

Spring 2020

Bulletin

COVID-19 – weathering the storm



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The fine art of adaptation

The COVID-19 pandemic has undoubtedly reset the button on the global economy and is causing a rethink on just about everything.

There is a new focus on regional and national supply chains and economies, instead of global networks; and our responses have demonstrated the viability of remote options for working, delivery, provision of services, education, and even travel. These have concurrently lowered our environmental impact. Many of these adjustments and approaches will be permanent.

It both underlines the need, and provides the opportunity, for fundamental change to address inter-generational sustainability and the equity challenges which already exist.

The government is relying on the primary sectors to restore the economy and expects us to align with the natural world (Te Taiao) through its “Fit for a Better World” strategy, which was launched by the Prime Minister in June. This vision for all of the primary sector drives a transformation for all New Zealand’s primary producers to be distinguished by their prioritisation of our land, water, climate and biological systems.

Or as HG Wells more succinctly put it – “Adapt or perish, now as ever, is nature’s inexorable imperative.”

One of the most important pre-existing, and inadequately addressed, priorities included in Fit for a Better World is climate change adaptation. A recent poll by insurer IAG¹ found most New Zealanders wanted more done about preventing climate change and many were concerned about COVID-19 delaying what we needed to do. The vast majority surveyed considered that responding to climate change should be part of our COVID-19 response.

On that score we have some building blocks in our favour. There is cross party agreement on fundamental constructs such as the Zero Carbon goal, an Emissions Trading framework and provision of independent advice through a Climate Change Commission. And we need this stability and clarity for land-based investment decisions.

Nonetheless a COVID-19 reset is needed because the current policy settings are insufficient to achieve our goal.

Afforestation is being relied on to bridge the gap for the next twenty or so years. There’s certainly no shortage of independent and authoritative reviews which conclude we need more trees, and a policy response to back that up.

But afforestation by itself does not constitute a credible response. Nor is it a permanent solution, even taking in to account carbon stored for decades in wood products and the potential use of biochar.

The necessary expansion of forestry has also created land use tensions, resulting in proposals from the politicians to introduce land-use restrictions.

This is not helpful and it is difficult to see how landowners could support it. It is vital for food and fibre producers to retain flexibility of choice over land use. Producers from the land must be free to select the regime and mix which best suits their individual business circumstances and their natural environment. That is inconsistent with imposing central land-use rules which have no ability to cater for widely varying individual circumstances.

So, what is the right approach to deliver the right number of trees?

Firstly, afforestation needs to be coupled with greater action on emissions. Tree planting should not be a substitute for such action.

It is important that policy, to allow forest off-setting to help us through a transition period, is balanced with gross emissions reductions and behavioural change in the economy, such as in transport electrification, fuel switching, energy efficient technology applications and on-farm energy production. Sinners should not be allowed to find absolute redemption by embracing trees.



<https://fitforabetterworld.org.nz/>

Avoidance on reducing emissions can also result in net higher costs at a later date, and create intergenerational inequity.

Secondly, the increasing reward for locking up carbon through afforestation could be enticing investors to convert land to forestry with no intention to harvest a single twig. While this achieves climate change goals, it will deliver less unemployment and foreclose industry benefits. The government needs to take opportunity costs into account when setting market intervention policies related to ‘permanent’ no harvest forestry. Such policy should support the net best outcome for society.

1. <https://www.iag.co.nz/latest-news/articles/IAG-climate-poll-2020-release.html>



DAVID RHODES
CHIEF EXECUTIVE, FOA

Thirdly, there needs to be greater awareness of the role of forestry on farm and support for on-farm opportunities to reduce emissions. Such knowledge is likely to increase the likelihood of integrated land-use choices. Forestry is often an ideal complement to a pastoral business.

As well as environmental benefits, the economics can provide business risk mitigation and much increased net returns over time. Government should facilitate landowner awareness of integrated solutions and provide as much policy recognition as possible of the carbon sequestration which can be achieved on farms.

Fourthly, policy should be adjusted over time to reflect current knowledge and science. The Climate Change Commission has an important role in this.

By way of example, the East Coast has some of the worst erosion in the world, but large swathes had been cleared for farming. Cyclone Bola convincingly showed why that wasn't a great idea. Unstable soils and a deluge delivered unsurprising and devastating results.

