

From: [charles.laws](#)
To: [etsconsultations](#)
Subject: Carbon capture for credits
Date: Saturday, 26 August 2023 10:32:02 am

MFE CYBER SECURITY WARNING

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.Greetings, Is there any discussion about direct deposit of captured carbon -specifically by reduction of plant tissues to a mineral form of carbon and its secure and stable distribution?

Thank you.

/ Charles Laws

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From: [owenrivercottage.Schlegel](#)
To: [etsconsultations](#)
Subject: Emissions Scheme
Date: Wednesday, 9 August 2023 7:15:21 pm

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The cost of planning and submitting a small 1-2 Hectare project on the South Island is cost prohibitive. Have gotten prices from above \$5k to consultants not wanting to touch submittals?? The submissions should be user friendly and affordable so the country can capture Carbon. Jon Schlegel having a few Hectares of pine and redwoods and with native matai and totara as well on Owen and Buller Rivers.

Sent from [Mail](#) for Windows

From: [Peter Jackson](#)
To: [etsconsultations](#)
Subject: Emissions trading scheme
Date: Friday, 4 August 2023 3:11:22 pm

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Hello. I believe the scheme is flawed on 4 counts.

First is that using pines which poison the fish/crayfish life in the streams from leach is anti environment and yet pines are promoted to improve the environment.

Secondly the root structure of pine is singular and shallow whereas native trees have variable depth root structure and therefore better at reducing slipping.

Thirdly pines may be fast growing but are short term whereas native is long term.

Fourth Native is many many times better than pine as food and shelter for fauna.

Planting pines for the benefit of the overall environment is incorrect. It concentrates on one benefit while ignoring the consequences.

Peter Jackson

From: [Matt Forsman](#)
To: hello@climatecommission.govt.nz; Forestryets@mpi.govt.nz; [etsconsultations](#)
Subject: ETS Review Submission
Date: Monday, 31 July 2023 2:51:27 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Matt Forsman



1st August 2023

To whom it may concern,

I am writing to you to express my views regarding the current review of the NZETS. I support retaining the current framework but with aspects of proposals 2 (open trade of NZUs to global economy) and 3 (limit proportion of emissions to be offset with forestry removals).

Keeping with the status quo would ensure a rate of return via the ETS that could reliably fund climate investment to meet our 2050 goal, without placing further burden on the taxpayer. International competition would ensure higher value returns for the Government to in turn fund New Zealand's reduction plan, and limiting the forestry removals would address concerns about land conversion and oversaturation of the market. I strongly oppose option 4 as it is unclear that the benefits of this proposal would outweigh the time and cost to design and implement, particularly if the ongoing uncertainty continues to affect market confidence.

Further, continued tinkering with the ETS avoids tackling what is arguably the biggest obstacle to meeting our climate goals, which is reducing gross emissions. The problem for reducing gross emissions is not with supply side (forestry removals) but with the demand side; namely, the overly generous industrial allocation gifted to emitters at the outset of the ETS. Option 3 is effectively already implemented, as due to industrial allocation large emitters are only required to pay for NZUs to offset 10-40% of their current emissions budgets.

A faster and harder "sinking cap" on the industrial allocation for larger emitters would right the balance of benefits more towards New Zealanders by providing a stronger incentive on those emitters to progress their reduction plans and ensuring the ETS is optimally leveraged to fund our broader transition towards a low-emissions economy.


It is evident from the market's behavior that the NZETS is considered a key tool to drive down gross emissions to deliver a low carbon economy by 2050. If a harder and faster sinking cap on the industrial allocation was applied, gross emissions would reduce at a faster rate in line with the Emissions Reduction Plan. The NZETS would continue to be used to offset any remaining emissions each year, this would eventually be just a fraction of current day emissions.

The price of units would be expected to rise in line with demand but reduce over time in line with gross emission reductions. Because of our future low carbon economy, we would predictably experience a lower carbon price by 2050, therefore allowing forests to become financially viable to harvest. At that point, the ETS would have done its job in supporting us meeting our reduction plan.

Forestry remains a significant sector of the economy regardless of the ETS; however, it is also one of the only readily available tools we currently have at hand to fund and incentivise emissions reductions. I would therefore encourage you to keep to the status quo and consider other options to address the more significant issue of gross emissions, which in my view requires less Government funding to large emitters and more targeted investment to deliver on the adaptation and reduction plans.

Warmest regards,

Matt Forsman

From: 
To: [etsconsultations](#)
Subject: ETS Submission
Date: Monday, 24 July 2023 11:10:40 am

MFE CYBER SECURITY WARNING

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Good morning

Before anything is done in this space we need to do due diligence to find out if our weather has been weaponised. There are over 100 patents on weather modification, numerous conflicting news articles, job advertisements for pilots/ground staff etc, trails in the skies & HAARP facilitie articles. Now using "conspiracy theory" ain't going to cut liability for anyone involved in what could be the crime of the century, fraud, money laundering, folk dieing in adverse weather events. Due diligence must be done to find the truth before anything fake can be implemented on the people. Do your jobs properly.

Regards



From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: FW: ETS Review Submission
Date: Tuesday, 1 August 2023 9:24:14 am

From: [REDACTED]
Sent: Tuesday, August 1, 2023 7:34 AM

To: [REDACTED]
[REDACTED] [REDACTED]
Subject: FW: ETS Review Submission

Kia ora [REDACTED] - See below submission.
Ngā mihi,
[REDACTED]

From: [REDACTED]
Sent: Monday, July 31, 2023 4:20 PM

To: [REDACTED]
[REDACTED]
Subject: FW: ETS Review Submission

Hi [REDACTED] - below is a submission which has come in.

From: Matt Forsman [REDACTED]
Sent: Monday, 31 July 2023 2:20 PM
To: J Shaw (MIN) <J.Shaw@ministers.govt.nz>; james.shaw@greens.org.nz
Subject: ETS Review Submission

Matt Forsman
[REDACTED]

1st August 2023

Hon. James Shaw

Climate Change Minister, Associate Minister for the Environment.

Private Bag 18888

Wellington 6160

Dear James.

I am writing to you to express my views regarding the current review of the NZETS. I support retaining the current framework but with aspects of proposals 2 (open trade of NZUs to global economy) and 3 (limit proportion of emissions to be offset with forestry removals).

Keeping with the status quo would ensure a rate of return via the ETS that could reliably fund climate investment to meet our 2050 goal, without placing further burden on the taxpayer. International competition would ensure higher value returns for the Government to in turn fund New Zealand's reduction plan, and limiting the forestry removals would address concerns about land conversion and oversaturation of the market.

I strongly oppose option 4 as it is unclear that the benefits of this proposal would outweigh the time and cost to design and implement, particularly if the ongoing uncertainty continues to affect market confidence.

Further, continued tinkering with the ETS avoids tackling what is arguably the biggest obstacle to meeting our climate goals, which is reducing gross emissions. The problem for reducing gross emissions is not with supply side (forestry removals) but with the demand

side; namely, the overly generous industrial allocation gifted to emitters at the outset of the ETS. Option 3 is effectively already implemented, as due to industrial allocation large emitters are only required to pay for NZUs to offset 10-40% of their current emissions budgets.

A faster and harder “sinking cap” on the industrial allocation for larger emitters would right the balance of benefits more towards New Zealanders by providing a stronger incentive on those emitters to progress their reduction plans and ensuring the ETS is optimally leveraged to fund our broader transition towards a low-emissions economy. It is evident from the market's behavior that the NZETS is considered a key tool to drive down gross emissions to deliver a low carbon economy by 2050. If a harder and faster sinking cap on the industrial allocation was applied, gross emissions would reduce at a faster rate in line with the Emissions Reduction Plan. The NZETS would continue to be used to offset any remaining emissions each year, this would eventually be just a fraction of current day emissions.

The price of units would be expected to rise in line with demand but reduce over time in line with gross emission reductions. Because of our future low carbon economy, we would predictably experience a lower carbon price by 2050, therefore allowing forests to become financially viable to harvest. At that point, the ETS would have done its job in supporting us meeting our reduction plan.

Forestry remains a significant sector of the economy regardless of the ETS; however, it is also one of the only readily available tools we currently have at hand to fund and incentivise emissions reductions. I would therefore encourage you to keep to the status quo and consider other options to address the more significant issue of gross emissions, which in my view requires less Government funding to large emitters and more targeted investment to deliver on the adaptation and reduction plans.

Warmest regards,

Matt Forsman

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: FW: Forestry, Climate Change and the ETS: Collective damage
Date: Friday, 30 June 2023 12:03:29 pm

[REDACTED]

From: [REDACTED]
Sent: Friday, June 30, 2023 11:42 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: Forestry, Climate Change and the ETS: Collective damage
See below and point about treating as a **sub**.

Ngā mihi,
[REDACTED]s.

From: [REDACTED]
Sent: Wednesday, June 21, 2023 2:38 PM
To: [REDACTED]
[REDACTED]; Climate Change and Biodiversity
<ClimateChange.andBiodiversity@parliament.govt.nz>
Subject: FW: Forestry, Climate Change and the ETS: Collective damage
Hi [REDACTED] – **one to treat as a submission**

From: Grant Dodson [REDACTED]
Sent: Tuesday, 20 June 2023 11:59 AM
To: Dennis Neilson [REDACTED]; Joseph Mooney
<Joseph.Mooney@parliament.govt.nz>; Hon Todd McClay <Todd.McClay@parliament.govt.nz>;
Hon Peeni Henare <Peeni.Henare@parliament.govt.nz>; Hon James Shaw
<James.Shaw@parliament.govt.nz>; Hon Damien O'Connor
<Damien.O'Connor@parliament.govt.nz>; David Rhodes [REDACTED];
[REDACTED] Emily Pope [REDACTED]; Nicola Willis
<nicola.willis@national.org.nz>; chris.luxton@national.org.nz;

Cc: Don Carson <[REDACTED]>; 'David Rhodes' <[REDACTED]>;
[REDACTED]
President <president@nzif.org.nz>; 'President NZFFA' <president@nzffa.org.nz>

Subject: Forestry, Climate Change and the ETS: Collective damage

Dear Political Leaders & others

We are extremely concerned on the future of forest investment in New Zealand.

Unfortunately the effect of your collective and combined actions being;

- Govt ignoring CCC advice in Dec regarding ETS auction settings
- Leading to reduced NZU price and failed Govt NZU auctions
- CCC 2023 advice on restricting forestry (misinformed and drawing inappropriate conclusions of forestry in my view, as per FOA submission)
- OIA changes / proposals effectively messaging to foreign investors they are not wanted for forest investments especially on farms.

- Labour's intention to require regional council consenting of afforestation (extremely damaging unless strictly applied only to Carbon / permanent forests))
- National's proposed afforestation limits and 3 year moratorium on forestry on farms
- **Capped off by yesterday's ETS consultation document. (especially options 3 & 4)** Put out to address the same subject as recent CCC advice before CCC consultation has even closed.

Has;

- **Effectively wiped out any prospect of forestry contributing further to NZ CC targets. 2024 & 5 planting will be close to zero, jobs will be lost across the sector.**
- **Created a climate of great uncertainty where forest investor confidence is negative**
- **Devalued and weakened the market for circa 100 million forestry NZU's currently in the register that are now of uncertain value and tenure due to option 3 and 4 being presented in the consultation document. (including considerable holdings by Iwi and the Dunedin City Council forestry entity, thousands of NZ investors, farmers and forest owners)**
- **Note: Forestry was the only Climate Change initiative that was working and demonstrably on track to achieve its targets, now stopped in its tracks.**

The impact to NZ will be:

- **NZ being even further behind its CC targets**
- **The government spending even more than it needs to purchasing overseas carbon credits (CC) than if it allowed forestry to expand in a sensible and measured way.**
- **Billions of taxpayer \$ wasted overseas buying Carbon Credits when the money could be used to build domestic forest investment and a more productive industry in New Zealand including more productive farms with diversified farming / forest / carbon revenues.**
- **The overseas credits the Govt will buy will be 100% offsetting, totally against the CCC advice to incentivise gross emission reductions. At least the planting of farmland generates 75% C offsets and 25% gross farming emission reduction so it's a much better option.**

We all know we need gross emission reductions, these will come quickly once tech is available, forestry is needed to reduce emissions in the short term and to deal with the emissions tail especially farm emissions which are difficult to eliminate.

The CCC recognises this and so do many of you verbally but your policies / consultations and actions are not aligned with your words, much damage is being done.

The focus on gross emissions is a noble objective but reality is that we have net emissions Paris target to meet in a least cost way. (Target is to reduce 2030 net emissions to 50% below gross 2005 emissions levels)

The current political race to limit forest investment and the ongoing supply of forestry carbon credits has totally succeeded, you do not need to do more. Even if you collectively take action to improve forest investor sentiment immediately it will take years to rebuild investor trust in stable Govt policy on these issues.

The political football of trees of farms has been well and truly over solved now to the overall detriment of NZ.

Can I ask you all to consider and take stock of your collective actions, their collective impact and urgently consult with the forest industry for the overall sensible and measured betterment of New Zealand and global climate change.

Grant Dodson

President Forest Owners Association

From: [REDACTED]
To: [etsconsultations](#)
Subject: Re: ETS Review Consultation Extension Request
Date: Monday, 28 August 2023 1:51:51 am

MFE CYBER SECURITY WARNING

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Hello,

Having been given the extension till Friday, I could not access my original feedback. As I have missed the deadline, I attach some very brief comments I hope that you may be able to represent.

Submitter: [REDACTED] 100% foreign investment, have invested approximately \$50m between 2018 and 2022, and planted approximately 3000ha.

Business Model: The plantation sites were chosen to maximise long-term rotational forestry and generate medium-term income from carbon. For the long term business, sites were chosen that are relatively cost-effective to harvest, have good rainfall and are near export ports and/or domestic saw mills. Pine was used as it has historically been reliably suited to the demands of the local and international market for construction timbre and it is well suited to the soil and climate. For carbon, the sites were entered into the ETS under averaging and the income estimates in the business plan were based on the CCCs statements of the required and advised NZU price corridor over the next 10 years. Agreements to forward sell to 3rd parties at future market prices were entered into and the income from sales is planned to pay back the company's debt and provide a return.

Thoughts on reform, reform options and considerations:

The conundrum concerning the ETS is that;

The CCC price corridor with prices over \$100 and rising has always been well understood to be required to give industry the incentive and confidence to make investments to reduce gross emissions - so we must therefore have higher prices to effect change...

...However, the higher price corridor - all other things being equal - may result in an amount of planting that exceeds the CCCs current target, and that could potentially make NZUs so widely and cheaply available that emitters will have no incentive to make investments to reduce emissions.

A solution is needed - one where there is a predictably high NZU price that encourages emitters to make investments to reduce their emissions, coexisting alongside and enabled by a limitation on the amount of NZUs that can be created by planting (in line with CCC original recommendation for approx 300,000 ha total in planting) - but the solution must be fair:

(a) fair to current participants

The government is entitled to change policy and policy settings, but must not retrospectively impact those who have done what it had unambiguously asked. It would not be fair or reasonable to make changes effecting projects already entered the ETS.

Doing that would - respectfully - amount to a bait and switch. However, considering how little has been planted of the total CCC goal of 300,000ha, changes to the system made on a going-forward basis are well capable of preventing the problem identified from occurring. From here on, one can limit entry as desired.

(b) fair to potential participants

This is a complex issue, however I can make one point I believe is important. The CCC and government advised many years ago that a total of approximately 300,000ha of pine was what was required over a certain timer period. This quantity desired was communicated and is therefore public and can be used. The real question on reform is therefore how to ration a restricted amount of planting going forward - fairly - to potential future ETS participants.

Misc general points arising from reading the paper:

- Society has an immediate issue that we aren't reducing carbon in the atmosphere fast enough - splitting hairs on whether to do it with native or pine is counterproductive and frankly nothing of the required urgency will happen with native - it is expensive, does not take easily, grows too slowly and in addition cannot be used to generate export timbre income to achieve productive returns.
- every unit of carbon generated domestically reduces the need for NZ to import carbon credits. Carbon capture IS therefore also an export commodity.
- The total amount of afforestation called for by the CCC is very small relative to the very recent deforestation as land moved to dairy.
- Net zero IS the target, however in addition, the ETS with the recommended price corridor (and restrictions to future entry) will clearly reduce gross emissions as emitters will have the inventive and confidence to invest capital to reduce emissions. It is a well designed system that reduces carbon in the atmosphere today while promoting companies to make investments that will reduce their emmissions.

Misc general points on how these investments operate:

- Our company's crop will be thinned and in some cases pruned in order to produce high quality materials of different grades. All the properties are actively managed by local companies providing constant employment. The prior economic yield as pastoral land was almost uniformly poor as the land was for the most part relatively steep hill country. Most sites came with dwellings. All were sold to either the incumbent farmers or families who wanted to live rurally but were not capable to make farming feasible.
- We halted investment end 2022 due to a high level of uncertainty caused by the December gov decision not to follow the CCC recommendation and the preparation of consultative documents around changing the ETS.

[REDACTED]

[REDACTED]

On 11 Aug 2023, at 10:14, [REDACTED] wrote:

To whom it may concern,

I had not realised the length of the submission document until we opened it this week. Would it be possible to have an extension? Many thanks.

Kind regards,

[REDACTED]

From: [REDACTED]
To: [etsconsultations](#)
Subject: Submission - proposed amendments to the ETS for carbon and the creation of a biodiversity market.
Date: Saturday, 15 July 2023 11:25:57 pm

MFE CYBER SECURITY WARNING

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Thankyou for allowing further consultation on the ETS. I am responding to three of your current discussions. I am responding as a private individual, but I am also a trustee of the Banks Peninsula Conservation Trust and founder (2009) of a sustainable land management asset manager with \$750 million institutional funds invested in agriculture and forestry in the USA, Australia, and Europe.

First the overall changes to the ETS, then the discussions about forestry and finally the possibility of a market for biodiversity. .

I am now retired but have spent a large part of my working life in financial markets around the world. Markets hate uncertainty. Especially regulatory uncertainty and extra especially when the changes are politically motivated and therefore might not be the last. Many of the decisions around how to reduce emissions are ones that require long term investment . These are very hard hard to make at the best of times.

I would also observe that markets are seldom perfect. Making minor adjustments to address small flaws makes sense, but a sudden review of the whole system is a big mistake.

Your current enquiry into a system that seemed to be working and achieving its objective has clearly made the ETS ineffective. How long this will be the case will depend on your ability to encourage markets participants to return. As far as I can see the price of carbon in either the compliance or voluntary markets in NZ is one of the lowest in the world. This does not encourage a change in behaviour. In order to reduce emissions we , society , need the price of carbon to be high and clearly set to rise. This will encourage polluters to change behaviour, reducing emissions over the long term. It will also encourage increased sequestration.

Forestry and the ETS - the inclusion of sequestration by woodland was extremely well drafted for commercial monoculture forests. With hind sight it should have also been designed to include the valuable regeneration of native forests. At the moment you seem undecided how to achieve this. I think that making the ETS less attractive to commercial plantations is foolish. It will put investors off, reduce sequestration. However, improving the returns in the ETS for native regeneration so that it is competitive with commercial forestry makes the most sense. The areas involved will, sadly, be quite small and unlikely to dramatically shift the supply/demand balance such that it will affect the price of carbon.

Biodiversity market. This is obviously as important as the creation of a market for carbon. Many countries are grappling with it. Many NGOs have also been working on designing systems to changer behaviour. We should learn from them. It will be difficult to design and start, but clearly we need to move fast and not let 'perfect' get in the way of progress. Market design must include a clear pathway to review and amend (ie tweak) it as it evolves. If the possibility of random , politically motivated reviews hang over the market , it will suffer the same problems as the ETS.

Markets are mechanisms that have evolved over a long term to suit the needs of business (aka the private sector) . Regulatory oversight by government is important, but great attention needs to placed in the input from the private, for profit, sector of the economy.

Good luck.

[REDACTED]

From: [Taupo Climate Action](#)
To: [etsconsultations](#)
Subject: Late Submission from Taupō Climate Action Group
Date: Tuesday, 15 August 2023 11:25:51 am
Attachments: [Taupō Climate Action-ETS Review Quick Submission.pdf](#)

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Kia Ora,

The Taupō Climate Action Group had prepared this quick submission in advance, and had sent out for peer review amid our group, however we forgot to submit it on Friday.

We understand if you cannot include our submission, however, we are sending it through just in case you are accepting late submissions.

Ngā mihi nui

Alana Delich

on behalf of Taupō Climate Action Group

Our purpose is: "To bring the people of the Taupō District together to advocate for urgent, strategic action on climate change within our district."

Taupō Climate Action Group. NZ ETS Review Quick Submission.

Link to quick-submission site: <https://consult.environment.govt.nz/climate/ets-review-quick-submission/>

1. What is the current NZ ETS going to do to emissions reductions and removals?

The current NZ ETS is not doing enough to incentivise emissions reductions. Planting and harvesting pine forests costs too little and does not provide a strong enough financial motive for switching to low carbon energy sources without government providing other incentives. New studies are also finding that planting has minimal effect on halting global warming, at the rate of current heating, partly because of the long lag time for trees to reach maturity and absorb large amounts of carbon (1).

The purpose of the ETS is supposed to be to cap / limit emissions and provide a financial and market imperative to reduce emissions, but it is not serving this purpose. NZ's biggest climate polluters are either entirely exempt from any cost to pollute or are still buying cheap short-term pine planting - instead of cutting their climate pollution (2).

Too often, concern about political reactions has stopped the ETS doing exactly what this is meant to - increase the cost of climate pollution to drive our big climate polluters to quickly cut and clean up their pollution. We need a non-partisan and separate organisation to implement the ETS - separate policy from politics.

1.1 Is this a problem? Please write your answer here

Yes!

We are not on track to meet emissions reductions targets and need faster action to reduce domestic emissions. Too much has changed since the ETS was set up 15 years ago. We're now so close to 1.5 degrees of global heating, that NZ needs bolder action.

The NZ government recently gave NZ Steel \$140million to cut their climate polluting coal use, which demonstrates that 15 years of NZ's ETS is not working to push our big polluters to cut their climate damage themselves (3).

The world's climate science experts (AR6 Synthesis Report 2023 (4)) say that there is 'a rapidly closing window of opportunity to secure a liveable and sustainable future for all'. They are highly confident that 'the choices and actions this decade will have impacts now and for thousands of years'...

So we need an ETS that works to drive down emission right now! No more delays.

2. Does the NZ ETS need to be able to drive emissions reductions in transport, energy and waste?

Yes

2.1 Please explain your answer here.

We need tightly-capped markets for cutting carbon dioxide. We need to rapidly cut emissions from NZ's transport, energy and waste. The ETS is not driving sufficient emissions reduction because the price is too low. The market must be able to disincentivise fossil-fuelled energy, industry and transport, as the continued emissions from these sectors creates climate pollution that lasts for hundreds and thousands of years.

Directly linking the price of pine forestry and the ETS to the price emitters pay is holding back the NZU price from rising significantly. If decoupled (an adapted version of Option 4), we will be able to raise more funds for solutions such as decarbonised energy, public and shared transport.

We also need a capped methane trading system for farm and organic waste methane. Quick methane cuts are a valuable tool as we come so close to 1.5 degrees of global heating. New Zealand has signed the Global Methane Pledge that commits 30% methane cuts by 2030 through prevention of fugitive methane from industrial leaks (5).

3. Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Yes, But...

3.1 Please explain your answer here.

NZ needs to drive emissions reductions from all activities, and forestry plays a part in removing carbon, but the ETS is meant to drive reductions over removals. Good carbon markets provide a financial incentive to plant, but currently the system is encouraging the cheapest solutions to be planted.

The current ETS trades very long-term fossil fuelled climate pollution with short term pine tree climate carbon removal - these are 'apples and oranges' with very different climate impacts and postpone real cuts. Emissions removals must be permanent (>100 years permanence), as CO2 that is emitted lasts 10,000 years. Furthermore, wildfires are a risk with forestry, and increasingly so in a climate crisis.

Aotearoa was once a huge carbon sink, removing gigatonnes of carbon from the atmosphere each decade. Humans have now destroyed 75% of Aotearoa's original forest cover. A long-term vision for carbon removals through planting is not to drive carbon offset credits from short-term monoculture forestry, but instead create a system that incentivises the reforestation of resilient native carbon sinks through restoring native forests and wetlands.

4. If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this? Please write your answer here

Option 4 is the closest to our preferred option. Creating two NZ ETS markets: one for gross emissions and one for removals. We support the separation of the sale of NZUs from forestry activities - and this should align with the vision to drive the ETS price to equate to higher impact removals.

However, and Adapted Option 4 would have more impact with some adaptation to create a new system with different prices for:

- **Emissions reductions**
- **Carbon removals through permanent (legally protected) forests**
- **Other carbon removals**

This "Adapted Option 4" version of the ETS would best drive fast cuts to climate pollution here in NZ over the next 5 years, rather than just create a market for offsets through forestry like the current ETS has been doing.

Adapted Option 4 would best enable tightly-capped trading schemes for carbon dioxide and methane, to drive emissions reductions at the speed and scale NZ needs. A government-led, permanent forest carbon removals project means the people of Aotearoa are more likely to have a say in what gets planted where, for how long, and why.

We also support enabling the ETS to strengthen incentives for removal activities with broader environmental outcomes or co-benefits (e.g. pest control to increase carbon sequestration in existing forests, wetland restoration), and include additional removal activities such as direct carbon capture if these become feasible.

REFERENCES

- (1) The analysis by John Sterman, a professor at the MIT Sloan School of Management, and Andrew P. Jones, executive director of the nonprofit Climate Interactive, found that planting a trillion trees would prevent only 0.15 degrees Celsius of warming by 2100.
<https://www.climateinteractive.org/blog/trillion-trees-analysis-washington-post/> .
- (2) <https://www.newsroom.co.nz/revealed-new-zealands-worst-climate-polluters#:~:text=The%20six%20worst%20emitters%20%2D%20Fonterra,emissions%20covered%20by%20the%20ETS.>
- (3) <https://www.stuff.co.nz/national/politics/132102525/government-announces-massive-emissionscutting-deal-with-nz-steel-contact-energy>
- (4) <https://www.ipcc.ch/report/sixth-assessment-report-cycle/>
- (5) <https://www.globalmethanepledge.org/>

From: [REDACTED]
To: [etsconsultations](#)
Subject: [IN-CONFIDENCE]FW: Personal submission on PFC & ETS review
Date: Wednesday, 9 August 2023 9:52:20 am
Attachments: [Response to PFSC & ETS review 2023 - Ben Liley.pdf](#)

From: [REDACTED]
Sent: Wednesday, August 9, 2023 9:43 AM
To: [REDACTED]
Subject: FW: Personal submission on PFC & ETS review

Hi [REDACTED]
FYI, here's a joint submission MPI received by email.
Ngā mihi

From: Natural Resources Policy <LWC@mpi.govt.nz>
Sent: Wednesday, 9 August 2023 9:36 AM
To: [REDACTED]
Subject: FW: Personal submission on PFC & ETS review

I think this is a joint submission.

[REDACTED]
Natural Resources Policy | Policy & Trade
Ministry for Primary Industries - Manatū Ahu Matua | Charles Fergusson Tower 34-38 Bowen Street | PO Box 2526 | Wellington | New Zealand

From: Ben Liley [REDACTED]
Sent: Tuesday, 8 August 2023 10:04 pm
To: Natural Resources Policy <LWC@mpi.govt.nz>
Subject: Personal submission on PFC & ETS review

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From: [REDACTED]
To: [etsconsultations](#)
Subject: 20230908 Submission on Review of the NZ ETS. [REDACTED]
Date: Thursday, 10 August 2023 1:59:40 pm
Attachments: [20230908 Submission on Review of the NZ ETS. \[REDACTED\].pdf.pdf](#)

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Good afternoon MFE.

Please find attached my submission on the "Review of the New Zealand Emissions Trading Scheme" submitted ahead of tomorrow's deadline.

If you have any questions, please contact me.

Yours sincerely,

[REDACTED]

From: [REDACTED]
To: [etsconsultations](#)
Subject: A review of the New Zealand Emissions Trading Scheme Consultation
Date: Friday, 11 August 2023 11:06:59 am
Attachments: [image7107bc.JPG](#)
[20230811 Submission Review of the New Zealand Emissions Trading Scheme.pdf](#)

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Tēnā koe

Please find **attached** Ruapehu District Council's submission on the "A review of the New Zealand Emissions Trading Scheme" consultation.

Ngā mihi,

Melissa

Melissa Jackson
Manager Policy and Strategy
Ruapehu District Council

Ruapehu District Council | Private Bag 1001 | Taumarunui 3946 | New Zealand
Phone: [REDACTED] | Mobile: [REDACTED]
[REDACTED] | RDC website: www.ruapehudc.govt.nz

[Ruapehu District Council](#)



If you are not the intended recipient of this email please notify the sender and immediately delete the email and any attachments - Thank you.

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: BusinessNZ and BEC's submission on the review of the ETS
Date: Friday, 11 August 2023 4:44:55 pm
Attachments: [image001.jpg](#)
[BusinessNZ and BEC's submission on the review of the ETS 2023.pdf](#)

MFE CYBER SECURITY WARNING

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Kia ora,
Please find attached BusinessNZ and BusinessNZ Energy Council's submission on the review of the ETS. Please send a confirmation email once this submission has been received.
Kind regards,
Levi

Levi Gibbs, Energy Policy Advisor, BusinessNZ Energy Council
Ph: [REDACTED] Twitter @BusNZEnergy
PO Box 1925 | Level 6, JacksonStone House, 3-11 Hunter Street | Wellington
6140
Email: [REDACTED] | www.bec.org.nz | www.businessnz.org.nz

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cid:image001.jpg@01D88BFE2.2E6429E0



BusinessNZ, ExportNZ, ManufacturingNZ, Sustainable Business Council, BusinessNZ Energy Council and Buy NZ Campaign are members of the BusinessNZ Network. BusinessNZ is New Zealand's member of the International Organisation of Employers and the Business and Industry Advisory Committee to the OECD.

From: [REDACTED]
To: [REDACTED]; [etsconsultations](#)
Subject: CFA submission on the Review of the NZ ETS
Date: Friday, 25 August 2023 1:07:13 pm
Attachments: [2023-08-25 CFA Submission - ETS Review FINAL.pdf](#)

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Kia ora,

Please find attached a submission from the Climate Forestry Association on the Review of the New Zealand Emissions Trading Scheme.

As previously agreed, we are submitting this after the formal close of submissions, on the basis that the Ministry for the Environment confirmed we may provide a late submission by the 25th of August (today).

I confirm that we are happy to have this submission made publicly available, and there is no sensitive information enclosed.

I also provide you with this statement about the CFA, which is also included in our submission.

The CFA represents foresters, ecologists, Māori and non-Māori landowners, community organisations, consultants, and investors. We support responsible landowners who are committed to tackling the climate crisis with urgency, creating jobs and incomes for communities across Aotearoa and ultimately restoring native forests to recloak the whenua. The CFA promotes the active management of permanent forestry, including continuous canopy harvest forestry, native-only forestry, and transitioning exotic to native forestry.

Ngā mihi nui,

Andrew Cushen
Chief Executive
Climate Forestry Association

--

Andrew Cushen
[REDACTED]

From: [REDACTED]
To: [etsconsultations](#)
Subject: Christchurch City Council Submission on NZETS Review
Date: Thursday, 10 August 2023 10:23:25 am
Attachments: [image001.jpg](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)
[CCC submission on the NZETS Review.pdf](#)

MFE CYBER SECURITY WARNING

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Kia ora,

Thank you for the opportunity to submit on the Emissions Trading Scheme.

Please see the attached submission from Christchurch City Council.

Ngā mihi,

Sharna O'Neil

Policy Analyst | Kaitātari Kaupapa

Policy Team

Strategic Policy and Resilience



[REDACTED]



[REDACTED]



Te Hononga Civic Offices, 53 Hereford Street, Christchurch



PO Box 73016, Christchurch 8154



ccc.govt.nz



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The views expressed in this message are those of the individual sender and may not necessarily reflect the views of the Christchurch City Council.

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From: [Cameron Johnson](#)
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Consultation response: Te Arotake Mahere Hokohoko Tukunga, Review of the New Zealand Emissions Trading Scheme
Date: Thursday, 10 August 2023 4:28:10 pm
Attachments: [image001.png](#)
[image002.png](#)
[ETS Review_CFS_response_final.pdf](#)

MFE CYBER SECURITY WARNING

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Kia ora,

Attached is Carbon Forest Services' response to the consultation, 'Te Arotake Mahere Hokohoko Tukunga, Review of the New Zealand Emissions Trading Scheme'.

Please let me know if you require additional information.

Ngā mihi nui,

Cameron Johnson

Carbon Analyst



Carbon Forest Services Ltd



Please note that I intermittently check my emails when in the field.

Please send a text if urgent.

www.carbonforestservices.co.nz

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From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: DairyNZ Submission to ETS Review
Date: Friday, 11 August 2023 7:30:40 pm
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[ETS Review August 2023.pdf](#)

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Please find attached DairyNZ's submission to the ETS Review.

Regards.

Roger Lincoln

Principal Policy Advisor

Sustainable Dairy

Te Whanganui-a-tara

Level 10, Prime Property Tower, 86 – 90 Lambton Quay • PO Box 10002 • Wellington 6143, NEW ZEALAND

Mobile [REDACTED]



From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: EDS, PA + WWF-NZ joint submission on the "Review of the NZ ETS"
Date: Friday, 11 August 2023 2:20:39 pm
Attachments: [EDS, PA, WWF-NZ Submission on Review of the NZ ETS - August 2023 - Final.pdf](#)

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To whom it may concern,

Please find **attached** a joint submission on behalf of the Environmental Defence Society, Pure Advantage and WWF-NZ on the "Review of the NZ ETS" consultation.

Kind regards

Olivia Grainger

From: [REDACTED]
To: [etsconsultations](#)
Subject: ETS Consultation Feedback
Date: Friday, 11 August 2023 6:48:23 pm
Attachments: [Baisden - Submission to the MfE ETS Review.pdf](#)

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Tēnā koe

Please find attached a submissions to the ETS Review.

Ngā mihi nui
Troy

Troy Baisden

[REDACTED]

Affiliate – Motu.nz

Principal Investigator Te Pūnaha Matatini CoRE

Honorary Professor – School of Environment
University of Auckland

Environmental Science & Isotope Biogeochemistry
Land, Water, Climate Change

[REDACTED]

Co-President - New Zealand Association of Scientists @NZscientists

From: [REDACTED]
To: [etsconsultations](#)
Subject: ETS Consultation Feedback
Date: Friday, 11 August 2023 6:48:23 pm
Attachments: [Baisden - Submission to the MfE ETS Review.pdf](#)

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Tēnā koe

Please find attached a submissions to the ETS Review.

Ngā mihi nui
Troy

Troy Baisden

[REDACTED]

Affiliate – Motu.nz

Principal Investigator Te Pūnaha Matatini CoRE

Honorary Professor – School of Environment
University of Auckland

Environmental Science & Isotope Biogeochemistry
Land, Water, Climate Change

[REDACTED]

Co-President - New Zealand Association of Scientists @NZscientists

From: [REDACTED]
To: [etsconsultations](#)
Subject: ETS Consultation Feedback
Date: Friday, 11 August 2023 4:01:50 pm
Attachments: [Norton submission on ETS review Draft 1.pdf](#)

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Please find attached my submission on then ETS review.

Emeritus Professor David Norton FLS
Te Kura Ngahere, University of Canterbury
Strategic Science Advisor, Pure Advantage
<https://pureadvantage.org/recloaking-papatuanuku/>

[REDACTED]
[REDACTED]
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From: [REDACTED]
To: [etsconsultations](#)
Subject: ETS Consultation Feedback
Date: Friday, 11 August 2023 3:44:00 pm
Attachments: [New ETS submission notes.docx](#)

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Please find attached points for consideration for ETS review.

Kind regards

Lincoln

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: ETS Consultation Feedback
Date: Friday, 11 August 2023 2:35:02 pm
Attachments: [image001.png](#)
[MEUG submission to MfE Review of NZ ETS Aug 2023.pdf](#)

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Good afternoon,

Please find attached a submission from the Major Electricity Users' Group on the NZ ETS review. This submission is not confidential and can be published on the MfE website,

Kind regards,



Karen Boyes
Executive Director
Major Electricity Users' Group
M: [REDACTED]
E: [REDACTED]
W: www.meug.co.nz

Want to see my availability? See my public calendar here: [My calendar](#)

From: [REDACTED]
To: [etsconsultations](#)
Subject: ETS Consultation Feedback
Date: Friday, 11 August 2023 12:46:33 pm
Attachments: [Comvita NZ Ltd - Submission on Review of NZ ETS Final 110823.pdf](#)

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Hello,

Please see Comvita NZ Limited's submission on TE AROTAKE MAHERE HOKOHOKO TUKUNGA – REVIEW OF THE NEW ZEALAND EMISSIONS TRADING SCHEME.

Regards,

Erin Swanson.

Erin Swanson | SUSTAINABILITY LEAD

PH. [REDACTED]

COMVITA NEW ZEALAND LIMITED

23 Wilson Road South, Private Bag 1, Paengaroa 3153, New Zealand | www.comvita.com

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From: [REDACTED]
To: [etsconsultations](#)
Subject: ETS Consultation Feedback
Date: Friday, 11 August 2023 6:48:23 pm
Attachments: [Baisden - Submission to the MfE ETS Review.pdf](#)

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Tēnā koe

Please find attached a submissions to the ETS Review.

Ngā mihi nui
Troy

Troy Baisden

[REDACTED]

Affiliate – Motu.nz

Principal Investigator Te Pūnaha Matatini CoRE

Honorary Professor – School of Environment
University of Auckland

Environmental Science & Isotope Biogeochemistry
Land, Water, Climate Change

[REDACTED]

Co-President - New Zealand Association of Scientists @NZscientists

From: [REDACTED]
To: [etsconsultations](#)
Subject: ETS consultations responses
Date: Friday, 11 August 2023 6:38:33 pm
Attachments: [Outlook-makaurangi.png](#)
[NZ ETS review 2023 GW responses .docx](#)
[Covering letter ETS consultations 2023 GW responses.pdf](#)

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To whom it may concern,

Here are our organisation's responses to the two consultations on the ETS. Apologies that they are slightly late - I trust that this is not an issue. Please confirm they have been accepted.

Ngā mihi,



Jake Roos (he/him)

Kaitaki-a-Tima | Acting Team Leader, Climate Change

Greater Wellington Te Pane Matua Taiao



100 Cuba St, Te Aro, Wellington 6011

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From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: ETS Review consultation - Carbon Match
Date: Friday, 11 August 2023 2:09:11 pm
Attachments: [Carbon Match Submission ETS Review.pdf](#)
[Carbon Match Flyer.pdf](#)

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Kia ora ETS Team

Please find attached Carbon Match's submission for the ETS Review consultation, as well as a flyer about Carbon Match.

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Ngā mihi,

Katrina Shaw
Operations Manager
Carbon Match
[REDACTED]

Carbon Match Ltd ("Carbon Match") provides a web-based emission unit trading facility and is not a registered securities exchange or authorised securities exchange. Carbon Match does not operate a licensed financial product market pursuant to section 310 of the Financial Markets Conduct Act 2013 and is not, nor required to be, regulated under any other New Zealand securities markets law. The trading facility operated by Carbon Match is not accompanied by the investor protections which accompany a registered exchange or a licensed financial product market.

Carbon Match does not assume any responsibility for ensuring compliance by participants using the trading facility operated by it with securities law or for the accuracy of any statements or representations made by participants on the Carbon Match website. Participants using the Carbon Match website trade at their own risk. To the extent that services provided by Carbon Match on or through the Carbon Match website are acquired for the purposes of a business by a participant using the website, the Consumer Guarantees Act 1993 shall not apply to the supply of those services.

All use of the Carbon Match trading platform is subject to the Carbon Match Terms of Use as published on the Carbon Match website and updated from time to time.

From: [donna huata](#)
To: [etsconsultations](#)
Subject: ETS Review Maori Submission
Date: Friday, 25 August 2023 3:22:15 pm
Attachments: [Maori Climate Commission ETS submission .pdf](#)

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Kia ora,

Please find my submission on the ETS REview Attached.

I was advised, as a Te Taumata Governance Group member, that our submissions would be accepted until today.

kind regards

Donna Awatere Huata



From: [REDACTED]
To: [etsconsultations](#)
Subject: ETS Review Submission
Date: Friday, 11 August 2023 10:18:45 am
Attachments: [ETS Review Submission.docx](#)

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Hi

I sent my original submission about 20 minutes ago, but forgot to include a link to a recent IPCC paper. I have now put this link in my submission so please delete my former submission and accept this one.

Thanks

Robin Boom

From: [REDACTED]
To: [etsconsultations](#)
Subject: ETS review submission- Craigmore Sustainables NZ Ltd
Date: Friday, 11 August 2023 5:32:40 pm
Attachments: [Craigmore_Submission_ETSRReview_Aug2023.pdf](#)

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Kia ora,

I uploaded this submission in the general feedback of an online submissions, however as I left all the question answers blank on the online form (answered in PDF) I want to ensure our submissions is definitely counted, so please find attached here as well.

Thanks

Erin Jeffrey

Forest Investment Manager
Craigmore Sustainables NZ Ltd

[REDACTED]
Rotorua

Head office: 2/114 Wrights Road, Addington, Christchurch 8024
PO Box 16 343, Hornby, Christchurch 8441

www.craigmore.com

Kaitiaki: Growing the best of New Zealand

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: ETS Review Submission
Date: Friday, 11 August 2023 11:14:27 am
Attachments: [Submission on the Review of the NZ ETS.pdf](#)

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To whom it may concern

Please find attached a submission to the Review of the Emissions Trading Scheme. It details a pragmatic **solution**, broadly aligned with **option 1 of the consultation**, and uses an established method of auctioning licences which limit the quantity of forest in the ETS. This method **draws on the current scheme used by Zespri to manage the allocation of the hectareage of its different varieties**.

We would welcome the opportunity to brief you further on our proposal. Please do not hesitate to get in contact with either of the authors - contact details are listed below.

Kind Regards

[REDACTED]
[REDACTED]
[REDACTED]

From: [Teresa Marinovich](#)
To: [etsconsultations](#)
Subject: ETS Submission
Date: Saturday, 12 August 2023 12:08:01 am
Attachments: [MfE Submission re CCC and ETS.pdf](#)
[CCC-Logo-Web Small.jpg](#)

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Hello,

This is the submission paper we put in this evening. We missed by 1 minute. We ask that it be included in the submissions. We want to continue to make some modifications and will send an updated version later today, but if this is sufficient could it please be included.

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Kind regards,
Teresa

M: 



MFE CYBER SECURITY WARNING

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From: [Teresa Marinovich](#)
To: [etsconsultations](#)
Subject: ETS Submission
Date: Tuesday, 22 August 2023 5:20:13 pm
Attachments: [MFE ETS Submission - 20 Aug 2023.pdf](#)
[CCC-Logo-Web Small.jpg](#)

MFE CYBER SECURITY WARNING

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Hi,

Thank you so much for your emails, and allowing us to provide this submission to you this afternoon.

I have highlighted below the answers to the questions you have asked :

Name of person submitting : Richard Wallis

Email : [REDACTED]

Mobile : [REDACTED]

Submitting as : Individual

- Do you consent to your submission being published?
 - Yes

If you consent to having your submission published, please clearly state if there are parts of your submission that you do not want published.

- Please choose any you are associated with:
 - Subject matter expert
 - Business
 - Industry body
 - Environmental group
- Which region you are in
 - Not applicable – national organisation
 - Auckland | Tāmaki Makaurau (based)

Please find attached submission - this is instead of the submission we submitted on Friday 11 August.

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Please let me know if you have any questions or need further information.

Kind regards,
Teresa

M: [REDACTED]



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On 15/08/2023, at 11:03 AM, etsconsultations
<etsconsultation@mfe.govt.nz> wrote:

Kia ora Teresa,

Thank you for your submission on the review of the NZ Emissions Trading Scheme.

We would like to ask you for more information to ensure we appropriately handle your submission and help with our analysis.

- Do you consent to your submission being published?
 - Yes
 - Yes, but without publication of my name
 - No

If you consent to having your submission published, please clearly state if there are parts of your submission that you do not want published.

