



**tasmanian conservation trust inc**

The Secretary  
Legislative Council Select Committee - Tasmanian Forests Agreement  
Parliament of Tasmania  
Hobart Tas 7000

15 January 2013

## **TCT submission to the Legislative Council Select Committee Inquiry into the Tasmanian Forests Agreement Bill 2012 and any other matters incidental thereto**

### **Summary and Overview**

There are seven points that the Tasmanian Conservation Trust (TCT) would like to raise with Legislative Councillors which are directly related to the Tasmanian Forests Agreement Bill 2012 (TFA Bill) and matters incidental to it. We consider it important that Councillors consider the wider context within which this legislation has been brought to Parliament in order to provide the appropriate context within which possible amendments may be evaluated. Furthermore, we can see opportunities for the Legislative Council to seek assurances and commitments from the Government that some of the more unsettling possibilities will not be pursued.

The TFA Bill and the Tasmanian Forests Agreement (TFA), if implemented unchanged, will not deliver a comprehensive forest conservation outcome or peace in the Tasmanian community.

The TCT recognizes that the TFA would deliver significant conservation outcomes, primarily through reservation of wilderness and World Heritage value forests on public land (which we very much support) but that there are other equally significant biodiversity conservation outcomes (principally forest biodiversity conservation on private land) which it will not deliver and may perversely place under greater threat.

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The TFA Bill, as it stands, is likely to increase the threat to those forests outside current and proposed reserves, mostly on private land, which are the most important for conservation of biodiversity including threatened species. These forests need the protection afforded by a strong and scientifically based Forest Practices Code (Code). However, the provisions of the TFA Bill could potentially weaken the Code at a time when it should be strengthened. Retention of a strong Code which protects biodiversity values is also required to give confidence to buyers and consumers that the timber products come from authentically sustainable forest sources.

It is vital that the Legislative Councillors recognise the serious deficiencies in the 'Signatories' Vision for Tasmania's Forests (the Vision), which is included as a Schedule to the TFA Bill as a defacto statement of government forest policy, and the resultant dangers of the TFA Bill exempting Vision-implementing actions from the state's planning and environment laws.

It is astonishing that the Vision fails to recognize the conservation values of forests outside the formal reserve estate on public land (including current and proposed reserves) and nor does it recognize conservation mechanisms other than formal reservation. By omission, the Vision contains an untenable assumption that effective protection of biodiversity and other forest values will be delivered through the current and proposed formal reserves on public land. Furthermore, the Vision falsely implies that it does not matter how future forestry operations take place once the proposed reserves are in place.

When representatives of the 'Signatories' to the TFA were presenting to the Legislative Council on 10 December 2012, they were at pains to emphasise the extent to which they were determined to 'back the Agreement in' (FIAT) or 'back in the whole Agreement' (The Wilderness Society).

But what does 'back in' mean. In his opening remarks, FIAT's Terry Edwards noted that the TFA was the 'best possible agreement – for us!'. In other words, the ENGOs have simply and uncritically endorsed the industry's aspirations in return for the forestry industry's uncritical support for additional reservation ambitions. The result is that Australian taxpayers are being asked to uncritically fund the mendicant forestry industry's Christmas wish list while Tasmanian legislators are being asked to uncritically endorse industry's aspirations (see Schedule 1). Also, any non-signatories are prevented from effectively expressing differing interest in the same public forests by ensuring that industry's 'Vision' can prevail over any competing objectives in the state's planning and environmental laws (see Clause 5, TFA Bill). For governments to give a vested interest industry sector exactly what it wants is no way to make industry policy or to manage public forests. It is also no way to bring about 'peace'.

In summary, the TCT's seven areas of concern are:

- **The need to ensure that the Forest Practices Code is not downgraded** (and the Forest Practices Authority (FPA) that implements it is not undermined) and that the FPA's advice currently before the Minister to upgrade the Code to improve its biodiversity conservation provisions is acted upon.
- **The importance of ensuring that any certification of native forest harvesting regimes** is a genuine attempt to incorporate best practice forestry rather than allowing additional reservation to excuse poor standards and that overcutting native forest as part of a transition to plantations is not given any imprimatur of sustainability.
- **The importance of recognising the serious deficiencies in the 'Signatories' Vision Statement** included as a Schedule to the Bill as a defacto statement of government forest policy; and the resultant dangers of exempting Vision-implementing actions from the state's planning and environment laws.
- **The need to ensure that Government commitments to reform Forestry Tasmania**, in line with advice from URS Australia's Strategic Review stage 2 report of August 2012, **are not frustrated** and that fundamental reform of institutional arrangements for the management of both state forest and reserved land is undertaken as a matter of urgency.
- **The need to recognise that the TFA Bill would deliver significant conservation outcomes**, primarily through reservation of wilderness and World Heritage value forests on public land.
- The importance of recognising that **the Commonwealth, with the support of the Tasmanian Government, is likely to proceed immediately with a renomination of the Tasmanian Wilderness World Heritage Area** to extend the boundaries to the east and north, based on Map C annexed to the 'Signatories' agreement.
- **The importance of getting it right on 'forest carbon' policy** not only to take advantage of commercial opportunities afforded by reductions in greenhouse gas emissions associated with reduced levels of logging, but also to avoid the perversities associated with encouraging the development of biomass or biofuel industries based on wood from native forests.

The TCT's full submission follows and it includes a series of attachments.

Yours sincerely,



Peter McGlone  
Director

# TCT submission to the Legislative Council Select Committee Inquiry into the Tasmanian Forests Agreement Bill 2012 and any other matters incidental thereto

## Main Submission

15 January 2013

### 1. Forest Practices Code – in need of an upgrade

**It is of the utmost importance to ensure that the Forest Practices Code (Code) is not downgraded (and the Forest Practices Authority (FPA) that implements it is not undermined) and that the FPA's advice currently before the Minister to upgrade the Code to improve its biodiversity conservation provisions is acted upon.**

The TCT has raised this concern over the future of the Forest Practices Code previously with Legislative Councillors (see Attachment 1, TCT submission to Legislative Council regarding the Tasmanian Forests Agreement Bill 2012, 7 Dec 2012 – see Section 2, pp.4-5). Key concerns remain:

- Since the passage of the Forest Practices Act (FPA) in 1985 and the first iteration of the Forest Practices Code in 1987, the Code has set the benchmark performance standard for commercial forestry operations in Tasmania. This has often been highlighted by industry and politicians over the years to back up claims of 'world's best practice'.
- The Code is a 'living document' – best practice is an aspirational goal towards which one makes progress as political circumstances allow. Code upgrades in 1993 and 2000 resulted in substantial improvements, especially to its soil and water conservation provisions which, *inter alia*, resulted in the near total phase-out of logging of steep and erodible slopes, including by cable logging.
- In 2007, the FPA initiated a further review of the Code with a view to a further upgrade to improve its biodiversity conservation provisions. The resultant report and recommendations have been on the Minister's desk since 2010 pending the outcome of 'peace talks'. For as long as the Code is not upgraded as recommended, it continues to fail to respond to scientific advice, national commitments and community expectations.
- Meanwhile, the Tasmanian Forest Agreement of 22 November 2012 (TFA) seeks a commitment from government to amend the Forest Practices Act to:
  - Recognise the 'Vision' (see TFA Clause 53) – note the Vision is included as Schedule 1 of the TFA Bill;

- Require the FPA to consider social and economic, as well as environmental, outcomes of their decision-making processes (see TFA Clause 53); and
  - Maintain the Code (see TFA Clause 53); but
  - Clause 54 seeks to ensure that the review of the Code is 'progressed in a manner consistent with' the TFA.
- **The intention appears to be that the Code is to be made subservient to the TFA.** The TCT understands that the Minister has already sought advice from the Forest Practices Authority (FPA) as to how such subservience might be achieved. As the FPA made clear in its submission of 6 December 2011 to the Independent Verification Panel (see Attachment 2):
    - The goals of the TFA (of increased reservation and guaranteed wood supply levels) cannot be implemented without undermining the Code, especially the 'dispersed coupe' provisions which seek to prevent excessive concentration of logging in individual catchments;
    - Forestry Tasmania would probably need an exemption from the Code in order to allow it to breach the 'dispersed coupe' and other provisions because the TFA concentrates too much logging in remaining areas of state forest and current levels of 'headroom' discounts would be hard to maintain; and
    - Implementing the recommendations of the report of the review of the biodiversity provisions of the Code is likely to require a substantial increase in 'headroom' discounts, or decrease in available wood resources, especially where oldgrowth elements in the landscape need to be protected or restored in degraded landscapes.

