

Non-Legally Binding Instrument on All Types of Forests

Voluntary Sharing of Information on Progress

NEW ZEALAND

October 2008

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IMPLEMENTATION OF THE NLBI

1. Raising awareness of sustainable management of forests and the NLBI itself is seen as an important component to facilitate implementation. Please provide information on measures taken aimed at introducing the NLBI to professionals and the general public:

The New Zealand Government and forestry stakeholders appreciate the necessity of implementing sustainable forest management. This commitment is captured in legislation and regulations relating to sustainable forest management, outlined in Annex A, and voluntary processes adopted by forestry stakeholders. The principles and approaches of the NLBI are embodied within these mechanisms.

Information on New Zealand's engagement with Multilateral Environmental Agreements is available on the website of the Ministry of Foreign Affairs and Trade (MFAT) (see: www.mfat.govt.nz). Information on sustainable forest management can be found on the websites of the Ministry of Agriculture and Forestry (MAF) (www.maf.govt.nz) and also on the websites of the Department of Conservation (DoC) (www.doc.govt.nz) and the Ministry for the Environment (MfE) (www.mfe.govt.nz). New Zealand continues to focus on ensuring that government, industry and other stakeholders promote and encourage the principles captured within the NLBI.

The New Zealand forest industry has a number of protocols and principles promoting sustainable forest management. For example, they recently released a revised 'New Zealand Environmental Code of Practice for Plantation Forestry'. Each year the NZ Forest Owners' Association runs a comprehensive multi-media forest fire awareness programme, which highlights the multiple uses of planted forests. The industry has also recently launched a website that discusses the benefits of using sustainable wood (www.nzwood.co.nz).

Forest Industries Training and Education Council (FITEC), New Zealand's main forest industry training organisation, manages a popular website for increasing public awareness of sustainable forest management called Forestry Insights (www.insights.co.nz). Forestry Insights has been created for students (particularly senior secondary), teachers, industry trainees, and the general public. Its major features include information on the following: indigenous and exotic forestry, major wood products, environmental and social issues, statistics and graphs and up-to-date industry information.

Civil society in New Zealand is also active in promoting the necessity and benefits of sustainable forest management both in New Zealand and abroad. Civil society often works with industry to promote sustainable forestry and raise awareness of issues relating to sustainable forest management. One example is the New Zealand Importers Tropical Timber Group's Charter of Understanding, which is at: www.greenpeace.org.nz/pdfs/nzittg.pdf .

A crucial part of sustainable forest management in New Zealand comprises indigenous forests and the conservation estate, managed by the Department of Conservation (DoC). Part of DoC's community relations work is an annual programme of events including an Arbor Day (June 5) and a Conservation Week. DoC presents a number of national and regional awards to acknowledge and encourage community involvement in conservation.

DoC also run visitor and education programmes in national parks, featuring the natural and cultural history of the parks and other conservation areas. The Royal Forest and Bird Protection Society of New Zealand (RF&B) regional and national organisations conduct educational and community-based work programmes related to flora and fauna conservation. In addition, New Zealand has a 'Conservation Corps'. This is a programme run by the Ministry of Youth Development established to give young people a chance to experience and participate in conservation activities and ongoing work. For more information see: www.myd.govt.nz.

CLUSTER: 1A - STRENGTHENING POLITICAL COMMITMENT FOR SUSTAINABLE FOREST MANAGEMENT

National Policies and Measures

National Forest Program – 6(a)

New Zealand has adopted an approach that makes the need for a single national forest plan or program (NFP) less necessary than may be the case in other countries. This approach is a matrix of policies, plans, and industry initiatives that has been developed over time and is updated as necessary.

Natural Indigenous Forests

In 1987 substantial administrative changes in natural resource management resulted in most Government-owned indigenous forests being fully reserved and placed under the control and administration of DoC. These indigenous forest areas cover approximately twenty-four percent of New Zealand's total land area and are subject to various plans and strategies relating to biodiversity and conservation administered by DoC and so are partly covered by "national plans".

In addition to the conservation estate there are also areas of indigenous forests in private ownership. Production is allowed on private indigenous forestland under Part IIIA of the Forests Act 1949. This section of the Act regulates sustainable management of indigenous forests through restrictions on the harvesting, milling and export of indigenous timber and forest products. Forest owners who wish to harvest trees must obtain a Sustainable Forest Management Plan or Permit from MAF. Plans and Permits require forest land to be managed in a way that maintains the ability of the forest growing on that land to continue to provide a full range of products and amenities in perpetuity while retaining the forest's natural values. MAF has produced national guidelines on the process, which is a form of national forest programme.

The Resource Management Act 1991 (RMA) is the core legislation that controls natural resource management and use in New Zealand. The purpose of the RMA is to promote the sustainable management of natural and physical resources (including forests). This is achieved through a series of national policy statements and standards, regional policy statements and plans and district plans. These instruments set out the legal framework within which resource users (including forest owners) may use natural and physical resources. The RMA is therefore of relevance to indigenous forest owners and planted production forest owners.

Planted Production Forests

Most (over 99 percent by volume and by value) timber production comes from New Zealand's planted forest estate (1.8 million hectares), the majority of which is privately owned (94 percent). Government-owned production forests, largely comprising planted exotic forests, were progressively sold to private companies during 1987 to 1995. In addition, a significant percentage of New Zealand's planted forest resource has also been transferred from government ownership to Māori iwi (tribes), the indigenous people of New Zealand, over the past twenty years. This is being managed by collective tribal entities and is discussed further in other parts of the report.

