

# The RMA and wood processing

Peter Sligh\*

The Wood Processing Strategy (WPS), a joint initiative by the industry and Government, identified ten areas to be addressed in order to achieve the objective of processing 50% of the additional log harvest to 2010. The Resource Management Act (RMA) was one of these and was identified as a priority concern.

A Working Group consisting of industry and Government representatives was established to deal with two strategic objectives:

- Identify current problems facing the wood processing industry and examples of good practice in relation to the RMA.
- Provide a process/system to share information and training to resolve technical and planning issues facing the wood processing industry in relation to RMA plans and consents.

This Working Group commenced work in March 2001 and engaged Mitchell Partnerships as a consultant to report on the first objective. The work focused on possible improvements within the limitations of the RMA as it stood. Meanwhile Government had been dealing with a review of the RMA. The stage 1 work was completed at the end of 2001 and was reported in "Implications of the Resource Management Act for the Wood Processing Industry"<sup>1</sup>. The report was based on an extensive review of input from councils and industry throughout New Zealand, and from RMA plans.

The report identified that there were both bad and good examples of RMA practice for both plans and consents. This was not unexpected. In most cases there is something to be learned for both councils and industry. With good planning, identification of issues, project management and working together there is a good chance of a good result, provided other limitations of the RMA do not frustrate the process. The challenge is to learn from experience and establish means to share the knowledge and the experience of people. The report identified that there were opportunities to improve the processes, by both councils and industry.

The key recommendations for action included:

- Development of a code of practice for wood processing. The industry needed to prepare standardised methodologies that would improve identification and understanding of the environmental issues.
- Development of best practice by Councils. Regional and district councils needed to implement better processes for dealing with applications for the sometimes large and complex wood processing operations.

Other report recommendations included:

- Government advocacy for industry development.
- Streamlining the Ministry of Health processes in addressing public health concerns in air discharge consents.

- The inclusion of information on planning processes under the RMA in information packages prepared for overseas investors.
- Investigating methodologies to address cumulative effects (e.g. air emissions).
- Extending the harvest level forecast database to district council scale (useful for roading expenditure priorities as well as district planning).

Some additional work was undertaken to provide an estimate of the potential savings of costs and time if the recommendations were effectively implemented. As expected there was potential for substantial savings to be made by improving the processes under the RMA. This was reported as "Benefits to the Wood Processing Industry of Efficient Application of RMA Resource Consent Application Processes"<sup>1</sup>. Savings ranged from \$15,000 -150,000 direct costs and 3 – 36 months of delay. Clearly these are significant and provide a driver for much needed improvement.

## Code of Practice

The Code of Practice (COP) is being designed to deliver on the following success factors:

- Meet needs of industry and local government planners.
- Early implementation and widespread use in practice.
- Clear reduction in time and cost in obtaining resource consent for wood processing facilities.
- Acceptance and use by regional and district councils and by forest industry companies and other organisations.
- Acceptance and support from MFE, MAF and Industry New Zealand.

The code applies to both existing and new activities, and includes the full range of processing options. These are central log processing, sawmilling and kiln drying, timber treatment, posts, veneers and laminated products, furniture and components, manufacturing, MDF, particleboard, hardboard, plywood, mechanical and chemical pulp mills, paper mills, and energy plant.

Some of the additional benefits from the development of the code are that it:

- Supports the local government work on enhancing best practice and meeting planner needs.
- Provides a guide for new or overseas investors in wood processing.
- Raises the level of awareness of local planners on wood processing opportunities.
- Provides specific key information to allow appropriate provision for wood processing in district and regional plans.
- Enhances consistency, reduced RMA costs and consent processing time.

<sup>1</sup> Peter Sligh is an independent consultant and co-chair of the RMA Working Group under the Wood Processing Strategy.

<sup>1</sup> Available from NZ Forest Industries Council (PO Box 2727, Wellington. [nzfic@nzfic.org.nz](mailto:nzfic@nzfic.org.nz))

- Shows potential for use as a public “education” tool.

The Wood Processing COP includes, for each process:

- A brief description of the wood processing activity;
- Potential environmental effects including noise, dust, air emissions, storm-water, transport matters, chemicals, etc;
- Best practice options for plant, equipment and operations to avoid, remedy or mitigate effects;
- Appropriate standards, guidelines and council plan requirements.

The Code of Practice has been drafted, and feedback from councils and industry is currently being assessed.

### Council Best Practice

The Mitchell Partnerships report identified that key elements of the council best practice work revolve around improving plan preparation and resource consent processes. Those identified were:

- Networking and sharing resources and consent condition information with other councils.
- Circulating draft conditions on consents to applicants and other parties at the pre-hearing stage.
- Providing an estimate of costs for consent applications when requested.
- Improving the “affected persons” form.
- Establishing clear rules and guidelines on content of submissions, acceptance of late submissions and appeals.
- Maintenance of an iwi contact database and information to resource consent applicants.
- Preparing joint plans between neighbouring councils and providing for integration of district and regional council matters.
- Developing a set of model objectives, policies and rules relating to industrial development for inclusion in district and regional plans.
- Explicitly providing for wood processing in district plans.

Workshops on Council Best Practice were held in Whangarei, Rotorua, Wairoa, Wellington and Balclutha late in 2002. The draft COP and a range of issues were discussed. The appropriate action plans are currently being developed to address key issues:

- It is vital to enhance working relationships between councils and local industry to improve planning and consenting processes.
- There are some cases of council plans being prescriptive and not focusing on effects of the activity.
- There are some cases of councils effectively establishing fora for sharing services and working on “normalising” plans to obtain wider regional benefits.
- There can be risks for industry in relying on permitted status in plans because plans can be reviewed and rules changed by a public process.
- Creation of industrial zones may have limited benefit depending on the new activity, compatibility with

neighbours and the appropriateness of the location in meeting other business needs.

- Cumulative effects (particularly for air emission and noise effects) are potentially an issue with clustering of industry, despite zoning providing for land use.
- There is a good case for setting up a “clearing house” for on-line sharing of best practice and case studies for consent and plan processes in regard to wood processing.
- The RMA restrains the ability of councils to rely on other plans and codes.
- There is an ongoing problem regarding a significant number of submitters/objectors not acting responsibly in the processes. This is a key aspect that unfairly frustrates and penalises councils, applicants and responsible submitters.
- It is generally recognized that the Environment Court is working better, but there is still an issue regarding lack of timelines for the court.
- There is a feeling that the forest industry image in the community is poor, and is perceived that is not environmentally sound. This is arguably incorrect and is of course unhelpful when seeking community support for new investment.
- There was general support for the development of national standards.
- The concept of setting up an “Ombudsman” role to deal with auditing consent process performance and promoting good practice was raised. A new office would enhance council accountability for performance.

### Unfinished business

Improvement of processes within the restraints of the current form of the RMA will be of significant help to further processing of the rapidly increasing wood harvest in New Zealand. The industry Code of Practice is nearing completion and work is required to ensure successful implementation. Provision has been made to review its use by undertaking a series of checks over the next two years. The work on enhancing council best practice is progressing, but there remains much to be done before we can be satisfied that efficient processes become the norm.

There remain some fundamental issues with the RMA and until they are dealt with there will continue to be significant inefficiencies and impediments to the development of further wood processing. These include provision for limited notification, ensuring that submitters act responsibly, reducing costs, and imposing timeframes for Environment Court processes. The forest industry is playing its part in planning for further processing while maintaining sound environmental practices and protecting appropriate environmental values. The required RMA changes can help significantly to both improve economic development processes and provide appropriate environmental protection. This can be achieved without unnecessarily compromising democratic processes.