Just in case there should be any doubt about what 'progressing the Code in a manner consistent with the TFA' really means, Clause 5 of the TFA Bill makes it clear that "If any provisions of this Act are inconsistent with any provisions of the ... (d) Forest Practices Act 1985 .... The provisions of this Act prevail ...". The purpose of this clause is, in particular, to ensure that current or proposed new provisions of the Code would be over-ridden if it restricted (in the opinion of the Forests Minister) the capacity to supply guaranteed wood volumes.

**RECOMMENDATION: If the Code is to be maintained as a credible operating standard for the forest industry in Tasmania, the TFA Bill should be amended to delete Clause 5 in its entirety. At a minimum, Clause 5(e) should be deleted and a new sub-clause 5(2) inserted which states that:**

**'The TFA shall not be taken to override or amend the Forest Practices Act and/or Forest Practices Code and cannot be taken to provide any person or organization with authority to do so'.**

If the Code was to be weakened or prevented from being strengthened in order to supply guaranteed wood volumes, this would have disastrous outcomes for Tasmania's forest biodiversity.

Our negative view of the impact of weakening or failing to improve the Code stems from a wide range of scientific reports that show that unprotected forests which are most important for conservation of forest-dependent biodiversity, including threatened species are found outside proposed reserves. The conservation of these biodiversity-rich forests is therefore dependent on retaining a strong Code. Weakening the Code would put the most threatened forests under greater threat.

The TCT raised concerns regarding the likely intensification of logging and the weakening of the Code in greater detail in its submissions to the Jonathon West-led Independent Verification Panel process early in 2012. The TCT also provided similar evidence in April 2011 to the Legislative Council Government Administration Committee 'A' inquiry into 'The Impact of the proposed Transition out of Public Native Forest Management and harvesting in Tasmania'. Copies of both submissions were previously provided as a part of the TCT's 7 December 2012 submission to the Legislative Council.

Similar concerns were raised by the Forest Practices Authority (FPA) in its submission to the IVP and this is included as Attachment 2.

We also refer the Legislative Council to the excellent papers presented to the Ecological Society of Australia symposium, 'Forgotten Conservation Priorities in Tasmania', held in Hobart in April this year. The full program for the symposium can be downloaded from the ESA web site at:

[http://www.ecolsoc.org.au/documents/Priorities\\_symposium\\_program.pdf](http://www.ecolsoc.org.au/documents/Priorities_symposium_program.pdf)

These papers demonstrate the broad and deep concern within the scientific community at the prospect of a so-called peace deal which is expected to exacerbate biodiversity conservation problems outside reserves.

We also wish to draw Councillors' attention to the Rod Knight Report 1A to the IVP process 'Analysis of comprehensiveness of existing conservation reserves and proposed additions to the Tasmanian forest reserve system'. This report assesses the contribution made by the proposed and existing reserves to key forest conservation targets including the National Reserves System (NRS) targets. It is clear that the proposed public forest reserves make little contribution to efforts to implement ongoing Tasmanian Regional Forest Agreement (RFA) commitments to reach NRS targets. Almost all of these additional reservation targets can only be met on private land.

It was the concerns within the scientific community regarding the failure of the Code to adequately conserve biodiversity which led to the 2007-10 review of the Code. The Tasmanian forest industry needs a strong and respected Code, based on up-to-date scientific knowledge and regulated by an independent FPA, if it is to convince buyers that the products are derived from sustainably managed sources. To weaken the Code or to restrict the capacity of the FPA to implement improvements based on current

scientific knowledge would send a very damaging message to buyers and consumers of Tasmanian timber products.

We would also like to bring to Councillors' attention the fact that the Code already has taken into account economic and social considerations. This is principally achieved through the open and transparent consultation process by which the Code is amended. Additionally, the Code is required to be consistent with the Regional Forest Agreement, itself the result of an open process where such matters were given consideration. The Code is a regulatory standard. It is thus inappropriate that its application should be made unduly discretionary, contentious, variable and unpredictable by requiring the FPA to anecdotally take into account non-technical matters when applying the Code.

