

FOREST MANAGEMENT AND STUMP-TO-FOREST GATE CHAIN-OF-CUSTODY SURVEILLANCE EVALUATION REPORT

Hancock Forest Management NZ Ltd

Rotorua, NZ

SCS-FM/COC-00066P

Unit 5, 120 Hamilton Street, Tauranga, 3110, New Zealand

Kerry Ellem, General Manager

<http://hfm.nz/>

CERTIFIED	EXPIRATION
28 September 2018	27 September 2023

DATE OF FIELD EVALUATION

31 August- 4 September 2020

DATE OF REPORT FINALIZATION

9 November 2020

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Foreword

Cycle in annual surveillance evaluations				
<input type="checkbox"/> 1 st annual evaluation	<input checked="" type="checkbox"/> 2 nd annual evaluation	<input type="checkbox"/> 3 rd annual evaluation	<input type="checkbox"/> 4 th annual evaluation	<input type="checkbox"/> Other (<i>expansion of scope, Major CAR audit, special audit, etc.</i>):
Name of Forest Management Enterprise (FME) and abbreviation used in this report:				
Hancock Forest Management NZ Ltd - HFM				

All certificates issued by SCS under the aegis of the Forest Stewardship Council (FSC) require annual evaluations to ascertain ongoing conformance with the requirements and standards of certification. A public summary of the initial evaluation is available on the FSC Certificate Database <http://info.fsc.org/>.

Pursuant to FSC and SCS guidelines, annual / surveillance evaluations are not intended to comprehensively examine the full scope of the certified forest operations, as the cost of a full-scope evaluation would be prohibitive and it is not mandated by FSC evaluation protocols. Rather, annual evaluations are comprised of three main components:

- A focused assessment of the status of any outstanding conditions or Corrective Action Requests (CARs; see discussion in section 4.0 for those CARs and their disposition as a result of this annual evaluation);
- Follow-up inquiry into any issues that may have arisen since the award of certification or prior to this evaluation; and
- As necessary given the breadth of coverage associated with the first two components, an additional focus on selected topics or issues, the selection of which is not known to the certificate holder prior to the evaluation.

Organization of the Report

This report of the results of our evaluation is divided into two sections. Section A provides the public summary and background information that is required by the Forest Stewardship Council. This section is made available to the public and is intended to provide an overview of the evaluation process, the management programs and policies applied to the forest, and the results of the evaluation. Section A will be posted on the FSC Certificate Database (<http://info.fsc.org/>) no less than 90 days after completion of the on-site evaluation. Section B contains more detailed results and information for required FSC record-keeping or the use by the FME.

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SECTION A – PUBLIC SUMMARY

1. General Information

1.1 Evaluation Team

Auditor name:	Kimberly Robertson	Auditor role:	Lead Auditor
Qualifications:	Kimberly is a Lead auditor for FSC FM and Senior Lead auditor for FSC COC/CW. Kimberly has 22 years of experience in forestry in New Zealand. She has a Bachelor of Science in Ecology/Zoology and a Masters in Forestry Science. She has worked on environmental impacts of forestry and forest products including carbon sequestration, and across the supply chain from nursery to sawmilling. Kimberly is a qualified verifier for the Australasian EPD Programme and is ISO 14001 EMS qualified in 2015. Kimberly has carried out 40+ FSC CoC audits and been part of ten FM audit teams since June 2015.		

1.2 Total Time Spent on Evaluation

A. Number of days spent on-site for evaluation:	4.5
B. Number of auditors participating in on-site evaluation:	1
C. Number of days spent by any technical experts (in addition to amount in line A):	-
D. Additional days spent on preparation, stakeholder consultation, and follow-up:	2.25
E. Total number of person days used in evaluation:	7.75

1.3 Standards Used

All standards used are available on the websites of FSC International (www.fsc.org) or SCS Global Services (www.SCSglobalServices.com). All standards are available on request from SCS Global Services via the comment form on our website. When no national standard exists for the country/region, SCS Interim Standards are developed by modifying SCS's Generic Interim Standard to reflect forest management in the region and by incorporating relevant components of any Draft Regional/National Standard and comments from stakeholders. More than one month prior to the start of the field evaluation, SCS Draft Interim Standards are provided to stakeholders identified by FSC International, SCS, forest managers under evaluation, and the FSC National or Regional Office for comment. SCS's COC indicators for FMEs are based on the most current versions of the FSC Chain of Custody Standard, FSC Standard for Group Entities in Forest Management Groups (FSC-STD-30-005), and FSC Accreditation Requirements.

