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## Australian forestry's carbon storage potential recognised

The Australian Forest Products Association (AFPA) has congratulated the Federal Government for finalising the method covering new forest plantations under the Emissions Reduction Fund (ERF).

Describing the development as a great outcome, AFPA CEO Ross Hampton said finalisation of the method marks the culmination of three years' work.

"Scientists and foresters have worked closely with Federal departments to ensure that the method framework is sound and the carbon storage mathematics are bulletproof. New forest plantations are not just good for regional jobs and economies but also one of the most cost-effective tools for storing carbon and reducing emissions. With this new methodology, the Australian government will have a better chance of meeting its ambitious emission reduction targets," Mr Hampton said.

The new methodology covers plantations which are in addition to those already growing. Under the ERF reverse auction, the lowest possible price is paid for reductions in carbon emissions. The forest plantation method will allow forest growers to factor the possibility of a carbon payment into the high cost of establishing areas of new trees.

"The commitment required under the method is for a forest grower to maintain the planting for at least 25 years – receiving a modest carbon payment each year for the first ten years. Based on previous ERF reverse auctions, the additional income will be small compared to the very high establishment costs incurred. This, coupled with additional Ministerial oversight provisions contained in the rules which govern the method, should help ensure that only the most sensible choices are made about where to plant trees – such as close to major forest product processing facilities located around Australia," Mr Hampton said.

"Sustainable forest product industries look forward to participating in future ERF auctions and are delighted to be given this chance to play their part in helping Australia meet its climate change challenge."

### Additional information:

The Intergovernmental Panel on Climate Change (IPCC) has said that forestry is a huge contributor in addressing climate change: *"In the long term, a sustainable forest management strategy aimed at maintaining or increasing forest carbon stocks, while producing an annual sustained yield of timber, fibre or energy from the forest, will generate the largest sustained mitigation benefit."* – IPCC 4th Assessment.

AFPA represents forest growers, harvesters, and manufacturers of timber and paper products.

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