

## THE ETS - UNFINISHED BUSINESS

### THE SKILLS OF THE NEW GOVERNMENT WILL BE TESTED AS IT SHAPES THE FUTURE OF THE EMISSIONS TRADING SCHEME (ETS).

There is little prospect that the UN climate change talks in Durban will lead to new legally binding emission reduction commitments when the Kyoto Protocol expires at the end of 2012. Besides, if those countries currently opposed to extending the Kyoto concept are removed from the deal, KP2 would cover less than 1/6th of total emissions anyway.

For forestry and the FOA the real game in Durban has been the land use rules. Important among these are decisions around how forests are accounted for over time, what forest activity counts and what doesn't, how the carbon in wood products will be treated, how major forest losses from natural events will be accounted for and, of course, whether we can relocate pre-1990 forests without penalty.

FOA and iwi are both represented on the NZ delegation to Durban and are working jointly with MAF to try and achieve a good outcome. There is a reasonable chance that progress will be made.

Although Kyoto's days are most likely numbered, the land use rules developed under its watch will live on. They will undoubtedly form the basis of how forestry is treated by individual countries in their domestic climate mitigation policies and in bi-lateral and multi-lateral agreements between countries.

For the list of countries and regions setting up carbon trading schemes is growing. Among them California, which is planning to implement an ETS by 2013, South Korea, Japan and even China.

As their industries start to shoulder carbon costs, they will be expecting trading partners like New Zealand to be taking equivalent action.

Determining what is 'equivalent' will be a challenge.

Every scheme is tailored to fit local political realities. None less so than in Australia which last month passed its Clean Energy Future Act, which sets a much higher effective price on emissions than we have in New Zealand.

Given the integration of our economies, harmonising our ETS with Australia's is commonsense and committed to on both sides of the Tasman. But how do you get harmony when the differences are as stark as the similarities? When our emissions and means of mitigation predominantly come from our land-based industries, while most of theirs come from the fossil energy sector?

Harmonisation can take a number of forms and does not mean that the domestic rules have to be the same everywhere. But it will require some things to be aligned.

Australia has not included agriculture but, as our government has stated, when half



**Many forest owners won't relocate their pre-1990 forests even if offsetting becomes an option.** Relocation costs are high and for some iwi ventures relocation is not culturally acceptable

## IN THIS ISSUE

**PAGE 3**  
New FOA President



**PAGE 4**  
Hey Dude! Bernie is cool



**PAGE 6**  
The perils of outstanding landscapes



your emissions come from that source there could be a credibility issue if New Zealand leaves it out. The real question with agriculture is not whether it is in or out, but what level of obligation it faces if it is in.

A key technical issue that urgently needs to be addressed is the ability of emitters to buy low quality Certified Emission Reduction Units (CERs) from overseas industrial gas emitters to offset their liabilities in New Zealand.

Australia is restricting the use of these units and the EU is banning them from April 2013. Why? Because they are being produced in a way that is counter to the intent of Kyoto and are environmentally indefensible.

Millions of the industrial CER units are finding buyers here – deeply eroding the NZ carbon market price, which has fallen from NZD \$24 a tonne just four months ago, to less than half that. By comparison many of the stationary energy companies have based their cost of supply to the consumer on the full price cap of \$25/tonne. Foresters, who know they have liabilities and obligations associated with these units, have essentially abandoned the market at these prices.

New Zealand's independent ETS review panel has listened carefully to the representations made on forestry issues and made several useful recommendations.

*continued page 2*

One important example is the recommendation to allow forest offsetting (relocation without penalty) regardless of whether it is agreed in Durban because New Zealand's productivity is based on being able to alter land use to meet market demands. Having the ability to offset will help.

The limited compensation being made available to pre-1990 foresters for having a permanent liability of up to 800 units/ha imposed on their land ranges from 18 to 60 units/ha. The first tranche of this is now being paid to eligible applicants as they complete their returns to MAF. The second tranche of 11 to 37 units is due to be paid in 2013.