Standards applicable <i>NOTE: Please include the full standard name and Version number and check all that apply.</i>	<input checked="" type="checkbox"/> Forest Stewardship Standard(s), including version: National Standard for Certification of Plantation Forest Management in New Zealand v5.7, 27 th September 2013
	<input checked="" type="checkbox"/> FSC Trademark Standard (FSC-STD-50-001 V2-0)
	<input checked="" type="checkbox"/> SCS COC indicators for FMEs, V7-0
	<input type="checkbox"/> FSC standard for group entities in forest management groups (FSC-STD-30-005), V1-1
	<input type="checkbox"/> Other:

2. Certification Evaluation Process

2.1 Evaluation Itinerary, Activities, and Site Notes

Date: Monday 31 August	
FMU/location/ sites visited	Activities/ notes
HFM Rotorua Office 8.30 am – 5.00 pm 9.00 am Opening meeting.	Opening Meeting: Introductions, client update, review scope of evaluation, audit plan, intro/update to FSC and SCS standards, confidentiality and public summary, conformance evaluation methods and tools, review of open CARs/OBS, emergency and security procedures for evaluation team, final site selection.
	Principle 7: interviews with HFM staff and Document review.
	C&I 2.3, 4.2, 4.4: interviews with HFM staff and Document review
Date: Tuesday 1st September	
FMU / location / sites visited	Activities / notes
OTPP – Horohoro 2B HA7966 . Clearfell, mechanized and manual felling, hauler harvesting.	Interviewed Contractor and H&S rep, and document review re Pre site inspection, powerline permit, emergency procedures, RTE species, harvest management along streamside, water management, H&S incident reporting and work hours. Daily Risk Assessment and toolbox meetings, procedures for harvesting near reserve, first aiders on site, training records, work hours.
Central Taumata Wapiti HA4443. Clearfell, mechanized felling and hauler harvesting	Interviewed Foreman and H&S rep, and document review re Pre op risk assessment, break out plan, streamside harvesting, daily tail gate H&S meetings, fuel storage, chemical containers, training records, fire suppression. Interview with HFM senior harvest forester re streamside management, changes in contracting crew, communication, farm neighbours.
Central Taumata HA 4305. Clearfell. Mostly mechanized felling (chainsaws used where required). Mechanised ground based harvesting	Interviewed Contractor and document review re Pre site inspection, archeological sites, reserves, bluffs, HFM Covid management, emergency procedures, RTE species, streamside harvest management, water management, H&S incident reporting, work hours. Reviewed records of Daily Risk Assessment and toolbox meetings, procedures for harvesting near reserve, first aiders on site, training. . Interview with HFM harvest forester re Daily harvest plan, Weekly H&S inspection, water controls
Central Taumata, HA 4230. Clearfell, manual felling, hauler harvesting	Interviewed Contractor, and document review re Pre site inspection, powerline permit, emergency procedures, RTE species, felling and slope management plan, slash management, H&S incident reporting, work hours, and training records. Site inspection. Interview with HFM senior harvest forester re slope management, changes to harvesting plan due to slope and visibility of hauler.
Central Taumata, HA 4273. Clearfell. Ground based mechanized harvesting	Interviewed Foreman and document review re Pre harvest risk assessment, RTE species, water controls, H&S incident reporting and work hours, HFM Covid19 shutdown response, emergency

	<p>plan, production targets and training records. Inspection of streamside harvesting.</p> <p>Interview with HFM senior harvest forester re: HFM safety alerts, production targets, harvest forester re neighbour communication, road management, water management, hunting</p>
Taumata Central. Pohaturua HCV	Viewed site and interviewed HFM environmental forester re management and monitoring.
Central Taumata, Tram Rd Inactive site – HA3787 was replanted in 2019 and adjacent stand to be harvested in the 2021.	Interview with HFM Central Senior Harvest Forester and Environmental Forester. Wetland Management
Date: Wednesday 2 nd September	
FMU / location / sites visited	Activities / notes
OTPP HA 9253. Clearfell, falling along a main road, reserve area adjacent, neighbors using road through harvest area/and alternative farm access identified.	<p>Interview with H&S rep for the contractor and a machine operator, document review and site inspection. Re Fuel and chemical management, road control and roadside harvesting, reserve management, RTE species harvest planning, first aid training and kits, fire extinguishers, covid sign in, daily toolbox meeting, working alone plan, water management, HFM relationship, ACOP.</p> <p>Interview with HFM harvest forester re neighbor communication, road management, water management, hunting</p>
Kawerau log yard	Interview with the Kawerau Processing Yard Co-Ordinator, and Eastern Regional Manager. Review of Trimble database, log yard maps and site inspection. Site receives logs and also has a processing yard for the full stems received.
Tiaki East HA 5061, Clearfell, Groundbased, mechanized, stem only (no processor on site)	Interview with Contractor, document review and site inspection re: Induction, HFM Covid response, HFM communication, fuel management, HFM Safety alerts, first aid register, steep slope management and use of cut outs to manage water run off.
Tiaki East HA 5062, Roadline crew, ground based mechanized harvesting.	Interview with H&S rep/excavator operator, document review and site inspection re: pre op risk assessment, traffic management, reserve management, streamside management, electronic training records, first aid kit, RTE Species Guide, Covid 19 restart process, last H&S incident. HFM communication.
Tiaki East. HA 5043. Clearfell, ground based mechanized harvesting.	<p>Interview with Contractor, Foreman and H&S rep/machine operator document review and site inspection re archeological site (and heritage NZ Authority), tracking, resource consent, Pre-op plan, fist aid kits/fire extinguishers, fuel management, HFM Covid shutdown and restart management, daily felling plan, daily hazard id, fuel management, RTE species , water controls.</p> <p>Interview with HFM harvest forester re post op water controls,</p> <p>Interview with HFM Environmental Forester re Archeological site</p>

