

22 July 2008

The Secretary,
Senate Standing Committee on Rural and Regional Affairs and Transport
PO BOX 6100
Parliament House
CANBERRA ACT 2600

Via email: rrat.sen@aph.gov.au

Re: Inquiry into legislation Underpinning Carbon Sink Forests

Dear Sir or Madam,

Thank you for the opportunity to comment on 'the implementation, operation and administration of the legislation underpinning Carbon Sink Forests and related matters'.

In view of the short time frame for public comment, this submission is by necessity very short and will not necessarily do justice to some of the complex issues raised.

The issue of the role of forests in the global carbon cycle is, however, of such national and international importance in the face of unprecedented, human-induced, global climate change that some of the short comings in the current legislation must be addressed.

## **Background Information:**

Global scientific consensus is that natural forests and mono-cultural planted forests have a markedly different role to play in mitigating global climate change. Scientific studies from many countries establish that carbon captured and stored in natural systems is greater, more resilient and longer term than carbon captured in agricultural systems such as mono-cultural tree plantations.

This is especially important in the face of global climate change where naturally evolved systems will have far greater capacity to withstand and adapt to climate stress than man-made systems.

Encouraging restoration of the natural carbon carrying capacity of native forests and woodlands would provide the most environmentally sound, most resilient and most cost effective means of capturing and storing CO<sub>2</sub>.

If we encourage ecological restoration of our forests and woodlands we will not only achieve the maximum possible improvement in carbon sequestration and storage; we will increase the likelihood of nature adapting to climate change; and have a beneficial impact on regional temperature and rainfall. These co-benefits should be supported by any carbon sink taxation initiative.

## **Recommendations:**

We recommend that the Act be amended to focus on encouraging projects where the primary purpose is to help restore the natural carbon carrying capacity of Australia's native forests and woodlands.

For this to occur, the purpose of the Act would have to incorporate a clearer statement relating to permanence. This would then make the Act more consistent with the intent expressed in the Government's Green Paper encouraging permanent tree planting. Additionally, the relationship between the proposed opt-in arrangements for private forest initiatives under a future Emissions Trading Scheme and this taxation initiative are unclear and need to be spelled out.

Taxation benefits secured under this scheme should be required to be refunded in the event a forest or woodland was logged or cleared.

Additional taxation benefits could be provided if projects can clearly demonstrate additional benefits for biodiversity conservation and/or water quality and in the longer term, water quantity.

Planting of monocultures of trees should be discouraged under the scheme due to their greater vulnerability to environmental change; the likelihood that they will never be able to be cut down; and the increased security and longevity of carbon captured in natural systems.

## **Conclusion:**

A slightly amended Act could be a powerful tool for encouraging the restoration of bio-diverse, resilient natural ecosystems with a demonstrable, long term carbon sequestration and storage benefit.

Yours Sincerely,

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