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Tena Koe Harley

Re: Feedback to the Draft Report On The Impacts OF Permanent Carbon Farming in Te Tairawhiti

Thank you for your leadership and support by coordinating consultation in relation to this draft report and too for receiving responses from stakeholders of which Eastland Wood Council is one.

Who we are:

Eastland Wood Council - Te Kaunihera Pororākau o Te Tairāwhiti

The Eastland Wood Council (EWC) is an incorporated society which provides a collective voice for the forestry industry in Tairawhiti, for the benefit of Tairawhiti.

Our philosophy

Forestry is a vibrant, respected industry in Tairawhiti

Our Strategic Goals

- **Kaitiakitanga** Care for the Environment
- **Haumarutanga** Health And Safety
- **Whakawhanake** Growing Our People
- **Te Huarahi** Roads to Market

“ Kotahi te kakano, he nu inga hua o te rakau. A tree comes from one seed but bears many fruit. ”

Introduction

Eastland Wood Council (EWC) has consulted with members and key stakeholders in the forestry industry to canvass feedback on the draft report so that a collective response is provided.

Whilst the members of EWC are focused primarily on productive forestry that can be sustainably harvested, we acknowledge there are areas in Tairawhiti that should be in permanent forestry. EWC acknowledges the contribution provided by a number of industry colleagues. It is this collective knowledge and feedback that has informed EWC's response.

EWC believes in the value of collaboration and the spirit of goodwill and we ask that our response be directed to the report, not to the author or individual members of TEAP.

Response to the Draft Report on The Impacts of Permanent Carbon Farming in Tairāwhiti

We accept the main point of the report, which is that since we must plant forests, we need to have conversations about where they should go.

The carbon market provides an opportunity to accelerate much needed afforestation. Right Tree Right Place... WHO gets to say which is the right place? Ideally, these should be science based decisions and not based on emotion. Ultimately it is the landowners decision.

The government / council and local communities need to talk to one another to develop local solutions, rather than broad-brush policies. We too need to be part of those conversations.

Acknowledging the above, the report in its current form reads as though it is written for an express purpose. It reads as an advocacy piece and risks misleading public opinion. There too is an assumption the reader has an in depth understanding of permanent carbon farming.

The opening of the report needs to 'set the scene' for those who do not necessarily understand what permanent carbon farming is, or where it has come from.

Gaps in the report

The report seems to be treating all permanent pine forests the same, where is the diversity there? Permanent forests can be and often are, by well-informed landowners, integrated into farming enterprises, where the carbon income compliments farming income and the forest provides wider environmental benefits.

It is hard to determine what the report is meant to be comparing permanent forestry against, as counterfactuals shift between sections, with little indication of why these examples are chosen.

For example, the biodiversity section compares pines with natives, but the average wage section compares permanent carbon farming, production forestry and pastoral farming.

This shift unexplained, or how these different comparators should be interpreted.

Some of the evidence selected seems to be taken uncritically, or when there are wider evidence pools available. This is most obvious in the water quality sections, where there a wealth of evidence.

The conclusion seems to be that a change to the National Environmental Standards for Plantation Forestry (NES-PF), or new regulation is needed. This is NOT the case.

The NES-PF sets out the rules for managing planted forests that will be harvested or replanted. It does not cover forests that do not fit the definition, such as forests where there is no intention to harvest. Councils have the power to make policies and rules relating to forests that fall outside the NES-PF.

Cultural considerations/assessments are lacking. We URGE separate consultation with iwi and hapu.

There are obvious gaps in land use comparisons; conclusions are drawn between indigenous and forestry land use and pasture is negated - such as in the biodiversity and water quality sections.

Information gaps - it was agreed at the recent TEAP meeting there were information and data gaps. If a conclusion is being drawn where data is missing, the gaps should be identified and potentially actioned as a 'where to from here' to fill such gaps.

The tone of wording holds negative connotations and can steer a reader's opinion - such as "susceptible" being used in mention of LUC Classes 6-8 - this suggests harm. A more neutral tone would be more appropriate.

There is a lack of consultation with other regions and understanding of what working groups (forums) are currently in place discussing these types of issues. It was suggested this could be one of the next steps, however if the intention is for the report to come out of draft and then sent to central government we think it should be considered prior.

The report assumes a 35-year harvestable age class, however this is not necessarily correct due to variability across and within different forests in the region.

It appears the writer of the report does not understand the RMA - the 'solution' given at the end of the report was to use a resource consent to capture the management of permanent forests and form an expert panel to determine what the regulation should look like.

