



GLOSSARY FOR THE EMISSIONS TRADING SCHEME FACTSHEETS

APPLICANT

An applicant is someone applying to be a participant in the New Zealand Emissions Trading Scheme (ETS) – if their application is successful, they become a participant.

BASAL AREA

Basal area is the cross-sectional area of the stem of a tree, measured over bark at 1.4 metres above ground on the uphill side of the tree, expressed in square metres.

CARBON ACCOUNTING AREA (CAA)

A Carbon Accounting Area is an area of post-1989 forest land determined by the applicant during the ETS registration process. It is a simple way of dividing up forest land and is used for calculating carbon gains and losses. A CAA must be at least 1 hectare in size; there are no limits on the number of CAAs a participant may have, and CAAs do not need to be adjoining forest areas.

CARBON ACCOUNTING RECORD (CAR)

A Carbon Accounting Record is a participant's permanent record of changes in carbon stocks over time and of the eligible units issued or surrendered to match that change. It is kept by the Ministry for Primary Industries (MPI).

CARBON STOCK

The carbon stored in a forest, including that in stem wood, bark, branch, leaves, litter, woody debris, stumps and roots.

LOOK-UP TABLES

These are pre-calculated average values of carbon stock by forest type, age and – for *Pinus radiata* only – region. They are provided in the Climate Change (Forestry Sector) Regulations 2008 in Schedule 4 for Pre-1990 forest land and Schedule 6 for Post-1989 forest land.

DEFORESTATION

Deforestation is the conversion of forest land to non-forest land. In practice, this means removing forest

species and using the land for a non-forest use, for example, grazing or housing.

A hectare of forest land that is “temporarily unstocked”, where the pre-1990 trees have been removed but no actions have been taken to convert the land to another land use, will be classified as deforested if the forest species on that hectare have been cleared and the below thresholds are not met:

- four years after clearing, the hectare has not:
 - been replanted with at least 500 stems per hectare of forest species; or
 - regenerated a cover of at least 500 stems per hectare of exotic forest species; or
 - been replanted with at least 100 stems per hectare of willows or poplars in a manner consistent with managing soil erosion; or
 - regenerated predominantly indigenous forest species growing in a manner in which the hectare is likely to be forest land 10 years after it was cleared; or
- 10 years after clearing:
 - predominantly exotic forest species are growing, but that hectare does not have tree crown cover of at least 30 percent from trees that have reached 5 metres in height; or
 - predominantly indigenous forest species are growing, but the hectare is not forest land; or
- 20 years after clearing, predominantly indigenous forest species are growing but that hectare does not have tree crown cover of at least 30 percent from trees that have reached 5 metres in height.

Deforestation does not include forest land that is replanted or allowed to regenerate after harvesting has occurred so long as the above thresholds are met.

Deforestation occurs on the date the first hectare is cleared as part of the process. The only exceptions are where deforestation is established four, 10 or 20 years

after clearance, as outlined above; any liabilities associated with deforestation are calculated at four, 10 or 20 years earlier, respectively.

DOUGLAS-FIR

This is the forest species *Pseudotsuga menziesii*.

ELIGIBLE UNITS

Units permissible in the ETS as listed by the Environmental Protection Authority (see www.epa.govt.nz).

EMISSION

The carbon dioxide-equivalent emissions of greenhouse gases from an activity.

EXOTIC FOREST

A forest in which the main species does not occur naturally in New Zealand.

EXOTIC HARDWOOD

Exotic forest species in the class *Magnoliopsida* (angiosperms).

EXOTIC SOFTWOOD

Exotic forest species in the class *Coniferopsida* (gymnosperms) other than *Pinus radiata* or Douglas-fir.

FIELD MEASUREMENT APPROACH (FMA)

This is the field inventory-based approach to determining the carbon stock in participants' post-1989 forests. It uses forest growth and carbon models specific to New Zealand's forests. Participants with 100 hectares or more of post-1989 forest land are required to use the FMA.

FOREST LAND

Forest land is:

- An area of land of at least 1 hectare that has, or will have, tree crown cover from forest species of more than 30 percent in each hectare;
- Includes an area of land that is temporarily unstocked;
- Does not include;
 - a shelter belt of forest species (less than 30 metres width); or
 - an area of land where the tree crown cover of the forest species has an average width less than 30 metres wide, unless the area is connected with forest land.

FOREST TYPE

Forest types, for a hectare of forest land, include:

- *Pinus radiata* if the predominant forest species on the land is *Pinus radiata*.
- Douglas-fir if the predominant forest species on the land is Douglas-fir.
- Exotic softwoods if the predominant forest species on the land is exotic softwood.
- Exotic hardwoods if the predominant forest species on the land is exotic hardwood.
- Indigenous forest if the predominant forest species on the land is indigenous.

GEOSPATIAL MAPPING INFORMATION

Information about an area of land as prescribed in the Geospatial Mapping Information Standard.

HARVESTING

Harvesting occurs when forest land is cleared and in the future new seedlings are either planted or naturally regenerate. There is no change in land-use; the forest land is considered to be temporarily unstocked. There is a time limit for how long harvested land may be temporarily unstocked before it is deemed deforested (see Deforestation above).

INDIGENOUS FOREST

An Indigenous Forest is forest land comprising tree species that occur naturally in New Zealand or have arrived in New Zealand without human assistance. Strict definitions may relate to the original method of forest establishment (and the direct involvement of people in the process), the mixture of flora and fauna, and the conditions believed to have been present before human intervention.

