

Your Forests and the Recent Severe Weather in Gisborne

Update for Forest Enterprises' Clients

Forest Enterprises' clients are understandably interested in the events relating to the severe weather in Gisborne's Tolaga Bay area over Queens Birthday Weekend, 2-4 June 2018. This is an update on the status of the forests we manage, and also on our practices as your forest manager.

Our Gisborne Regional Manager, Dan Fraser has been in constant contact with our contractors and industry colleagues in readiness to provide assistance where we can, and will continue to do so. Our road infrastructure is currently providing access for some neighbours.

What happened?

Torrential rain fell in the Tolaga Bay catchment area over 2-3 days, washing forestry debris and sediment downstream into the Uawa River and to the shoreline at Tolaga Bay. The volume of water and debris burst banks and flooded the river flats, blocked waterways, compromised infrastructure and damaged property.

An estimated 1 million tonnes of debris was mobilised. Many roads remain closed and 61 bridges have been affected.

More rain fell in the Gisborne region in the days following Queens Birthday Weekend. We continue to closely monitor the weather and the conditions in our forests.

Were any of Forest Enterprises' managed forests involved?

Not on this occasion.

The areas reported most affected are in a different catchment area to where our nearest forests are located. We therefore did not anticipate that any of the reported effects originated in our managed forests.

It was not until Wednesday 6 June when roads reopened that Dan had access, to assess whether there was any impact on the land, trees and infrastructure in and near the forests.

Fortunately, our forests did not suffer the same extremely heavy rainfall onto our land that fell only a few kilometres north of us. Hokoroa and Hokoroa North Forests are just south of the affected area but sustained no material damage in this event.

Assessment of our forests further afield are ongoing. So far, there has been some relatively minor storm damage to fences from flooding and fallen trees. We will keep clients informed if there are any changes.

Why did it happen?

Cyclone Bola in 1988 has often been used as the benchmark for the worst-case scenario storm event on the east coast. This recent rain event in Gisborne was extraordinary and had localised rainfall exceeding that of Cyclone Bola.

Whilst the impacts have been significant in the Tolaga Bay catchment, we believe the major forest owners involved manage their waste residues during harvest to industry standards, and will have worked within best practice guidelines and resource consent conditions.

However, the specific area affected has highly erodible soils, steep slopes and is overlaid with skeletal soils which are highly prone to erosion. Under the National Environmental Standards for Plantation Forestry (NES-PF) which came into effect on 1 May 2018, this type of land is coded 'Red Zone' land.

Could this happen to a Forest Enterprises' managed forest?

It is possible, yes.

There is a risk of adverse environmental effects as a result of extreme weather events, however we manage operations to mitigate this risk.

There is a window of vulnerability after harvest when these issues can occur. This is often only 3-5 years before the forest provides significant protection for another 22 years or more.

Forest owners and managers on the affected region of the east coast have some forests which are on the extremely difficult Red Zone terrain. The risk during this window of vulnerability on these sites is high. Managing debris migration associated with landslides is a relatively new issue due to this being first rotation forestry on many east coast sites.

At times like this, we remind ourselves that during the last 27 years since the afforestation of sensitive land following Cyclone Bola, the forest has provided significant protection to the downstream land owners. Nevertheless, the onsite and downstream effect from this catastrophic event is unacceptable.

Forest Enterprises generally has an excellent estate and is located on some of the relatively better east coast sites. The risk of adverse effects is lower; the potential for continued favourable environmental benefit is higher.

What are Forest Enterprises' harvest and environmental management practices?

The National Environmental Standards for Plantation Forestry (NES-PF), resource consent conditions and district plan rules set the mandatory regulations for the environmental management of forestry activity, from planting to harvest. Industry best practice sets additional standards.

NES-PF's new requirements cover harvesting planning, logging operations, design and placement of forest roads and landing sites, the management of harvest run-off, and the volume of forestry debris left on site.

Forestry practices are changing rapidly to mitigate adverse environmental effects on sensitive land.

Forest Enterprises is developing catchment management plans as part of the harvest planning and Resource Consent application process. This includes ensuring the harvest creates a mosaic of age classes within each forest to minimise the risk. Harvest of some areas in the lower parts of each catchment is planned to be delayed providing protection to downstream neighbours and/or waterways. An additional option is to move harvest operations around the forest more often to reduce the total cutover size in any given area. We will implement additional natural and man-made slash management systems, and increase riparian strips (more of them, and wider). Alternative species such as Poplar, Willow and native species are present along riparian margins as they also provide the benefit of mitigating slash migration and sedimentation. These are just a few of the many important management strategies implemented or planned.

Whilst there is a level of risk with Forest Enterprises' Gisborne harvest, we remain positive that we have an excellent resource in terms of our contractor teams, staff and forestry assets; and with continued vigilance we can mitigate the effects and have continued very good environmental outcomes.

Who is responsible for the recovery and clean-up?

A range of organisations are working together on the coordinated recovery and clean-up effort. They include the local and regional councils, central government, the transport agency, forest owners and managers, forestry and roading contractors, the community and local residents.

Who is liable for the damages in these situations?

Damage to neighbouring properties in the case of severe storms is a very complex issue. It is often unable to be resolved until the specific nature of the damage and the event can be quantified. In the case of very severe storms or flooding, sometimes no fault may be attributed if there is no negligence; and sometimes there is no way to assess this except through court proceedings.

Is insurance in place?

Forest Enterprises is a prudent land manager. We operate to best practice and carry industry standard levels of insurance.

As disclosed in each annual financial report, Forest Enterprises' investments have insurance which has set coverage for crop damage within the forest's insured area from certain wind storms or landslides. Insurance cover for areas outside of the forest is provided by way of normal Public Liability (PL) insurance cover of \$20 million. PL insurance cover is subject to specific events and risks, and is often related to negligence. Payment of PL claims are determined by the Insurer, not by Forest Enterprises.

Bert Hughes
CEO & Forestry Director
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