	and Heritage nZ Authority.
Date: Thursday 3 rd September.	
FMU / location / sites visited	Activities / notes
OTPP. Te Toke Wetland HCV	Site inspection and interview with the OTPP Environmental forester re management and monitoring.
10.30 am to 5.00 pm	C&I 8.1 8.2, C&I 6.7, 6.9, 10.6, 10.7, and 10.8: interviews with HFM staff and document review.
Date: Friday 4 th September	
FMU/location/ sites visited	Activities/ notes
8.30 am to 11.30 am	Closing Meeting Preparation: Auditor(s) take time to consolidate notes and confirm evaluation findings
11.30 am to 12.30 pm	Closing Meeting: Brief summary of audit activities, present preliminary findings, confidentiality, SCS/FSC dispute policy, timeline for report, and discuss next steps.
<i>Add more rows as necessary.</i>	

2.2 Evaluation of Management Systems

SCS deploys interdisciplinary teams with expertise in forestry, social sciences, natural resource economics, and other relevant fields to assess an FME’s conformance to FSC standards and policies. Evaluation methods include reviewing documents and records, interviewing FME personnel and contractors, implementing sampling strategies to visit a broad number of forest cover and harvest prescription types, observing implementation of management plans and policies in the field, and collecting and analyzing stakeholder input. When there is more than one team member, each member may review parts of the standards based on their background and expertise. On the final day of an evaluation, team members convene to deliberate the findings of the assessment jointly. This involves an analysis of all relevant field observations, interviews, stakeholder comments, and reviewed documents and records. Where consensus among team members cannot be achieved due to lack of evidence, conflicting evidence or differences of interpretation of the standards, the team is instructed to report these in the certification decision section and/or in observations.

3. Changes in Management Practices

- There were no significant changes in the management and/or harvesting methods that affect the FME’s conformance to the FSC standards and policies.
- Significant changes occurred since the last evaluation that may affect the FME’s conformance to FSC standards and policies (*describe*):

4. Results of Evaluation

4.1 Definitions of Major CARs, Minor CARs and Observations

Major CARs: Major nonconformances, either alone or in combination with nonconformances of all other applicable indicators, result (or are likely to result) in a fundamental failure to achieve the objectives of the relevant FSC Criterion given the uniqueness and fragility of each forest resource. These are corrective actions that must be resolved or closed out before a certificate can be awarded. If Major CARs arise after an operation is certified, the timeframe for correcting these nonconformances is typically shorter than for Minor CARs. Certification is contingent on the certified FME’s response to the CAR within the stipulated time frame.

Minor CARs: These are corrective action requests in response to minor nonconformances, which are typically limited in scale or can be characterized as an unusual lapse in the system. Most Minor CARs are the result of nonconformance at the indicator-level. Corrective actions must be closed out within a specified time period of award of the certificate.

Observations: These are subject areas where the evaluation team concludes that there is conformance, but either future nonconformance may result due to inaction or the FME could achieve exemplary status through further refinement. Action on observations is voluntary and does not affect the maintenance of the certificate. However, observations can become CARs if performance with respect to the indicator(s) triggering the observation falls into nonconformance.

