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Growing the future

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ERF Method Development Priorities for 2022
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Emissions Reduction Fund – Method Development Priorities for 2022

Thank you for the opportunity to provide input into the process for identifying method development opportunities for Australia's Emission Reduction Fund.

Private Forests Tasmania (PFT) is an independent statutory authority established under the Tasmanian *Private Forests Act 1994*. We work to facilitate and expand the sustainable growth and development of the private forest resource in Tasmania. Under our Corporate Plan 2020-23 one of our goals is to work with policy makers and regulators to improve regulatory efficiency and practical policy settings for private forestry.

Tasmania's privately managed forest estate is currently comprised of some 842 000ha of native forest, 177 000ha of hardwood plantation and 74 000ha of softwood plantation which in total makes up approximately 16% of the total land in Tasmania. Over 80% of Tasmania's wood fibre production comes from these private forests.

Throughout 2020 PFT has been actively participating in the Clean Energy Regulator's (CER) review of the plantation forestry method and we commend the CER for their inclusive review. We are confident the proposed changes to the method, if approved, will result in improved participation in the ERF by Tasmanian plantation managers and farm foresters leading to greater emissions reductions.

While the plantation forestry method and the farm forestry method provide a pathway for ERF participation by plantation managers and farm foresters, there is limited opportunity to participate for native forest managers who wish to manage their forests for wood and non-wood values including carbon sequestration. PFT's view is that a sustainable native forest management methodology should be a high priority for development in 2022.

A new native forest management methodology could recognise the additional carbon sequestration in native forests brought about by specific silvicultural interventions such as thinning, enrichment plantings or extended rotation lengths.

In the case of thinning, it is recognised* that even aged regrowth stands characterised by densely stocked trees competing for limited resources (i.e. moisture, nutrients and light), can undergo significant productivity and carbon improvements over the medium to long term when thinned. Furthermore, the retained trees will likely produce solid wood products when harvested that have a long lifespan that further improves carbon outcomes. PFT believe the new method should also account for the substitution impacts associated with the use of solid wood products in lieu of the alternative greenhouse-intensive materials, namely concrete and steel.

Another priority for method development in 2022 should be the use of forest residues. Residues are created when forests are harvested or thinned. Only a proportion of the tree biomass is removed from the

forest for processing and the residue that remains is either burnt or decays over time. Similarly, wood waste is created through the sawmilling and production processes and while some may be used for on-site heat and energy, most of this waste is not used at all. In both cases, this biomass could be used for bioenergy and substituting for fossil fuel use.

A residues methodology could potentially be built into a new native forest method or as an add on to the existing plantation forestry method. It could also be a standalone methodology that includes other sectors such as agriculture and waste management.

Notwithstanding the above suggestions for new methodologies for the ERF, PFT is hopeful that the Australian Government's approach to tackling climate change will eventually move beyond these strict government mandated frameworks such as the ERF and allow the market more freedom to decide where the best opportunities are for reducing carbon emissions. The current mobilisation of capital across the globe away from carbon intensive industries and activities and into carbon friendly industries will demand a more enlightened approach that is less regulated and controlled by governments.

We look forward to further engagement with the CER to reduce carbon emissions. If you have any queries or need further expansion on the points raised above, please contact myself on 03 6165 4070 or Murray Root on 03 6165 4072.

Yours sincerely,

[redacted]

Penny Wells
CEO Private Forests Tasmania

*References

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