## 2. Certification needs to be Authentic

**The clauses 46-48 of the Tasmanian Forests Agreement relate to certification of remaining forestry activities in Tasmania. We are concerned that the Signatories may not be committed to authentic certification of native forest harvesting regimes but instead may be attempting to use certification to patch-over the weakening of the Forest Practices Code.**

**Authentic certification must recognise best practice forestry rather than allowing additional reservation to excuse poor standards and ensure that overcutting native forest as part of a transition to plantations is not given any imprimatur of sustainability.**

Incoming Forestry Tasmania (FT) Board Chairman, Bob Annells, when presenting to the Legislative Council hearing on 10 December 2012, made it absolutely clear that FT consider having Forest Stewardship Council (FSC) certification to be absolutely essential to gaining and keeping market access for wood products derived from native forests. He also noted that, from a marketing perspective, being able to work with a few, larger ENGOs was something he could work with.

Unfortunately, the mere support of ENGO signatories to the TFA, while it may be sufficient to secure certification, is not enough to deliver authenticity. Herein lie the seeds of future conflict. To seek certification for Forestry Tasmania operations that may be exempted from the Forest Practices Code or subject to a downgraded Code is obviously inappropriate. This is a market perception problem not just for FT but for private landholders as well. Private landholders face an additional problem as it is simply unfair that FT should be able to exempt itself from the provisions of the Code by recourse to Clause 5 of the Bill while private landholders have no such latitude.

A genuinely 'vibrant' industry that TFA signatories say they aspire to (see TFA paragraph 1A) could have been provided for if the TFA had simply endorsed the ongoing upgrading of the Forest Practices Code as recommended. Instead, the TFA seeks to pointedly prevent such upgrading of the Code. As a result, we have a 'recalcitrant' native forest logging industry that fully intends to operate to standards it knows are below best practice and at variance

with professional and scientific advice from the FPA. Waving around the endorsement of a few ENGOs cannot substitute for actually doing the right thing.

If FT persists in taking this approach to FSC certification, it will inevitably make the certification process itself very divisive with the scientific community and some environmental groups on one side and the logging industry and other groups on the other side. Whether such a disingenuous approach would satisfy markets remains to be seen.

### **3. The Signatories' 'Vision' is seriously defective as a defacto Forest Policy for Tasmania**

**It is vital that the legislative Councillors recognise the serious deficiencies in the 'Signatories' Vision for Tasmania's Forests (the Vision), which is included as a Schedule to the Bill as a defacto statement of government forest policy, and the resultant dangers of the TFA Bill exempting Vision-implementing actions from the State's planning and environment laws.**

#### **The Vision is equivant to a forest policy for Tasmania**

The Vision for Tasmania's Forests (the Vision) is included as a schedule to the TFA Bill and therefore is intended to have statutory status and perform the critical function as a forest policy of the state government. This should be of great concern to the Legislative Councillors both because of the way the Vision was developed, i.e. by unelected and unrepresentative groups and rubber-stamped by government (note the absence of community consultation and no input from experts, private landowners and the Tasmanian forestry regulator), but also because of the flawed content and negative way we believe it will be applied.

#### **Forest values outside of reserves not acknowledged**

The Vision fails to recognize the conservation values of forests outside of the formal reserve estate on public land (including current and proposed reserves) and nor does it recognize conservation mechanisms other than formal reservation (Page 1, dot point 1 and Clause 7). By omission, the Vision contains an untenable assumption that effective protection of biodiversity and other forest values will be delivered through the current and proposed formal reserves on public land. Furthermore, the Vision falsely implies that it does not matter how future forestry operations take place once the proposed reserves are in place.

Furthermore, the opening paragraph of the Vision downplays the importance of forests outside of the reserve estate by claiming that 'Implementation of this agreement provides the basis for resolution of long-standing conflict surrounding the management of forests...'. The Signatories want the government, parliament and community to believe that peace is likely if the reservation agenda on public land is delivered while other, unreserved, forests can be ignored or put at greater risk.



### **Purpose of the Vision**

The primary reason that the Vision is included in the legislation is to allow all actions required for implementation of the Vision, in particular to provide 'confidence and security to production' (Clause 12), read 'wood volumes', to be exempted from the state's planning and environment legislation, in particular the Forest Practices Code, pursuant to clause 5 of the TFA Bill.