So, the East Coast afforestation programme was a policy response that encouraged tree cover to protect the land. It definitely improved things. But if the trees are going to be removed every three decades then you have a fingers-crossed anxiety period for a few years waiting for new trees to re-establish.

Besides, we have a changing climate that brings more frequent, and more intense, storms. This is leading to further policy refinement to match our knowledge and society's expectations.

The outcome of more tailored policy settings should be increased certainty for landowners, more likelihood of making the structural adjustments to the economy which are needed, better protection of our resources and a more resilient primary sector.

There is another huge challenge too, at the processing end of our supply chain, exemplified in the Forest Industry Transformation Plan (see page 12).

This government envisages large scale integrated processing clusters. This implies policy driven support for local afforestation in some regions, chosen, most likely, because of a mix of land-use economics, potential for strong iwi participation, infrastructure (existing or potential) and the Climate Change Commission national budget for planting trees.

Forest owners hope the viability economics of such a vision include a higher than the current virtually disposal price for non-millable wood.

Generating investment and market development for diverse products will be vital. Importing countries want to employ labour too, and they can do that easier by importing logs rather than finished products.

It is clear that in a (hopefully soon) post COVID-19 world, more than ever, our forest future depends on the government of the day getting its policies and priorities right. Helping by doing things which only governments can, but just as much, not doing things which governments shouldn't.

PWC REPORT TO MPI ON THE LONG TERM ECONOMICS OF FORESTRY SHOWS FORESTRY LEADS SHEEP AND BEEF FARMING FOR VALUE CHAIN IMPACT IN BOTH DOLLARS AND JOBS

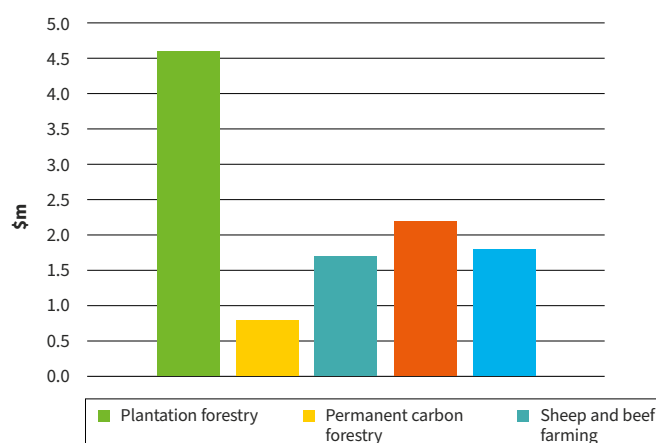
Pricewaterhouse Coopers' May report to MPI on the economics of forestry, compared with sheep and beef farming, has surprised some parts of the primary sector who were confident of the earning superiority of sheep and beef farming.

The Economic Impact of Forestry in New Zealand shows the value chain impact of an average 1,000 hectares of forestry is

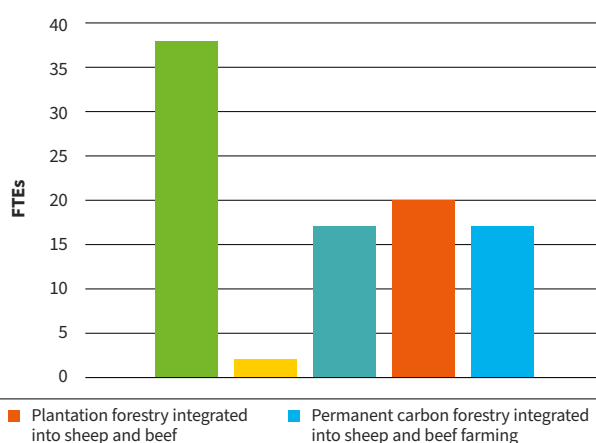
well above that of the average 1,000 hectares of sheep and beef farming. It is nearly three times higher in dollar values, and employs nearly twice the number of labour units.

The report did not explore regional differences, nor did it attempt to evaluate the comparative classes of soil types which hill country farming and forestry operate on.

Annual total value chain impact per 1,000 hectares - value-add by land-use



Annual total value chain impact per 1,000 hectares - FTEs by land-use





Find-A-Pest app is a game changer

An insect identification app could boost New Zealand's biosecurity surveillance team immeasurably and deliver crucial almost real time identification of new pest incursions across New Zealand's borders and into our farms, crops and forests.

An early identification of an incursion increases the speed of a response and thus the chances of eradication before a pest population has built and spread.

