

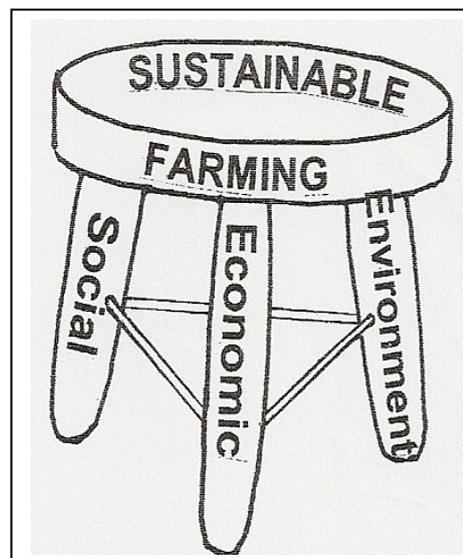
Taumarunui Sustainable Land Management Group

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To: Low Emissions Inquiry
New Zealand Productivity Commission
PO Box 8036
WELLINGTON 6143
By email: info@productivity.govt.nz

Submission on the Productivity Commission Low Emissions Economy Draft Report.

Thank you for the opportunity to comment on the Low Emission Economy proposal.

Accompanying document attached is a flow diagram representing our understanding of the Pastoral Carbon Cycle. We acknowledge that the numbers expressed in this diagram are approximate and subject to review. It is the understanding of farmers, who are familiar with this flow diagram, that the accumulation of Methane equals current in-flow minus out-flow of historic methane to be recycled through the pasture. Therefore in a long term static pastoral farming situation The methane levels are not accumulating as In-flow minus out-flow equals Zero.

In Chapter 8

Your Report clearly describes the “Short-lived” characteristic of Methane emissions, the “in-flow” versus the “out-flow” of methane, and the objective of reaching a “Stable state” of atmospheric Methane levels.

However your report gives the strong impression that this in-flow minus out-flow calculation is applied after the farm gate, with the pastoral industries receiving no credit

for recycling CO2 back through pasture, and therefore bearing undue responsibility for nearly 50% of NZs total emissions.

Our questions are,

1. Why isn't the out-flow of historic Methane, being recycled through the pasture, credited to the pastoral in-flow?
2. If Pastoral farming is responsible for nearly 50% of NZs CO2E emissions, what proportion of current **accumulated** GHGs Is pastoral farming responsible for?

We wish to submit as follows:

To correctly represent pastoral emissions of Methane it should be calculated net of the "out-flow" of historic Methane.

In Chapter 10

We support the research into initiatives to reduce pastoral emissions on farm and encourage the inclusion of these mitigating opportunities into Overseer. This will enable farmers to manage their on-farm emissions, in response to an ETS incentive.

Large scale forestry, where the products are not processed locally, have a net negative economic and social effect on our community; and that the effect is worsened under an absentee owner/carbon farming regime where there is no maintenance or tending work required and the revenue earned by the community's land is spent elsewhere.

The Productivity Commission is clearly very aware of the many blockages to hillcountry farmers afforesting selected slopes. Since the mid 1990s we have experienced many negative aspects of plantation forestry on the sedimentary hills and the rural communities and the roading infrastructure in the Northern Ruapehu district. You might add to your list some further examples;

- Absentee owners and foreign investors are proving to be very difficult neighbours with whom to negotiate boundary problems of fence breakages, spray drift, noxious weeds and pest control.
- Poor standards of silviculture, especially planting and disease control.

- Failure to adhere to environmental requirements during harvest, creating downstream problems in deluge rainfall events.

We suggest it will be necessary to impose stricter compliances, and increase the surveillance and independent auditing of Forestry plantations for ETS accounting.

Background to the TSLM Group.

The Taumarunui Sustainable Land Management Group was initiated in 2003 by a group of concerned farmers with support from MAF Policy, AgResearch and Horizons MW.

Our first SFF project studied and defined “Sustainability”, and we developed a strong but balanced social, economic and environmental analysis of the concept. This is represented by our logo, the three legged stool,

In 2009 we undertook a three year SFF project to study on-farm GHG emissions, the implications of an ETS and of Climate change. The project was nation wide and we undertook participation on an understanding that government agencies were interested in our outcomes. During this period we developed an understanding of the carbon cycle, attached, which recognises that Methane production is balanced by its degradation over time back to Carbon Dioxide for recycling through the pasture.

Our farm case study work using Overseer, demonstrated that in 2009;

- Total GHG emissions were 4.973 Tonnes per hectare.
- GHG Emissions intensity was 14.6 kg per Hectare.
- Total emission reduction since 1990 was 13%.
- Emissions intensity reduction since 1990 was 18%.

We concluded that

- A more productive farm system produces more total emissions, but a lower intensity. Therefore should not be penalized by a flat levy at the processor.
- An ETS must be calculated at the farm gate to be equitable and incentivizing.
- All the calculations were Gross emissions, taking no account of “out”flows” of “short-lived” Methane which grossly misrepresented the truth, and the net effect on GHG accumulation.
- Overseer was inadequate for individual farm GHG calculation.

The TSLM Group continues to meet bi-monthly to discuss with top Scientists and technical presenters the issues and challenges of Social, Economic and Environmental sustainability facing hill country farmers in the Ruapehu District.

From Dick Lancaster B Ag Sc

On behalf of Taumarunui Sustainable Land Management Group