

20 May 2020

Chairperson
Environment Select Committee
Parliament

Subject: Forests (Regulation of Log Traders and Forestry Advisers) Amendment Bill

The Bioenergy Association of New Zealand Inc (Bioenergy Association) welcomes the opportunity to provide a submission of support to the *Forests (Regulation of Log Traders and Forestry Advisers) Amendment Bill*. The association supports the establishment of a registration system for log traders and forestry advisers but the registration system should incorporate other existing quality based schemes such as the Bioenergy Association's registration/accreditation schemes, and those of other existing professional bodies. The proposed schemes should strengthen existing schemes and not duplicate them, thus adding to costs.

The Association supports Te Uru Rakau's approach to strengthen the domestic usage and value-add consideration of the forestry sector. The Bioenergy Association believes the support across all of the industry to create additional value, jobs and usage of forestry products within New Zealand based on a full circular economy concept is important for the long-term viability and future of the sector. Value-add industries include bioenergy out of timber sawmilling waste by-product; timber construction industry out of New Zealand wood products; as well as production of bioplastics and other biobased materials.

Provided that the legislation is used to bring the whole of the forestry sector together, including down stream processors such as wood fuel suppliers, the proposed legislation will assist strengthen the integrity of the forestry supply chain, and will support a continuous, predictable, and long-term supply of wood for domestic processing, including from supply of forest harvest and processing residues for the production and supply as fuel to process heat users.

The Bioenergy Association has members who are wood fuel suppliers, wood energy advisers, heat plant owners, engineering consultants and biomass resource owners and are thus an integral part of the forestry supply chain. The product of wood fuel sits alongside other products from wood that requires to be produced by processors continuously and predictably. This was demonstrated during the COVID-19 lockdown when wood fuel supply was declared to be an essential business supplying fuel to hospitals and food processors.

Wood fuel is produced from forest harvest and wood processing residues so the more efficient and large those traditional forest processing activities are, the larger will be volumes of high quality wood fuel available for supply to process heat users.

With the growing demand for wood fuel for process heat it is important that harvesting of small forest sources such as from farms becomes better recognized within an integrated forestry chain. It is estimated that residues from plantation forests could supply 60% of the assessed total demand for

wood fuel, with the result that the remaining 40% must come from small wood sources, including shelterbelts and farm woodlots.

Wood fuel suppliers and advisers within the legislation

The definition of a log trader in Section 63H(1) would include wood fuel suppliers as they purchase wood residues which would also fall under the definition of a log (Section 63H(3)).

The Section 63L(1)(b) definition of forest adviser would include many wood energy advisers.

Existing registration systems

For many of the same reasons that this legislation is being established the Bioenergy Association recognized a number of years ago that accreditation of wood fuel suppliers and registration of wood energy advisers was beneficial to having an informed, experienced and efficient wood fuel supply market. Schemes for **Accreditation of Wood Fuel Suppliers¹** and **Registration of Wood Energy Advisers²** were established and are operational. Having such schemes has allowed the sector to focus on the quality production, delivery and use of wood fuel.

Both existing schemes have all the attributes set out in the bill so that they could be incorporated into the proposed log trader and forest adviser registration schemes as a means of Wood Fuel Suppliers and Wood Energy Advisers meeting the requirements of the legislation. This could be done by the proposed legislation and the use of delegation powers of the Forestry Authority.

The Registration of Wood Energy Advisers scheme is still developing whereas the scheme for Accreditation of Wood Fuel Suppliers is now well established and buyers of wood fuel generally require wood fuel suppliers to be accredited. Including Wood Energy Advisers within the definition of forest advisers would strengthen the current scheme.

The association's registration schemes are supported by the extensive library of best practice Technical Guides and other publications which has been developed and made available through the Bioenergy Knowledge Centre <https://www.usewoodfuel.org.nz/wood-energy-knowledge-centre> . The association also underpins the registration schemes with its Code of Ethics³, webinar training programme, and its complaints process⁴. The Association would be happy to make these available to the Ministry as it develops its own delivery systems.

However Association members are concerned that they may have to be registered by two schemes which would be unnecessary and simply increase costs to those business already adopting third party vetting practices.

¹ <https://www.usewoodfuel.org.nz/documents/admin/TNSB04-Wood-Fuel-Supplier-Accreditation-Scheme.pdf>

² <https://www.usewoodfuel.org.nz/registered-wood-energy-advisors>

³ <https://www.bioenergy.org.nz/resource/banz-code-conduct>

⁴ https://www.usewoodfuel.org.nz/documents/resource/BPP10_Professional-Standards-and-Complaints-Committee.pdf

Implementation

Bioenergy Association support for the legislation is because if included within the definitions in the bill this could support and strengthen the Bioenergy Association's accreditation and registration schemes already established and operational.

Currently forest harvest residues are often not recognized as a valuable resource with the result that the value of forestry is not maximized. However, by recognition of wood fuel production as being part of the integrated forestry chain, initiatives such as this legislation will assist grow the value received by land owners.

The Association has extensive experience in establishing criteria for professional advisers and how to ensure that they are well informed about all options, and can demonstrate independence. It will be essential, that to ensure that the legislation to be useful, that the full range of participants in the sector are involved in establishing the criteria and guidelines for registration. The Bioenergy Association would be pleased to assist make the legislation work well.

Regards



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