Until now biosecurity authorities have had to rely on small teams of professionals and keen enthusiasts to report unusual finds.

Taking photos on mobile phones has helped, but there are many pictures sent in of interesting bugs which are actually harmless. These all take lots of time for resource stretched diagnostic laboratories to analyse and report.

Dr Steve Pawson, now of Canterbury University, has been leading a Scion team to develop a much quicker and more efficient tool. The tool has been resourced and co-designed by the BioHeritage National Science Challenge, Envirolink Tools, Biosecurity NZ and various industries, including forestry.

It enables enthusiastic citizens to both submit observations and act as first identifiers of non-commercially sensitive submissions.

Primary sector industry staff also contribute observations and trained industry representatives screen observations which may have trade implications.

A prototype of the app was rolled out in February 2019 with 509 users. The submissions of interesting insect photos showed the photographers were generally good at targeting pest species and that nearly all diagnoses were back within 24 hours and with a high identification accuracy. It was obviously worth taking further.



"General surveillance to improve our biosecurity system requires a genuine partnership, here we are attempting to develop a surveillance network that brings industry, iwi, regional councils, and central government agencies together to strengthen the biosecurity team. As an industry or community engagement tool Find-A-Pest is a game changer."

STEVE PAWSON

The latest Find-A-Pest app is stand-alone and interfaces with the iNaturalist NZ biodiversity website.

It allows the user to choose their areas of interest, such as forestry, for which they will get images of forest pests, both established and not in New Zealand.

Each image can be clicked for information on it, such as distinguishing features, typical habitat and its impact.

It also has a quick reporting function so when the user takes a photo it is automatically and precisely geolocated and automatically links their user info to the notification.

Once a notification is submitted it is sent to a secure backend holding location where a screener can quickly ID the organism. Developing software can increasingly automate this.

If the screeners can't make a confident diagnosis, or it's likely the insect is dangerous and needs a response, the screener can escalate the image to an expert for specialist identification and to trigger action if necessary.

Steve Pawson says if Find-A-Pest is to work it must include dedicated resourcing for people to support long-term promotion of Find-A-Pest amongst the various stakeholder groups. Short-term 'viral' effects are not the same as a necessary general and prolonged surveillance. A long-term planned campaign of engagement is needed.





Tolaga Bay clean up

On the 18th July 2020 very heavy rain fell in the Uawa River catchment inland of Tolaga Bay. This storm resulted in all the rivers in the area running at similar levels to the big flood on Queen's Birthday 2018.

The Queen's Birthday floods mobilised enormous amounts of forestry slash out of extensive, recently clearfelled areas and onto the beach at Tolaga Bay. The scenes of 40,000 tonnes of slash piled up on the beach by the tide drew strong criticism from the local community, regulators and the public in general. Rightfully so. Forestry companies were prosecuted and some of the cases are still to come before the courts.

This experience has led the Gisborne based forestry organisations to rethink their practices and their connections to the community who, although living in close proximity to the forests and having family members working in the industry, were not informed about what was going on in the forest and therefore were afraid of a recurrence and upset with the damage.

Two years down the track, with a lot of rehabilitation work completed, work changes, and time taken in forging relationships with the communities, the floods again littered the beach with slash.

However, this time it was different:

There was significantly less material on the beach, mostly small branches and old large logs which had been brought down two years earlier and had been stuck up on riverbanks and inaccessible gullies until the July 2020 storm flushed it out. No recently harvested slash was noticeable.

"THIS IS A GREAT EXAMPLE OF RESPONSIBLE FOREST MANAGEMENT AND SETS A GOOD EXAMPLE TO OTHER FOREST OWNERS ON HOW TO DEAL WITH ISSUES OF PUBLIC INTEREST THAT CAN BE CLEARLY DEMONSTRATED TO HAVE BEEN CREATED/CAUSED BY FOREST OWNERS."

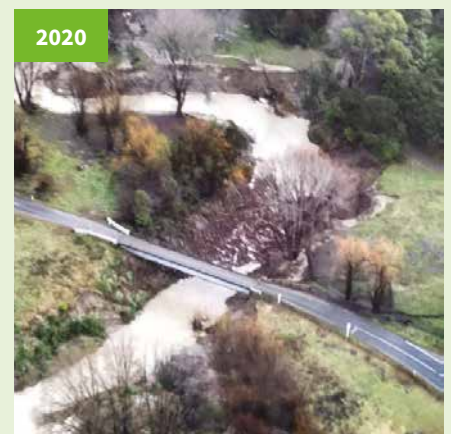
PHIL TAYLOR, PRESIDENT, FOA



A community meeting was convened immediately by the forest industry, to inform of the reasons for the latest material arriving on the beach and the composition of it, asking for suggestions as to how the community wanted the material dealt with and any sensitivities.

