the Central Highlands RFA Region that satisfies the JANIS Reserve Criteria (through the provision of each of the constituent elements as described in clause 61A) and contributes towards the National Reserve System in respect of Forest communities;
 - 88.10 produce, publish and maintain in force at any given time one or more Forest Management Plans that applies to land within the RFA Region;
 - 88.11 review and update any Forest Management Plan that applies, either in part or wholly, to land within the Central Highlands RFA Region by December 2023 and at least every ten years thereafter; and
 - 88.12 maintain a Forest Management System that provides for the protection and management of Matters of National Environmental Significance.
89. The Commonwealth will:

- 89.1 maintain accreditation of Victoria's Forest Management System, as amended from time to time, providing changes to the system are consistent with the provisions of this Agreement; and
- 89.2 not prevent enterprises obtaining, using or exporting Processed and Unprocessed Wood sourced from Forests in the Central Highlands RFA Region in accordance with this Agreement.

Compensation

90. The Parties agree that:

- 90.1. If to protect the environment 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, Consent 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 90.2 to 90.20.

- 90.2. Subject to:

- (a) clauses 90.3, 90.4, 90.5, 90.6, 90.8, 90.9, 90.10, 90.11 and 90.12 the compensation to be paid by the Commonwealth to the State in accordance with clause 90.1 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 90.1 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 90.3, 90.4, 90.5, 90.6, 90.7, 90.8, 90.10, 90.11 and 90.12 the compensation to be paid by the Commonwealth to the State in accordance with clause 90.1 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 90.1 occurred, by any person carrying on Mining Operations on the land pursuant to a statutory Licence, Consent or Authority permitting those operations which was in force immediately prior to the announcement of the proposed Commonwealth Action.
- (c) clauses 90.3, 90.6, 90.8, 90.11 and 90.12 the compensation to be paid by the Commonwealth to the State in accordance with clause 90.1 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 90.1 occurred, by any person who, immediately before the announcement of the proposed Commonwealth Action, was contracted to construct that road.

90.3. 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.

90.4. 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.

90.5. 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.

- 90.6. 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.
- 90.7. To the extent that clause 90.2 (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.
- 90.8. Any claim made by the State hereunder is to be notified in writing within 6 months after the loss or damage is sustained.
- 90.9. For the purposes of clause 90.1(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.
- 90.10. For the purposes of clause 90.1(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.
- 90.11. No compensation is payable under clause 90.2 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.
- 90.12. Clause 90.2 does not apply so as to entitle the State to recover compensation more than once in respect of the same loss or damage.
- 90.13. The initial procedure in relation to a claim for compensation under this clause is as follows:
- (a) 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.
 - (b) Where there is a dispute concerning a claim for compensation, or on or before the expiry of thirty days after the receipt of a 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.
 - (c) 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 in accordance with the *Commercial Arbitration Act 2011* (Vic).

- 90.14. The procedure in relation to any arbitration required by reason of the provisions of clause 90.13 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 the *Commercial Arbitration Act 2011* (Vic), 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.
- 90.15. Unless the Commonwealth appeals the decision of the arbitrator under the *Commercial Arbitration Act 2011* (Vic), and subject to clause 90.18, the Commonwealth undertakes to pay the State the amount of any award made by an arbitrator under clause 90.14 as a debt due to the State, within 60 days of the award.
- 90.16. 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.
- 90.17. Subject to clause 90.18(b), where the State receives monies as a trustee pursuant to clause 90.16, it will pay those monies to the person who sustained the relevant loss or damage within 30 days.
- 90.18.
- (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 90.14 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 the *Commercial Arbitration Act 2011 (Vic)*
- (d) Subject to paragraph (e) of this clause, where an arbitration takes place in accordance with sub-paragraph (c)(ii), clauses 90.14 and 90.15 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.

90.19. Where the State:

- (a) has received monies as a trustee pursuant to clause 90.16; 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.

90.20. 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.

91. NOT USED

Termination

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

- (a) with the consent of the State; or
- (b) 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 62, being a failure to implement the CAR Reserve System described in Attachment 1 and to manage and conserve the identified CAR Values; or
 - (ii) NOT USED
 - (iii) a failure to comply with publishing and/or reporting requirements in accordance with clauses 41 and 43,
 - (iv) NOT USED
 - (v) NOT USED

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

- (c) 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.

93. The Agreement may only be terminated by the State:

- (a) with the consent of the Commonwealth; or

- (b) 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) NOT USED
 - (ii) a failure by the Commonwealth to comply with clause 90, 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
- (c) 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;
- (d) if there is a change in the Victorian mechanisms of government, government policy or other related government exigencies, provided that the State gives the Commonwealth notice in writing at least 12 months prior to the date on which the termination will take effect, the date of which is to be specified in the written notice given to the Commonwealth; or
- (e) if Victoria considers that:
 - (i) the Agreement has failed or is failing to satisfy its objectives; or
 - (ii) the Parties have not made satisfactory progress towards achieving the outcomes listed in clause 36(a),

including (but not limited to) where the findings of:

 - A. a Five-yearly Review conducted pursuant to clause 36 of this Agreement;
 - B. a Major Event review conducted pursuant to clause 38F of this Agreement; or
 - C. an audit initiated pursuant to clause 45A of this Agreement,

demonstrate as such.

Procedure for termination by consent

- 93A. For the purposes of clauses 92(a) and 93(a), the Agreement can only be terminated by consent if:
- (a) a notice of intention to terminate the Agreement is published in the Commonwealth Government Gazette and major Victorian newspapers; and
 - (b) a period of 12 months has passed since the publication of the notice of intention referred to in clause 93A(a).