4.2 History of Findings for Certificate Period

FM Principle	Cert/Re-cert Evaluation (2018)	1 st Annual Evaluation (2019)	2 nd Annual Evaluation (2020)	3 rd Annual Evaluation (2021)	4 th Annual Evaluation (2022)
No findings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
P1	1.5.1,				
P2					
P3					
P4	4.2.1; 4.3.1	4.2.4, 4.24 Obs	4.2.4		
P5	5.3.1				
P6		6.6.4 Obs	6.6.4 Obs		
P7					
P8			8.3.1 8.3.1 Obs		
P9		Obs 9.1.2			
P10					
COC for FM					
Trademark					
Group					
Other					

4.3 Existing Corrective Action Requests and Observations

Finding Number: 2019.01	
Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):
FSC Indicator:	4.2.4
Non-Conformity (or Background/ Justification in the case of Observations): Contractor first aid kits in several vehicle/crew containers had expired material, although all sites had other first aid kits that were up to date. Worksafe requirements are that 'Items should be replaced before the expiry date shown on the packaging, where applicabe.' As this isn't a Worksafe 'shall' requirement the CAR is graded as an observation.	
Corrective Action Request (or Observation): HFM should ensure first aid kits are checked regularly and items should be replaced before the expiry date. The monitoring of first aid kit expiry dates should be included in routine audits undertaken by HFM, eg the 2 yearly H & S Systems audit.	
FME response (including any evidence submitted)	Contractor's first aid kits have been checked following the audit. A check of first aid kits is also included as part of the two yearly H&S Systems Audits (refer example, item 6.3 of the audit).
SCS review	First aid kits checked during on site visits to three harvesting crews and all had an up to date first aid kit in the crew container. Auditor reviewed H & S Systems Audits for an OTPP and Taumata contractor and both audits included a check on first aid kits. Obs Closed
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2019.02	
Select one: <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> 12 months or next audit (surveillance or re-evaluation) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):
FSC Indicator:	4.2.4

Non-Conformity (or Background/ Justification in the case of Observations): During site inspections it was noted that several fire extinguishers hadn't been checked and there was no record on the tag or paper records of when last tested. Worksafe requires that all fire extinguishers are checked regularly to ensure they are safe for continued use. The HFM H&S system audit undertaken every two years requires that fires extinguishers are date stamped when tested annually.	
Corrective Action Request (or Observation): HFM should ensure contractor fire extinguishers are checked and this recorded annually.	
FME response (including any evidence submitted)	Contractors have been reminded about recording fire extinguisher checks. This item is checked in both the 2 yearly Health and Safety Systems Audits (item 6.3) and Environmental Systems Audits. Examples of both audits provided.
SCS review	Fire extinguishers at six contractor sites reviewed and they all had tag and paper records of when they were last tested and were tested within the past two years. Review of Health and Safety Systems audits and Environmental audits for two contractors both of which included checks on Fire extinguishers. CAR Closed.
Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)

Finding Number: 2019.03	
Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):
FSC Indicator:	9.1.2
Non-Conformity (or Background/ Justification in the case of Observations): OTPP HCV have been mapped (stored on a shared G drive) but aren't yet fully integrated into the Forest and Land GIS system. The Forest and Land GIS system includes an OTPP reserves layer but HCV status isn't identified.	
Corrective Action Request (or Observation): HFM should include the OTPP HCV information in the Forest and Land GIS system as it is for the Tiaki and Taumata plantations.	
FME response (including any evidence submitted)	Reserve information for all OTPP reserves has now been loaded in the HFM NZ GIS system 'stand' layer in the same format as for Taumata and Tiaki. Example screen shots are provided. This can be demonstrated in the system when in the office.
SCS review	HFM have now included the OTPP HCV information in the HFM NZ Forest and Land GIS System. Auditor reviewed the GIS System for the following OTPP HCV areas: Te Toke Wetland mapped as HCVF3. Tiki Wetland 01: Lower Wairau bay- HCVF3 and Tiki LEPT-02 Parengarenga swamp HCVF 3. CAR Closed

Status of CAR:	<input checked="" type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input type="checkbox"/> Other decision (refer to description above)
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Finding Number: 2019.04	
Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):
FSC Indicator:	6.6.4 and also refer to FSC-POL-30-001 V3-0 EN
Non-Conformity (or Background/ Justification in the case of Observations): The HFM derogation for Sodium monofluoroacetate (1080) has expired (06 March 2018). 1080 hasn't been applied the past year but it may be applied in the future.	
Corrective Action Request (or Observation): The FM must complete an Environmental Social Risk Assessment (ESRA) prior to the use of 1080, incorporating any conditions from the most recently approved of any existing approved New Zealand 1080 derogations.	
FME response (including any evidence submitted)	No 1080 has been used on the HFM NZ estate since the last audit. A joint ESRA for 1080 has been completed for the NZ forest industry including HFM NZ. A copy of this was provided to the auditors.
SCS review	Auditor reviewed ESRA 1080 (Sodium Monofluoroacetate) dated May 2020 and it doesn't incorporate conditions from the most recently approved New Zealand 1080 derogation as noted in https://fsc.org/sites/fsc.org/files/2019-10/Approved%20Derogations%20and%20Conditions_18102019.pdf Obs remains open, See CAR 2020.04
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input checked="" type="checkbox"/> Other decision (refer to description above)

