

From: [REDACTED]
Sent: Tuesday, 18 August 2020 10:03 a.m.
To: [REDACTED]
Subject: RE: Presentations from final reply Monday 17 August 2020 - methyl bromide hearing

[REDACTED] [REDACTED]
[REDACTED]
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'In summary, the key messages that I had wanted to leave with the committee tomorrow are as follows:

As a small forest owner operating out of secondary ports Port Blakely are very reliant on fumigation using methyl bromide at the Ports of Tauranga and NorthPort. These two ports are a critically important part of our supply chain.

Port Blakely operate out of the Port of Dunedin and Ports of Timaru and don't have the scale to be able to justify alternative treatments to Methyl Bromide such as debarking at these locations.

Notwithstanding the above, the suggestion that debarking replace fumigation this is not an acceptable phytosanitary treatment for India.

India is a very important market for NZ and we cannot simply ignore the risks of effectively closing down this market by limiting the option to use methyl bromide - the only acceptable phytosanitary treatment currently approved for importing logs into India. India is and will become a more important market for NZ especially as markets such as Korea and Japan which have either alternative phytosanitary treatments to methyl bromide or in country treatment reduce their log imports from NZ. This reduction has been a decade long trend and it is likely to continue. Without the option to export logs to India, Korea and Japan this volume will need to be redirected to China resulting in oversupply and high risk market concentration. New Zealand is already over exposed to the China export log market. Domestic consumption for logs is a preferred option but the unfortunate reality is that there is unlikely to be a net increase in domestic demand of any scale for many years.

As the committee will be aware it is the importing countries that set phytosanitary requirements on logs exported from NZ. The only replacement fumigant to Methyl Bromide that has been identified is EDN and this is still under application for registration. Assuming EDN is registered it will take some time to work through receiving country approvals and local resource consent requirements. Until this is done we need to be able to continue to use Methyl Bromide as part of our supply chain.

A number of submitters have suggested that in receiving country fumigation is an options - such as Canadian logs imported into China. Not only is this questionable from a moral perspective it also leave New Zealand exporters very vulnerable to changing attitudes to in country fumigation.

Finally, the coalition government is on record saying publicly that it is the primary sector,

including forestry, that will be key to New Zealand's post Covid recovery. At a time when New Zealand desperately needs to generate overseas earnings there is an opportunity to support this by facilitating the continuation, with the appropriate controls, use of Methyl Bromide. The alternative is to maintain the current ruling and effectively ban the use of Methyl Bromide with the resultant impacts on the ability of the forestry sector to support the economic recovery.

Once again my apologies for the late notice of non attendance. If the committee is of a mind to ask questions I am more than happy to receive them either by e-mail or by by VC/phone contact.

Yours sincerely

Philip Taylor

Managing Director
Port Blakely'

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