Five-yearly Reviews where termination right exercised

- 93B. If a Five-yearly Review is due to commence in the 12 month period following:
- (a) the giving of notice under clause 93(d); or
 - (b) the publication of a notice of intention to terminate this Agreement pursuant to clause 93A(a),

the Parties can agree that no Five-yearly Review need be undertaken.

Miscellaneous

93C. 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 JEFF KENNETT MLA, 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, using the mechanism outlined in this Attachment.

In the Central Highlands, the CAR Reserve System 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 four 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 and other areas of Public Land;
- iii. **Values protected by Prescription.** This comprises those elements of General Management Zone (GMZ) or Special Management Zone (SMZ) protected by regional prescriptions, including stream buffers and Rainforest; and
- iv. **Private Land mechanisms** which ensure protection, such as covenants on freehold land as described in this Attachment.

The CAR Reserve System in the Central Highlands as at 1998 covered an area of approximately 297,000 hectares (about half of the public land in the region or 27 percent of the entire region).

As at December 2019, the total CAR Reserve System in the Central Highlands is approximately 362,000 hectares. The Dedicated Reserve component of the CAR Reserve System covers approximately 183,000 hectares, the Informal Reserve component 95,000 hectares, and the areas protected by prescription add another 84,000 hectares to the reserve system. There are 330 hectares of Private Land managed for conservation in line with the JANIS Reserve Criteria that forms part of the CAR Reserve System.

Map 1 illustrates the extent of the CAR Reserve System as at 1998 in the Central Highlands in Dedicated Reserves and Informal Reserves as a consequence of this Agreement. Other areas protected by prescription were also included in the CAR Reserve System at this time. Levels of protection of Ecological Vegetation Classes (EVCs) and Old Growth Forest achieved in the CAR Reserve System in 1998 by this Agreement are shown in Tables 1 and 2.

Map 2 illustrates the extent of the CAR Reserve System in the RFA Region in Dedicated Reserves and Informal Reserves as at December 2019. Levels of protection of forest EVCs, non-Forest EVCs and Old Growth Forest in the CAR Reserve System as at December 2019 are shown in Tables 1a, 1b and 2a. Information presented in these tables reflects available data prior to the commencement of the 2019/20 bushfires in Victoria and does not reflect impacts to Forest or non-Forest EVCs and Old Growth Forest resulting from those bushfires. CAR Reserve System and EVC layers will continue to be updated over time, including to incorporate changes resulting from the 2019/20 bushfires.

The extent of the CAR Reserve System in the RFA Region in Dedicated Reserves and Informal Reserves, and the EVC spatial layer, will be stored in the Victorian Spatial Data Library and made publicly available via the Data.Vic website (<https://data.vic.gov.au/>).

Table 1 Representative conservation (percentage reservation status) of EVCs in the CAR Reserve System in the Central Highlands Region based on vegetation mapping to establish the pre-1750 extent of EVCs in the region^a as at 1998.

Ecological Vegetation Class	EVC typology changes as at 2019 ^b	Area		Percent Remaining as at 1998	Status ^{bc} as at 1998	Percent of EVC (pre-1750) extent in the CAR Reserve System as at 1998			
		Pre 1750 extent (ha)	Extent as at 1998 (ha)			Dedicated Reserve	Informal Reserve ^{de}	Prescription ^{de}	Total
Clay Heathland		27	27	99.2	R		19.8		19.8
Lowland Forest		78,992	42,805	54.2		13.7	2.3	1.0	17.0
Riparian Scrub Complex	X	9,992	2,695	27.0	V	1.0		0.1	1.1
Riparian Forest		43,059	31,801	73.9		15.5	19.7	5.1	40.2
Heathy Dry Forest		15,025	14,435	96.1		26.6	37.1	1.2	64.8
Grassy Dry Forest		73,892	41,579	56.3		19.2	4.7	0.3	24.2
Herb-rich Foothill Forest		168,346	123,049	73.1		11.6	10.6	2.4	24.6
Rocky Outcrop Scrub	X	311	227	73.1	R	62.9			62.9
Rocky Outcrop Shrubland	X	19	5	28.0	V R	0.2			0.2
Damp Forest		198,726	162,307	81.7		16.6	8.5	4.4	29.5
Wet Forest		123,752	120,068	97.0		28.7	10.9	6.3	45.9
Cool Temperate Rainforest		12,984	12,970	99.9	R	43.8	31.6	5.5	80.8
Montane Dry Woodland		7,087	7,050	99.5		3.2	47.7	2.4	53.2
Montane Damp Forest		20,506	20,150	98.3		7.7	15.5	6.0	29.1
Montane Wet Forest		50,319	49,678	98.7		33.6	9.1	3.7	46.3
Montane Riparian Thicket		3,056	3,056	100.0		33.3	17.6	13.0	63.9
Sub-alpine Woodland		7,262	7,259	100.0		78.9	5.4	0.5	84.8
Treeless Sub-alpine Complex	X	1,855	1,825	98.4		84.9	7.1	1.4	93.4
Shrubby Foothill Forest		50,296	35,482	70.5		22.4	3.1	0.8	26.2
Valley Grassy Forest		64,452	7,201	11.2	E V	1.6	0.1		1.7