4.4 New Corrective Action Requests and Observations

Finding Number: 2020:01	
Select one: <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	

<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):	
Primary standard reference:	Clause 8.3.1
Other applicable standard reference(s):	
Non-Conformity (<i>or Background/ Justification in the case of Observations</i>): Taumata customer electronic delivery information (generated by the Trimble database) doesn't include the applicable FSC material claim or the HFM certificate code. Taumata customer invoices do include the required FSC material claim and certificate code and can be considered supplementary information. HFM doesn't have SCS approval for the use of supplementary information to provide the FSC claim and certificate code.	
Corrective Action Request (<i>or Observation</i>): Taumata delivery documents (including electronic) shall include: <ul style="list-style-type: none"> • the organization's FSC certificate code associated to FSC-certified products • a clear indication of the FSC claim for each product item or the total products. If HFM is unable to include the FSC claim and/or certificate code in delivery documents, the required information can be provided to the customer through supplementary documentation (e.g. supplementary letters). In this case, HFM shall obtain permission from SCS to implement supplementary documentation.	
FME response (<i>including any evidence submitted</i>)	The electronic docket report has now been updated to include the certification status for each load. We are also sending a letter to each of our suppliers that claims certification, to confirm that at present all logs supplied by Taumata, Tiaki and OTPP are 100% certified, and we will endeavour to let them know if for any reason that is going to change. I will obtain a copy of the report and send it through as evidence.
SCS review	To be reviewed at next audit
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input checked="" type="checkbox"/> <i>Other decision (refer to description above)</i>

Finding Number: 2020:02	
Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	
<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next regularly scheduled audit, whichever comes first (<i>surveillance or re-evaluation</i>) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):	
Primary standard reference:	8.3.1

Other applicable standard reference(s):	
Non-Conformity (or Background/ Justification in the case of Observations): AVA Timber have very recently (27 August) become responsible for HFM Chain of Custody from the port to international customers. They aren't currently FSC COC certified and no FSC sales have been made through AVA yet. Therefore this is graded as an observation.	
Corrective Action Request (or Observation): Before any FSC material sales are made through AVA they must have FSC Chain of Custody certification.	
FME response (including any evidence submitted)	HFM NZ staff have been working with Rayonier (JV partner in AVA) to come up with the best system for managing COC. The proposal is that both Rayonier and Hancock will maintain CoC certification over the logs through the AVA process to the point of sale. AVA will manage the logs at the port on our behalf. Rayonier have just completed their annual FSC audit and have resolved their part of the process to the satisfaction of their auditors, and are currently finalizing the proposed invoice documentation. Once that is complete HFM NZ will amend our processes to reflect the new system and submit this to SCS for approval. Until this is completed no HFM NZ export logs are being sold as certified.
SCS review	To be reviewed at next audit
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input checked="" type="checkbox"/> Other decision (refer to description above)

Finding Number: 2020:03	
Select one: <input type="checkbox"/> Major CAR <input checked="" type="checkbox"/> Minor CAR <input type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	
<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input checked="" type="checkbox"/> 12 months or next regularly scheduled audit, whichever comes first (surveillance or re-evaluation) <input type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):	
Primary standard reference:	National Standard for Certification of Plantation Forest Management in New Zealand v5.7, 27 th September 2013. 4.2.4.
Other applicable standard reference(s):	
Non-Conformity (or Background/ Justification in the case of Observations): The auditor site induction at one (DK Logging) of the eight harvesting crews visited didn't include all HFM H&S Manual section 6.2.7.2 requirements. The crew had finished harvesting for the day and correctly noted no machinery hazards but didn't cover emergency and evacuation procedure or workplace layout.	
Corrective Action Request (or Observation): HFM shall ensure contractor staff cover all HFM requirements during site inductions.	
FME response (including any	This has been followed up with the crew involved. The contractor felt that given the auditor was fully accompanied by him at all times it was not necessary to cover

<i>evidence submitted)</i>	the evacuation procedure, given that in the event of an emergency he could directly supervise the auditor. However this has been noted.
SCS review	To be reviewed at next audit
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input checked="" type="checkbox"/> <i>Other decision (refer to description above)</i>