At the meeting the industry took full responsibility for the issue and said that they would pay for the clean-up. Earth moving equipment was mobilised and within hours of the decisions being made at the meeting they were on the beach pulling the material up above the highwater mark in readiness for burning.

It was noted by everyone, including the Council, that the industry had fronted up, consulted with interested parties and had swung into action quickly.



This provided a good foundation for working together as a group to solve an issue. Even the local school was involved, by pupils observing the endangered Dotterel to ensure they were not unduly disturbed by the clean-up activity and that sufficient wood was left on the beach for nesting habitat.

The community understand that debris will be flushed down the rivers in times of severe flooding, but the volume will reduce substantially over time.

With this realisation, the group is now working on a plan for the next time a flood occurs. It's a good demonstration of the power of communication and cooperation and importantly for the industry to front up and be honest and humble.

How we aim to prevent debris floods

The forest industry is responding to the challenge of stabilising hillsides for that vulnerable period after harvest.

New legislation and modern best practice mean some areas will never be planted for harvest.

For harvested forests, we are working on many approaches. Some are only at concept, some are very long term and some are not viable in many locations. But together over time they will reduce the risk to neighbours downstream.

Redwoods

Redwoods can regrow trunks from stumps and the roots stay active holding the soil together.

Riparian natives

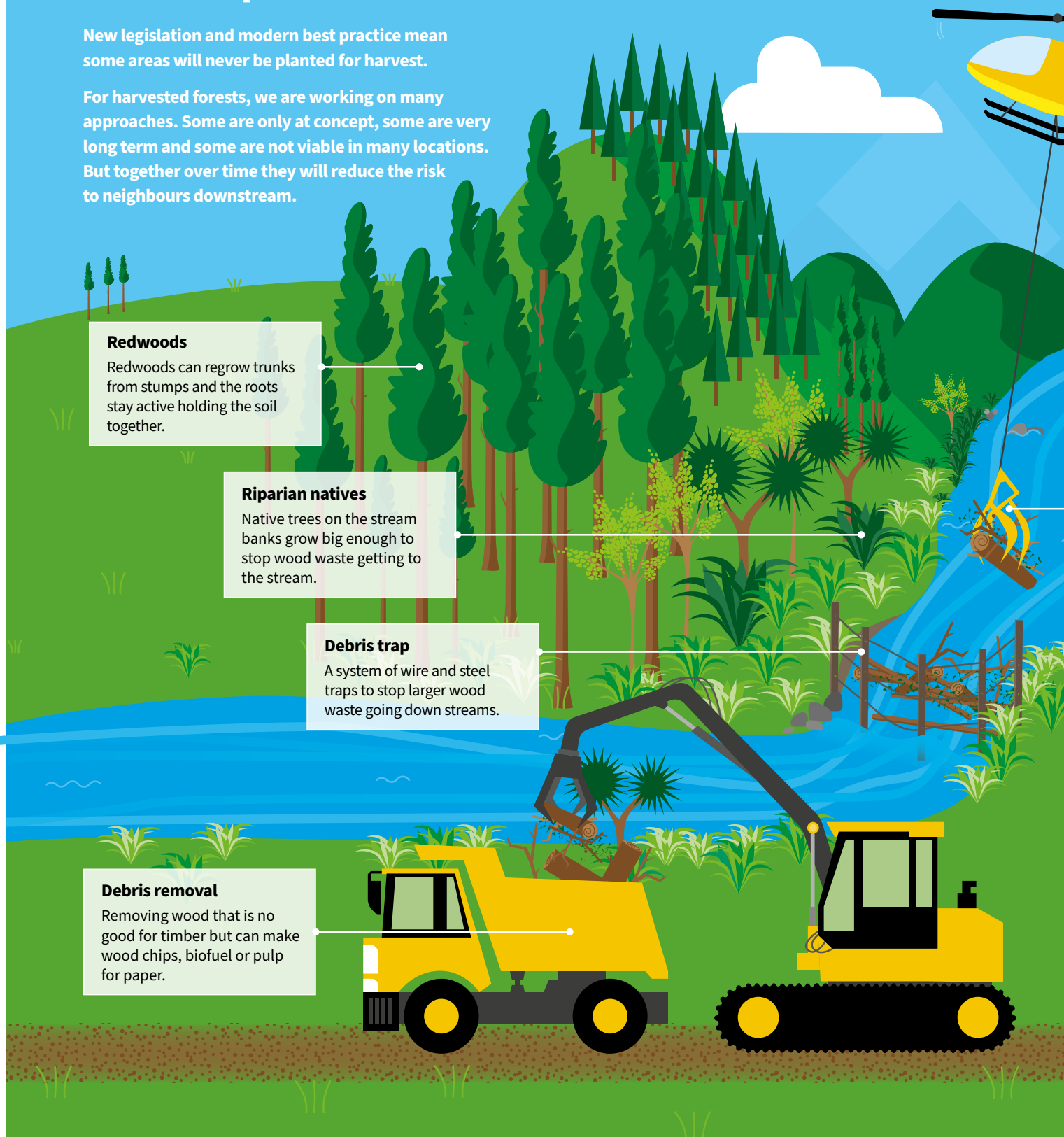
Native trees on the stream banks grow big enough to stop wood waste getting to the stream.