- Please choose any you are associated with:
 - Academic/research institute/subject matter expert
 - Iwi/Hapū/Māori
 - Local government
 - Business
 - Forestry
 - Farming
 - Farm forestry
 - Industry body
 - Environmental group
 - Registered charity
 - Community organisation
 - Individual
 - Other
- Which region you are in
 - Outside of New Zealand
 - Not applicable – national organisation
 - Northland | Te Tai Tokerau
 - Auckland | Tāmaki Makaurau
 - Waikato
 - Bay of Plenty | Te Moana-a-Toi
 - Gisborne | Te Tairāwhiti
 - Hawke's Bay | Te Matau-a-Māui
 - Taranaki
 - Manawatā-Whanganui
 - Wellington | Te Whanganui-a-Tara
 - Tasman | Te Tai-o-Aorere
 - Nelson | Whakatā
 - Marlborough | Te Taihu-o-te-waka
 - West Coast | Te Tai Poutini

- Canterbury | Waitaha
- Otago | Otākou
 - Southland | Murihiku

Please **reply to this email by 21 August 2023**. Your submission will still be considered even if you do not provide any further information.

If we do not hear from you by that date we will assume that you have not given your consent to publish the submission.

If you have any questions, please do not hesitate to contact us.

Ngā mihi nui | Kind regards

Samira Landgraf

Ministry for the Environment | Manatū Mō Te

Taiao

etsconsultation@mfe.govt.nz |

environment.govt.nz

<image001.jpg>

From: Teresa Marinovich <[REDACTED]>

Sent: Saturday, August 12, 2023 12:05 AM

To: etsconsultations <etsconsultation@mfe.govt.nz>

Subject: ETS Submission

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Hello,

This is the submission paper we put in this evening. We missed by 1 minute. We ask that it be included in the submissions. We want to continue to make some modifications and will send an updated version later today, but if this is sufficient could it please be included.

MFE CYBER SECURITY WARNING

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Kind regards,
Teresa

M: [REDACTED]

<image002.jpg>

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From: [Macaulay Jones](#)
To: [etsconsultations](#)
Subject: FFNZ Submission on the Review of the Emissions Trading Scheme consultation
Date: Thursday, 10 August 2023 11:08:59 pm
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[230811 FFNZ Submission on ETS Review FINAL.pdf](#)

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Please find attached a submission by Federated Farmers of New Zealand on the 'Review of the Emissions Trading Scheme' discussion paper.

I uploaded this submission via the online form but inadvertently left an internal comment on this version. Please use this version of the submission and disregard the previously uploaded pdf.

Please don't hesitate to get in touch if you have any questions, comments or feedback.

Many thanks.

Macaulay Jones

Independent Consultant

Agriculture, Sustainability & Trade

[REDACTED]

[REDACTED]

Rudi-Dutschke-Straße 23, 10969

Berlin, Germany



From: [Scott Burnett](#)
To: [etsconsultations](#)
Subject: Forest & Bird submission on Review of the New Zealand Emissions Trading Scheme
Date: Friday, 18 August 2023 3:28:37 pm
Attachments: [Forest & Bird submission on Review of the New Zealand Emissions Trading Scheme.pdf](#)

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Kia ora,

Thank you for the submission deadline extension. We very much appreciate the consideration.

Please find Forest & Bird's submission attached and please be in touch if you have any questions.

Ngā mihi,

Scott

Scott Burnett

CO-LEAD - CLIMATE CAMPAIGN

REGIONAL CONSERVATION MANAGER - TE TAUHU/TOP OF THE SOUTH

PO Box 899, Nelson 7040

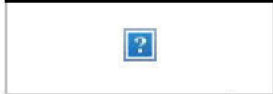
M 

From: [REDACTED]
To: [etsconsultations](#)
Subject: Forest Management Submission: Te Arotake Mahere Hokohoko Tukunga - Review of the New Zealand Emissions Trading Scheme
Date: Wednesday, 9 August 2023 8:39:36 pm
Attachments: [image001.png](#)
[image002.png](#)
[Review of the New Zealand Emissions Trading Scheme - Forest Management Limited.pdf](#)

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Please see attached.



www.forestmanagement.co.nz



From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: FW: Concerns for ETS Review - Request for Meeting
Date: Friday, 30 June 2023 2:51:57 pm
Attachments: [Letter to Hon James Shaw ETS Review and Land Use for Forestry_30.06.2023.pdf](#)

Thank you. Forwarding to the ETS consultation mailbox for processing.

Ngā mihi

Sam

[REDACTED]

From: [REDACTED]

Sent: Friday, June 30, 2023 2:28 PM

To: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

Subject: FW: Concerns for ETS Review - Request for Meeting

See **attached** – please include in subs.

Ngā mihi,

James.

From: [REDACTED]

Sent: Friday, June 30, 2023 2:23 PM

To: [REDACTED]

[REDACTED]
[REDACTED]

Subject: FW: Concerns for ETS Review - Request for Meeting

Kia ora [REDACTED] this can be treated like a submission.

Thanks,

[REDACTED]

Sent: Friday, 30 June 2023 8:11 AM

To: Hon James Shaw <James.Shaw@parliament.govt.nz>

Cc: [REDACTED]

Subject: Concerns for ETS Review - Request for Meeting

Dear Hon James Shaw,

Please find attached our letter regarding the ETS Review and Land Use for Forestry.

We are a long-standing forestry investment business, managing forests for harvest (production) on behalf of both NZ and offshore investors. We have a very good understanding of greenfield (conversion) forestry investment, and the cause and effect for decisions made under this review. The ETS review looks to overcomplicate matters, and we firmly believe that the options presented will have grave consequence for how forestry is (or isn't, as the case may be) conducted in the future.

We would appreciate some of your time, to discuss those issues and to help as much as we can with a format that provides the government with control, while not unjustly impacting participants in the Emissions Trading Scheme, whether those participants contribute to emissions or emissions reduction.

We would be pleased to arrange a meeting, whether it be in Wellington, Auckland or via Video Conference. We look forward to hearing from you and of your availability to meet.

Kind Regards,

[Redacted]

[Redacted]

Company Director

[Redacted]

[Redacted]

[Redacted]

From: [REDACTED]
To: [REDACTED]
Cc: [etsconsultations](#)
Subject: FW: ETS review submission
Date: Friday, 25 August 2023 1:27:41 pm
Attachments: [0f4e02db.png](#)
[Compass Climate ETS Review Submission.pdf](#)

Kia ora Christina

Thank you very much and acknowledge receipt of this submission.
I forwarded this submission to the ETS consultation mailbox.

[REDACTED]

From: Dr. Christina Hood [REDACTED]
Sent: Friday, August 25, 2023 1:10 PM
To: [REDACTED]
Subject: Fwd: ETS review submission

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Kia ora [REDACTED]

Sending this to you in [REDACTED] absence, as per his out-of-office message.

Regards

Christina Hood

----- Original Message -----

Subject: ETS review submission

Date: 2023-08-25 12:17

From: "Dr. Christina Hood" [REDACTED]

To: [REDACTED]

Kia ora [REDACTED]

Thank you for the extended deadline. As I've been helping others I wasn't planning to submit, but in the end I concluded that putting together a compiled version of the pieces I wrote on LinkedIn might be useful for your thinking about the respective roles of gross reductions and forestry removals. So that's attached.

Happy to come in and discuss these long-term-target issues with you and the team, including the tricky interface with ETS design, and the net nature of the legislated targets.

Best regards
Christina

--



Dr. Christina Hood
Head, Compass Climate
New Zealand



--



Dr. Christina Hood
Head, Compass Climate
New Zealand



From: [Maori Climate Engagement](#)
To: [etsconsultations](#)
Subject: FW: Proposals to redesign the permanent forest category in the New Zealand Emissions Trading Scheme Submission by Philip Houghton
Date: Friday, 11 August 2023 11:48:15 am
Attachments: [PF submission.pdf](#)

I think there are some broader points in here that will also relate to the ETS Review.

██████████ ██████████
Policy Analyst | Kaitātari Kaupapa Here

ETS Policy ICM and Offsetting | Te Kaupapa Here ETS ICM me te Tauārai

Ministry for the Environment | Manatū Mō Te Taiao

██████████ | environment.govt.nz

Ministry staff work flexibly by default. For me, this means I work 30 hours across the week. Monday, Thursday and Friday are shorter days. You will see my availability on my calendar.

From: Natural Resources Policy <LWC@mpi.govt.nz>

Sent: Tuesday, August 8, 2023 11:51 AM

To: Maori Climate Engagement <MaoriClimateEngagement@mfe.govt.nz>

Subject: FW: Proposals to redesign the permanent forest category in the New Zealand Emissions Trading Scheme Submission by Philip Houghton

FYI

From: ██████████ ██████████

Sent: Monday, 7 August 2023 8:43 AM

To: Natural Resources Policy <LWC@mpi.govt.nz>

Cc: ██████████

Subject: Proposals to redesign the permanent forest category in the New Zealand Emissions Trading Scheme Submission by Philip Houghton

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The Ministry for Primary Industries accepts no responsibility for changes made to this email or to any attachments after transmission from the office.

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: FW: Public Health & the ETS
Date: Monday, 7 August 2023 12:42:05 pm
Attachments: [image001.jpg](#)
[NZ ETS review - PHCC submission.pdf](#)

From: [REDACTED]
Sent: Monday, August 7, 2023 11:15 AM

To: [REDACTED]
[REDACTED]

Subject: FW: Public Health & the ETS
See below/**attached** from the Public Health rōpu.
Ngā mihi,
James.

From: Marnie Prickett [REDACTED]
Sent: Monday, August 7, 2023 11:10 AM
To: [REDACTED]
Subject: Re: Public Health & the ETS

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Kia ora [REDACTED]

My colleagues and I attended your webinar on the ETS consultation and asked about the integration of public health considerations into the ETS. You were the person charged with responding to the question and had said that you would be very interested in feedback as to how this could be done better.

Our [Public Health Communication Centre](#) team, including Profs Simon Hales and Nick Wilson, have focused our submission on responding to this.

I am sending it to you personally as it may be of more interest to you than just appearing in the summary of submissions.

As we have noted in the submission, our team (based in the Public Health Dept of Otago University in Wellington) is open to more contact on public health implications of climate policy.

Ngā mihi,
Marnie Prickett | she/her
Research Fellow | Kairuruku

Public Health | Te Tari Hauora Tūmatanui
University of Otago, Wellington | Te Whare Wānanga o Otāgo ki Te Whanga-Nui-a-Tara
Mobile/Waea pūkoro [REDACTED]
Hours/Haora puare Mon, Tues, Weds

New Zealand | Aotearoa

Email/Īmera [REDACTED]

Ko te wai te ora o ngā mea katoa. Water is the life-giver of all things.

From: [Warwick Williams](#)
To: [etsconsultations](#)
Subject: Genesis Energy submission on ETS Review Consultation
Date: Monday, 14 August 2023 7:57:24 pm
Attachments: [GNE submission on ETS Review.docx](#)
[GNE submission on ETS Review.pdf](#)

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Thank you for the opportunity to provide feedback on the above consultation and our apologies for the delay.

Please find attached word and pdf copies of our submission.

Please don't hesitate to contact me should you wish to discuss any of the matters in our submission further.

Ngā mihi | Kind regards,

Warwick Williams | Senior Regulatory Counsel and Group Insurance
Manager | Kaiāwhina Ture Whakaritenga Matua me te Kaiwhakahaere
Rīanga Rōpu

[Genesis Energy Limited](#) | 155 Fanshawe Street, Auckland 1010

Please text or call if urgent

From: [Liam Glading](#)
To: [etsconsultations](#); NaturalResourcesPol@mpi.govt.nz
Subject: Hawkes Bay Regional Council Submission on ETS Consultation
Date: Friday, 11 August 2023 3:27:34 pm
Attachments: [ATT00001.png](#)
[ATT00002.gif](#)
[ATT00003.gif](#)
[ATT00004.gif](#)
[ATT00005.jpg](#)
[ETS Submission August 2023 Final.pdf](#)
[ETS Submission August 2023 Final.docx](#)

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Dear Madam/Sir,

Please find attached the Hawke's Bay Regional Council's submission on the both the review of the New Zealand Emissions Trading Scheme discussion document and the redesigned NZ ETS Permanent Forest Category discussion document. I have attached both a PDF and MS Word version.

Kind regards,
Liam Glading

Liam Glading
Intermediate Policy Planner



Hawke's Bay Regional Council | Te Kaunihera rohe o Te Matau a Mui
159 Dalton Street, Napier 4110 | hbrc.govt.nz

Enhancing Our Environment Together | Te Whakapakari Tahī | Ttau Taiao



Let us know how we're doing, give your feedback [here](#).
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From: [David Stark](#)
To: [etsconsultations](#); NaturalResourcesPol@mpi.govt.nz
Subject: Heritage Forestry Lawrence Ltd submission
Date: Friday, 11 August 2023 10:04:27 am
Attachments: [230811 - MPI Submission.pdf](#)

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Submission attached.

Regards,
David.

David Stark - Director
Mead Stark Ltd, Chartered Accountants
PO Box 31, 29 The Mall, Cromwell Phone [REDACTED]
www.meadstark.co.nz

The Anti Money Laundering and Countering Financing of Terrorism Act 2009 ("the AML/CFT law" for short) came into effect for accounting firms on 1 October 2018. The AML/CFT law requires us to collect more information from clients. Please [Click Here](#) for the information we will be requesting. This email, together with any attachments, is for the exclusive and confidential use of the addressee(s) and may contain legally privileged information. Any other distribution, use or reproduction without the sender's prior consent is unauthorised and strictly prohibited. If you have received this message in error, please notify the sender by email immediately and delete the message from your computer without making any copies.

Mead Stark

From: [Lynne Best](#)
To: [etsconsultations](#)
Cc: [Maria Reiche](#)
Subject: HRC submission review of NZ ETS and redesign of ETS permanent forestry category
Date: Friday, 11 August 2023 1:53:35 pm
Attachments: [HRC submission review of NZ ETS and redesign of ETS permanent forestry category.pdf](#)

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Kia ora

Our submission to the review of NZ ETS and redesign of ETS permanent forestry category is attached.

Ngā mihi

Lynne

LYNNE BEST | PA to Dr Lizzie Daly Group Manager Strategy, Regulation & Science

Horizons Regional Council [11-15 Victoria Avenue | Palmerston North 4410](#)

From: [Keith Tallentire](#)
To: [etsconsultations](#); NaturalResourcesPol@mpi.govt.nz
Subject: Joint submission on the Review of the New Zealand Emissions Trading Scheme and a redesigned NZ ETS Permanent Forest Category consultation documents
Date: Friday, 11 August 2023 1:18:55 pm
Attachments: [SDC joint submission on ETS Review and Permanent Forest Category consultations FINAL 20230811.pdf](#)

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Tēnā koutou

Please find attached Selwyn District Council's joint submission on the "Review of the New Zealand Emissions Trading Scheme" and "A redesigned NZ ETS Permanent Forest Category" consultation documents.

Ngā mihi

Keith Tallentire

Keith Tallentire

SUSTAINABILITY LEAD

[REDACTED]



[REDACTED]

PO Box 90, Rolleston

Phone: (03) 347 2800 or 03 318 8338

Fax: (03) 347 2799

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11 August 2023

Ministry for the Environment and Ministry of Primary Industries
Wellington

Email: etsconsultation@mfe.govt.nz, NaturalResourcesPol@mpi.govt.nz

Feedback on the review of the New Zealand Emissions Trading Scheme and Permanent Forest Category

Tēnā koe

Thank you for the opportunity to provide feedback on the Review of the New Zealand Emissions Trading Scheme (ETS) and a Redesigned Permanent Forest Category. Our feedback focuses on both the incentives within the ETS for permanent forestry and for indigenous planting, and on the design of the permanent forest category as well. We have responded to the aspects and questions of most importance to us at this time.

Kāpiti Coast District Council is particularly conscious of the effects climate change is likely to have in escalating frequency going forward, and we have already seen the effect of increasing severe weather events on New Zealand communities this year. The effects of erosion, flooding and slash were unfortunately well demonstrated in Northland, Auckland, Waikato, Hawke's Bay, Taiwāwhiti and Wairarapa.

Kāpiti Coast District Council's region features a wonderful coastal environment, with several steep forested areas overlooking built up areas including housing, and important roads. We are aware of the protection that some of the currently forested areas provide to our important assets and that planned deforestation may cause issues in the future.

Incentivising activities that would provide protection from, or reduce the severity of, these effects should be a consideration for the ETS incentives and permanent forest category design.

Review of the New Zealand Emissions Trading Scheme

We are supportive of the overall intent of the ETS review discussion document to increase incentives to reduce gross carbon emissions.

It is important to consider longer term aims and co-benefits as part of your process. Ultimately, the scheme will have a greater positive environmental impact if it is aiming to both reduce overall emissions and promote environment-positive choices that support long term environmental stability.

We also acknowledge importance of forestry for jobs and supporting the economy and supporting landowners to make choices that allow them to support their business and the environment. We note the comments in the discussion document regarding the disproportionate impact on Māori of settings that limit landowner's choices. We therefore support an incentive based approach to encouraging permanent, indigenous afforestation.

We support consideration of incentives that:

- Support the protection of our native biodiversity through permanent indigenous planting, and a 'right tree, right place' approach
- Support permanent carbon sink planting
- Provide additional protection to environments susceptible to effects of climate change (populated areas, erosion-prone areas, areas projected to be susceptible to other climate events eg reducing effects of increased storm activity in vulnerable areas)
- Support permanent indigenous plantation in areas of ecological or cultural significance (eg expanding known native animal habitats, aligning with existing nearby native forest areas)
- Support combination planting, that allows for harvest activity, while also providing areas of permanent forest to provide continuous protections (eg increased areas of riparian border planting).

For these reasons, we would be supportive of option 4 in the discussion document, that aims to create more tailored incentives for removal activities.

We would also support including a wider range of planting activity that supports long term carbon sequestration and positive environmental outcomes. Restoration of wetland areas, for example support the storage of carbon in soil, that would otherwise be released through agriculture and residential land use changes. This would also provide incentives for landowners to consider the appropriate indigenous planting for their site.

A Redesigned ETS Permanent Forest Category

We acknowledge the important role Greater Wellington Regional Council plays in managing compliance with the National Environmental Standard for Plantation Forestry. We have worked, and continue to work, with Greater Wellington on areas where we have concerns about specific sites, especially where they are close to built up areas.

We note that any large scale harvesting of forested areas presents an increased risk of erosion, exposure to elements and waste byproducts (ie slash). We would, therefore, encourage consideration of longer minimum timeframes for inclusion in the permanent forest category. As it stands, the settings of 50 years still allow for commercial harvesting of larger, longer growing exotic trees (such as redwood), rather than a fully permanent forest.

We would also agree with recommendations in the document that there should be additional management processes for forest types that have known higher risks (eg more prone to wilding, fires, pests) or where continued action must be taken to ensure benefits are realised (transition forests). Again, we would support a focus on incentivisation rather than punishment (and therefore loss of benefits if not following planned activity). In general, we believe the current approach to management should continue – that is it the owner's responsibility to monitor progress and have that verified by the Ministry of Primary Industries, as it is the owner who stands to benefit financially from the Scheme.

As a district council, our role in these matters can sometimes feel small in proportion to the possible consequences we may have to manage for our district if something goes wrong. We therefore greatly appreciate the opportunity to comment on the review of the ETS and the proposed redesign of the permanent forest category.

Yours sincerely



Darren Edwards
**Chief Executive | Te Tumuaki Rangatira
Kāpiti Coast District Council**



Janet Holborow
MAYOR, KĀPITI COAST DISTRICT



ETS Review and Land Use for Forestry

Hon James Shaw
Minister of Climate Change
Parliament
Wellington

Email: James.shaw@parliament.govt.nz

30 June 2023

Dear Hon James Shaw,

We write this letter as concerned foresters, representing a large cross section of forestry investors (kiwi and offshore) with significant experience across conversion (ETS eligible) forestry, including a good barometer for investment and investor sentiment.

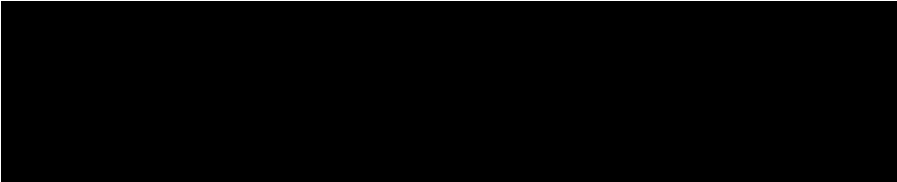
We are gravely concerned that significant decisions around land use and the Emissions Trading Scheme are happening on a preconceived basis without proper consultation with the forest industry and without detailed consideration of the significant flow on effects – which are already starting to play out.

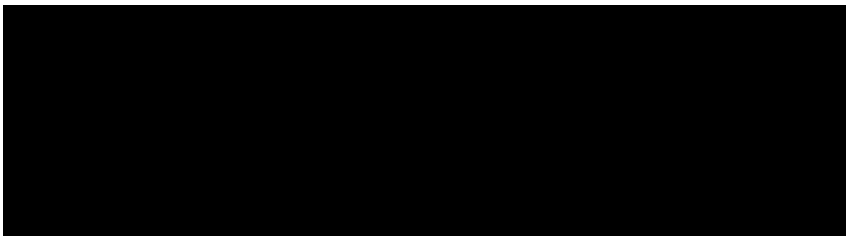
The ETS review looks to provide a complicated and administrative answer to a rather simple issue.

Problem Statement

- The ETS review is looking to balance emissions reduction with emissions offsets, under current settings the amount of land converting to forestry and registering in the ETS could result in an oversupply, which could derail gross emission reduction in favour of cheaper carbon offsetting; and
- Political objectives are looking to manage the amount of farmland available for conversion to forestry via land use settings.

The Solution

- The entire issue can be solved by managing the amount of land eligible under the ETS. Through the ETS, allocate the amount of land (hectares) eligible to participate in the ETS on an annual basis. Land to be allocated through a consenting process on an area by area (e.g. farm) basis and in line with the Climate Change Commission's recommendations of afforestation requirements for that year.
 - By limiting the amount of land going into the ETS, this nulls the requirement to create a differentiated carbon price for forestry Units, allowing NZUs to trade freely and over time, increase in line with forecasts, encouraging emitters to reduce emissions.
- 

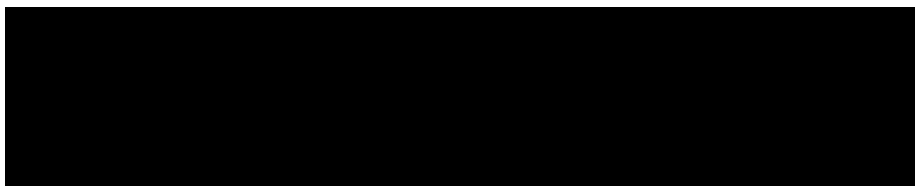



Recommendations

- Limitation of ETS eligible hectares for Exotics and Natives,
 - The CCC to advise the level of afforestation required annually, governing the availability of ETS eligible hectares based on species and management (production or permanent).
- Consenting system for ETS eligible hectares,
 - Under a consents system, participants can apply for ETS eligible hectares within scope of recommendations provided by the CCC, based on suitability of land among other metrics.
 - Such a system may include a per hectare fee payable to MPI for administration.
 - Consideration of whole farm conversions where some minor areas of a property might include LUC 1 to 5 but without a feasible way to carve this area out,
 - Land eligibility should not be managed at a regional/council level, where other motivators may obscure New Zealand's climate change commitments. Forestry is a long-term investment requiring long-term thinking and certainty,
 - Consents should be issued per forest/property and in a timely manner. Consents should not be issued to participants on a speculative basis, i.e., Must correspond to land purchased or under contract.
- Remove Radiata Pine as an eligible permanent species,
 - Pine does not fit the definition of 'permanent', shallow rooting makes it susceptible to toppling on steep hill country. This is already very prevalent on our steep sites with pine aged +25 years.
 - This would eliminate low-quality investment, driving strong employment and other positive economic factors in line with higher use (production) forestry investment,
 - Generates perpetual supply of wood products, taking advantage of fundamental supply and demand forecasts,
 - Removes the future environmental risk of short-term species being used in a permanent capacity.
- Promote the planting of other long-term exotics as an alternative to native species.
 - Natives are not feasible under current settings and would require large subsidies to plant.
 - Advance (pay forward) NZUs for the establishment of natives on Iwi and other land that is not suitable for production-based forestry.

ETS Review - Limitations

- The ETS should not separate the price of a forestry Unit from other emissions Units, a forestry Unit is scientifically quantified, such a decision likely has legal ramifications and would over complicate and administrate the ETS. Current rules have driven afforestation, it would be unjust to affect the value of those forestry Units retrospectively,



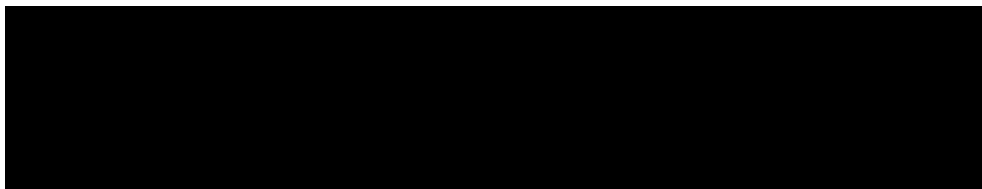
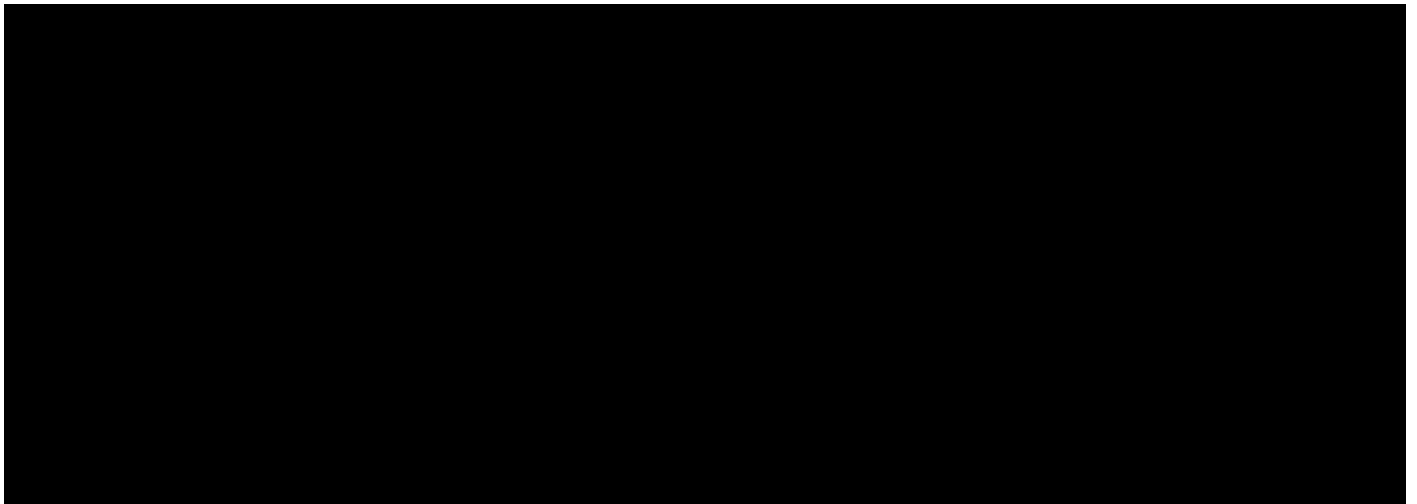
- 
- An attempt to control the price of a forestry Unit (Option 3 or 4), would drive uncertainty and only incentivise low quality investment in the form of permanent forestry that does not recognise the perpetual economic, social and environmental benefits that production forestry provides.

The ETS should not be overcomplicated, and we see a way that this can be avoided, as well, removing a heavy burden of administration under scenarios where dual systems were managed with requirement for constant maintenance.

At this stage, the government has only created uncertainties in the ETS for both emitters and foresters, the current signaling of rules (ETS and Land Use) has removed confidence in the market (buying has ceased) and immediately land suited for forestry has significantly decreased in value, creating economic instability.

The current review mostly grapples with forestry's role in the ETS, we are strongly of the opinion that forestry needs to be heard, so that the economics are well understood, and that substantial investment already made are not unjustly impacted. Without certainty, further investment and contribution from forestry to New Zealand's climate objectives will not exist.

Yours Sincerely,



10 August 2023

MBIE, MPI, MfE
Review of the Emissions Trading Scheme
Via email: etsconsultation@mfe.govt.nz

Lewis Tucker submission on Te Arotake Mahere Hokohoko Tukunga – Review of the Emissions Trading Scheme (ETS)

Introduction

Lewis Tucker is an agricultural advisory firm that was set up 10 years ago to help the country's agricultural sector innovate, raise capital, and invest in its future. We are passionate about what a diverse, innovative, and well-capitalised agricultural and forestry sector can deliver for our economy, our rural communities, and our climate change commitments. As part of our operations, we provide services to two rotation forestry funds that invest for both carbon and timber outcomes across ~30,000 hectares of economically marginal hill country.

Our forestry operations strive for the highest standards, only planting marginal land that is best suited to trees and undertaking subdivisions and sale of properties to ensure productive land and associated infrastructure stays in farming. We are committed to rotation forestry for timber outcomes but also currently manage ~10,000 hectares of indigenous forest in various stages of regeneration that we are supporting through concerted professional pest control.

This feedback is provided by Lewis Tucker in its role as an agricultural and forestry service provider. The individual partners in the forestry funds that Lewis Tucker serves may choose to separately provide their own specific viewpoints and perspectives on this matter.

Certainty is essential

For much of the last 12 months the policy and market settings that underpin the country's climate change response have been unnecessarily unstable. The country's climate change response has been characterised by numerous consultations, changes in direction relating to the consideration of advice from the Climate Change Commission (CCC), two unsuccessful carbon auctions and a collapse in the price of an NZU, causing an uncertain investment and planning environment.

This consultation on a fundamental review of the ETS was launched in this context and also at a time when the government was a party in court proceedings regarding procedural deficiencies when considering CCC advice on unit limits and price control settings.

The primary rationale for this consultation was stated to be a perceived failure to reduce gross emissions. However, it was launched at the end of a 15-month period of fossil fuel subsidies and at a time when other government decisions had a significant influence on halving the carbon price. The simple fact is that the price signal generated from the ETS regime (that is largely agreed to provide an incentive for decarbonisation) is being disrupted.

We have welcomed the government's announcement on 25 July, in response to the judicial review, to align its annual decision on unit limits and price control settings with advice from the CCC. We welcome the acknowledgement that this critical change in position will "drive stronger action on emission reduction targets" albeit noting the observation that a \$10.00 increase per NZU will have a "minimal" impact on consumers.



The government's change in approach acknowledges that the ETS must be allowed to do its job and send the price signals for which it was designed. An increase in the price of emission units that does impact the behaviour of consumers should be seen as a necessary element of the overall regime. Now is the time to allow the ETS to work as intended, provide the certainty that participants need and remove short-term politics from the country's climate change response.

The current ETS consultation should be withdrawn

The most material and meaningful way that the government could enhance confidence in the foundations of the country's climate change response would be to withdraw this consultation.

It was generated during a period in which government approach was moving in a markedly different direction and is lacking in a clear, constructive purpose. This consultation is the remaining source of uncertainty for participants in the ETS.

Our recommended approach (to withdraw the consultation and consider viable alternative gross emission reduction strategies) will go some way to putting New Zealand on the right pathway for decarbonisation. Those entities that are pursuing responsible low emissions investments and forestry investment, which the country badly needs as New Zealand's bridge to a low carbon economy, would also be given the appropriate signals to restart their originally planned activity.

The original purpose of the ETS is for ~50 per cent of New Zealand's emissions to be paid for and carbon abatement (forestry) rewarded. The market price of carbon was to incentivise emitters to reduce their costs by either directly cutting emissions, investing in the capture of emissions or planting forests. This is working well and as it was intended.

Some of the country's larger emitters have invested significant resources in forestry as one component of an overall decarbonisation strategy. This investment commits funding over a long period; given the time it takes to establish a forest, register it within the ETS and realise the benefits of timber. Some of the emitters that have invested in forestry are conducting research with regards to how wood fibre can be utilised to reduce gross emissions. More generally, further government investment in boosting wood processing infrastructure will help the benefits of New Zealand timber to be realised.

We strongly support the government's Forestry and Wood Processing Industry Transformation Program (ITP), particularly with its focus on incentivising regional timber processing. The timber produced from rotation exotic forests will, if used appropriately, for example in buildings, prove to be an essential stepping stone to a low-carbon economy of the future.

The investment in forestry that has been made is based on an alignment of views with the Climate Change Minister:

"If we are to have any hope at all of playing our part in the global fight to avert a climate catastrophe, we need more forests, not fewer. We're going to need fastgrowing exotics as well as slower-growing permanent indigenous forest carbon sinks".

Furthermore, the investment, particularly in forestry, that has been made to date is based on clear signalling by the government as to how it wished for participants to address the challenge of meeting climate targets. It is essential that such investment yields the benefit for which it was intended and that future policy honours the recognition of such benefits that have been delivered by significant private investment.

Simply put, forestry as part of the ETS needs to stay where it is. Other policy settings need to be amended to ensure that forests are established on the right land, managed throughout their lives and forest owners are rewarded appropriately for the environmental benefits they provide.



Reassure investors, invest in decarbonisation initiatives, let the market operate

We urge the government to exercise the greatest possible caution in ensuring investors are rewarded for committing their resources to address climate change. Every opportunity must now be taken to reverse the loss of confidence that has been experienced over the last eight months and the best way to do this is to end this consultation.

We support policy intervention to actively encourage (and for the government to co-invest) in decarbonisation. We also support additional policy such as the UK's 100 per cent tax deductions for corporate investment in a wide range of decarbonisation initiatives.

From what we observe, large emitters are actively engaged in projects that reduce their gross emissions. Some of these projects are in the process of construction and delivery but are at risk from regulatory uncertainty. The best way to support these projects is stable climate change response settings including a genuinely market-based carbon price.

Conclusion: a one-off chance to restore confidence, get climate change response back on track

Post its 25 July commitment to the CCC advice, the government has a unique opportunity to restore confidence by withdrawing this consultation, leaving intact the fundamentals of the ETS and forestry's role within it.

Failure to do so will prolong the uncertainty for an extended period of time given that no meaningful decisions will be made until 2024 and this will continue to erode the confidence of those contributors to the required outcomes that have committed capital in good faith to deliver on the government's previously stated objectives.

The ETS is the country's foundation market mechanism to price carbon. It must be able to operate with integrity outside of short-term political objectives.

As always, we are very happy to discuss any element of this submission directly and at any time.

Thank you for the opportunity to make these comments.

Colin Jacobs
Executive Director
Lewis Tucker and Co



**Office of the
Māori Climate Commissioner**

mata māori, āhuarangi ora

Māori Climate Commission Submission on:

ETS REVIEW

AUGUST 24 2023

Representatives of The Māori Climate Commission attended an ETS Review consultation with Māori at Scion where Māori unanimously rejected all four options proposed and called for an immediate cessation of the ETS Process. The Māori in the room were by and large, foresters and forestry experts with life long experience in forestry and will responsibility for tens of thousands of hectares of forests.

SUMMARY

The Māori Climate Commission wholly rejects the proposals contained in the ETS consultation document, on the following basis:

- This proposal has been formed without hearing our voice through participation in the co-design agreed by Ministers Nash and Shaw in 2022; it lacks clear supporting evidence and a proper cost benefit analysis. Māori participation has been a tick the box exercise that makes a mockery of the agreed process of co design and of the Te Tiriti obligations as enshrined in the Emissions Reductions Plan.
- If implemented this will deny Māori the opportunity to plant forests on what is left of their lands and take advantage of the once in a generation opportunity to participate in the carbon economy for the intergenerational benefit of Hapū and Iwi. What is offered to Māori instead is **uncosted welfare ! This is brutal, unmitigated racism.**
- We object to the recycling of the lie of “too many trees” that underpin this consultation paper.
- It is **brutal, inequitable and racist.** How is it that Māori will be punished for wanting to sequester carbon and generate wealth on our land, while in turn Pakeha farmers are allowed to increase their pollution and be subsidised to do it.
- The result would limit domestic sequestration and would increase the amount of carbon in the atmosphere during this climate emergency. Knowing that some businesses will go broke and that others will simply pass on the costs of reducing their emissions to households could only be contemplated by politicians playing to the voters and officials insulated by high salaries and whiteness.
- It is a typical Pakeha solution. Instead of having forestry carbon offsets as well as limiting emissions giving emitters time to reduce emissions and avoiding huge costs being passed on to households leading to inevitable reactions in the streets as we have seen in France, we

are given a narrow, govt takes all where the markets, investors and landowners are shoved to the back.

Shame on officials who have gone along with this cynical ploy to win the Greens votes. Who have knowingly included false information – such as the lie of oversupply of trees, who have mustered a fake co design and consultation process. Māori have been thrown under the bus by this ETS review and by the way officials have trampled the mana of Te Tiriti o Waitangi, misleading Cabinet that a process of involvement was planned, yet in 6 months of writing this document, not implementing what they promised in the Cabinet paper on the permanent forest category which states

“Both the Crown and Māori have positive duty to act in good faith, fairly, reasonably and honourably towards each other. The duty of good faith includes a requirement that the Crown take reasonable steps to make informed decisions on matters that affect Māori interests ... The Crown is also mindful of the commitments made in the Emissions Reduction Plan **to partner with Māori in developing forestry policies that support Māori aspirations, and their exercise of kaitiakitanga and rangatiratanga.**”

Consultation Flawed

- This ETS Review is not about ETS or forestry, rather it seeks radical transformation of NZ's climate action and NZ economy by placing the govt in control of:
- Rate that emitters reduce their emissions and transform their business to do so
- Cost that households and business experience from climate action
- Fate of businesses ie new opportunities pursued, close down of existing businesses
- Unit availability and potentially overseas income from units

Key elements of options set out

All options seek to increase Govt control as the driver of the market outcomes.

- Reduce forestry units
- Starve emitters of units
- Force emitter reductions – price or tax
- Welfare to mitigate impact of cost pass through- cost increases acknowledged
- Govt funder of new initiatives and investments

Risks

- The approach being taken the ETS Review document will Impact the whole economy – but because there has not been any General equilibrium modelling we can't quantify those impacts.
- There will be severe Impact on investor confidence – in fact that has already happened
- The Impact will be that sector and regional community businesses will be force to shut down
- Carbon units will need to be bought offshore and so social funding will be impacted leading to disproportionate impacts of Māori

- Māori who already hold carbon credits and have significant forestry interests and investment will be directly impacted – the document does not address this issues.
- Failure= only option international credit purchase, with an amount already identified and this will greatly increase what is needed

Māori Climate Commission Response

- This won't be the first time the Crown has confiscated existing value from Māori . This ii will do if it controls all low carbon transition at the cost of market participants
- The document does not make a case for ETS failure or for the intention of taking control of the ETS market. That is, the analysis provided in the ETS Review document does not prove in any way that the status quo will lead to failure and that this proposed action will leave us in anyway better off in terms of climate, economy or socially.
- The ETS Review fails to provide the impacts of any of the proposed changes on the economy, on various sectors, on Māori , on communities and households. Where is the cost benefit analysis plus social equity evaluation.
- The ETS Review states that the proposed actions will devastate industries, increase costs to household and business, impact gas supply and likely close down businesses impacting jobs but have not provided any analysis to quantify these claims.
- The Review document seeks to restrict forestry and control unit supply without consideration of the impact both for climate, future industry/growth – biofuels, wood products, investor and business response. There is no detail on existing forestry impact or Māori carbon economy aspirations – which is a pretty careless attitude for the officials who put this together to take.
- The document seeks to remove the opportunity for Māori to be a participant in their own carbon economy and instead propose to replace it with **uncosted and lack of detailed initiatives** support and **welfare instead**. This is not what Māori want. We do not want welfare – we want to stand on our own two feet and use our own assets to generate wealth.
- Consultation problems
 - lacks breadth of options other than govt control and change of ETS
 - makes erroneous assumptions
 - restates and recycles known wrong facts to support its claims
 - lacks modelling rigor of impacts, cost and benefits- this has either not been done or is not being shown to us
 - fails to recognise and address non price barriers
 - Does not put forward an option for other than Govt control and lead actor
- So, the case has not been made to take action
 - we cannot evaluate what is provided due to lack of detail

- Needs to be withdrawn and reworked and fully costed,

What is needed to make the case

- We call for a new process where the Govt goes out and understands the barriers to emissions reduction on a sector basis, sets out a plan phasing in emission reduction actions as it cannot all happen at once, sets out sector plans and then also provides full modelling of the impacts.
- There needs to be a supporting model for the proposals that are made which are fully shared.
 - everything must be transparent to be evaluated by all.
 - There needs to be a range of options that are fully modelled and costed from business Investor led, to status quo trough to govt led
 - Need to also identify who are the natural owners of leading and delivering innovation e.g. blue carbon = Māori, social = science led, methane =farming led

Stop undermining Māori access to the carbon economy

The Government says “To meet New Zealand’s 2050 climate change targets, the Ministry for Primary Industries (MPI) projects that an increase in afforestation of between 0.74 million and 1.46 million hectares of new forest will be required.” Yet it is determined to throw obstacles in the path of Māori landowners seeking to plant those trees and help Aotearoa achieve those targets.

Māori have been very clearly advising for some time our desire to enter the carbon economy. We want to do our part to restore the health of Ranginui and Papatuanuku, damaged by reckless colonialism and expansionism. We want to finally be able to generate jobs for our people and intergenerational wealth on the scraps of our land that colonisation has left us. We have acted in good faith based on that understanding. Now, we find the Crown, once again, acting in bad faith towards us.

Being able to establish transition forests within the permanent forest category would create jobs in planting, trimming, the bioenergy sector, pest control, and more. It provides a pathway for us to restore the native state of our land along with matauranga Māori principles. The carbon we would sequester would generate wealth for our people as we transition from exotic species to a native forest and the funds to invest in new opportunities, such as low carbon infrastructure.

We do not understand why the Crown now thinks it can again rip that away from us after the work we put in to create the permanent forest category in the ETS.

We were finally heard on exotics remaining in the permanent forestry category. However, we have not yet caught our breath and there has been a succession of policy proposals emerge from government agencies that propose to take that decision away without any effort made by the agencies towards co-design with our forestry experts.

It should be clear that this disrespects mana whenua and their rangatiratanga over their rohe, and the expropriation of their wealth is a breach of Te Tiriti.

Don’t continue to propose policy based on myths

The consultation document presents no evidence of a real problem of any scale caused by afforestation. Instead it points to “concerns” from unnamed groups and unquantified, unevidenced

“risks”. It seems Crown officials have again accepted and repeated the baseless claims of extremist Pakeha groups like Groundswell and 50 Shades of Green. This is just merely a recycling of the conversation put forward regarding exotic inclusion and a repeat of the myths that support an argument to restrict planting on what would result in less than 5% of all land being planted.

Where is the evidence of large scale afforestation of prime farmland? Where is the evidence of communities destroyed by afforestation? Where is the evidence that afforestation is cutting agricultural output or reducing the number of rural jobs?

We have been asking these questions now for nearly 5 years. There simply isn't any evidence. Officials who continue to repeat and recycle these myths are knowingly misleading Ministers and the community.

There is no threat to farmland or rural employment – in fact, agricultural employment has risen in the last 20 years, even as marginal land has been converted to forestry.

MPI estimates only 3% of farmland will be converted to forest over this decade. That will overwhelmingly be marginal land that is, in truth, often unprofitable as farmland. Transitional, managed forestry on this land is more jobs intensive and more productive, leading to more wealth in our rural communities, than low productivity farming.

The fact that this discussion paper has swallowed whole the myths from Pakeha extremist groups like Groundswell and 50 Shades of Green shows just how racist this paper is. Groundswell and 50 shades have a history of anti-Māori statements and official are colluding with them in dictating to Māori land owners what they can do with their land.

We are not going to turn every farm into forest. We are going to re-establish forest on marginal pieces of low quality land – the only land the Crown didn't take from us. There will still be plenty of land for farming, which is allowed to pollute the climate for free, and if farmers choose to sell their land or convert it to farming that is their choice to make without lobby groups trying to dictate to them.

We have asked and the Crown has agreed to discuss these myths and form a joint fact based view. Yet since July 2022, our technicians have been ready and the Crown in turn has stalled and swerved from any engagement, yet alone having the agreed hui to dispel these mythical issues. And this ETS Review is the result.

More work needed to understand the true costs of putting barriers in the way of afforestation?

Deeply concerning is that the Crown seems oblivious to what it is proposing to do; both in terms of acting against Te Tiriti and imposing the climate costs on Aotearoa now and on our future generations.

There is no analysis of the climate impact. How can it be that, during the climate emergency, the Crown is proposing policy changes to reduce forest planting and it hasn't even calculated what the impact on emissions would be? It is obvious that reducing forest sequestration would make it harder to reach the country's emissions goals, mortgage the country's future wealth and make Aotearoa liable to buying more credits from overseas – if they are even available.

It is imperative when making decisions that will affect the level of afforestation to know how much the amount of forest will change as a result, what impact that will have on net emissions and our NDC, and the cost that creates.

