



PFSI

A Guide to Eligible Land

Revised October 2007



This guide provides examples of what land is, and is not, eligible to earn Kyoto Protocol compliant emission units (carbon credits) under the Permanent Forest Sink Initiative (PFSI). In its simplest form, land that was pasture at 31 December 1989 and is still pasture will qualify to earn units. However, there are many instances where land was not exclusively pasture in 1989 (or now), but may still be eligible to earn units. The flow chart on page 2 will help you decide whether your land is eligible. Examples of eligible and ineligible land are given on pages 3 and 4.

What is the PFSI?

The Permanent Forest Sink Initiative (PFSI) is a government initiative that promotes the establishment of new, permanent forests on previously unforested land.

The PFSI gives landowners the opportunity to generate income through “carbon farming” – removing carbon dioxide from the atmosphere and storing it in the form of new forests. Participants will be able to claim Kyoto Protocol compliant emission units based on the increase in carbon stored in their forest. Participants will then be able to sell these units.

What forests are eligible to enter the PFSI?

For the purpose of carbon accounting under the Kyoto Protocol, New Zealand has adopted the following definition of a forest:

“Forest” is a minimum area of land of 1.0 hectare with tree crown cover (or equivalent stocking level) of more than 30 percent with trees with the potential to reach a minimum height of 5 metres at maturity in situ. A forest may consist either of closed forest formations where trees of various storeys and undergrowth cover a high proportion of the ground or open forest. Young natural stands and all plantations which have yet to reach a crown density of 30 percent or tree height of 5 metres are included under forest, as are areas normally forming part of the forest area which are temporarily unstocked as a result of human intervention such as harvesting or natural causes but which are expected to revert to forest.

As well, the forest must be greater than 30 metres wide (this additional restriction excludes windbreaks and some riparian forest areas, which are common in New Zealand agriculture).

To be eligible to earn units under the PFSI, the land must not have contained forest on 31 December 1989 and a change in land management practices since then must promote forest growth. If the land contains exotic forest, this change in land management practices must also have occurred after 31 December 1989.

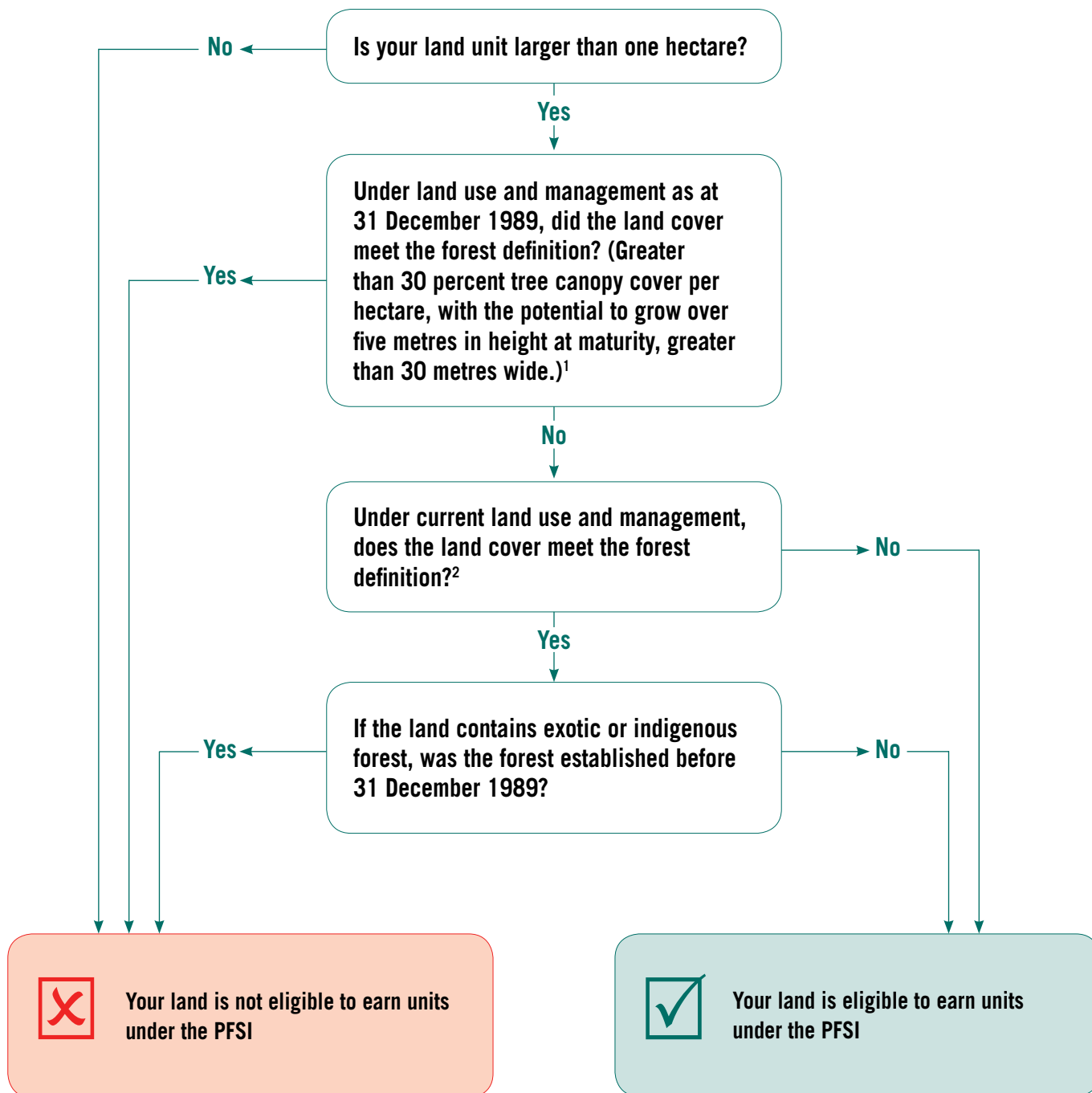
More information about the PFSI is available at:
www.maf.govt.nz/forestry/pfsi

Information about New Zealand's Emission Units Register is available at: www.nzeur.govt.nz



Ministry of Agriculture and Forestry
Te Manatū Ahuwhenua, Ngāherehere

Is your land eligible to earn emission units under the PFSI?



