



WELCOME TO THE MARCH 2015 SUSTAINABLE FORESTRY BULLETIN

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CHANGES TO UNITS USED TO PAY ETS OBLIGATIONS

From 31 May 2015, all New Zealand ETS emissions obligations must be paid using New Zealand Units (NZUs). For forestry participants this means forestry activity in 2015 which results in emissions obligations must be paid for with NZUs in 2016. For example, if you deforest pre-1990 forest land in 2015 you must submit an emissions return, and thus pay the obligations with NZUs, in 2016.

However, if you deforested pre-1990 forest land in 2014 (or in a previous year), and submit an emissions return **AND** pay units **before** 31 May 2015, you can still use Kyoto units (e.g. ERUs). If the units are not paid by 31 May 2015 you must pay NZUs, regardless of when you deforested.

2015 POST-1989 FORESTRY EMISSIONS RETURNS

Registered post-1989 forestry participants can submit an emissions return from 1 January 2015 to 30 June 2015. This return covers the 2014 calendar year. It can also cover the 2013 calendar year if no return has been submitted for that period. The return records changes (increases and decreases) in carbon stock for registered Carbon Accounting Area(s).

To submit an emissions return in 2015, applications to register forest land must be approved before 30 June 2015. If you are a registered participant and are unable to submit a return within the emissions return period you can apply for an extension, before 30 June 2015, of up to 20 working days.

REVISED ETS COST RECOVERY PROCEDURE

MPI has revised the way it recovers costs for post-1989 forestry application processing. The revised cost-recovery process will result in a more consistent approach to recovering additional processing costs across all applications.

While the cost recovery fees have not changed, the new procedure means applications that take over a certain time threshold to process will incur additional charges. MPI will provide estimates of fees if thresholds are likely to be exceeded, before the work is undertaken.

Fees and processing thresholds for applications are as follows:

Post-1989 Forestry Application Type	Fees	Processing Threshold
Application to register in the ETS	\$562.22 plus \$132.88 per hour for excess time	4.25 hours
Add Carbon Accounting Area	\$102.22 plus \$132.88 per hour for excess time	45 minutes
Submission of an Emissions Return	\$102.22 plus \$132.88 per hour for excess time	45 minutes
Transmission of Interest (land transfers)	\$102.22 plus \$132.88 per hour for excess time	45 minutes
Travel for checking eligibility of land	\$132.88 per hour	

DEFORESTATION OUTREACH PROJECT

MPI is working to contact around 350 landowners who appear to have deforested pre-1990 forest land, but have not yet met their ETS obligations. The aim of this outreach project is to assist landowners in complying with their deforestation obligations. As this is a mandatory requirement, those who do not comply may be investigated further.

If you have deforested pre-1990 forest land and require assistance with compliance, please contact MPI on **0800 CLIMATE (254628)**, or at climatechange@mpi.govt.nz.