The proposal is based on the premise that there will be “too many trees” based on a survey that officials have admitted is flawed yet which they continue to use to justify their false claim. Where is the good faith in presenting lies and obfuscation as fact.

But let us remember what “too many trees” means – it would mean our forests are sucking hundreds of mega tonnes of carbon out of the air. That’s a good thing! The Crown should not be trying to stop it.

Don’t adopt a policy to increase net emissions in the middle of the climate crisis – how can there be such a thing as “too much” sequestration when our planet is burning?

Unfair treatment of Māori foresters compared to Pakeha farmers

We must compare the treatment of predominantly Pakeha farmers with the treatment of Māori forest owners. Farmers were given five years to develop their own plan. Not only is this incredibly generous in a climate emergency but the outcome arrived at is that farmers will be allowed to continue to increase their emissions, with just 5% of biogenic emissions facing a levy, and that money going straight back into paying farmers to decarbonise.

On the other hand, Māori landowners, who are responding to the Emissions Trading Scheme and backing the Emissions Reduction Plan, are told that their planting plans are wrong, that they will sequester “too much” carbon and lower Aotearoa’s net emissions “too much”, resulting in a lower carbon price – an fact-free and ridiculous proposition – and barriers will have to be put up to stop that.

In essence, the Crown will incentivise Pakeha farmers and allow them to continue polluting, but Māori landowners who want to earn their own way and help counter climate pollution are targeted with proposals designed to stop us in our tracks.

Under the permanent forestry category review, Māori landowners were told they must go cap in hand to councils for permission to sequester carbon, while farmers are allowed to continue to increase their emissions as much as they want. Would the Crown propose a system where Pakeha farmers had to come to Māori foresters for permission to increase their herds? It’s unimaginable. No government would even contemplate such an idea. And yet that is the position that the government proposes to put Māori foresters in.

This flawed proposal, based on myths, must be abandoned

It is hard to fathom how, in 2023, after:

- The adoption and ratification of the Paris Accord by Aotearoa
- The passing of the Zero Carbon and Climate Change Amendment Acts
- The establishment of the Climate Change Commission and publication of the first budgets
- The creation of the permanent forestry category, with the inclusion of exotic forests

This proposal if implemented would increase Aotearoa’s emissions

If the Crown wants to achieve its NDC Paris Commitments at home and truly values Māori investing in returning their land to natural state and allowing Māori to flourish in the carbon economy, it must not try to chop our knees off.

The Crown now needs to work hard to rebuild trust and restore momentum to Māori forestry plans. The Crown must act as a partner and embrace co-design. Ministers Shaw has failed to honour an agreement to set up a technical working group nominated by Māori foresters and by the Crown to work through a series of outrageous and untrue myths propagated by farming extremists and now used as a basis for documents such as this one under discussion.

The Crown must not engage in these high-handed actions, where it suddenly drops bombshells that will change the rules on Māori mid-stream and take away our access to the carbon economy. There must be genuine conversation between partners based on Te Tiriti.

Any policy that limits the rights of Māori to decide what they do with their land must be co-designed with Māori in accordance with Te Tiriti.

We are beset by the nonsense argument that the Greens and the pakeha conservation movement are making that the permanent category should only be natives. However, these people have probably never praised natives in a nursery of planted natives to know how uneconomic this argument is.

This is our land, what little of it is left in our hands, and this ETS Review written by wall to wall Pakeha bureaucrats, and a Minister hell bent on putting on a show for the voting public. The result is an ETS document with numerous wrong assumptions, at least one big lie (oversupply of trees) and driven by those who have no responsibility of care for the wellbeing of Māori.

MĀORI CLIMATE COMMISSION RESPONSE TO CONSULTATION QUESTIONS – TE AROTAKE MAHERE HOKOHOKO TUKUNGA, REVIEW OF THE NEW ZEALAND EMISSIONS TRADING SCHEME

Question 2.1: Do you agree with the assessment of reductions and removals that the NZ ETS is expected to drive in the short, medium and long term?

87. No. This assessment has been developed to gain support for, and to fulfill, a political agenda for changes to Aotearoa's approach to climate change action. Specifically, it seeks to shift from net emission to prioritising gross emissions. While perhaps well-intentioned, this revised approach does not have any mandate from Parliament and is contrary to what it set out in the current legislation. More broadly, it has not been consulted on or endorsed by political parties, Māori, key stakeholders and the public. This can be contrasted from the focus on net emissions, which is captured by the current legislation, and which was broadly consulted on and endorsed when that legislation was passed.
88. It is important to keep in mind that while decreasing emissions is a valuable goal, it must be considered alongside other factors such as the costs to households and businesses (particularly in lower socioeconomic groups), and long-term planning and investment that has been made on the basis of the current legislation.
89. Furthermore, the central key stated problem is purported oversupply is a fallacy that relies on incorrect and unreasonable assumptions. We, and others, have identified a number of

manipulated assumptions and significant errors in the modelling that underlies this problem identification (as set out above). Put simply, the conclusions set out in this chapter are not valid or supported by evidence.

Question 2.2: Do you have any evidence you can share about gross emitter behaviour (sector specific, if possible) in response to NZU prices?

90. After nearly a decade of political wrangling and mixed signals from officials (and particularly) since the removal weakening measures such as 2-for-1 and the implementation of a clear trajectory and plan to 2050), the ETS has been working well and as intended. NZU prices have been trending upwards, and as a consequence these increasing costs were supporting increased low carbon investment and actions by emitters in terms of gross emissions reductions.
91. Unfortunately, through this current consultation and the Government's actions over the last year, the ETS and NZU market has moved from being strong and stable, to uncertain and unstable. In doing so, the Government has wiped millions of dollars from existing investments, including Māori trusts with forestry assets. This has had a chilling impact on the availability of capital for private low carbon investment, particularly for Māori investment.
92. This is all the more disappointing given that it is in stark contrast to the stability of Aotearoa's regulatory approach over the last few years. Following, the passing of the Zero Carbon Act with cross party support, and the establishment of the carbon budgets, emitters were given clear signals about taking reduction and mitigation actions. Further, there was confidence to invest and believe there will be a cohesive regulatory environment, regardless of who was in Government.
93. This stability is absolutely necessary for the ETS to be effective, given that it requires long-term planning decision. Clear and consistent signaling of expected intent is also essential for greater emitter climate actions and investment. But it is important to realise that this investment is not just based on NZU prices and regulatory certainty. Rather, there are other barriers to emission reductions being implemented such as access to capital or technology, depreciation policies, and sector specific commercial and legislative barriers. There needs to be a much better understanding of these barriers, their costs to overcome, and the forecast timings and mitigation actions needed to deliver these changes.

Question 2.3: Do you have any evidence you can share about landowner and forest investment behaviour in response to NZU prices?

94. The Māori Climate Commission has led the representation of Māori interests in the ETS and forestry policy, because we recognise the substantial interest Māori have in these areas. Half of whenua Māori is in forestry. In 2018, Māori were estimated to own \$4.3 billion of forestry assets, and about 45% of commercial forests land in Aotearoa. Māori often own marginal land in Aotearoa best suited to forestry. Further, beyond landholdings, Māori own more \$100 million of NZUs.
95. This consultation has cost Māori approximately \$11.2 billion already (as detailed above). It is also risking the potential future value of \$15 billion that could be realized by allowing Māori to properly participate in the carbon economy.
96. Right now, it is difficult to attract investment capital for afforestation, because this consultation and Government actions more broadly have caused havoc for market confidence.

If this consultation is withdrawn and we design a long term and stable system that works for everyone, then stability can be brought to the market and the necessary forest investment will return over time. This is how true and lasting value can be realized.

97. The risks and issues raised regarding exotic forests have been previously negated and accepted as such, and the Government modelling forecasts of decades of record planting will never happen. If sensible ETS settings are agreed, then sensible levels of vital forest investment will occur.

Question 2.4: Do you agree with the summary of the impacts of exotic afforestation? Why/why not?

98. No, we strongly disagree.
99. It is entirely unclear why the Government is again initiating a review seeking to limit or restrict exotic species, either from the ETS or permanent forest category. The risks and issues raised have been previously negated and accepted as such by the former Minister of Forestry. The reasons underlying this are set out in detail in The Māori Climate Commission's extended report and technical analysis on the matter.¹

Question 3.1: Do you agree with the case for driving gross emissions reductions through the NZ ETS? Why/why not? In your answer, please provide information on the costs of emissions reductions.

100. No, we strongly disagree. It is not an 'either or'. Rather, both net and gross emissions reductions must be captured.
101. We are in a 'climate emergency and it is not the time to pick winners based on ethos or politics.
102. More work is needed on understanding the barriers to gross emission reductions, including the cost/benefit of different actions, technological gaps and capital/ depreciation models. In line with original development, any changes to the current targets need (from a practical and indeed a legal perspective) societal buy-in and a full legislative consultation process. But also, net removals must also be enabled.
103. Given the importance of this mahi to Māori and the world view and assets managed by our people that could assist Aotearoa meet its objectives, we seek, a te Tiriti-compliant development process to inform and manage action going forward.

Question 3.2: Do you agree with our assessment of the cost impacts of a higher emissions price? Why/why not?

104. No, we strongly disagree. Māori will not allow the costs of scarcity to be imposed disproportionately on our people.
105. The reforms propose to constrain net emissions in order to force, through scarcity, gross emissions reductions by 2030. Identified from this approach is that businesses will close, jobs will be lost, and the poorest (and in particular Māori) will be disproportionately impacted. Importantly, while these consequences are broadly alluded to, none of this is modelled or

¹ The Māori Climate Commission, 'Toitū te whenua Toitū ngā hua o Tāne – sustain our lands, sustain the bounty of our forests' (March 2023).

costed. Fuel and electricity shortages are also noted as a consequence of this proposal, but notably are also not costed.

106. Proper assessment of the significant impacts of this proposal is needed. A plan must be developed that is fair and does not impact the most impoverished. Suggesting that the poorest should simply 'take it' is entirely unacceptable.

Question 3.3: How important do you think it is that we maintain incentives for removals? Why?

107. It is vitally important that there are incentives for removals, and that forest investment is supported.
108. See the answer to question 2.3 above. The Government is (or plainly should be) aware that forestry in the ETS is a once-in-a-generation opportunity for our people. In addition to the harm that has already been done by the Government through this review, the current proposals remove this opportunity and, as a consequence, the billions of dollars of additional value to the Māori economy.
109. The Māori Climate Commission will not support the Government unilaterally pursuing its proposals and removing this opportunity for our people. If necessary, The Māori Climate Commission will continue to fight these various matters in its existing Waitangi Tribunal claim, and further before the High Court and the United Nations. Its rights are reserved in full.

Question 4.1: Do you agree with the description of the different interests Māori have in the NZ ETS review? Why/why not?

110. No, we strongly disagree. The description shows a total lack of understanding of Māori and the objectives of our people.
111. We have explained our interest in the ETS for many years to successive Ministers and to endless government officials. We have prepared and provided detailed submissions, reports and analyses. Despite this, the Government and its officials produce proposals which seek to further impoverish Māori and confiscate the opportunities and value we can attain from our lands. More egregious, the Government proposes putting our various interests and assets under its control.
112. We need to work together in true partnership and good faith (as required by te Tiriti and the relevant legislation) to develop policies and solutions. Anything less than partnership will mean that the Crown has failed to make informed decisions on matters affecting the rights and interests of Māori and failed to design policy proposals that adequately protect their tino rangatiratanga over their whenua, resources, and people. This is a legal requirement set out by the Waitangi Tribunal and s 3A of the Climate Change Response Act 2002.

Question 4.2: What other interests do you think are important? What has been missed?

113. The Government and its officials have completely failed Māori in the development of this proposal. Specifically, they have failed to work with us, failed honour the requirements of te Tiriti, failed to honour the commitments you have made, failed to enable us to independently build our own wealth and to assess and inform our people of the impacts of your proposals.

114. Put simply, 'what has been missed' is that the Government and its officials need to run a te Tiriti-compliant process. We need to work together in true partnership to develop policies and solutions.

Question 4.3: How should these interests be balanced against one another or prioritised, or both?

115. It is for Māori to decide what is right for Māori. The consultation documents superficially recognise that any changes to the ETS will prejudice Māori significantly in exercising their tino rangatiratanga over their land forestry. Our membership, and other Māori, will not cede control of our lands or allow the Government to take value from our lands. Any attempt to do so would be akin to the foreshore and seabed issue.

Question 4.4: What opportunities for Māori do you see in the NZ ETS review? If any, how could these be realised?

116. There are undoubtedly massive opportunities, as set out in detail above. We have identified \$15 billion of potential returns on through our participation in the carbon economy. This is returns that our people can gain for themselves, particularly given that large portions of their land is marginal land and only suitable for forestry.
117. Sadly however, the current proposals would remove this once-in-a-generation opportunity in favour of the Crown taking control of what we can do on our lands and the returns we might otherwise realise.

Question 5.1: Do you agree with the Government's primary objective for the NZ ETS review to consider whether to prioritise gross emissions reductions in the NZ ETS, while maintaining support for removals? Why/why not?

118. No, we strongly disagree.
119. There is no legislative mandate to do so. Our NDC and zero carbon targets are based on net emissions, not gross emissions. The net target was widely consulted on and had wide political consensus (with the exception of the ACT party's single MP).
120. While net as opposed to gross may seem like a simple issue, it is much more complex than the consultation documents suggest. In particular, the balance between net and gross must be viewed alongside detailed costings to ensure that the costs imposed on households and businesses are acceptable.
121. We are in a climate emergency and now is not the time to pick winners based on ethos and politics. The truth is that both net and gross emissions reductions must be captured. As matters stand, more work is needed on initiatives to reduce gross reduction barriers. In line with original development, any changes to the targets need societal buy-in and a full legislative consultation process. A te Tiriti-compliant process must be used to inform and manage any changes.

Question 5.2: Do you agree that the NZ ETS should support more gross emissions reductions by incentivising the uptake of low-emissions technology, energy efficiency measures, and other abatement opportunities as quickly as real-world supply constraints allow? Why/why not?

122. We support a plan developed in partnership with Māori that creates aligned action by all stakeholders, encourages forestry, and delivers transition in a cost-effective way.

123. The reforms propose to constrain net emissions in order to force, through scarcity, gross emissions reductions by 2030. The consultation documents identify that under this approach businesses will close; jobs will be lost and the poorest (including Māori) will be disproportionately impacted. While these concerns are noted, they are not properly costed, so the extent of them is unknown. Fuel and electricity shortages are also noted but not costed.
124. Māori cannot afford for the economic and social costs of scarcity to be imposed on our people, particularly in circumstances where the Government does not know the extent of those costs.

Question 5.3: Do you agree that the NZ ETS should drive levels of emissions removals that are sufficient to help meet Aotearoa New Zealand's climate change goals in the short to medium term and provide a sink for hard-to-abate emissions in the longer term? Why/why not?

125. Yes. The importance and benefits of forestry and forestry removals to helping meet Aotearoa's climate change goals have been well established. In fact, according to Climate Tracker, this is the only area where our actions are seen as sufficient to meet the challenge posed by climate change.
126. While forestry is noted as the cheapest mitigation option and required, it is clear that the Government's current proposals seek to limit and/or control afforestation. All options lower domestic afforestation and will accordingly lead to an increase of overseas unit importation. Further, all options remove the once-in-a-generation opportunity for Māori to participate in the carbon economy and gain full value from these actions.
127. We need to work together in true partnership and good faith to develop policies and solutions.

Question 5.4: Do you agree with the primary assessment criteria and key considerations used to assess options in this consultation? Are there any you consider more important and why? Please provide any evidence you have.

128. No, we strongly disagree. The ETS review as proposed does not have merit.
129. We strongly submit that all work on this flawed review and its proposals must stop. Instead, in the new term of government we must start again as partners and work through a plan and actions that delivers the best course and speed for Aotearoa.

Question 5.5: Are there any additional criteria or considerations that should be taken into account?

130. See the answer to question 5.4 above.

Question 6.1: Which option do you believe aligns the best with the primary objectives to prioritise gross emissions reductions while maintaining support for removals outlined in chapter 5?

131. We do not support this primary objective as there is no mandate to move from a net emissions focus to prioritise gross emissions. This mandate is essential, both legally and practically.
132. As set out above, regarding this consultation, none of the options have merit. All options result in lower gross emissions. Options 3 and 4 result in unchanged net emissions. That is, they do not help us towards our Paris Commitment or domestic our zero carbon targets.

133. All options come at great cost to households. This cost is noted as disproportionate in its impact, skewed towards the lower socio-economic households. Māori are disproportionately impacted in terms of socio-economic status.
134. All options lower domestic afforestation and as such result in a likely increase of overseas unit importation. Further, all options remove the once-in-a-generation opportunity for Māori to participate in the carbon economy and gain full value from these actions.
135. See the answer to question 5.4 above.

Question 6.2: Do you agree with how the options have been assessed with respect to the key considerations outlined in chapter 5? Why/why not? Please provide any evidence you have.

136. No, we strongly disagree. See the answer to questions 5.4 and 6.1 above.

Question 6.3: Of the four options proposed, which one do you prefer? Why?

137. We do not support any of the options and call on the Government to begin again in partnership with Māori. See the answer to question 6.1 above.

Question 6.4: Are there any additional options that you believe the review should consider? Why?

138. Put simply, the ETS review as proposed does not have merit. See the answer to question 5.4 above.

Question 6.5: Based on your preferred option(s), what other policies do you believe are required to manage any impacts of the proposal?

139. We do not support any of the options and call on the Government to begin again in partnership with Māori, this work needs to begin again jointly identifying objections, options and impacts.

Question 6.6: Do you agree with the assessment of how the different options might impact Māori? Have any impacts have been missed, and which are most important?

140. No, we strongly disagree. See the answer to questions 5.4 and 6.1 above.

Question 7.1: Should the incentives in the NZ ETS be changed to prioritise removals with environmental co-benefits such as indigenous afforestation? Why/Why not?

141. The final pages of the document look to reward other forms of carbon removal and providing incentives for co- benefits. No numbers are provided, and details are sketchy at best. Having said that, it appears this would be a state-run process presumably planned to be funded by the arbitrage stolen from Māori landowners and other foresters investing in planting under the proposed nationalisation system, if any planting occurs.
142. The Government is not the natural owners of these initiatives. We observe that no consideration is being given to high level of current Māori, farming and forestry private investment in co-benefits.

143. We also note that the most likely next carbon removal that will be recognised by the UNFCCC is blue carbon. This is a methodology which, given the rights of Māori under te Tiriti, is best placed to be developed by Māori for their own benefit.
144. Finally, the co-benefit proposals, while maybe laudable in terms of advancing environmental projects, provides no return to NDC in terms of climate action. Māori will not accept payment through arbitrage of these state run environmental projects.

Question 7.2: If the NZ ETS is used to support wider co-benefits, which of the options outlined in chapter 6 do you think would provide the greatest opportunity to achieve this?

145. See the answer to question 7.1 above.

Question 7.3: Should a wider range of removals be included in the NZ ETS? Why/Why not?

146. See the answer to question 7.1 above.

Question 7.4: What other mechanisms do you consider could be effective in rewarding co-benefits or recognising other sources of removals? Why?

147. See the answer to question 7.1 above.

THE MĀORI CLIMATE COMMISSION'S RESPONSE TO CONSULTATION QUESTIONS - A REDESIGNED PERMANENT FORESTRY CATEGORY

Question 1: How do you think the Inquiry's recommendations could be reflected in proposals to redesign the permanent forest category?

148. It is entirely unclear why the Inquiry's findings are being, or might be, reflected in any permanent category redesign. The Inquiry focused on another forestry land use – rotational forestry. Permanent forestry was out of scope.
149. Importantly, the Inquiry was concerned about the byproduct of rotational forestry harvest, slash. These concerns have no relevance to permanent forestry.
150. Given this, it would be grossly unfair to deny, through scope, permanent forestry stakeholder input into the Inquiry, and to then utilise these findings in the permanent forestry category without full consultation with impacted stakeholders. Any attempt to act in this way is likely to give rise to a procedural fairness ground of judicial review.
151. The Māori Climate Commission wants the redesigned permanent forest category to achieve multiple outcomes.

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

152. The Māori Climate Commission does not agree with the assessment criteria because it does not support further review or redesign of the permanent forest category.
153. Put simply, there is no basis for the redesigned permanent forest category to still be under review. Officials are aware of our previous discussions and our technical material, which was accepted by the then Minister of Forestry.² Despite the amount of effort and expertise that went into the report we produced, our work is clearly being undervalued. Instead, this current proposal has been produced without proper consultation or consideration.
154. The Māori Climate Commission strongly submit that all work must cease on the flawed permanent forestry category proposals. In the new term of government, we should start again as partners and work through a plan and actions that deliver the best course and speed for Aotearoa.

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

155. This is not applicable on the basis that no assessment should be made relative to these criteria'.

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

156. The status quo should continue.

² The Māori Climate Commission, 'Toitū te whenua Toitū ngā hua o Tāne – sustain our lands, sustain the bounty of our forests' (March 2023).

Question 4: Of these options, what is your preferred approach? Why? Are there other options you prefer, that we haven't considered? Note, options 1.2a and 1.2b are not mutually exclusive.

157. The Māori Climate Commission supports the status quo. It does not support any of the options outlined.
158. It is entirely unclear why this review is seeking to restrict other exotic species from the category. We do not support any such restriction.
159. Māori have long advocated for transition forestry to be accepted by the Government as a sensible solution. It is pleasing to see that this is being properly heard and recognised. Transition forestry provides a unique opportunity for Māori to properly recognise the value of their land and to participate in the carbon economy.
160. If a te Tiriti-based approach is used in design of all ETS and forestry policy options, Māori do not need the proposed option focused only on Māori land.

Question 5: If you support allowing exotic species under limited circumstances, how do you think your preferred 'limited circumstance' should be defined? For example, if you support allowing long-lived exotics to register, how do you think we should define 'long-lived'?

161. We support the status quo, and do not support any limitation along these lines.
162. We note further that permanent forests support the delivery of environmental benefits and climate change adaptation and resilience, including through afforesting erosion-prone land. Much of this is realised by private funding, rather than a reliance on state-funded grants and incentives.

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

163. Permanent forests stabilise erosion-prone land already. They could also help address, through active management, the issue of wilding pines.

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

164. No, we support the status quo with no restrictions. The wilding issue is addressed through active management.

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

165. Transition forestry requires active management by the landowner. This is site specific and requires investment in matters such as predator management, protection of seed sources, and bio-diversity. Participants undertaking this methodology do not need the regime interference or purported risk reduction measures that are being proposed in this consultation.

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?

166. The Māori Climate Commission does not support any proposals to change the carbon accounting, and sees no basis on which to suggest changes.
167. Importantly (and as set out above), the transition forestry illustrative curve of carbon units earned in the consultation material is neither valid nor representative of transition forestry practice. A more accurate representation is set out above at paragraph [80].
168. The Māori Climate Commission seeks to retain carbon accounting as the best methodology for this practice.

If there are other options you think we should consider please list them.

169. This is not applicable on the basis that the status quo is the optimal approach.

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?

170. We do not agree with the proposal. Carbon stock change accounting achieves accuracy and can be applied to any forest and any management regime. Forest owners must receive one NZU for every one tonne of CO₂ stored.

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

171. This question is flawed. There is no basis for setting a 50-year timeframe. The permanent forest category does not do so. Any given forest might plan to transition the forest over a longer or a shorter period.
172. A better question is, what should occur if a forest does not transition in accordance with its own plan. The answer to that question is that the ETS already contains relevant enforcement mechanisms, including penalties, fines, offences, and the personal liability of management. These measures are sufficient.

Question 11: Of these options, what is your preferred approach? Why? Are there other options you prefer, that we haven't considered? Note, options 3.2 and 3.3 are not mutually exclusive.

173. For the reasons set out, Māori are entitled to manage their own land and assets. The Government should not interfere with this.

Question 12: If there were to be additional management requirements for transition forests, what do you think they should be for? Why?

174. See the answer to question 11 above.

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?

175. See the answers to question 10 and 11 above.

176. Forest management is property specific and cannot be subject to specific milestones which will only add administrative cost and risk.

From: [REDACTED]
To: [etsconsultations](#)
Subject: Mercury submission on Review of NZ ETS
Date: Monday, 7 August 2023 10:28:39 am
Attachments: [image001.png](#)
[20230807 - Mercury Submission on Review of NZ ETS Aug 2023.pdf](#)

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Kind regards,

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Wellington, Woodward House, 1 Woodward St, Level 1



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To: [etsconsultations](#)
Subject: NZFFA submission
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Te Arotake Mahere Hokohoko Tukunga Review of the New Zealand ETS

PF Olsen Limited submission

August 2023

Prepared by: Mike Duckett



Author Signature

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Date

10 August 2023

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1. Introduction

1.1 Overview

PF Olsen is a forest management services company with offices and clients across New Zealand. We represent many different landowners, with a range of objectives for their forest investments.

This submission does not attempt to summarise the feedback from our clients, rather it represents what matters most to our business and our vision for what is best for the New Zealand forest industry.

This submission is in two parts. Firstly, we have made general comments on the consultation, then we have prepared responses to specific questions posed in the discussion document.

1.2 General comments

PF Olsen has found it difficult to formulate a submission based on the options proposed in the discussion document, for the following reasons:

- The options provided have such a wide range of possible outcomes that it is difficult to decide which option is preferable.
- The Government has also advised that they may look to cherry pick - take parts of different options in some type of composite approach.

This lack of clarity has created massive uncertainty for investors. It is very difficult to see which direction the government will go here, and how severe any changes will be. Unfortunately, the way in which this consultation has been written and released has already had a substantial negative impact on planting intentions, and this will persist until meaningful and detailed options are developed for consideration.

The industry needs a reasonable and (most importantly) a consistent policy framework, as forestry investments take substantial time to develop and bear fruit. The last few years have been over-run with consultations and changes to the ETS, and it is fair to say that confidence is now at an all-time low for forestry ETS participants.

Although most forestry investors would like to see the status quo persist to maximise their economic returns, we think most will acknowledge that this will not help to prioritise gross emissions. Many foresters would inevitably accept one of the proposed options if they understood how the parameters within which each option would operate, and how it would affect them. This is not possible currently with the lack of detail provided.

One of the most damaging aspects of this consultation has been the lack of clarity on whether any proposed changes would also affect existing NZUs in the stockpile and the future entitlements of existing forests in the ETS. The Government has to front-foot this now, and formally acknowledge that existing units and future entitlements from existing ETS forests are protected from proposed changes. Changes must be focussed on the future.

Forest owners are now worried that the assumptions they based their investment decisions on could be changed at the stroke of a pen and potentially wipe out expected returns or even result in catastrophic losses. It will take years for investors to regain confidence and we are already seeing new investment interest dry up completely.

Although many investors would prefer an open market for their carbon credits (e.g., options 1-3) they would also likely accept a closed market (c. option 4) if they could be confident that the price they received was going to be within an acceptable range for them to make investment decisions. But with no indication of range, the potential outcomes of either option are unknown. No one will be willing to invest on this level of uncertainty.

Either option 3 or 4 would be palatable if a robust alternative (in the form of a structured VCM) was available. This would allow foresters to sell their units elsewhere if ETS settings were unpalatable. But what does this achieve for the Government? It would not be able to account for these removals against its NDC, so would need to encourage more and more removals that do count. VCMs need to be complementary rather than a better alternative.

An option that has been discussed at length within the industry as an alternative or variation to Option 3 is to limit land area entering the ETS to match modelled estimates of long-term afforestation requirement. This option would have a reasonably low requirement in terms of ETS operation, as it would just be limiting the amount of land able to generate units in the ETS. Surplus land could still enter VCMs if desired.

There are some challenges with this approach, particularly with fair apportionment of rights to enter the ETS. This option would allow the Government to prioritise trees on farms, as part of the "right tree, right place, right purpose" strategy, but it would still need to be flexible enough that overseas investors could participate.

Like other proposed options, this would need to be carefully analysed to ensure it would work as intended. Regulation of afforestation scale may be best managed through legislation outside the ETS.

2. Expected impact of current NZ ETS

2.1 Do you agree with the assessment of reductions and removals that the NZ ETS is expected to drive in the short, medium and long term?

No, we do not agree with the assessment provided in the consultation document.

Specifically, we believe the central projection of afforestation rates are too high. The uncertainty in the sector created by this consultation has already had a substantial impact on planting intentions for 2024.

Longer term, we believe that ongoing afforestation rates at the level modelled could be challenging to achieve, given policy direction on multiple fronts. OIO changes, Ministerial Inquiry into land-use, NES-PF and RMA reform all point to more restrictions and challenges for landowners wishing to establish forests.

2.2 Do you have any evidence you can share about gross emitter behaviour (sector specific, if possible) in response to NZU prices?

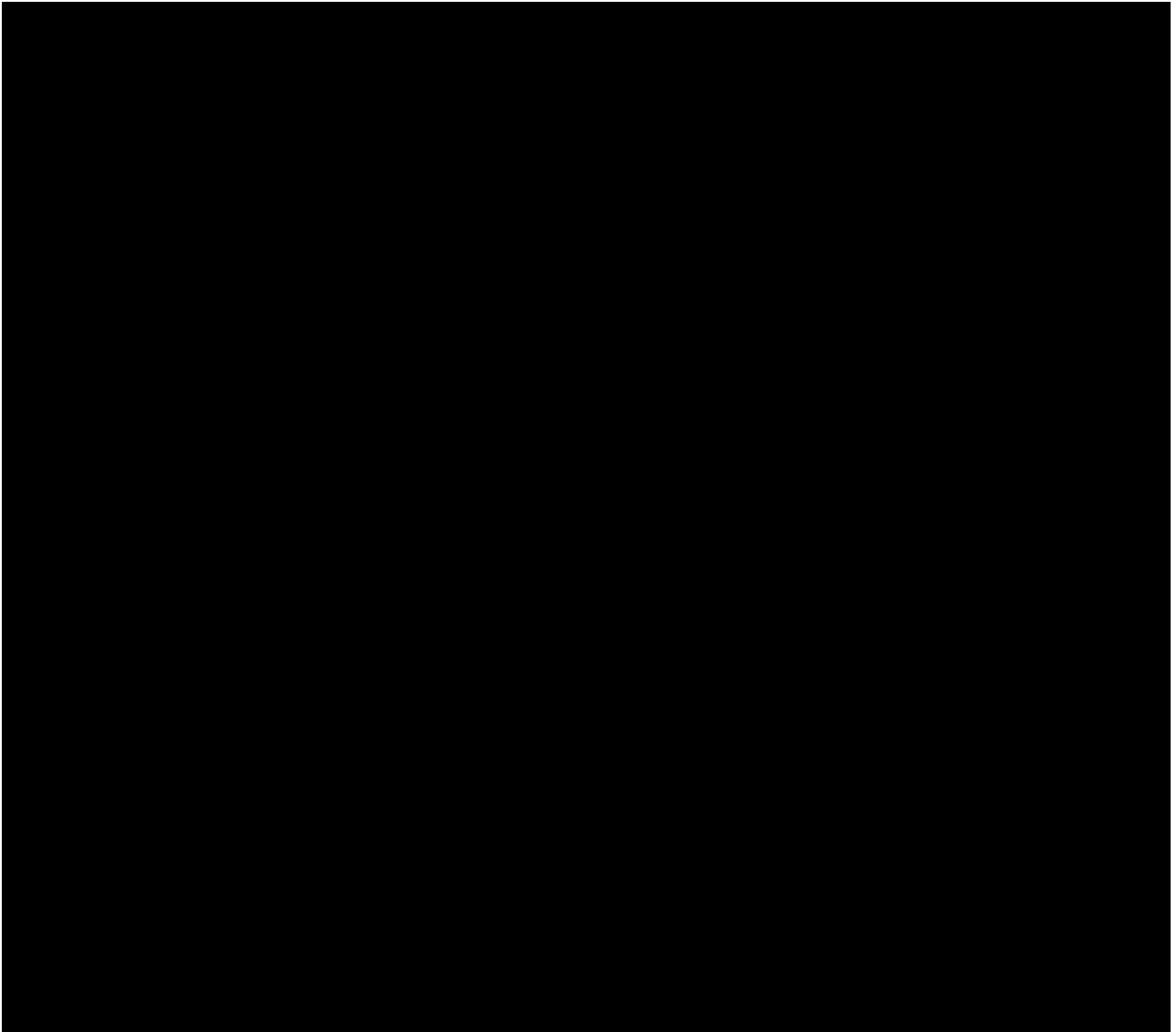
No

2.3 Do you have any evidence you can share about landowner and forest investment behaviour in response to NZU prices?

Through our involvement in client forestry investments and working with landowners considering change to forestry land-use, we see that carbon price level and risk plays a vital role in this decision-making process.

In comparing forestry and farming returns, we generally see a breakeven carbon price of around \$50-55. With the recent price collapse to under \$40, expected forestry returns (including carbon) do not stack up against farming returns on a lot of land.

A survey of our larger clients with tree stock orders confirmed for 2024 suggests that 3,200 ha is at risk of cancellation right now.



We believe that planting rates could be half what has been previously forecasted in 2025 as investors have lost confidence in the ETS and are not acquiring land for afforestation. This behaviour will not change until decisions are made, so 2025 and 2026 (as a minimum) are expected to be very slow years for afforestation.

With uncertainty about future prices for forestry NZUs, investors and farmers are currently unwilling to commit to new forestry plantings.

2.4 Do you agree with the summary of the impacts of exotic afforestation? Why/why not?

The summary of impacts of exotic afforestation on pages 29–30 is a poor summation.

It seems to focus on the negative aspects of permanent exotic afforestation, and it fails to consider some key points:

- A large list of potential adverse impacts could be developed for competing land use options too (e.g. agriculture).
- Some of the mentioned downsides with respect to land-use change (e.g., employment, exports, fire, disease) also apply to indigenous afforestation.
- Employment and export impacts are potentially positive (v farming) if considering production forestry rather than permanent carbon sinks.
- “Permanent” forests could still be sustainably harvested in the future, generating favourable export and employment outcomes.
- The flexibility of land-use is still there after planting, as there is still plenty of farmland available, as well as the ability to offset deforestation by planting another forest elsewhere.
- Again, concerns around permanence are not unique to exotic forests – these issues could appear in indigenous forests too. The key is to ensure a robust management regime, and policy settings that do not over-issue credits for forests in the highest risk situations. Proposals in the parallel permanent category consultation deal with this.
- When integrating exotic afforestation into an existing farming operation, many of the potential negatives can be avoided. Policy settings should be aiming to encourage more trees on farms and a balanced approach to land-use.

PF Olsen fully supports the “right tree, right place, right purpose” mantra.

3. Driving gross emissions reductions through the NZ ETS

3.1 Do you agree with the case for driving gross emissions reductions through the NZ ETS? Why/why not? In your answer, please provide information on the costs of emissions reductions.

We agree that the ETS needs to work better to drive gross emissions reductions. But this should not be done via a “blunt stick” on forestry. It is important to model the expected impacts of different policy options in detail. If the settings are too harsh on forestry, we will quickly see investment dry up. Investment has already cooled due to the release of this consultation.

Any changes to Forestry’s participation in the ETS should be based on actual data and robust modelling, not just public sentiment, optics, and political considerations.

3.2 Do you agree with our assessment of the cost impacts of a higher emissions price? Why/why not?

No comment.

3.3 How important do you think it is that we maintain incentives for removals? Why?

It is clear from the various modelling that has been completed that forestry removals are vitally important to our climate response.

Large scale afforestation of any kind will not occur without some level of incentive. The reasons for this include:

- Relatively high land cost.
- Competition with farming land-use returns.
- Expectation that forestry timber revenues could be lower in 20–30 years’ time due to stricter regulatory / environmental requirements, and risks associated with an over-reliance on a single export market in China.
- Limited alternative revenue streams from permanent forests.

Incentives need to be sufficient to encourage investment, but more importantly they need to be subject to less policy risk than is currently experienced. Decisions in this space need to be carefully considered so that the settings are enduring, and investors can rely on expected outcomes being achieved.

4. Changes to the NZ ETS would be significant for Māori.

4.1 Do you agree with the description of the different interests Māori have in the NZ ETS review? Why/why not?

This is best answered by Māori landowners and stakeholders.

4.2 What other interests do you think are important? What has been missed?

No comment

4.3 How should these interests be balanced against one another or prioritised, or both?

No comment

4.4 What opportunities for Māori do you see in the NZ ETS review? If any, how could these be realised?

This is best answered by Māori landowners and stakeholders.

5. Objectives and assessment criteria

5.1 Do you agree with the Government’s primary objective for the NZ ETS review to consider whether to prioritise gross emissions reductions in the NZ ETS, while maintaining support for removals? Why/why not?

Yes

5.2 Do you agree that the NZ ETS should support more gross emissions reductions by incentivising the uptake of low-emissions technology, energy efficiency measures, and other abatement opportunities as quickly as real-world supply constraints allow? Why/why not?

Yes

5.3 Do you agree that the NZ ETS should drive levels of emissions removals that are sufficient to help meet Aotearoa New Zealand’s climate change goals in the short to medium term and provide a sink for hard-to-abate emissions in the longer term? Why/why not?

Yes

5.4 Do you agree with the primary assessment criteria and key considerations used to assess options in this consultation? Are there any you consider more important and why? Please provide any evidence you have.

We agree with the criteria and considerations that have been developed.

We believe that the consideration of the functionality of the NZ ETS market is very important. Proposed changes must carefully consider the impacts on the ETS markets and participants.

We also think it is important to consider co-benefits.

5.5 Are there any additional criteria or considerations that should be taken into account?

No comment.

6. Options identification and analysis

6.1 Which option do you believe aligns the best with the primary objectives to prioritise gross emissions reductions while maintaining support for removals outlined in chapter 5?

It is difficult to visualise how any of the proposed four options will meet both primary objectives (prioritise gross emissions, maintain support for removals).

Options 1 and 2 appear to have short-term benefits, but could still encourage emitters to focus on removals.

It is impossible to determine whether Options 3 and 4 will maintain support for removals when no detail is provided on how the proposed options would be implemented. It seems entirely possible that policy settings could be set that could be too loose or too harsh if the modelling is lacking in accuracy.

PF Olsen does not support any vintaging of removals units.

6.2 Do you agree with how the options have been assessed with respect to the key considerations outlined in chapter 5? Why/why not? Please provide any evidence you have.

In PF Olsen’s opinion, there has not been enough detailed modelling to understand the flow-on impacts of the different options.

6.3 Of the four options proposed, which one do you prefer? Why?

Option 2 is preferred over Option 1.

Option 3 is preferred over Option 4. Creating a separate scheme for removals seems overly complex and costly with little upside. Option 4 will put off many investors wanting some exposure to open market forces. Having the Government as the only counterparty may appeal to the most risk-averse investors, but most would be somewhat untrusting given previous intervention and current price volatility from policy uncertainty.

6.4 Are there any additional options that you believe the review should consider? Why?

Restricting the annual area that is allowed into the ETS could be another option to consider in lieu of option 3. There are some challenges in terms of how this is implemented without disparity in land markets developing (or magnifying), but at least it would require the least structural changes to the legislation and operation of the ETS.

6.5 Based on your preferred option(s), what other policies do you believe are required to manage any impacts of the proposal?

Options 3 and 4 have the potential to unfairly disadvantage farmers if they are unable to offset emissions on-farm through *He Waka eke Noa*. These options would also make offsetting through the ETS more difficult, leaving little viable options to offset. We think it would be fair for farmers to have some on-farm offsetting allowed within HWEN to mitigate this.

As an alternative to Option 2, the Government could develop infrastructure to support a more structured voluntary carbon market. This would provide an alternative market for any surplus forestry NZUs but could negatively impact NDC contribution calculations.

Voluntary carbon markets will provide a necessary alternative to the ETS if Option 3 or 4 were implemented and resulted in poor incentives or increased policy risk for investors.

6.6 Do you agree with the assessment of how the different options might impact Māori? Have any impacts have been missed, and which are most important?

This is best answered by Māori landowners and stakeholders.

7. Broader environmental outcomes and removal activities

7.1 Should the incentives in the NZ ETS be changed to prioritise removals with environmental co-benefits such as indigenous afforestation? Why/Why not?

Indigenous afforestation has clear environmental benefits. Large-scale indigenous afforestation is very challenging and costly, so additional incentives are necessary to encourage these removals (e.g. biodiversity credits, afforestation grants).

7.2 If the NZ ETS is used to support wider co-benefits, which of the options outlined in chapter 6 do you think would provide the greatest opportunity to achieve this?

Options 2, 3 and 4 could all provide this opportunity.

It is not possible to determine which of these opportunities provides the greatest opportunity, because each option has such a wide range of possible outcomes.

7.3 Should a wider range of removals be included in the NZ ETS? Why/Why not?

Adding more removal activities to the ETS seems counter to previous objectives to simplify the operation of the scheme.

The examples provided look to have reasonably low removals potential, while the administrative cost of measuring and monitoring these activities would be high.

There would also need to be a requirement to ensure participants whose removal activities reverse (e.g., reduced soil carbon, degradation of wetlands, poor management of pre-1990 forest) face a liability. This could catch landowners out and could require a very complex compliance regime.

We believe other removal activities should only be introduced if they are simple to measure, are unlikely to be reversed, and contribute meaningfully to New Zealand's NDC.

7.4 What other mechanisms do you consider could be effective in rewarding co-benefits or recognising other sources of removals? Why?

As per the discussion document, PF Olsen support the following mechanisms:

- Recognising removals as part of HWEN
- A voluntary carbon market framework
- Biodiversity credit system

We also support the re-introduction of Grant funding (especially for projects involving indigenous afforestation or restoration).

From: [RMA Policy Planning](#)
To: [etsconsultations](#)
Subject: Powerco submission on Review of the NZ ETS
Date: Friday, 11 August 2023 7:44:33 pm
Attachments: [image001.png](#)
[2023 Powerco Submission on the ETS reform 110823.pdf](#)

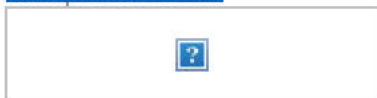
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Kia ora,
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Ngā mihi nui,
Adam Du Fall
[Head of Environment](#)



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To: [REDACTED]; [etsconsultations](#); [Natural Resources Policy](#)
Cc: [REDACTED]
Subject: RE: Extension Request for Beef and Lamb New Zealand Submissions
Date: Friday, 25 August 2023 4:34:16 pm
Attachments: [image001.png](#)
[B+LNZ Submissions on ETS and PFSI Reviews Aug 2023.pdf](#)

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[REDACTED]
Please see our submission to the NZ ETS Review and Review of the Permanent Forest Sink Category attached. We really appreciate the extension we've received and look forward to engaging with you and your colleagues further on our submission contents. Ngā mihi nui and I hope you have a nice weekend,
Madeline

Madeline Hall | Senior Environment Policy Analyst
Beef + Lamb New Zealand Ltd
[REDACTED] website www.beeflambnz.com

From: [REDACTED]
Sent: Friday, July 28, 2023 10:29 AM
To: Madeline Hall <[REDACTED]>; Ministry for the Environment Emissions Trading Scheme Policy Team <etsconsultation@mfe.govt.nz>; Natural Resources Policy <LWC@mpi.govt.nz>

[REDACTED]
Subject: RE: Extension Request for Beef and Lamb New Zealand Submissions

Kia ora Madeline

Thanks for getting in touch. We are happy to receive your submissions on 25 August.
All the best

[REDACTED] ([he/him](#)) | Team Leader – Natural Resources Directorate

From: Madeline Hall <[REDACTED]>
Sent: Thursday, 27 July 2023 12:52 PM
To: Ministry for the Environment Emissions Trading Scheme Policy Team <etsconsultation@mfe.govt.nz>; Natural Resources Policy <LWC@mpi.govt.nz>

[REDACTED]
Subject: Extension Request for Beef and Lamb New Zealand Submissions

Kia ora ETS and Permanent Forest Consultation Teams,

We would like to request an extension until August 25th to submit our views on the Review of the Emissions Trading Scheme and the redesigned ETS Permanent Forest Category. Note that we can provide indicative views prior to this time but want to use this additional time to confirm our nuanced positions with our Board.

Please let us know if this is suitable.

Thank you in advance,
Madeline Hal



Madeline Hall

Senior Environment Policy Analyst



website www.beeflambnz.com

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From: [Mike Duckett](#)
To: [etsconsultations](#)
Subject: RE: Extension request
Date: Tuesday, 22 August 2023 12:06:54 pm
Attachments: [image001.jpg](#)
[PFO ETS Review Submission 2023-08 FINAL.pdf](#)

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Hi MfE,

Please find attached our submission on *Te Arotake Mahere Hokohoko Tukunga* Review of the New Zealand ETS.