For example it is likely that the current coupe dispersal requirements of the Code would be exempted, to provide 'security to production'. Similarly, the current stringent controls on cable logging may be exempted to permit a significant expansion of this form of logging to compensate for the loss of resource due to the creation of new reserves.

Also, any significant improvements to the Code which increase headroom (area of forest which cannot be logged due to environmental constraints) and impinge on 'security to production' would either be refused by the Forests Minister or, if implemented, could be overridden by the Forests Minister pursuant to Clause 5 of the TFA Bill. The Minister could further justify such actions because strengthening the Code threatens the Vision's goal of 'resolution of long standing conflict' (Introductory Paragraph).

The other purpose of the Vision is to elevate the importance of the proposed reserves and assert that the proposed reserves virtually complete the forest conservation agenda. For example Clause 7 claims, without any caveat, that the reserves deliver on the national and international conservation values, whereas many national conservation priorities, especially biodiversity are found on private land and the reserves contribute little to conserving them. The Knight report to the IVP found that there was little contribution in terms of National Reserves System criteria.

### **Sustainability**

The Vision fails to define sustainability even though the word is used in Clauses 1 and 3. Given that sustainability is not defined and it is only used only in industry clauses of the Vision, the word is clearly intended to be understood as commercial sustainability i.e. supply of wood volumes at levels that maintain commercial viability. Any valid forest policy statement must include a full definition of sustainability, including an acknowledgement of the environment, social and economic elements of sustainability.

The review of the biodiversity provisions of the Forest Practices Code (FPC) identified the absence of a definition of sustainable forest management in the Forest Practices Act and the review report recommended that the definition contained in the National Forest Policy Statement be included into the Forest Practises Act.

### **Landscape approach to forest management**

Clause 8 of the Vision makes some vague and non-committal references to the need for a landscape approach to forest management. This is a particularly cynical attempt to appear to address this issue while the Vision and TFA Bill will, if implemented unchanged, limit the capacity of the Forest Practices Authority to implement the Landscape Biodiversity Management Framework which it has developed and is currently trialling.

The Vision is fundamentally flawed and even this brief analysis provides compelling evidence in support of our recommendation in Section 2 of this submission for deleting Clause 5 entirely, or at the very least deleting Clause 5(e), in order to safeguard the Code and the forest values which exist outside of the formal reserve system.

#### **4. Reform of Forestry Tasmania needs to be Profound**

**It is vital that government commitments to reform Forestry Tasmania (FT), in line with advice from URS Australia's Strategic Review stage 2 report of August 2012, are not frustrated by the TFA Bill and that fundamental reform of institutional arrangements for the management of both state forest and reserved land is undertaken as a matter of urgency.**

The TCT is supportive of the Tasmanian Government's decision to accept URS Australia's advice that 'Option 2', as set out in their Stage 2 Report (see pp.29-35, especially Fig 4-4 on p.31, included as Attachment 3). The Hansard text from 29 August 2012 of the Ministerial Statement by Minister Green (12.08pm) and the response from Tasmanian Greens leader, Mr McKim is included as Attachment 4. The key proposal is that wood harvesting should remain with FT while land and forest management should be with 'a Government agency (notionally DPIPW) [to] become responsible for the stewardship and long-term management of State forests and its ecological and social values' (see p.31).

URS Australia correctly identify the separation of commercial wood harvesting from multiple use management of public land and forests as the vital institutional step. Public native forests are obviously and inescapably possessed of a wide range of values and subject to a wide range of uses – that may be either complementary or in conflict.

**RECOMMENDATION: It is for this reason that the TCT recommends that the TFA Bill be amended by deleting Clause 7 such that public native forests open for commercial exploitation remain designated as 'Multiple Use Forest Land' rather than as 'Permanent Timber Production Zone Land'.**

Industry, signatory ENGOs and government are sowing the seeds of future conflict by futilely asserting that such forests are no longer of 'multiple use' when this is manifestly not so because Clause 7 makes no substantive change in regard to forest use.

In his presentation to the Legislative Council on 10 December 2012, FT Chairman, Bob Annells made it clear that the forestry industry has been inevitably changing to a different scale and form and that these trends have been solidly in place for the last five to seven years. It is no new phenomenon and it is driven by global market realities, not local politics. This commercial reality coupled with the potential substantial increase in the size of the reserve estate gives Tasmania an historic opportunity to fundamentally reform the institutions responsible for managing public land – both forests available for logging and formal reserves.