Finding Number: 2020.04	
Select one: <input type="checkbox"/> Major CAR <input type="checkbox"/> Minor CAR <input checked="" type="checkbox"/> Observation	
FMU CAR/OBS issued to (when more than one FMU):	
Deadline	<input type="checkbox"/> Pre-condition to certification/recertification <input type="checkbox"/> 3 months from Issuance of Final Report <input type="checkbox"/> 12 months or next audit (surveillance or re-evaluation) <input checked="" type="checkbox"/> Observation – response is optional <input type="checkbox"/> Other deadline (specify):
FSC Indicator:	6.6.4 and also refer to FSC-POL-30-001 V3-0 EN
Non-Conformity (or Background/ Justification in the case of Observations): An Environmental Social Risk Assessment (ESRA) for 1080 has been developed by the New Zealand forest industry but it doesn't incorporate conditions from the most recently approved New Zealand 1080 derogation. 1080 hasn't been applied within the HFM estate within the past year but it may be applied in the future.	
Corrective Action Request (or Observation): Prior to the use of 1080 HFM must incorporate into the ESRA the conditions from the most recently approved New Zealand 1080 derogation and the requirements from the most recent published draft of the International Generic Indicators.	
FME response (including any evidence submitted)	The 1080 ESRA will be updated to include the NZ derogation obligations prior to applying any 1080 in the estate.
SCS review	To be reviewed at next audit
Status of CAR:	<input type="checkbox"/> Closed <input type="checkbox"/> Upgraded to Major <input checked="" type="checkbox"/> <i>Other decision (refer to description above)</i>

5. Stakeholder Comments

In accordance with SCS protocols, consultation with key stakeholders is an integral component of the evaluation process. Stakeholder consultation takes place prior to, concurrent with, and following field evaluations. Distinct purposes of such consultation include:

- To solicit input from affected parties as to the strengths and weaknesses of the FME’s management, relative to the standard, and the nature of the interaction between the FME and the surrounding communities.
- To solicit input on whether the forest management operation has consulted with stakeholders regarding identifying any high conservation value forests (HCVFs).

Stakeholder consultation activities are organized to give participants the opportunity to provide comments according to general categories of interest based on the three FSC chambers, as well as the SCS Interim Standard, if one was used.

5.1 Stakeholder Groups Consulted

Principal stakeholder groups are identified based upon results from past evaluations, lists of stakeholders from the FME under evaluation, and additional stakeholder contacts from other sources. Stakeholder groups who are consulted as part of the evaluation include FME management and staff, consulting foresters, contractors, lease holders, adjacent property owners, local and regionally-based social interest and civic organizations, purchasers of logs harvested on FME forestlands, recreational user groups, tribal members and/or representatives, members of the FSC National Initiative, members of the regional FSC working group, FSC International, local and regionally-based environmental organizations and conservationists, and forest industry groups and organizations, as well as local, state, and federal regulatory agency personnel and other relevant groups.

5.2 Summary of Stakeholder Comments and Evaluation Team Responses

The table below summarizes the major comments received from stakeholders and the assessment team’s response. Where a stakeholder comment has triggered a subsequent investigation during the evaluation, the corresponding follow-up action and conclusions from SCS are noted below.

<input type="checkbox"/> <i>FME has not received any stakeholder comments from interested parties as a result of stakeholder outreach activities during this annual evaluation.</i>	
Stakeholder Comment	SCS Response
Feedback from all contractors is that HFM communication is good and they appreciate the company culture. HFM were very supportive with Covid 19 harvesting shutdown and restart facilitating the security of machinery, maintaining communication throughout the shut down and	Used as evidence of conformance

providing support to contractors.	
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6. Certification Decision

The certificate holder has demonstrated continued overall conformance to the applicable Forest Stewardship Council standards. The SCS annual evaluation team recommends that the certificate be sustained, subject to subsequent annual evaluations and the FME's response to any open CARs.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Comments:	

7. Annual Data Update

<input type="checkbox"/> No changes since previous evaluation.	
<input checked="" type="checkbox"/> Information in the following sections has changed since previous evaluation.	
<input type="checkbox"/> Name and Contact Information <input checked="" type="checkbox"/> FSC Sales Information <input type="checkbox"/> Scope of Certificate <input type="checkbox"/> Non-SLIMF FMUs <input checked="" type="checkbox"/> Social Information	<input checked="" type="checkbox"/> Pesticide and Other Chemical Use <input checked="" type="checkbox"/> Production Forests <input type="checkbox"/> FSC Product Classification <input type="checkbox"/> Conservation & High Conservation Value Areas <input type="checkbox"/> Areas Outside of the Scope of Certification

Name and Contact Information

Organization name	Hancock Forest Management (NZ) Ltd		
Contact person	Kerry Ellem		
Address	Unit 5, 120 Hamilton Street, Tauranga, New Zealand 3110	Telephone	+64 7 571 7915
	PO Box 13404, Tauranga, New Zealand 3141	Fax	+64 7 571 7920
		e-mail	kellem@hrng.com
		Website	Hfm.nz