Kind regards

Mike

Mike Duckett RMNZIF | **Investment Manager**

 | www.pfolsen.com

PO Box 1127 | Rotorua 3040 | New Zealand

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From: etsconsultations <etsconsultation@mfe.govt.nz>

Sent: Thursday, August 10, 2023 4:39 PM

To: Mike Duckett 

Cc: NaturalResourcesPol@mpi.govt.nz

Subject: RE: Extension request

Kia ora Mike,

Just a short note to confirm that we are happy for submissions to the ETS Review and the redesigned permanent forest category to be **received by 25 August 2023**.

Ngā mihi nui | Kind regards


Ministry for the Environment | Manatū Mō Te Taiao

etsconsultation@mfe.govt.nz | environment.govt.nz



From: Mike Duckett 

Sent: Thursday, August 10, 2023 1:09 PM

To: etsconsultations <etsconsultation@mfe.govt.nz>

Subject: Extension request

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Hi ETS Team,

From: [Fiona Thomson](#)
To: [redacted]; [etsconsultations](#); [NaturalResourcesPol@mpi.govt.nz](#)
Cc: [redacted]
Subject: RE: Late lodging of submission
Date: Friday, 11 August 2023 5:18:48 pm
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)
[image008.png](#)
[Final subm ETS Review Permanent forestry category 110823.pdf](#)

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Kia Ora

Please find attached WCRC's ETS Review signed Submission. I apologise for this version being slightly late. I understand that Lillie got you an unsigned version before the deadline.

It would be much appreciated if you could please acknowledge receipt of the submission.

Regards

Fiona Thomson

[redacted] | West Coast Regional Council



From: [redacted]
Sent: Friday, August 11, 2023 4:49 PM
To: [etsconsultation@mfe.govt.nz](#); [NaturalResourcesPol@mpi.govt.nz](#)
Cc: Fiona Thomson [redacted]
Subject: Late lodging of submission
Importance: High

Afternoon, apologies, our submission is ready to lodge but is missing a signature.

Please advise if you will accept lodging of our submission on Monday morning.

Kind Regards

[redacted]
[redacted] | West Coast Regional Council



From: [Te Kapunga Dewes](#)
To: [etsconsultations](#); NaturalResourcesPol@mpi.govt.nz
Subject: RE: Nga Pou a Tane Response to the Reviews of Both the Emissions Trading Scheme and the Permanent Category within the Emissions Trading Scheme.
Date: Saturday, 26 August 2023 3:44:16 pm
Attachments: [image001.jpg](#)
[230825 NPAT Response to ETS Proposals Final.pdf](#)

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Kia ora;

My apologies for the extra work. If possible, can you replace the document send Friday with this one please? A minor error that affects readability updated. If this is not acceptable that is no problem really, simply me wanting the best document presented for official review.

Te Kapunga Dewes

Heamana

Nga Pou a Tane – The National Maori Forestry Association.

From: Te Kapunga Dewes

Sent: Friday, August 25, 2023 4:17 PM

To: Ministry for the Environment ETS Market Team <etsconsultation@mfe.govt.nz>;
NaturalResourcesPol@mpi.govt.nz

[REDACTED]

Subject: Nga Pou a Tane Response to the Reviews of Both the Emissions Trading Scheme and the Permanent Category within the Emissions Trading Scheme.

Tena Koutou;

Please find attached a copy of our **“Response to the Reviews of Both the Emissions Trading Scheme and the Permanent Category within the Emissions Trading Scheme”**

If you could please acknowledge receipt of this document.

Naku noa, na



From: [Matt Paterson](#)
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: RE: Possible extension for PCE submission on ETS review
Date: Thursday, 24 August 2023 4:53:11 pm
Attachments: [image001.jpg](#)
[PCF Submission on ETS Review and Permanent Forestry Redesign - Aug 23 FINAL.pdf](#)

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Hi MfE

I have attached the PCE's, Rt Hon Simon Upton, submission on the ETS review. If you have any questions or would like any clarification please contact either Geoff or myself.

Kind regards,

Matt

[REDACTED] | Kaitohu Matua Kaupapahere me ngā Hōtaka
[REDACTED] | [environment](#) | [Te Kaitiaki Taiao](#) a [Te Whare Pāremata](#)

Lvl.8 PlanIT House, 22 The Terrace
Wellington, Aotearoa New Zealand
[nce.parliament.nz](#)

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From: Matt Paterson

Sent: Thursday, August 10, 2023 4:48 PM

To: etsconsultations <etsconsultation@mfe.govt.nz>

Subject: RE: Possible extension for PCE submission on ETS review

Brilliant thanks [REDACTED]

Cheers,

Matt

[REDACTED] | Kaitohu Matua Kaupapahere me ngā Hōtaka
[REDACTED] | [environment](#) | [Te Kaitiaki Taiao](#) a [Te Whare Pāremata](#)

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From: etsconsultations <etsconsultation@mfe.govt.nz>

Sent: Thursday, August 10, 2023 4:42 PM

To: Matt Paterson [REDACTED]

Subject: RE: Possible extension for PCE submission on ETS review

Kia ora Matt,

Just a short note to confirm that we are happy for submissions to the ETS Review to be **received by 25 August 2023**.

Ngā mihi nui | Kind regards

[REDACTED]
Ministry for the Environment | Manatū Mō Te Taiao
etsconsultation@mfe.govt.nz | environment.govt.nz



From: Matt Paterson [REDACTED]
Sent: Thursday, August 10, 2023 3:24 PM
To: etsconsultations <etsconsultation@mfe.govt.nz>
Subject: Possible extension for PCE submission on ETS review

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Hi,
The Parliamentary Commissioner for the Environment, Simon Upton, is well advanced in drafting his submission on the ETS Review. Unfortunately, it is unlikely to be finalised in time for tomorrow's deadline. Would it be possible to get an extension to submit early next week?
Kind regards,
Matt

[REDACTED] | Kaitohu Matua Kaupapahere me ngā Hōtaka
[REDACTED] vironment | Te Kaitiaki Taiao a Te Whare Pāremata

Lvl.8 PlanIT House, 22 The Terrace
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From: [Robin | Tamata Hauha Ltd](#)
To: [REDACTED]
[etsconsultations](#)
Subject: RE: Tāmata Hauhā | ETS Review Submission Extension
Date: Friday, 25 August 2023 4:15:52 pm
Attachments: [image001.png](#)
[25 Aug 24-Tamata Hauha submission to the Review of the New Zealand Emissions Trading Scheme .pdf](#)

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Tenā koe [REDACTED]

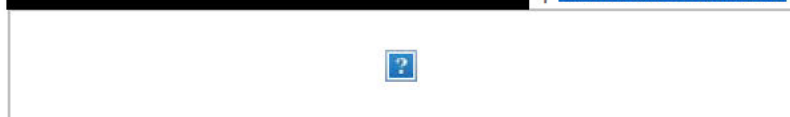
Please find **attached** our submission on behalf of Tāmata Hauhā. Please don't hesitate to call if you have any queries.

Ngā mihi, Robin.

Robin "Rāpana" Paratene | Strategy and Programme Manager

Tāmata Hauhā – *Creating Opportunities through Carbon Forestry*

[REDACTED] | www.tamata.co.nz



From: [REDACTED]

Sent: Friday, August 11, 2023 4:32 PM

To: Robin | Tamata Hauha Ltd [REDACTED]

[REDACTED]
[REDACTED]; etsconsultations
<etsconsultation@mfe.govt.nz>

Subject: RE: Tāmata Hauhā | ETS Review Submission Extension

Tenā koe Robin,

Thanks for your email – and all is well here thanks, hope you're all good too.

Ae – I can confirm that we can accommodate your request for additional time to support Tāmata Hauhā's submission/s on the ETS Review and redesign of the permanent forestry category. The latest submissions will be accepted is up until Friday the 25th August 2023.

Note: the formal eight-week consultation period will still close on the 11th August 2023, and we strongly encourage stakeholders to provide their submission before or as close to that time to support our submission analysis and the next steps.

Reach out if you or the team have any further questions, otherwise we look forward to receiving Tāmata Hauhā's submissions shortly.

Ngā mihi,

[REDACTED]

From: Robin | Tamata Hauha [REDACTED]

Sent: Friday, August 11, 2023 4:18 PM

To: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

Subject: Tāmata Hauhā | ETS Review Submission Extension

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Tenā koe [REDACTED]

I hope this message finds you well.

Tāmata Hauhā has been keeping on top of the issues regarding the current ETS review to effectively respond, to which we strongly believe we can add value to the current discussion as a significant Māori facilitator and participant in the ETS.

We understand another interest group has been granted a submission extension to 25 August, therefore we would also appreciate the opportunity to receive a similar extension that would enable us to review new data we have received from industry partners that would add considerable value to our submission.

Please advise us via email whether this extension can be granted or feel to call me on 021 762 460.

Ngā mihi, Robin.

Robin "Rāpana" Paratene | Strategy and Programme Manager
Tāmata Hauhā – *Creating Opportunities through Carbon Forestry*

[REDACTED] | www.tamata.co.nz



From: [Marty Verry](#)
To: [etsconsultations](#)
Subject: Red Stag - ETS submission
Date: Sunday, 13 August 2023 11:51:31 pm
Attachments: [image001.png](#)
[Red Stag - ETS review-Forestry - Aug 2023.pdf](#)
[CCC submission - Red Stag wood processors.pptx](#)

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Hello,

Please find attached Red Stag group's submission. We apologise for missing the Friday 5pm deadline, as I was travelling to Corsica during this time and could not get connection to send it. The PDF submission is only 4 pages, but contains valuable insights to the consultation from the wood processing sector.

Could you please confirm acceptance of this submission, or advise if I need to escalate that decision?

Thank you - regards,

Marty Verry

Group CEO

Red Stag Timber & Red Stag TimberLab (NZ's CLT & Glulam supplier)

www.redstag.co.nz

PO Box 213, Kumeu 0841, Auckland



From: [Jeremy Harding](#)
To: [etsconsultations](#)
Subject: Review of the Emissions Trading Scheme
Date: Friday, 11 August 2023 3:41:11 pm
Attachments: [Submission - ETS Review.pdf](#)

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Please find attached a submission from Straterra on the review of the Emissions Trading Scheme.

Thanks

Jeremy Harding

Straterra

From: [Alex Woods](#)
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Review of the New Zealand Emissions Trading Scheme - BNZ's submission
Date: Friday, 11 August 2023 3:05:42 pm
Attachments: [image001.png](#)
[ETS - BNZ submission to review of NZ ETS \(final\).pdf](#)

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PRIVATE

Dear Sir or Madam

Please see **attached** BNZ's letter of today's date in response to the joint review of the NZ ETS.

Kind regards

Alex Woods

[REDACTED]
[REDACTED]

[REDACTED]



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From: [Info | CTA](#)
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Review of the NZ Emissions Trading Scheme
Date: Thursday, 17 August 2023 4:54:59 pm
Attachments: [2308.ETS.CTA.submission.pdf](#)

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Kia ora

I attach our submission on your review of the NZ Emissions Trading Scheme, which was due on 11 August. I apologise for being a few days late.

Ngā mihi

Angus

--

Angus Dale-Jones
Executive Director



[REDACTED] | info@cta.org.nz | cta.org.nz

From: [Felicity Bunny](#)
To: [etsconsultations](#)
Subject: Rural Women NZ - Submission - Review of the Emissions Trading Scheme
Date: Friday, 11 August 2023 10:18:47 am
Attachments: [RWNZ Submission - Review of the ETS 11.08.23.pdf](#)

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Greetings,

Please find attached a submission on the Review of the Emissions Trading Scheme (ETS) from Rural Women New Zealand.

We would appreciate an acknowledgement receipt of this for our records.

Thank you and Kind regards,

Felicity

Felicity Bunny
Office Manager
Rural Women New Zealand
www.ruralwomennz.nz
0800 256 467 04 473 5524



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From: [Catrina Rowe](#)
To: [etsconsultations](#)
Subject: Silver Fern Farms submission
Date: Thursday, 24 August 2023 1 58:39 pm
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[image006.jpg](#)
[SFF Submission on ETS Review FINAL PDF.pdf](#)

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Kia ora, please find attached Silver Fern Farms submission to the review of the ETS settings consultation. We are happy for this to be published as part of a summary of submissions. Thank you, Cat



Catrina Rowe

Sustainability Manager – Policy & Engagement

T: +64 3 477 3980

W: www.silverfermfarms.com

A: 283 Princes Street, Dunedin 9054, Otago, New Zealand



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From: [Peter Oliver](#)
To: [etsconsultations](#)
Subject: Submission - Review of the NZ ETS
Date: Thursday, 10 August 2023 2:30:07 pm
Attachments: [CFL Submission Review of the NZ ETS Aug23.pdf](#)

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Dear MfE, please find attached City Forests' submission on the discussion document "Review of the New Zealand Emissions Trading Scheme".

Regards

Peter Oliver

General Manager, Forest Assets

City Forests

PO Box 210

Dunedin 9054



From: [Clare robinson](#)
To: [etsconsultations](#)
Subject: Submission
Date: Friday, 11 August 2023 12:01:44 pm
Attachments: [Submission.docx](#)

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From: [Kerry and Marcus Worsnop](#)
To: [etsconsultations](#)
Subject: Submission
Date: Thursday, 10 August 2023 11:46:11 pm
Attachments: [Submission on the ETS review.pdf](#)
[the-global-land-squeeze-report.pdf](#)

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Please find attached my submission on the ETS review and a related report.

From: [Barry Barton](#)
To: [etsconsultations](#)
Subject: Submission
Date: Wednesday, 9 August 2023 11:05:45 am
Attachments: [image001.jpg](#)
[NZETS Review Submission Barton Aug 2023.docx](#)

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Document is attached.

Barry Barton



Barry Barton | Professor |
Director, Centre for Environmental, Resources and Energy Law |
Te Piringa | Faculty of Law | University of Waikato | Private Bag 3015, Hamilton
3240, New Zealand | [REDACTED] | [REDACTED]



From: [REDACTED]
To: etsconsultations
Subject: Submission
Date: Friday, 25 August 2023 3:36:36 pm
Attachments: [image001.jpg](#)
[Review of ETS Submission - G.F 2019 Ltd-Stuart Orme.pdf](#)

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Please find attached our submission – Thank you for the extension.

Kind Regards,

Stuart Orme

(RMNZIF) Registered Forest Consultant.

www.orme.nz

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BakerAg Land and Lease Ltd.

[REDACTED]

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From: etsconsultations <etsconsultation@mfe.govt.nz>

Sent: Monday, August 14, 2023 1:09 PM

To: Stuart Orme [REDACTED]

Subject: RE: Extension request

Kia ora Stuart,

Just a short note to confirm that we are happy for submissions to the ETS Review to be **received by 25 August 2023**.

Ngā mihi nui | Kind regards

[REDACTED]

Ministry for the Environment | Manatū Mō Te Taiao

etsconsultation@mfe.govt.nz | environment.govt.nz



From: Stuart Orme [REDACTED]

Sent: Friday, August 11, 2023 11:19 AM

To: etsconsultations <etsconsultation@mfe.govt.nz>

Subject: Extension request

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Good morning.

I'm currently offshore and was aiming to submit via G F 2019 Ltd.

Can you grant an extension on the ETS consultations please and I'll aim to have finalised by next

week.

Kind regards,

Stuart Orme

Your Land; Your Choice.



www.orme.nz

(RMNZIF) Registered Forest Consultant

Part time fisherman and relaxed Kiwi.

(Sent by one finger typing and possibly without glasses on.

Please excuse any spelling mistakes or inappropriate auto corrected words.)

From: [Kari H](#)
To: [etsconsultations](#)
Subject: Submission for the ETS Review Consultaion
Date: Saturday, 12 August 2023 12:07:33 am
Attachments: [ETS Consultation-submission-11 Aug 2023_kh.pdf](#)

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etsconsultation@mfe.govt.nz

Please find attached my submission. I had difficulty with the online form, so emailing my submission to you instead.

I am submitting as an individual.

I'm a member of a community organisation and an environmental group, and a parent.

I'll be pleased to hear that this has been received.

Thanks!



From: [Andrew Sliper](#)
To: [etsconsultations](#)
Cc: [X Warren Parker](#); [Mark Leslie](#)
Subject: Submission from Pāmu
Date: Thursday, 10 August 2023 7:51:42 pm
Attachments: [ETS Review_100823 Submission Version.docx](#)

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To Whom It May Concern

Please find attached Pāmu's submission to the Ministry for the Environment's discussion document on the New Zealand Emissions Trading Scheme (NZ ETS) review. As mentioned in the submission, we would be happy to discuss any aspect of this submission with the Ministry for the Environment and welcome the opportunity to present the Select Committee.

Yours faithfully

Andrew Sliper on behalf of Warren Parker (Chair) and Mark Leslie (CEO)



Andrew Sliper

Chief Investment Officer

- [Redacted]
- [Redacted]
- <https://pamunewzealand.com/>
- Level 2, 15 Allen St, PO Box 5349, Wellington 6011, New Zealand



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From: [Ronnie Cooper | Poururuku Rangahau](#)
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Submission from Te Rūnanga o Ngāti Rārua
Date: Friday, 25 August 2023 10:40:00 am
Attachments: [2023-08-25 - Ngāti Rārua submission ETS review.pdf](#)

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Kia ora

Please find attached a submission from Te Rūnanga o Ngāti Rārua on the discussion documents, *He Arotake Mahere Hokohoko Tukunga Review of the NZ Emissions Trading Scheme*, and *A Redesigned NZ ETS Permanent Forest Category*.

We have been advised by the National Iwi Chairs Forum that submissions are being accepted up to the close of business today 25 August 2023.

Please confirm acceptance of our submission.

Thank you, ngā mihi, Ronnie Cooper

Dr Ronnie Cooper

Poururuku Rangahau / Coordinator

Tokomaru Research Centre, Ngāti Rārua

[REDACTED]

From: [Setareh Stienstra](#)
To: [etsconsultations](#)
Subject: Submission from Waste Management NZ Limited to the ETS Review
Date: Tuesday, 15 August 2023 7:37:38 pm
Attachments: [image001.gif](#)
[image002.png](#)
[image003.gif](#)
[image004.gif](#)
[2023-08-11-WM Submission on the review of the ETS Scheme.pdf](#)
Importance: High

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Hello

Please find **attached** a submission on behalf of Waste Management NZ Limited.

Ngā mihi maioha | Kind regards

Setareh Stienstra

Senior Corporate Counsel

(Property and Environment Specialist)

Waste Management NZ Limited

318 East Tamaki Road, East Tamaki, Auckland 2013

www.wastemanagement.co.nz



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From: [John-Paul Praat](#)
To: [etsconsultations](#)
Subject: Submission on ETS Review Aug 2023
Date: Friday, 11 August 2023 4:52:47 pm
Attachments: [Groundtruth submission on review of ETS Aug 23 .pdf](#)

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Hi there
Please find our and accept our submission in the ETS Review attached
Regards

--

John-Paul (JP) Praat

groundtruth


www.groundtruth.co.nz

5389 SH3, RD1, Mokau 4376

and PO Box 52, Paekakariki, NZ

From: [Finbar Kiddle](#)
To: [Natural Resources Policy; etsconsultations](#)
Subject: Submission on NZ ETS review and changes to the permanent forest category
Date: Monday, 14 August 2023 11:08:38 am
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.jpg](#)
[TRC Submission on Proposed Changes to the NZ ETS.pdf](#)

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Kia ora

With thanks again for the extension, please find attached the Taranaki Regional Council's submission on both the NZ ETS review consultation and the permanent forestry category consultation.

Ngā mihi nui,

Finbar Kiddle
Strategy Lead

From: Natural Resources Policy <LWC@mpi.govt.nz>

Sent: Friday, 11 August 2023 9:08 AM

To: Finbar Kiddle [REDACTED]; Natural Resources Policy <LWC@mpi.govt.nz>; etsconsultation@mfe.govt.nz

Subject: RE: Submission Question

You don't often get email from lwc@mpi.govt.nz. [Learn why this is important](#)

Kia ora Finbar,

Thanks for getting in touch. We are happy to receive your submission on 25 August.

Ngā mihi,

[REDACTED] | Senior Policy Analyst, ETS Forestry Policy

Natural Resources Policy | Policy & Trade

Ministry for Primary Industries - Manatū Ahu Matua | Charles Fergusson Tower 34-38 Bowen Street | PO Box 2526 | Wellington | New Zealand

From: Finbar Kiddle [REDACTED]

Sent: Friday, 11 August 2023 9:00 am

To: Natural Resources Policy <LWC@mpi.govt.nz>; etsconsultation@mfe.govt.nz

Subject: Submission Question

Mōrena

The Taranaki Regional Council is making a written submission on both the Review of the NZ ETS consultation and the review of the permanent forest category consultation. However, due to an unforeseen absence we cannot obtain a key signoff today. Would it be possible to send through our submission early next week and have it still accepted?

Ngā mihi,

Finbar Kiddle
Strategy Lead

Taranaki Regional Council

47 Cloten Road | Private Bag 713 | Stratford 4352, New Zealand

[REDACTED] | P 06 765 7127 | F 06 765 5097 | www.trc.govt.nz

[Working with people](#) | [caring for Taranaki](#)



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From: [Callum McLean](#)
To: [etsconsultations](#)
Cc: [Saba Malik](#)
Subject: Submission on review of the NZ ETS
Date: Friday, 11 August 2023 3:36:00 pm
Attachments: [image001.png](#)
[image002.png](#)
[image003.jpg](#)
[FGG_Submission_MFE_ETReview.pdf](#)

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Kia ora!

Please find attached our submission on the review of the NZ ETS.

Regards,

Callum McLean

Senior Policy & Government Affairs Advisor

Firstgas Group

Midland Chambers, Level 9, 45 Johnston Street, Wellington, 6011



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From: [President](#)
To: [etsconsultations](#)
Cc: [NZIF Office](#)
Subject: Submission on the discussion document Review of the New Zealand Emissions Trading Scheme
Date: Monday, 21 August 2023 12:04:56 pm
Attachments: [p.jpeg](#)
[NZIF Review of ETS.pdf](#)

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Thank you for the extension on time on this consultation. Please find our submission attached. We would welcome any questions you may have.

Thanks
James

James Treadwell (FNZIF, MInstD)
President
NZIF Registered Forester



From: [Alan Haronga](#)
To: [etsconsultations](#)
Subject: Submission on the Review of the NZ ETS and a Redesigned ETS Permanent Forest Category
Date: Friday, 11 August 2023 10:13:34 am
Attachments: [Review of the NZ ETS.pdf](#)

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Greetings ETS Consultation,

Tairawhiti Whenua's submission.

Please confirm receipt.

Many thanks.

Alan Haronga
Chair Tairawhiti Whenua.

From: [Craig Nelson](#)
To: [etsconsultations](#)
Cc: [REDACTED]; [Natural Resources Policy](#)
Subject: Submission on the Review of the NZETS - New Zealand Carbon Farming Group
Date: Friday, 25 August 2023 11:54:56 am
Attachments: [image001.png](#)
[1009410 - NZCF Submission on Review of the ETS \(25.08.2023\) \(Doc1009381\).pdf](#)

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Please see the attached submission on the Review of the NZETS on behalf of the New Zealand Carbon Farming Group.



Thank you for previously confirming that you were happy to accept this submission on 25 August.



Regards,



Craig Nelson | Director



[REDACTED]
PO Box 48042, Blockhouse Bay, Auckland 0644
[REDACTED]



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From: [Hamish Fraser](#)
To: [etsconsultations](#)
Subject: Submission re Review of the NZ ETS
Date: Thursday, 10 August 2023 11:51:04 pm
Attachments: [image003.png](#)
[20230810_Easter_Bay.pdf](#)

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Please find attached a submission from Easter Bay Consultants Ltd. on the subject of MfE's Review of the NZ ETS.

We would appreciate if you can confirm safe receipt of this email.

Sincerely,

Hamish Fraser
Director,



Easter Bay Consultants Ltd,
One Croydon, 13th floor
Sable, 12-16 Addiscombe Rd
London CR0 0XT
United Kingdom



www.easterbay.co.uk

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From: [Suky Thompson](#)
To: [etsconsultations](#)
Cc: NaturalResourcesPol@mpi.govt.nz
Subject: Submission to ETS Review and Permanent Forestry Category Re-design
Date: Monday, 14 August 2023 10:00:33 am
Attachments: [2023_08_11 submission to ETS Review and Permanent Forest Redesign.pdf](#)

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Tēnā koutou MFE and MPI

Please find attached a combined submission to the Review of the NZ Emissions Trading Scheme and the Permanent Forestry Category Re-design from the Banks Peninsula Native Forest Climate Change group.

My apologies for the late lodging of this submission. Our group has worked on it for the past weeks, but I was called away on Friday due to a family emergency, and therefore failed to submit it that evening.

I would very much appreciate confirmation that you have received it and will forgive it being submitted on the working day immediately after the closure date.

Many thanks

Suky Thompson

--

BPNFCG administrator



Proposals to redesign the permanent forest category in the New Zealand Emissions Trading Scheme

Submission by [REDACTED].

[REDACTED], relating to exotic trees in permanent forests in the NZ ETS.

Background. I am not a professional forester nor a farmer, but for 30 years I have managed the family forestry exercise of 50 hectares in North Auckland. The family also have owned for over 60 years some 20 h of virgin bush on the northern edge of Fiordland National Park. (an area of a failed settlement of the 1860's). I am a member of the Farm Forestry Association, whose members have a wide range of forestry interests, & of Tanes Tree Trust, which focuses on the management & promotion of native trees.

In this submission I give a few references, but generally any figures/claims made, or terms used (such as "planetary boundaries") can be readily confirmed or explained with a Google search.

My position is that permanent exotic forests have an important place in our transition to a stable climate & overall environmental sustainability - that is, living within the limits of a finite planet.

It needs to be said that in most discussion of exotic trees, the assumption is that it is about *Pinus radiata*. This is so in the media, & even with professional foresters. There is much more to exotic forestry than radiata.

1. I start by addressing the propositions that permanent forests in the ETS should be limited to native forests or exotic forests transitioning to native forest over time. The transitional time frame generally given is around 50 years.

I think these propositions are misguided, for several reasons. Firstly, the official figures for forestry cover of NZ are about 10 million hectares of which 8 million is native forest (>30% of NZ land area) & 2 million is exotic forestry. That is, we have a very substantial area of the country still in native forest, an abundance in fact. The problem is, we don't look after it. It is riddled with pests, from the larger (deer, pigs, goats, wallabies) to the smaller (possums, mustelids, rodents etc), which impact both native flora & fauna. An indication of the size of the problem is seen in the latest reports of two conservation groups with which we are associated.

In the north we have the Forest Bridge Trust, whose ambition is to establish a predator free zone

across the Auckland isthmus north of the city. About half of this area, taking in the Kaipara hills & Hoteo river catchment, has a high level of forest cover. The report for just the last 3 months of 2022 lists the trapping of 1228 possums, 242 mustelids, 2015 rats, & 662 sundry (mice, hedgehogs etc.)

I will add that our own forestry block is bisected by 9 h of native bush & wetland. When we purchased the property 30 years ago the bush had been mauled by generations of previous owners' cattle. There were mature but unhappy trees, with no understory, just bare earth. The first thing we did was to fence off the bush, & when the grazing lease ran out in a couple of years, removed all stock from the property. We carry out an active control programme for possums & mustelids. We now have a fine stand of bush with luxuriant understory.

In the south, in northern Fiordland, we became concerned some years ago with the decline in the general health of the bush, & in the bird life. Along with others involved with the area we set up the Hollyford Conservation Trust. We run an ongoing pest control programme. Deer numbers are now reasonably controlled by hunters, pigs have been eliminated, & there are no goats. I don't have the latest record for possum numbers, but the annual report for 2022 records 338 mustelids & 756 rats

trapped. The resurgence in the bush understory & in the bird life, over the decade of the Trust's work, is very evident.

These reports from opposite ends of the country illustrate the extent of the pest problem.

My point is, rather than promoting the establishment of native, or of transitional forest - a concept little studied, but known to be expensive & difficult, which in area is likely to be trivial against what we already have, & which will suffer the same plague of pests - we should first of all put far more resources into the health of the existing native forest.

2. Related points

a. A native forest is slow growing & thus slow to take up carbon. We are in an accelerating climate crisis (ref 1) & as one of the tools in reducing atmospheric CO₂ is absorption by trees, we need them to grow quickly.

b. Fifty years is generally given as a suitable time frame for transition from exotic to native. Here there seems to again be the assumption that radiata - a relatively short-lived (100 years or so) non-coppicing tree - is exotic forestry & vice versa.

Some exotics live far longer - more than 300 years for some species of eucalyptus (ref 2) or over a 600 years for redwoods.. Requiring such species, full of carbon, & with large environmental advantages (see below), to be largely eliminated from a forest within 50 years does not seem sensible - & indeed, with coppicing species, impractical.

c. The place of forestry & the type of tree to plant goes beyond just climate & the sequestration of carbon. It is part of the issue of long-term environmental sustainability & keeping within planetary boundaries. To achieve this there must be a focus on maximising recycling of materials & minimising the production & use of non-recyclable material. This begs the question of what is truly recyclable.

The views of a chemical engineer at Waste Management, who has worked on landfills for 15 years, are illuminating (ref 3). They are chillingly summarised in his comment: *"The more you know about waste, the less well you sleep at night,"* he says. *"We have less than 20 years to sort this..."* He makes the point that only natural materials, made from plants or animals, are truly recyclable.. *"There is no good news regarding fossil fuel-derived synthetics. Exposed, atmospheric oxygen and sunlight will degrade all synthetics (through chain length*

shortening) eventually to CO2.” And “There is an intellectual deceit with ‘recycling’ of plastics; just because there is a second use for your material or you are using a ‘recycled’ material does not matter. It is twice as good [as using the plastic only once], but it is still unsustainable.”

The relevance of these comments to forestry is evident: wood is a fully recyclable natural product which should be used wherever possible.

d. However not all wood is created equal. Some is naturally very durable (defined as heartwood lasting more than 25 years in the ground) or durable (15 years). Above ground, these will last, at a minimum 50 years, & generally much more. Native species such as totara & broadleaf (*Griselinia littoralis*), & exotics such as some eucalypts are durable or very durable. But here again is that problem of growth rate. Our eucalypts achieve a diameter in 10 years that our totara will struggle to achieve in 50.

Radiata, the dominant exotic, is not durable, lasting less than 5 years in the ground. To deal with this limitation, for outdoor use it is commonly treated in NZ using a chemical concoction of copper, chromium & arsenate (CCA). This is used widely & rather casually in NZ. Its use has been prohibited or greatly restricted in many countries (ref.4). In the USA since 2005 it has been restricted to industrial use. It is not recognised

as a wood preservative in the EU. Japan prohibits its use. Australia prohibits its use in domestic & residential situations. The boron treated wood used for interior framing in New Zealand has the same limitations as the CCA product. (There is an environmentally friendly acetylation method for preservation of radiata, but it is energy intensive & expensive. There are no facilities for it in New Zealand.)

The toxicity of these chemicals eventually & inevitably creates a disposal problem. It cannot - or rather, should not - be burned, as the chemicals are either released into the air or remain in the ash. There is simply no cheap, safe & effective way of disposing of the treated wood when it breaks or becomes redundant. In the wine industry alone, thousand of poles are broken each year. Official advice regarding disposal of treated radiata amounts to "take it to the local municipal dump" -where it will leach the toxins for many years.

For these reasons, naturally durable, fully recyclable wood is needed. Widely planted & thriving in NZ, some species of Australian eucalypts admirably serve that purpose. They have minimal tendency to spread as wildings, They grow vigorously, coppice well, & thus can be selectively harvested for many generations, This is continuous cover forestry, as opposed to the traditional clearfelling practised in NZ.

(As a bonus they can host a rich native understory). We are seeing good progress in this area, with the expanding Drylands Eucalyptus project in Marlborough.

e Clearfelling of a forest at generational intervals (<30 years with radiata) creates two major problems.

The first & more obvious is the vulnerability of the exposed soil to erosion, as seen in Te Tairāwhiti this year - along with the detritus of harvesting slash, This has been an environmental catastrophe which will take several (human) generations to fully mend. The problem is less with the tree species - radiata - than with the practice of clearfelling, which is mainly done for economic reasons. It is cheaper, & therefore more profitable, to harvest everything at once.

The second is the impact of modern heavy harvesting machinery on vulnerable soils: this is particularly noticeable on the heavy clay soils of much of Northland. Soil compaction, amongst other effects, reduces the ability of soil to both take up water & retain water, & hinders penetration by roots. Three years after our own harvesting, we have several hectares where the soil has been so damaged that it is still bare, nothing has yet grown.

In both these situations, of vulnerable terrain & vulnerable soils, the land is best protected by

permanent (continuous cover) forestry, with limited, selective harvesting, with light equipment, & within the parameters of the ETS. In parts of Europe this has been the sustainable forestry practice for centuries.

f. I am not suggesting that a wholesale planting of eucalypts or any other exotic species should replace radiata, nor that a transition of some exotic forest to native forest is not a desirable goal. In places it is. It would be marvellous if some such transition were eventually achieved in the rehabilitation of parts of the Te Tairāwhitu. But I think the process will be difficult & the time frame is more like 100 years. Rather, my point is that some exotic trees have an important contribution to make in our transition to a sustainable existence on the planet. .

g. Forestry requires long term planning. Any decision will have an effect for many years. This is not compatible with recurring changes in regulations. In this respect the short history of the New Zealand ETS is rather sad.

In summary:

1. We have an abundance of native forest but we don't look after it

- 2 Over-promoting the planting of native trees, or exotic to native transition, is a distraction in dealing

with climate change & environmental degradation.
Time is short.

3. Wood is a natural, fully recyclable material. Appropriate exotic tree species can make an important contribution to achieving environmental stability on a finite planet.

4. In some regions clearfelling can be disastrous for the soil. Such regions/soils are better served by permanent forests, ie: continuous cover forestry with selective harvesting within the parameters of the ETS. Fast-growing exotic tree species have a major place in this scenario.

References

1. *The Climate Dice are Loaded. Now, a New Frontier?* James Hansen, Makiko Sato and Reto Ruedy Columbia University 13 July 2023

2. *Growth Habits of the Eucalypts* M.R. Jacobs, Institute of Foresters of Australia, 1986:

3. *The more you know about waste the less you sleep at night.* N. Mandow Newsroom . 1.1 2023

4. *NZ still uses a wood preservative linked to arsenic pollution.* University of Canterbury News. 2. 3 2023

From: [Jesse Corlett](#)
To: [etsconsultations; NaturalResourcesPol@mpi.govt.nz](#)
Cc: [REDACTED]
Subject: Submissions - Energy Resources Aotearoa - ETS Review and Permanent Forest Category
Date: Friday, 11 August 2023 1:11:19 pm
Attachments: [image001.jpg](#)
[11 August 2023 - Energy Resources Aotearoa submission on the ETS Review.pdf](#)
[11 August 2023 - Energy Resources Aotearoa submission on a redesigned permanent forest category.pdf](#)

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Hi there

Find attached submissions from Energy Resources Aotearoa on:

- The ETS Review, and
- The redesign of the permanent forest category within the ETS.

Thank you for the opportunity to contribute. Don't hesitate to get in touch if you'd like to discuss our submission(s) in more detail.

Regards

Jesse

Jesse Corlett

Policy Director – Energy Use and Fuels

Energy Resources Aotearoa

PO Box 25259, Wellington 6140

[REDACTED]

[REDACTED]

W: www.energyresources.org.nz and www.energymix.co.nz



From: [REDACTED]
To: [etsconsultations](#)
Subject: Te Arotake Mahere Hokohoko Tukunga, Review of the New Zealand Emissions Trading Scheme Consultation Response
Date: Friday, 11 August 2023 5:49:31 pm
Attachments: [Signed \[REDACTED\] Review of the New Zealand Emissions Trading Scheme Consultation Response .pdf](#)

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Please see attached response.

Regards

[REDACTED]

From: [Jasmine Mouat](#)
To: [etsconsultations](#)
Subject: Te Runanga o Ngāi Tahu response to the Review of the ETS and Redesigned Permanent Forest Category
Date: Thursday, 24 August 2023 4:29:23 pm
Attachments: [image001.jpg](#)
[2023-08-24 - RES - ETS Review and Redesigning Permanent Forest Category.pdf](#)

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Tēnā koutou,

Please see the attached response to the Review of the ETS and Redesigned Permanent Forest Category from Te Rūnanga o Ngāi Tahu. I note that the consultation closed on 11 August. Te Rūnanga acknowledges the two-week extension provided by the Ministries for this response.

If you have any pātai about the response, please contact me directly.

Ngā mihi nui,

Jasmine Mouat | Acting General Manager – Te Whakaariki (Strategy & Influence) | Te Rūnanga o Ngāi Tahu

Te Whare o Te Waipounamu | 15 Show Place | Addington | PO Box 13 046 | Christchurch 8024 | Aotearoa



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From: [Bernie Napp](#)
To: [etsconsultations](#)
Subject: TESL submission to MfE on ETS review July 2023
Date: Wednesday, 28 June 2023 10:23:55 am
Attachments: [TESL submission to MfE on ETS review July 2023.pdf](#)

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Greetings / tēnā koutou

Attached is a submission from Tailored Energy Solutions Limited on the ETS review discussion document.

Regards / ngā mihi, Bernie Napp

From: [Blair | Tamata Hauha Ltd](#)
To: [etsconsultations](#)
Cc: naturalresourcespol@mpi.govt.nz
Subject: TWCT June 2023 Review of the ETS PFC Consultation Response
Date: Friday, 11 August 2023 5:31:29 pm
Attachments: [June 2023 Review of the ETS PFC Consultation Response.pdf](#)

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From: [REDACTED]
To: [etsconsultations](#)
Subject: United Fresh Response to Discussion Document: Review of the New Zealand Emissions Trading Scheme
Date: Wednesday, 9 August 2023 10:13:22 am
Attachments: [United Fresh Response to MfE on Discussion Document - Review of the New Zealand Emissions Trading Scheme.pdf](#)

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To whom it may concern,

Please find attached United Fresh's Response to the "Discussion Document: Review of the New Zealand Emissions Trading Scheme".

United Fresh is available to provide further clarification, should MfE consider this to be of benefit.

Kind regards,

Jacob Lawes

Jacob Lawes
Projects Manager

United Fresh New Zealand Incorporated

[REDACTED] [REDACTED] Web www.unitedfresh.co.nz

Postal PO Box 66047, Beach Haven, Auckland 0749

Courier Level 1, 68C Rangatira Road, Beach Haven, Auckland 0626

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From: [Kit Wilkerson](#)
To: [etsconsultations](#)
Subject: VIA's Response to the Review of the New Zealand Emissions Trading Scheme
Date: Thursday, 24 August 2023 1:57:17 pm
Attachments: [Outlook-zz5yol1k](#)
[VIA Submission on ETS Review.pdf](#)

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RE: VIA's Response to the Review of the New Zealand Emissions Trading Scheme

VIA understands that the consultation period for providing feedback on the proposed Review of the New Zealand Emissions Trading Scheme has concluded. We apologise for this late submission, but we would appreciate our brief points below being noted by the officials working on the review.

VIA is the peak body for businesses involved in the sourcing, acquisition, distribution, and retailing of parallel imported motor vehicles in New Zealand. Our members deliver approximately the same volume of vehicles as the new car sector, with the added benefit that we can search out the best vehicles to meet the needs of average Kiwi families and small businesses from among a wide array of already proven vehicle technologies (including electrified, hybrid, and low emission).

VIA agrees that the evidence is clear: the best way to combat climate change is through the prevention of emissions. We were particularly interested to read some of the points in Chapter 3 and 5 of the discussion document.

Best Regards,

Kit Wilkerson

Head of Policy and Strategy



Imported Motor Vehicle Industry Association



Web: www.via.org.nz

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From: [Annika Hamilton](#)
To: [etsconsultations](#); naturalresourcespol@mpi.govt.nz
Cc: [REDACTED]
Subject: Waikato Regional Council submission - Consultations on the review of the NZ ETS and redesign of the NZ ETS permanent forest category.
Date: Wednesday, 9 August 2023 12:07:11 pm
Attachments: [WRC submission - Review of the NZ ETS and redesigned NZ ETS Permanent Forest Category.pdf](#)

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Kia ora,
Please find attached a PDF document with Waikato Regional Council’s submission regarding the consultation on the Review of the New Zealand Emissions Trading Scheme (NZ ETS) and the consultation on a redesigned NZ ETS Permanent Forest Category.
We have opted to make one submission covering both consultations.
Please do not hesitate to contact us if you have any comments or questions about our submission.
Ngā mihi,
Annika

Annika Hamilton | POLICY ADVISOR | Policy Implementation, Science, Policy and Information
WAIKATO REGIONAL COUNCIL | Te Kaunihera ā Rohe o Waikato

[REDACTED]
F: facebook.com/waikatoregion
Private Bag 3038, Waikato Mail Centre, Hamilton, 3240

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From: [Florence Wilson](#)
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Westpac submission on the Review of the New Zealand Emissions Trading Scheme
Date: Friday, 11 August 2023 5:37:42 pm
Attachments: [image001.png](#)
[Westpac submission - Review of the NZ ETS 11.08.23.pdf](#)

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Dear Sir / Madam

Please see **attached** our submission in respect of the above consultation paper, submitted on behalf of Westpac New Zealand Limited and Westpac Banking Corporation (NZ Branch).

The contact person for the submission is:

Stefania Esposito

Head of Regulatory Affairs and Regulatory Investigations

[REDACTED]

[REDACTED]

Please let us know if you have any questions or if we can assist in any way.

Kind regards

Florence

Florence Wilson

Regulatory Affairs Manager (Seconded) – Regulatory Affairs

[REDACTED] quare, 16 Takutai Square, Auckland 1010, New Zealand.

[REDACTED] pac. My working days are Tuesday, Thursday and Friday.



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From: [Haley Mortimer](#)
To: [etsconsultations](#)
Subject: Z Energy - Submiss on on Review of the New Zealand Emissions Trading Scheme
Date: Friday, 11 August 2023 1:27:32 pm
Attachments: [image001.png](#)
[image003.png](#)
[Z Energy submission - Review of the ETS.pdf](#)

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Good afternoon

On behalf of Z Energy (Z) please find attached our submission to the consultation document *Review of the New Zealand Emissions Trading Scheme*.

As we note in our submission we would welcome the opportunity to brief officials on our position and look forward to setting this up at your earliest convenience.

Please don't hesitate to contact me if you have any questions.

Best wishes

Haley

Haley Mortimer

Head of Communications

Z Energy Limited

3 Queens Wharf
PO Box 2091 Wellington 6140
New Zealand

[wz.co.nz](#)

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From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Alistair and Jenny Boyne] Farmer submission on ETS changes
Date: Thursday, 10 August 2023 9:08:34 pm

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Submitter's Information

- **Name:** Alistair and Jenny Boyne
 - **Email:** [REDACTED]
 - **Region:** South Wairarapa
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

We believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer we are not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

We believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. We are concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

We believe industries should have limited ability to offset their emissions within the NZ ETS and therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options.

2) Redesign of the permanent forestry category

We have concerns surrounding the permanent forestry category in its current form. We are pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points we would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- Policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

As a sheep and beef farmer we are not against forestry as there are many benefits of the right tree in the right place.

As a farmer, we seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

We therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

Many farmers like ourselves are keen to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, protecting existing native flora and fauna that is not fully recognised or rewarded.

We believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Brett Jones Hunterville Estate] Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 10:16:14 am

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Brett Jones Hunterville Estate
 - **Email:** [REDACTED]
 - **Region:** Whangarei
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals. This is wrong

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create. Allowing international companies to use our land to offset their emissions without doing anything positive to lower their emissions is plainly wrong. We bear the brunt of their ability to skew the playing field

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it extremely hard to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines). Overseas or international companies cannot be allowed to use NZ for their benefit yet not reduce any emissions made overseas
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed. This aspect has not been fully explored

and needs to be developed further. Exotics are not the total answer

- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices. This ties in with not allowing overseas or International companies using NZ and not making any effort to lower emissions. It is ludicrous to let some one off set emissions and not focus on removing the emitting process.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Bruce Cranston] Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 9:47:43 am

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** Bruce Cranston
 - **Email:** [REDACTED]
 - **Region:** Ruapehu
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep , beef and deer farmer, I'm concerned about the current pace and scale of any farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I currently boundary 15,000 acres of pine forest owned by Carbon Farms , trees have been planted within some 2 metres of my boundaries , tree roots encroach some 20 metres into my property ,trees constantly fall over fences often unnoticed.

We had 85 deer lost when several trees took out not only the boundary fence but also the internal fence

The slash that comes down the rivers and creeks after every substantial rainfall is colossal , often blocking culverts and taking out fences up to 6 to 8 times a year

Trees block our roads from these forests up to at least 10 times a year

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).

- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

Bruce Cranston

Farmer [REDACTED]

[REDACTED]

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Cam Brown] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 4:50:36 pm

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This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Cam Brown
 - **Email:** [REDACTED]
 - **Region:** Taupo
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Chris Henderson] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 4:37:59 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Chris Henderson
 - **Email:** [REDACTED]
 - **Region:** Southland
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

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Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

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I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Eleanor Greenhough] Farmer submission on ETS changes
Date: Thursday, 10 August 2023 7:26:29 pm

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** Eleanor Greenhough
 - **Email:** [REDACTED]
 - **Region:** Tasman
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, It always seems that the government have exceedingly important consultations at a time when farmers are flat out with calving and lambing and do not have the time to put in to making submissions on these very important matters. Then it appears that farmers are not worried about what is happening to the industry. I' am concerned about the current pace and scale of whole sheep and beef farms being sold mainly to overseas companies and converted into exotic forestry. There appears to have been little thought as to the huge impact this will have on the environment and water availability as pines are notorious for taking water out of areas. A key driver contributing to this land use change is the current NZ ETS settings. Also the effect that this has on rural communities and the loss of stock to our freezing works and overseas markets. NZ farmers are some of the cleanest and greenest in the world and we are being punished for what we are doing.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation. There is also no recognition as to what our soil sequesters in carbon. It looks like the governmnet have put that in the too hard basket.

As a farmer I am totally opposed to the whole scale planting of pines. It needs to be the right tree in the right place. Pines deystroy the environment they are totally out of control down south and with larger areas being planted we are going to see an even worse problem with wilding pines in the high country.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are

driven to reduce their emissions without killing off the productive sector.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS. New Zealand still needs to be able to produce food.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes. I also have a real concern as to the effect of fires in the future as pines burn very very well and the effect on the water table. I also saw some research that mature pines also emit quite a high quantity of methane.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the

associated risks (for example wildfires, pest management, and wilding pines).

- The effect that permanent pine trees have on the water table particularly over summer months. It will be noticed that as pine trees grow up streams in an area stop flowing in the summer months
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- I do not believe that native vegetation will emerge in exotic plantations over time. Why have we got the wilding pine issue now. There needs to be a lot more research done on this before this is allowed to happen.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. If I was not looking after and improving the farm and land my business would be down the gurgler

There needs to be a greater recognition of a greater range of on-farm sequestration.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism. The amount of carbon that the soil sequester needs to be recognised as does all trees all ready on farms weather they are scattered or otherwise.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: etsconsultations
Cc: [REDACTED]
Subject: [Glengyle Downs] Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 7:01:20 am

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** Glengyle Downs
 - **Email** [REDACTED]
 - **Region:** Tasman
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [GRAEME WILLIAM CHEETHAM] Farmer submission on ETS changes
Date: Friday, 11 August 2023 9:57:51 am

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Submitter's Information

- **Name:** GRAEME WILLIAM CHEETHAM
 - **Email:** [REDACTED]
 - **Region:** Masterton
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.

- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Grant] Farmer submission on ETS changes
Date: Sunday, 6 August 2023 7:42:16 pm

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** Grant
 - **Email:** [REDACTED]
 - **Region:** Tararua
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Guy Stoddart] Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 6:12:15 am

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** Guy Stoddart
 - **Email:** [REDACTED]
 - **Region:** Central Hawkes Bay
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Heather Davies] Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 6:05:21 pm

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** Heather Davies
 - **Email:** [REDACTED]
 - **Region:** Selwyn
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

The NZETS in its current form is failing to achieve emissions reductions as there is no connection between the consumer of energy and the fact that fossil fuels are being burnt to release the energy that that consumer's lifestyle demands. Without this basic mental connection people don't question their own behaviour so don't change their behaviour. Currently the NZ ETS presents the premise that industry is bad, and consumer is good. Every person is a consumer. It is the choices that people make as consumers that will lead to reduced emissions not adding hidden costs to the goods and services they consume. How do you expect people to make better choices if you are not transparent and accurate with information?

All plants consume CO₂ and release O₂ during photosynthesis. Photosynthesis is the process plants use to capture the sun's energy and store it in their cells. Fossil fuels are derived from plants that photosynthesised millions of years ago and got buried. The current focus on forestry is a misnomer. All plants remove CO₂ during photosynthesis. All plants are part of the CO₂ cycle.

The current NZ ETS legislation has failed to ensure food production is not reduced. Hundreds of thousands of hectares of food producing land have been converted into exotic forestry based on speculation of carbon pricing. This has removed the plants utilised in the production of food, erosion control and shelter for animals and biodiversity, and replaced them with exotic trees with no purpose other than to enable some people to feel good about their unfettered burning of fossil fuels. The IPCC describes this as "worst practice".

In summary, the current NZ ETS is making some bureaucrats, consultants and speculative investors wealthy whilst encouraging the irresponsible conversion of food producing land into "plant and walk away" forests. It is sending people a very strong message that it is "ok" to indulge in as much fossil fuel use as you like, there's just a tax on it, and if "your smart" you'll jump on the bandwagon and make some easy money off it.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, but it needs to be consumer orientated so we achieve mindset change. It needs to focus on educating (not indoctrinating) the people of New Zealand and empower them to make choices. Yes, we are an exporting nation so industry needs to be included as well as when it comes to exports industry is

the final user in the New Zealand context.

The NZ ETS is currently a contrived market that rewards speculation. People need to understand how their choices can reduce fossil fuel burning, and not be incentivised to make decisions based only on their monetary bottom line. The NZ ETS does not allow for this. It is more about collecting another tax, enabling speculative gain and decreasing food production than about reducing fossil fuel burning and waste.

There is a false statement in the consultation document. It states that agriculture is not subject to the ETS taxation regime. Agriculture is subject to all of the same transport, energy and waste requirements as other industries. The cost of the ETS is in the invoices they pay. The cost of cartage, of diesel, gas and electricity, the cost of recycling and waste disposal are all subject to the same taxation as all other users. The government needs to stop putting out false information. This simply divides people, plays on envy, and disempowers people from making the choices needed to reduce fossil fuel emissions and waste.

New Zealand and Kazakhstan are the only countries to allow fossil fuel emitters to offset 100% of their emissions through forestry. Why is this? It provides no clear direction that a reduction in emissions is expected.

There needs to be clearer direction about where net emissions reductions within our economy will come from, and changes need to be made to the legislation to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than focusing on actual reductions in emissions. If New Zealand wishes to meet net zero emissions after 2050 the government (including the public servants), need to start leading by example. A good place to start would be to stop flaunting fossil fuel burning, stop taking aircraft, cars, and ships so they can "be seen" at functions and parties. This action would do more to empower the public to make change than the speculative markets enabled by the NZ ETS.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

No. The NZ ETS is driving exotic forestry planting and emissions offsetting, not emissions removals. Many of these forests are being planted with no intent of responsibly managing pests, weeds, or diseases, let alone any thought to the impacts on rural communities or rural landscapes. Using the NZ ETS to drive forestry is not helpful. All plants utilise CO₂ but the NZ ETS is just solely focused on large scale forestry. It would be far better to encourage people to use fossil fuels efficiently than encourage forestry per se.

There needs to be some limits introduced to control the amount of offsetting that occurs. There needs to be responsibility placed on the investors in these forests. It is not ok to simply "take the money and run". Working together as a country means more than that.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

Based on the limited information in the consultation document about the four options there does not appear to be effective options for limiting offsets.

The ETS is a contrived market not a free market. Suggesting supply and demand as effective ways of controlling the market is inappropriate.

I think it would be best to close down the NZ ETS with respect to forestry offsetting. This is simply confusing the issue. The message is not clear that people have to make the choices individually in their everyday lives if fossil fuel dependence is to be reduced.

We also need to consider the issues that the rush to plant has already put in place for the future. There is no point in creating pest, weed, disease and fire issues at the same time as destroying rural communities, and then saying "these problems are job opportunities". Now the rural communities have gone, how are the people going to get to "the jobs"? In vehicles energised by fossil fuels? And what of the fires, won't

they release all the carbon these forests are supposed to be superior at storing for ever? What if those people don't want to work in pest, weed, disease or fire control? Perhaps we would be better to encourage built areas to go up instead of out so there is more space for plants to grow in the urban areas than continually moving problems to the rural areas.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category.

Permanent exotic forests should not exist. It should only be for native forests and restrictions and responsibilities need to be consistent irrespective of land ownership structure (ie crown land, private land including Maori land) should all be subject to the same rule set. This should be a flexible rule set with flexibility based on associated carbon risks (for example wildfires, pest management, and wilding pines) not ownership.

It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. Absentee ownership brings its own set of issues. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

I am a beef farmer with 255ha of land. 110ha of this land is Significant Natural Area that is part of New Zealand's 5th largest lake. We place immense value on this area because of its natural character as a wetland.

If the decision makers value biodiversity I think the recognition should be outside the NZ ETS. I think trying to mix things together dilutes the value of the parts. The NZ ETS should be about reducing reliance on and consumption of fossil fuel derived energy. Biodiversity benefits should be separate as it is about ecosystems that generally are cross boundary.

Whatever system is used, technology needs to be enabled to keep the costs of compliance down. One of the main barriers to entry into the current NZ ETS, and one of the reasons whole farm land use change is occurring is because the cost of reporting compliance is disproportionately large. It holds out small scale land use change and integration into existing land use systems.

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Jim Weston] Farmer submission on ETS changes
Date: Thursday, 10 August 2023 9:36:55 am

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Submitter's Information

- **Name:** Jim Weston
 - **Email:** [REDACTED]
 - **Region:** Masterton
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

SEPERATE EMISSIONS FROM OFFSETS

GOVT WOULD NEED TO ACCEPT RESPONSABILITY FOR PRICING (RANGE AS NOW) FOR EMISSIONS different names

AND A SEPERATE PRICING RANGE FOR OFFSETS (FORESTRY) different names

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions.

. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

SEPERATE SCHEMES

Greater recognition of on-farm sequestration

BUT NOT IF THE COST OF MEASURING EXCEEDS THE BENEFIT TO THE CLIMATE.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or **a separate mechanism.**

SEPERATE EMISSIONS FROM OFSETS

GOVT WOULD NEED TO ACCEPT RESPONSABILITY FOR PRICING (RANGE AS NOW) FOR EMISSIONS different names

AND A SEPERATE PRICING RANGE FOR OFSETS (FORESTRY) different names

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests.. we will not forget 2/3 of cr were stolen.

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [John Anthony Carrad] Farmer submission on ETS changes
Date: Thursday, 10 August 2023 8:36:20 pm

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Submitter's Information

- **Name:** John Anthony Carrad
 - **Email** [REDACTED]
 - **Region:** Wellington City
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

If we ever get a smarter more inquiring media in NZ the greenwashing issue could become a major headache for policymakers.

There is a reason climate scientists have dubbed forestry offsets a carbon accounting loophole. Exotic forestry has lower soil carbon and albedo levels than the pastoral use that forestry is replacing. Pine plantations also produce biogenic compounds called monoterpenes rapidly destroy hydroxyl radicals the primary molecular sink for methane extending the lifetime of methane and therefore the amount held in the atmosphere. After saying that I will point out that using forest products in place of a high emitting alternative such as (Steel and Cement) makes sense from a climate point of view.

Article 2.1 There is no ambiguity. The ability to report emissions as a net figure, emissions minus removals by forestry is allowed under the UNFCCC accounting rules. But converting quality farming land into forestry as is happening in NZ to be used as a carbon sink does not comply with article 2.1 of the Paris agreement.

Some key points I would like to raise in relation to the review include:

- Forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines)..
-
-
- Additional management needs to be required across all forestry participants to restrict landowners and overseas investors from planting permanent forestry taking the carbon credits and walking away.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- Permanent forest sinks except in exceptional circumstances don't stack up as well as some would have us believe either from a climate point of view and especially from an economic point of view.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
-
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [John Eames] Farmer submission on ETS changes
Date: Friday, 11 August 2023 9:22:18 am

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Submitter's Information

- **Name:** John Eames
 - **Email:** [REDACTED]
 - **Region:** Rangitikei
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

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Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Julian Price] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 7:49:17 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Julian Price
 - **Email:** [REDACTED]
 - **Region:** Waitaki
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

The idea that pine trees should be used to sequester carbon, forming a store of carbon which can quickly be returned to the atmosphere with a careless match or a clash of power lines, RATHER THAN A REDUCTION IN CO2 EMISSIONS, is ABSURD. To have rural communities decimated or even destroyed as a result of this is folly indeed.

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of

planting.

- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

riparian plantings

- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Laurie] Farmer submission on ETS changes
Date: Monday, 7 August 2023 12:00:06 pm

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** Laurie
 - **Email:** [REDACTED]
 - **Region:** Far North
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

I have added my comments to a template form.

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation. I have over 25% of my farm area in fenced off indigenous forest that I fenced off decades ago. This early adoption of protection of native bush should not be punished. I could have used a chain saw and bulldozer 40 years ago but chose not to.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

The allowance of ETS to offset emissions is not economic in the long term, when exotic forest reaches maturity or 18 yrs for rotation there is no further income from ETS for that land forever. This will impact on the economy in future generations.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing

exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.

- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts less than 30m wide
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [linzi keen] Farmer submission on ETS changes
Date: Thursday, 10 August 2023 9:37:09 pm

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Submitter's Information

- **Name:** linzi keen
 - **Email:** [REDACTED]
 - **Region:** Southland
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, who has been part of the ETS since its conception, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

The NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Under the current system, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. Furthermore, existing settings do not provide any recognition of our individual farming practice of commitment to environmental protection and biodiversity enhancement, which has been a key factor in our farm philosophy for the past 40yrs.

As a farm forester, I recognise the value of establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding. We have over 50ha of established production forestry on our property, covering a range of exotic species. These areas are balanced with a range of reserves, protected areas and expanses of native areas and habitats that have been preserved and enhanced over many years by our careful stewardship.

However, the Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions. The Government is currently proposing a twin tunnel system for the Auckland Harbour with little thought into how the enormous emissions created will be minimised or 'offset?'

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through

forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place. The NZ Government need to be seen to walk to talk here. Its current policies certainly don't reflect any meaningful ideology. Look at the carpets in schools debacle and now twin tunnels for Auckland!

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals. Incentivising forestry is an important tool to meet New Zealand's climate change targets but there still needs to be a clear preference for real emissions reductions that last the test of time rather than simply relying on forests to offset the emissions industries create.

There are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS. It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

Based on the limited information in the consultation document about the four options, 1 & 2 do not appear to be effective in limiting offsets. Options 3 & 4 would warrant further investigation by the agricultural industry to be closely involved in the process to understand the various implications of the modelling.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

I cannot reconcile the fact we, as a nation are spending millions of dollars and inordinate amounts of time to address the issue of wildling pines, whilst at the same time, legislation incentivises mass plantings of these same species by landholders and big business to offset carbon emissions.

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.

But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.

- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this. I therefore support the recognition of a greater range of on-farm sequestration as listed below. As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised. It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism. I strongly support recognition for historical plantings and protection of habitats and water quality. Too much incentive is given to the knee-jerk reactions of those laggards who now feel compelled to "feel good plant". and there is no recognition for great practitioners who have been doing it all along.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha) i
- areas of manuka and native scrub unlikely to exceed to 5m height limit currently, but nevertheless a dense area of valuable native vegetation. These areas not only sequester carbon but provide valuable habitat and food source to flora and fauna including bees
- nga mihi nui.
- linzi Keen

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Michael Davis] Farmer submission on ETS changes
Date: Thursday, 10 August 2023 7:12:11 pm

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Submitter's Information

- **Name:** Michael Davis
 - **Email:** [REDACTED]
 - **Region:** Thames-Coromandel
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Mike Davies] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 7:37:35 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Mike Davies
 - **Email:** [REDACTED]
 - **Region:** Selwyn
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts . On dryland farms 10% can be planted in woodlots and shelter belts with NO reduction in animal production
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Mitchell Cocking] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 8:09:08 pm

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Submitter's Information

- **Name:** Mitchell Cocking
 - **Email** [REDACTED]
 - **Region:** Kaipara
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

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Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

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2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- I am opposed to Permanent exotic forests which are more economical in the ETS than native forests and offer no biodiversity.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.

- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

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It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Natalie King] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 4:29:59 pm

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Submitter's Information

- **Name:** Natalie King
 - **Email:** [REDACTED]
 - **Region:** Auckland
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

Afternoon,

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
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- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
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- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a beef farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

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I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

Thanks for your time, please consider these very important points, they should not be overlooked like they have been.

Warm regards,

Natalie

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [NEIL WYETH] Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 6:42:05 am

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Submitter's Information

- **Name:** NEIL WYETH
 - **Email:** [REDACTED]
 - **Region:** Masterton
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

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There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

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It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
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- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

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Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

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As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

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Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

I also don't believe animals are a contributing factor to global warming it's a joke. Tax us on our freight and fossil fuels emissions.

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Penelope Drysdale] Farmer submission on ETS changes
Date: Saturday, 5 August 2023 9:10:24 pm

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Submitter's Information

- **Name:** Penelope Drysdale
 - **Email:** [REDACTED]
 - **Region:** Central Hawkes Bay
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

My general feedback on ETS:

I totally disagree with good sheep and beef farms being planted out with an exotic weed that is destroying our beautiful New Zealand ecosystems.

This forests do not encourage thriving ecosystems they harbor pests, weeds and damage breeding grounds for our native fish in the rivers which flow through these forests, effectively poisoning our environment.

This planting of pines as a carbon sink is very short sighted and something our future generations will pay for.

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Pete Handyside] Farmer submission on ETS changes
Date: Friday, 11 August 2023 10:00:59 am

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Pete Handyside
- **Email:** [REDACTED]
- **Region:** Hurunui
- **I am submitting as individual or on behalf of an organisation:** Individual
- **I have used my own words and examples in this submission:** Yes
- **I consent to this submission being published on the MfE website:** Yes
- **Association:** farmer/grower

As a passionate sheep and beef farmer I am concerned the current NZ ETS is jeopardizing the future of pastoral farming in NZ. The ETS through high carbon credits pricing, is encouraging whole sheep and beef farms to be planted in permanent exotic forestry. This is a failure of current policy. Even at high carbon pricing we see no reduction in fossil fuel use, but see the sale of sheep and beef farms at inflated prices to speculators planting permanent pine plantations. This is leading to a decrease in one of NZ main export earnings, doing nothing to reduce carbon dioxide emissions or making NZ a more resilient country with the changing climate.

Permanent exotic forestry as allowed in the current ETS will become future waste land. Generating no income, export earnings, rates and being a haven for pests and weeds. There is a risk that these unmanaged large scale exotic forests will be future fire hazards and environmental disasters. These forests will take jobs and income out of rural communities and effect the viability of rural communities.

For the future of NZ and the world the NZ ETS needs to promote a clear preference for real emissions reductions in CO2 emissions from fossil fuel burning and the sequestration of CO2 that last the test of time. This will make NZ a more resilient country.

Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines)
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without

following best management practices.

- Including the value of exotic forestry carbon stored in the ETS scheme as a ratable asset for local councils.

Greater recognition of on-farm sequestration

On my farm we have over a third of land area in old growth native bush, about 200ha. This bush was recognized as special and unsuitable for farming so was never cleared. As a land owner I feel as though I am being penalized for past farming generations good land management practices, as this land is the right tree in the right place, but these trees are up to 900 years old so miss out on ETS payments. All the land that is planted in exotic forestry now that qualify for the ETS was all in this same native bush once but was felled, burned and cleared. It seems like the ETS is encouraging exotic trees to be planted to sequestration CO2 that was released into the atmosphere with the removal of the original bush cover.

The ETS scheme needs to have greater recognition of existing pre 1990 native bush and the additional benefits of biodiversity and native habitat. There is also an ongoing cost to looking after these native bush areas, through fencing, pest and weed control. As a forest it will continue to sequester CO2 if well managed, while providing economic and environmental benefits.

As a proud NZ'er I would rather see native bush areas that are looked after and cared for when driving through thriving rural communities in the back blocks of NZ. This is what will deliver resilience to NZ in its efforts to reduce CO2 in the world's atmosphere. Large scale permanent exotic forestry will be an economic and environment ruin.

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Peter Kane] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 8:30:02 pm

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** Peter Kane
 - **Email:** [REDACTED]
 - **Region:** Clutha
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation’s four key What is the current NZ ETS going to do to emissions reductions and removals

As a sheep and beef farmer, I’m concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetatio>As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions. Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan. All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place. Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand’s climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
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- It is important that any changes to the permanent forestry category reflect the impacts and

support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

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It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

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- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Philip Blakely] Farmer submission on ETS changes
Date: Friday, 11 August 2023 8:19:55 am

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Submitter's Information

- **Name:** Philip Blakely
 - **Email:** [REDACTED]
 - **Region:** Central Otago
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

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Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

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I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).
- grey shublands including matagouri
- Tussocklands where tussock cover is the dominant species especially snow tussock

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 1:18:56 pm

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Wanganui
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

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As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. As an example of this we have this winter planted 20 ha into pines that has historically only grown a lot of gorse and been very slip prone. We have been planting poplars onto the rest of the hill country in an ongoing planting plan to provide stability at about 15m spacings, enabling us to farm in underneath it and minimise erosion, a hopeful win win across the board.

Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

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It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

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2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of

planting.

- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 12:51:37 am

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Far North
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

I believe that the NZ ETS needs fundamental changes to address the issue of biodiversity within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive monoculture exotic forest plantings rather than provide for holistic regeneration. The current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer and forester I believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including biodiversity, soil protection, secondary income and carbon sequestration.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce or offset their emissions.

I think it is important that NZ ETS credits can be offered to international markets to reduce availability to ensure externalities are priced globally and NZ emitters don't get an easy ride based on the availability of NZ offsets. Carbon is a global commons asset.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs but the carbon price needs to be higher to encourage reduction. Reducing the percentage of carbon that attracts ETS on exotic forests planted in future years after this cycle would reduce the attractiveness of forest planting and enhance reduction. Biodiversity and/or ecosystem credits would also promote planting of native and diverse species which will help improve NZ landscapes and ecosystem health. This could make up for the reduction in ETS points for pure sequestration.

I believe that there are real opportunities to support farmers to manage their current forests and soils, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes. Soil carbon capture and the biotic water cycle should also be considered within any land use credit schemes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time by allowing the sale of ETS credits to the international market, retiring them from the NZ scheme. On farm offsets should still be allowed at 100% of credits to prioritise land use and ecosystem prioritisation, thus providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

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Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

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From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [REDACTED] Farmer submission on ETS changes
Date: Friday, 11 August 2023 8:47:47 am

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Far North
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I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include

- In addition to this I support the use of compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
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Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the

right place.

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- small areas of plantings (<1 ha).

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There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

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From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [REDACTED] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 9:28:31 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Hastings
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

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New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

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- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [REDACTED] Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 11:54:56 am

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Queenstown-Lakes
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

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What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

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From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Friday, 11 August 2023 12:12:03 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Waikato
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

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As a small scale beef farmer, I'm concerned about the current pace and scale of sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

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From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [REDACTED] Farmer submission on ETS changes
Date: Friday, 11 August 2023 5:38:29 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Matamata-Piako
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
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Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef agricultural contractor I am not against forestry as there are many benefits of the right tree in the right place.

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- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 9:50:31 am

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Timaru
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

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I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

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From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Richard Busby] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 5:37:57 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Richard Busby
 - **Email:** [REDACTED]
 - **Region:** Gisborne
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

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From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Rua Oki Station] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 4:38:48 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Rua Oki Station
 - **Email:** [REDACTED]
 - **Region:** Otorohanga
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
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Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

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Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

Rua Oki Station is 1550 hectares and carries approx 590 hectares of native podocarp forest and is therefore rich in biodiversity. We are engaged in best farming practices, hold a Farm Environmental Plan, participate in pest control to improve native flora and fauna and practice sustainable agriculture. We need NZ farmers not to be disadvantaged by the native woody vegetation that is pre 1990.

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From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Shona Oliver] Farmer submission on ETS changes
Date: Friday, 4 August 2023 1:59:45 pm

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This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Shona Oliver
 - **Email:** [REDACTED]
 - **Region:** Kaipara
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
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Note: Amended Beef & Lamb template.

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What is the current NZ ETS going to do to emissions reductions and removals?

As a person long associated with farming and who works with farmers, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings. I believe it does not recognise and incentive fairly the benefits offered by other options. Eg: wetlands and native forest.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand and the unfair incentives that have promoted this. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation and wetlands.

I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

We need to better apply soil and geology/topography knowledge to places, to lower the risks of erosion and slippage. I also want to see better whole of life cycle calculations used. It is likely that 25 years of offsetting can be undermined by emissions produced by harvesting, shipping and manufacture. What is the truth?

The Government needs to be clearer about where real net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is a tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests short term to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through incentivising the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing

exotics if they are longer-lived species, established on Māori Land, in smaller areas of planting, or able to be economically felled in sections, not clear felled.

- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances, be commensurate to the level of risk and reflect the needs of the particular land, a place-based approach.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

As a rural advocate I am not against forestry as there are many benefits of the right tree in the right place.

I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (i.e., biodiversity) from the integration of trees on farms and I would like to see this also recognised. The role that appropriately planted wide riparian margins and wetlands offer, in protecting our waterways from sedimentation, needs to be recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Svarn Creswell] Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 7:50:30 am

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** Svarn Creswell
 - **Email:** [REDACTED]
 - **Region:** Hastings
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

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Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

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I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

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- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
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- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
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Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

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- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [sw fyers ltd] Farmer submission on ETS changes
Date: Friday, 11 August 2023 8:47:37 am

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Submitter's Information

- **Name:** sw fyers ltd
 - **Email** [REDACTED]
 - **Region:** Waikato
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

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As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

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I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

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Some key points I would like to raise in relation to the review include:

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- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
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Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

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- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [Tony West] Farmer submission on ETS changes
Date: Thursday, 10 August 2023 6:42:16 am

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Submitter's Information

- **Name:** Tony West
 - **Email** [REDACTED]
 - **Region:** Marlborough
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

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Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

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I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

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Some key points I would like to raise in relation to the review include:

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- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
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- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

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As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

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- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
[REDACTED] [Vivienne Macpherson] Farmer submission on ETS changes
Date: Friday, 11 August 2023 11:45:06 am

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** Vivienne Macpherson
 - **Email** [REDACTED]
 - **Region:** Gisborne
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

In Tairāwhiti whole farm sale conversions have been completely driven by the ETS. This has driven prices up. If a carbon forester wants a farm they can outbid farmers by miles. This has been the case for at least 3 years. We are the perfect case study of the - worst possible outcomes of the policy in action

The govt needs to recognize the carnage of this blunt tool, and CHANGE it

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan !!!!!

If farmers have to drive their emissions down so to should transport, energy and waste

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

Sheep and Beef farmers hold 1.4m ha of woody vegetation on farm. what an opportunity for both farmers and the government !

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

Limit the ability to offset - look at other countries its a MUCH smaller percentage

2) Redesign of the permanent forestry category

All across the world we are seeing destruction of native forests and its devastating. Here in NZ we are up there with the worst for current biodiversity loss. Taking these into consideration its a no brainer to switch the scales and make native more enticing than exotic.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

If you want the right tree in the right place then incentivize farmers to do this. We are on a farm that has 10% in QE11 native bush and a further 20% in native woody vegetation. This is in gullies, creeks wetlands, erodible slopes. We also have extensive poplar planting on the lease block. This should all be counted as sequestration.

I will also point out that farmers in general are better custodians of the land and community than overseas companies, big corporates and honestly even DOC (look at how well QE11s are managed vs our national forests as a whole.

I know the technology to monitor this is there. I have been talking to a friend in Google and they can monitor fishing fleets throughout the world and by their movement and wake determine the type of fishing they are doing. They have the technology to monitor vegetation coverage and therefore sequestration. It being 'too hard' or 'too complex' doesn't cut it anymore

Be world leaders in looking to our farmers to help fix the problem ! That's the low hanging fruit !

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Thursday, 10 August 2023 2:17:44 pm

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Selwyn
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.

- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).
- Pasture

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 8:17:45 am

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Ruapehu
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

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As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

The government needs to limit the percentage of reductions that can be achieved through offsetting as most other countries have done.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and

also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create and ruin our small rural towns/centres in the process.

There needs to be some limits introduced to control the amount of offsetting that occurs, this needs to be close to zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS! We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests!!

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines)!
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

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I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

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- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Saturday, 5 August 2023 11:21:13 am

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Rangitikei
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

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- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 7:03:28 pm

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Rangitikei
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
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-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

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From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 10:06:37 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** New Plymouth
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

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If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 6:21:47 pm

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Kaipara
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

Permanent forestry category

I don't think there should be permanent exotic forests at all.

All exotic forests should be managed for processing within a time line. This provides income for the economy and would support rural communities. This would eliminate planting and walking away, therefore reducing the risk of wildfires and pests.

I don't think that there should be any categories based on race.

In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.

Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.

Greater recognition of on-farm sequestration

As a beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

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- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 7:12:44 pm

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Waimakariri
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 4:30:48 pm

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Southland
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a multi-generational dairy farming family, we are concerned about the current pace and scale of farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

We believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As farmers, we are not against forestry and believe in establishing the right trees in the right places. As part of our family's succession plan we have first hand experience of the positives that can come from the considered collaboration between a neighbouring existing sheep and beef farmer who was looking to retire, an overseas-based forestry company being prepared to purchase the hard hill country portion of the farm in question for planting into exotic forest, and our daughter and son-in-law looking to purchase the highly productive flat land which is best suited to intensive pastoral farming. Again the right tree in the right place.

With the three-way transaction approved by the OIO and the Minister, we reflect on a win-win-win solution which strengthens our local community, reduces the GHG intensity of our dairy farming operation, facilitates the retirement aspirations of a longstanding sheep and beef farmer, and means that marginal land given over to gorse, pigs, deer and possums has found a lucrative use. This model should be a template to guide other exotic forestry developments.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. Our family would like to see a more imaginative approach taken in this space. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions. Price will be the main driver.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals. In an earlier submission to the CCC our family suggested that allowing emissions offsetting under the NZETS as akin to the Catholic Church's policy of selling indulgences to the wealthy as a means of absolving sinners from divine retribution. Pope Pius V abolished the sale of indulgences in 1567 - why? Fundamentally because their sale did not change the behaviours of the sinners in question. Rather indulgences simply perpetuated the behaviours to which indulgences were to be applied. So it is with the emissions offsetting provisions of the ETS. The ETS will fail to make any meaningful reduction in emissions because offsetting emissions is unlikely to change the fundamental emitting behaviour.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

We believe that there are real opportunities to support farmers to manage their current and future forests, woodlots, shelterbelts and riparian plantings in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. We are concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

As a family we believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. We would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

We have concerns surrounding the permanent forestry category in its current form, but are pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way to addressing our concerns, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points we would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines and, post pruning and harvest the issue of slash).
- We recognise the merit of allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this we support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

As a multi-generational farming family involved in Dairy, dairy support, beef and forestry we are not against forestry. There are many benefits of the right tree in the right place as we have outlined above.

We seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

We have been actively involved in Southland's response to the National Policy Statement on Freshwater Management (2011-2020). As the appeals process stemming from the NPSFM's implementation grinds on it has become clear to us that the Environment Court has embraced *Te Mana o te Wai* (the mana of the water) and *Ki uta Ki Tai* (from the Mountains to the Sea) as a protective korowai (cloak) to inform the implications of land use for freshwater quality and quantity. It seems to us that the approach adopted by the Court is directly relevant to all land uses including forestry. The scope of the ETS should not be limited emissions but eligibility for admission to the permanent forest category for example should explicitly reflect the impact of a planting scheme on how water moves over and through the landscape.

Farming families such as ours have an innate understanding of the inter-relationships that exist between land forms, land uses and water quality. and therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and we would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration across all farming systems needs to be first quantified and then formally recognised through the NZ ETS or a separate mechanism.

We are eager to maintain and expand a variety of plantings within our farming systems. However, at present much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, our family actively protects existing native flora and fauna, have voluntarily fenced wetlands and established new wetlands to slow the passage of water across the landscape and to capture nutrient and sediment loss. - that effort is not fully recognised or rewarded.

We believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised

and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Monday, 7 August 2023 8:42:18 am

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Waitaki
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

Hi,

The onset of the emissions trading scheme is very daunting for small sheep and beef farming families such as ourselves. I believe that the emissions trading scheme is flawed. Not all emissions should be regarded as equal. Looking at the world, food production is very important to feed the world population and should be prioritized over other industries such as tourism. People need food to survive. Food production should be excluded from the ETS and managed in other ways. I agree that we should be responsible for being sustainable. We have started working on an integrated farm plan, attending courses and creating our own native plant nursery. It will take time and support to be able to plant areas for carbon farming. I believe these areas should be more based on native varieties suitable to our area. Not all places can grow 5m trees, but our ecosystems would be far better to support local bird life than pine forests. We live in a rural district and have been effected by carbon farming. We are a small community and have already lost one farming family who sold to a business who is planting trees.

In 2021/22 we are forecast to make a loss in the sheep industry, another tax is going to make a lot of farms unviable. The land owners are passionate about their land and are making changes to align ourselves with global expectations. Getting trees to grow takes time, we need support for making change rather than tax! If the ETS goes ahead we may only have one choice to plant our own land into pine trees, because unfortunately pine trees provide a much bigger revenue than native forests which is really disappointing.

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category1) **Review of the NZ ETS – responses to the consultation's four key questions**

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the

Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests

- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 5:10:00 pm

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** New Plymouth
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 6:26:28 pm

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Ashburton
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions as long as it doesn't impact on the viability or financial wellbeing of the business

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and

also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets this is false economy and should not in any circumstances be subsidising forestry in any shape or form particularly at the expense of food producing land. There still needs to be a clear preference for realistic emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create. It must be remembered that if agriculture and industry/business is constantly hammered there will be an exodus offshore to more practical friendly countries with less of a relentless focus on emissions.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS. The best way of doing this is to leave the ag sector alone for a bloody change and let us get on with it as it needs to be realised that continued ramping up of costs means that there is less available for environmental spending.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS where practical. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities, business or industry through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced (only if there are practical cost effective alternatives) over time.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines and slash/trash).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing

- exotics if they are longer-lived species, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure that slash and forestry waste is managed so that the debacle along the East Coast that has destroyed livelihoods ,farms, marine ecosystems ,towns must NOT happen and forestry companies be held accountable .
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners/farmers should face more flexible requirements less governmental interference or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this and should be at the farmers discretion without interference from regional councils, district councils or government.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised and credit given.

It is important to support integrated plantings and carbon removals.

The biodiversity and ALL sequestration on sheep and beef farms needs to be recognised and compensated for through a separate mechanism.

Many farmers have already established and maintain a large variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not recognised or rewarded.

I believe the NZ ETS should NOT include agriculture and Beef And Lamb need to take heed of this and do their bloody job and listen to their levy victims! ALL on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests, pasture, crops,even the bloody lawn &vegie garden.
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 5:48:31 pm

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Tasman
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

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I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 2:29:32 am

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Waitaki
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

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Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

We believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. We are concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

We believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. We would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

We have concerns surrounding the permanent forestry category in its current form. We are pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points we would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- We support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
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- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to

avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.

- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As sheep and beef farmers, we are not against forestry as there are many benefits of the right tree in the right place.

As farmers, we seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

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It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

We believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).
- areas of dense tussock

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Friday, 11 August 2023 9:47:19 pm

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Marlborough
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

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As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

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- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Friday, 11 August 2023 11:58:07 am

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Christchurch City
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

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I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

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I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

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From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Wednesday, 9 August 2023 12:21:29 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Southland
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

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From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Friday, 4 August 2023 5:42:57 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Dunedin City
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

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From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Thursday, 10 August 2023 2:40:28 pm

MFE CYBER SECURITY WARNING

This email originated from outside our organisation. Please take extra care when clicking on any links or opening any attachments.

Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Gisborne
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
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It is important to support integrated plantings and carbon removals.

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Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
[REDACTED] Farmer submission on ETS changes
Date: Friday, 11 August 2023 8:35:09 pm

MFE CYBER SECURITY WARNING

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Southland
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** No
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

[PLEASE AMEND OR DELETE ANY POINTS YOU DO NOT AGREE WITH]

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [REDACTED] Farmer submission on ETS changes
Date: Thursday, 10 August 2023 9:07:15 am

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Marlborough
 - **I am submitting as individual or on behalf of an organisation:** Organisation
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings. A neighbouring property in our valley recently converted by an outfit called Dry-land Carbon was able to purchase and convert the whole property with little regards for the potential long term impacts for the catchment. A group of us tried to illustrate the potential erosion risk from knowledge of living in the area for many years and lost biodiversity due to a large monoculture, and the fact that another family has now been removed from our area while two previously lived in house now sit empty.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation. We have large areas of land that is excluded from the current ETS as from aerial imagery it is pre 1990 forestry, however we know that it is continuing in its succession from early stages Manuka and Kanuka forest to larger and more mature native species like beech and Totoro. Work we have done to fence off, control pests and enhance this succession is not currently recognised when we can prove that it is sequestering more carbon as it grows into a more mature forest.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding. More work should be done to incentivise the natives forests for use as offset rather than the current setting which so strongly favour Exotics.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

I believe that it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions and that fossil fuel emitters should not be able to offset by 100%

I believe that currently the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

Although incentivising forestry is an important tool to meet New Zealand's climate change targets,

there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- I support allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.
- But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

As a sheep and beef farmer I am not against forestry as there are many benefits of the right tree in the right place.

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Friday, 11 August 2023 3:12:58 pm

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Gisborne
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

Thank you for taking the time to read this submission.

Note: This submission is for both the NZ ETS review and the potential changes to the permanent forestry category.

1) Review of the NZ ETS – responses to the consultation's four key questions

What is the current NZ ETS going to do to emissions reductions and removals?

As a sheep and beef farmer, I'm concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry. A key driver contributing to this land use change is the current NZ ETS settings.

I believe that the NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can be established to prevent some land from eroding.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry, except for Kazakhstan.

All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Right now, the NZ ETS is driving greater forestry planting and emissions offsetting rather than emissions removals.

There still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on forests to offset the emissions industries create.

There needs to be some limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

I believe that there are real opportunities to support farmers to manage their current forests, and establish new ones into native forests, in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of forestry within New Zealand and especially in tools like the NZ ETS. I am concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should have limited ability to offset their emissions within the NZ ETS. We therefore need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. But options 1 & 2 do not appear to be effective in limiting offsets. I would be interested in looking at options 3&4 but would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

2) Redesign of the permanent forestry category

I have strong concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain areas.

Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).

I strongly oppose allowing some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are longer-lived species, established on Māori Land, or in smaller areas of planting.

In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.

Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting permanent forestry and walking away without following best management practices.

But policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances and be commensurate to the level of risk.

Smaller landowners should face more flexible requirements or receive additional support to avoid

additional burden where it is not required. Requirements should be commensurate to the size, scale, location of the forestry.

It is important that any changes to the permanent forestry category reflect the impacts and support rural economics and communities. This should be strongly considered as part of the review.

Greater recognition of on-farm sequestration

As a farmer, I seek opportunities to manage land in a way that preserves its special character whilst providing a sustainable business for future generations. Using native trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on sheep and beef farms needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

Native riparian plantings

shelter belts

Native scattered trees

small areas of native plantings (<1 ha).

On a final note, please take a look around the world, it's warming and there are countries burning on fire due to heat waves and thousands of hectares of monocultures that burn profusely once started. Why are we so hell bent on planting our beautiful country in a monoculture of exotic trees that are going to burn uncontrollably as we see world wide. We have no proper fire fighting equipment like the big planes used overseas and have no hope in controlling them once they start. Please look to the long term not short term, as all this carbon sequestration via monocultures will become absolutely a waste of time when it goes up in smoke, and in the meantime will destroy our rural communities and economy.

Regards



From: no-reply@beeflambnz.com
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: [REDACTED] Farmer submission on ETS changes
Date: Tuesday, 8 August 2023 4:52:20 pm

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Submitter's Information

- **Name:** [REDACTED]
 - **Email:** [REDACTED]
 - **Region:** Hurunui
 - **I am submitting as individual or on behalf of an organisation:** Individual
 - **I have used my own words and examples in this submission:** Yes
 - **I consent to this submission being published on the MfE website:** Yes, but no name
 - **Association:** farmer/grower
-

I have not been concerned about the current pace and scale of whole sheep and beef farms being sold and converted into exotic forestry and other land uses to date. There is a reduction in demand for red meat coming and alternative land use options are best decided by freehold owners.

The state of the wool industry has also caused farmers to look to forestry. They should not be disadvantaged by any limiting of options, nor overly incentivised either.

I believe that the NZ ETS needs fundamental changes to address the issue of over focus on exotic choices. There should be more incentive for native plantings if that is what is best in the long run, which is what we now seem to think is correct from a soil management perspective.

As a farmer I am not against forestry and believe in establishing the right trees in the right places. Forests can provide a positive asset on farm for several reasons including diversifying income and preventing some land from eroding. It has been trite not to reward farmers for nurturing and maintaining existing woodlots where they are too small by present legislative settings.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to force these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions. All waste should be measured and avoided.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

I believe industries should be less able to offset their emissions within the NZ ETS over time.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

2) Redesign of the permanent forestry category

I have concerns surrounding the permanent forestry category in its current form. I am pleased that the Government is seeking adjustments to this category within the NZ ETS.

Some key points I would like to raise in relation to the review include:

- Permanent exotic forests need to face tighter restrictions but only to address risks (for example wildfires, pest management, and wilding pines).
- I support encouraging some exotic forests into the category if there are strong conditions on entry which restrict the species, location, and scale of planting.
- A clearly defined mechanism to ensure alternative timber species and rotation management approaches can be utilised in the category is needed.
- I support the use of strong compliance measures and incentives to ensure the transition from exotics to native vegetation is happening over time.
- Additional oversight is needed to prevent landowners from not following legislated management practices.
- Policy settings should not take a one size fits all approach. Management rules need to be practical for the landowners' circumstances.
- Smaller landowners should face more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.

Greater recognition of on-farm sequestration

Add any general feedback on the consultation here:

As a land owner and beef farmer I am in favour of diverse forestry as there are many benefits of the right tree in the right place.

As a landowner, I seek opportunities to manage land in a way that preserves its intrinsic features and value whilst providing a sustainable business for future generations. Using trees on farm can be an important tool for enabling this.

I therefore support the recognition of a greater range of on-farm sequestration as listed below.

As well as sequestration there are also significant wider environmental benefits (ie biodiversity) from the integration of trees on farms and I would like to see this also recognised.

It is important to support integrated plantings and carbon removals.

The biodiversity and sequestration on all land needs to be recognised through the NZ ETS or a separate mechanism.

Many farmers are eager to establish and maintain a variety of plantings within their farming systems. However, much of this work is not able to gain carbon units, or if they can at very minimal amounts. In particular, the great work sheep and beef farmers are doing to protect existing native flora and fauna is not fully recognised or rewarded.

I believe the NZ ETS needs additional categories of on-farm vegetation that should be recognised and rewarded. This includes carbon captured by:

- pre-1990 forests
- riparian plantings
- shelter belts
- scattered trees
- small areas of plantings (<1 ha).

From: [REDACTED]
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: Farmer submission on ETS changes
Date: Thursday, 10 August 2023 9:46:40 pm

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Submitter's Information

- **Name:** [REDACTED]
- **Email:** [REDACTED]
- **Region:** Central Hawkes Bay
- **I am submitting as individual or on behalf of an organisation:** Individual
- **I have used my own words and examples in this submission:** Yes
- **I consent to this submission being published on the MfE website:** Yes, but no name
- **Association:** farmer/grower

The ets should not allow 100% off setting for polluters. It is unfairly placing a large amount of the cost of climate change on rural New Zealand. The ets in New Zealand appears to be poorly thought out. It is much easier to plant trees than reduce pollution. This doesn't seem to be a good short or long term solution. Constantly changing the rules around the ets doesn't seem to be working. The market appears to be much to complex for the government to control. Planting trees for carbon is ravaging provincial New Zealand. It places little or now value on the communities of the areas being planted or its pastoral heritage. The Government should dramatically reduce the amount of pollution that can be off set. We should focus on reducing our pollution not off setting it. Foreign companies should not be able to buy new zealand farmland. The money they bring in is not adding much to the business, just driving up property values

From: [KERRY HARAHI](#)
To: [etsconsultations](#)
Subject: Emissions Trading Scheme Review
Date: Friday, 11 August 2023 3:28:33 pm

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Kia ora,

I am one of the 12,500 supporters of the organisation submitting the document below.

As a small farmer working in a vulnerable catchment that is surrounded by monoculture pine forests, I urge you to enable sustainability credits. I would happily retire our 84 hectares to indigenous forest if I could afford to.