Heathy Woodland		17,876	6,684	37.4		21.4	1.7	0.3	23.4
Wet/Swamp Heathland	X	6,250	3,779	60.5		47.1		0.2	47.3
Swamp Scrub		5,655	429	7.6	E				
Box Woodland	X	25,339	328	1.3	E	0.2			0.2
Plains Grassy Woodland		44,721	1,475	3.3	E	0.2	0.6		0.8
Floodplain Riparian Woodland		18,016	2,431	13.5	E V R	6.2			6.2
Riparian Thicket		1,726	1,006	58.3		4.1	28.9		33.1
Box Ironbark Forest		1,449	711	49.1		1.8	5.7		7.5
Granitic Hills Woodland		1,258	215	17.1	E V				
Riverine Escarpment Scrub		765	241	31.5	V R		20.9		20.9
Swampy Riparian Woodland		2,530	964	38.1		15.6			15.6
Grassland	X	7,982	15	0.2	E				
Gray Clay Drainage Line Complex		560	0	0.0	E				
Plains Grassy Wetland		354	4	1.2	E R		1.2		1.2
Swampy Riparian Complex		50,889	5,945	11.7	E V	0.8	0.1		0.9
Valley Heathy Forest		4,155	347	8.4	E				
Grassy Forest		10,059	2,682	26.7	E V	1.3			1.3
Swamp Formation	X	12	1	10.7	V				
Damp Sands Herb-rich Woodland	X	162	46	28.4	E V		19.5		19.5
Riverine Forest	X	210	4	1.9	E				
Rock	X	-	23						
Cleared Land	X	23	405,145						
Water Bodies	X	4	13,809						
Total Area		1,129,953	1,129,953						

NOTES ACCOMPANYING TABLE 1

a. 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 Central Highlands, and are therefore only approximate.

b. X indicates where typology changes have resulted in these EVCs not being readily comparable to EVC types outlined in Tables 1a, 1b and 2a. EVC mapping used in 1998 has been revised to ensure the state-wide EVC data set is based on the best available information and integrates

new methods of mapping and modelling vegetation across Victoria. Differences between the 1998 and 2019 data sets include: changes to how the pre-1750 EVC dataset was created, changes to how DELWP creates a view of EVC extent (using a new native vegetation extent model and the pre 1750 dataset), applying nomenclature standards to EVCs which may have resulted in the discontinuation of certain EVC names, the splitting of EVCs, reconciliation of mapping units (such as mosaics and complexes), the delineation of new EVC types and spatial adjustments. As a result, information relating to EVC extent or reservation levels between 1998 and 2019 is not directly comparable and may differ due to the different modelling and mapping approaches.

c. E=endangered, V=vulnerable, R=rare in accordance with the JANIS Reserve Criteria.

d. Informal Reserve includes broad areas and linear elements of SPZ greater than 100 metres and other informal reserves.

e. This comprises those elements of GMZ and SMZ protected by regional prescriptions.

Table 1a Representative conservation (percentage reservation status) of Forest EVCs^a in the CAR Reserve System in the Central Highlands RFA Region as at 2019.

Ecosystem type	EVC number	Pre-1750 extent (ha)	Current extent (ha)	Percent remaining	% of current extent on private land	Status ^b	% of pre-1750 extent in the CAR Reserve System	% of current extent in the CAR Reserve System				
								Dedicated	Informal ^c	Prescription ^d	Private land covenants ^e	Total
Box Ironbark Forest*	61	2,609	1,684	65%	78%	V	1%	1%	0%	0%	0%	1%
Cool Temperate Rainforest*	31	22,932	4,668	20%	0%	V	19%	43%	40%	12%	0%	95%
Creekline Grassy Woodland*	68	705	193	27%	92%	E	1%	4%	0%	0%	0%	4%
Creekline Herb-rich Woodland*	164	5,809	2,746	47%	92%	V	1%	2%	0%	0%	0%	2%
Damp Forest*	29	198,927	170,255	86%	15%	V	38%	20%	10%	14%	0%	44.2%
Damp Heathy Woodland*	793	14,187	7,120	50%	47%	V	22%	43%	0%	0%	0%	43%
Floodplain Riparian Woodland*	56	18,565	7,510	40%	70%	V	0%	1%	0%	0%	0%	1%
Floodplain Riparian Woodland/Plains Grassy Woodland Mosaic	250	8	5	66%	100%	N/A	0%	0%	0%	0%	0%	0%
Granitic Hills Woodland*	72	1,258	976	78%	100%	V	0%	0%	0%	0%	0%	0%
Grassy Dry Forest	22	63,618	47,288	74%	67%	-	19%	19%	6%	1%	0%	25%
Grassy Forest*	128	10,132	4,356	43%	87%	R	5%	12%	0%	0%	0%	12%
Grassy Riverine Forest*	106	210	73	35%	71%	V	0%	0%	0%	0%	0%	0%
Grassy Woodland*	175	24,695	8,428	34%	96%	V	0%	1%	0%	0%	0%	1%
Gully Woodland*	902	420	360	86%	65%	E	29%	34%	0%	0%	0%	34%
Heathy Dry Forest	20	15,162	14,725	97%	7%	V	75%	28%	38%	11%	0%	77%
Heathy Woodland*	48	3,713	2,168	58%	15%	V	33%	39%	14%	3%	0%	56.2%
Herb-rich Foothill Forest*	23	168,294	137,336	82%	29%	V	32%	15%	13%	12%	0%	39.7%
Lowland Forest*	16	76,481	47,939	63%	47%	V	17%	22%	3%	2%	0%	27%
Montane Damp Forest*	38	20,433	20,392	100%	1%	V	51%	8%	18%	25%	0%	51.3%
Montane Dry Woodland	36	7,077	7,077	100%	0%	V	71%	3%	48%	21%	0%	71%
Montane Grassy Woodland*	37	22	22	100%	11%	R	88%	0%	88%	0%	0%	88%