Offsetting will not get rid of the liability – that remains with the forest forever – but it would soften the impact. How many will chose to relocate given that the problems associated with dispersed forests and the cost of replacing the roading infrastructure is uncertain but, combined with the compensation, it would help some.



Low quality industrial gas units are undermining the NZETS

How the government responds to the review panel recommendations is important. Potential forest investors need to get the right signals and hopefully lift new planting to the levels desired by government.

At such times it is important not to lose sight of the objective of having an ETS. It is an economically efficient way of meeting our Kyoto obligations, but it is also there to start the process of change so our economy remains competitive in a carbon-constrained world.

This is why Australia will be requiring a specific level of effort to come from domestic action and it's also behind China's investment in renewable technology, which has resulted in it becoming the world's largest wind turbine manufacturer. This helps China reduce its fossil fuel emissions and also creates a new industry that earns valuable export dollars.

## OPINION – DAVID RHODES, CHIEF EXECUTIVE, FOA



# TIGHT FOCUS FOR NEW STRATEGY

## BY NOW, EVERYONE HAS HAD A CHANCE TO COMMENT ON THE PROPOSED INDUSTRY STRATEGY AND ACTION PLAN.

Based on the Woodco strategic study released earlier this year, the draft strategy and plan were presented at regional workshops during November. The project team is now incorporating feedback from the meetings into a final draft for the Woodco board to consider.

The most encouraging aspect of the workshops for me was the strong and at times robust engagement by those present. These were views coming from people who give a damn about their industry and who want to make a difference.

The FOA supports the following priorities:

- Removing trade barriers, the generic promotion of NZ wood products, and timber design work
- Establishment and recognition of key industry standards
- Alignment of research with industry needs
- Co-ordination of industry activity across government agencies
- Industry leadership and engagement with government
- Attracting and retaining people and skills.

The objective of the exercise is to improve financial returns for the industry and the economy, and to ensure long-term sustainable growth. To be successful, there will need to be improved collaboration across the sector, both between

companies and between sectors.

As anyone who has been involved in such exercises knows, writing the strategy is the easy bit. The hard part is getting the collective buy-in to drive the behavioural changes needed for success.

With so many people and groups having their input there is always the risk that the strategy will be a mammoth document that provides a little for everyone, but lacks the focus needed. Hence the final plan will have a very tight focus – one that can be visually portrayed on a single A4 page.

The Woodco strategy governance group is made up of senior office holders from the FOA and other industry associations with support from Stuart Anderson, Iain Cossar and Paul Lane of MAF. The chair is Nelson Forests managing director and FOA board member Lees Seymour. The project team, drawn from a cross-section of the industry, is led by Sean Wright of PanPac Forestry.

The forest industry has the potential to make a bigger contribution to the NZ economy but this has been hampered by a lack of investment in processing. It also has unique characteristics that need to be taken into account.

Unlike other primary sectors it is not made up of thousands of small-scale players reliant on one co-ordinating marketing force. Many of our players are large and inter-connected with sister operations around the globe.

This leaves plenty of room for finding common ground, as shown by the strong support for Woodco, NZ Wood and ForestWood, the pan-industry conference. But it does mean that it is unrealistic to expect the industry to create, for example, a Fonterra for wood.

Research is an area where pan-industry collaboration is vital. The FOA is reviewing its research and innovation strategy to focus on the factors that will enable managers to significantly increase the productivity of their forests. But even with this focus, market factors need to be taken into account – the wood produced must meet manufacturers' requirements and customer expectations, something that has not always happened in the past.

Once the Woodco board has signed off the strategy and action plan, the project team will produce a document for presentation to the industry and stakeholders at the ForestWood Conference on 21 March 2012.



## BILL TAKES THE REINS

**BILL MCCALLUM IS THE FOA'S NEW PRESIDENT. A LIFE-LONG FORESTER, HE IS HIGHLY OPTIMISTIC ABOUT INDUSTRY PROSPECTS.**

"We are producing a versatile raw material that is increasingly being recognised for the environmental and social benefits associated with well managed forests," he says.