A resource consent would only capture the environmental effects and a large component of the recent discussion was around the economic liability of permanent forests.

Although we agree there should be some sort of regulation for permanent carbon forestry, the 'solution' put forward in the report was NOT appropriate to cover the conclusions drawn by the report.

No mention of the positives of permanent carbon forestry:

- Such as that mentioned at the recent TEAP meeting, where forests retain sediment on the hill comparative to grassland of some LUC Classes which is more susceptible to erosion.
- The benefit that forest cover can have on stream health through shading and the removal of stock.
- Acknowledgement that planting trees is a vital effective short-term tool to slow climate change and combat soil erosion.
- Sediment is the master stressor in our rivers and estuarine environments. Planting trees on a significant scale will reduce sediment loads and improve water quality.

Every official report written about managing climate change in New Zealand has promoted the use of forests for carbon sequestration "Every One". This includes the latest one from the Climate Change Commission.

Planting forests buys New Zealand much needed time to find ways to permanently cut emissions from fossil fuels. But to qualify for international carbon offsets, these forests have to be planted on grassland, like in East Cape.

Q. Which parts of Tairāwhiti (marginal land...) should be taken out of pasture and put into trees?

Q. Will decisions be preceded by consultation?

Q. Will decisions be informed by environmental considerations which are an important driver of land use?

In a perfect world, decisions should be based on the productive capability of the land and environmental considerations. But this is not a perfect world. It is a free market, neo-liberal world.

If an East Coast farmer wants to sell up, and the highest bidder for his land is a forest investor, the land will go into trees.

Q. How does the local community adjust to that?

The report suggests permanent carbon forests will be 'unmanaged' seems rather naïve, since each forest will become a huge asset that is important for carbon storage, valuable for eco-system services and potentially harvestable for timber once climate change is under control.

Every forest owner will want to see their asset increase in value over time, and seek to protect it against pests, diseases, fire and neglect.

Q. Why wouldn't they?

If log prices are high enough AND carbon prices low enough, we would expect most "plant and leave" carbon forests to be harvested, driving the local economy.

The precedent for a carbon price crash was set by the John Key and Bill English led government in response to the 2009 GFC, where very cheap UN-approved foreign carbon credits (CERs from the UN's Clean Development Mechanism) were allowed into the NZ ETS at a price as low as 3c causing the price of NZUs to fall below \$2 around 2012. Given the NZ Carbon market is essentially a political commodity this could happen again.

Equally, if log prices fall by 40-50% from the current all-time high, we could see little if no plantation forest located between Ruatoria and Te Kaha to be harvested, given the high log cartage cost.

Q. Does that make those and other exotic conifer plantations established at the economic margin "bad" regardless of the fact that they provide many of the same ecosystem services as permanent native forests?

The report should mention a 'where to from here' or 'next steps' component which speaks to future workstreams.

Next steps

- Responses provided to the draft report be acknowledged.
- Responses inform amendments to the draft report (review/approval).
- TEAP members and affiliates agree to formation of a technical working group to discuss what the future workstreams would be.

Future workstreams to include

- Regulatory workstream - with experts in policy/planning which can address how permanent carbon forests can be capture by regulation.
- Catchment management - work at this level to understand eligible land in each catchment and the implications / community / cultural values.
- Region integration - Working with other regions to inform Govt on impacts / solutions.

Acknowledgements

Industry colleagues who have informed EWC's response

- Danny Boyle
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- Daniel Williams
- Bill Wheeler

Naku noa na



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Attachments:

The Forestry ETS - Now and in the Future - 16th June 2021

Links overleaf

Click to view links:

<https://www.stuff.co.nz/environment/climate-news/125508000/carbon-farmers-bought-swathes-of-nz-promising-to-create-native-forests--but-researchers-doubt-it-will-work>

<https://www.interest.co.nz/rural-news/108533/fundamental-change-occurring-economics-production-versus-permanent-forests-policy>

<https://unfccc.int/topics/land-use/workstreams/land-use--land-use-change-and-forestry-lulucf>

https://hbrc.sharepoint.com/:b:/s/Publications/EYoHqPVPJF1BsCgaefg6sYBZI1tdUuD_uT9OvnkkWOi_wg

<https://www.lawa.org.nz/explore-data/gisborne-region/river-quality/waipaoa-river/rere-falls/>

<https://nz.pfolsen.com/market-info-news/wood-matters/2013/november/economic-impact-assessment-of-the-forest-industry-in-the-gisborne-tairawhiti-region/>

Ends.