Montane Wet Forest	39	46,528	46,516	100%	0%	V	61%	34%	18%	9%	0%	60.6%
Plains Grassland/Plains Grassy Woodland Mosaic	897	136	28	20%	100%	N/A	0%	0%	0%	0%	0%	0%
Plains Grassy Woodland*	55	44,316	12,121	27%	89%	V	0%	1%	0%	0%	0%	1%
Riparian Forest*	18	42,212	34,844	83%	24%	V	44%	20%	22%	10%	0%	53.2%
Riparian Scrub/Swampy Riparian Forest Mosaic	17	10,202	5,320	52%	85%	N/A	5%	10%	0%	0%	0%	10%
Shrubby Dry Forest	21	14,823	14,342	97%	1%	V	69%	54%	8%	9%	0%	71%
Shrubby Foothill Forest*	45	47,853	36,558	76%	28%	V	26%	27%	3%	3%	0%	33.7%
Sub-alpine Woodland	43	7,744	7,742	100%	0%	V	90%	78%	10%	2%	0%	90%
Swampy Riparian Woodland*	83	2,886	1,634	57%	54%	V	18%	33%	0%	0%	0%	33%
Swampy Woodland*	937	4,638	993	21%	93%	V	1%	3%	0%	0%	0%	3%
Valley Grassy Forest*	47	64,689	24,372	38%	92%	V	2%	6%	0%	0%	0%	6%
Valley Heathy Forest*	127	4,061	1,044	26%	99%	R	0%	0%	0%	0%	0%	0%
Warm Temperate Rainforest*	32	360	100	28%	2%	E	26%	15%	65%	14%	0%	94%
Wet Forest*	30	119,043	116,803	98%	6%	V	56%	30%	12%	15%	0%	56.6%
Cool Temperate Rainforest niche	31	#N/A	18,252	#N/A	1%	N/A	#N/A	39%	34%	12%	0%	85%
Warm Temperate Rainforest niche	32	#N/A	259	#N/A	6%	N/A	#N/A	13%	58%	16%	0%	87%

Table 1b Representative conservation (percentage reservation status) of non-Forest EVCs^a in the CAR Reserve System in the Central Highlands RFA Region as at 2019.

Ecosystem type	EVC number	Pre-1750 extent (ha)	Current extent (ha)	Percent remaining	% of current extent on private land	Status ^b	% of pre-1750 extent in the CAR Reserve System	% of current extent in the CAR Reserve System				
								Dedicated	Informal ^c	Prescription ^d	Private land covenants ^e	Total
Alpine Crag Complex	1,000	15	15	100%	0%	N/A	100%	93%	7%	0%	0%	100%
Alpine Fen	171	4	4	100%	0%	V	100%	100%	0%	0%	0%	100%
Alpine Grassy Heathland	1,004	266	266	100%	0%	V	98%	97%	1%	0%	0%	98%
Bare Rock/Ground	993	23	23	98%	72%	N/A	25%	25%	0%	0%	0%	25%
Blackthorn Scrub*	27	330	317	96%	38%	E	59%	62%	0%	0%	0%	62%
Clay Heathland*	7	42	39	93%	48%	E	48%	38%	14%	0%	0%	52%
Escarpment Shrubland*	895	625	443	71%	43%	V	6%	9%	0%	0%	0%	9%
Grey Clay Drainage-line Aggregate	124	501	212	42%	74%	N/A	11%	26%	0%	0%	0%	26%
Montane Riparian Thicket*	41	2,561	2,520	98%	0%	R	72%	36%	25%	12%	0%	73%
Plains Grassland*	132	8,260	1,866	23%	83%	V	3%	13%	0%	0%	0%	13%
Plains Grassy Wetland*	125	186	56	30%	91%	V	1%	2%	0%	0%	0%	2%
Riparian Scrub*	191	190	63	33%	90%	R	2%	0%	0%	0%	6%	6%
Riparian Thicket	59	1,626	1,249	77%	53%	-	31%	9%	32%	0%	0%	40%
Riverine Escarpment Scrub*	82	42	32	77%	27%	R	56%	73%	0%	0%	0%	73%
Sub-alpine Riparian Shrubland	208	7	7	100%	0%	V	100%	100%	0%	0%	0%	100%
Sub-alpine Shrubland	42	174	174	100%	0%	V	100%	97%	3%	0%	0%	100%
Sub-alpine Treeless Vegetation	44	247	247	100%	1%	V	67%	3%	51%	12%	0%	67%
Sub-alpine Wet Heathland	210	214	214	100%	0%	V	96%	94%	2%	0%	0%	96%

Sub-alpine Wet Heathland/Alpine Valley Peatland Mosaic	211	363	363	100%	0%	N/A	97%	94%	3%	0%	0%	97%
Swamp Scrub*	53	5,527	855	15%	91%	V	0%	2%	0%	0%	0%	2%
Swampy Riparian Complex	126	39,779	11,664	29%	94%	N/A	1%	3%	0%	0%	0%	3%
Wet heathland/Riparian scrub mosaic	768	5,750	4,024	70%	29%	N/A	47%	67%	0%	0%	0%	67%
Wet Verge Sedgeland*	932	130	17	13%	95%	E	0%	0%	0%	0%	0%	0%
Wetland Formation*	74	12	6	50%	100%	R	0%	0%	0%	0%	0%	0%

NOTES ACCOMPANYING TABLES 1a and 1b

a. 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 Central Highlands and are therefore only approximate. EVC mapping used in 1998 has been revised to ensure the state-wide EVC data set is based on the best available information and integrates new methods of mapping and modelling vegetation across Victoria. See Table 1, Note b for information about mapping processes.

b. E=endangered, V=vulnerable, R=rare in accordance with the JANIS Reserve Criteria. Complexes, Mosaics, Aggregates and Niches are mapping units and not assigned a conservation status. EVCs are determined on site and the relevant conservation status for the field verified EVC would apply.

c. Informal Reserve includes broad areas and linear elements of SPZ and other informal reserves.

d. This comprises areas of GMZ and SMZ protected by prescription, including stream buffers and rainforest as outlined in the Code of Practice, where these values and prescriptions are identified spatially. Areas protected by prescription are modelled only and subject to field verification.

e. Private Land Covenants includes areas protected under conservation covenants under the *Victorian Conservation Trust Act 1972* and Land Management Cooperative Agreements under the *Conservation Forests and Lands Act 1987*.