INTERESTED PARTY

An interested party is a party with a registered interest over land. Where an applicant, or a registered participant applying to add a CAA, is the holder of a registered forestry right or registered lease over post-1989 forest land the written consent of the landowner is required to include the post-1989 forest land in the ETS.

Where an applicant or a registered participant applying to add a CAA is the landowner of post-1989 forest land, the landowner requires the written consent of any holders of a registered forestry right or registered lease to include the post-1989 forest land in the ETS.

LAND PARCEL BOUNDARY

The boundaries recorded in Land Information New Zealand (www.linz.govt.nz).

LAND TITLE

A land title is an electronic instrument that records the ownership of one or more land parcels, and any restrictions on the free use of the described lands. A land title can relate to one or many legal land parcels. A land title is also referred to as a “certificate of title” (also “CT” or “title”) or “computer register”.

LANDOWNER

The legal owner, or owners, of the freehold estate in the land.

Note: a holder of a registered forestry right, or a leaseholder with a registered lease, is also eligible to participate in the ETS.

NEW ZEALAND EMISSION UNITS REGISTER (NZEUR)

This is a central registry of ETS participants and administers the holding accounts into which NZUs are transferred and from which units are paid. See www.eur.govt.nz.

NEW ZEALAND UNIT

A New Zealand Unit, or NZU, is a greenhouse gas unit specific to the ETS in New Zealand.

PARTICIPANT

A person becomes a mandatory participant if that person undertakes certain activities of the ETS, such as pre-1990 forest land deforestation. Other people may become participants by voluntarily registering in the ETS, for example, when they own post-1989 forest land.

PARTICIPANT-SPECIFIC TABLES

Participant-specific tables, issued by MPI, show the carbon stock per hectare by age for an FMA participant’s registered post-1989 forest. The tables are calculated using information collected by the FMA participant. .

POLYGON

For the purposes of mapping forest land, a polygon is defined as a closed shape bounded by sequentially connected polylines that do not cross, such that the map co-ordinates of the end point of one polyline are the same as the map co-ordinates of the start of the next polyline.

POST-1989 FOREST LAND

Forest land that:

- was **not** forest land on 31 December 1989; or
- was forest land on 31 December 1989, but was **deforested** between 1 January 1990 and 31 December 2007; or
- was pre-1990 forest land, other than exempt land:
 - that was deforested on or after 1 January 2008, and where liabilities from the deforestation have been met;¹ or
 - that was deforested on or after 1 January 2013 and where an offset forest has been established.
- was offsetting forest land that was deforested after 1 January 2013 and where liabilities from the deforestation have been met.
- was exempt land that was deforested and liabilities met.

Forest species on post-1989 forest land can either be exotic or indigenous.

PRE-1990 FOREST LAND

In general, pre-1990 forest land is land that:

- was forest land on 31 December 1989; and
- remained as forest land on 31 December 2007; and
- where the forest species on the forest land on 31 December 2007 was mainly exotic forest species.

PREDOMINANT FOREST SPECIES

The predominant forest species for an area of forest land is the forest species with the greatest total basal area.

REGENERATE

Regenerate means the beginning of growth of seedlings from processes other than planting.

REGION

Region means a region specified in Schedule 1 of the Climate Change (Forestry Sector) Regulations 2008.

REGISTERED FOREST RIGHT

This refers to a forestry right registered under the Forestry Rights Registration Act 1983.

REGISTERED LEASE

A registered lease, in relation to land registered under the Land Transfer Act 1952 means a lease registered under that Act; and includes a lease registered under the Land Transfer (Computer Registers and Electronic Lodgement) Amendment Act 2002.

¹ See the factsheet *Deforestation: Definition and obligations* for explanations on giving up units and exempt land.

A registered lease in relation to land that is not registered under the Land Transfer Act 1952 means a lease registered under the Deeds Registration Act 1908.

SHAPEFILE

An electronic file used for digital mapping and which is a standard mapping format used within the New Zealand forest industry. The Climate Change (Forestry Sector) Regulations 2008 use the term “geospatial mapping information” to refer to what is commonly known as a shapefile. Schedule 5 of the regulations provides more detail on when a shapefile must be provided. For people who do not have access to the software necessary to create a shapefile, MPI provides an online mapping tool for landowners to meet this requirement.

SUB-AREA

An area of forest land of at least 1 hectare that:

- for pre-1990 forest, comprises forest species of the same forest type, age and – if the forest type is *Pinus radiata* – the same region.
- for post-1989 forest:
 - comprises forest species of the same forest type, age and – if the forest type is *Pinus radiata* – the same region; and
 - where, if the area contains decaying residual wood and roots from previously cleared trees for which emissions must be accounted, trees comprise forest species of the same forest type, age when cleared, year when cleared and – if the forest type is *Pinus radiata* – the same region.

Sub-areas may comprise multiple discrete areas of land and, for post-1989 forest land, the area(s) comprising a sub-area must be within a single CAA.

SUBMITTER (POST-1989 FOREST LAND)

A submitter is the person submitting an application to register post-1989 forest. A submitter can be an applicant themselves or submit on behalf of an applicant. This person will be contacted if there are any questions relating to the ETS application.

WOODY SPECIES

A shrub or tree species with a woody stem or stems. Areas of woody species may comprise non-forest species (for example, gorse, broom, tauhinu), forest species or a mixture of both.

DISCLAIMER

The information in this publication has no statutory or regulatory effect and is of a guidance nature only. The information should not be relied on as a substitute for the wording of the Climate Change Response Act 2002.

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