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Plantation forestry alternative assurance consultation

Thank you for the opportunity to provide feedback on the proposed amendments to audit requirements for certain plantation forestry projects under the Australian Carbon Credit Unit Scheme.

Private Forests Tasmania (PFT) is an independent statutory authority established under the Tasmanian *Private Forests Act 1994*. We work to facilitate and expand the sustainable growth and development of the private forest resource in Tasmania. We do this through providing information to private forest growers, through research collaborations, advocacy, innovation and planning tools. Under our <u>Corporate Plan 2023-26</u> one of our four goals is to work with policy makers and regulators to improve regulatory efficiency and practical policy settings for private forestry.

PFT strongly supports the proposed amendments which are intended to reduce audit costs and hence remove some barriers to participation in the ACCU Scheme for landholders undertaking low risk small-scale new plantation forestry (Schedule 1) projects under the Plantation Forestry Method. The proposed use by the CER of geospatial tools and other measures as 'alternative assurance' for plantation forestry projects is well overdue.

Small-scale farm forestry projects are particularly sensitive to audit costs which can be in the tens of thousands of dollars for an initial and subsequent audits. Reducing the number of subsequent audits, which the amendments are proposing, will significantly reduce overall audit costs and therefore increase the commercial viability of small-scale forestry projects leading to a likely increase in plantation forestry plantings and participation in the ACCU Scheme for farm foresters. This aligns with other State and Commonwealth Government policies and programs to grow the plantation estate across the country to meet Australia's wood supply needs.

In Tasmania, ACCU Scheme plantation forestry projects are generally low risk because they already undergo a high level of regulatory scrutiny under the State's rigorous forest management system, particularly through the Tasmanian *Forest Practices Act 1985* and the associated Forest Practices Code. The same regulatory standards apply regardless of whether the land is public or privately owned and would apply in all cases involving a plantation forestry project under the ACCU

Scheme. Many of the larger plantations also have an additional level of oversight and audit through their certification by forest certification schemes such as Forest Stewardship Council (FSC) and/or Responsible Wood.

The risk profile of plantation forestry projects is further reduced by the commercial nature of the plantation itself. Plantation forestry project proponents will manage their plantings to maximise yield and increase the financial return associated with the eventual timber or fibre outcomes. This further incentivises these plantation managers to ensure a healthy and productive forest which will in turn ensure better carbon outcomes. This makes plantation forestry projects distinct from other vegetation method projects.

The low risk nature of plantations to complying with ACCU Scheme requirements should be reflected in less prescriptive Scheme rules and audit requirements. This applies to larger plantations as well as smaller ones and therefore PFT recommends that the 200 hectare limit on the size of plantation affected by the amendments be increased to include these larger plantations.

The proposed alternative assurance amendments will only apply to Schedule 1 projects. There is no explanation provided in the public consultation paper or anywhere else on the CER's website why the proposed changes will not apply to the other schedules in the Plantation Forestry Method (Schedules 2-4). There does not appear to be any practical reason why geospatial tools and other measures could not be applied more broadly. PFT recommends the CER consider applying the changes to the other schedules.

We look forward to further engagement with the CER to assist in streamlining ACCU Scheme processes, increase participation and reduce carbon emissions. If you have any queries on the points we have raised, please contact me on **processes** or our Policy & Data Officer Murray Root on **processes**.

Yours sincerely,

Dr Elizabeth Pietrzykowski CEO Private Forests Tasmania