Rainforest Niche: Mapping unit – indicates area of potential or unverified modelled rainforest as distinct from confirmed rainforest.

* Indicates priority EVCs for increased protection in the CAR Reserve System. Priorities for inclusion in the CAR Reserve System have been identified according to the remaining extent occurring on private or public land and the ability of publicly managed land to meet the conservation objectives for EVCs.

Table 2 Representative conservation of Old Growth Forest in the CAR Reserve System in the Central Highlands RFA Region^a as at 1998.

Ecological Vegetation Class	EVC typology changes as at 2019 ^b	Area EVC (as at 1998) (ha)	Percent of EVC as Old Growth (as at 1998) (%)	Area Old Growth (as at 1998) (ha)	Percent of Old Growth Forest in the CAR Reserve System (as at 1998)			
					Dedicated Reserve	Informal Reserve ^c	Prescription ^d	Total
Lowland Heathy Foothill Forest	X	42,805	<1	22	61.5	38.5	0.0	100
Riparian Forest		31,801	<1	130	17.7	82.3	0.0	100
Heathy Dry Forest		14,435	64	9,210	32.8	47.4	0.7	80.2
Grassy Dry Forest		41,579	<1	7	0.0	99.9	0.0	99.9
Herb-rich Foothill Forest		123,049	<1	77	1.0	83.8	0.0	84.8
Damp Forest		162,307	<1	547	47.0	51.9	0.1	99
Wet Forest		120,068	4	5,048	95.7	4.0	0.0	99.7
Cool Temperate Rainforest		12,970	13	1,689	96.8	3.2	0.0	100
Montane Dry Woodland		7,050	57	4,040	1.7	59.2	1.7	60.9
Montane Damp Forest		20,150	<1	75	40.5	59.5	0.0	100
Montane Wet Forest		49,678	2	940	96.4	3.6	0.0	100
Montane Riparian Thicket		3,056	<1	10	82.3	11.9	0.0	94.2
Sub-alpine Woodland		7,259	<1	3	100.0	0.0	0.0	100
Shrubby Foothill Forest		35,482	<1	32	89.6	10.4	0.0	100
Valley Grassy Forest	X	7,201	10	695	70.9	0.0	0.0	70.9
Heathy Woodland		6,684	51	3,426	80.5	5.9	0.6	87

a. The figures shown in this table are based on modelled information mapped at a scale of 1:100,000 derived during the old growth analysis of vegetation types in the Central Highlands, and are therefore only approximate.

b. X indicates where typology changes have resulted in these EVCs not being readily comparable to EVC types outlined in Table 2a. EVC mapping used in 1998 has been revised to ensure the state-wide EVC data set is based on the best available information and integrates new methods of mapping and modelling vegetation across Victoria. Differences between the 1998 and 2019 data sets include: changes to how the pre-1750 EVC dataset was created, changes to how DELWP creates a view of EVC extent (using a new native vegetation extent model and the pre 1750 dataset), applying nomenclature standards to EVCs which may have resulted in the discontinuation of certain EVC names, the

splitting of EVCs, reconciliation of mapping units (such as mosaics and complexes), the delineation of new EVC types and spatial adjustments. As a result, information relating to EVC extent, Old Growth Forest extent or reservation levels between 1998 and 2019 is not directly comparable and may differ due to the different modelling and mapping approaches.

c. Informal Reserve includes broad areas and linear elements of SPZ greater than 100 metres and other informal reserves.

d. This comprises those elements of GMZ and SMZ protected by prescriptions, including stream buffers and rainforest with a surrounding buffer.

Table 2a Representative conservation of Old Growth Forest in the CAR Reserve System in the Central Highlands RFA Region^a as at 2019.

Ecological Vegetation Class	Area EVC (ha)	Percent of EVC as Old Growth (%)	Area Old Growth (ha)	Percent of Old Growth Forest in the CAR Reserve System				
				Dedicated Reserve	Informal Reserve ^b	Prescription ^c	Private Land covenants ^d	Total
Cool Temperate Rainforest	4,668	7%	315	96%	4%	0%	0%	100%
Damp Forest	170,255	0.3%	439	51%	43%	2%	0%	96%
Damp Heathy Woodland	7,120	1%	38	100%	0%	0%	0%	100%
Grassy Dry Forest	47,287	<1%	7	0%	98%	0%	0%	99%
Heathy Dry Forest	14,725	28%	4,054	18%	47%	19%	0%	84%
Heathy Woodland	2,168	33%	717	68%	3%	3%	0%	74%
Herb-rich Foothill Forest	137,335	<1%	43	6%	81%	5%	0%	91%
Montane Damp Forest	20,392	<1%	26	37%	48%	11%	0%	96%
Montane Dry Woodland	7,077	19%	1,365	5%	48%	24%	0%	77%
Montane Riparian Thicket	2,520	<1%	10	74%	15%	7%	0%	96%
Montane Wet Forest	46,516	1%	278	90%	10%	0%	0%	100%
Riparian Forest	34,844	<1%	111	14%	86%	0%	0%	100%
Shrubby Dry Forest	14,342	<1%	9	3%	94%	1%	0%	98%
Shrubby Foothill Forest	36,558	<1%	29	88%	10%	0%	0%	98%
Sub-alpine Woodland	7,742	<1%	9	99%	0%	0%	0%	99%
Wet Forest	116,803	1%	1,143	88%	10%	0%	0%	97%

a. The figures shown in this table are based on the 2019 version of Victoria's modelled extent of Old Growth Forest (MOG) and are therefore only approximate.