"Meanwhile the relative costs of energy-intensive competing materials like concrete, steel, plastic and aluminium will climb. In a densely populated urbanised world, consumer preference for sustainably produced materials will continue to grow."

This does not mean the industry can sit back and wait for the good times to roll in.

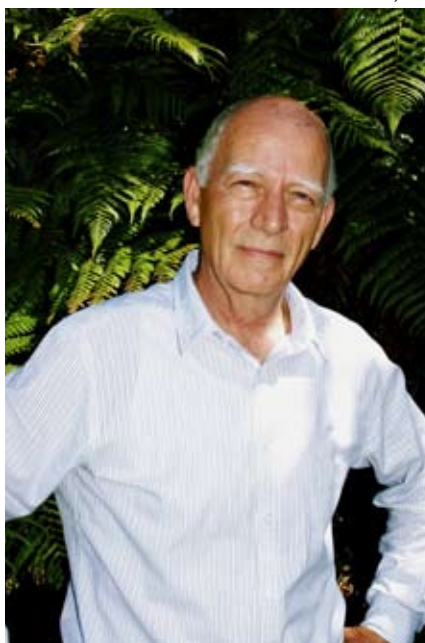
McCallum points to five factors that will influence the future of the industry:

- Assured access to world markets, especially for manufactured wood products
- Increased focus on increasing our efficiency so that we are competitive internationally
- Meeting customer expectations for product quality and environmental stewardship
- Pan-industry collaboration through the Wood Council of New Zealand (Woodco)
- The expansion of a robust on-shore wood processing industry.

Such an industry will also be well positioned to meet government innovation, employment and environmental objectives.

As general manager of New Zealand's largest forest owner, Hancock Natural Resources Group (HNRG), McCallum is daily in touch with the issues that affect all forest owners, including the 10,000 or more small block holders who own about a quarter of the planted forest estate.

"Our members – who include most of the larger owners – are strongly committed to professional standards including environmental verification such as FSC,



Bill McCallum

accords with ENGO and community groups and industry health and safety codes.

"In the last fortnight I have visited many of our company's forestry operations and have been very encouraged to see our suppliers' commitment to improving their health, safety and environmental performance. Initiatives developed recently by the industry in co-operation with ACC, the Department of Labour and a number of regional councils are underpinning these efforts.

"It is my hope that more owners of smaller forests will see the value of joining the FOA or the Farm Forestry Association, and get the benefit from all the good work we're doing on so many fronts."

McCallum was a member of the FOA executive committee in the 1990s and is a former chair of its transport committee. He rejoined the executive committee in 2007 and represents FOA on the Board of Woodco.

Before joining HNRG in 2004, he held positions in operations management, marketing and acquisitions with Fletcher Challenge Forests Limited in New Zealand and South America. He previously worked throughout Asia and the Pacific with an international forestry consulting firm.

McCallum holds a Bachelor of Forestry Science from the University of Canterbury and an MBA from the University of Otago.

The new FOA vice-president is Paul Nicholls, managing director of Rayonier Matariki Forests Ltd.

## "ONLY FOR A YEAR OR TWO ..."

When past president Peter Berg accepted nomination as FOA president in 1999 he was assured it need only be for a "year or two".

Twelve years later, he's relieved that a successor has stepped forward. "Change at the top is healthy – it introduces new perspectives and changes the boundaries of what's possible."

Highpoints in those 12 years include the signing of the Forest Accord (see p8); the creation of an effective pan-industry body, Woodco; the successful battle for forest owners to have the right to participate in the ETS; and the establishment of Future Forests Research (FFR).

But he says the stand-out feature of his time in office has been the phenomenal level of support provided by members of the FOA.

"Our industry has been at the forefront of those developing environmental protection policies, codes of practice around drugs and alcohol in the workplace and the independent certification of good forest management. These things have happened only because of the high level of voluntary input by individuals supported by their employers."