Every summer, my anxiety levels rise with each puff of wind coming through the pine forests. I'm constantly sniffing the air for smoke, uncomfortably aware that I am living in the centre of a fire hazard that I, my whanau and animals are unlikely to escape from if necessary.

Even before the cyclones earlier this year, our farm has not dried out enough for our cows to walk on, let alone grow forage. When it begins to rain, the anxiety builds again. Will each house along our road be separated by slips and dropouts as happened in February? Will our fences be buried again under the roadside avalanche of weakened hillside and pinetrees? Will our animals be washed 5 kilometres downriver again? Will our access bridge be destroyed again by slash?

This is just a personal addendum to the submission below that states the whys and wherefores much better than I can.

Our region has been ill served by pine forestry. As far as I can see, the present ETS is just a licence for overseas interests to keep on polluting. We shouldn't be enabling such an egregious rort.

The government response to our previous submission on land use in Tairāwhiti was a kick in the teeth.

This time round, can you listen to the people who live here rather than absent landholders?


Kerry Haraki



From: [Manu Caddie](#)
To: [etsconsultations](#); [Nigel Searles](#)
Subject: ETS and Permanent Forestry submission
Date: Friday, 11 August 2023 7:48:03 am
Attachments: [Mana Taiao Tairāwhiti submission on ETS.pdf](#)

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Note: I work flexibly - so whilst it suits me to email now, I do not expect a response or action outside of your own working hours. The information contained in this message and or attachments is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited. If you received this in error, please contact the sender and delete the material from any system and destroy any copies.

Mana Taiao Tairāwhiti

Email: info@teweu.nz



Submission on NZ Emissions Trading Scheme Review and Permanent Forest Category Rules

Mana Taiao Tairāwhiti is a group of residents in Tairāwhiti concerned about the ecological and economic impacts of land use in the region. We have 12,500 supporters calling for truly sustainable land use in Tairāwhiti and much stricter rules for land use along with a Just Transition plan that includes the development of sustainable employment opportunities beyond farming and pine plantations.

(1) ETS Review

What is the current NZ ETS going to do to emissions reductions and removals?

The ETS is a key piece of NZ's climate policy architecture intended to support the reduction of greenhouse gas emissions. However, as it currently exists, the NZ ETS operates as a system for offsetting fossil fuel emissions with commercial pine plantations. It does not effectively reduce emissions or encourage truly permanent biodiverse forests. It needs to change.

On a per-capita basis, NZ CO₂ emissions since the pre-industrial age are well above the global average. Just for CO₂, our share is 2.6 times the global per-capita average.

NZ should not delay our transition to a low-carbon economy and society because we happen to have land suitable for afforestation. If we do so we will be left behind in a global technology transition and will fail to meet the expectations of our export markets in a world increasingly demanding low emissions products and services.

We will also make the transition even more painful for our children and their children in years to come. Failure to reduce emissions now also transfers the task of economic transformation to future generations, who will simultaneously be dealing with even greater climate impacts than we are already experiencing today.

Proper alignment with the global 1.5C target means dramatic reductions in fossil fuel emissions. New Zealand should catch up with global norms that are rapidly moving away from reliance on offsetting emissions with sequestration.

The NZ ETS needs fundamental changes to address the issue of uncontrolled forest planting within New Zealand. Based on recent trends, high carbon prices are likely to continue to drive exotic forest plantings rather than provide for actual emissions reductions. On top of this, the current settings do not provide strong support for establishing new, or recognition of our existing, indigenous vegetation.

The Government needs to be clearer about where net emissions reductions within our economy will come from and make changes to the NZ ETS to enable these. At present the NZ ETS prioritises offsetting emissions via forest carbon removals rather than incentivising real reductions in emissions, other offsetting and removal options are distractions when we need to focus on emissions reductions.

Does the NZ ETS need to be able to drive emissions reductions in transport, energy, and waste?

Yes, it is important that industries that have high emissions relating to transport, energy, and waste are driven to reduce their emissions.

Other than Kazakhstan, New Zealand is the only country to allow fossil fuel emitters to offset 100% of their emissions through forestry. All other countries have some limits in place to ensure that the focus is on real emissions reductions and also in recognition of the risk that without limits too much offsetting will take place.

Does the NZ ETS need to be able to drive emissions removals from activities like forestry?

Although incentivising forest planting is an important tool to meet New Zealand's climate change targets, there still needs to be a clear preference for real emissions reductions that last the test of time rather than only relying on pine plantations to offset the emissions industries create.

There needs to be limits introduced to control the amount of offsetting that occurs, but this does not need to be zero.

There are real opportunities to support farmers to manage their current indigenous cover and establish new forests in ways that can increase carbon removals. This can be done both in, and outside of, the NZ ETS.

It is important that the Government clearly defines the role of both forestry and exotic tree plantations within New Zealand and especially in tools like the NZ ETS. We are concerned with the current scale and pace of land use change and the impact this is having on rural communities and landscapes.

We are also concerned that monocrop exotic tree plantations are called forests. This is misleading and confusing, even native tree cover that is one species of tree should not be called a forest. Plantations typically contain one monoculture. A natural forest contains a much broader range of tree species. Plantations may also include trees that would not naturally exist in the area.

If emissions reductions are to be prioritised in the NZ ETS, how could the scheme be changed to achieve this?

Industries should have limited ability to offset their emissions within the NZ ETS. We need to provide stronger incentives to motivate emissions reductions alongside making it harder to offset. These incentives should not come at the expense of rural communities through the blanket planting of exotic permanent forests.

It is also important to consider how forestry offsets should be used. For example, the ability for fossil fuel emitters to utilise forest removals should be reduced over time while

providing emitters of biogenic nitrous oxide or methane greater ability to use these units to meet their potential emissions reduction requirements.

It is difficult to say exactly how that should be done, based on the limited information in the consultation document about the four options. Options 1 and 2 do not appear to be effective in limiting offsets. Options 3 and 4 look more promising, but we would want the agricultural industry to be closely involved in the process to understand the various implications of those two.

Forestry removals, including new planting and regeneration, are critical to meeting New Zealand's emissions budgets and the 2050 target. Even with steeper gross emissions reductions, there will still be hard-to-abate emissions that need to be offset in 2050. Agricultural emissions may also need to be offset in future.

However, an even more critical role for forestry, and one that is overlooked, is the need to build a long-term enduring carbon sink for the second half of this century. Slower-growing indigenous forests may not provide the quick hit of carbon removals that pine does, but they will continue to remove CO₂ over a longer time horizon than pine.

A significant part of NZ's contribution to warming is a result of deforestation since 1850. We can bring ourselves back into balance with the atmosphere, as well as within our domestic ecosystems by restoring native forests that should never have been cut down. The Climate Change Commission has shown that current warming from agricultural emissions is greater than warming from all fossil fuels we've ever emitted.

If NZ acts now to establish this long-term carbon sink, it will be in place when we need it from 2050. Native forests take decades to reach peak growth, so we need to be putting them in the ground now. If we do, we will avoid the position we're in now of needing to pay other countries to help meet our future international targets. We should use the funds required to meet this liability to enhance the quality of existing native forest and re-establish new indigenous forest on marginal, low productivity farmland.

If we do not establish this long-term sink, we are relying on technologies that don't exist or are currently far from viable, and reliant on them being available at massive scale. It is prudent to take the low-cost option that we have in front of us.

Establishing a long-term carbon sink is a strategic investment that sets NZ up for the rest of the century, as well as putting right our own balance with the atmosphere and restoring local ecosystems. There is little risk, as high-quality carbon removals will have long-term international value: many other countries do not have NZ's potential to reforest. It also protects our future food production. There is therefore a strong case for the NZ government to help create this resource for the future.

The consultation document refers to a "carbon removal strategy" being developed by the government. This must consider the long-term need for net-negative emissions as a key driver of support for forestry.

The consultation document shows a falling ETS price under status quo. An objective could be for forestry to receive stable support for carbon removals better than these status quo levels (i.e. rising rather than falling).

The Minister's introduction states, "We need the NZ ETS to incentivise both emissions reductions and carbon removals from forestry". However, the ETS cannot do both of these things on its own. We are reaching a point, as explained in the consultation document, where ETS emitters will not provide sufficient demand for the forestry units being created. The establishment of a long-term forest sink should not be dictated by the speed of gross reductions, and the rate of gross reductions should not be slowed by the presence of

forestry. Decisions on these need to be able to be made independently, so that both can be achieved.

It is in this light, assuming the goal is to drive both gross reductions and indigenous reforestation as rapidly as possible, that we consider the options presented in the consultation document.

We agree with the summary of impacts of exotic afforestation. While “right tree in right place” is important (wood, biofuels in a low carbon economy etc), we see indigenous reforestation as the key to providing a long-term durable carbon sink, avoiding adverse effects of exotic afforestation.

Do you agree with the description of the different interests Māori have in the NZ ETS review?

“We have heard that the NZ ETS, particularly the permanent forest category, presents a significant opportunity for economic development” - there has been a concerted campaign of lobbying by a handful of Māori involved in the carbon farming industry to prevent even a discussion about the NZ ETS policy settings, we suspect they have been resourced by much wider carbon trading interests. This group, most recently fronted by one or two individuals associated with an organisation called Te Taumata, has presented no credible evidence to back up claims of billions of potential losses for Māori entities if removals via pine are limited in any significant way. Government policy created the NZ ETS and the associated market in carbon units for a particular purpose and it is not achieving that purpose, it is also having unintended consequences with significant negative social, cultural, environmental and economic impacts. The Government has a duty to fix the NZ ETS before it causes even more damage. Meanwhile surveys of Māori landowners (as provided in submissions on the Permanent Forest Category in 2022) show near unanimous consensus for prioritising indigenous afforestation and rapidly reducing pine plantations on whenua Māori.

In many government documents, including the current NZ ETS review document, part of the reasoning for the Māori commercial interest in exotic forestry has been given as follows:

“Around 30 per cent of Aotearoa New Zealand’s 1.7 million hectares of plantation forestry is estimated to be on Māori land. This is expected to grow to 40 per cent as Tiriti settlements are completed.”

However, a recent information request to Te Uru Rākau, the New Zealand Forest Service, resulted in provisions of a dataset showing that post-1989 planted forests on Māori land, that is the forests relevant to the ETS settings, is 47,408 hectares and pre-1989 plantation forests on Māori land make up 153,233ha. Even combined that makes up only 11.8% rather than 30%. Where does the 30% statistic come from, as no report or evidence is ever cited.

Further, Māori are not a homogeneous group and many of us strongly support limiting removals credits to only indigenous forests (for example:

<https://manataiao.wordpress.com/recloaking-papatuanuku/>).

Forestry is certainly an important component of the “Māori Economy”, but commercial timber industries should be profitable in their own right, without earning carbon credits and the opportunities of carbon farming with indigenous forests is still there even on marginal land. Currently this is not feasible, in part, due to the downward price pressure of the cheaper *Pinus Radiata* monocrop plantations that the Government has allowed into the Permanent Forest category for some bizarre reason.

A recent memorandum submitted by a Māori land trust in Tairāwhiti to the Waitangi Tribunal in support of the WAI2607 claim lays out the concerns and claim of Te Tiriti breaches this way:

- (a) The overreliance on planting pine forests to offset Aotearoa's emissions, which is likely to mean carbon prices remain low for emitters, so pollution rates remain high and forest owners don't make the money they expected to, resulting in abandoned forests.
- (b) The resulting effect on the environment from production forests - such as the slash currently running down rivers and associated soil erosion after clear-felling plantations – and also from permanent plantations of pines with the subsequent cost to the restoration of indigenous taonga that Māori have kaitiaki responsibilities for and Te Tiriti rights to the protection of.
- (c) The failure of policy instruments like the Emissions Trading Scheme to better record the value of diverse indigenous forest and incentivise the planting and regeneration of native forests as an offset which would also be better for the environment.
- (d) Failure to support Māori communities in Tairāwhiti and elsewhere in adapting to the effects of climate change, that Indigenous peoples are suffering greater loss from sooner and more significantly than the general population.
- (e) Failure of the Government to provide support for the development of equitable and just transition plans and processes to support a rapid emissions reduction and economic development based on circular and regenerative local economies rather than extractive, unsustainable industries.
- (f) General failure of Government policies in reducing Aotearoa's emissions.

What other interests do you think are important? What has been missed?

The interests of indigenous flora and fauna, taonga species and microorganisms seem to be missing from most of the consultation considerations. Endemic organisms have a right to exist here and public policy should take account of impacts on the environment, particularly indigenous organisms, whenua conservation, te mana o te wai and te mana o te moana. Policies should not exist that incentivise exotic monocrops including pine and pasture to be maintained or expand at the expense of re-establishing taonga on the whenua. Māori have a Treaty right and responsibility as kaitiaki to protect, preserve and provide for taonga species that have been excluded from the whenua by successive Crown policies.

“the Government also recognises that the NZ ETS review could disadvantage future generations, particularly through options that may limit forestry opportunities. As well as being essential to our climate response, forestry is an important source of income and livelihood for Māori. Limiting economic opportunities in the short term may leave future generations less able to respond to climate change and to realise wider social, economic and cultural aspirations.”

This is an illogical argument. It is far riskier for Māori to allow short-lived monocrop species that grow fast but are not required to have carbon income set aside for the promised but not evidenced transition from pine plantation to diverse native forest - that process will be expensive and likely result in a significant liability if carbon sequestered in plantations is not immediately replaced in slower-growing indigenous forest. Future generations are likely to be burdened with massive costs and a wrecked landscape littered in invasive pine that continues to replicate itself.

How should these interests be balanced against one another or prioritised, or both?

The interests of indigenous species need to be prioritised in this policy. Policy addressing the climate crisis should take into account the biodiversity crisis and not exacerbate or extend the biodiversity crisis. The interests of future generations should be prioritised so that they have a long-term truly sustainable carbon buffer via diverse, healthy indigenous forests that started growing in the 2020s, not the 2050s or later.

What opportunities for Māori do you see in the ETS review? If any, how could these be realised?

The opportunity exists for Māori (and taonga tukuiho) to have policy that provides strong incentives instead of strong disincentives for the reforestation of whenua Māori and General title land in indigenous ngahere that will store more carbon much longer than short-lived, shallow-rooting exotic monocrops like *Pinus radiata*.

(2) Permanent Forest Rules

Our recommendations for the Permanent Forests Category:

- Don't allow 'transition forests' to be approved until there is (a) sufficient science showing how to successfully manage the transition from a pine plantation to a diverse indigenous forest; (b) clear costings for that process, if it can be done, specific to each context (especially hard to reach, erosion-prone East Coast land); and (c) sufficient funds set aside from any carbon income (a minimum of 50% of carbon income) to pay for the costs of transition.
- Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider effects associated with large scale land-use change, particularly if concentrated in certain communities.
- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- Some exotic forests could be included in the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are deep rooting, longer-lived species in smaller areas of planting. Recent research by Manaaki Whenua Landcare Research ([Marden, M., 2002](#), [McMillan, A., 2023](#)) and Scion (Palmer, M., 2023) provide overwhelming evidence that pine plantations are failing on erosion-prone land in Tairāwhiti and Northern Hawkes Bay at a much higher rate than expected and much more than indigenous land cover (including monoculture kānuka and mānuka) suggesting pine should not be permitted on any erosion-prone land (which comprises 88% of all land in the Tairāwhiti region).
- While pine is fast growing, it has had 100 years of breeding R&D, largely at the taxpayers' expense; there are fast growing native species that could be produced at scale to provide a nursery for more diverse native forests to become established.

- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting 'permanent' plantations and walking away without following best management practices.
- Management rules need to be practical for the landowners' circumstances and be commensurate with the level of risk.
- Smaller landowners should have more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the cultural impacts of ongoing lack of indigenous forest and support rural economics and communities. This should be strongly considered as part of the review.
- The biodiversity and sequestration contributed on farms needs to be recognised through the NZ ETS or a separate mechanism.
- On-farm emissions need to urgently come into the ETS or He Waka Eke Noa, but without decades of free emissions.

Establishing permanent indigenous forest at scale – suggested framework

We have not yet achieved sustainable land use in Aotearoa/New Zealand. Land use mapping to match land to suitable land uses has been undertaken and the necessary land use changes have yet to occur.

In regions like Tairāwhiti where 88% of land is erosion-prone, we need long-term permanent native forest cover on land unsuitable for agriculture and pine plantations. There are several pathways to achieve this objective depending on the situation.

Primary considerations for determining if transition is possible include:

- biodiversity gains;
- catchment risks (LUC classification) and restoration gains (sediment control, flood reduction, summer stream supplies);
- resilience to fire, drought, disease, and wind;
- site specific considerations including climate variability, availability of diverse native seed sources, pest animal and plant threats and land stability risks.

Initial site vegetation characteristics or types can include:

Type 1. existing natural revegetation – mixed fern and monocultures such as mānuka/kānuka;

Type 2. existing pine plantation (and potentially other exotic plantation species);
and

Type 3. unforested land – with pasture or weeds.

For Type 1 land with existing natural revegetation the land should be left to continue naturally reverting with management assistance limited to weed control and planting of 'seed islands'. Planted seed islands are necessary where locally-appropriate shrub and tree species are missing within the local catchment. With pest control, biodiversity value will increase as the natural reversion moves through the successional stages towards a mature forest. Browsers control will not only improve biodiversity, but also the severely reduced ability of our existing forests to intercept and absorb water essential for flood protection and continuous summer flows, due to the loss through browsing of diverse forest understory and thick forest floor litter layer/duff.

For Type 2 existing pine plantations, the pines provide weed suppression, limited land stability, hydrological stability (flood reduction and enhanced summer stream flows), carbon absorption and limited indigenous biodiversity values. Changing management objectives from clear-fell harvesting to transitional forestry may allow existing values to be protected and enhanced. A clear definition of a 'transitional' forest is required as well as a significant proportion of income (at least 50% of carbon income) set aside for the investment required in pest control and monitoring to ensure biodiversity goals are achieved and built on over time.

For Type 3 land where natural revegetation is hindered by factors such as high weed competition, erosion risk or effects of climate change (e.g. drought), then native planting and/or seed distribution could be undertaken with specific varieties used as nurse crops to support and speed up diverse native forest establishment. Timber production would be excluded as an objective, but instead, management priorities would be to enhance carbon absorption and land stabilisation, and provide suitable conditions for native shrub and tree seedling establishment. The objectives would need to be protected through covenants.

Active landscape management is required now to effectively reduce carbon dioxide levels by 2050, meet water quality requirements and slow biodiversity loss. Any alternative strategies to achieve this would need to be assessed against the near timeframe as well as a more distant timeframe required to establish the ultimate objective of permanent indigenous forest.

The current land management situation will not achieve the desired land use change goals. A key change that is required is landscape level browser control to achieve the end goal of restoring long-term permanent native forest cover over hundreds of thousands of hectares of vulnerable land. This is a basic requirement, whether it is for naturally regenerating native vegetation or for a managed transition of exotic to native forest.

This is a nuanced issue that involves all of government, including local government, and communities having a clear set of objectives, principles, and priorities so that actions are undertaken knowing where we want to get to - permanent indigenous forest at scale.

Mana Taiao Tairāwhiti

Email: info@teweu.nz



Email to: etsconsultation@mfe.govt.nz by 11.59pm Friday 11 August 2023

Submission on NZ Emissions Trading Scheme Review and Permanent Forest Category Rules

Mana Taiao Tairāwhiti is a group of residents in Tairāwhiti concerned about the ecological and economic impacts of land use in the region. We have 12,500 supporters calling for truly sustainable land use in Tairāwhiti and much stricter rules for land use along with a Just Transition plan that includes the development of sustainable employment opportunities beyond farming and pine plantations.

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reestablishing taonga on the whenua. Māori have a Treaty right and responsibility as kaitiaki to protect, preserve and provide for taonga species that have been excluded from the whenua by successive Crown policies.

“the Government also recognises that the NZ ETS review could disadvantage future generations, particularly through options that may limit forestry opportunities. As well as being essential to our climate response, forestry is an important source of income and livelihood for Māori. Limiting economic opportunities in the short term may leave future generations less able to respond to climate change and to realise wider social, economic and cultural aspirations.”

This is an illogical argument. It is far more risky for Māori to allow short-lived monocrop species that grow fast but are not required to have carbon income set aside for the promised but not evidenced transition from pine plantation to diverse native forest - that process will be expensive and likely result in a significant liability if carbon sequestered in plantations is not immediately replaced in slower-growing indigenous forest. Future generations are likely to be burdened with massive costs and a wrecked landscape littered in invasive pine that continues to replicate itself.

How should these interests be balanced against one another or prioritised, or both?

The interests of indigenous species need to be prioritised in this policy. Policy addressing the climate crisis should take into account the biodiversity crisis and not exacerbate or extend the biodiversity crisis. The interests of future generations should be prioritised so that they have a long-term truly sustainable carbon buffer via diverse, healthy indigenous forests that started growing in the 2020s, not the 2050s or later.

What opportunities for Māori do you see in the ETS review? If any, how could these be realised?

The opportunity exists for Māori (and taonga tukuiho) to have policy that provides strong incentives instead of strong disincentives for the reforestation of whenua Māori and General title land in indigenous ngahere that will store more carbon much longer than short-lived, shallow-rooting exotic monocrops like *Pinus radiata*.

(2) Permanent Forest Rules

Our recommendations for the Permanent Forests Category:

- Don't allow 'transition forests' to be approved until there is (a) sufficient science showing how to successfully manage the transition from a pine plantation to a diverse indigenous forest; (b) clear costings for that process, if it can be done, specific to each context (especially hard to reach, erosion-prone East Coast land); and (c) sufficient funds set aside from any carbon income (a minimum of 50% of carbon income) to pay for the costs of transition.
- Although the proposals included in the permanent forest sink initiative consultation will go some way, it is important to progress additional management of the wider

effects associated with large scale land-use change, particularly if concentrated in certain communities.

- Permanent exotic forests need to face tighter restrictions and management plans that reflect the associated risks (for example wildfires, pest management, and wilding pines).
- Some exotic forests could be included in the category if there are strong conditions on entry which restrict the species, location, and scale of planting. Examples include only allowing exotics if they are deep rooting, longer-lived species in smaller areas of planting. Recent research by Manaaki Whenua Landcare Research ([Marden, M., 2002](#), [McMillan, A., 2023](#)) and Scion (Palmer, M., 2023) provide overwhelming evidence that pine plantations are failing on erosion-prone land in Tairāwhiti and Northern Hawkes Bay at a much higher rate than expected and much more than indigenous land cover (including monoculture kānuka and mānuka) suggesting pine should not be permitted on any erosion-prone land (which comprises 88% of all land in the Tairāwhiti region).
- While pine is fast growing, it has had 100 years of breeding R&D, largely at the taxpayers' expense; there are fast growing native species that could be produced at scale to provide a nursery for more diverse native forests to become established.
- In addition to this I support the use of strong compliance measures to ensure the transition from exotics to native vegetation is happening over time.
- Additional management needs to be required across all permanent forestry participants to restrict landowners and overseas investors from planting 'permanent' plantations and walking away without following best management practices.
- Management rules need to be practical for the landowners' circumstances and be commensurate with the level of risk.
- Smaller landowners should have more flexible requirements or receive additional support to avoid additional burden where it is not required. Requirements should be commensurate to the size, scale, location, and species of the forestry.
- It is important that any changes to the permanent forestry category reflect the cultural impacts of ongoing lack of indigenous forest and support rural economics and communities. This should be strongly considered as part of the review.
- The biodiversity and sequestration contributed on farms needs to be recognised through the NZ ETS or a separate mechanism.
- On-farm emissions need to urgently come into the ETS or He Waka Eke Noa, but without decades of free emissions.

Establishing permanent indigenous forest at scale – suggested framework

We have not yet achieved sustainable land use in Aotearoa/New Zealand. Land use mapping to match land to suitable land uses has been undertaken and the necessary land use changes have yet to occur.

In regions like Tairāwhiti where 88% of land is erosion-prone, we need long-term permanent native forest cover on land unsuitable for agriculture and pine plantations. There are several pathways to achieve this objective depending on the situation.

Primary considerations for determining if transition is possible include:

- biodiversity gains;
- catchment risks (LUC classification) and restoration gains (sediment control, flood reduction, summer stream supplies);
- resilience to fire, drought, disease, and wind;
- site specific considerations including climate variability, availability of diverse native seed sources, pest animal and plant threats and land stability risks.

Initial site vegetation characteristics or types can include:

- Type 1. existing natural revegetation – mixed fern and monocultures such as mānuka/kānuka;
- Type 2. existing pine plantation (and potentially other exotic plantation species); and
- Type 3. unforested land – with pasture or weeds.

For Type 1 land with existing natural revegetation the land should be left to continue naturally reverting with management assistance limited to weed control and planting of 'seed islands'. Planted seed islands are necessary where locally-appropriate shrub and tree species are missing within the local catchment. With pest control, biodiversity value will increase as the natural reversion moves through the successional stages towards a mature forest. Browsers control will not only improve biodiversity, but also the severely reduced ability of our existing forests to intercept and absorb water essential for flood protection and continuous summer flows, due to the loss through browsing of diverse forest understory and thick forest floor litter layer/duff.

For Type 2 existing pine plantations, the pines provide weed suppression, limited land stability, hydrological stability (flood reduction and enhanced summer stream flows), carbon absorption and limited indigenous biodiversity values. Changing management objectives from clear-fell harvesting to transitional forestry may allow existing values to be protected and enhanced. A clear definition of a 'transitional' forest is required as well as a significant proportion of income (at least 50% of carbon income) set aside for the investment required in pest control and monitoring to ensure biodiversity goals are achieved and built on over time.

For Type 3 land where natural revegetation is hindered by factors such as high weed competition, erosion risk or effects of climate change (e.g. drought), then native planting and/or seed distribution could be undertaken with specific varieties used as nurse crops to support and speed up diverse native forest establishment. Timber production would be excluded as an objective, but instead, management priorities would be to enhance carbon absorption and land stabilisation, and provide suitable conditions for native shrub and tree seedling establishment. The objectives would need to be protected through covenants.

Active landscape management is required now to effectively reduce carbon dioxide levels by 2050, meet water quality requirements and slow biodiversity loss. Any alternative strategies to achieve this would need to be assessed against the near timeframe as well as a more distant timeframe required to establish the ultimate objective of permanent indigenous forest.

The current land management situation will not achieve the desired land use change goals. A key change that is required is landscape level browser control to achieve the end goal of restoring long-term permanent native forest cover over hundreds of thousands of hectares of vulnerable land. This is a basic requirement; whether it is for naturally regenerating native vegetation or for a managed transition of exotic to native forest.

This is a nuanced issue that involves all of government, including local government, and communities having a clear set of objectives, principles and priorities so that actions are undertaken knowing where we want to get to - permanent indigenous forest at scale.

From: [Sonya Rimene](#)
To: [etsconsultations](#)
Cc: [REDACTED]
Subject: 2023 08 25 RTMRT Submission NZ ETS Review + Permanent Forest Category - 22.08.2023
Date: Friday, 25 August 2023 7:18:12 pm
Attachments: [image001.png](#)
[2023 08 25 RTMRT Submission NZ ETS Review + Permanent Forest Category - 22.08.2023 \(002\).docx](#)
[Summary of Submission Template .pdf](#)
[Submission for NZ ETS Review + Permanent Forest Category - 25.08.2023.docx](#)

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Tēnā koutou

RE: Submission Template for ETS Review + Permanent Forest Category Redesign

Kei aku nui, kei aku rahi, tēnā koutou katoa,

Please find attached RTMRT Submission NZ ETS Review + Permanent Forest Category, based on the NIC template.

We, Rangitāne Tū mai Rā Trust (RTMRT) collectively support the following submitters;

- Submission template by National Iwi Chairs (NIC)
- Tairāwhiti Whenua Charitable Trust Submission attached
- Ngai Tahu Submission

As Chair of RTMRT I am confident that the content in the submissions above has the interests of iwi, hapū, whānau Māori and Māori Land Owners at its core, and that it provides a strong platform to influence ETS policy settings that contribute to effective carbon emission reductions, whilst also enabling us to build our own resilience through economic prosperity and sustainable land management.

The key principles that fundamentally has to underpin the integrated approach to ETS and land use workstreams is Te Tino Rangitiratanga me Te Oranga o Te Taiao, and Te Tiriti o Waitangi. We support all other key principles outlined in the Summary of Submissions template attached.

RTMRT support **ALL** the recommendations in the submissions, particularly:

- that the government abandon its plans to ban the use of exotic species in the permanent category of the NZETS, and instead work closely with iwi, hapū, Māori landowners and Māori forestry experts to design and deliver a framework for continuous cover forestry for this NZETS category.

Mauri Ora

Sonya Rimene

Chair

Rangitāne Tū Mai Rā Trust



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From: [REDACTED]
To: [etsconsultations](#)
Subject: Review of the NZ ETS and a Redesigned ETS Permanent Forest Category
Date: Friday, 25 August 2023 10:30:14 am
Attachments: [Submission for NZ ETS Review + Permanent Forest Category - 25.08.2023.pdf](#)

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Greetings ETS Consultations,

Enclosed is [REDACTED] second submission.

Please confirm receipt.

Hear from you.

[REDACTED]

From: [Michelle Phillips](#)
To: [etsconsultations](#)
Subject: Submission for ETS Review + Permanent Forest Category Redesign
Date: Thursday, 24 August 2023 1:54:53 pm
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[NTNVRT Submission for NZ ETS Review + Permanent Forest Category.pdf](#)

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Nga mihi

Michelle Phillips
Pou Whakahaere Taiao | Environmental Manager

Wāea: [REDACTED]
Īmēra: [REDACTED]
Pae Tuku: www.tahu-whaoa.iwi.nz/te-taiao-environment/

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From: [Grant Huwyler](#)
To: [etsconsultations](#)
Cc: [Pahia Turia](#)
Subject: Submission on ETS Review + Permanent Forestry Category
Date: Wednesday, 23 August 2023 3:29:49 pm
Attachments: [image001.png](#)
[Submission on NZ ETS Review + Permanent Forest Category - 23.08.2023.pdf](#)

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Please find our submission attached.

Ngā mihi

Grant Huwyler

Tāhūhū Rangapū – Group CEO



T: 06 327 5594 [REDACTED]

[REDACTED]

[REDACTED] W: ngawairikingatiapa.com

From: [Olivia Poulsen](#)
To: [etsconsultations](#)
Cc: [John Bishara](#)
Subject: Submission on proposed changes to the Emissions Trading Scheme
Date: Thursday, 24 August 2023 9:03:26 pm
Attachments: [image001.png](#)
[Submission on proposed ETS changes.pdf](#)

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Tēnā koe

Please see attached a submission from the Lake Taupō Forest Trust and Tupu Angitu in respect of these proposed changes.

Ngā manaakitanga



Olivia Poulsen
Chief Executive



FEEDBACK ON DISCUSSION DOCUMENTS:

'TE AROTAKE MAHERE HOKOHOKO TUKUNGA - REVIEW OF THE NEW ZEALAND EMISSIONS TRADING SCHEME' & 'A REDESIGNED NZ ETS PERMANENT FOREST CATEGORY'

25 August 2023

SUBMITTER INFORMATION

Name: [REDACTED]
Iwi / hapū: [REDACTED]
Address: [REDACTED]
Email: [REDACTED]
Phone: [REDACTED]
Contact: [REDACTED]

INTRODUCTION

1. This submission is made by [REDACTED] on the Discussion Documents 'Te Arotake Mahere Hokohoko Tukunga | Review of the New Zealand Emissions Trading Scheme' & 'A Redesigned NZ ETS Permanent Forest Category' released for public consultation on 19 June 2023.¹
2. We have been assisted in the development of this submission by analysis completed by National Iwi Chairs Forum (NICF) technicians, including a template submission that was prepared by their technicians.
3. [REDACTED] collective membership comprises 68 Maori authorities that administer Maori land in the Tairāwhiti region. We have come together to respond to issues and matters of importance to us, our whenua, our people and our environment.
4. [REDACTED] currently manages 186,611 hectares of Maori land. The largest of us manages 46,000 hectares and the smallest of us manages 5 hectares. We are responsible to 145,935 owners, employ 300+ staff, manage \$764 million of assets, and generate \$53 million of business revenue for the Tairāwhiti region and its many communities.

¹ [Te Arotake Mahere Hokohoko Tukunga - Review of the New Zealand Emissions Trading Scheme - Ministry for the Environment - Citizen Space](#) | [A redesigned NZ ETS Permanent Forest Category - Ministry for the Environment - Citizen Space](#)

5. [REDACTED] members have diverse interests in agriculture, horticulture, forestry and other land uses².
6. [REDACTED] have joined the NICF technicians through the auspices of the Federation of Maori Authorities (FoMA).
7. [REDACTED] have already provided a submission dated 11 August 2023.
8. Climate change is causing unprecedented damage to our whenua, our wai, and our communities. The health and vitality of our environment (**te oranga o te taiao**), and the authority and responsibility (**tino rangatiratanga**) to protect and restore it, is of paramount importance to us as tangata whenua. These concepts are rooted in mātauranga Māori and, as such, must be articulated and applied from a mātauranga māori lens. Our view is that our nation's response to dangerous climate change must be guided by, and provide for, these fundamental principles.

TE TIRITI CONTEXT

9. The scale of the problem of dangerous climate change means that its impacts will be felt across all aspects of our society. In the context of Te Tiriti o Waitangi, responding to this problem requires a deliberate focus on the unique circumstances of iwi Māori and our whenua. Furthermore, forming solutions to this problem requires working in partnership with us and our communities.
10. A priority for Māori in responding to dangerous climate change is ensuring that it is affordable and effective, and that it preserves and protects the relationship of iwi, hapū and Māori landowners to our whenua. Our response needs to focus on the task at hand (i.e. mitigating the impacts of dangerous climate change), whilst also enabling us to build our own resilience through economic prosperity and sustainable land management.
11. As noted in the ETS Review discussion document, it was estimated in 2018 that Māori own \$4.3 billion of forestry assets, totalling approximately six percent of the total Māori asset base. Furthermore, approximately 30 percent of the 1.7 million hectares of plantation forestry in New Zealand's is on Māori land, and this is expected to grow to approximately 40 percent as Treaty settlements are completed.
12. The majority of Māori-owned land (estimated 80%)³ has a Land Use Capability (**LUC**)

² Summary of usage of Māori Rural Land: Pastoral 63%; Forestry 27%; Dairy 9%; Horticulture 0.5% and Arable (cropping) 0.5%, Federation of Māori Authorities Innovation Insights on Māori Rural Land & Governance developed by Will Workman Enterprises.

³ Unlocking the potential of Māori land: A kaupapa Māori approach to using and developing integrated knowledge, models and tools MPI Link seminar, Wellington, Thursday 4th May, 2017 Garth Harmsworth: https://www.landcareresearch.co.nz/assets/Events/Link-series/Unlocking_Potential_Maori_Land.pdf

classification of 6,7 or 8; with approximately 46% being classified as LUC 7 or 8.

Land Use Capability (LUC) for Māori land (MLIB) compared with New Zealand LUC statistics (MLIB 2002 - TPK & NZLRI-Landcare Research New Zealand)⁴				
LUC Class	% of Total NZ	Māori Land area (ha)	% of Māori Land	Description of Land Use Capability
1	0.7%	7,514.76	0.50%	Most versatile multiple-use land – virtually no limitations to arable use
2	4.55%	43,733.59	2.89%	Good land use with slight limitations to arable use
3	9.22%	85,534.33	5.65%	Moderate limitations to arable use restricting crops able to be grown
4	10.5%	153,972.29	10.16%	Severe limitations to arable use. More suitable to pastoral and forestry
5	0.8%	6,883.47	0.45%	Unsuitable for cropping – Pastoral or forestry
6	28.1%	500,706.36	33.51%	Non-arable land. Moderate limitations and hazards when under a perennial vegetation cover.
7	21.4%	469,830.47	31.01%	With few exceptions can only support extensive grazing or erosion control forestry
8	21.8%	230,142.75	15.19%	Very severe limitations or hazards for any agricultural use
Other	3.0%	9,752.96	0.64%	Non-arable land. Moderate limitations and hazards when under perennial vegetation cover.
TOTAL	100.00% (26,930,100	1,515,071.00	100.00%	

⁴ Ibid.

	ha)		
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13. Much of this land has been passed down from traditional owners; with the rest being either returned to iwi through formal Treaty Settlements with the Crown, through legal processes other than formal Treaty Settlements, returned through some other less formal means, or purchased outright.
14. A key principle for us is ensuring that our nation's response to dangerous climate change does not compound historic injustices on our people and risk a disproportionate impact on our communities, including as it relates to whenua Māori and present or future treaty settlement assets.

STRATEGIC PRIORITIES

15. At the highest level, it is preferable that the nation's climate change response, and the ETS's role within it, include as many strategic co-benefits as possible. This includes:
 - (a) Fully valuing ambitious emissions reductions and forestry removals, achieving these at least cost to the taxpayer and ratepayer, and managing impacts on communities.
 - (b) Maximising synergies between climate change mitigation and climate change resilience and adaptation. Here, for example, strategically designed forestry policy can deliver removals by means of land use change and climate resilience at no or low cost to the ratepayer or taxpayer.
16. Aotearoa needs to significantly reduce its gross greenhouse gas emissions. Current policy must be strengthened to drive deeper and faster emissions reductions. But it is also clear that gross emission reductions alone will not enable the country to achieve these goals. We also need to remove as much CO₂ from the atmosphere as possible through carbon sinks. We also note that some emissions are either prohibitively expensive or impossible to abate in gross terms. These difficult-to-abate emissions should be managed through carbon offsetting and removals. As such, we believe that a robust national emissions management system needs to include gross and net emissions accounting. The NZ ETS and wider policy ecosystem, therefore, should operate in the service of both gross emission reductions and emissions removals.
17. In relation to forestry removals, we require an affordable climate change response in which GHG removals are delivered in a manner that:
 - (a) Is sufficiently financially viable and has the long-term stability to attract investment and deliver financial returns on that investment.
 - (b) Provides rural employment opportunities for Māori.

- (c) Maximises rural economic development for Māori, particularly with respect to economically challenging lands remaining in Maori ownership or those received through the Treaty Settlement Process.
- (d) Focuses on optionality so that Māori landowners can make decisions regarding the sustainable development of our land according to our own tikanga.
- (e) Enables a financially viable option to build climate resilient landscapes on erosion prone lands, maximising use of commercial investment to achieve this.
- (f) Helps to encourage transformation in the New Zealand forestry industry towards continuous cover forest systems, with their associated environmental co-benefits.
- (g) Makes the reforestation and regeneration of ngahere financially viable, particularly on land where clear-cut harvesting and/or pastoralism is inappropriate.
- (h) Aligns with, and enables the pursuit of, broader aspirations relating to the protection and restoration of biodiversity.

EMISSIONS PRICING AND THE ETS

18. Carbon pricing is a mechanism to drive behaviour change across an entire economy. Such pricing will only drive the desired change if the price is high enough to function as a meaningful price signal for the target sector, stable enough for that sector to incorporate this price into their business models and focused on those who have the ability to change in response to the price.
19. On this point, **we recommend that a desired outcome of this review should be that the carbon price in the market should be sufficiently high to deliver the necessary emissions reductions.** For example, the Climate Change Commission and the Treasury (in their Shadow Emissions Prices) have attempted to calculate a sufficient price: this could provide a benchmark.
20. Further to the need for an ETS carbon price signal aligned to the social cost of GHG pollution, **we recommend that another key outcome of this review should be aimed at achieving a carbon price signal that is stable and consistent enough over the long-term to support the type of long-term investments, both in emissions reductions and in forestry, required to enable New Zealand's transition to a low-carbon climate resilient future.**
21. However, **it is essential that ETS design does not simply lead to ineffective pass-through of prices that only increase energy costs, disproportionately affecting Māori.** The ETS must create a real incentive for companies to invest in cleaner technologies and for forestry investment.

22. Lastly, and to complement the above, we strongly suggest that the ETS needs to be properly situated within an ecosystem of climate change policy instruments that work with the carbon price signal in incentivising a low-carbon and climate resilient future, while also managing the costs and impacts of the transition on communities and whānau. For this reason, **we recommend the review of the ETS is viewed in direct relationship to complementary policy instruments that focus on strategic incentives for investment in clean technology and clean development, disincentives for investments in dirty technology and dirty development, and strategies to support community-led transitions.**

REMOVAL INCENTIVES

23. In our view, retaining strong incentives for removal activities is of fundamental importance to achieving an effective climate change response, complementing rather than displacing the need for strong gross emissions reductions. There are many emission types that are either physically impossible to eliminate/reduce or prohibitively expensive to deliver. For example, agricultural emissions whether from soils, fertilizers, or ruminant animals may need to be offset.
24. Removal activities will also provide important benefits in the form:
 - (a) Reducing the volume of abatement to be purchased offshore in current and future international targets.
 - (b) Enabling the critically important reforestation of around 1 million hectares of erosion-prone pasture and marginal land into permanent forest for climate resilience.
 - (c) Assisting in the pursuit of broader aspirations relating to the protection and restoration of biodiversity.

ACHIEVING BOTH GROSS REDUCTIONS AND REMOVALS: RESPONDING TO THE ETS REVIEW CONSULTATION OPTIONS

25. We are cognisant that one component of supporting an ETS that is able to contribute to achieving both gross emissions reductions and forestry removals is consideration of the volume of NZUs made available to the ETS market through removal activities (i.e. forestry), and what effect this volume could have on the carbon price signal and level of gross emission reductions over time.
26. The discussion document outlines concerns in this regard relating to a potential future oversupply of NZUs to the market, and a subsequent crash in the carbon price signal due to projected afforestation rates in response to a high carbon price signal in the short-term. Without going into detail and repeating criticisms that will no doubt appear in other submissions; our networks inform us that the government's use of the Intentions Survey to inform modelling for projected planting rates and NZU prices is highly contested.

27. We understand that the volume of NZUs made available to the market through removal activities is a lever that could be adjusted to amplify the impact of the carbon price signal and drive more reductions in gross emissions. However, our view is that
- (a) there is currently an unacceptable level of uncertainty surrounding the projections and modelling the government is relying on to identify and scope the problem which the ETS Review is setting out to remedy. This is further complicated by the fact that it is not at all clear that we have a good understanding of what future demand dynamics for carbon removals might look like if, for example, agriculture is included in the ETS, and/or opportunities become available for the export of carbon removal units. We also note that net-zero by 2050 is a short-to-medium-term goal and that a long-term goal would be to achieve a net-negative emissions profile; and
 - (b) any reform proposal must address both how gross emissions reductions will be incentivised and how support for the necessary level of forestry removals will be provided. The consultation document focuses on the former and largely ignores the latter.
28. Overall, we are not satisfied that the government has a clear, principled, and cohesive vision informing its attempts to address this issue. This has led to a situation in which removals from forestry have come to be seen as a divisive political problem rather than a sensible and important climate change solution.
29. The four options in the consultation are not presented in sufficient detail to enable us to provide a meaningful assessment or comparison. We see them as essentially a grab-bag of ideas that would each deliver different results, highlighting the government's lack of clear vision.
30. In summary, **we recommend that in its next steps, the government should use existing levers AND increase incentives for gross emission reductions, AND reduce the expected volume of offshore mitigation, AND improve the removals facility by directing removals towards building climate resilient landscapes.**
31. We believe that solutions to these challenges can be developed in a constructive manner that upholds the key principles and priorities we have outlined in this document, including the fundamental principle of compliance with Te Tiriti o Waitangi. However, this will require the Crown to co-design solutions with iwi, hapū and Māori landowners, as well as Māori forestry and agriculture experts.

PERMANENT FORESTRY

32. The country needs to build climate resilient landscapes, particularly in erosion-prone parts of NZ. This will inevitably require a shift away from pastoralism and clear-cut

plantation forestry in sensitive regions (e.g., Tairāwhiti, Hawkes Bay, Whanganui District, Ruapehu District, Northland, Tasman District). This amounts to the need to replace existing land use with permanent forests for around 1 million hectares of land.