The TCT has put a suggestion to Government about how this might best be done (see Attachment 5, 'Forestry Tasmania – to be cosmetic or profound – that is the question', article in the *Tasmanian Conservationist* No.327, October 2012, pp.8-9). In essence, the TCT is proposing that:

- Forestry Tasmania be converted into a state-owned company with a limited mandate to buy harvesting rights, harvest and sell wood to customers on a fully commercial basis;
- Parks Division of DPIPWE be converted into a statutorily independent Parks and Reserves Authority to manage an expanded public reserve estate; and
- A Land Stewardship Commission be created to manage remaining areas of state forest for the full range of multiple uses and values, including selling regrowth harvesting rights to FT.

While the renaming exercise provided for in Clause 7 can be regarded as largely cosmetic, the entrenching of legislated supply commitments in Clause 6 is inappropriate if the forest industry is to be put on a modern, sensible, market-oriented basis. If Bob Annells is correct in his observation that the forest industry is inevitably changing to a different scale and form, it seems inappropriate to entrench it in its current form. Furthermore, we note with concern that Clause 6(b) allows government to extend legislated commitments from eucalypt veneer and sawlogs to any other categories of 'prescribed timber'.

**We appreciate that to abandon legislated supply immediately would be unsettling for remaining mills so we recommend an amendment which provides a five-year sunset clause on such supply guarantees.**

**RECOMMENDATION: That Clause 6 of the TFA Bill be amended such that S.22AA (1) of the Forestry Act 1920 reads: '(1) Each year, for not more than five years from the commencement of the TFA Act, the corporation must make available:'.**

This would give existing old-mill owners, used to the old Crown quota system comforts, time to prepare for the introduction of genuine market-based arrangements that would include opportunities for new entrants to compete for access to wood resources.

Indeed, if Tasmania is to have a genuinely 'vibrant' forest industry, it needs 'new blood' that only open and contestable markets will attract. It's time for real change that reflects today's realities.

## **5. Additional areas of State Forest do warrant Immediate Reservation**

The TCT has expressed its concern that the reservation agenda advocated by the ENGO 'Signatories' makes little contribution to filling identified Tasmanian gaps in the National Reserve System (NRS). It still remains true that the vast majority of biodiversity conservation priorities, including additional reservation

to meet NRS and Regional Forest Agreement commitments, involve moderating activities on private land.

Nevertheless, it is recognized that the TFA Bill would deliver significant conservation outcomes, primarily through reservation of wilderness and World Heritage value forests on public land, which the TCT very much supports. The TCT supports the formal reservation of the 563,000 hectares of public forests as proposed by the ENGO Signatories. We note that the IVG has confirmed community assertions articulated by ENGO 'Signatories' that some 563,000 hectares have high conservation value warranting its protection by reservation.

We are particularly keen to see both IGA signatory Governments cooperate to deliver on their shared national commitments, especially in enabling the Federal Government to discharge its commitment and obligation to properly identify, delineate and protect World Heritage values.

## **6. World Heritage now!**

**It is of the utmost importance to recognise that the Commonwealth, with the support of the Tasmanian Government, is likely to proceed immediately with a renomination of the Tasmanian Wilderness World Heritage Area to extend the boundaries to the east and north, based on Map C annexed to the 'Signatories' agreement.**

The TCT is strongly supportive of the commitment by Federal Environment Minister, Tony Burke, to immediately proceed with a renomination of the Tasmanian Wilderness World Heritage Area (WHA) to extend its boundaries to the east and north before the 2013 February notification deadline. We have urged the Tasmanian Government to support and endorse this commitment.

Map C, annexed to the TFA, indicates where these WHA extensions should go. Final boundaries for the proposal will, quite properly, be finalised by Minister Burke before submitting it. As a boundary extension, its justification is based on the contiguous expression of World Heritage values already recognised within the existing WHA. It is important to note, however, that this is not the full extent of World Heritage values in Tasmania. Indeed, it is highly likely that a World Heritage nomination for the Tarkine would be successful.

