

Module Five

Principles, Criteria,
Indicators and
Standards – *Auditing
Guidance and
Template*



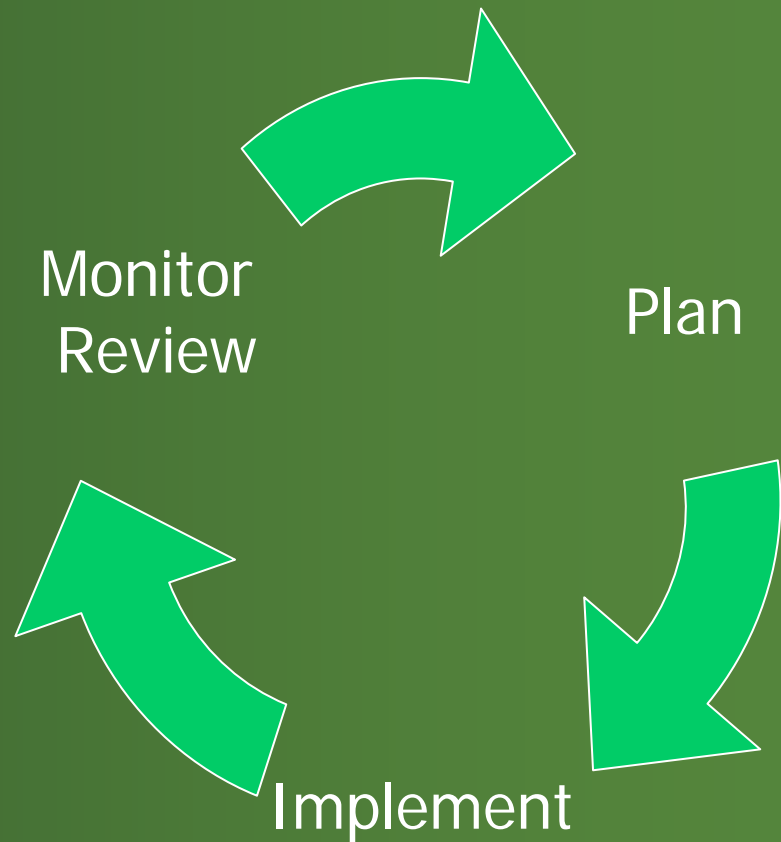
Aim of the Module

“Explaining Auditing to those who will be audited”

- Importance of auditing.
- How auditing will work.
- Audit manual layout.
- Self auditing.
- The audit.
- Advice.

The fundamental pillars of the PCI&S system are:

- Monitoring the sustainability of forestry operations.



Other benefits of auditing

- Reporting on the sustainability of forestry operations.
- Identification of problems, allowing for the development of corrective actions (ensuring continual improvement).
- Audits should be seen as a positive process.



Levels of auditing

- First Party audits.
- Second Party audits.
- Third party audits.



First Party audits in DWAF

- First Party audits:

- Estate Manager audit his/her own activities and amend management activities on the FMU accordingly.

- Auditor? Estate Manager.

- What will be audited? Key Steps.

Use the manual to constantly check if management is compliant with the requirements of PCI&S and SFM.

= SELF AUDITS.

Second Party audits in DWAF

- Second Party audits:
 - District Forest Manager conducts an audit on a neighbouring District (peer review) or another officer is appointed by the Regional Forestry Managers to conduct this audit.
- Auditor? District Manager of another District or Area Managers for another Area.
- What will be audited? Key Steps.

= PEER REVIEW AUDITS.

Third Party audits in the DWAF

- Third party audits:
 - Audits are performed by independent auditors from outside the FMU and company or DWAF team. The DDG Regional Coordination & Support is responsible for organising this audit. These auditors are not associated with the management of the FMU and no conflict of interest should exist.
- Auditor? (could also be outside consultants).
- What will be audited? Sample of estates.

= INDEPENDENT REVIEW AUDITS.

Audit guidance and template

- Standard template for all audits.

Ecological
 Criterion I

Ecological

Criterion I: Natural forests are protected

I.1 Indicator I.1: Implementation of forest protection plans.

