Private **Forests** Tasmania

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Consultation Hub
Department of Climate Change, Energy, the Environment and Water
CANBERRA, ACT

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Consultation – Emissions Reduction Fund and the 'water rule'

Thank you for the opportunity to provide feedback on the proposed amendments that will remove the water rule.

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. We do this through providing information to private forest growers, through research collaborations, advocacy, innovation and planning tools. Under our Corporate Plan 2022-25 one of our four goals is to work with policy makers and regulators to improve regulatory efficiency and practical policy settings for private forestry.

The forestry industry in Tasmania has long identified the water rule as a significant impediment to plantation owners participating in the Emission Reduction Fund. This in turn is stifling the expansion of the plantation estate including farm forestry which is contrary to the stated goals of the Australian Governments National Forest Industries Plan. PFT therefore strongly supports the Australian Governments intention to remove the water rule by repealing section 20AB of the *Carbon Credits (Carbon Farming Initiative) Rule 2015*.

We acknowledge the previous Government's actions to reduce the areas within Tasmania that are affected by the water rule. However there are considerable areas remaining where the rule still applies. Those areas roughly correspond to the boundaries of six Tasmanian water catchments - Lower Derwent, Derwent Estuary-Bruny, Ouse, Clyde, Jordan and Pitt-Water Coal.

PFTs own analysis shows there are over 28,000 hectares of plantation forest already established in these catchment areas with significant additional areas being assessed by the Tasmanian Governments Enterprise Suitability Mapping as suitable for new plantation establishment. Without the incentives offered by the ERF, the establishment of new plantations, and indeed the continuation of the existing plantations, becomes a considerably less attractive option for landowners and managers in these areas.

In Tasmania we have a comprehensive and contemporary water management framework which has been designed to be risk based and align with the reforms introduced through the Australian Government's National Water Initiative (NWI). Tasmania's <u>Rural Water Use Strategy</u> sets the overarching policy framework in Tasmania to ensure the integrated, fair and efficient regulation of our water resources to deliver sustainable outcomes for rural water users, rural communities and the environment, while maintaining Tasmania's competitive advantages in a changing climate.

Under the framework sits a range of other strategies, legislation and policies that deliver sustainable water management. The *Water Management Act 1999* regulates specific water management activities and arrangements such as the establishment of water districts, the preparation of statutory water management plans, the issuing of water allocation licenses and permits for the construction and

maintenance of dam works and wells. In addition, our irrigation districts have their own suite of legislation, regulations and policies that apply to them.

In regard to plantations specifically, there are already strict controls in place for where plantations can be established. This is enshrined in the <u>State Policy on the Protection of Agricultural Land</u> which is implemented through the Tasmanian Planning Scheme.

Tasmania's comprehensive suite of strategies, legislation, policies and plans already deliver considered, risk based water management outcomes. The additional regulatory overlay that the water rule provides is an unnecessary and clumsy example of red tape.

The National Forest Industries Plan makes a strong commitment to growing the plantation estate. The imposition of any barriers, actual or perceived, on plantation projects accessing the ERF is arguably incompatible with this plan. In order to simplify the regulations and reduce red tape, and to ensure equity of access to the ERF, it makes sense that the water rule be removed completely from this State.

If you have any queries on the points we have raised, please contact our CEO Penny Wells on 03 6165 4070 or our Policy & Data Officer Murray Root on 03 6165 4072.

Yours sincerely,

Phillip Bishop A/CEO Private Forests Tasmania