Should the Commonwealth proceed with an immediate renomination of the WHA, it will be necessary to ensure that current and planned logging operations, including new roading, within the nominated area are immediately abandoned. Obviously, those within International Union for Conservation of Nature (IUCN) charged with conducting a technical assessment of the WHA renomination proposal on behalf of the World Heritage Bureau would expect to find a management regime in place that is sympathetic to and protective of the values identified.

**RECOMMENDATION: With this in mind, the TCT suggests that the Legislative Council seek an assurance from the Tasmanian Government that it will instruct**

**FT to immediately cease and desist from all logging and roading operations within all areas to be nominated for World Heritage listing.**

## **7. Forest Carbon as a new Industrial Forest Use**

**It is vitally important to get it right on 'forest carbon' policy not only to take advantage of commercial opportunities afforded by reductions in greenhouse gas emissions associated with reduced levels of logging but also to avoid the perversities associated with encouraging the development of biomass or biofuel industries based on wood from native forests.**

As Peter Downie from the Tasmanian Farmers and Graziers Association (TFGA) correctly pointed out in his 10 December 2012 presentation to the Legislative Councillors, now that the Meeting of Parties to the Kyoto Protocol of the United Nations Framework Convention on Climate Change (UNFCCC) has agreed to a second commitment period and that Australia has agreed to sign, it is unequivocally possible for Tasmania to be issued with and subsequently sell carbon credits into the 'mandatory' market and not just the 'voluntary' market. We make this point because, from comments made by Councillors during hearings on 10 December, it seemed to us that Minister Burke had misinformed Councillors on this important point.

We are also aware of media comments to the effect that the Commonwealth may decline to issue carbon credits to an otherwise eligible Tasmanian entity because of 'double dipping' – financial arrangements associated with TFA implementation being deemed to have substituted for carbon credit eligibility. This is an incorrect interpretation of the situation. The relevant correspondence, a letter from Commonwealth Parliamentary Secretary, Mark Dreyfus QC MP to Tasmanian Minister for Climate Change, the Hon Cassy O'Connor MP dated 10 October 2012, is included as Attachment 6.

The Tasmanian Government has an immediate opportunity to develop and seek Commonwealth approval of a methodology that estimates reductions in greenhouse gas emissions to atmosphere attributable to a reduction in forest harvesting activities as a result of TFA implementation or for whatever others reasons.

**RECOMMENDATION: We suggest that the Legislative Council urge the Tasmanian Government to commission the Forest Practices Authority to lead the process of developing and securing approval of a 'reduced forest degradation emissions reduction' methodology as a matter of urgency.**

Furthermore, the TCT is of the view that a proportion of any revenue from subsequent sale of such 'reduced forest degradation emissions reduction' carbon credits should be used as seed funding to establish an 'Ecosystem Services Stewardship Fund'. This Fund would then be used to make payments to landholders in support of prioritised management actions intended to secure biodiversity conservation outcomes across Tasmania. We provided further details on this proposal in our Open Letter to the Prime Minister and

Premier dated 21 November 2012 and a copy was forwarded to all Legislative Councillors.

**RECOMMENDATION: We suggest that the Legislative Council join us in commending the establishment of an 'Ecosystem Services Stewardship Fund' to the Government and supporting our proposal that income from carbon credits be used as seed funding for the fund.**

## **Attachments**

1. TCT Submission to the Legislative Council regarding the Tasmanian Forests Agreement Bill 2012, 7 December 2012
2. Forest Practices Authority submission to the Independent Verification Panel under the Tasmanian Forests Intergovernmental Agreement, 6 December 2011
3. Extract from URS Australia's Strategic Review of Forestry Tasmania, Stage 2 report (redacted), 10 August 2012, pp.29-35
4. Hansard extract, Ministerial Statement to Parliament, Forestry Industry and Forestry Tasmania, 29 August 2012 and response from Tasmanian Greens leader, Mr Nick McKim (12.08pm - )
5. Article, 'Forestry Tasmania – to be cosmetic or profound – that is the question', in the *Tasmanian Conservationist*, No.327, October 2012, pp.8-9)
6. Letter from Commonwealth Parliamentary Secretary, Mark Dreyfus QC MP to Tasmanian Minister for Climate Change, the Hon Cassy O'Connor MP, dated 10 October 2012