Applies to: Natural forest Plantation forest State Corporate Medium Small

Measure I.1.1: Percentage of forest protection posts on staff establishment plan that have been filled.

Management goal: Numbers of protection personnel match the required number estimated by the forest manager to effectively manage the threats to the forest.

References: Procedure for the Protection of Forests (01 01); Proforma: Transgression Reporting Sheet; Proforma: Permit; Draft License; Guidelines; License; Business Process; License; Database; Law Enforcement Strategy; Forest Guard Tactical Deployment Plan; Procedure for Quarterly (1001) and Annual PCIS Reporting (1002)

| Key steps | Observation: | CAR: |
|--|---|------|
| 1. Quantify threat by recording all transgressions, and monitor on a regular basis. 2. Calculate and fill posts for forest protection and record costs per hectare 3. Implement a permit system to regulate authorised licenced activities. 4. Develop and implement tactical guard deployment plan 5. Monitor effectiveness of tactical guard deployment plan. 6. Ensure current management plans reflect the results of monitoring and/or reporting (refer to Procedure 1001 & 1002). | <i>Auditors guideline: Check that the manager has calculated his staff needs against his staff establishment and that he has planned his staff deployment routine. Check that the Transgression reporting sheet and the Permit/Licence system are being used.</i> | |

Who will need to use the Audit guidance and template in DWAF?

- Estate Managers:

- To monitor and evaluate their operations and to guide their management activities at Forest Management Unit level (First Party audits).
- To prepare for second party audits.

Who will need to use the Audit guidance and template in DWAF?

■ District Managers:

- To audit Districts not under their control (2nd party audit).
- To follow up on progress with Corrective Action Requests (CAR) from 1st and 2nd party audits.
- To report on progress for reporting purposes.

Who else will use this Audit guidance and template?

- Private forest owners.
- NGO's to assess the sustainability of forestry operations.
- Certification bodies to align their certification checklists with national level Criteria, Indicators and Standards.



Pilot Implementation – Who in DWAF?

- All staff related to the management of DWAF Estates:
 - Regional Managers.
 - District Managers.
 - Estate Managers.
 - Estate Foresters.
- Cluster Champions.



When will it be used?

- Estate Managers:
 - Everyday – to guide and serve as a reference document.
 - Continuously – to self audit.
 - Annually – to prepare for audits.
- District/Area Managers:
 - Everyday – to guide and serve as a reference document.
 - Annually – to audit estates.
 - Prepare an audit schedule by end March.

How will auditing work?

- Different levels of auditing.
- Second Party Audits:
 - Annual (schedule in place by March 2006).
 - District Managers are auditors.
 - Sample (1/3) or if possible, all estates.
 - Formal process of reporting and addressing corrective action requests (CAR's).
- Third Party Audits:
 - Sample of estates.

Why audit?

Through audits problems can be highlighted and action plans developed for their correction. Over time the aim should be to work towards attaining all the management goals as stated in the auditing checklist – which will ensure sustainable forest management.



Audit Manual Layout

Ecological

Ecological
Criterion I

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Examples

- Second party auditors will receive additional training in how to fill these document in, and how to follow up on progress with dealing with CAR's.



How will dealing with CAR's be followed up?

- The auditor and Estate manager “negotiate” CAR's, however the Auditor has the “final say”.
- The auditor develops a summary sheet of his findings. Sent to Estate Manager, Area Manager and District Manager.
- Estate Manager will respond to Audit report by incorporating CAR actions into planning.
- Checked during the next audit.

Audit advice

- Show commitment to the process.
- Do not make excuses – indicate corrective actions.
- Use the experience to learn.



Remember

- AUDITS ARE A TOOL TO IMPROVE MANAGEMENT!
- Whether first, second or third party, audits and auditors must be objective.
- Personal feelings and emotions should not play a role – audits are not personal.
- Auditors are not police!
- Audits should be a process to measure progress and to identify activities which need further work in future.
- Audits should be a learning process.

End of Module 5