FSC Sales Information

FSC salesperson	As above		
Address		Telephone	
		Fax	
		e-mail	
		Website	

Scope of Certificate

Certificate type	<input checked="" type="checkbox"/> Single FMU	<input type="checkbox"/> Multiple FMU
	<input type="checkbox"/> Group	
SLIMF if applicable	<input type="checkbox"/> Small SLIMF certificate	<input type="checkbox"/> Low intensity SLIMF certificate
	<input type="checkbox"/> Group SLIMF certificate	

# Group Members (if applicable)			
Number of FMU's in scope of certificate			
Geographic location of non-SLIMF FMU(s)		Latitude & Longitude: 38 degrees south, 176 degrees East	
Forest zone	<input type="checkbox"/> Boreal	<input checked="" type="checkbox"/> Temperate	
	<input type="checkbox"/> Subtropical	<input type="checkbox"/> Tropical	
Total forest area in scope of certificate which is:		Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac	
privately managed	226,898		
state managed			
community managed			
Number of FMUs in scope that are:			
less than 100 ha in area		100 - 1000 ha in area	
1000 - 10 000 ha in area		more than 10 000 ha in area	One
Total forest area in scope of certificate which is included in FMUs that:		Units: <input type="checkbox"/> ha or <input type="checkbox"/> ac	
are less than 100 ha in area	0		
are between 100 ha and 1000 ha in area	0		
meet the eligibility criteria as <i>low intensity</i> SLIMF FMUs	0		
Division of FMUs into manageable units:			

Social Information

Number of forest workers (including contractors) working in forest within scope of certificate (differentiated by gender):		
male workers: # 1133	female workers: # 107	
Number of accidents in forest work since previous evaluation:	Serious: # 14 LTI's 4 MTI's	Fatal: # Nil

Pesticide and Other Chemical Use

<input type="checkbox"/> FME does not use pesticides.				
Commercial name of pesticide / herbicide	Active ingredient	Quantity applied since previous evaluation (kg or lbs.)	Total area treated since previous evaluation (ha or ac)	Reason for use
<i>NB: The data below is for the 2019/2020 financial year (July 2019 to June 2020)</i>				
Cloralid 300	Clopyralid	2,041	1,837	Post-plant weed control
Cloram	Clopyralid	382	199	Pre/Post-plant weed control
Glyphosate 510	Glyphosate	35,551	5,539	Pre-plant weed control

Haloxyfop	Haloxyfop	100	56	Post-plant weed control
Hexagran 750	Hexazinone	13,832	7,891	Post-plant weed control
Hexol	Hexazinone	2,129	177	Post-plant weed control
Meturon	Metsulfuron	1,074	5,431	Pre-plant weed control
Picloram 200	Picloram	214	58	Post-plant weed control
Terbuthylazine 500	Terbuthylazine	91,049	7,258	Post-plant weed control
Trichloram Brushkiller	Triclopyr	591	1,068	Pre/Post-plant weed control
Valzine 500	Terbuthylazine	201	73	Post-plant weed control
DAP		6,186	78	Fertiliser
Magnesium Oxide		26,400	105	Fertiliser
RPR	Phosphate	150,707	789	Fertiliser
RPR/Ulexite	Phosphate/Boron	15,000	22	Fertiliser
Triple Super Phosphate	Phosphate	223,769	738	Fertiliser
Ulexite	Boron	24,300	682	Fertiliser
Urea	Nitrogen	166,749	411	Fertiliser
Cuprous Oxide	Copper	7,881	6,915	Control of the fungus <i>Dothistroma septosporum</i>

Production Forests

Timber Forest Products	Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac
Total area of production forest (i.e. forest from which timber may be harvested)	182,418
Area of production forest classified as 'plantation'	182,418
Area of production forest regenerated primarily by replanting or by a combination of replanting and coppicing of the planted stems	182,418
Area of production forest regenerated primarily by natural regeneration, or by a combination of natural regeneration and coppicing of the naturally regenerated stems	0
Silvicultural system(s)	Area under type of management
Even-aged management	
Clearcut (clearcut size range 0.5 – 300 ha)	182,418
Shelterwood	0

Other:	0
Uneven-aged management	
Individual tree selection	0
Group selection	0
Other:	0
<input type="checkbox"/> Other (e.g. nursery, recreation area, windbreak, bamboo, silvo-pastoral system, agro-forestry system, etc.)	0
Non-timber Forest Products (NTFPs)	
Area of forest protected from commercial harvesting of timber and managed primarily for the production of NTFPs or services	Significant areas of the plantation are used for recreational use (including commercial recreation operations). Some understory crops – most notably Ginseng in Maraeroa C (Central region). Approx. 222 ha pasture (grazing leases), 1007 ha utilities (powerline corridors etc.)
Other areas managed for NTFPs or services	As above significant areas of the plantation are also used for NTFP's and services.
Approximate annual commercial production of non-timber forest products included in the scope of the certificate, by product type	The forests are used for a range of private commercial ventures such as recreation businesses, movies, harvesting of punga ferns, firewood collection etc. No non-timber forest products from the forests are sold as FSC certified.
Species in scope of joint FM/COC certificate: <i>Scientific/ Latin Name (Common/ Trade Name)</i>	
Species within the estate include: <ul style="list-style-type: none"> • Pinus radiata • Pseudotsuga menziesii • Eucalyptus fastigata • Eucalyptus nitens • Eucalyptus regnans Numerous small areas of minor species (Cupressus lusitanica, Pinus muricata, Cryptomeria japonica)	