b. Informal Reserve includes broad areas and linear elements of SPZ greater than 100 metres and other informal reserves.

c. This comprises those elements of GMZ and SMZ protected by prescriptions.

d. Private Land covenants includes areas protected under conservation covenants under the *Victorian Conservation Trust Act 1972* and Land Management Cooperative Agreements under the *Conservation Forests and Lands Act 1987*.

Endangered, Vulnerable or Rare EVCs

The conservation status of EVCs in the Central Highlands region has been assessed in line with the national reserve criteria (JANIS 1997). EVCs which are classified as rare, vulnerable or endangered according to the national reserve criteria are presented in Table 1a and 1b.

In line with JANIS 1997 reservation objectives, all remaining occurrences of rare and endangered EVCs should be reserved or protected by other means as far as is practicable, and at least 60 percent of the remaining extent of vulnerable EVCs should be reserved.

The conservation status assessment of EVCs has been conducted using the best available information and considered the impact of past and potential future Threatening Processes relevant to EVCs within the Central Highlands region.

Threatening Processes considered in this assessment included: land clearance, damaging fire, weed invasion, timber harvesting, sea level rise, climate change, overabundant or introduced grazers and browsers, livestock grazing, cropping and the cumulative effect of these threats.

Within the Central Highlands region 50 EVCs are mapped. Of these, 35 have been assessed as Vulnerable, 7 as Rare and 6 as Endangered.

Victoria will use best endeavours to further reserve priority EVCs (indicated in Table 1a and 1b) and make changes to its CAR Reserve System as a result of changes in knowledge and changes in biota (e.g. through Climate Change). Values protected by prescription have been estimated using spatial models where available however the CAR Reserve System will be amended from time-to-time depending on field verification of these values.

PRIVATE LAND

The NFPS established that the CAR Reserve System will in the first instance be selected from Public Land. However, 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); and
- provisions of the *Planning and Environment Act 1987* (Vic).

Private Land protected by conservation covenants and Land Management Cooperative Agreements in the Central Highlands RFA Region have been included in the CAR Reserve System as at 2019.

Endangered, vulnerable and rare EVCs within the Central Highlands were assessed within a Statewide context in 1998 to identify the importance of the region for their conservation. The priorities for protection of EVCs occurring in the Central Highlands RFA Region as at 1998 is shown in Table 3.

The distribution of these EVCs, outside of the CAR Reserve System, is predominantly on Private Land.

Table 3 Priorities for the CAR Reserve System as at 1998.

Priority for protection of Ecological Vegetation Classes (as at 1998)		
High Priority	Moderate Priority	Low Priority
Valley Grassy Forest	Cool Temperate Rainforest	Riverine Forest

Plains Grassy Woodland	Box Ironbark Forest	Granitic Hills Woodland
Grassland	Valley Heathy Forest	Damp Sands Herb-rich Woodland
Grey Clay Drainage Line Complex	Grassy Forest	Clay Heathland
Plains Grassy Wetland	Box Woodland	Riparian Scrub Complex
Swamp Forest (part of Swampy Riparian Complex in the Central Highlands CRA Report)	Floodplain Riparian Woodland	Rocky Outcrop Scrub
	Swamp Scrub	Rocky Outcrop Shrubland
	Gully Woodland (part of Swampy Riparian Complex in the Central Highlands CRA Report)	Riverine Escarpment Scrub
	Swampy Woodland (part of Swampy Riparian Complex in the Central Highlands CRA Report)	Swamp Formation

Priority EVCs for inclusion in the CAR Reserve System as at 2019 have been identified in Table 1a and 1b based on their conservation status. Priorities for permanent protection on Private Land should be guided by Victoria's Biodiversity Strategy (Biodiversity 2037), Regional Catchment Strategies, cost-effective decision-support tools and relevant agencies' strategic plans (e.g. Trust for Nature).

LISTED SPECIES AND COMMUNITIES

Both Parties recognise the range of mechanisms in place to conserve the habitat of Listed Species and Communities in the Central Highlands RFA Region. These include protection within the CAR Reserve System, protection of key habitats such as Rainforest and rare or threatened Ecological Vegetation Classes, and the development of Statutory Conservation Planning Documents for Listed Species and Communities.

Priorities at the signing of the Central Highlands RFA for nomination and developing Action Statements and Recovery Plans for fauna, flora and potentially Threatening Processes, and the status of progress made as at December 2019, are outlined in Tables 1-4. Species which were identified as priorities in the East Gippsland RFA Region, and which also occurred within the Central Highlands RFA Region, were not identified in these tables.

Flora and Fauna Guarantee Act listing process

The process for listing species, communities and potentially Threatening Processes under the FFG Act begins with a public nomination. The nomination is assessed by the independent Victorian Scientific Advisory Committee (SAC) to determine its validity and eligibility. The SAC then publishes a preliminary recommendation for public comment. A final recommendation is prepared once the SAC has considered any public comments and is forwarded to the responsible Minister(s) for decision. Both the SAC and the Minister(s) must only have regard to nature conservation matters when considering and/or deciding on nominations for listing.