When Berg became president he was a member of the NZ Farm Forestry Association and president of the NZ Institute of Forestry. So he encouraged these organisations to make use of the FOA premises and to work together for the common good.

This culminated in the recent establishment of the ForestWood Centre – home for the majority of the major forest industry associations. An important part of this was the creation five years ago of a body representing wood processors, the WPA, which in turn enabled a pan-industry body, Woodco, to be established.

"In my view we have created a robust industry structure with clear leadership. Nowhere is this more evident than through the development of NZ Wood and the commitment to funding its work programme. Another example is the current industry strategy development exercise."

When Berg first accepted the role as president, it says it was a relatively easy choice given his enthusiasm for forestry and belief in its importance to the rural economy and landscape.

"After 12 years in the role I am as sure as ever of the importance of trees and forests in the rural land-use mix."

# HEY DUDE! BERNIE IS COOL

**MOST FOREST OWNERS HAVE THEIR OPINIONS ABOUT THE BERNIE FIRE PREVENTION BILLBOARDS, BUT THOSE OPINIONS DON'T COUNT. FOREST OWNERS ARE NOT THE TARGET AUDIENCE.**

Ask youths aged 15-28 and you may get an answer different to your own. Which is exactly what the National Rural Fire Authority (NRFA) did before planning their 2011/12 rural fire prevention campaign.

Much to the surprise of many, Bernie has 81% recognition in the target audience – an astonishingly high figure, according to survey firm Mitchell Communications.

This, they say, gives him huge value as a message carrier, something that should not be discarded lightly.

Similarly high recognition figures were recorded for the half-grapefruit sign and the *C'mon keep it green* message – principally as a result of summer TV advertising campaigns. Indeed, 85% of the target audience love, like or feel ok about the ads.

Most importantly from a fire prevention point of view, 86% of those surveyed recognised the fire danger symbol. Of these, 91% said they take notice of it to some degree, 63% would respond to the fire danger level indicator on the signs and 93% said they thought it was a great/good idea to remind people about summer fire risk.

The 86% reach also supports the NRFA's use of free to air TV advertising. While the target age-group is commonly thought to prefer MTV, Sky Sports and video games, they're obviously still viewing enough free-to-air TV for the fire message to get across.



Murray Dudfield

With Bernie, the billboards and the advertising medium confirmed by the research, the NRFA is continuing its advertising this summer, says national rural fire officer Murray Dudfield. But there will be a small tweak, the 'call to action' is being changed.

Last year's Call 111 to report a wild fire, will become *Don't light a fire you cannot stop*.

Dudfield says the new message is aimed at changing personal behaviour, by focussing on the consequences of lighting fires at times when the risks are high.

The frequency of the ads will be similar to recent years, with a budget of \$240,000. Most of this is funded by the NRFA, with support of \$80,000 from the FOA and \$10,000 from the Department of Conservation.



Bernie has something new to say to his youthful followers

## A COMMODITY LEVY ON LOGS

The FOA is developing a proposal for a levy under the Commodity Levies Act 1990 on logs from plantation forests. If approved, it will be on harvested logs of all species, including export logs and logs processed in New Zealand.

For plantation forestry to achieve its full potential, the industry needs the FOA to be truly representative of everyone in the sector. Hence the need for a levy paid by all and an organisation answerable to all.

An FOA project team is now working on the proposal. If it is supported by the FOA executive committee, forest owners will be consulted, followed by a referendum in mid-2012.

To be adopted, the levy must win the support of a majority of owners, both by number and by forested area. Levy payers will then be consulted each year on spending priorities. After six years the levy would need the support of a further referendum before being renewed.

The main drivers for the levy are growing demands on FOA resources and the need to make forward financial commitments, especially to fund research. This in turn reflects rapidly increasing log production and the growing expectations society has of land-based industries.

The FOA is expected by forest owners, industry stakeholders and government to drive co-operation within the sector and to represent the sector in its interactions with government and the wider community.

