



29 July 2008

The Renewable Energy Sub Group Secretariat Renewable Offsets and COAG Branch Department of Climate Change GPO Box 854 Canberra ACT 2601

SUBMISSION ON WORKING GROUP ON CLIMATE CHANGE AND WATER DESIGN OPTIONS FOR EXPANDED NATIONAL RENEWABLE ENERGY TARGET SCHEME

This submission relates to the following extract from Section 2.2 Eligible Resources which states that ".... the MRET allows native forest biomass as an eligible fuel subject to this biomass being a harvest residue or processing waste, with further conditions around the harvesting operation. By contrast, native forest harvesting residue is excluded under the Victorian and New South Wales schemes."

The Coastwatchers Association Inc agrees that the expansion of the Mandatory Renewable Energy Target to 20% is an effective way of reducing Australia's greenhouse gas emissions

However it does not support the proposal to include native forest biomass as an eligible renewable fuel in this scheme for the reasons set out below.

Native forest sequestration of carbon dioxide is much more valuable

Forest ecosystems are Australia's major terrestrial carbon sinks. The dense carbon stocks in native forests provide a reliable, long term carbon store far larger than the default value the IPCC has been using. Recent robust research at the Australian National University on the eucalypt forests of south eastern Australia has estimated the carbon sequestration potential for these forests to be 590 tonnes carbon per hectare. Since temperate native forests in south east Australia cover approximately 70 940 square kilometres this represents an astronomical amount of carbon storage. Protecting these native forests offers a much larger and cheaper means of mitigating net greenhouse gas emissions than using them as a source of biomass fuel.

Analysis has also shown that it is the trees from 150 to 400 years of age that provide the major stores of carbon. It is therefore important to note that the forecasting models for carbon dioxide abatement used by the forestry industry are only calibrated for younger regrowth forests and ignore the carbon storage potential of older undisturbed native forests.

Plantations and regrowth forests provide a poor carbon stock compared to undisturbed native forests where the amount of carbon stored is greater, more resilient and longer term than the modest amount of carbon sequestered in monocultures that are cut down every 15 to 30 years.

Production of electricity from native forest biomass is not carbon neutral

The positive spin from The National Association of Forests Industries NAFI takes advantage of a loophole in the Kyoto carbon accounting framework which measures only greenhouse gases resulting from "land use change" since 1990 i.e. emissions from clearing of native forests and sequestration by plantations since 1990. It does not measure emissions from land

whose use remains unchanged, nor from pre-1990 plantations which are being logged faster than they can regrow.

Comprehensive carbon accounting shows that native forest logging is responsible for more than 7% of Australian emissions. Millions of tonnes of carbon dioxide emissions are produced per year by native forest logging. Emissions from forestry activities in native forests can be as high as 3670 tonnes of carbon dioxide per hectare. Even for the dry forests type such as those found in south eastern NSW, emissions are up to about 1000 tonnes per hectare. These quantities ought to be included in any serious assessment of the sustainability of native forest logging and industrial use of the forest biomass under this renewable energy scheme.

Moreover, the impact of logging and silviculture practices in comparable forest types has created both an increase in the number of smaller size class of trees and a decline in the larger sized trees. Studies of selectively logged eucalypt forests on the NSW south coast have shown that above ground stocks in managed native forests are approximately 60% of their potential carbon carrying capacity. This adds to the debit column of the carbon account for this proposal. It also indicates that previously logged temperate eucalypt forests will achieve carbon sequestration potential if regrowth is allowed to recover from previous disturbance and progress to an increase in forest age, tree size, and volume of coarse woody debris in situ.

Logged native forest biomass is not a reliable feedstock

The major type of vegetation exploited by the forestry industry (tall open forest and open forest) covers only 4% of Australia today. There is mounting evidence that native forests are being depleted at a faster rate than they can replace themselves. This does not support the assertion in the Regional Forest Agreements that the native forest industry is sustainable.

The 2008 State of the Forests Report states that Australia has 10% less forest than has been thought for the past five years. Whilst the difference may be due to a new method of calculation, this result has raised concern that forest agreements and environmental policy have been based on flawed figures.

Industrial use of forest "waste" or "harvest residue" leads to more trees being logged.

Members of Coastwatchers have had the opportunity to experience first hand what happens when Forests NSW have had the opportunity of a market for its native forest "waste".

Eurobodalla is located in the Southern RFA Region which supplies the South Eastern Fire Export chipmill at Eden. Over the last 35+ years we have heard politicians and forestry politicians repeatedly assert that the timber industry is sawlog driven with the residue supplying the mill. (*Mark: could you insert some figures for Southern Region that highlights small volume of sawlogs produced*?).

Figures have shown that the presence of the Eden chipmill has led to the removal of extra millions of tonnes of wood from south eastern NSW and Victorian native forests. (Do you agree Mark and Martyn?) This supports Coastwatchers view that regardless of the definition of waste and harvest residue used, the end result will be the cutting down of even more trees.

Throughout this time, our members have seen, on a weekly basis, the trucks heading for the chipmill carrying whole logs most of which have been taken from our multi aged native forests. It is certainly not "heads" and "butts". Given what we know now about the potential carbon storage capacity of these trees if they had been left standing, this practice no longer makes sense.

In 2002 it was proposed to establish a charcoal plant in Eurobodalla. (I had only just come down here to live and whilst I took part in demos I am not properly informed on the tree poisoning fiasco. Mark can you fill this in please?

Conclusion

For the above reasons The Coastwatchers Association urges the Working Group to reconsider the inclusion of native forest biomass as an eligible renewable fuel in the proposed scheme.

(Name and position in CW)