Debris trap

A system of wire and steel traps to stop larger wood waste going down streams.

Debris removal

Removing wood that is no good for timber but can make wood chips, biofuel or pulp for paper.



Non-harvest

Leaving the trees unharvested forever on the steeper slopes and on more erosion prone soil.

Smaller harvest blocks

Harvesting smaller areas at a time means less vulnerable land in one place after harvest.

Harvest bottom last

Harvesting the bottom of the slope last provides a tree barrier for the higher slopes.

Grapple

Specialist device being developed for removing hard to get debris out of streams with helicopters or a harvest grapple line.

Gentler machine harvester

This is less likely to break a log into bits hitting the ground.

Long stumps

Cutting the trees with higher stumps to form a barrier against debris from higher up.

Removal to secure landings

Wood waste is removed from vulnerable slopes and stored on level ground to rot away.

Soil evaluation

Better evaluation of where soils are more vulnerable.

Legally harvested? Prove it!

Assurance for New Zealand's customers of the legality of its \$6.9 billion exports of wood and wood products is edging closer. Te Uru Rākau – the Ministry for Primary Industries (MPI)'s forestry unit – is developing a National System for Wood Legality.

Globally, illegally harvested wood is a concern for climate change, environmental and economic reasons.

Modelling indicates the supply of illegal logs depresses the world's log prices by between seven and 16 percent, Scion has calculated it reduces New Zealand's earnings by \$240 million a year.

A third of New Zealand's forest volume trading partners – Australia, the US, Indonesia, the Republic of Korea, Japan and Viet Nam – have, or are developing, rules to prevent the import, exports or trans-shipment of illegally harvested wood.

While New Zealand is highly regarded as a 'low-risk' source for illegally harvested and controversially sourced wood and wood products, international trading partners are increasingly demanding proof of legality as part of their import due diligence, explains MPI's manager of its forestry policy team, Kay Shapland.

"An assurance system will strengthen New Zealand's reputation as a supplier of legally harvested wood products, provide long-term access for wood exporters and demonstrate New Zealand's commitment to ending the global trade in illegally harvested wood products."

Private sustainability assurance systems – such as the Forest Stewardship Council (FSC) and the Programme for Endorsement of Forest Certification – have been operating in New Zealand for some time. But, she says, generally they are not a cost-effective assurance system for small forest owners.

"This proposal provides additional arrangements available to all of industry, including small growers, as well as strengthening access to markets for the long-term."

Underpinning the new legislation will be a definition, consistent with the approach adopted by New Zealand's trading partners, for the legal harvest of wood:



Glen Mackie: "Overall, the proposal appears to be very positive ... however the mechanics of the system have yet to be defined."

'The wood has been harvested in accordance with the relevant laws operating in New Zealand (or the country of origin for imported wood).'

The proposed system will apply to wood for export and wood sold on New Zealand's domestic market, including imported wood and wood products, explains Shapland.

It will apply to harvested wood from both naturally occurring forests and commercial plantations and will not duplicate the indigenous forestry sustainable forest management.

