



National consistency for the management of Plantation Forestry under the Resource Management Act (RMA)

This is the second in a series of bulletins to keep stakeholders informed of the progress of the Ministry for Primary Industries (MPI)-led work programme that is seeking to address the inconsistent treatment of forestry activities under the RMA. The first bulletin provided an overview of the project and can be found on the MPI website (<http://mpi.govt.nz/forestry/resource-planning>).

Since our last bulletin the working group has made good progress across a number of work areas including further refining the assumptions that underpin the cost benefit analysis, determining a suite of planning rules that can be delivered nationally for forestry, and improving how the erosion susceptibility classification is applied.

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Update on the review of the Cost Benefit Analysis

The review of the cost benefit analysis (CBA) is underway and is focused on ensuring that the assumptions that underpin the CBA are robust and defensible. This is important so that all stakeholders can have confidence in the results. MPI has contracted NZIER to assist with this work.

A range of assumptions are currently being tested to ensure they are appropriate to include in the CBA. For example, the previous CBA assumed that there would be no major changes in planning rules or resource consent conditions for forestry activities under the status quo. However, feedback from forest owners indicates that second generation plans are changing substantially and resource consent conditions on forestry activities have been becoming increasingly stringent, as has compliance and enforcement.

Work is also continuing to identify and more accurately quantify the key costs and benefits associated with moving from the current regional and local rules or consents (status quo) to an NES (or other planning tool). This includes analysis, for example, of moving from the status quo to a 10 metre planting/replanting setback from perennial rivers or streams where there is a channel width greater than 3 metres. Previous analysis may have over-estimated this effect and the current project is focused on providing a more accurate result by excluding (1) streams and rivers less than 3 metres in width and (2) areas which already have a setback in place either as a voluntary measure or through existing provisions or other legislation.

Message from Hon. Jo Goodhew, Associate Minister for Primary Industries

Forestry is the country's third biggest export industry, after dairy and meat. Last year we exported \$4.5 billion of forestry products (year ending June), and exports are forecast to increase to \$5.1 billion for the year ending June 2014. It is important that this vital sector to our economy has the right business environment in which to operate and grow. Government is working hard to create the right regulatory structure to allow this to happen – this includes improving the operation of afforestation schemes and updating the standard for timber structures.

I am aware that the inconsistency of RMA planning rules across regional and district councils is adding costs and creating investment uncertainty for the forestry sector. I also understand it is challenging for you to engage effectively with the current planning environment.

There are clear benefits in having a set of national planning rules for plantation forestry wherever possible. While I expect that the current RMA reforms will benefit the forestry sector as they deliver additional mechanisms to achieve national planning consistency, I consider that the work on rules for forestry is a priority – which is why I have asked MPI to progress this work.

I recently met with Minister Adams, Minister for the Environment who reassured me of her continued support for this work, and that her officials would work constructively with MPI to ensure proposals are well considered, and balance both commercial and environmental objectives.

I am appreciative of the on-going commitment and engagement of the broad range of stakeholders who are involved in this work. Thank you to you all. However, there is still more to be done. I encourage you all to stay involved, and continue to work in a collaborative way through the issues.

I look forward to seeing the outcomes of your work in the coming months.

Hon Jo Goodhew
Associate Minister for Primary Industries

A perennial challenge with CBAs is adequately accounting for environmental benefits and costs. The working group alongside NZIER is exploring how this might be done. This is important so we get a balanced CBA.

Although a CBA was prepared as part of the previous Ministry for the

Environment NES process, the results of this revised CBA will help determine the appropriateness of the rules that have been developed, irrespective of the planning tool used to implement the rules.

MPI expects to have a revised CBA available by late June.

Deciding on national consistency

The working group is making good progress on developing the planning consistency rules for each of the 8 plantation forestry activities (afforestation, mechanical land preparation, earthworks, stream crossings, quarrying, pruning/thinning, harvesting, and replanting). To help with this process the working group has developed a framework called an Activity Cascade which collates the following information for each activity (see below):

A core focus of this work is ensuring that the Activity Cascades

collectively capture the full range of effects associated with the 8 activities that make up the forestry planning cycle. For example, harvesting of trees also includes soil disturbance associated with machinery movement and log extraction

The working group is close to completing the Activity Cascades for afforestation, pruning and thinning, harvesting and replanting and expects to complete work on the remaining four Activity Cascades by the end of June.

