

Submission

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By: Northland Regional Council
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On: Reassessment of methyl bromide

Introduction

The Northland Regional Council (council) is grateful for the opportunity to comment on the reassessment of methyl bromide. The primary aim of this submission is to provide information to assist the Environmental Protection Authority in the reassessment process and to emphasise the importance of a viable fumigation process to provide certainty to relevant industries and to enable the ongoing import / export of goods in a manner that meets the expectations of our trading partners.

Council wishes to disclose that it has a financial / commercial interest in Northport through Marsden Maritime Holdings Ltd. However, this submission is made primarily from the perspective of Northland's social, environmental and economic well-being rather than council's commercial / shareholding interests. We also note council's role as a regulatory authority in relation to discharges to the environment under the Resource Management Act 1991 (RMA) and also provide some commentary from this perspective.

Submission

1. Background

1.1. Northport is the main location for the use of methyl bromide as a phytosanitary fumigant in Northland, primarily for log / timber exports. Export of forestry products (particularly raw logs) is important for the regional economy (at around 2.5% regional GDP), much of which is destined for export from Northport. Approximately 2.1 million JAS of logs were fumigated at Northport in 2017 – of which about 0.5

million JAS were from other regions. Much of this volume was destined for India or China. The importance of an effective quarantine and pre-shipment fumigant is therefore of real significance for the Northland region.

- 1.2. The same can be said for New Zealand as a whole given the value of log exports alone for 2018 was \$3.3 billion. New Zealand also has an interest in ensuring the import of goods can be treated effectively for biosecurity purposes and that the phytosanitary standard of our exports meet the expectations of our trading partners.
- 1.3. As we understand it there are currently no viable alternatives to methyl bromide that meet requirements of several key trading partners despite significant investment by industry. We also understand that while recapture methods have improved, efficacy beyond 80% for log stacks has proven problematic and recapture from ship holds is especially difficult. Council therefore supports the application for reassessment of methyl bromide and the outcome sought by the applicant on the basis that adverse effects of methyl bromide can be adequately managed and that significant economic impacts are likely if the conditions of its use meant it was no longer viable as a phytosanitary fumigant. We provide more detail on the reasons for this support below.

2. Council's regulatory perspective

- 2.1. Council has functions relating to discharges to air under sections 30(1)(f) and 15(1) of the RMA. These functions are exercised through rules in regional plans and / or decisions on resource consent applications. Council adopts a 'risk based' approach to the development of rules in its regional plans (i.e. the level of control applied to an activity in rules relates directly to the potential risk associated with the activity). When assessing such risks, we consider the effectiveness of existing controls, the extent to which these controls mitigate the risk and whether there is a need for additional measures in regional rules.
- 2.2. Our position is that it is generally more efficient and effective to manage the use of hazardous substances such as methyl bromide at a national scale through controls available under the HSNO Act and health and safety legislation. Additional controls on discharges under the RMA (e.g. regional rules) may also be appropriate where a need can be demonstrated to address local / site-specific factors (such as proximity to public spaces and / or very sensitive receiving environments).
- 2.3. Council has an operative Regional Air Quality Plan that includes rules relating to the discharge of fumigants such as methyl bromide. This plan allows the use of fumigants including methyl bromide as a permitted activity subject to terms and conditions – meaning resource consent is not required for the discharge provided

the terms of the rule are met. This is on the basis that effects on human health and the environment can be adequately managed through the terms and conditions of the permitted activity rule in combination with other controls under the Hazardous Substances and New Organisms Act 1996 (HSNO) and regulations – in other words, at the time the Air Quality Plan was developed (circa 2004), council assessment indicated that additional controls in regional rules were of little or no environmental / public health benefit and would add unnecessary cost.

2.4. Council has recently notified decisions on its Proposed Regional Plan (PRP) which will replace the Air Quality Plan once finalised. Like the Regional Air Quality Plan, the PRP also identifies the use of fumigants as a permitted activity (subject to conditions) on the basis that:

- we are not aware of any change in circumstances that suggests greater controls are needed under the RMA, nor are we aware of any environmental incidents relating to the use of methyl bromide as a fumigant within our jurisdiction that suggest further controls are required through a consent process;
- our understanding is that Northport operations using methyl bromide follow good practice and meet current HSNO Act and the requirements of worksafe regulations. Public exposure is also likely to be very low as the human health constraints faced at other ports do not apply at Northport given tight restrictions on public access;
- the management of the use of hazardous substances is most appropriately applied at a national level under the HSNO Act;
- that there are no site specific issues that would require additional controls in the PRP.