Changes to the Threatened List or the Processes List established under the FFG Act occurs via an Order in Council. A nomination to change or revoke the listing of a currently listed item follows the same process.

It should be noted that recent amendments to the FFG Act provide for the responsible Minister to recommend to the Governor in Council to specify taxa of flora or fauna in the Threatened List that are included in the Victorian Advisory Lists immediately prior to commencement of the amended Act. As such, many of the taxa listed as priorities for nomination in Table 1 may be listed without formal public nomination.

EPBC Act Nomination, Prioritisation, Assessment and Listing Process

Any person may nominate a native species, ecological community or Threatening Process for assessment and listing under the EPBC Act.

The Minister responsible for the EPBC Act (the Minister) invites nominations each year ahead of a new assessment cycle. Nominations submitted within the advertised invitation period that satisfy the EPBC Regulations are forwarded to the Threatened Species Scientific Committee, who prepare a Proposed Priority Assessment List (PPAL) of nominations. The PPAL may include species that are brought forward by the states and territories through the Common Assessment Method. The Common Assessment Method is a consistent approach to the assessment and listing of nationally threatened species across Australian jurisdictions, which enables assessments undertaken by one jurisdiction to be considered and accepted by another, under their legislation, ensuring that species are listed in the same threat category across all relevant Australian jurisdictions.

In preparing the PPAL, the Committee considers a range of factors including:

- the level of threat to the species or ecological community;
- the effects of listing the species, ecological community or Threatening Process, for example in terms of legislative protection and threat abatement;
- the capacity to effect recovery of the species or ecological community, or to abate the Threatening Process;
- the degree to which the nomination considers the national extent of the species, ecological community or Threatening Process;
- the species or ecological community as a component of Biodiversity;
- the availability and relevance of information on which an assessment can be based; and
- the conservation theme/s determined for that year's call for nominations.

The PPAL is provided to the Minister, who then has 20 business days to make amendments to the proposed priorities, before it automatically becomes the Finalised Priority Assessment List (FPAL). The FPAL is the list of species, ecological communities and Threatening Processes that have been prioritised for assessment by the Threatened Species Scientific Committee for a particular assessment period (commencing 1 October each year). The FPAL is published on the Commonwealth Department of Agriculture, Water and the Environment's website.

Items included in the FPAL are assessed by the Committee within the timeframe set by the Minister. The Committee invites public and expert comment on the nominations during the assessment. The Committee's advice is provided to the Minister, who decides whether the species, ecological community or Threatening Process is eligible for listing under the EPBC Act and makes amendments to the lists.

1. Priority species and Ecological Vegetation Classes as at 1998 for nomination under the *Flora and Fauna Guarantee Act 1988* (Vic) (showing December 2019 status).

Scientific name	Common Name	Nomination status (December 2019)
<i>Mastacomys fuscus mordicus</i>	Broad-toothed Rat (mainland)	Nominated August 2011; Listed
<i>Myotis macropus</i>	Large-footed Myotis	Not yet nominated
<i>Pseudomys fumeus</i>	Smoky Mouse	Nominated July 1996; Listed
<i>Accipiter novaehollandiae</i>	Grey Goshawk	Nominated August 2003; Listed
<i>Eucalyptus strzeleckii</i>	Strzelecki Gum	Nominated May 2004; Listed
<i>Huperzia varia</i>	Long Clubmoss	Not yet nominated
<i>Hypsela tridens</i>	Hypsella	Not yet nominated
<i>Persoonia arborea</i>	Tree Geebung	Originally nominated in July 1992; not eligible for

		listing; not yet re-nominated
<i>Senecio laticostatus</i>	Fin-fruit Fireweed	Not yet nominated
<i>Thelymitra circumsepta</i>	Bog Sun-orchid	Not yet nominated
<i>Tmesipteris elongata ssp. elongata</i>	Slender Fork-fern	Not yet nominated
<i>Treubia tasmanica</i>	Liverwort	Nominated in March 2008; Listed
	Valley Grassy Forest (or floristic communities thereof)	Not yet nominated
	Plains Grassy Woodland (or floristic communities thereof)	All floristic communities have not yet been nominated
	Grey Clay Drainage Line complex (or floristic communities thereof)	Not yet nominated
	Plains Grassy Wetland (or floristic communities thereof)	All floristic communities have not yet been nominated
	Swamp Forest (part of Swampy Riparian Complex in the Central Highlands CRA Report)	Not yet nominated

2. Priority potentially Threatening Processes as at 1998 under the *Flora and Fauna Guarantee Act 1988* (Vic) for preparation of Action Statements (showing December 2019 status).

Potentially Threatening Process	Action Statement status (December 2019)
Loss of hollow-bearing trees from Victorian Native Forests	Action Statement approved 2003
Increase in sediment input into Victorian rivers and streams due to human activities	Action Statement approved 2003
Invasion of native vegetation by environmental weeds (including “Spread of <i>Pittosporum undulatum</i> in areas outside its natural range”)	No Action Statement
Collection of native orchids	No Action Statement

Use of <i>Phytophthora</i> -infected gravel in construction of roads, bridges and reservoirs	No Action Statement
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3. Priority for preparation of a Threat Abatement Plan as at 1998 under the *Endangered Species Protection Act 1992* (showing December 2019 status under the EPBC Act).

