Example 7 Forests + Jobs

Analysis

Dogwood Alliance/CSE Recommendations Would Accelerate Climate Change



Anti-Forestry Groups Call For Measures That Would Reduce Carbon Sequestration By 35%, Shrink Forest Area, And Eliminate North Carolina's 70,000 Forestry Jobs

> In its September 2019 <u>report</u> in collaboration with the Oregon-based Center for Sustainable Economy (CSE), the Dogwood Alliance examined the carbon impact of North Carolina's forest products industry. Dogwood/CSE concluded that "industrial logging" was the state's third-largest source of emissions and advocated for a massive government intervention into private land ownership in order to maximize carbon sequestration from North Carolina's forest land.

The Dogwood/CSE report raises two primary questions—is their carbon analysis accurate, and what would this government intervention in the forest products industry mean for North Carolina's economy?

> A Future Forest + Jobs analysis of Dogwood/CSE's report, synthesizing existing research, finds that Dogwood/ CSE's policy recommendations would reduce carbon sequestration by 35%, shrink forest area, and eliminate over 70,000 jobs in North Carolina.







Finding One: Dogwood/CSE's Key Recommendation Would Reduce Carbon Sequestration From North Carolina Forests By 35%, Report's Carbon Accounting Is Flawed

> According to a <u>review</u> of the Dogwood/CSE study by the <u>National Council for Air and Stream Improvement (NCASI)</u>, a nonprofit that provides scientific research about the forest products industry, Dogwood/CSE's report is full of "analytical errors and significant omissions and oversights."

First, NCASI finds that the Dogwood/CSE study makes incorrect assumptions about "nature's baseline" carbon sequestration. Dogwood/CSE advocate for mandating that forests grow into old growth, mature conditions, and assume that forests in such mature conditions necessarily sequester more carbon. But as NCASI <u>notes</u>, Dogwood/CSE's assumption failed to take into account "a wide range of natural disturbances that can result in substantial carbon emissions" including forest fires and insects. NCASI also explains how "active forest management can reduce the risk of and effects from natural disturbances."

Second, the Dogwood/CSE study claims that clear-cuts are "carbon sequestration dead zones." As NCASI <u>explains</u>, this too is false, and is based on our current inability to measure sequestration "in young, rapidly growing forests." Just because we have trouble measuring young forests—which are rapidly sucking carbon dioxide from the air during early growth—does not mean there is a "dead zone" of sequestration. NCASI also notes that undermining forestry could reduce carbon sequestration by causing landowners to turn to development or agriculture. They note that "denying private forest landowners the ability to actively manage their forests incentivizes them to convert forests to these types of other land uses."





Third, the Dogwood/CSE study falsely assumes that "regenerating forests sequester carbon more slowly than older forest stands." As NCASI <u>notes</u>, "it is widely known that young forests sequester carbon more rapidly than older forests, so replacement of an older forest with a younger one means more annual sequestration per acre, not less."

In fact, NCASI finds that

if Dogwood's recommendations were followed, and there were more old trees, rather than young trees with higher sequestration rates, the result would be that North Carolina forests would remove nearly 35% less carbon from the atmosphere annually.

According to the NCASI <u>report</u>:

Currently, private forests in North Carolina are removing 61 million tons of CO2 from the atmosphere every year. If all of North Carolina's 15.6 million acres of private forests were at "Nature's Baseline" of stands aged more than 100 years old (see DA Report, Fig. 2), these forests would remove approximately 40 million tons annually, a decrease of almost 35%.

Fourth, the Dogwood/CSE study makes numerous math errors, including double-counting logging residues and "basic computational errors" in carbon sequestration rates.

These are just a few of the many faults NCASI found in the Dogwood/CSE study—read their entire analysis <u>here</u>.

The Dogwood Alliance/CSE study is fundamentally flawed, and as NCASI's report makes clear, following its recommendations means less carbon sequestration, taking us backward in the fight against global climate change. But just as important—a Future Forests + Jobs analysis also finds that Dogwood/CSE's policy could devastate North Carolina's forest products industry and shrink forest acreage.



Finding Two: Dogwood Alliance/CSE's Plan Would Shrink Forests By Eliminating Markets For Forest Products

Dogwood Alliance/CSE make two overall recommendations in their study—first, they discuss the benefits of longer forest rotation periods, even rotations as long as 90 years. Second, they advocate for massive government regulation on private landowners to force them to maintain their forests into maturity. Both of these recommendations would effectively nationalize most of North Carolina's 17.9 million acres of timberland, as 85% of North Carolina forests are held by private landowners or companies, <u>according</u> to North Carolina State University.

