



As of 8 August 2022

## Forestry Regulatory System

The Forestry Regulatory System includes a suite of legislative instruments that provide for the regulation of privately owned indigenous forests, log traders and forestry advisers, forestry elements of the Emissions Trading Scheme (ETS) and the environmental effects of commercial plantation forestry. Additional regulation relating to forestry, such as health and safety requirements, is managed by other agencies.

### Objectives

- > Indigenous forest on private land is sustainably managed
- > Supply chain integrity is supported by registration of log traders and forestry advisers
- > New Zealand meets its domestic climate change reduction targets and its international climate obligations
- > Plantation forestry environmental outcomes are maintained or improved
- > National consistency in local rules make forestry practice requirements more certain
- > Market access for New Zealand forestry exports is safeguarded and enhanced
- > International trade in illegally harvested timber is prevented, and the risk that timber imported into New Zealand is sourced from illegally harvested timber is reduced
- > Natural resources such as freshwater are appropriately managed

PORTFOLIO	Forestry
STATUTES	Forests Act 1949 Forestry Encouragement Act 1962 Forestry Rights Registration Act 1983 Forests (West Coast Accord) Act 2000 Resource Management Act 1991 (Ministry for the Environment) Climate Change Response Act 2002 (Ministry for the Environment) Overseas Investment Act 2005 (Treasury)
OTHER GOVERNMENT AGENCIES WITH SUBSTANTIAL ROLES	Department of Conservation   Te Papa Atawhai Environmental Protection Authority   Te Mana Rauhi Taiao Land Information New Zealand   Toitū Te Whenua Local and Regional Authorities Ministry for the Environment   Manatū Mō Te Taiao Ministry of Business, Innovation and Employment   Hīkina Whakatutuki New Zealand Trade and Enterprise   Te Taurapa Tūhono



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Planned regulatory amendments to legislation – 2022/2023

MATTER NAME	PURPOSE	PLANNED CONSULTATION	STATUS
<b>Forests (Legal Harvest Assurance) Amendment Bill</b>  <i>Matter type: Bills</i>	<p>To strengthen the international reputation of the forestry sector, safeguard and enhance market access for the forestry sector, reduce the risk of importing timber that is not legally harvested, and help reduce international trade that is not legally harvested.</p>	<p>The Bill will be subject to public consultation as part of the Select Committee review process.</p> <p>Provision has also been made for engagement with all affected parties during the development of enabling regulations and rules.</p>	<p>Under consideration by Parliament. Follow the Bill's progress here:</p> <p><a href="https://www.parliament.nz/bills/forests-legal-harvest-assurance-amendment-bill">Forests (Legal Harvest Assurance) Amendment Bill (parliament.nz)</a></p>
<b>Forests (Regulation of Log Traders and Forestry Advisers) Regulations</b>  <i>Matter type: Regulations</i>	<p>To ensure that logs grown in New Zealand are bought and sold, and forestry advice is provided, in a way that is transparent and professional.</p>	<p>Public consultation was undertaken on registration, cost recovery, and rules for a code of ethics for forestry advisers.</p>	<p>Registration for log traders and forestry advisers begins in August 2022.</p>
<b>Managing exotic afforestation incentives</b>  <i>Matter type: Bills</i>	<p>This work proposes to change the forestry settings within the New Zealand Emissions Trading Scheme to better manage permanent exotic afforestation.</p>	<p>Public consultation and targeted engagement concluded on 22 April 2022.</p>	<p>Final policy decisions are expected to be made either later in the year or early 2023.</p>
<b>Climate Change (Forestry Sector) Regulations 2022</b>  <i>Matter type: Regulations</i>	<p>To provide operational detail needed to implement changes in the Climate Change Response Act that will come into force on 1 January 2023 (e.g. rules for calculating forest carbon stock under averaging accounting).</p>	<p>Public consultation and targeted engagement on policy decisions concluded on 15 January 2020 and 9 April 2021. Exposure draft of the regulations released and targeted engagement concluded July 2022. Closing date for submissions was 5 August 2022.</p>	<p>The regulations must be published by 1 October 2022 and will take effect on 1 January 2023.</p>



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MATTER NAME	PURPOSE	PLANNED CONSULTATION	STATUS
<b>Changing the surrender/repayment penalty for small forestry participants in the New Zealand ETS</b>  <b>Matter type: Bills</b>	<p>This work proposes to extend the use of the excess emissions penalty for small forestry participants until 31 December 2024 and implement a new surrender/repayment penalty from 1 January 2025, to reduce the risk of financial hardship for small forestry participants.</p>	<p><a href="#">Public consultation</a> closes on 30 August 2022.</p>	<p>Policy decisions are expected to be made in late September/October 2022. Legislative changes will be needed to extend the excess emissions penalty and to implement a new penalty.</p>
<b>National Environmental Standards for Plantation Forestry (NES-PF)</b>  <b>Matter type: Regulations</b>	<p>To consider amending the National Environmental Standards for Plantation Forestry (NES-PF) to include permanent exotic afforestation, to strengthen councils' ability to manage the location of new afforestation, to improve environmental management by addressing some of the key findings of the Year One Review of the NES-PF, and to introduce wildfire management plans for all forests managed under the NES-PF.</p>	<p>Consultation alongside MfE is planned for later in 2022.</p>	<p>This workstream is under consideration until relevant decisions are made.</p>
<b>Primary Industries Regulatory Systems Amendment Bill</b>  <b>Matter type: Bills</b>	<p>To improve primary industry regulatory systems by ensuring they are effective, efficient and accord with best industry practice.</p>	<p>Public consultation will be through the Select Committee process.</p>	<p>In process of being drafted following Cabinet consideration.</p>



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### Planned regulatory amendments to legislation led by other agencies

MATTER NAME	PURPOSE	STATUS
<b>Overseas Investment (Forestry) Amendment Bill</b>  <b>Matter type: Bills</b>  <b>Lead Agency: Treasury</b>	To ensure that overseas investment that result in the conversion of farmland or other land to forestry benefits New Zealand, and that any risks can be better managed.	Read more about this Bill on the Treasury website:  <a href="https://www.treasury.govt.nz/overseas-investment-act-2005-forestry-review">Overseas Investment Act 2005: Forestry Review (treasury.govt.nz)</a>

### Key service design and operational changes

2022	<p><i>Industry Transformation Plan</i></p> <p>The Forestry and Wood Processing Industry Transformation Plan (ITP) seeks to transform the sector and build a productive, sustainable, inclusive, and low emissions economy. The draft ITP proposes a suite of actions to encourage greater processing of wood fibre onshore, increase the production of higher-value wood products, and catalyse growth in the emerging bioeconomy. Public consultation on the draft ITP began in August 2022, with the aim of releasing a final Plan in late 2022.</p>
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