FSC Product Classification

Timber products		
Product Level 1	Product Level 2	Species
W1	W1.1 Saw logs and pulp logs	Variety
Non-Timber Forest Products		
Product Level 1	Product Level 2	Product Level 3 and Species

Conservation and High Conservation Value Areas

Conservation Area	Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac
Total amount of land in certified area protected from commercial harvesting of timber and managed primarily for conservation objectives (includes both forested and non-forested lands).*	36,074 ha

**Note: Total conservation and HCV areas may differ since these may serve different functions in the FME's management system. Designation as HCV may allow for active management, including commercial harvest. Conservation areas are typically under passive management, but may undergo invasive species control, prescribed burns, non-commercial harvest, and other management activities intended to maintain or enhance their integrity. In all cases, figures are reported by the FME as it pertains local laws & regulations, management objectives, and FSC requirements.*

High Conservation Value Forest / Areas			Units: <input checked="" type="checkbox"/> ha or <input type="checkbox"/> ac
Code	HCV Type	Description & Location	Area
HCV1	Forests or areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).	Cook Rd Forest, Whatoro Forest, Northland Confirmed by DOC as being part of an area with a nationally significant kiwi population, linking Trounson Park & Kaihu Forest Park.	316ha
		Houpoto Swamp, Houpoto Forest, Eastern Bay of Plenty. Large scale wetland, assessed by Bay of Plenty Regional Council as a site of national significance.	110ha
		Rawea wetland, Torere Forest, Eastern Bay of Plenty. High quality wetland assessed by Bay of Plenty	65.4ha

		<p>Regional Council as a site of national significance.</p> <p><i>NB: This wetland is within Torere Forest that is in the final process of being sold. Once finalized it will be removed from the list – potentially before the audit.</i></p>	
HCV2	Forests or areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.		
HCV3	Forests or areas that are in or contain rare, threatened or endangered ecosystems.	<p>Pokapoka Stream wetland, Waiomio Forest, Northland. A large wetland assessed as nationally significant by DOC staff.</p> <p>Lake Rd Lake, Kinleith Forest, Waikato Region. One of few natural lakes in the Ecological District, assessed by Waikato Region as nationally significant.</p> <p>Kokota Dunes Lake Morehurehu & associated wetlands Lake Te Kahika All three of the above are located in Te Kao forest, Northland. The dune lakes and Kokota wetlands are assessed by DOC as nationally significant.</p> <p>Te Ranginui wetland, Orete Forest. Kahikatea forest – nationally rare forest type.</p> <p>Tokerau A1 wetland Te Toke wetland 01 Te Toke wetland 02 Tikitere wetland 01</p>	<p>83.6ha</p> <p>25ha</p> <p>442ha 97.1ha</p> <p>76.4ha</p> <p>5ha</p> <p>8.3ha 15.8ha 12.7ha 10.6ha</p>

		<p>Tikitere geothermal reserves:</p> <p>LEPT-02 3.9ha</p> <p>LEPT-13 1.1ha</p> <p>LEPT-03 1.8ha</p> <p>LEPT-12 1.8ha</p> <p>LEPT-01 2.9ha</p> <p>Tikitere geothermal sinter terraces GEOT-01 1.3ha</p> <p>Tuhoe wetland 01 8.9ha</p> <p>Tuhoe wetland 02 7.9ha</p> <p>Tuhoe wetland 03 0.8ha</p> <p>Tuhoe wetland 04 3.1ha</p>	
HCV4	Forests or areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).		
HCV5	Forests or areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).		
HCV6	Forests or areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).	<p>Pohaturoa, Kinleith Forest, Waikato Region. Very important cultural site for Ngati Raukawa, Te Arawa and Tuwharetoa.</p> <p>Omaio waahi tapu (0851-RS02) 0.8ha</p>	36ha
Total area of forest classified as 'High Conservation Value Forest / Area'			1,338.2 ha

Areas Outside of the Scope of Certification (Partial Certification and Excision)

<input checked="" type="checkbox"/> N/A – All forestland owned or managed by the certificate holder is included in the scope.