At the moment the FOA and Farm Forestry Association do this work, but although they are well supported by the subscriptions and levies of those who choose to become members, many non-members also benefit. In addition, the FOA relies heavily on the voluntary input of members via a strong committee structure.

The focus now is on developing the draft proposal to form the basis of the referendum. This in part involves meeting – in discussion with MAF – the statutory requirements for a commodity levy, including communications with all potential levy payers.

# HARD GRAFT BEHIND THE SCENES

## MOST PEOPLE PROBABLY ASSOCIATE THE NZ WOOD BRAND WITH TELEVISION ADVERTISEMENTS AND ROADSIDE BILLBOARDS.

But it's the behind the scenes work that's probably more important in terms of winning new customers for wood, especially in the construction of commercial buildings.

Under the stewardship of new chief executive officer Jane Arnott, NZ Wood will initially focus more on achieving outcomes using a mix of collegiality and compelling evidence and less on consumer advertising.

Spot promotions will still have their place, as was evident at the Canterbury A&P Show in mid-November, where eye-catching billboards invited punters to adopt a green solution for the red zone. The original TV ads may also get another airing.

But the priority will be to build effective relationships with potential customers and those who influence their decisions.

"Decision-makers are increasingly aware of the economic, social and environmental benefits of wood. But many of them have never previously specified wood for a multi-storey or large format commercial building," Arnott says.

"In order to get them to make that leap of faith, NZ Wood needs to provide them with innovative building solutions that they can be confident in."

This will occur only if the NZ Wood brand has integrity. Its values need to be credible. Our solutions must be based on well researched business cases that meet the rigours of a very challenging marketplace. This formula for a successful brand and marketing strategy – evidence, processes, engagement, relationships and integrity

– has been honed by Arnott in a wide range of marketing roles. These include export marketing with the former Dairy Board, consumer marketing with Unilever, sponsorship marketing with Transpower and Mitre 10 and in the construction sector with Golden Bay Cement and latterly with Matrix Security Group.

"Integrity applies as much to businesses and brands as it does to individuals. Brands are like buildings. If they lack integrity, they eventually fall down," Arnott explains.

"Brand integrity is the ability to stand and deliver, to be trusted to put things right when something goes wrong. It means having the courage to question whether you could be doing things better – which you always can, because everything is a work in progress."

So it comes as no surprise to learn that she's embarked on intensive research to uncover what's working for NZ Wood and what isn't. This ranges from the legislative and regulatory environment in which buildings are specified and constructed, through to the operational, attitudinal and educational hurdles NZ Wood needs to understand and overcome.

Simultaneously Arnott's getting closer to specifiers and other influencers to learn more about their perceptions and needs.

In September, NZ Wood convened a series of highly successful seminars featuring Italian engineer Paolo Lavischi and English architect Andrew Waugh. A survey of the architects and engineers who attended showed 98% believed the use of engineered timber in commercial buildings is the way forward.



The stumbling blocks? A lack of information and education. So look for more NZ Wood seminars promoting and explaining how to use engineered timber, along with web-based design tools for architects and engineers.

A survey of entrants and attendees at the NZ Wood Timber Design Awards, as well as those who weren't able to attend, will provide even more insights on how to press the buttons of influencers.

"The awards have 36 years of history. But we need to be creative and build their prestige and relevance for potential entrants, so the winners get the recognition they deserve," Arnott says.

At the Auckland and Victoria University schools of architecture, the teachers of the influencers of the future have welcomed the potential for NZ Wood to support them in building their understanding of the use of engineered timber and with student course work. They're more tasks for Arnott's to-do list.

Clearly a breath of fresh air is blowing through the glades at NZ Wood.