ACTIVITY CASCADE

Outcome	What are we seeking to achieve by delivering national consistency for plantation forestry activity. For example, to develop nationally consistent harvesting controls that manage the environmental risks in a manner that is in-line with good forestry management practice.
Scope	What is included in each plantation forestry activity and what is excluded, and why. For instance harvesting includes the act of felling and removing trees from a site and includes the disturbance of soil associated with operation of machinery but does not include earthworks required to establish access roads as this is a separate activity.
Risks	What are the environmental risks associated with the activity that need to be addressed. This is important to ensure that the agreed rules and conditions are targeted at the risks that need to be mitigated but do not unwittingly create undue cost or unnecessary constraints. For example, the primary environmental risk associated with pruning and thinning operations is the degradation of water quality or aquatic environments from woody debris entering water bodies.
Jurisdiction	Whether a district or regional council has responsibility for monitoring compliance with the rules and for setting additional consent conditions if an operator is unable to meet the permitted conditions. For instance, regional councils are responsible for the control of discharges of contaminants, such as sediment, into water and district councils are responsible for controlling the use and development of land.
Activity Status	Whether an activity or part of an activity is: <ul style="list-style-type: none"> – Permitted – a permitted activity can be undertaken without a resource consent provided that all necessary conditions are complied with. – Controlled – a controlled activity requires a resource consent. However, if a consent is applied for, councils must grant the consent but can impose consent conditions that must be adhered to. – Restricted discretionary – restricted discretionary activities require resource consent. Councils can grant or decline the consent application but a council's decision-making power can be restricted to certain matters. – Discretionary – discretionary activities require resource consent. Councils can grant or decline the consent based on their assessment of all relevant matters.
Conditions	The specific rules that apply to each activity. The approach is to specify activities as permitted, where possible, but with rules to mitigate risks. For example, harvesting permitted activity conditions require a harvest management plan to be prepared.

ACTIVITY CASCADE continued

Stringency	The areas where national consistency is not appropriate and where councils have flexibility to set more stringent rules than in the activity cascade. For example, where an activity is taking place in an area of significant indigenous vegetation or significant habitat of indigenous fauna, the development of a local approach is considered appropriate to manage the risks posed to the specific vegetation or habitat.
Rationale	This section sets out a description of why the specific rules and conditions have been proposed. A clear rationale is important as it illustrates why the control is needed and how it will address the identified risks. This information will also be used to demonstrate that the rules and conditions are fit for purpose and will guide the preparation of supporting information to help operators to comply with the rule. For instance, the rationale of requiring forest owners to prepare a harvest management plan is to ensure that all of the site specific risks are identified before operations commence and methods to manage these risks are developed.
Implementation	Specific guidance on how the rules can be implemented both in terms of operator compliance and how councils can monitor and determine compliance with the rules.

Improving the Erosion Susceptibility Classification (ESC)

The working group continues to work on improving the ESC by addressing the issues of accuracy and scalability identified during the previous NES process. This work is being delivered in collaboration with Landcare and GNS Science. There are four categories within the ESC ranging from low risk of erosion through to the land having a very high risk of erosion.

and there is an agreed approach to update the classification when there are issues with its appropriateness or accuracy. Progress to date on each of the three tasks is as follows:

TASK 1: Task 1 involves establishing a process to update the ESC for a particular land area if there are concerns about the accuracy of its classification. Issues with accuracy occur because the scale used

LOW (Green)	Land areas are typically flat and the potential erosion risk is slight. A good example of this category is the Canterbury plains (excluding the riparian zones of major rivers.)
MODERATE (Yellow)	The potential risk of erosion is higher than slight but is not severe. Typically rolling hill country or moderate slopes with very light soils such as coastal sand dunes.
HIGH (Orange)	Potential risk of erosion is severe. Land areas are typically steep hill country, such as the foot hills of the southern alps in the Canterbury and Otago regions. This classification also includes land of moderate to steep slopes where gully erosion is severe.
VERY HIGH (Red)	Potential risk of erosion is very severe to extreme. Land areas range from very steep hill country to vertical cliffs and highly erosion-prone hill country of the North Island's East Coast district.