The proposed legislation will: cover wood legality standards; establish and maintain a due diligence system, including recognition of third-party systems; require companies to request, assess, hold and periodically provide information to MPI demonstrating the wood purchased meets New Zealand's wood legality requirements and keep auditable records related to the due diligence process.

It will also detail a complaints resolution process, offences and the penalties that will be set for those not meeting requirements of a new act.

The aim is for required documentation to be drawn from existing legal requirements as much as possible, to ensure the system requirements are effective, as well as minimising additional costs to affected parties, says Shapland.

Forest Owners Association technical manager Glen Mackie says the outcome will provide a level playing field for legality in New Zealand, plus restrict wood coming into the country.

"However, the mechanics of the system have yet to be defined, along with the overheads."

He sees positives in linking harvests to existing databases, such as the system for the National Environmental Standard for Plantation Forestry, WorkSafe Notification numbers or Safetree:

"But actually, how it will work in practice will have to be seen. Not every forestry owner insists their contractors have Safetree or equivalent certification."

He also notes any proposed system will incur database set-up and maintenance costs.

Shapland's team will start to draft the new legislation, and consult with the forestry and wood processing sector and other interested parties, in early 2021, for completion in 2023.



"An assurance system will strengthen New Zealand's reputation as a supplier of legally harvested wood products," says MPI manager forestry policy, Kay Shapland.



Tax reform update for forest owners



Russell McVeagh's Brendan Brown, Chris Harker and Matt Woolley (left to right) summarise a tax reform proposal which will affect how the purchase price of assets is allocated for tax purposes, and a proposed reform to the tax loss carry-forward rules.

Buyers and sellers of forestry assets should be alert to a reform that may catch out buyers by allowing the seller to unilaterally decide how the purchase price is to be allocated for income tax purposes (if not otherwise agreed).

The allocation of the overall purchase price of assets to particular asset categories can have a significant tax impact, including for sales in the forestry sector. For sellers, it can determine the amount of any tax liability triggered by the sale, and for purchasers, it can determine their cost base (and so tax deductions) going forward. Typically, a seller will be incentivised to allocate more of the total price it receives to non-taxable assets (eg, land) whereas a buyer would be incentivised to allocate more of what it pays to assets within the tax base (eg, standing timber).

The new rules would require that if a buyer and seller do not agree an allocation, the buyer would be required to use the seller's allocation when filing its tax return (albeit that that allocation must "reflect" market values). There would also be a requirement

for the seller to disclose its allocation to the buyer and Inland Revenue.

If the seller fails to provide an allocation within a specified time period, the buyer would be permitted to make the allocation, which would be disclosed to, and required to be followed by, the seller. If neither party allocates, the seller is treated as selling at market value, while the buyer is treated as acquiring assets within the tax base for nil consideration.

The reform proposal is included in a tax bill being considered by Parliament's Finance and Expenditure Select Committee, which is due to report its recommendations in December. If it proceeds as proposed, it will apply to agreements entered into on or after 1 April 2021.

Bidders should be aware of these proposals when making bids for forestry assets, and should consider specifying the assumed purchase price allocation on which a bid has been based. Additionally, all parties should ensure that the purchase price is allocated in the legal documentation.

Tax loss carry-forward reform proposal should help forest-owning companies to raise capital or change shareholders without losing the benefit of any existing tax losses.

Currently, a company is not permitted to carry forward tax losses unless it maintains a minimum 49% continuity of ownership from the start of the period in which the loss is incurred, until the loss is utilised. The Government has announced that this rule will be reformed to allow a company to carry forward its tax losses even if its ownership has changed, as long as it meets a business continuity test.

While the detailed rules have not yet been announced, the reform is expected to have retrospective effect so that companies subject to a change of ownership from the date of announcement (being 15 April) should be subject to the new rules. This may enable companies to raise new share capital, or for a business to be sold by way of share sale (rather than by way of asset sale), without losing the benefit of any tax losses.





Trichoderma inoculation shows promise and industry uptake

Bioprotection – using nature to fight nature – by using specific organisms instead of chemical pesticides and fertilisers, is a promising tool for foresters.

***Trichoderma*, for example, are naturally occurring soil fungi which enter plant roots and form a symbiotic relationship with the plant. Research into the inoculation of radiata pine and other forestry species with beneficial *Trichoderma* is being led by Dr Helen Whelan at Lincoln University's Bio-Protection Research Centre.**

Work began at Lincoln back in 2012, under the direction of Dr Robert Hill, and a series of laboratory, greenhouse and small-scale radiata pine trials resulted in the identification and isolation of two promising *Trichoderma* fungal mixtures (PR6 and PR3a).

