



Land Classification for Forestry in the ETS



Recently I attended one of the workshops held around the country on land classification for forestry in the Emissions Trading Scheme. This workshop highlighted a number of issues you should be aware of prior to submitting an application to the ETS.

The definition of a 'Forest', do spaced planted poplars earn a carbon credit?

The ETS definition of a 'forest' means that yes, close spaced poplar trees planted for soil conservation in a pastoral situation may be legible for earning carbon credits under the ETS. This would only qualify if the land had no trees present 1990 and that the poplars are adequately spaced to achieve a 30% canopy closure at maturity. The area has to be greater than a hectare with a width greater than 30 m unless contiguous with other forest land.

Spaced poplar trees would need to be managed to achieve this definition. For example, an apple orchard might have the potential to achieve the 'forest' definition but the pruning regime means that the canopy closure would not achieve this criteria. Hence it is excluded.

Carbon Accounting Areas

When you register your post 1989 forest with the ETS you do so by splitting your forest up into one or more forest areas. These forest areas are called Carbon Accounting Areas (CAA) and are what you report on either on an annual basis or at the end of a commitment period.

Before you submit your CAA's you need to register as a participant under the ETS. You can do this on-line www.maf.govt.nz/sustainable-forestry/ets-application.htm. This will also give you a holding account for your carbon credits.

Until the end of the first commitment period (2013) it is voluntary to report annually on one or all of your CAA's, in terms of the net change in carbon stocks. This has to be done before the end of March for the previous calendar year and you can only submit one voluntary return per year. If there is a positive change in the amount of carbon stocks then you are paid out in carbon credits. If the change is negative you may choose not to include the CAA that is negative (i.e. areas that have been harvested) for that year. However, you will be required to account for this net change in carbon stock at the end of the commitment period and either redeem credits or pay.

The annual incremental change of carbon can be determined in two ways. Using the MAF lookup tables or undertaking your own measurements from permanent sample plots.

The lookup tables consist of a pre-calculated values of forest carbon stocks, by age and for a given forest type. These tables cover five forest types: Pinus radiata, Douglas fir, exotic softwoods, exotic hardwoods. Each different forest type sequesters carbon at different rates. For radiata the lookup tables are further differentiated by region. To use the tables, you need to know area of the forests and ages.

The MAF lookup tables are arguably conservative in their sequestration rates and depending on your forest objectives it may be more profitable for you to undertake your own measurements.

Differentiating your forest into CAA's should not be undertaken lightly. Future harvesting of part of a CAA can affect your carbon accounting ability for that CAA. You may lose the ability to claim for the areas not harvested. MAF will not allow the CAA's to be re-split at a later date unless there has been a changed ownership. It is important to split your forest into CAA's that reflect both your current and intended future management. Consideration should be given to forest type, age, management, and harvesting technique when differentiating your forest into CAA's. Failure to do this means that you may face penalties later.

Mapping your CAA's

The rules and procedures MAF have for mapping of CAA's is complex, with the intention of getting the CAA's both correct and consistent from the start. MAF have clearly outlined the mapping requirements and this information is on their website.

The first point to note is that MAF require electronic shape files for all mapping. Shape files are produced from a geographical information system (GIS) computer programme. CAA's are drawn over an ortho-rectified aerial photograph so as to obtain accurate areas and locations. To have this information in a standard form creates the opportunity for MAF to develop a New Zealand database of all forestry within the scheme. MAF can also determine the validity of the forest with respect to age (pre 1990 or post 1989 aerial photography), determine whether the forest has gaps within it, and will check whether the forest still exists in the future with updated aerial photos or satellite imagery.



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Your CAA's can only be within your legal property boundary. Often in farming situations there are 'give and take' boundaries and you have planted the whole hill face in return for another area, with the legal boundary running through the middle. In the eyes of MAF the trees outside your legal boundary actually belong to your neighbour, despite the gentleman's agreement some 50 years ago.

The edge of your CAA forest extends out to the canopy edge at maturity or the legal boundary. Areas of forest less than 30 m wide are only permitted, if they are attached to an area greater than 1 ha and are wider than 30 m. Parts of forest are only considered contiguous if the "gap between blocks" is less than 15 m, which includes roads if the gap is less. Pre 1990 and post 1989 forests can not be lumped together as one CAA.

It is important to get the CAA's set up right and to undertake your mapping to the standards outlined by MAF.

The ETS seems to continue to be a source of large amounts of complex information. We will endeavour to continue to keep you up to date with the requirements from MAF to be involved with the scheme. Want to know more, contact LandVision Ltd at landvision@gmail.com.