Put simply, the ESC classification determines how the activity status is applied and the rules for managing the erosion risk from forestry activities on a specific area of land. Land with a high susceptibility of erosion is subject to greater controls. The ESC is a core input into the Activity Cascades described above. The approach being taken by the working group is to develop national planning rules (with conditions where appropriate) for green, yellow and orange zoned land. It is expected that in the majority of cases individual councils will retain the ability to apply specific controls for red zoned land in their area.

Work is underway on the three tasks described in the previous bulletin. The primary outcome of this work is establishing an ESC that can deliver the best balance of effective and equitable planning rules by ensuring that land is appropriately and accurately classified

for the ESC is typically 1:50,000. This can mean that large areas are covered by a single classification even if the area of risk (such as a gully) is only a small part of the overall area. In contrast forestry operations are typically planned at a 1:5,000 scale and therefore the actual activity may occur in an area that is not actually at high risk despite the overall rating applied to a land area. A key focus of Task 1 is to enable finer scale assessments to be made of land areas.

The working group has developed a draft process that can be followed by a landowner or council to update the classification of land. The process is currently being assessed and tested for suitability by Landcare Research. Part of this testing involves applying the process to an area around Lake Taupo that is currently classified as having high susceptibility to erosion. To inform the

update of the classification of this land finer scale data has been collected, using LiDAR¹. Once this Task is complete a standard process will apply to any future area-specific updates of the ESC. The project will also illustrate the potential advantages and obstacles in using more accurate inputs such as LiDAR in the planning environment.

This Task is due for completion by the end of May 2014.

TASK 2: Task 2 further investigates the underlying attributes and characteristics that determine the erosion susceptibility in the Orange Zone (Severe Risk of Erosion). The work focuses on analysing these underlying attributes and characteristics with the assistance of erosion experts from Landcare Research and GNS.

One of the key challenges with the ESC is that it is a classification system based on four categories and the ability to group the multitude of land types across New Zealand into one of four categories can be problematic. This can lead to land areas being assigned a classification which in turn determines the planning rules that apply which may not be appropriate.

This approach has proved to be particularly problematic in orange zoned land and trying to develop a set of national planning rules based on the ESC could lead to situations where the proposed rules

¹ LiDAR (light detection and ranging, sometimes called Laser Scanning) is an airborne mounted technology that determines distance to an object or surface using concentrated light pulses. It is similar to radar technology, which uses radio waves instead of light. The range to an object is determined by measuring the time delay between transmission of a pulse and detection of the reflected signal.

may not be sufficiently stringent to manage actual risk or conversely overly stringent leading to higher operating costs for forest owners.

The purpose of Task 2 is to explore the possibility of further refining the “high” risk erosion classification into sub categories. If a robust set of sub-categories can be developed, then the planning rules can be better tailored to address the actual erosion susceptibility risk. This will mean that appropriate planning rules can be applied which balance the need to control activity on erosion prone sites and do not place overly restrictive requirements on forest owners.

Task 2 is scheduled for completion in October 2014.

TASK 3: In spite of its challenges the ESC is an important information tool that has wide ranging uses, not just in this current project, but across land management and land use decisions generally. Task 3 is focused on ensuring that over the long-term the ESC continues to be a robust and reliable decision support tool. This includes ensuring that there is appropriate governance in place to manage the long-term direction of the ESC and that there are systems in place to incorporate new data and research methodologies as this becomes available; including the process developed in Task 1.

Task 3 is expected to be progressed through the Land Use Capability Classification System Governance Group. This group is in the process of being established.

This is a longer-term project and MPI expects that it will extend beyond the current project.