

# FOREST OWNERS ASSOCIATION

Briefing to Incoming Ministers 2023

## Who we are

New Zealand Forest Owners Association (FOA) represents all major commercial plantation forest growing companies in Aotearoa New Zealand.

Membership includes Māori incorporations, Pamu and Fonterra, to name a few. Of the country's 1.8 million hectares of plantation forest, FOA members are responsible for the management of approximately 1.2m ha and average more than 75 percent of the annual harvest.

The Forest Growers Levy Trust (FGLT) was set up under the Commodity Levies Act 1990. As a funding 'agency', FGLT collects a levy on all harvested wood products at a rate of 33 cents per tonne.

The FOA and the Farm Forestry Association (FFA) work closely together to advocate on behalf of all small and large commercial plantation forest owners, investing around \$10.85m of FGLT levy money into industry-good activities such as research and development, promotions, training and careers and more each year.



**1.2M ha**

of our forests are managed by FOA members



**75%**

of the country's annual timber harvest



**\$10.8M**

annual investment into industry-good activities



## Our vision

By 2050, forestry will be Aotearoa New Zealand's leading primary sector and exemplify the best plantation forest management in the world.

## Transformation pathway

2030



Increase logs processed each year **by 25%**



Increase the amount of timber used in construction **by 25%**



Increase the planting of alternative species

2040



Increase value-added yearly exports **to \$3.1b**

2050



Replace **66 million m<sup>3</sup>** of coal and oil fuel with wood



## Outcome areas



Policy

## Key priorities

- Stabilise the Emissions Trading Scheme (ETS)
- Ensure the National Environmental Standards for Commercial Forestry (NES-CF) are bound by objective and uniform standards
- Improve funding models for biosecurity and fire protection
- Ensure landowner decision planting rights are not compromised by local government decisions
- Develop clear, minimum exotic planting rates under climate change pathway schedules
- Enable gene editing where safe and appropriate, and the availability of Gene Technology
- Instigate a value assessment of ecosystem services
- Expediate an urgent review of Local Government Act rates settings
- Ensure the economic performance and productivity of forestry is recognised and enabled by policy makers, in so far as forestry earns 12 percent more in export earnings per hectare than the average of all pastoral sectors.







## Environment

- Ensure forests are recognised as critical ecosystems that contribute to climate change mitigation and Aotearoa New Zealand's biodiversity stability
- Future-proof forests against climate change through research and development into climate-resilient forests
- Foster a community of foresters that serve as Kaitiaki (guardians) of the land – using best practice to ensure sustainable production, while minimising the sector's environmental and community impact
- Develop measures to reduce slash risk and utilise woody debris
- Advocate for the introduction of new species and improved forest management for greater production and decreased environmental impact
- Protect the productivity and sustainability of our production forests from biosecurity threats and fire.



## People

- Strengthen forest owners' social licence to operate by telling the story of forestry and its people
- Empower intergenerational resilience of foresters through representation and a unified voice
- Forestry leads the primary sector in inclusion of Māori, through both workforce, and by forest and forest land ownership.
- Represent the interests and investment of Māori foresters, who comprise 30-40% of the sector and generate more employment than any other pastoral sector
- Foster collaboration with pan sector groups, stakeholders, educators, local and central government and the community
- Promote forestry as a safe, attractive and culturally diverse industry to work in.



## Innovating and adding value

- Champion sustainable production of *pinus radiata* and Douglas fir
- Position the sector as the leader for New Zealand's bioeconomy
- Provide for the accelerating adoption of biofuels
- Facilitate greater utilisation of modern engineered timber
- Diversify and build domestic and export markets
- Develop opportunities for wide-spread and cutting-edge biotechnology with ambitions of netting \$19b a year.



## Forest levy

The Harvested Wood Material Order (2019) provides investment income for the Forest Growers Levy Trust. Other primary sectors generally levy themselves at a considerably higher rate.

Sector	Exports \$M	Levy collected \$M	\$1 levy supports \$s exports
Forestry	\$6,578	\$10.85	\$606
Other main primary	\$40,461	\$129.9	\$311

### \$1 levy supports exports of...



## Export earning capacity

While it is clear that exports per hectare of forestry are well and consistently above that of sheep and beef farming, it is also true that forestry earnings per hectare also rank above those of the whole pastoral sector.

Sector	Millions of ha	2022 exports millions	Export \$ per ha
Forestry	1.8	\$3,654	\$3,654
Sheep, beef, dairy & deer	10.6	\$34,573	\$3,261

### Exports per hectare

