



Threat or opportunity



One Billion Trees – the end of the sheep and beef industry as we know it? Or the opportunity to transform our farms for the future? **Danni Darke** reports.

I don't think there is any bigger issue facing our industry. The 'One Billion Trees' (1BT) fund has collided with global demand for carbon stores to offset the burning of fossil fuels, and the harsh reality of what it means for rural communities is now starting to show.

At one end of the scale the 1BT fund has the likes of you and me planting up a steeper paddock, riparian areas, perhaps 15% of the farm to offset methane emissions. At the other end is the large-scale buy up of productive farm land solely to plant trees.

Since November 2018, 48% of farm sales on the East Coast have been to forestry. In Gisborne alone ~3000ha; Wairoa ~2900ha; The King Country ~4000ha and Masterton ~100,000 stock units have been replaced by trees.

Many of these sales are going to international buyers who apply to the OIO under the 'special forestry test' where applicants are not required to show a benefit in relation to jobs. Locally, Air New Zealand and others recently created an investment company Dryland Carbon, to buy land and grow forests.

It's worth noting that NZ is one of the few developed countries allowing emissions to be offset by forestry. Most others (including the European Union) deliberately decided not to go down this route as they foresaw major companies planting huge swathes and not addressing the core issue: their carbon dioxide emissions.

The Parliamentary Commissioner for the environment Simon Upton, modelled our current policies and predicts 5.4 million ha of grassland will need to be planted by 2075 to offset NZ's greenhouse gas emissions – almost half the North Island. There is only 5.3m ha of non-dairy grassland in the country, so if current draconian policy goes ahead that is the end of sheep and beef farming in NZ.

The idea is this: in order to reduce warming, emissions are capped as per Kyoto/Paris agreements, then markets (the ETS) are used to allocate emission 'credits' among the emitters.

Ideally, market forces drive industry in the direction of less carbon-intensive approaches. If you're a textile or a steel producer, do you invest significant money into high-tech, low emissions solutions? Do you wait and see where the carbon price levels out and trade away your carbon liability?

Or do you use your capital to buy land to plant trees on like Air NZ? Only the first option actually reduces warming.

What is the effect of this afforestation? What happens when this land is tied up in a jobless, cash-dead zone of trees for 30 years, and no longer daily exporting meat + wool?

Carbon credits will be traded – but what if the owner of the forest is an offshore investment fund? The money won't be circling around rural towns, and bolstering school rolls.

Technology will develop to reduce

emissions but, in the meantime, what has happened to our rural communities?

There is no appeal in a country full of trees, no life, no communities, no buzz of variety that a diverse landscape brings.

As farmers we need to work now to protect our industry. Halting climate change means regulating the transport and energy industries, reducing our dependence on fossil fuels. We need to lobby the Government to adopt the conclusions of the Upton report, particularly his call to stop CO2 emitters off-setting with trees.

Let's plant our less-productive land, but make sure those carbon credits are used for essential things we will still need in a zero-carbon world, like fuel for an air ambulance.

Maybe in the future the family farm looks like a 400ha block with 15% in manuka for honey and carbon credits, 20% in pines for carbon credits and logs, and 65% of your best land growing premium lamb + beef.

By creating a mosaic of land use where farming fits the land, our farms will grow and transform into seriously profitable enterprises, with strong capital value. A diverse mix of uses provides multi-employment opportunities which support vibrant communities – jobs that are available every day not just on a 30-year rotation. If we can make this work we can build resilience into our communities, and our connection to the land won't be lost.

I urge you to sit up and take notice of this, we need to understand the value proposition, so if someone rocks up the drive in a shiny suit wanting to steal your farm to offset, you can tell them with confidence to 'bugger off' unless they have plenty and plenty of dollars.