33. This will require replacing clear-cut forestry and pastoral farming on hundreds of thousands of hectares of erosion lands with an economically viable alternative. The most practical alternative that will not crash rural land value is continuous cover forestry.
34. Continuous cover forestry does not clear cut the forest but instead either does not harvest, or harvests individual trees, groups of trees, patches, or strips in an on-going cycle of harvest and replacement. This approach is common in other countries including federal forests in the US, many developing countries, and around 30% of all forestry in Europe. Lands too steep for any harvesting can be planted in native trees and managed for conservation, the cost and maintenance of which would either be built into the continuous cover forest operation as a whole and/or supplemented by government policy or financial incentives.
35. Maximising the role of private investment matters. For a local example, reforesting 1 million ha in rural Aotearoa with native forest using government grant funding would cost the taxpayer around \$25 billion. Reforesting the same 1 million ha with continuous cover exotic forests using a well-functioning NZETS (and wider set of buyers for forestry removals) could cost the taxpayer \$0.
36. **We believe that the source of removals needs to be directed in the first instance towards activities and geographies that maximise the delivery of climate resilience co-benefits. We recommend that a core element of this approach would be continuous cover permanent forestry in erosion-prone landscapes and land classes. Such continuous cover forestry should include options for exotic continuous cover productive forestry, exotic continuous cover forestry transitioning to native forest, native continuous cover productive forestry, and permanently protected native forest appropriate to the land type.**
37. This approach would enable much needed land use change on these lands at no or low cost to the taxpayer. It would also help to create an economically viable alternative to pastoralism or clearcut forestry on these lands – activities that have proven to create substantial contingent liability risks to downstream and downslope property, infrastructure, and amenities.
38. Establishing forest management rules for NZETS forestry participants would also prevent “plant and leave” permanent forestry, which we agree is a source of legitimate and real concern. To be clear, we do not support “plant and leave” permanent forestry and when we discuss continuous cover forestry in this response, we take it as read that

this will be understood by officials.

39. We are also cognisant of concerns regarding increased incentives to afforest land that is currently being used for traditional modes of 'productive' land-use e.g. sheep and beef farming. We consider that this concern would be rendered largely irrelevant if proneness to erosion and other suitably specified land-characteristics are used to determine priority areas for this type of forestry.
40. To the extent that concerns regarding perverse incentives for land-use change may remain even despite the above, **we assert that it would be inappropriate for the government to apply additional regulations based on these concerns to land owned by iwi, hapū and Māori landowners.** The historical factors informing present ownership structures and land uses of Māori land are unique to iwi, hapū, and Māori landowners, and from a Te Tiriti o Waitangi perspective, **we reject the idea that the government (both national and local) could legitimately constrain iwi, hapū and Māori landowner rangatiratanga over our whenua in this way.**
41. As a Māori landowner we bring to bear the full weight of our tikanga and ancestral values when making decisions about our whenua and our people. This allows us to bring an intergenerational lens to decisions and encourages us to make decisions based on what is best for the whenua and for our whānau. **The ability to do so is central to our exercise of rangatiratanga and is a key reason why we are recommending that optionality in relation to land-use decisions (including forest species selection) should be a key factor in government decision-making on this issue.**
42. We agree that there is good rationale for prioritising erosion-prone lands as sites for continuous cover forests. However, we also wish to be clear that we do not believe that continuous cover forestry (as described in this submission) ought to be limited only to these categories of land. Optionality in relation to land-use decisions means the availability of all possible productive land-uses within the limits prescribed by our tikanga and our responsibility to provide for te oranga o te taiao. Our view is that continuous cover forestry holds great promise as a productive and sustainable land-use in Aotearoa New Zealand and as a key means by which we can realise the transformational vision for the forestry and wood-processing industry outlined in Te Ara Whakahou – Ahumahi Ngahere.⁵
43. Another important policy consideration regarding aspirations for an indigenous forest solution to building climate resilient landscapes is the impact on rural land prices. Because the indigenous reforestation and permanent protection path has not to date been an economically productive land use, options that restrict species selection

⁵ [Forestry and Wood Processing Industry Transformation Plan | NZ Government \(mpi.govt.nz\)](#)

without also creating secure long-term funding to make these economically viable investments would crash rural land prices for the landowners. In turn, this would deliver severe economic hardship to rural communities.

44. Our view is that the government's framing of exotic afforestation does not take into account the beneficial option of continuous cover forestry for the permanent category of the NZETS, and the way that this type of forestry encompasses a major potential solution to the permanent, economically productive, reforestation of erosion-prone lands.
45. We are aware that concerns have been raised about the economic viability of forest management-system transitions (e.g., clear-fell to a continuous cover model) funded by at the outset by NZU revenue; the argument being that a forest management-system transition may be viable while the NZU price is high but that it would be vulnerable in the long-term if the NZU price were to fall significantly. We understand these concerns and would suggest that this is primarily a forestry question. Indeed, this is why a continuous cover system for the Permanent Category is so important, i.e., if we want large-scale permanent forests (whether indigenous or exotic), it is imperative that some means for revenue generation (in and out of the ETS) are built-in. This is exactly what continuous cover forest management systems seek to achieve.
46. **It is imperative, therefore, that the government continues to enable restorative reforestation through exotic continuous cover forestry. We recommend that any non-wilding species⁶ be allowed under this category and that all registrants be required to adhere to continuous cover forestry management requirements (including for indigenous forests).** We believe doing this will produce the following key outcomes:
 - (a) Enable restorative and sustainable forest management for exotic and indigenous forestry
 - (b) Remove the option of 'plant and leave' carbon farming
 - (c) Enable forestry practices that deliver significant climate resilience and biodiversity ecosystem services as co-benefits.
47. This exotic continuous cover forestry provision should allow for:
 - (a) Exotic continuous cover productive forestry in perpetuity (i.e., remaining exotic forest).
 - (b) Exotic continuous cover forestry transitioning to indigenous continuous cover

⁶ Note: We recommend that a threshold definition for 'non-wilding species' be developed in partnership with iwi, hapū, Māori landowners, and Māori forestry experts using the [Guidelines for the use of the Decision Support System "Calculating Wilding Spread Risk From New Plantings"](#) as a common point of reference.

productive forestry.

- (c) Exotic continuous cover forestry transitioning to indigenous protection forest (no indigenous harvesting – e.g., on steepest slopes).
 - (d) Indigenous continuous cover productive forestry funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (e) Indigenous protection forest funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (f) Indigenous continuous cover productive or protection forests established with supplemental funding (e.g. government grants).
48. We see Māori having enormous opportunities to engage in the kinds of carbon financed continuous cover forestry listed above, and this having the potential to form a significant element of the Māori economy and a means by which to exercise self-determination in relation to Māori land.
49. As such, **we recommend that the government abandon its plans to ban the use of exotic species in the permanent category of the NZETS, and instead work closely with iwi, hapū, Māori landowners and Māori forestry experts to design and deliver a framework for continuous cover forestry for this NZETS category.**
50. Lastly, we do also believe that the existing NZETS could be modified to include financial support to stimulate greater uptake of indigenous reforestation. There are several mechanisms that could be put in place to achieve this, and we recommend again this be worked through with iwi, hapū, Māori landowners and Māori forestry experts.
51. On this point, we are especially supportive of investment into research and development for the purpose of supporting incentives for the Māori forestry sector to consider new and/or alternative economically viable opportunities for the sustainable development of our land.

APPENDIX 1 - SUMMARY OF RECOMMENDATIONS ON REMOVALS STRATEGY

52. Focus removals on emissions that are impossible or prohibitively expensive to reduce/abate.
53. Removals that contribute to delivering current and future targets under the Paris Agreement at least cost to the taxpayer and that can therefore be delivered without taxpayer subsidy.
54. Maximising climate resilience and biodiversity co-benefits to enable these co-benefits to be delivered at least cost to the taxpayer.
55. Use the Permanent Forest category of the NZETS to help build climate resilient rural landscapes and recognise permanent forests as 'ecological infrastructure' capable of reducing contingent liability risk associated with extreme weather events. This can then enable government policy to recognise the value of carbon financed permanent forests as a core element of a national climate change adaptation strategy that can be delivered at zero cost to the taxpayer.
56. Focus NZETS permanent forest on lands unsuitable for agriculture unless the farmer wishes to retire agricultural lands for permanent forestry.
57. Define 'permanent forest' as 'managed continuous cover forestry' that includes the following:
 - (a) Exotic continuous cover forestry in perpetuity (i.e., remaining exotic forest).
 - (b) Exotic continuous cover forestry transitioning to indigenous continuous cover productive forestry.
 - (c) Exotic continuous cover forestry transitioning to indigenous protection forest (e.g., on steepest slopes).
 - (d) Indigenous continuous cover productive forestry funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (e) Indigenous protection forest funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (f) Indigenous production or protection forests
58. Allow exotic species in the Permanent Forest category of the NZETS.
59. Require management rules for registrants in the Permanent Forest category (including native forests) to create necessary safeguards to protect against "plant and leave" approaches.
60. When continuous cover harvest management is ground-based, forest establishment

should be restricted to slopes capable of supporting such ground-based technologies.

61. On slopes too steep for ground-based harvesting technologies, require:
 - (a) The use of aerial technologies for harvesting and hauling (e.g., cable, helicopter, or drone); or
 - (b) No harvest forest management (e.g., permanent, non-productive indigenous forest; poisoning exotic trees when opening canopy gaps for transition to indigenous species).

APPENDIX 2 – TECHNICAL BACKGROUND: MARGINAL COST OF ABATEMENT

62. The logic underlying effective carbon markets is the marginal cost of abatement (emission reductions or removals). Additional abatement actions tend to increase in cost over time because the cheaper and more immediately accessible abatement actions are generally pursued first. As these actions are completed (harvesting the low-hanging fruit), the possible further abatement actions remaining to the actor are the more expensive and less readily available ones (the high-hanging fruit). On this basis, the marginal cost of abatement increases (e.g., per 1tCO₂e) as one moves from low fruit, to medium, and then high fruit on the “tree” of abatement. The challenge for government policy and the design of the NZETS is how to cause gross abatement for emissions up to a particular level of carbon price.
63. The two main lenses with which to view the marginal abatement curve are the cost-efficiency lens, and the carbon price and offsetting lens.
 - (a) **Cost Efficiency:** Given that the economy and organisations within it have low and medium fruit and given that there are not unlimited funds available for emissions reduction, an efficient emissions reduction strategy (and policy) would pursue these low and then medium fruit first.
 - (b) **Carbon Price & Offsetting:** When carbon offsets are available in a carbon financing instrument there is always an option to choose between:
 - (i) Abate in-house (gross abatement).
 - (ii) Abate via offsetting (offsetting with no gross abatement).
 - (iii) Abate in-house and offsetting (net abatement).
64. The carbon price (e.g., the cost of carbon credits) and the design of the financing instrument can have an influence on the choice between a), b), or c) above. The NZETS is designed around option b) above.

65. The NZETS was designed as a 'net carbon' market mechanism, without any specific gross emission reduction targets for NZETS participant emitters, and removals via offsetting designed to be the norm rather than the exception. For this reason, an effective relationship between the marginal cost of gross abatement, carbon pricing and removals via offsetting has never been realised in the NZETS.
66. One fundamental problem we feel has not been adequately grappled with is the fact that emissions pricing can only produce behaviour-change in relation to the use of fossil fuel-based energy to the extent that different groups in society are exposed and responsive to carbon price signals. Fossil fuel use in some sectors has proven not to be very responsive to price signals – i.e. these sectors are 'price inelastic'. This means that when the price of fossil energy rises, individuals and firms in the short term have limited options to respond and mostly tend to just pay the higher price rather than reduce demand or transition to alternatives. In this situation, the cost of energy rises (raising the cost of living to households/consumers) but this does not translate into emissions reduction behaviour change upstream in the energy system (e.g., energy and transport service suppliers).
67. For this reason, **we recommend a much greater focus in ETS settings on those groups in society that have the most agency to influence and undertake desired behaviour changes, and which are likely to be more responsive to the carbon price signal if they are exposed to and have the ability to respond to it.**
68. For example, investors motivated by economic self-interest in returns on their investment can move their money from dirty technology to clean technology in response to a carbon price that lowers the profitability of dirty development/technology. However, this only works if the carbon price impacts on the profitability of the underlying investment in an NZETS participant. This profitability is, in turn, influenced by whether the company can pass on this cost to their customers without being exposed to the risk that these customers will stop using their product in favour of another product that is reasonably accessible to them.
69. The ETS and the Carbon Price Signal can play an important role in driving this process, however, the ETS is only one tool and other complementary measures are needed. Other tools could include measures such as:
 - (a) Imposing participant-specific caps on gross emissions for demand side participants in the NZETS
 - (b) Targeted policies and regulation.
 - (c) Financial incentives for clean energy and technology (to make it more competitive with dirty energy and technology).
 - (d) Government providing risk mitigation for private investment (e.g., functioning as

a keystone investor, providing capital at a low cost of capital, underwriting investment risk).

- (e) Stimulating a strong voluntary carbon market (VCM) and including energy and agriculture in this market.
70. A focus on situating the ETS within an ecosystem of policy instruments designed to maximise the impact of the carbon price signal would also minimize the need to rely on popular political support from individual consumers and interest groups, and thus decrease the likelihood that climate change policy will become subject to unhelpful political partisanship.

APPENDIX 3 – TECHNICAL BACKGROUND: REMOVAL INCENTIVES

71. As mentioned above, we believe that government climate change policy should be more informed by Marginal Abatement Cost Curves (**MACCs**), with a particular focus on achieving an effective relationship between the marginal cost of gross abatement, carbon pricing, and removals via offsetting.
72. In our view, retaining strong incentives for removal activities is of fundamental importance to achieving an effective relationship in this regard. For example, if the approach is to target emission reductions for abatement below the carbon price and use offsetting to target those emissions that are either impossible or prohibitively expensive to abate, removals will remain a fundamental component of the overall system. Our view is that this strategy provides a strong rationale for the offsetting of trade exposed carbon intensive industries, and a proportion of emissions from other industries that are prohibitively expensive to abate in-house.
73. It should also be noted that achieving a zero-carbon (or carbon negative) outcome without offsetting (for the nation and also for most organisations) is impossible. There are many emission types that are either physically impossible to eliminate/reduce or prohibitively expensive to deliver. Furthermore, because humans are not plants, we are obligatory emitters of CO₂ anyway. We also note here that fossil fuel emissions are not the only GHG emissions to consider. As long as we plan to eat food from agriculture, we will have agricultural emissions whether from soils, fertilizers, or ruminant animals.
74. Removal activities will also provide important benefits in the form of reducing the volume of abatement to be purchased offshore. If the taxpayer is being asked to buy emissions units from offshore for current and future international commitments, we believe that this money would be better spent causing additional abatement and removals domestically. For example, the nation needs to reforest around 1 million hectares of erosion-prone pasture and marginal land into permanent forest for climate resilience. If these removals can be delivered through the NZETS, then:
- (a) The cost burden for this mitigation will be borne by the private sector rather than

the taxpayer, and

- (b) The nation will have a major component of the national climate change adaptation agenda funded by the private sector at no cost to the taxpayer.
75. **In summary, our view is that the key is to bring the economy (and the global community) into balance between emissions from GHG sources and removals by GHG sinks.**
76. Nevertheless, we are also cognisant that one component of supporting an ETS that is able to contribute to achieving such a balance is consideration of the volume of NZUs made available to the market through removal activities (i.e. forestry), and what effect this volume could have on the carbon price signal and level of gross emission reductions over time.
77. The discussion document outlines concerns in this regard relating to a potential future oversupply of NZUs to the market, and a subsequent crash in the carbon price signal due to projected afforestation rates in response to a high carbon price signal in the short-term.
78. On our reading, evidence provided to elucidate the rationale for these concerns is largely based on the Afforestation and Deforestation Intentions Survey Report conducted in 2021 for MPI (**Intentions Survey**).⁷ This Intentions Survey is cited as a key resource informing the modelling assumptions in the Forestry and Allocation and Surrender Forecasts Paper compiled for MPI in 2023.⁸ We also understand that the modelling included in Chapter 2 of the ETS Review discussion documents (Figures 3, 4, and 5) also utilise assumptions arising out of the Intentions Survey.
79. Without going into detail and repeating criticisms that will no doubt appear in other submissions; our networks inform us that the government's use of the Intentions Survey to inform modelling for projected planting rates and NZU prices is highly contested.
80. We agree that the volume of NZUs made available to the market through removal activities is a lever in the system that can be adjusted to amplify the impact of the carbon price signal and drive more reductions in gross emissions. However, our view is that there is currently an unacceptable level of uncertainty surrounding the projections and modelling the government is relying on to identify and scope the problem which the ETS Review is setting out to remedy. This is further complicated by the fact that it is not at all clear that we have a good understanding of what future demand dynamics

⁷ [Afforestation and Deforestation Intentions Survey 2021 \(mpi.govt.nz\)](https://www.mpi.govt.nz/afforestation-and-deforestation-intentions-survey-2021/)

⁸ [New Zealand's Emissions Trading Scheme Forestry Allocation and Surrender Forecasts – March 2023 Baseline Budget Update \(mpi.govt.nz\)](https://www.mpi.govt.nz/new-zealand-s-emissions-trading-scheme-forestry-allocation-and-surrender-forecasts-march-2023-baseline-budget-update/)

for carbon removals might look like if, for example, agriculture is included in the ETS, and/or opportunities become available for the export of carbon removal units. We also note that net-zero by 2050 is a short-to-medium-term goal and that a long-term goal would be to achieve a net-negative emissions profile.

81. Overall, we are not satisfied that the government has a clear, principled, and cohesive vision informing its attempts to address this issue. This has led to a situation in which removals from forestry have come to be seen as a divisive political problem rather than a sensible and important climate change solution.
82. We believe that this issue is able to be addressed in a constructive manner that upholds the key principles and priorities we have outlined in this document, including the fundamental principle of compliance with Te Tiriti o Waitangi. However, this will require the Crown to co-design solutions with iwi, hapū and Māori landowners, as well as Māori forestry and agriculture experts.



FEEDBACK ON DISCUSSION DOCUMENTS:

'TE AROTAKE MAHERE HOKOHOKO TUKUNGA - REVIEW OF THE NEW ZEALAND EMISSIONS TRADING SCHEME' & 'A REDESIGNED NZ ETS PERMANENT FOREST CATEGORY'

LAKE TAUPŌ FOREST TRUST / TUPU ANGITU 2021 LP

24 August 2023

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INTRODUCTION

1. This submission is made by the Lake Taupō Forest Trust and Tupu Angitu 2021 Limited Partnership (**Tupu Angitu**) on the Discussion Documents 'Te Arotake Mahere Hokohoko Tukunga | Review of the New Zealand Emissions Trading Scheme' & 'A Redesigned NZ ETS Permanent Forest Category' released for public consultation on 19 June 2023.¹
2. We have been assisted in the development of our submission by analysis completed by National Iwi Chairs Forum (NICF) technicians, including a template submission that was prepared by their technicians.
3. Tupu Angitu is the wholly owned commercial arm of the Lake Taupō Forest Trust (LTFT), and is responsible for all forest activities on LTFT lands (and is thus responsible for Lake Taupō Forest itself). LTFT administers around 34,000 ha of lands in the eastern Taupō region, on behalf of around 15,000 constituent Māori landowners. The lands include around 24,000 of plantation forests ("Lake Taupō Forest") and the balance is predominantly indigenous vegetation. The plantations on the land are almost all defined as pre-1990 under the ETS, and thus the ETS has already had a significant

¹ [Te Arotake Mahere Hokohoko Tukunga - Review of the New Zealand Emissions Trading Scheme - Ministry for the Environment - Citizen Space](#) | [A redesigned NZ ETS Permanent Forest Category - Ministry for the Environment - Citizen Space](#)

impact on the future land-use options for these land blocks.

4. Climate change is causing unprecedented damage to our whenua, our wai, and our communities. As an example, around 4,200 hectares of our forests were damaged by Cyclone Gabrielle. The health and vitality of our environment (**te oranga o te taiao**), and the authority and responsibility (**tino rangatiratanga**) to protect and restore it, is of paramount importance to us as tangata whenua. These concepts are rooted in mātauranga Māori and, as such, must be articulated and applied from a mātauranga māori lens. Our view is that our nation’s response to dangerous climate change must be guided by, and provide for, these fundamental principles.

TE TIRITI CONTEXT

5. The scale of the problem of dangerous climate change means that its impacts will be felt across all aspects of our society. In the context of Te Tiriti o Waitangi, responding to this problem requires a deliberate focus on the unique circumstances of iwi Māori and our whenua. Furthermore, forming solutions to this problem requires working in partnership with us and our communities.
6. A priority for Māori in responding to dangerous climate change is ensuring that it is affordable and effective, and that it preserves and protects the relationship of iwi, hapū and Māori landowners to our whenua. Our response needs to focus on the task at hand (i.e. mitigating the impacts of dangerous climate change), whilst also enabling us to build our own resilience through economic prosperity and sustainable land management.
7. As noted in the ETS Review discussion document, it was estimated in 2018 that Māori own \$4.3 billion of forestry assets, totalling approximately six percent of the total Māori asset base. Furthermore, approximately 30 percent of the 1.7 million hectares of plantation forestry in New Zealand’s is on Māori land, and this is expected to grow to approximately 40 percent as Treaty settlements are completed.
8. The majority of Māori-owned land (estimated 80%)² has a Land Use Capability (LUC) classification of 6,7 or 8; with approximately 46% being classified as LUC 7 or 8.

Land Use Capability (LUC) for Māori land (MLIB) compared with New Zealand LUC statistics (MLIB 2002 - TPK & NZLRI-Landcare Research New Zealand) ³				
LUC Class	% of Total NZ	Māori Land area (ha)	% of Māori Land	Description of Land Use Capability

² Unlocking the potential of Māori land: A kaupapa Māori approach to using and developing integrated knowledge, models and tools MPI Link seminar, Wellington, Thursday 4th May, 2017 Garth Harmsworth: https://www.landcareresearch.co.nz/assets/Events/Link-series/Unlocking_Potential_Maori_Land.pdf

³ Ibid.

1	0.7%	7,514.76	0.50%	Most versatile multiple-use land – virtually no limitations to arable use
2	4.55%	43,733.59	2.89%	Good land use with slight limitations to arable use
3	9.22%	85,534.33	5.65%	Moderate limitations to arable use restricting crops able to be grown
4	10.5%	153,972.29	10.16%	Severe limitations to arable use. More suitable to pastoral and forestry
5	0.8%	6,883.47	0.45%	Unsuitable for cropping – Pastoral or forestry
6	28.1%	500,706.36	33.51%	Non-arable land. Moderate limitations and hazards when under a perennial vegetation cover.
7	21.4%	469,830.47	31.01%	With few exceptions can only support extensive grazing or erosion control forestry
8	21.8%	230,142.75	15.19%	Very severe limitations or hazards for any agricultural use
Other	3.0%	9,752.96	0.64%	Non-arable land. Moderate limitations and hazards when under perennial vegetation cover.
TOTAL	100.00% (26,930,100 ha)	1,515,071.00	100.00%	

9. Much of this land has been passed down from traditional owners; with the rest being either returned to iwi through formal Treaty Settlements with the Crown, through legal processes other than formal Treaty Settlements, returned through some other less formal means, or purchased outright.
10. A key principle for us is ensuring that our nation's response to dangerous climate change does not compound historic injustices on our people and risk a disproportionate

impact on our communities, including as it relates to whenua Māori and present or future treaty settlement assets.

STRATEGIC PRIORITIES

11. At the highest level, it is preferable that the nation's climate change response, and the ETS's role within it, include as many strategic co-benefits as possible. This includes:
 - (a) Fully valuing ambitious emissions reductions and forestry removals, achieving these at least cost to the taxpayer and ratepayer, and managing impacts on communities.
 - (b) Maximising synergies between climate change mitigation and climate change resilience and adaptation. Here, for example, strategically designed forestry policy can deliver removals by means of land use change and climate resilience at no or low cost to the ratepayer or taxpayer.
12. Aotearoa needs to significantly reduce its gross greenhouse gas emissions. Current policy must be strengthened to drive deeper and faster emissions reductions. But it is also clear that gross emission reductions alone will not enable the country to achieve these goals. We also need to remove as much CO₂ from the atmosphere as possible through carbon sinks. We also note that some emissions are either prohibitively expensive or impossible to abate in gross terms. These difficult-to-abate emissions should be managed through carbon offsetting and removals. As such, we believe that a robust national emissions management system needs to include gross and net emissions accounting. The NZ ETS and wider policy ecosystem, therefore, should operate in the service of both gross emission reductions and emissions removals.
13. In relation to forestry removals, we require an affordable climate change response in which GHG removals are delivered in a manner that:
 - (a) Is sufficiently financially viable and has the long-term stability to attract investment and deliver financial returns on that investment.
 - (b) Provides rural employment opportunities for Māori.
 - (c) Maximises rural economic development for Māori, particularly with respect to economically challenging lands remaining in Maori ownership or those received through the Treaty Settlement Process.
 - (d) Focuses on optionality so that Māori landowners can make decisions regarding the sustainable development of our land according to our own tikanga.
 - (e) Enables a financially viable option to build climate resilient landscapes on erosion prone lands, maximising use of commercial investment to achieve this.
 - (f) Helps to encourage transformation in the New Zealand forestry industry towards

continuous cover forest systems, with their associated environmental co-benefits.

- (g) Makes the reforestation and regeneration of ngahere financially viable, particularly on land where clear-cut harvesting and/or pastoralism is inappropriate.
- (h) Aligns with, and enables the pursuit of, broader aspirations relating to the protection and restoration of biodiversity.

EMISSIONS PRICING AND THE ETS

14. Carbon pricing is a mechanism to drive behaviour change across an entire economy. Such pricing will only drive the desired change if the price is high enough to function as a meaningful price signal for the target sector, stable enough for that sector to incorporate this price into their business models and focused on those who have the ability to change in response to the price.
15. On this point, **we recommend that a desired outcome of this review should be that the carbon price in the market should be sufficiently high to deliver the necessary emissions reductions.** For example, the Climate Change Commission and the Treasury (in their Shadow Emissions Prices) have attempted to calculate a sufficient price: this could provide a benchmark.
16. Further to the need for an ETS carbon price signal aligned to the social cost of GHG pollution, **we recommend that another key outcome of this review should be aimed at achieving a carbon price signal that is stable and consistent enough over the long-term to support the type of long-term investments, both in emissions reductions and in forestry, required to enable New Zealand's transition to a low-carbon climate resilient future.**
17. However, **it is essential that ETS design does not simply lead to ineffective pass-through of prices that only increase energy costs, disproportionately affecting Māori.** The ETS must create a real incentive for companies to invest in cleaner technologies and for forestry investment.
18. Lastly, and to complement the above, we strongly suggest that the ETS needs to be properly situated within an ecosystem of climate change policy instruments that work with the carbon price signal in incentivising a low-carbon and climate resilient future, while also managing the costs and impacts of the transition on communities and whānau. For this reason, **we recommend the review of the ETS is viewed in direct relationship to complementary policy instruments that focus on strategic incentives for investment in clean technology and clean development, disincentives for investments in dirty technology and dirty development, and strategies to support community-led transitions.**

REMOVAL INCENTIVES

19. In our view, retaining strong incentives for removal activities is of fundamental importance to achieving an effective climate change response, complementing rather than displacing the need for strong gross emissions reductions. There are many emission types that are either physically impossible to eliminate/reduce or prohibitively expensive to deliver. For example, agricultural emissions whether from soils, fertilizers, or ruminant animals may need to be offset.
20. Removal activities will also provide important benefits in the form of:
 - (a) Reducing the volume of abatement to be purchased offshore in current and future international targets.
 - (b) Enabling the critically important reforestation of around 1 million hectares of erosion-prone pasture and marginal land into permanent forest for climate resilience.
 - (c) Assisting in the pursuit of broader aspirations relating to the protection and restoration of biodiversity.

ACHIEVING BOTH GROSS REDUCTIONS AND REMOVALS: RESPONDING TO THE ETS REVIEW CONSULTATION OPTIONS

21. We are cognisant that one component of supporting an ETS that is able to contribute to achieving both gross emissions reductions and forestry removals is consideration of the volume of NZUs made available to the ETS market through removal activities (i.e. forestry), and what effect this volume could have on the carbon price signal and level of gross emission reductions over time.
22. The discussion document outlines concerns in this regard relating to a potential future oversupply of NZUs to the market, and a subsequent crash in the carbon price signal due to projected afforestation rates in response to a high carbon price signal in the short-term. Without going into detail and repeating criticisms that will no doubt appear in other submissions; our networks inform us that the government's use of the Intentions Survey to inform modelling for projected planting rates and NZU prices is highly contested.
23. We understand that the volume of NZUs made available to the market through removal activities is a lever that could be adjusted to amplify the impact of the carbon price signal and drive more reductions in gross emissions. However, our view is that
 - (a) there is currently an unacceptable level of uncertainty surrounding the projections and modelling the government is relying on to identify and scope the problem which the ETS Review is setting out to remedy. This is further complicated by the fact that it is not at all clear that we have a good understanding of what future demand dynamics for carbon removals might look

like if, for example, agriculture is included in the ETS, and/or opportunities become available for the export of carbon removal units. We also note that net-zero by 2050 is a short-to-medium-term goal and that a long-term goal would be to achieve a net-negative emissions profile; and

- (b) any reform proposal must address both how gross emissions reductions will be incentivised and how support for the necessary level of forestry removals will be provided. The consultation document focuses on the former and largely ignores the latter.
- 24. Overall, we are not satisfied that the government has a clear, principled, and cohesive vision informing its attempts to address this issue. This has led to a situation in which removals from forestry have come to be seen as a divisive political problem rather than a sensible and important climate change solution.
- 25. The four options in the consultation are not presented in sufficient detail to enable us to provide a meaningful assessment or comparison. We see them as essentially a grab-bag of ideas that would each deliver different results, highlighting the government's lack of clear vision.
- 26. In summary, **we recommend that in its next steps, the government should use existing levers AND increase incentives for gross emission reductions, AND reduce the expected volume of offshore mitigation, AND improve the removals facility by directing removals towards building climate resilient landscapes.**
- 27. We believe that solutions to these challenges can be developed in a constructive manner that upholds the key principles and priorities we have outlined in this document, including the fundamental principle of compliance with Te Tiriti o Waitangi. However, this will require the Crown to co-design solutions with iwi, hapū and Māori landowners, as well as Māori forestry and agriculture experts.

PERMANENT FORESTRY

- 28. The country needs to build climate resilient landscapes, particularly in erosion-prone parts of NZ. This will inevitably require a shift away from pastoralism and clear-cut plantation forestry in sensitive regions (e.g., Tairāwhiti, Hawkes Bay, Whanganui District, Ruapehu District, Northland, Tasman District). This amounts to the need to replace existing land use with permanent forests for around 1 million hectares of land.
- 29. This will require replacing clear-cut forestry and pastoral farming on hundreds of thousands of hectares of erosion lands with an economically viable alternative. The most practical alternative that will not crash rural land value is continuous cover forestry.

30. Continuous cover forestry does not clear cut the forest but instead either does not harvest, or harvests individual trees, groups of trees, patches, or strips in an on-going cycle of harvest and replacement. This approach is common in other countries including federal forests in the US, many developing countries, and around 30% of all forestry in Europe. Lands too steep for any harvesting can be planted in native trees and managed for conservation, the cost and maintenance of which would either be built into the continuous cover forest operation as a whole and/or supplemented by government policy or financial incentives.
31. Maximising the role of private investment matters. For a local example, reforesting 1 million ha in rural Aotearoa with native forest using government grant funding would cost the taxpayer around \$25 billion. Reforesting the same 1 million ha with continuous cover exotic forests using a well-functioning NZETS (and wider set of buyers for forestry removals) could cost the taxpayer \$0.
32. **We believe that the source of removals needs to be directed in the first instance towards activities and geographies that maximise the delivery of climate resilience co-benefits. We recommend that a core element of this approach would be continuous cover permanent forestry in erosion-prone landscapes and land classes. Such continuous cover forestry should include options for exotic continuous cover productive forestry, exotic continuous cover forestry transitioning to native forest, native continuous cover productive forestry, and permanently protected native forest appropriate to the land type.**
33. This approach would enable much needed land use change on these lands at no or low cost to the taxpayer. It would also help to create an economically viable alternative to pastoralism or clearcut forestry on these lands – activities that have proven to create substantial contingent liability risks to downstream and downslope property, infrastructure, and amenities.
34. Establishing forest management rules for NZETS forestry participants would also prevent “plant and leave” permanent forestry, which we agree is a source of legitimate and real concern. To be clear, we do not support “plant and leave” permanent forestry and when we discuss continuous cover forestry in this response, we take it as read that this will be understood by officials.
35. We are also cognisant of concerns regarding increased incentives to afforest land that is currently being used for traditional modes of ‘productive’ land-use e.g. sheep and beef farming. We consider that this concern would be rendered largely irrelevant if proneness to erosion and other suitably specified land-characteristics are used to determine priority areas for this type of forestry.
36. To the extent that concerns regarding perverse incentives for land-use change may

remain even despite the above, **we assert that it would be inappropriate for the government to apply additional regulations based on these concerns to land owned by iwi, hapū and Māori landowners.** The historical factors informing present ownership structures and land uses of Māori land are unique to iwi, hapū, and Māori landowners, and from a Te Tiriti o Waitangi perspective, **we reject the idea that the government (both national and local) could legitimately constrain iwi, hapū and Māori landowner rangatiratanga over our whenua in this way.**

37. As Māori landowners, we bring to bear the full weight of our tikanga and ancestral values when making decisions about our whenua and our people. This allows us to bring an intergenerational lens to decisions and encourages us to make decisions based on what is best for the whenua and for our whānau. **The ability to do so is central to our exercise of rangatiratanga and is a key reason why we are recommending that optionality in relation to land-use decisions (including forest species selection) should be a key factor in government decision-making on this issue.**
38. We agree that there is good rationale for prioritising erosion-prone lands as sites for continuous cover forests. However, we also wish to be clear that we do not believe that continuous cover forestry (as described in this submission) ought to be limited only to these categories of land. Optionality in relation to land-use decisions means the availability of all possible productive land-uses within the limits prescribed by our tikanga and our responsibility to provide for te ora o te taiao. Our view is that continuous cover forestry holds great promise as a productive and sustainable land-use in Aotearoa New Zealand and as a key means by which we can realise the transformational vision for the forestry and wood-processing industry outlined in Te Ara Whakahou – Ahumahi Ngahere.⁴
39. Another important policy consideration regarding aspirations for an indigenous forest solution to building climate resilient landscapes is the impact on rural land prices. Because the indigenous reforestation and permanent protection path has not to date been an economically productive land use, options that restrict species selection without also creating secure long-term funding to make these economically viable investments would crash rural land prices for the landowners. In turn, this would deliver severe economic hardship to rural communities.
40. Our view is that the government’s framing of exotic afforestation does not take into account the beneficial option of continuous cover forestry for the permanent category of the NZETS, and the way that this type of forestry encompasses a major potential solution to the permanent, economically productive, reforestation of erosion-prone lands.

⁴ [Forestry and Wood Processing Industry Transformation Plan | NZ Government \(mpi.govt.nz\)](#)

41. We are aware that concerns have been raised about the economic viability of forest management-system transitions (e.g., clear-fell to a continuous cover model) funded by at the outset by NZU revenue; the argument being that a forest management-system transition may be viable while the NZU price is high but that it would be vulnerable in the long-term if the NZU price were to fall significantly. We understand these concerns and would suggest that this is primarily a forestry question. Indeed, this is why a continuous cover system for the Permanent Category is so important, i.e., if we want large-scale permanent forests (whether indigenous or exotic), it is imperative that some means for revenue generation (in and out of the ETS) are built-in. This is exactly what continuous cover forest management systems seek to achieve.
42. **It is imperative, therefore, that the government continues to enable restorative reforestation through exotic continuous cover forestry. We recommend that any non-wilding species⁵ be allowed under this category and that all registrants be required to adhere to continuous cover forestry management requirements (including for indigenous forests).** We believe doing this will produce the following key outcomes:
- (a) Enable restorative and sustainable forest management for exotic and indigenous forestry
 - (b) Remove the option of ‘plant and leave’ carbon farming
 - (c) Enable forestry practices that deliver significant climate resilience and biodiversity ecosystem services as co-benefits.
43. This exotic continuous cover forestry provision should allow for:
- (a) Exotic continuous cover productive forestry in perpetuity (i.e., remaining exotic forest).
 - (b) Exotic continuous cover forestry transitioning to indigenous continuous cover productive forestry.
 - (c) Exotic continuous cover forestry transitioning to indigenous protection forest (no indigenous harvesting – e.g., on steepest slopes).
 - (d) Indigenous continuous cover productive forestry funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (e) Indigenous protection forest funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (f) Indigenous continuous cover productive or protection forests established with

⁵ **Note: We recommend that a threshold definition for ‘non-wilding species’ be developed in partnership with iwi, hapū, Māori landowners, and Māori forestry experts using the [Guidelines for the use of the Decision Support System “Calculating Wilding Spread Risk From New Plantings”](#) as a common point of reference.**

supplemental funding (e.g. government grants).

44. We see Māori having enormous opportunities to engage in the kinds of carbon financed continuous cover forestry listed above, and this having the potential to form a significant element of the Māori economy and a means by which to exercise self-determination in relation to Māori land.
45. As such, **we recommend that the government abandon its plans to ban the use of exotic species in the permanent category of the NZETS, and instead work closely with iwi, hapū, Māori landowners and Māori forestry experts to design and deliver a framework for continuous cover forestry for this NZETS category.**
46. Lastly, we do also believe that the existing NZETS could be modified to include financial support to stimulate greater uptake of indigenous reforestation. There are several mechanisms that could be put in place to achieve this, and we recommend again this be worked through with iwi, hapū, Māori landowners and Māori forestry experts.
47. On this point, we are especially supportive of investment into research and development for the purpose of supporting incentives for the Māori forestry sector to consider new and/or alternative economically viable opportunities for the sustainable development of our land.

APPENDIX 1 - SUMMARY OF RECOMMENDATIONS ON REMOVALS STRATEGY

1. Focus removals on emissions that are impossible or prohibitively expensive to reduce/abate.
2. Removals that contribute to delivering current and future targets under the Paris Agreement at least cost to the taxpayer and that can therefore be delivered without taxpayer subsidy.
3. Maximising climate resilience and biodiversity co-benefits to enable these co-benefits to be delivered at least cost to the taxpayer.
4. Use the Permanent Forest category of the NZETS to help build climate resilient rural landscapes and recognise permanent forests as 'ecological infrastructure' capable of reducing contingent liability risk associated with extreme weather events. This can then enable government policy to recognise the value of carbon financed permanent forests as a core element of a national climate change adaptation strategy that can be delivered at zero cost to the taxpayer.
5. Focus NZETS permanent forest on lands unsuitable for agriculture unless the farmer wishes to retire agricultural lands for permanent forestry.
6. Define 'permanent forest' as 'managed continuous cover forestry' that includes the following:
 - (a) Exotic continuous cover forestry in perpetuity (i.e., remaining exotic forest).
 - (b) Exotic continuous cover forestry transitioning to indigenous continuous cover productive forestry.
 - (c) Exotic continuous cover forestry transitioning to indigenous protection forest (e.g., on steepest slopes).
 - (d) Indigenous continuous cover productive forestry funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (e) Indigenous protection forest funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (f) Indigenous production or protection forests
7. Allow exotic species in the Permanent Forest category of the NZETS.
8. Require management rules for registrants in the Permanent Forest category (including native forests) to create necessary safeguards to protect against "plant and leave" approaches.
9. When continuous cover harvest management is ground-based, forest establishment

should be restricted to slopes capable of supporting such ground-based technologies.

10. On slopes too steep for ground-based harvesting technologies, require:
 - (a) The use of aerial technologies for harvesting and hauling (e.g., cable, helicopter, or drone); or
 - (b) No harvest forest management (e.g., permanent, non-productive indigenous forest; poisoning exotic trees when opening canopy gaps for transition to indigenous species).

APPENDIX 2 – TECHNICAL BACKGROUND: MARGINAL COST OF ABATEMENT

1. The logic underlying effective carbon markets is the marginal cost of abatement (emission reductions or removals). Additional abatement actions tend to increase in cost over time because the cheaper and more immediately accessible abatement actions are generally pursued first. As these actions are completed (harvesting the low-hanging fruit), the possible further abatement actions remaining to the actor are the more expensive and less readily available ones (the high-hanging fruit). On this basis, the marginal cost of abatement increases (e.g., per 1tCO₂e) as one moves from low fruit, to medium, and then high fruit on the “tree” of abatement. The challenge for government policy and the design of the NZETS is how to cause gross abatement for emissions up to a particular level of carbon price.
2. The two main lenses with which to view the marginal abatement curve are the cost-efficiency lens, and the carbon price and offsetting lens.
 - (a) **Cost Efficiency:** Given that the economy and organisations within it have low and medium fruit and given that there are not unlimited funds available for emissions reduction, an efficient emissions reduction strategy (and policy) would pursue these low and then medium fruit first.
 - (b) **Carbon Price & Offsetting:** When carbon offsets are available in a carbon financing instrument there is always an option to choose between:
 - (i) Abate in-house (gross abatement).
 - (ii) Abate via offsetting (offsetting with no gross abatement).
 - (iii) Abate in-house and offsetting (net abatement).
3. The carbon price (e.g., the cost of carbon credits) and the design of the financing instrument can have an influence on the choice between a), b), or c) above. The NZETS is designed around option b) above.
4. The NZETS was designed as a ‘net carbon’ market mechanism, without any specific gross emission reduction targets for NZETS participant emitters, and removals via offsetting designed to be the norm rather than the exception. For this reason, an effective relationship between the marginal cost of gross abatement, carbon pricing and removals via offsetting has never been realised in the NZETS.
5. One fundamental problem we feel has not been adequately grappled with is the fact that emissions pricing can only produce behaviour-change in relation to the use of fossil fuel-based energy to the extent that different groups in society are exposed and responsive to carbon price signals. Fossil fuel use in some sectors has proven not to be very responsive to price signals – i.e. these sectors are ‘price inelastic’. This means that when the price of fossil energy rises, individuals and firms in the short term have limited

options to respond and mostly tend to just pay the higher price rather than reduce demand or transition to alternatives. In this situation, the cost of energy rises (raising the cost of living to households/consumers) but this does not translate into emissions reduction behaviour change upstream in the energy system (e.g., energy and transport service suppliers).

6. For this reason, **we recommend a much greater focus in ETS settings on those groups in society that have the most agency to influence and undertake desired behaviour changes, and which are likely to be more responsive to the carbon price signal if they are exposed to and have the ability to respond to it.**
7. For example, investors motivated by economic self-interest in returns on their investment can move their money from dirty technology to clean technology in response to a carbon price that lowers the profitability of dirty development/technology. However, this only works if the carbon price impacts on the profitability of the underlying investment in an NZETS participant. This profitability is, in turn, influenced by whether the company can pass on this cost to their customers without being exposed to the risk that these customers will stop using their product in favour of another product that is reasonably accessible to them.
8. The ETS and the Carbon Price Signal can play an important role in driving this process, however, the ETS is only one tool and other complementary measures are needed. Other tools could include measures such as:
 - (a) Imposing participant-specific caps on gross emissions for demand side participants in the NZETS
 - (b) Targeted policies and regulation.
 - (c) Financial incentives for clean energy and technology (to make it more competitive with dirty energy and technology).
 - (d) Government providing risk mitigation for private investment (e.g., functioning as a keystone investor, providing capital at a low cost of capital, underwriting investment risk).
 - (e) Stimulating a strong voluntary carbon market (VCM) and including energy and agriculture in this market.
9. A focus on situating the ETS within an ecosystem of policy instruments designed to maximise the impact of the carbon price signal would also minimize the need to rely on popular political support from individual consumers and interest groups, and thus decrease the likelihood that climate change policy will become subject to unhelpful political partisanship.

APPENDIX 3 – TECHNICAL BACKGROUND: REMOVAL INCENTIVES

1. As mentioned above, we believe that government climate change policy should be more informed by Marginal Abatement Cost Curves (**MACCs**), with a particular focus on achieving an effective relationship between the marginal cost of gross abatement, carbon pricing, and removals via offsetting.
2. In our view, retaining strong incentives for removal activities is of fundamental importance to achieving an effective relationship in this regard. For example, if the approach is to target emission reductions for abatement below the carbon price and use offsetting to target those emissions that are either impossible or prohibitively expensive to abate, removals will remain a fundamental component of the overall system. Our view is that this strategy provides a strong rationale for the offsetting of trade exposed carbon intensive industries, and a proportion of emissions from other industries that are prohibitively expensive to abate in-house.
3. It should also be noted that achieving a zero-carbon (or carbon negative) outcome without offsetting (for the nation and also for most organisations) is impossible. There are many emission types that are either physically impossible to eliminate/reduce or prohibitively expensive to deliver. Furthermore, because humans are not plants, we are obligatory emitters of CO₂ anyway. We also note here that fossil fuel emissions are not the only GHG emissions to consider. As long as we plan to eat food from agriculture, we will have agricultural emissions whether from soils, fertilizers, or ruminant animals.
4. Removal activities will also provide important benefits in the form of reducing the volume of abatement to be purchased offshore. If the taxpayer is being asked to buy emissions units from offshore for current and future international commitments, we believe that this money would be better spent causing additional abatement and removals domestically. For example, the nation needs to reforest around 1 million hectares of erosion-prone pasture and marginal land into permanent forest for climate resilience. If these removals can be delivered through the NZETS, then:
 - (a) The cost burden for this mitigation will be borne by the private sector rather than the taxpayer, and
 - (b) The nation will have a major component of the national climate change adaptation agenda funded by the private sector at no cost to the taxpayer.
5. **In summary, our view is that the key is to bring the economy (and the global community) into balance between emissions from GHG sources and removals by GHG sinks.**
6. Nevertheless, we are also cognisant that one component of supporting an ETS that is able to contribute to achieving such a balance is consideration of the volume of NZUs made available to the market through removal activities (i.e. forestry), and what effect this volume could have on the carbon price signal and level of gross emission reductions

over time.