Notes

1 Land that normally forms part of a forest area but is temporarily unforested because of human intervention (such as harvesting) or natural causes and is expected to revert to forest is classified as forest.

2 Land managed as a farm is presumed to be grassland (and therefore eligible) except where the land has been retired from grazing or where the forest definition is (or will be) clearly met. For example, land covered in kanuka and manuka scrub that is regularly cleared is not considered a forest because the forest definition will not be met.

Examples of land that is eligible to earn units under the PFSI

Grassland



- ✓ Area is greater than one hectare.
- ✓ Land cover as at 31 December 1989 did not meet the forest definition.
- ✓ Under current land management the land cover does not meet the forest definition.

The land is eligible to earn units under the PFSI when a forest is established.

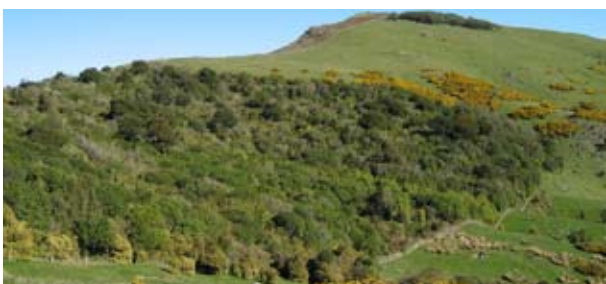
Gorse and broom



- ✓ Area is greater than one hectare.
- ✓ Land cover as at 31 December 1989 did not meet the forest definition because gorse and broom are shrubs which do not grow to five metres.

The land is eligible to earn units under the PFSI when a forest is established.

Mixture of reverting forest and pasture



The land covered in pasture and gorse (foreground and background of the photograph):

- ✓ Area is greater than one hectare.

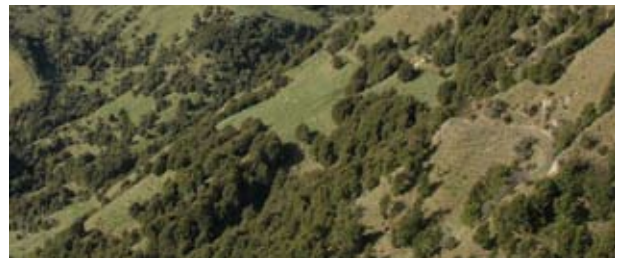
- ✓ Land cover as at 31 December 1989 did not meet the forest definition.
- ✓ Under current land management the land cover does not meet the forest definition.

The fenced area of reverting forest (in the centre of the photograph):

- ✗ Land cover as at 31 December 1989 met the forest definition.

The land covered in pasture and gorse is eligible to earn units under the PFSI, but the forested area is not eligible.

Scattered kanuka and manuka scrub on pasture



- ✓ Area is greater than one hectare.
- ✓ Land cover as at 31 December 1989 did not meet the forest definition.
- ✓ Under pastoral land management the manuka and kanuka scrub is regularly cleared.

Note: Land managed as a farm is presumed to be grassland (and therefore eligible) except where the land has been retired from grazing or where the forest definition is (or will be) clearly met. For example, land covered in kanuka and manuka scrub that is regularly cleared is not considered a forest because the forest definition will not be met.

The land is eligible to earn units under the PFSI when a forest is established.

Poplar planted for erosion control



- ✓ Area is greater than one hectare.
- ✓ The tree canopy cover will exceed 30 percent.
- ✓ Land cover as at 31 December 1989 did not meet the forest definition, and the poplars were planted after 31 December 1989.

The land is eligible to earn units under the PFSI.

Note: If the poplars were planted before 31 December 1989 the land would not be eligible to earn units under the PFSI.

Examples of land that is ineligible to earn units under the PFSI

Manuka, kanuka forest



- Area is greater than one hectare.
- Land cover as at 31 December 1989 met the forest definition.

The land is ineligible to earn units under the PFSI.

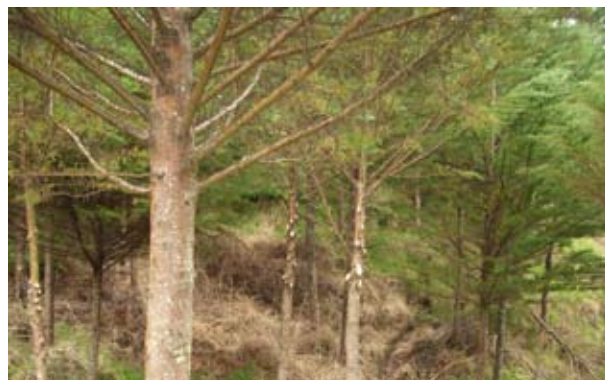
Replanted or reseeded exotic forest



- Area is greater than one hectare.
- As at 31 December 1989 the land cover met the forest definition.

The land is ineligible to earn units under the PFSI.

Exotic forest planted before 31 December 1989



- Area is greater than one hectare.
- Land cover as at 31 December 1989 met the forest definition as the exotic forest was established before this date.

The land is ineligible to earn units under the PFSI.

Native forest



- Area is greater than one hectare.
- Land cover as at 31 December 1989 met the forest definition.

The land is ineligible to earn units under the PFSI.

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