



1 August 2023

S23.11

Submission to the Ministry for Primary Industries on A redesigned NZ ETS Permanent Forest Category

Introduction

1. The National Council of Women of New Zealand, Te Kaunihera Wāhine o Aotearoa (NCWNZ) is an umbrella group representing around 60 affiliated organisations and 300 individual members. Collectively our reach is over 200,000 with many of our membership organisations representing all genders. NCWNZ has 13 branches across the country.
2. NCWNZ's vision is a gender equal New Zealand and research shows we will be better off socially and economically if we are gender equal. Through research, discussion and action, NCWNZ in partnership with others, seeks to realise its vision of gender equality because it is a basic human right.
3. This submission has been prepared by the NCWNZ Climate Change and Environmental Sustainability Action Hub after limited consultation with the membership of NCWNZ.
4. NCWNZ passed a resolution in 1979 that urged the Minister of Forests to formulate an active policy of encouraging the replanting of indigenous species in the restocking of New Zealand forests.

Summary

5. NCWNZ supports the introduction of the transition forest category into the ETS as a mechanism to enable the move from reliance on exotic forest for carbon credits and into increasing indigenous forest. The greater diversity of species of indigenous forest will enable greater resilience to environmental pressures such as climate change and disease.

Design choice 1: Which forests should be allowed into the permanent forest category?

Question 2: Do you agree with our assessment criteria for the redesigned permanent forest category? If not, what would you change and why?

Question 3: Do you think any of these criteria are more important than the others? If so, which criteria and why?

6. The 5 assessment criteria laid out on pp 14 and 15 can be grouped into two categories.
7. In the group of essential criteria are numbers 1 and 2.
 - 1) Provide long-term carbon sequestration (particularly from indigenous forests)
 - 2) Helps improve climate change adaptation and resilience
8. Both these embody the actions needed to mitigate and adapt to the effects of climate change. In our submission last year¹ on the consultation document *Managing exotic afforestation incentives*² our members were strongly in support of ranking priorities so that those that strengthen environmental gains should rank first. Again in the current consultation we consider that numbers 1 and 2 will give the most environmental benefit.
9. Criterion 3 (Provide positive environmental outcomes) is partially included within 1 and 2, but also gives room for support for other positive benefits, several of which such as water quality and land stabilisation, are often included within the remit of ecosystem services.
10. Other benefits will include greater variety of habitats, increased variety of food sources for animals both of which will encourage increased biodiversity.
11. Criteria 4 (Support Māori aspirations for their land) and 5 (Support rural economies and communities) will be strengthened as a consequence of promoting forestry that fulfils the first three. Regardless of any other assessment, Criteria 1 and 2 must be the main drivers to bring in protections on the threats brought by climate change.

Question 4: Of these options, what is your preferred approach? Why? Are there other options you prefer, that we haven't considered?

Option 1.1: only transition forests and indigenous forests can enter the permanent forest category.

12. This seems to be unnecessarily restrictive and thus not the preferred choice.

¹ NCWNZ. 2022. *Submission to the Ministry for Primary Industries on Managing exotic afforestation incentives*. S22.07. https://assets.nationbuilder.com/ncwnz/pages/1026/attachments/original/1651447324/S22.07_Managing_Exotic_Afforestation_Incentives_.pdf?1651447324

² Ministry for Primary Industries. 2022. *Managing exotic afforestation incentives: A discussion document on proposals to change forestry settings in the New Zealand Emissions Trading Scheme*. MPI Discussion Paper no. 2022/02. <https://www.mpi.govt.nz/dmsdocument/50206-Managing-exotic-afforestation-incentives-Proposals-to-change-forestry-settings-in-the-NZ-Emissions-Trading-Scheme>

Option 1.2: exotic forests be allowed to enter under limited circumstances, Sub-options:

- a. long-lived exotic species (such as redwoods)
- b. Māori-owned land (Whenua Māori and/or settlement land)
- c. Small-scale forests on farm (e.g., less than 50 ha)

13. This is the preferred option as it increases flexibility and a greater variety of possible plantings. Restricting sub-option c to plantings on farms seems limiting and this category could be broader. For example, it may become possible to include semi-urban plantings (e.g. arboreta, Regional Parks). If these areas become eligible for inclusion, then there is incentive to maintain such plantings rather than expose them to the risk of removal.
14. The greatest impacts of climate change are likely to be experienced first and to a larger extent by our most vulnerable communities, which include Māori. It is important, therefore, to ensure that changes to the regulations and requirements are made in partnership with iwi to ensure that this does not exacerbate economic impacts for Māori-owned land.

Question 6: Do you think there is an opportunity to use permanent forests to stabilise erosion-prone land?

15. As indicated in the consultation document (p. 20), permanent forests present a well proven way of increasing the resilience of slopes to erosion, and because there is no or little expectation of logging as financial gain with the challenges of the terrain, then this becomes of long-term benefit.

Question 7: Do you think the Government should consider restricting the permanent forest category to exotic species with a low wilding risk?

16. The precautionary principle should be a key driver in this circumstance. There has been so many instances of exotic species becoming established in New Zealand and subsequently becoming a major pests – it is preferable to prevent this. Once pests are established, they present a much more difficult problem.
17. One person commented that when she was a member of the NZ Conservation Authority 2005 – 2008, visits were made to different Conservancies to discuss the conservation management problems in the area. In every visit, the number one problem was wilding pines.

Design Choice 2: How should transition forests be managed to ensure they transition from exotic to indigenous forests and reduce the financial risks to participants?

Option 2.1: Retain the status quo (transition forest accounting using stock change accounting).

