

## Entering the Kyoto period of history

Piers Maclaren

I seem to have been working on Greenhouse issues ever since Noah sequestered carbon in the form of harvested wood products. Not that Noah's behaviour did the world much good – the sea level rose anyway, or so they say.

My initial thoughts were simple: trees are a cheap, environmentally-friendly tool for removing some excess atmospheric carbon. New Zealand foresters can easily estimate the growing stock of our forests, now and for several decades hence. The change in growing stock, when expressed in terms of total biomass-carbon rather than stemwood volume, is a practical way to assess the benefits of forestry as a carbon sink. New Zealand could use these calculations to demonstrate to the rest of the world that it is a responsible citizen of the Greenhouse. Plantation forestry could restore its sagging image. Taxes on fossil-intensive materials would benefit wood in the marketplace.

From these naive ideas, and from the meticulous estate-model calculations of Steve Wakelin, forest sinks have moved into a nightmare world of increasing lunacy. A new language has appeared: non-forest, Kyoto land, additionality, fungibility, CP1 and TAR. 'Hot air' is not a joke but has a specific Kyoto meaning.

Another favourite hobby-horse since 1989: carbon sequestration by plantations is a function of the rate of new-land planting. Sequestration is merely the change from a low carbon-density landscape (e.g. pasture) to a higher one (forestry, of whatever type). The more pasture or short scrub the country converts to trees, the more credits it will eventually possess, until we run out of plantable land. Therefore the current trajectory of planting rates is a disaster for NZ Inc. None of the public, and few foresters, seem to understand estate modelling, but the planting boom of the mid-1990s must as surely as night follows day echo in a harvesting boom during the third or fourth "commitment period". Not only will forestry cease to buttress our expanding but fossilised economy, our Kyoto plantations will become a liability, with their emissions adding to those from industry.

It is absolutely obvious that central and local Government must support and promote forestry. In retaining (nationalising, stealing) the forestry credits, central Government has a huge vested interest in boosting forest expansion. It also has a major stake in curbing dairy expansion, in view of the negative externalities (including Greenhouse liabilities) that derive from that industry, but that's another story. In the words of the strategic advisors, Castalia, "By 2030, the carbon tax revenue will no longer be sufficient to

cover the Government's obligations. Other taxes will need to rise." The combined effects of this and the burden from superannuation, they say, will be "dramatic".

A good example of the mad-house in which we find ourselves is the Projects Mechanism. This is pure Cloud-Cuckoo land. "Please, Government, give me some of your credits. I promise that this worthy project would not have proceeded without your generosity, but the credits (of unknown value, and which may be worth nothing particularly after 2012) have made all the difference to the project's viability. Believe me!" By handing out such credits, does anyone seriously consider that business-as-usual emissions will be reduced?

As a person who has hardly spent a week in the last 15 years without working on or at least thinking about climate change, it is sometimes a shock to realise the chasm in understanding that has grown between those closely involved and the newcomers. The latter are still talking about ice-ages, Vikings and grapevines, government "theft" of credits, and America's failure to ratify. The science has moved on and so has the policy. Many people fail to appreciate that even a so-called "Permanent Forest Sink" cannot provide credits in perpetuity – trees don't grow endlessly taller and fatter – whereas any Greenhouse obligations are forever. Great-grandchildren will curse their ancestors for the credits they thoughtlessly pocketed, while leaving a never-ending legacy of insurance, monitoring and reporting costs.

What has been the impact of this whole sorry saga on New Zealand's forestry sector? Undoubtedly, negative. The hoped-for public approval has failed to materialise – we are still dumped upon by politicians, farmers and so-called environmentalists. The Damoclean sword of "deforestation taxes" hangs over the heads of tree planters: establish trees on any piece of land and, in effect, you may forfeit some of your freehold rights to that land; there is a risk you can never again change the land-use without penalties amounting to several times the value of the land.

But there's no point in denying the science, and pretending it will all go away if we ignore it. Also, it is all too easy to slag off at politicians and officials. We all have contributed to this mess, and we all must figure out how to extricate ourselves.

\* Piers Maclaren is a Registered Forestry Consultant and a former Forest Research scientist. His column appears regularly in the Journal.