7. The discussion document outlines concerns in this regard relating to a potential future oversupply of NZUs to the market, and a subsequent crash in the carbon price signal due to projected afforestation rates in response to a high carbon price signal in the short-term.
8. On our reading, evidence provided to elucidate the rationale for these concerns is largely based on the Afforestation and Deforestation Intentions Survey Report conducted in 2021 for MPI (**Intentions Survey**).⁶ This Intentions Survey is cited as a key resource informing the modelling assumptions in the Forestry and Allocation and Surrender Forecasts Paper compiled for MPI in 2023.⁷ We also understand that the modelling included in Chapter 2 of the ETS Review discussion documents (Figures 3, 4, and 5) also utilise assumptions arising out of the Intentions Survey.
9. Without going into detail and repeating criticisms that will no doubt appear in other submissions; our networks inform us that the government's use of the Intentions Survey to inform modelling for projected planting rates and NZU prices is highly contested.
10. We agree that the volume of NZUs made available to the market through removal activities is a lever in the system that can be adjusted to amplify the impact of the carbon price signal and drive more reductions in gross emissions. However, our view is that there is currently an unacceptable level of uncertainty surrounding the projections and modelling the government is relying on to identify and scope the problem which the ETS Review is setting out to remedy. This is further complicated by the fact that it is not at all clear that we have a good understanding of what future demand dynamics for carbon removals might look like if, for example, agriculture is included in the ETS, and/or opportunities become available for the export of carbon removal units. We also note that net-zero by 2050 is a short-to-medium-term goal and that a long-term goal would be to achieve a net-negative emissions profile.
11. Overall, we are not satisfied that the government has a clear, principled, and cohesive vision informing its attempts to address this issue. This has led to a situation in which removals from forestry have come to be seen as a divisive political problem rather than a sensible and important climate change solution.
12. We believe that this issue is able to be addressed in a constructive manner that upholds the key principles and priorities we have outlined in this document, including the fundamental principle of compliance with Te Tiriti o Waitangi. However, this will require

⁶ [Afforestation and Deforestation Intentions Survey 2021 \(mpi.govt.nz\)](https://www.mpi.govt.nz/afforestation-and-deforestation-intentions-survey-2021/)

⁷ [New Zealand's Emissions Trading Scheme Forestry Allocation and Surrender Forecasts – March 2023 Baseline Budget Update \(mpi.govt.nz\)](https://www.mpi.govt.nz/new-zealand-s-emissions-trading-scheme-forestry-allocation-and-surrender-forecasts-march-2023-baseline-budget-update/)

the Crown to co-design solutions with iwi, hapū and Māori landowners, as well as Māori forestry and agriculture experts.

NICF Integrated Approach to ETS + Land Use Workstreams

Summary of Submission Template

Discussion Documents: Te Arotake Mahere Hokohoko Tukunga - Review of the New Zealand Emissions Trading Scheme; And A Redesigned NZ ETS Permanent Forest Category

Key Principle or Priority	Text From the Submission Template
Te Tino Rangatiratanga me Te Oranga o Te Taiao	<p><i>Climate change is causing unprecedented damage to our whenua, our wai, and our communities. The health and vitality of our environment (te oranga o te taiao), and the authority and responsibility (tino rangatiratanga) to protect and restore it, is of paramount importance to us as tangata whenua. These concepts are rooted in mātauranga Māori and, as such, must be articulated and applied from a mātauranga māori lens. Our view is that our nation's response to dangerous climate change must be guided by, and provide for, these fundamental principles.</i></p>
Te Tiriti o Waitangi	<p><i>'The scale of the problem of dangerous climate change means that its impacts will be felt across all aspects of our society. In the context of Te Tiriti o Waitangi, responding to this problem requires a deliberate focus on the unique circumstances of iwi Māori and our whenua. Furthermore, forming solutions to this problem requires working in partnership with us and our communities.'</i></p> <p><i>'A key principle for us is ensuring that our nation's response to dangerous climate change does not compound historic injustices on our people and risk a disproportionate impact on our communities, including as it relates to whenua Māori and present or future treaty settlement assets.'</i></p>
Affordable and Effective Climate Change Response	<p><i>'A priority for Māori in responding to dangerous climate change is ensuring that it is affordable and effective, and that it preserves and protects the relationship of iwi, hapū and Māori landowners to</i></p>

	<p><i>our whenua. Our response needs to focus on the task at hand (i.e. mitigating the impacts of dangerous climate change), whilst also enabling us to build our own resilience through economic prosperity and sustainable land management.'</i></p>
Maximising Strategic Co-Benefits	<p><i>'Maximising synergies between climate change mitigation and climate change resilience and adaptation. Here, for example, strategically designed forestry policy can deliver removals by means of land use change and climate resilience at no or low cost to the ratepayer or taxpayer.'</i></p>
Gross <u>AND</u> Net Emissions	<p><i>'In our view, retaining strong incentives for removal activities is of fundamental importance to achieving an effective climate change response, complementing rather than displacing the need for strong gross emissions reductions.'</i></p> <p><i>'Any reform proposal must address <u>both</u> how gross emissions reductions will be incentivised <u>and</u> how support for the necessary level of forestry removals will be provided.'</i></p>
Appropriate valuing of forestry removals = delivering removals in a manner that:	<ul style="list-style-type: none"> (a) <i>Is sufficiently financially viable and has the long-term stability to attract investment and deliver financial returns on that investment.</i> (b) <i>Provides rural employment opportunities for Māori.</i> (c) <i>Maximises rural economic development for Māori, particularly with respect to economically challenging lands remaining in Maori ownership or those received through the Treaty Settlement Process.</i> (d) <i>Focuses on optionality so that Māori landowners can make decisions regarding the sustainable development of our land according to our own tikanga.</i> (e) <i>Enables a financially viable option to build climate resilient landscapes on erosion prone lands, maximising use of commercial investment to achieve this.</i> (f) <i>Helps to encourage transformation in the New Zealand forestry industry towards continuous cover forest systems, with their associated environmental co-benefits.</i> (g) <i>Makes the reforestation and regeneration of ngahere financially viable, particularly on land where clear-cut harvesting and/or pastoralism is inappropriate.</i>
Clear, Principled, and Cohesive Vision	<p><i>'Overall, we are not satisfied that the government has a clear, principled, and cohesive vision</i></p>

	<p><i>informing its attempts to address this issue. This has led to a situation in which removals from forestry have come to be seen as a divisive political problem rather than a sensible and important climate change solution.'</i></p>
<p>Climate Resilient Landscapes</p>	<p><i>'The country desperately needs to build climate resilient landscapes, particularly in erosion-prone parts of NZ. This will inevitably require a shift away from pastoralism and clear-cut plantation forestry in sensitive regions (e.g., Tairāwhiti, Hawkes Bay, Whanganui District, Ruapehu District, Northland, Tasman District). This amounts to the need to replace existing land use with permanent forests for around 1 million hectares of land.'</i></p>
<p>Maximising the Role of Private Investment</p>	<p><i>'Maximising the role of private investment matters. For a local example, reforesting 1 million ha in rural Aotearoa with native forest using government grant funding would cost the taxpayer around \$25 billion. Reforesting the same 1 million ha with continuous cover exotic forests using a well-functioning NZETS (and wider set of buyers for forestry removals) could cost the taxpayer \$0.'</i></p>
<p>Continuous Cover Forestry</p>	<p><i>'Our view is that the government's framing of exotic afforestation does not take into account the beneficial option of continuous cover forestry for the permanent category of the NZETS, and the way that this type of forestry encompasses a major potential solution to the permanent, economically productive, reforestation of erosion-prone lands.'</i></p>
<p>Optionality</p>	<p><i>'we assert that it would be inappropriate for the government to apply additional regulations based on these concerns to land owned by iwi, hapū and Māori landowners. The historical factors informing present ownership structures and land uses of Māori land are unique to iwi, hapū, and Māori landowners, and, from a Te Tiriti o Waitangi perspective, we reject the idea that the government (both national and local) could legitimately constrain iwi, hapū and Māori landowner rangatiratanga over our whenua in this way.'</i></p> <p><i>'Optionality in relation to land-use decisions means the availability of all possible productive land-uses within the limits prescribed by our tikanga and our responsibility to provide for te ora o te taiao.'</i></p>

Recommendations Made in the Submission Template

'...we recommend that a desired outcome of this review should be that the carbon price in the market should be sufficiently high to deliver the necessary emissions reductions.'

'...we recommend that another key outcome of this review should be aimed at achieving a carbon price signal that is stable and consistent enough over the long-term to support the type of long-term investments, both in emissions reductions and in forestry, required to enable New Zealand's transition to a low-carbon climate resilient future.'

'...it is essential that ETS design does not simply lead to ineffective pass-through of prices that only increase energy costs, disproportionately affecting Māori.'

'...we recommend the review of the ETS is viewed in direct relationship to complementary policy instruments that focus on strategic incentives for investment in clean technology and clean development, disincentives for investments in dirty technology and dirty development, and strategies to support community-led transitions.'

'...we recommend that in its next steps, the government should use existing levers AND increase incentives for gross emission reductions, AND reduce the expected volume of offshore mitigation, AND improve the removals facility by directing removals towards building climate resilient landscapes.'

'...we are recommending that optionality in relation to land-use decisions (including forest species selection) should be a key factor in government decision-making on this issue. '

'...We believe that the source of removals needs to be directed in the first instance towards activities and geographies that maximise the delivery of climate resilience co-benefits. We recommend that a core element of this approach would be continuous cover permanent forestry in erosion-prone landscapes and land classes. Such continuous cover forestry should include options for exotic continuous cover forestry, exotic continuous cover forestry transitioning to native forest, and permanently protected native forest appropriate to the land type.'

'...It is imperative, therefore, that the government continues to enable restorative reforestation through exotic continuous cover forestry. We recommend that any non-wilding species be allowed under this category and that all registrants be required to adhere to continuous cover forestry management requirements (including for indigenous forests).'

'...we recommend that the government abandon its plans to ban the use of exotic species in the permanent category of the NZETS, and instead work closely with iwi, hapū, Māori landowners and Māori forestry experts to design and deliver a framework for continuous cover forestry for this NZETS category.'

'...we recommend a much greater focus in ETS settings on those groups in society that have the most agency to influence and undertake desired behaviour changes, and which are likely to be more responsive to the carbon price signal if they are exposed to and have the ability to respond to it.'

'...We recommend that a threshold definition for 'non-wilding species' be developed in partnership with iwi, hapū, Māori landowners, and Māori forestry experts using the Guidelines for the use of the Decision Support System "Calculating Wilding Spread Risk From New Plantings" as a common point of reference.'

RANGITĀNE TŪ MAI RĀ TRUST

NICF Submission Template – Discussion Documents ‘Te Arotake Mahere Hokohoko Tukunga | Review of the New Zealand Emissions Trading Scheme’ & ‘A Redesigned NZ ETS Permanent Forest Category

FEEDBACK ON DISCUSSION DOCUMENTS:

‘TE AROTAKE MAHERE HOKOHOKO TUKUNGA - REVIEW OF THE NEW ZEALAND EMISSIONS TRADING SCHEME’ & ‘A REDESIGNED NZ ETS PERMANENT FOREST CATEGORY’

Rangitāne Tū mai Rā Trust

25 July 2023

Name: Rangitāne Tū Mai Rā Trust (RTMRT)
Iwi / hapū: Iwi – Rangitāne, Hapu - Hamua, Te Rangiwaka-ewa
Address: [REDACTED]
Email: [REDACTED]
Phone: [REDACTED]
Contact: Sonya Rimene (Chairperson)

INTRODUCTION

1. We assert mana ki runga, ki waho, ki roto, ki raro, over our land, airways, waterways and moana for the benefit of Rangitāne people. In any discussion regarding the protection of our taonga/wāhi tapu and natural resources generally, one must understand our traditional history and origins as an iwi.
2. The origins of Rangitāne stem back to the arrival of the Kurahaupō waka on the Mahia Peninsula at Nukutaurua between 25-30 generations ago. Our primary tīpuna of descent is Whātonga. He and his descendants, settled on the coastline landward of Cape Kidnappers, where he built a house called Heretaunga that became the name for the entire Hastings/Napier area.

RANGITĀNE TŪ MAI RĀ TRUST

NICF Submission Template – Discussion Documents ‘Te Arotake Mahere Hokohoko Tukunga | Review of the New Zealand Emissions Trading Scheme’ & ‘A Redesigned NZ ETS Permanent Forest Category

3. The Wairarapa region comprises the eastern side of the Remutaka and Tararua Ranges and the area south of Tamaki Nui-ā-Rua to the southern coast at Palliser Bay and Cape Palliser.
4. The Tamaki Nui a Rua takiwa starts at the headwaters of the Manawatu River in the Ruahine Ranges, following a line to Cape Turnagain, proceeding south along the coastline to the mouth of the Mataikona River, then following a line to the Hastwell/Mt Bruce District. Proceeding then to an adjacent point at the top of the Tararua Ranges. From this point, proceeding north along the summit of the Tararua, then along the summit of the Ruahine Range to the headwaters of the Manawatu River.

Ko Ruahine te maunga

Ko Rangitūmau te maunga

Ko Manawatū te awa

Ko Ruamahanga te awa

Ko Kurahaupō te waka

Ko Kurahaupō te waka

Ko Rangitāne te iwi

Ko Rangitāne te iwi

Ko Ngāti Te Rangiwhaka-ewa te hapū

Ko Ngāti Hāmua te hapū

Ko Mākirikiri te marae

Ko Te Oreore te marae

5. Together with Wairarapa and Tamaki Nui-ā-Rua, our overall tribal takiwā comprises approximately 2.5 million acres, and 5,800 registered members. In total RTMRT manage \$48 million of assets.
6. Our sites of cultural and economic sites that will be impacted by the NZ ETS and Permanent Forest Category:
 - (a) Tū Mai Rā Energy specialising in solar
 - (b) One farm that is leased
 - (c) Vacant blocks – some leased, some ready for housing developments
 - (d) Ngaumu Forest that we received back as part of our settlement 2022,
 - (e) Pūkaha a Te Tapere Nui o Whātonga indigenous forest became part of the wildlife reserve, extending the area from 55 to 942 hectares,

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increasing capacity to breed birds and diversified species. is Ngaumu Forest, Pūkaha, Wairarapa Coastal area and other potential carbon sink areas.

7. This submission is made by Rangitāne Tū Mai Rā Trust (RTMRT) on the Discussion Documents ‘Te Arotake Mahere Hokohoko Tukunga | Review of the New Zealand Emissions Trading Scheme’ & ‘A Redesigned NZ ETS Permanent Forest Category’ released for public consultation on 19 June 2023.¹
8. Climate change is causing unprecedented damage to our whenua, our wai, and our communities. The health and vitality of our environment (**te oranga o te taiao**), and the authority and responsibility (**tino rangatiratanga**) to protect and restore it, is of paramount importance to us as tangata whenua. These concepts are rooted in mātauranga Māori and, as such, must be articulated and applied from a mātauranga Māori lens. Our view is that our nation’s response to dangerous climate change must be guided by, and provide for, these fundamental principles.

TE TIRITI CONTEXT

9. The scale of the problem of dangerous climate change means that its impacts will be felt across all aspects of our society. In the context of Te Tiriti o Waitangi, responding to this problem requires a deliberate focus on the unique circumstances of iwi Māori and our whenua. Furthermore, forming solutions to this problem requires working in partnership with us and our communities.
10. A priority for Māori in responding to dangerous climate change is ensuring that it is affordable and effective, and that it preserves and protects the relationship of iwi, hapū and Māori landowners to our whenua. Our response needs to focus on the task at hand (i.e. mitigating the impacts of

¹ [Te Arotake Mahere Hokohoko Tukunga - Review of the New Zealand Emissions Trading Scheme - Ministry for the Environment - Citizen Space](#) | [A redesigned NZ ETS Permanent Forest Category - Ministry for the Environment - Citizen Space](#)

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dangerous climate change), whilst also enabling us to build our own resilience through economic prosperity and sustainable land management.

11. As noted in the ETS Review discussion document, it was estimated in 2018 that Māori own \$4.3 billion of forestry assets, totalling approximately six percent of the total Māori asset base. Furthermore, approximately 30 percent of the 1.7 million hectares of plantation forestry in New Zealand’s is on Māori land, and this is expected to grow to approximately 40 percent as Treaty settlements are completed.
12. The majority of Māori-owned land (estimated 80%)² has a Land Use Capability (LUC) classification of 6,7 or 8; with approximately 46% being classified as LUC 7 or 8.
- 13.

Land Use Capability (LUC) for Māori land (MLIB) compared with New Zealand LUC statistics (MLIB 2002 - TPK & NZLRI-Landcare Research New Zealand)³				
LUC Class	% of Total NZ	Māori Land area (ha)	% of Māori Land	Description of Land Use Capability
1	0.7%	7,514.76	0.50%	Most versatile multiple-use land – virtually no limitations to arable use
2	4.55%	43,733.59	2.89%	Good land use with slight limitations to arable use
3	9.22%	85,534.33	5.65%	Moderate limitations to arable use restricting crops able to be grown

² Unlocking the potential of Māori land: A kaupapa Māori approach to using and developing integrated knowledge, models and tools MPI Link seminar, Wellington, Thursday 4th May, 2017 Garth Harmsworth: https://www.landcareresearch.co.nz/assets/Events/Link-series/Unlocking_Potential_Maori_Land.pdf

³ Ibid.

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4	10.5%	153,972.29	10.16%	Severe limitations to arable use. More suitable to pastoral and forestry
5	0.8%	6,883.47	0.45%	Unsuitable for cropping – Pastoral or forestry
6	28.1%	500,706.36	33.51%	Non-arable land. Moderate limitations and hazards when under a perennial vegetation cover.
7	21.4%	469,830.47	31.01%	With few exceptions can only support extensive grazing or erosion control forestry
8	21.8%	230,142.75	15.19%	Very severe limitations or hazards for any agricultural use
Other	3.0%	9,752.96	0.64%	Non-arable land. Moderate limitations and hazards when under perennial vegetation cover.
TOTAL	100.00% (26,930,100 ha)	1,515,071.00	100.00%	

14. Much of this land has been passed down from traditional owners; with the rest being either returned to iwi through formal Treaty Settlements with the Crown, through legal processes other than formal Treaty Settlements, returned through some other less formal means, or purchased outright.

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15. A key principle for us is ensuring that our nation’s response to dangerous climate change does not compound historic injustices on our people and risk a disproportionate impact on our communities, including as it relates to whenua Māori and present or future treaty settlement assets.

STRATEGIC PRIORITIES

16. At the highest level, it is preferable that the nation’s climate change response, and the ETS’s role within it, include as many strategic co-benefits as possible. This includes:
 - (a) Fully valuing ambitious emissions reductions and forestry removals, achieving these at least cost to the taxpayer and ratepayer, and managing impacts on communities.
 - (b) Maximising synergies between climate change mitigation and climate change resilience and adaptation. Here, for example, strategically designed forestry policy can deliver removals by means of land use change and climate resilience at no or low cost to the ratepayer or taxpayer.
17. Aotearoa needs to significantly reduce its gross greenhouse gas emissions. Current policy must be strengthened to drive deeper and faster emissions reductions. But it is also clear that gross emission reductions alone will not enable the country to achieve these goals. We also need to remove as much CO₂ from the atmosphere as possible through carbon sinks. We also note that some emissions are either prohibitively expensive or impossible to abate in gross terms. These difficult-to-abate emissions should be managed through carbon offsetting and removals. As such, we believe that a robust national emissions management system needs to include gross and net emissions accounting. The NZ ETS and wider policy ecosystem, therefore, should operate in the service of both gross emission reductions and emissions removals.
18. In relation to forestry removals, we require an affordable climate change response in which GHG removals are delivered in a manner that:

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- (a) Is sufficiently financially viable and has the long-term stability to attract investment and deliver financial returns on that investment.
- (b) Provides rural employment and educational opportunities for Māori.
- (c) Maximises rural economic development for Māori, particularly with respect to economically challenging lands remaining in Maori ownership or those received through the Treaty Settlement Process.
- (d) Focuses on optionality so that Māori landowners can make decisions regarding the sustainable development of our land according to our own tikanga.
- (e) Enables a financially viable option to build climate resilient landscapes on erosion prone lands, maximising use of commercial investment to achieve this.
- (f) Helps to encourage transformation in the New Zealand forestry industry towards continuous cover forest systems, with their associated environmental co-benefits.
- (g) Makes the reforestation and regeneration of ngahere financially viable, particularly on land where clear-cut harvesting and/or pastoralism is inappropriate.
- (h) Aligns with, and enables the pursuit of, broader aspirations relating to the protection and restoration of biodiversity.

EMISSIONS PRICING AND THE ETS

19. Carbon pricing is a mechanism to drive behaviour change across an entire economy. Such pricing will only drive the desired change if the price is high enough to function as a meaningful price signal for the target sector, stable enough for that sector to incorporate this price into their business models and focused on those who have the ability to change in response to the price.
20. On this point, **we recommend that a desired outcome of this review should be that the carbon price in the market should be sufficiently high to deliver the necessary emissions reductions.** For example, the Climate

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Change Commission and the Treasury (in their Shadow Emissions Prices) have attempted to calculate a sufficient price: this could provide a benchmark.

21. Further to the need for an ETS carbon price signal aligned to the social cost of GHG pollution, **we recommend that another key outcome of this review should be aimed at achieving a carbon price signal that is stable and consistent enough over the long-term to support the type of long-term investments, both in emissions reductions and in forestry, required to enable New Zealand’s transition to a low-carbon climate resilient future.**
22. However, **it is essential that ETS design does not simply lead to ineffective pass-through of prices that only increase energy costs, disproportionately affecting Māori.** The ETS must create a real incentive for companies to invest in cleaner technologies and for forestry investment.
23. Lastly, and to complement the above, we strongly suggest that the ETS needs to be properly situated within an ecosystem of climate change policy instruments that work with the carbon price signal in incentivising a low-carbon and climate resilient future, while also managing the costs and impacts of the transition on communities and whānau. For this reason, **we recommend the review of the ETS is viewed in direct relationship to complementary policy instruments that focus on strategic incentives for investment in clean technology and clean development, disincentives for investments in dirty technology and dirty development, and strategies to support community-led transitions.**

REMOVAL INCENTIVES

24. In our view, retaining strong incentives for removal activities is of fundamental importance to achieving an effective climate change response, complementing rather than displacing the need for strong gross emissions reductions. There are many emission types that are either physically impossible to eliminate/reduce or prohibitively expensive to deliver. For example, agricultural emissions whether from soils, fertilizers, or ruminant animals may need to be offset.
25. Removal activities will also provide important benefits in the form:

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- (a) Reducing the volume of abatement to be purchased offshore in current and future international targets.
- (b) Enabling the critically important reforestation of around 1 million hectares of erosion-prone pasture and marginal land into permanent forest for climate resilience.
- (c) Assisting in the pursuit of broader aspirations relating to the protection and restoration of biodiversity.

ACHIEVING BOTH GROSS REDUCTIONS AND REMOVALS: RESPONDING TO THE ETS REVIEW CONSULTATION OPTIONS

- 26. We are cognisant that one component of supporting an ETS that is able to contribute to achieving both gross emissions reductions and forestry removals is consideration of the volume of NZUs made available to the ETS market through removal activities (i.e. forestry), and what effect this volume could have on the carbon price signal and level of gross emission reductions over time.
- 27. The discussion document outlines concerns in this regard relating to a potential future oversupply of NZUs to the market, and a subsequent crash in the carbon price signal due to projected afforestation rates in response to a high carbon price signal in the short-term. Without going into detail and repeating criticisms that will no doubt appear in other submissions; our networks inform us that the government’s use of the Intentions Survey to inform modelling for projected planting rates and NZU prices is highly contested.
- 28. We understand that the volume of NZUs made available to the market through removal activities is a lever that could be adjusted to amplify the impact of the carbon price signal and drive more reductions in gross emissions. However, our view is that
 - (a) there is currently an unacceptable level of uncertainty surrounding the projections and modelling the government is relying on to identify and scope the problem which the ETS Review is setting out to remedy.

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This is further complicated by the fact that it is not at all clear that we have a good understanding of what future demand dynamics for carbon removals might look like if, for example, agriculture is included in the ETS, and/or opportunities become available for the export of carbon removal units. We also note that net-zero by 2050 is a short-to-medium-term goal and that a long-term goal would be to achieve a net-negative emissions profile; and

- (b) any reform proposal must address both how gross emissions reductions will be incentivised and how support for the necessary level of forestry removals will be provided. The consultation document focuses on the former and largely ignores the latter.
29. Overall, we are not satisfied that the government has a clear, principled, and cohesive vision informing its attempts to address this issue. This has led to a situation in which removals from forestry have come to be seen as a divisive political problem rather than a sensible and important climate change solution.
 30. The four options in the consultation are not presented in sufficient detail to enable us to provide a meaningful assessment or comparison. We see them as essentially a grab-bag of ideas that would each deliver different results, highlighting the government’s lack of clear vision.
 31. In summary, **we recommend that in its next steps, the government should use existing levers AND increase incentives for gross emission reductions, AND reduce the expected volume of offshore mitigation, AND improve the removals facility by directing removals towards building climate resilient landscapes.**
 32. We believe that solutions to these challenges can be developed in a constructive manner that upholds the key principles and priorities we have outlined in this document, including the fundamental principle of compliance with Te Tiriti o Waitangi. However, this will require the Crown to co-design solutions with iwi, hapū and Māori landowners, as well as

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Māori forestry and agriculture experts.

PERMANENT FORESTRY

33. The country needs to build climate resilient landscapes, particularly in erosion-prone parts of NZ. This will inevitably require a shift away from pastoralism and clear-cut plantation forestry in sensitive regions (e.g., Tairāwhiti, Hawkes Bay, Whanganui District, Ruapehu District, Northland, Tasman District). This amounts to the need to replace existing land use with permanent forests for around 1 million hectares of land.
34. This will require replacing clear-cut forestry and pastoral farming on hundreds of thousands of hectares of erosion lands with an economically viable alternative. The most practical alternative that will not crash rural land value is continuous cover forestry.
35. Continuous cover forestry does not clear cut the forest but instead either does not harvest, or harvests individual trees, groups of trees, patches, or strips in an on-going cycle of harvest and replacement. This approach is common in other countries including federal forests in the US, many developing countries, and around 30% of all forestry in Europe. Lands too steep for any harvesting can be planted in native trees and managed for conservation, the cost and maintenance of which would either be built into the continuous cover forest operation as a whole and/or supplemented by government policy or financial incentives.
36. Maximising the role of private investment matters. For a local example, reforesting 1 million ha in rural Aotearoa with native forest using government grant funding would cost the taxpayer around \$25 billion. Reforesting the same 1 million ha with continuous cover exotic forests using a well-functioning NZETS (and wider set of buyers for forestry removals) could cost the taxpayer \$0.
37. **We believe that the source of removals needs to be directed in the first instance towards activities and geographies that maximise the delivery of climate resilience co-benefits. We recommend that a core element of this**

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approach would be continuous cover permanent forestry in erosion-prone landscapes and land classes. Such continuous cover forestry should include options for exotic continuous cover productive forestry, exotic continuous cover forestry transitioning to native forest, native continuous cover productive forestry, and permanently protected native forest appropriate to the land type.

38. This approach would enable much needed land use change on these lands at no or low cost to the taxpayer. It would also help to create an economically viable alternative to pastoralism or clearcut forestry on these lands – activities that have proven to create substantial contingent liability risks to downstream and downslope property, infrastructure, and amenities.
39. Establishing forest management rules for NZETS forestry participants would also prevent “plant and leave” permanent forestry, which we agree is a source of legitimate and real concern. To be clear, we do not support “plant and leave” permanent forestry and when we discuss continuous cover forestry in this response, we take it as read that this will be understood by officials.
40. We are also cognisant of concerns regarding increased incentives to afforest land that is currently being used for traditional modes of ‘productive’ land-use e.g. sheep and beef farming. We consider that this concern would be rendered largely irrelevant if proneness to erosion and other suitably specified land-characteristics are used to determine priority areas for this type of forestry.
41. To the extent that concerns regarding perverse incentives for land-use change may remain even despite the above, **we assert that it would be inappropriate for the government to apply additional regulations based on these concerns to land owned by iwi, hapū and Māori landowners.** The historical factors informing present ownership structures and land uses of Māori land are unique to iwi, hapū, and Māori landowners, and from a Te Tiriti o Waitangi perspective, **we reject the idea that the government**

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(both national and local) could legitimately constrain iwi, hapū and Māori landowner rangatiratanga over our whenua in this way.

42. As an iwi/hapū/Māori landowner, we bring to bear the full weight of our tikanga and ancestral values when making decisions about our whenua and our people. This allows us to bring an intergenerational lens to decisions and encourages us to make decisions based on what is best for the whenua and for our whānau. **The ability to do so is central to our exercise of rangatiratanga and is a key reason why we are recommending that optionality in relation to land-use decisions (including forest species selection) should be a key factor in government decision-making on this issue.**
43. We agree that there is good rationale for prioritising erosion-prone lands as sites for continuous cover forests. However, we also wish to be clear that we do not believe that continuous cover forestry (as described in this submission) ought to be limited only to these categories of land. Optionality in relation to land-use decisions means the availability of all possible productive land-uses within the limits prescribed by our tikanga and our responsibility to provide for te ora o te taiao. Our view is that continuous cover forestry holds great promise as a productive and sustainable land-use in Aotearoa New Zealand and as a key means by which we can realise the transformational vision for the forestry and wood-processing industry outlined in Te Ara Whakahou – Ahumahi Ngahere.⁴
44. Another important policy consideration regarding aspirations for an indigenous forest solution to building climate resilient landscapes is the impact on rural land prices. Because the indigenous reforestation and permanent protection path has not to date been an economically productive land use, options that restrict species selection without also creating secure long-term funding to make these economically viable investments would crash rural land prices for the landowners. In turn, this would deliver severe economic hardship to rural communities.

⁴ [Forestry and Wood Processing Industry Transformation Plan | NZ Government \(mpi.govt.nz\)](https://www.mpi.govt.nz/forestry-and-wood-processing-industry-transformation-plan/)

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45. Our view is that the government’s framing of exotic afforestation does not take into account the beneficial option of continuous cover forestry for the permanent category of the NZETS, and the way that this type of forestry encompasses a major potential solution to the permanent, economically productive, reforestation of erosion-prone lands.
46. We are aware that concerns have been raised about the economic viability of forest management-system transitions (e.g., clear-fell to a continuous cover model) funded by at the outset by NZU revenue; the argument being that a forest management-system transition may be viable while the NZU price is high but that it would be vulnerable in the long-term if the NZU price were to fall significantly. We understand these concerns and would suggest that this is primarily a forestry question. Indeed, this is why a continuous cover system for the Permanent Category is so important, i.e., if we want large-scale permanent forests (whether indigenous or exotic), it is imperative that some means for revenue generation (in and out of the ETS) are built-in. This is exactly what continuous cover forest management systems seek to achieve.
47. **It is imperative, therefore, that the government continues to enable restorative reforestation through exotic continuous cover forestry. We recommend that any non-wilding species⁵ be allowed under this category and that all registrants be required to adhere to continuous cover forestry management requirements (including for indigenous forests).** RTMRT believes doing this will produce the following key outcomes:
- (a) Enable restorative and sustainable forest management for exotic and indigenous forestry
 - (b) Remove the option of ‘plant and leave’ carbon farming
 - (c) Enable forestry practices that deliver significant climate resilience and biodiversity ecosystem services as co-benefits.

⁵ Note: We recommend that a threshold definition for ‘non-wilding species’ be developed in partnership with iwi, hapū, Māori landowners, and Māori forestry experts using the [Guidelines for the use of the Decision Support System “Calculating Wilding Spread Risk From New Plantings”](#) as a common point of reference.

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48. This exotic continuous cover forestry provision should allow for:
- (a) Exotic continuous cover productive forestry in perpetuity (i.e., remaining exotic forest).
 - (b) Exotic continuous cover forestry transitioning to indigenous continuous cover productive forestry.
 - (c) Exotic continuous cover forestry transitioning to indigenous protection forest (no indigenous harvesting – e.g., on steepest slopes).
 - (d) Indigenous continuous cover productive forestry funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (e) Indigenous protection forest funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (f) Indigenous continuous cover productive or protection forests established with supplemental funding (e.g. government grants).
49. We see Māori having enormous opportunities to engage in the kinds of carbon financed continuous cover forestry listed above, and this having the potential to form a significant element of the Māori economy and a means by which to exercise self-determination in relation to Māori land.
50. As such, **we recommend that the government abandon its plans to ban the use of exotic species in the permanent category of the NZETS, and instead work closely with iwi, hapū, Māori landowners and Māori forestry experts to design and deliver a framework for continuous cover forestry for this NZETS category.**
51. Lastly, we do also believe that the existing NZETS could be modified to include financial support to stimulate greater uptake of indigenous reforestation. There are several mechanisms that could be put in place to achieve this, and we recommend again this be worked through with iwi, hapū, Māori landowners and Māori forestry experts.

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52. On this point, we are especially supportive of investment into research and development for the purpose of supporting incentives for the Māori forestry sector to consider new and/or alternative economically viable opportunities for the sustainable development of our land.

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APPENDIX 1 - SUMMARY OF RECOMMENDATIONS ON REMOVALS STRATEGY

53. Focus removals on emissions that are impossible or prohibitively expensive to reduce/abate.
54. Removals that contribute to delivering current and future targets under the Paris Agreement at least cost to the taxpayer and that can therefore be delivered without taxpayer subsidy.
55. Maximising climate resilience and biodiversity co-benefits to enable these co-benefits to be delivered at least cost to the taxpayer.
56. Use the Permanent Forest category of the NZETS to help build climate resilient rural landscapes and recognise permanent forests as ‘ecological infrastructure’ capable of reducing contingent liability risk associated with extreme weather events. This can then enable government policy to recognise the value of carbon financed permanent forests as a core element of a national climate change adaptation strategy that can be delivered at zero cost to the taxpayer.
57. Focus NZETS permanent forest on lands unsuitable for agriculture unless the farmer wishes to retire agricultural lands for permanent forestry.
58. Define ‘permanent forest’ as ‘managed continuous cover forestry’ that includes the following:
 - (a) Exotic continuous cover forestry in perpetuity (i.e., remaining exotic forest).
 - (b) Exotic continuous cover forestry transitioning to indigenous continuous cover productive forestry.
 - (c) Exotic continuous cover forestry transitioning to indigenous protection forest (e.g., on steepest slopes).
 - (d) Indigenous continuous cover productive forestry funded by being integrated into a business model that includes exotic continuous cover forestry.

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- (e) Indigenous protection forest funded by being integrated into a business model that includes exotic continuous cover forestry.
 - (f) Indigenous production or protection forests
59. Allow exotic species in the Permanent Forest category of the NZETS.
60. Require management rules for registrants in the Permanent Forest category (including native forests) to create necessary safeguards to protect against “plant and leave” approaches.
61. When continuous cover harvest management is ground-based, forest establishment should be restricted to slopes capable of supporting such ground-based technologies.
62. On slopes too steep for ground-based harvesting technologies, require:
- (a) The use of aerial technologies for harvesting and hauling (e.g., cable, helicopter, or drone); or
 - (b) No harvest forest management (e.g., permanent, non-productive indigenous forest; poisoning exotic trees when opening canopy gaps for transition to indigenous species).

APPENDIX 2 – TECHNICAL BACKGROUND: MARGINAL COST OF ABATEMENT

63. The logic underlying effective carbon markets is the marginal cost of abatement (emission reductions or removals). Additional abatement actions tend to increase in cost over time because the cheaper and more immediately accessible abatement actions are generally pursued first. As these actions are completed (harvesting the low-hanging fruit), the possible further abatement actions remaining to the actor are the more expensive and less readily available ones (the high-hanging fruit). On this basis, the marginal cost of abatement increases (e.g., per 1tCO₂e) as one moves from low fruit, to medium, and then high fruit on the “tree” of abatement. The challenge for government policy and the design of the NZETS is how to cause gross abatement for emissions up to a particular

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level of carbon price.

64. The two main lenses with which to view the marginal abatement curve are the cost-efficiency lens, and the carbon price and offsetting lens.
 - (a) **Cost Efficiency:** Given that the economy and organisations within it have low and medium fruit and given that there are not unlimited funds available for emissions reduction, an efficient emissions reduction strategy (and policy) would pursue these low and then medium fruit first.
 - (b) **Carbon Price & Offsetting:** When carbon offsets are available in a carbon financing instrument there is always an option to choose between:
 - (i) Abate in-house (gross abatement).
 - (ii) Abate via offsetting (offsetting with no gross abatement).
 - (iii) Abate in-house and offsetting (net abatement).
65. The carbon price (e.g., the cost of carbon credits) and the design of the financing instrument can have an influence on the choice between a), b), or c) above. The NZETS is designed around option b) above.
66. The NZETS was designed as a ‘net carbon’ market mechanism, without any specific gross emission reduction targets for NZETS participant emitters, and removals via offsetting designed to be the norm rather than the exception. For this reason, an effective relationship between the marginal cost of gross abatement, carbon pricing and removals via offsetting has never been realised in the NZETS.
67. One fundamental problem we feel has not been adequately grappled with is the fact that emissions pricing can only produce behaviour-change in relation to the use of fossil fuel-based energy to the extent that different groups in society are exposed and responsive to carbon price signals. Fossil fuel use in some sectors has proven not to be very responsive to price signals – i.e. these sectors are ‘price inelastic’. This means that when the price of fossil energy rises, individuals and firms in the short term have

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limited options to respond and mostly tend to just pay the higher price rather than reduce demand or transition to alternatives. In this situation, the cost of energy rises (raising the cost of living to households/consumers) but this does not translate into emissions reduction behaviour change upstream in the energy system (e.g., energy and transport service suppliers).

68. For this reason, **we recommend a much greater focus in ETS settings on those groups in society that have the most agency to influence and undertake desired behaviour changes, and which are likely to be more responsive to the carbon price signal if they are exposed to and have the ability to respond to it.**
69. For example, investors motivated by economic self-interest in returns on their investment can move their money from dirty technology to clean technology in response to a carbon price that lowers the profitability of dirty development/technology. However, this only works if the carbon price impacts on the profitability of the underlying investment in an NZETS participant. This profitability is, in turn, influenced by whether the company can pass on this cost to their customers without being exposed to the risk that these customers will stop using their product in favour of another product that is reasonably accessible to them.
70. The ETS and the Carbon Price Signal can play an important role in driving this process, however, the ETS is only one tool and other complementary measures are needed. Other tools could include measures such as:
 - (a) Imposing participant-specific caps on gross emissions for demand side participants in the NZETS
 - (b) Targeted policies and regulation.
 - (c) Financial incentives for clean energy and technology (to make it more competitive with dirty energy and technology).
 - (d) Government providing risk mitigation for private investment (e.g., functioning as a keystone investor, providing capital at a low cost of

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capital, underwriting investment risk).

(e) Stimulating a strong voluntary carbon market (VCM) and including energy and agriculture in this market.

71. A focus on situating the ETS within an ecosystem of policy instruments designed to maximise the impact of the carbon price signal would also minimize the need to rely on popular political support from individual consumers and interest groups, and thus decrease the likelihood that climate change policy will become subject to unhelpful political partisanship.

APPENDIX 3 – TECHNICAL BACKGROUND: REMOVAL INCENTIVES

72. As mentioned above, we believe that government climate change policy should be more informed by Marginal Abatement Cost Curves (**MACCs**), with a particular focus on achieving an effective relationship between the marginal cost of gross abatement, carbon pricing, and removals via offsetting.

73. In our view, retaining strong incentives for removal activities is of fundamental importance to achieving an effective relationship in this regard. For example, if the approach is to target emission reductions for abatement below the carbon price and use offsetting to target those emissions that are either impossible or prohibitively expensive to abate, removals will remain a fundamental component of the overall system. Our view is that this strategy provides a strong rationale for the offsetting of trade exposed carbon intensive industries, and a proportion of emissions from other industries that are prohibitively expensive to abate in-house.

74. It should also be noted that achieving a zero-carbon (or carbon negative) outcome without offsetting (for the nation and also for most organisations) is impossible. There are many emission types that are either physically impossible to eliminate/reduce or prohibitively expensive to deliver. Furthermore, because humans are not plants, we are obligatory emitters of CO₂ anyway. We also note here that fossil fuel emissions are not the

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only GHG emissions to consider. As long as we plan to eat food from agriculture, we will have agricultural emissions whether from soils, fertilizers, or ruminant animals.

75. Removal activities will also provide important benefits in the form of reducing the volume of abatement to be purchased offshore. If the taxpayer is being asked to buy emissions units from offshore for current and future international commitments, we believe that this money would be better spent causing additional abatement and removals domestically. For example, the nation needs to reforest around 1 million hectares of erosion-prone pasture and marginal land into permanent forest for climate resilience. If these removals can be delivered through the NZETS, then:
 - (a) The cost burden for this mitigation will be borne by the private sector rather than the taxpayer, and
 - (b) The nation will have a major component of the national climate change adaptation agenda funded by the private sector at no cost to the taxpayer.
76. **In summary, our view is that the key is to bring the economy (and the global community) into balance between emissions from GHG sources and removals by GHG sinks.**
77. Nevertheless, we are also cognisant that one component of supporting an ETS that is able to contribute to achieving such a balance is consideration of the volume of NZUs made available to the market through removal activities (i.e. forestry), and what effect this volume could have on the carbon price signal and level of gross emission reductions over time.
78. The discussion document outlines concerns in this regard relating to a potential future oversupply of NZUs to the market, and a subsequent crash in the carbon price signal due to projected afforestation rates in response to a high carbon price signal in the short-term.
79. On our reading, evidence provided to elucidate the rationale for these concerns is largely based on the Afforestation and Deforestation Intentions

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Survey Report conducted in 2021 for MPI (**Intentions Survey**).⁶ This Intentions Survey is cited as a key resource informing the modelling assumptions in the Forestry and Allocation and Surrender Forecasts Paper compiled for MPI in 2023.⁷ We also understand that the modelling included in Chapter 2 of the ETS Review discussion documents (Figures 3, 4, and 5) also utilise assumptions arising out of the Intentions Survey.

80. Without going into detail and repeating criticisms that will no doubt appear in other submissions; our networks inform us that the government’s use of the Intentions Survey to inform modelling for projected planting rates and NZU prices is highly contested.
81. We agree that the volume of NZUs made available to the market through removal activities is a lever in the system that can be adjusted to amplify the impact of the carbon price signal and drive more reductions in gross emissions. However, our view is that there is currently an unacceptable level of uncertainty surrounding the projections and modelling the government is relying on to identify and scope the problem which the ETS Review is setting out to remedy. This is further complicated by the fact that it is not at all clear that we have a good understanding of what future demand dynamics for carbon removals might look like if, for example, agriculture is included in the ETS, and/or opportunities become available for the export of carbon removal units. We also note that net-zero by 2050 is a short-to-medium-term goal and that a long-term goal would be to achieve a net-negative emissions profile.
82. Overall, we are not satisfied that the government has a clear, principled, and cohesive vision informing its attempts to address this issue. This has led to a situation in which removals from forestry have come to be seen as a divisive political problem rather than a sensible and important climate change solution.

⁶ [Afforestation and Deforestation Intentions Survey 2021 \(mpi.govt.nz\)](https://www.mpi.govt.nz/afforestation-and-deforestation-intentions-survey-2021/)

⁷ [New Zealand’s Emissions Trading Scheme Forestry Allocation and Surrender Forecasts – March 2023 Baseline Budget Update \(mpi.govt.nz\)](https://www.mpi.govt.nz/new-zealand-s-emissions-trading-scheme-forestry-allocation-and-surrender-forecasts-march-2023-baseline-budget-update/)

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83. We believe that this issue is able to be addressed in a constructive manner that upholds the key principles and priorities we have outlined in this document, including the fundamental principle of compliance with Te Tiriti o Waitangi. However, this will require the Crown to co-design solutions with iwi, hapū and Māori landowners, as well as Māori forestry and agriculture experts.