Either policy recommendation would shrink forests.

First, a 90-year rotation would decimate forest products markets by increasing the amount of time trees must remain in the ground. This would drastically reduce the turnover of working forests and would by extension cut the incomes of forest workers.

For instance, assuming a standard pine plantation <u>rotation</u> of around 30 years, a 90–year rotation would slash the number of available forest removals by two–thirds. In North Carolina, forest product workers make an <u>average</u> of around \$51,000 annually. Reducing their income by two–thirds would bring their income down to around \$17,000 annually—that's below, for instance, the average income of farmers in North Carolina, who <u>make</u> nearly \$40,500 each year.

Thus, mandating longer rotations would likely have the exact opposite effect intended by Dogwood/CSE, assuming that landowners operate as rational economic actors. Instead of growing forests, Dogwood/CSE's mandate would encourage landowners to switch from forestry to other more carbon-intensive, income-producing alternatives such as farming, cattle ranching, or selling off their land for development. All of these would have adverse climate effects, as they would completely eliminate forest acreage.

Second, a more complete mandate that trees not be rotated at all could have even more disastrous effects. It would reduce landowners' income generating-potential to zero. This would instantly force landowners—many of whom rely on the income generated by their land—to these other carbon-intensive alternatives.





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Finding Three: Dogwood Alliance/CSE's Key Recommendation Would Eliminate 70,000 Forestry Jobs In North Carolina

The Dogwood Alliance/CSE report notes that the "most important policy goal" is to eliminate forest rotations—a policy that would effectively end the forest products industry, which relies on harvesting fiber from working forests each year through sustainable rotation over time.

The Dogwood/CSE report concludes that:



...while a focus on annual carbon sequestration is useful, the most important policy goal should not be maximizing landscape scale sequestration but rather forest carbon storage on the land. It is this, ultimately, that will permanently reduce atmospheric CO2 concentrations back toward the upper limit of 350 parts per million advocated for by the scientific community. Letting forests mature into old growth condition—despite lower sequestration rates—is the key to replenishing these forest carbon stocks. Longer rotation lengths can take us part of the way there, but, ultimately, as long as forests are managed with an eye towards logging (even if once every 90 years), captured carbon will eventually be re-emitted into the atmosphere.

As North Carolina State University <u>finds</u>, the forest products industry is a critical sector for North Carolina. Forest products manufacturing directly employs over 70,000 people and supports more than 144,000 jobs statewide. The forest products industry generates nearly \$1 billion in state, local and federal tax revenues, and it provides an income for the state's 469,000 families and private associations that represent 61% of the state's forest acreage.





To summarize, in this report,

the Dogwood Alliance and the Center for Sustainable Economy effectively call for the wholesale elimination of the forest products industry in North Carolina, but they completely fail to account for the negative economic and ecological consequences of such a policy,

including shrinking the state's forest land area, reducing their carbon sequestration capacity, and eliminating jobs in the forest products industry. Along with basic math errors and flawed carbon accounting, it is clear that this Dogwood Alliance/CSE report is not a serious or accurate contribution to the policy debate on bioenergy and climate change mitigation.

About Future Forests + Jobs

Future Forests + Jobs' mission is to advance the conversation around renewable wood energy and the forest products sector. We will use facts and research, and we will hold accountable those who spread misinformation about the industry. FFJ agrees with the scientific consensus that sustainably-sourced wood biomass is a vitally important tool for replacing coal, growing more trees, and helping mitigate global climate change—all while promoting good-paying jobs in rural communities.

The world's leading climate scientists agree that biomass is a key component of any strategy to limit climate change and reduce carbon emissions. The United Nations Intergovernmental Panel on Climate Change, the world's foremost authoritative body on climate science, specifically <u>highlights</u> sustainable forest management to produce wood biomass energy as a necessary mitigation measure the world should employ in its effort to limit global warming to 1.5°C.

Growing forests and building a stronger economy, that's what FFJ stands for.

Future Forests + Jobs (FFJ) is an initiative of the <u>U.S. Industrial Pellet Association</u> (USIPA), a 501(c)(6) not-for-profit trade association which advocates for the renewable wood energy sector as a sustainable, low-carbon power source.