In 2018, Dr Whelan began a series of eight large-plantation trials across the main forestry regions of the North Island and Nelson. *Trichoderma*-inoculated seedlings were tested against untreated controls at both low and high altitudes.

Early results from these large-scale trials are encouraging. After one year's growth, *Trichoderma* trees were up to 15% higher than the controls. Averaged over all trials, tree height was increased by 6% for PR3a treated seedlings and 7% for PR6 seedlings.

Second-year results are currently being measured and analysed.

Dothistroma infection was measured in one of these trials 15 months after planting, and the *Trichoderma* treatments resulted in a 39% (PR3a) and 50% (PR6) reduction in disease severity compared to the control.

Dr Whelan has become a well-known figure around the plantations where the trials are located, managing trial planting and doing monitoring herself or with assistance from forestry staff.



Dr Helen Whelan measuring a 2-year-old tree in a Northland trial.

"The results come as no surprise to me," says Dr Whelan. "What is heartening is the high level of interest from forest managers who are hosting these trials, and the early uptake by some nurseries is also very exciting."

The trial network is now being extended into regions south of Nelson, with five new trials due to be planted in 2021 to determine the potential benefits of *Trichoderma* in cooler locations.

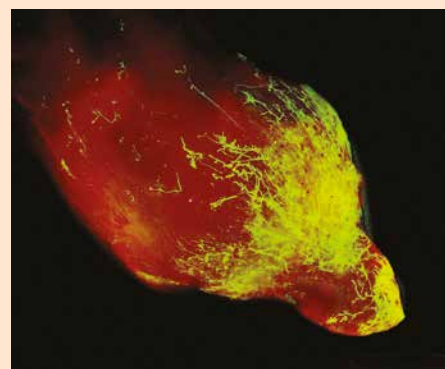
Dr Whelan has a suite of other *Trichoderma* research projects underway, including:

- inoculating Douglas-fir and cypress seedlings – initial trials are giving positive results, with significant gains in seedling survival and growth in both species
- improving production rates of difficult-to-root radiata pine clonal cuttings when *Trichoderma* was added to the soil at setting
- the interaction of nursery chemicals and *Trichoderma*
- inoculating growing forests with *Trichoderma* and the growth and health responses that may occur –

this research is at 'proof-of-concept' stage with future challenges including how *Trichoderma* can be applied at forest-scale.

The commercialisation of selected *Trichoderma* is currently being investigated with a partner.

The research receives funding from the Forest Growers Levy Trust. A full progress report is available on the Forest Growers Research website: Bioprotection for foliar diseases and disorders of radiata pine.



Trichoderma fungi, stained with fluorescent dye, growing in radiata pine roots.



Fresh strategy for radiata pine

Wood fibre specialist Paul Watson's first major task since joining the Radiata Pine Breeding Company in March is the development of a new strategic plan.

"The crosses RPBC is creating this season will enter the forest products market in 40-50 years. We have to consider the entire forest products value chain while developing our strategy."

Close collaboration with the Forest Owners Association (FOA), and Forest Growers Research (FGR) is critical.

"We need to be well connected with the thinking that is coming out of FOA, FGR and others and to align our research programme, ensuring we are complementary," he says.

"As a local forest owner myself, and having been at the sharp end of the industry response in the aftermath of British Columbia's devastating mountain pine beetle epidemic, I'm committed to ensuring that we develop and implement innovations to counter any future impacts of climate change. Once was enough."

In recent years, the shareholders have made a major commitment to the RPBC and the non-shareholder royalties programme has been a beneficiary of One Billion Trees funding, resulting in an annual research and innovation investment of around \$2.5 million.

RPBC's 'foundation pillar' is the traditional tree breeding and development programme, which is being accelerated with the deployment of genomic selection techniques developed in collaboration with Scion, explains Watson.

"We have just completed work confirming breeding pedigrees and recent results suggest that we are closing in on predictions for other traits. But the technology is currently too expensive for operational deployment, so cost-optimisation is now a major focus," he says.

"We recognise traditional breeding of radiata alone is probably not going to keep ahead of impending changes to climate."

To expand the programme, the RPBC is bringing the extensive work on radiata/ attenuata hybrids together. Complementary work evaluating novel endophytes is also underway.

