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Submission

- to -

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A National Environmental Standard for Plantation Forestry

Introduction

The Wood Processors and Manufacturer's Association of New Zealand welcomes the opportunity to make a submission on a National Environment Standard (NES) for Plantation Forestry.

The wood processing sector delivers multiple benefits for New Zealand. It is one of the few sectors that align, simultaneously, the government's economic, social and environmental objectives.

Expansion of the planted forest resource is very important to wood processing investors. Continued commitment to, and expansion of, domestic processing will be heavily influenced by access to input supply. Achieving more cost effective regulation of plantation forests through an NES will contribute to encouraging forestry expansion and therefore help the value-add part of the supply chain make the necessary long term and large scale investment to grow the share of processing carried out on-shore.

WPMA, its members and sector value

WPMA advocates on behalf of a broad membership spanning the whole wood supply chain. WPMA represents one of New Zealand's biggest manufacturing sectors. Our sector epitomises the low carbon/high value manufacturing economy that the nation is striving towards. Our members turn a commodity – logs – into high value, end products marketed in New Zealand and internationally.

WPMA members handle in excess of 85% of the wood processed in New Zealand. We produce pulp, paper, sawn lumber, panels, laminated products and mouldings. Increasingly our members are producing, or have the potential to produce, new construction systems, biochemicals, biofuels, textiles and bio composite material.....protecting the environment and creating jobs simultaneously.

The wood processing and manufacturing sector in New Zealand:

- Delivers \$2 billion GDP.
- Is the 3rd biggest export sector at \$2.5 billion per annum.
- Provides 20,500 regional jobs directly and 10,000 indirectly.
- Is one of these most productive manufacturing sectors showing a 40% rise in output per worker over the last 10 years. This is twice as fast as all manufacturing and 2.5 times as fast as the whole economy.
- Wood processors generate in excess of 70% of their own energy from residues avoiding an estimated \$1.1 billion per year in energy costs which means that this sector uses a higher proportion of renewable energy than any other manufacturing sector.
- The forests that supply logs to the wood processing and manufacturing sector have been estimated to generate in excess of \$12 billion per year in ecosystem services.

Submission Points

The WPMA has read the NES consultation document and had an opportunity to review submissions made by other organisations representing forest growers. Based on this, the WPMA supports the submissions made by the NZ Forest Owners' Association (FOA) and the NZ Institute of Forestry (NZIF). We make one specific point below:

WPMA is aware that the NES consultation has raised public concerns about the deployment of GMOs in NZ. The WPMA shares the view with both FOA and NZIF that the EPA should have decision-making power over the introduction and commercial deployment of genetically modified organisms in New Zealand. This should be based upon all statutory public consultation requirements. We also understand that introduction and deployment of GMOs is, in fact, regulated by the EPA under the HSNO Act and that the proposed NES has no regulatory jurisdiction over this matter.

That said, please note that both of the main international wood product certification schemes (Forest Stewardship Council and the Programme for Endorsement of Forest Certification) explicitly ban the commercial use of GMOs. Under these schemes any commercial use of GMOs in New Zealand forestry would result in withdrawal of certification and therefore loss of access to some of the highest value overseas markets for our wood products.

The government should be aware that the public concern currently aroused risks being picked up in overseas markets and that this perception could undermine the value of our in-market brands. We urge the government to therefore proceed cautiously around this matter. At the same time WPMA recognises the usefulness and general acceptability of a diverse range of contemporary plant breeding techniques and recommends that the government proceed to remove confusion and ambiguity by reviewing the definitions of these techniques set out in the HSNO Act.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Jon Tanner', is written over a light blue horizontal line.

Dr Jon Tanner
Chief Executive