Option 2.2: New mandatory specific carbon accounting methods for transition forests in the permanent forest category.

18. The preference is for Option 2.2. Given that transition forests are a different way of thinking about forestry it should be expected that a different way of accounting in that

system would be required. Patching the already existing accounting methods onto a new management type is likely to create more problems than designing a new system specific to the subject.

Question 8: Do you agree with the proposal for a specific carbon accounting method for transition forests? If you disagree could you please provide the reasons why? If there are other options you think we should consider please list them.

19. There is agreement with this proposal. It needs to take cognisance of the longer length of time for trees to become established and sequester significant quantities of carbon. It is not a short-term investment of finance or effort.

Question 9: If you agree with the proposal for a specific carbon accounting method for transition forests, what do you think it needs to achieve?

20. It needs to

- allow for increase in value over time as indigenous species become established and then dominant in the forest;
- take account of consequential environmental gains such as erosion control, freshwater management;
- have consideration for end use of exotic trees removed as part of the transition – have these been used for short-term products such as paper, or for products such as furniture or construction framing in which the carbon continues to be sequestered long-term.

Question 10: What do you think should occur if a forest does not transition from a predominately exotic to indigenous forest within 50 years?

21. There is a variety of measures that could be used to check on progress of the transition:

- use of fly-overs with or without aerial photography
- a series of checkpoints at stages along the transition

22. If there is no or little evidence of progress then a series of penalties could be imposed such as:

- allowing a lesser value of carbon credits, while taking care not to deter the option from being taken up
- shorting the time period between monitoring visits.

23. Because monitoring will be more difficult in remote areas, there will necessarily be significant reliance on good will and trust.

Design choice 3: How should permanent forests be managed?

Option 3.1: Status quo (no additional forest management requirements introduced for forests in the permanent forest category)

Option 3.2: New minimum forest management requirements – specific to the permanent forest category – are introduced for all registered permanent forests (exotic, indigenous and transition forests)

Option 3.3: New forests management requirements are needed for transition forests

Question 11: Of these options, what is your preferred approach? Why? Are there other options you prefer, that we haven't considered?

24. Option 3.1 clearly is not effective as demonstrated during the storms over the past few years. There is evidence of considerable disquiet among the general population as to the devastation caused by the quantities of forestry waste created by weather events – this was reported in depth in “Outrage to Optimism: report of the Ministerial enquiry into land use associated with the mobilisation of woody debris”³.
25. Option 3.2 and 3.3. Forests managed themselves for thousands of years and it is only since humans started interfering that there has been a change. Management of human induced changes is necessary to enable forests to thrive.
26. Climate change from global heating is the overarching problem and out of this comes the questions of what is needed to support forest growth. Forest owners should be considering mechanisms such as pest control (both pest plants and pest animals), management of plant and animal pests such as kauri dieback, ways to minimise the impacts of human activities needed for management purposes, methods of harvest of the exotic trees so enable the transition to indigenous (eg. is helicopter harvesting appropriate to reduce the need to construct access ways for machinery?)

Question 13: Do you think transition forests should be required to meet specific timebound milestones to demonstrate they are on a pathway to successful transition?

27. Such milestones provide a way of tracking progress over time and show that the planned for transition is occurring. Because indigenous species are slow growing the overall time frame will be extended. It is important for those engaged in management of the forests to know that change is happening and their work is making a difference albeit slowly.

Questions 16 – 20: Forest management plans

28. Strategic plans provide a vision for the future by setting out where the project is going and what will it look like on completion. They are used in many different settings. Local Government utilises a 10-year planning cycle to set focus and desired outcomes for

³ New Zealand. Ministerial Inquiry into Land Uses in Tairāwhiti and Wairoa. 2023. Outrage to optimism: report of the Ministerial enquiry into land use associated with the mobilisation of woody debris (including forestry slash) and sediment in Tairāwhiti/Gisborne District and Wairoa District.. <https://environment.govt.nz/assets/Outrage-to-optimism-superseded.pdf>

territorial authorities; Conservancies develop Conservation Management Strategies; the Department of Conservation produces National Park management plans.

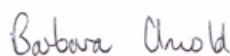
29. Management plans fall out of strategic plans and give steps of how to “arrive at the destination”, and what needs to be done along the way, with marker points to assess progress. For example, Local Authorities produce Annual Plans based on the ambitions as expressed in the 10-year plans. Utilising such plans in the management of forests would be part of accepted practice.
30. Management plans must be reviewed regularly and particularly when the relevant strategic plan covers a long-time frame. Forest management plans could use a regime of review similar to those for local authorities. Management plans are important for transition forests as they convert gradually from exotic to indigenous forests, and review of progress and next steps should happen annually as with Local authorities.
31. Such plans could include topics such as:
- planting plans
 - sourcing suitable plants, (preferably eco-sourced) with a view to right plant, right place
 - management of the planting to reduce damage to already existing vegetation, and for any harvesting required
 - training of workforce and practicalities of working in forest including safety
 - pest control and eradication
 - development of education programmes in conjunction with Enviroschools network,⁴ Regional Councils to promote understanding of indigenous forests and the life within them

Conclusion

32. The proposal for the introduction of transition forests into the ETS is a novel suggestion and one that supports the preference for indigenous forests to be included. The move from monoculture to a forest rich in diversity will bring other environmental gains.
33. It allows for the change to happen slowly to accommodate the growth of the trees and there will need to be adjustments to the carbon accounting accordingly. The planning and monitoring of forests in transition will be critical to their success.



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⁴ <https://enviroschools.org.nz/>