Key Threatening Processes	Threat Abatement Plan status (December 2019)
<i>Phytophthora</i> spp	Threat Abatement Plan for Dieback caused by the root-rot fungus (<i>Phytophthora cinnamomi</i>) approved 2014

4. Priority species as at 1998 for preparation of an Action Statement / Recovery Plan (showing December 2019 status).

Scientific name	Common Name	Action	Status of Action Statement / Recovery Plan (December 2019)
<i>Eucalyptus crenulata</i>	Buxton Gum	Recovery Plan	Recovery Plan approved 22 December 2006
<i>Astelia australiana</i>	Tall Astelia	Recovery Plan	Recovery Plan approved 16 December 2010
<i>Phebalium wilsonii</i> (now listed as <i>Nematolepis wilsonii</i>)	Shiny Phebalium (now listed as Shiny Nematolepis)	Action Statement	Action Statement approved 2008
<i>Thismia rodwayi</i>	Fairy Lanterns	Action Statement	No Action statement
<i>Caladenia concolor</i>	Crimson Spider orchid	Action Statement Recovery Plan	Action Statement approved 2003 Recovery Plan approved 18 August 2004
<i>Caladenia rosella</i>	Rosella Spider-orchid	Action Statement	Action Statement "Twelve-threatened Spider-orchids <i>Caladenia</i> species" approved 2000

<i>Lepidium hyssopifolium</i>	Basalt Pepper-cress	Action Statement Recovery Plan	No Action Statement Recovery Plan approved 13 August 2010
<i>Amphibromus pithogastrus</i>	Swollen Swamp Wallaby-grass	Action Statement	Action Statement approved 2000
<i>Bracteantha</i> sp. aff. <i>Subundulata</i> (now listed as <i>Xerochrysum palustre</i>)	Swamp Everlasting	Action Statement	Action Statement approved 2008
<i>Carex tasmanica</i>	Curly Sedge	Action Statement Recovery Plan	Action Statement approved 2009
<i>Cyathea cunninghamii</i>	Slender Tree-fern	Action Statement	No Action statement
<i>Grevillea barklyana</i> ssp. <i>barklyana</i>	Gully Grevillea	Action Statement	Action Statement approved 1999
<i>Eucalyptus strzeleckii</i>	Strzelecki Gum	Recovery Plan	Recovery Plan approved 22 December 2006
<i>Senecio macrocarpus</i>	Large-fruit Fireweed	Recovery Plan	Recovery Plan approved 13 August 2010
<i>Senecio laticostatus</i>	Fin-fruit Fireweed	Recovery Plan	Delisted
<i>Reiekoperla darlingtoni</i>	Mt Donna Buang Wingless Stonefly	Action Statement	Action Statement approved 2001
<i>Austrogammarus haasei</i>	Amphipod	Action Statement	Action Statement approved 2000
<i>Engaeus phyllocerus</i>	Narracan Burrowing Crayfish	Action Statement	Action Statement approved 2001
<i>Engaeus sternalis</i>	Warragul Burrowing Crayfish	Action Statement	Action Statement approved 1999
<i>Litoria spenceri</i>	Spotted Tree Frog	Recovery Plan	Recovery Plan approved 9 March 2001

<i>Philoria frosti</i>	Baw Baw Frog	Revise Action Statement Recovery Plan	Action Statement approved 2004 Recovery Plan approved 21 April 2011
<i>Prototroctes maraena</i>	Australian Grayling	Recovery Plan	Recovery Plan approved 27 March 2008
<i>Galaxiella pusilla</i>	Dwarf Galaxias	Recovery Plan	Recovery Plan approved 12 March 2010

NOT USED

ATTACHMENT 4

NOT USED

NOT USED

RESEARCH

The Parties recognise and value both Traditional Owner Knowledge and best available science for sustainably managing Forests in the Central Highlands RFA Region.

Research priorities to support the holistic (encompassing Biodiversity, fire and water) and adaptive management of Forests must be reviewed regularly to ensure investment and effort is focussed on science and Traditional Owner Knowledge that will deliver the greatest benefits for Victoria's Forests, industries and communities.

Statewide research priorities, including science and Traditional Owner Knowledge, will be reviewed as part of each Five-yearly Review process and a list of priority projects published on the Department of Environment, Land, Water and Planning website.

Science

Statewide research will continue on the following major themes:

- **Matters of National Environmental Significance (MNES) and Listed Species and Communities¹**, including the identification of climate refugia, advancements in approaches for monitoring trends, threats and impacts, and the effectiveness of protections and management actions;
- **Climate Change**, including current and projected impacts on a wide range of forest values, adaptation of Forests and Forest Ecosystems, and the role of Forests in mitigation;
- **Active forest management**, through basic research and pilot projects, to test the effects of silviculture, fire, pest and weed management and other management interventions to enhance ESFM outcomes;
- **Fire**, including fire ecology, bushfire behaviour, reducing bushfire risk, Forest recovery and resilience, and applying fire as a forest management tool; and
- **Technology and innovation**, including the development of new or improved technology to maximise the efficient, high-value utilisation of timber.

Traditional Owner Knowledge

Traditional Owners are custodians of Traditional Owner Knowledge and have the right to shape directions and priorities in its application.

Victoria commits to partnering with Traditional Owners to confirm Traditional Owner Knowledge priorities for ESFM at least once every five years for so long as the Agreement remains in effect.

Data Sovereignty

The Parties recognise the United Nations Declaration on the Rights of Indigenous Peoples, including those rights associated with Data Sovereignty. The Parties will have regard to these rights when obtaining, using, applying or making publicly available data in respect of which Traditional Owners assert Data Sovereignty.

¹ Listed Species and Communities has the same meaning as in the RFA, and means a species or community listed under (a) Part 13 of the *Environment Protection and Biodiversity Conservation Act 1999* (Cth) or (b) Part 3 of the *Flora and Fauna Guarantee Act 1988* (Vic), and that is, or has the potential to be, impacted upon by Forestry Operations.

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
- Protective Function
 - Soil
 - Water
- 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