NZ Wood CEO Jane Arnott

**The green answer to the Red Zone**

Wood: the Canterbury rebuild material of choice

**NZ WOOD**  
For a better world

[www.nzwood.co.nz](http://www.nzwood.co.nz)

Spot promotions will still have their place, like this show week billboard in Christchurch



## FOREST HEALTH

# RED TREES ARE GREENING AGAIN

## RED NEEDLE CAST (RNC) SYMPTOMS ARE ON THE WANE AS THE WEATHER MOVES INTO SUMMER.

This has been an exceptionally bad year for RNC, thanks to an unusually wet and warm autumn and early winter. In mid-November there were still some affected forests in Northland and other parts of the North Island, but symptoms are now generally much less severe than during winter and early-spring.

In severe cases, all trees in a stand are affected. Needles go a distinctive red colour and die before being cast or shed. This goes for planted trees, natural regeneration, pruned and unpruned, thinned and un-thinned stands and trees from 1-2 years old through to trees more than 20 years old.

The effects can be visually dramatic, but there have been very few reports of tree deaths. Most trees recover their needles in spring and early summer and appear to be unaffected by the experience, though growth rates are likely to be affected if defoliation reoccurs.

Radiata pine is susceptible to a number of

needle disorders that can cause needles to turn red and fall off. These include Dothistroma needle blight, which has been present here for 50 years and physiological needle blight (PNB), which has been present for 30 or more years.

RNC is definitely triggered by weather events, but scientists are still not certain of the cause. It is possibly a continuum of PNB and if we solve one, we likely solve the other.

FOA biosecurity committee chair David Balfour says RNC is being treated seriously by the association.

“Researchers are looking at a possible control options – such as chemical sprays – should economic losses ever warrant such a move,” he says.

There is also a major programme looking at the introduction of beneficial organisms, or endophytes, into radiata pine to make them healthier and more resistant to all foliar problems.

Radiata naturally hosts a number of endophytes. Some can be detrimental and cause defoliation, such as the *Cyclaneusma* pathogen which lives in needles. Others, such as the mycorrhizal species living in the roots, are beneficial.

The committee is working closely with the



Red needlecast symptoms in Wairoa in August. It looks dramatic, but nearly all trees recover

Radiata Pine Breeding Company to look for possible genetic resistance in trials in areas where RNC has occurred. Results should be available soon.

There is also research underway to better understand any organisms that may be associated with the disorder. No conclusive links have so far been found.

## ENVIRONMENT

# DISTRICT PLAN LANDSCAPE PERILS



The perils of being in an ONL zone. An ONL designation may constrain afforestation, even though the existing plantings are very sympathetic with the landscape

If you plan to plant a forest in a picturesque part of the country, keep a close watch on changes to the local district plan.

As councils review their plans, many are zoning Outstanding Natural Landscapes (ONLs). FOA environment committee chair Peter Weir says that once an ONL zone has been put in place, the area is effectively out of bounds for afforestation.

“The proposed National Environmental Standard for Plantation Forestry (NES) won’t help prevent this,” he says.

In most districts plantations are part of the

normal pattern of land use and have the same right to be there as farm crops, livestock or shelterbelts. This was confirmed by the judge’s decision in a test case involving Rodney District (*Forestry Bulletin*, Autumn 2010). But once an ONL is in place, the game changes.

ONLs have been zoned in several districts and more may soon be designated in Horowhenua and Kaipara – districts with a long history of mixed land use, including forestry.

“A recent ONL horror story involves a

couple who applied to their district council to plant more land on the upwind side of their existing Douglas-fir plantings in the South Island high country. Their existing plantings are very sympathetic with the landscape, and nicely buffered with a few rows of ponderosa pine to limit edge seed spread,” says Weir.

“In the local district plan, plantings and earthworks above 600 m in ONL zones require full discretionary consents. This meant the land owners had to submit an Assessment of Environmental Effects (AEE). This included the landscape effects for the full forest cycle, including harvest. It was reported that this cost them around \$10,000.

“Then – despite 150 years of burning, heavy stocking, cultivation, topdressing and oversowing – the council planner requested a full ecological assessment. Once this second study was done, the council’s consultant ecologist said more information was required from more field surveys. So the council stopped the clock on the consent with a request for further information.