2.5. At this stage, we do not consider the changes proposed by the applicant (which relate to recapture) will materially increase the risks to environment or public health and safety for Northport operations to the extent additional controls are needed under the RMA. However, it should be noted that the relevant PRP rule is under appeal and this process may reveal further evidence that additional controls may be appropriate to address site-specific issues.

3. Costs and benefits of methyl bromide use as a fumigant

3.1. Council is concerned about the potential adverse economic effects of a viable phytosanitary treatment for log / timber exports being unavailable as a result of unachievable recapture requirements coming into effect in 2020 (despite significant effort by the sector to find alternative treatments and recapture systems). As noted above, the forestry sector is a key component of Northland's GDP (2.5%) and its social wellbeing given the employment it generates. The application documents estimate the log trade is likely to be impacted by between \$400-750 million

(Application form Page 48) largely as a result of reduced exports to China and India. This is a significant proportion of the \$3.3 billion total value of log exports from New Zealand in 2018.

- 3.2. Northland also has significant potential for expansion of the forestry sector given there is a comparatively large proportion of lower productivity land in pasture suited to afforestation in the region. Afforestation also presents an opportunity to address water quality related issues from such land, particularly sediment which impacts on freshwater and estuarine ecosystems. The region also has the benefit of Northport to support growth in the sector which can handle a large volume of forestry related exports (it is estimated that between them Northport, Port of Tauranga and Gisborne export 63% of all sawn timber and log exports). Council would be concerned at the potential impact on this opportunity for beneficial land use change and the region's economic growth to be compromised, not to mention the negative impact on GDP and employment.
- 3.3. Given Northland's benign climate and wide range of habitats, it is particularly vulnerable to incursion by pest species. Council therefore allocates a significant proportion of its resourcing towards biosecurity. For example, in 2014 we experienced two separate incursions of the Queensland fruit fly in January and April 2014 at Whangārei – several similar events have subsequently occurred in Auckland. Prevention is far more cost effective than trying to eradicate or control a pest once established and methyl bromide should remain available as an effective biosecurity tool for a range of imported products. Council would be extremely concerned if risks of new pest incursions were to increase as a result of this effective treatment no longer being available.
- 3.4. While we recognise methyl bromide is an ozone depleting substance and has ecotoxic properties, council is of the view that in the interim and until alternatives can be found, the economic and biosecurity benefits of continued use of methyl bromide as a phytosanitary fumigant far outweigh risks to the environment and human health. The success of global reduction in the use of ozone depleting substances combined with improvements in recapture of methyl bromide should provide further time for its continued use as a fumigant, although we strongly support a gradual increase in the standards to incentivise ongoing advances and investment into recapture methods. We are also of the opinion that there are adequate controls available through HSNO and health and safety legislation to manage risks and if needed, further controls can be applied under the RMA to address site specific concerns. We agree with the applicant that the requirement to recapture from fumigations to a residual level below 5 parts per million from October 2020 is not achievable. Recapture from fumigation in ships holds is even more problematic. If these requirements remain, it is likely methyl bromide treatment would no longer be

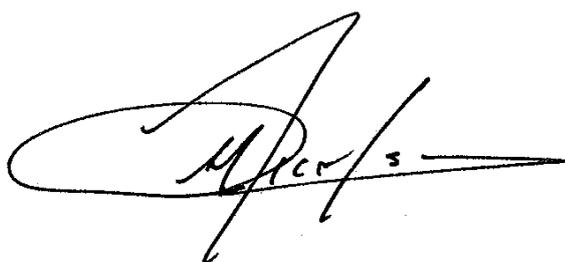
viable at significant detriment to New Zealand's economy and greater risk to our biosecurity given the lack of viable alternatives. Council therefore supports the changes to controls for recapture proposed by the applicant.

4. Conclusion

4.1. Council thanks the authority for the opportunity to comment on the reassessment of methyl bromide. Ideally phytosanitary treatments that are not ozone depleting or eco-toxic would be available, however at this point there appear to be no such alternatives that are cost effective and / or acceptable to our trading parties. We applaud the industry's efforts to date in exploring such options and would encourage further investment in this area.

4.2. However, in the meantime we support an interim standard for recapture of 80% or more be applied in combination with a progressive programme of realistic tightening of standards to incentivise improvements in recapture technology / methods. This is on the basis that we understand this is achievable with current technology and that there are unlikely to be significant adverse environmental or human health effects as a result of its use (subject to adequate conditions being applied its use under the HSNO Act) and significant detrimental economic impacts if it is no longer a viable option. We consider the application for reassessment makes a convincing case for the changes sought.

Signed on behalf of Northland Regional Council:

A handwritten signature in black ink, appearing to read 'M Nicolson', with a large, sweeping flourish extending to the right.

Malcom Nicolson (CEO)

Dated:29 August 2019