"We need to deliver fast growing trees which are resilient to pests, diseases and climate, that also provide improved wood and fibre quality attributes, using every available tool."

Longer-term, Watson believes it is inevitable the forest certification systems will enable the transformation of forest trees.

"With other countries, like Brazil, already making significant strides in this area, we need to be well prepared to implement suitable technologies. We now have a solid foundation, thanks to Scion's sequencing of the radiata genome, and it makes sense to further develop this opportunity."

Another item on the wish list is a new import health standard. This is vital for the breeding and research programmes to enable the safe import of germplasm – pollen, cones, seeds or other tissues – from Australia, and ultimately from other countries which are better able to cope with climate change, he says.

RPBC is also on the hunt for a location for a second breeding orchard to de-risk the current site and further broaden its breeding plan.

In talks Watson has underway with companies, FOA, Te Uru Rākau, MPI and the Ministry of Business, Innovation and Employment there is a real enthusiasm within the sector.

"It's great to be part of it."

\$2.5m

ANNUAL RESEARCH AND
INNOVATION INVESTMENT MADE
INTO RPBC



The new RPBC CEO wood fibre specialist Paul Watson is out in the forests at every opportunity, he says.

A PASSION FOR RESEARCH AND INNOVATION

Paul Watson's career spans 36 years – all of it linked to wood and fibre innovation.

The "Rotorua boy" graduated from Auckland University with a PhD in pulping chemistry. After a short stint as a research scientist with the NZ Forest Research Institute, he worked in Canada for 11 years at its Pulp & Paper Research Institute. He then moved in 2008 to lead Canfor's pulp research and innovation and global technical marketing for a further eight years.

Oji Fibre Solutions gave Paul the opportunity to return to New Zealand with his wife in 2015, as technical services manager for Tasman adding technical responsibility for Kinleith in 2017.

Having now worked at both ends of the forestry value chain, Watson's move to RPBC means his career has come full-circle. Based in Rotorua, he is leading a team working on behalf of 16 shareholders in New Zealand and two in Australia.

"I've inherited an organisation that is now in great shape, we need to take it to the next level," he says.

Big things planned downstream for forestry

A transformation of the timber processing industry is high on the government's agenda as it seeks to fill the huge economic hole left by the COVID-19 induced collapse of the tourism industry.

Plans are thick on the ground for assisting and driving the various parts of the New Zealand food and fibres sector, under a project banner of 'Fit for a Better World'. The aim is to shift volume driven production to value driven, and thereby add \$44 billion to New Zealand's export earnings within the next ten years. The plan is also to boost employment.

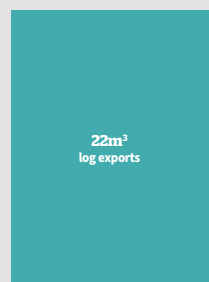
At the same time the government wants a primary sector that is orientated to *Te Taiao – respect and reciprocity with the natural world* – which means sustainability, more indigenous biodiversity, improved water quality and reducing greenhouse gas emissions.

Despite many popular views to the contrary, exotic plantation forestry is a contributor to all these environmental outcomes, particularly carbon sequestration to reduce net greenhouse gas emissions.

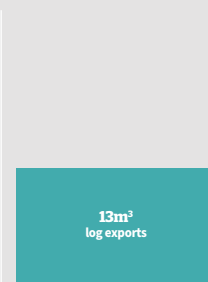
Where the government is really interested though is in turning cheap wood waste into new products, through what it calls its Wood Fibre Futures Project, such as new fuels to reduce dependence on fossil fuels.

One Transformation Scenario for New Zealand's Forest Industry

2020



2030?



+ In 2030 we will need 15 more primary sawmills



Another project is to turn wood waste into biochar to increase organic matter in farm soils which will enhance pasture growth and filter sediments.

A Centre of Excellence for Timber Design is intended to make it easier to use timber in construction, along with other policies, such as maximising embodied carbon in buildings.

Government funding has been provided as well to boost the use of engineered wood in mid-rise construction and boost regional employment.

Check out Forest Call on Facebook

<https://www.facebook.com/ForestCallNZ/>



The New Zealand Forestry Bulletin is published three times a year by the New Zealand Forest Owners Association.

Please acknowledge the New Zealand Forest Owners Association as the source when republishing stories or abstracts from the Bulletin.

Publication date 28 September 2020.

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