*continued page 8*

# RETHINK FOR METHYL BROMIDE

## NEW ZEALAND MUST BE ABLE TO GUARANTEE TO OVERSEAS CUSTOMERS THAT THEIR IMPORTS OF NZ LOGS AND WOOD PRODUCTS ARE FREE OF KIWI BUGS.

Doing this without methyl bromide (MB) is a challenge the forest industry has accepted.

MB is the standard international export-import fumigant. It's highly effective and safe when used correctly, but because it damages the ozone layer in the upper atmosphere when released, its future is in doubt.

The Environmental Protection Authority (NZEPA) has ruled that by 2020 MB used during fumigation in New Zealand will need to be recaptured. By then, the authority expects users to either find a replacement for the gas and/or develop new ways of capturing and deactivating it.

A 5-year, \$2.5 million research programme led by STIMBR, Stakeholders in Methyl Bromide Reduction, is under way. This is being jointly funded by the forest industry, Zespri and the government under a Primary Growth Partnership (PGP) contract signed in September.

The approach being taken has many of the elements of best practice in waste management: re-think, reduce, replace, recapture, re-cycle and disposal. "Basically, we are going back to square one, re-thinking all possible options. What we know, what we need to know and what might be possible," says STIMBR chair Ian Gear.



Ian Gear

In mid-February 2012, a brainstorming workshop will be convened, involving outstanding technologists and researchers from both New Zealand and overseas. Their intellectual challenge – and they won't be all from the forest sector – will be to come up with potential solutions that haven't yet been thought of.

Five organisations recently briefed a STIMBR Working Group on initiatives that might be included in the research programme.

In recent years the quantity of MB used by



A sample of activated carbon on top of a MB recapture drum at Port Nelson

the forest industry has increased along with the volume of log and timber exports. But use rates have been fine-tuned, so that use per log has been reduced and less of the gas is released than might otherwise have been the case. Research now underway will explore whether rates can be reduced further.

Also, trials with in-hold fumigation with phosphine gas led to it being accepted nearly ten years ago as a MB replacement for in-hold shipments en route to China.

Genera is conducting investigations and trials to determine if the remote monitoring of in-hold phosphine gas levels is possible. Plant and Food is studying the response of insect pests to various phosphine levels. When the data from these trials is analysed, STIMBR hopes evidence will be available to assist MAF in negotiations to convince more trading

partners to accept in-hold phosphine fumigation as an alternative to MB fumigation before shipment.

Other alternative fumigants include EDN, an ozone-friendly fumigant which requires a shorter fumigation period than methyl bromide. The NZEPA has granted a permit to BoC to conduct trials of the gas, subject to a number of controls.

A lot of the public debate about methyl bromide has centred on the desirability of recapturing the gas after use in order to reduce damage to the ozone layer and to allay concerns about perceived health risks.



The industry and the NZEPA want less MB to be used and released

In some locations, MB is already being recaptured from shipping containers using activated carbon.

Because some carbon recapture systems require up to 5 tonnes of carbon to soak up 1 tonne of MB, recapturing the gas from log shipments has been seen as impractical. But the technology is being revisited to see what the possibilities might be.

"New concepts involving the destruction of recaptured methyl bromide are being bench-tested," says Gear. "Scion is modeling the dispersion of the gas after release, so that there is a sound scientific basis for reassuring communities that their health is not being put at risk."

Another major research area involving both Scion and the University of Canterbury comes under the heading of risk management – technologies that don't involve chemicals at all. These include the heating of logs to kill insects, the identification of seasonal windows when insects are not present and ways to deter insects from becoming hitch-hikers on export products.

"There is a very strong wish within the forest industry to reduce methyl bromide emissions and to find effective alternatives. We obviously need to meet the biosecurity expectations of our overseas markets, but we are also justly proud of our environmental credentials," says Gear.

"There are huge incentives for us to be successful. As these new technologies are introduced and our MB emissions are further reduced, it will help bolster our clean green status. Additionally some candidate technologies have the potential for significant cost savings."



## NEWS IN BRIEF

### ACCORD 20TH CELEBRATED



FOA former president Peter Berg and Forest & Bird's Kevin Hackwell were among the 30 who turned out to celebrate the 20th anniversary of the New Zealand Forest Accord at Te Papa in October.

The Accord has proved to be a great success, with constructive working relationships replacing conflict and dispute. Under the Accord, forest owners agreed not to clear native forests to establish plantations and to protect remnants of indigenous vegetation within their plantations. For their part, conservationists acknowledged the important part plantation forests play in producing wood products on a sustainable basis.

Berg says the Accord owes much to then FOA president Bryce Heard and a precedent-setting agreement between Tasman Forestry and environmental interests in its region.

"The Accord has created a great deal of mutual understanding, support and trust between forest owners and the environmental community. This has led to joint action in areas of benefit to the forestry community – such as developing policies on climate change and opposing the import of illegally harvested timber and forest products."

In 2007, forestry, conservation and outdoor recreation groups reaffirmed the accord. They extended it to cover the important role plantation and indigenous forests could play in helping New Zealand reduce its carbon emissions. They also made it consistent with the customary rights and responsibilities of Maori; as well as the Treaty of Waitangi.

### TIME TO REGISTER FOR FORESTWOOD

Early-bird registrations are now open for the third ForestWood Conference, to be held at Te Papa on 21 March. It's shaping up to be a cracker day.

Prime minister John Key has been invited to do the opening honours (to be confirmed), followed by three sessions intended to give everyone a real insight into where their industry is headed.

The *strategies for success* session will start with a look at the main drivers of price and demand in our major markets. The session will culminate with the presentation of the New Zealand Pan-industry Strategic Action Plan by Lees Seymour, chair of the Woodco Governance Group.

The *seismic shifts* session will hear from Professor Richard Phillips, North Carolina State University, about the transformation of world's pulp and paper industry. Associate Professor Stefano Pampanin of the University of Canterbury will look at earthquakes around the globe and what we can learn from the response. Emerging technologies for engineered wooden buildings will also feature.

The day is capped off, in keeping with the industry's focus on strategies for success, with a *game breaking changes* session on how to bring about positive behavioural and cultural change.

The conference will conclude with a cocktail function and dinner with guest speaker Joe Bennett.

Early bird registration costs \$150 plus GST for FOA, WPA, FICA, PMA, NZFFA and FTMA members. The early bird discount period closes on 1 February. The industry dinner costs an additional \$100.

To register and to get the latest: [www.forestwood.org.nz](http://www.forestwood.org.nz)

## MERRY CHRISTMAS

The FOA board and staff wish members, colleagues, associates and friends a merry Christmas and happy holiday.

2011 has been a challenging year for many, especially for those affected by the Canterbury earthquakes. Also some market challenges still lie ahead. Nonetheless we did enjoy a period of higher returns and as an industry we have made excellent progress on many fronts, some of which are described in this issue.

But soon it will be time to chill-out, enjoy family and friends, and rejuvenate in the warmth of a Great Kiwi summer.

The FOA office closes at midday on 23 December and re-opens on 9 January. We look forward to working with you again in 2012.

*continued from page 6*

"By then the land owners had missed the planting season, so had to pay their nursery to mulch \$100,000 worth of young trees."

No FOA members should have to go through such an experience. Hence Weir's message to keep a close eye on proposed changes to district plans. "If the changes are going to affect you, make a submission."

Also, quite apart from the ONL issue, he cautions that councils may look at the implications of eventual harvest before giving consents for new forest planting, especially in steeper, highly visible erosion-prone country.

"Planning for the full forestry cycle at the time of first planting may be an integral part of the proposed NES. 'Front-loading' should markedly increase investment certainty for forest owners. Before a single tree is planted they will know where they will stand at harvest."