Development of, and investment in, planted production forests are generally left to private sector interests. These interests are subject to all-embracing legislation both the RMA (as described above) and other legislation that facilitates sustainable forest management in both planted and natural forests including the Health and Safety in Employment Act 1992 (health and safety being a function of sustainability) and the Biosecurity Act, 1993. Other legislation that has a role in regulating planted exotic and planted indigenous production forestry is listed in Annex A.

Other National Initiatives and Plans

The New Zealand forestry sector has negotiated a number of national initiatives with environmental groups focused on forestry environmental issues, which help to ensure that production forestry is sustainable. These include the New Zealand Forest Accord 1991 and Principles for Commercial Plantation Forest Management 1995. The forest industry also promotes sustainable forest management in planted forests through innovations like the New Zealand Environmental Code of Practice for Plantation Forestry (2008). Other industry initiatives include adoption of forestry certification systems (e.g. Forest Stewardship Council).

The New Zealand Institute of Forestry has prepared a National Policy on Forestry and an Indigenous Forest Policy based on a forest ecosystem approach to sustainable management.

Criteria and Indicators – 6(b)

New Zealand is an active (and founding) member of the Montreal Process and is involved in all of the Process' initiatives and work relating to criteria and indicators (C&I). In addition, New Zealand is also closely involved in promoting the International Tropical Timber Organisation (ITTO) C&I.

New Zealand is well placed to respond to the range of monitoring, reporting and certification processes for forestry. Field testing, implementation and promotion are an integral part of New Zealand's commitment to, and execution of, the Montreal Process, Forest Resource Assessment 2000, Forest Resource Assessment 2010, and the carbon monitoring system. In addition, the industry has an increasing area of forestry under third party certification.

Poverty Reduction and Rural Development – 6(d)

Domestic

Although the forestry sector is a significant contributor to the New Zealand economy (both in terms of employment and value) there are relatively few communities whose economic

wellbeing is dependent on continued forestry production and processing. There are no communities whose population could be classed as being dependent upon this resource for their survival.

However, New Zealand's domestic policies ensure equitable treatment of rural land users by enshrining a principle of equitability. This is included in, for example, in the 'Principles for Commercial Plantation Forest Management 1995'. The primary objective of these Principles is environmental excellence in planted forest management. They were signed by major planted forest growers and users and conservation groups. Amongst other decisions, the parties agreed that rural land users should be treated equitably, based on environmental effects of their activities.

Recent studies have shown the value of conservation estates to rural development. These studies are available at: www.doc.govt.nz/upload/documents/conservation/value-of-conservation.pdf.

International

The environmental policy for New Zealand's Agency for International Development (NZ Aid) is to work towards a protected and enhanced natural resource base for sustainable development and poverty elimination. This includes sustainable natural resource management (marine and terrestrial) and the maintenance of biodiversity.

NZ Aid's assistance to sustainable forestry is focused on capacity building for improved forest and natural resource management. NZ Aid programmes deliver assistance in the area of environmentally sustainable development with a particular focus on facilitating the sharing of knowledge, expertise and skills through training, mentoring and education. NZ Aid is committed to assisting forest based communities to have access to environmentally sound and locally appropriate technologies. NZ Aid places particular emphasis on integrating pro-poor environmental issues into national planning.

NZ Aid has a particular focus on support to rural livelihoods and it is frequently wider livelihoods initiatives which incorporate forest activities. For example, NZ Aid supports activities such as community-based eco-tourism (including in Indonesia, Fiji, Laos, and Cambodia) that provide income and encourages sustainable management of forest resources and promotes ecotourism networks and small forest based enterprises.

Outside of the official development assistance programme, New Zealand has recently contributed funding to two International Tropical Timber Organisation (ITTO) projects that have the potential to contribute to rural development and poverty elimination. The projects are: 'ITTO Programme on Tropical Forest Law Enforcement and Trade' and 'Ensuring International Trade in CITES-listed Timber Species is Consistent with their Sustainable Management and Conservation'.

Cross-Sectoral Programmes Addressing Underlying Causes of Deforestation, Degradation and Promoting Forest Conservation – 6(k)

Domestic

Before the first Māori settlers arrived¹, about 80 percent of New Zealand's 27 million hectares were covered in natural forest. The rest of the land was unsuitable for forest growth, being too wet, too high or too dry. By the time European settlement began to intensify in the 1840s, forest cover had fallen to 53 percent. Most of this deforestation occurred while New Zealand's strong agriculture-based economy was being developed. There were also later periods of conversion of regenerating or partially logged areas to agriculture, particularly when agricultural subsidies were available. Today, with the historical and underlying causes of deforestation and degradation well understood, 24 percent of New Zealand is under natural forest and 7 percent of New Zealand is under commercial plantation management.

Overall deforestation is not an issue in New Zealand today as there has been a net increase in forest cover (due to expansion of the planted forest estate) over the past twenty years. As noted above commercial timber production from natural indigenous forest is restricted to that permitted under the sustainable forest management provisions (Part IIIA) of the Forests Act 1949. In addition, New Zealand has just introduced an Emissions Trading Scheme (ETS) as part of the government's response to climate change. The forestry sector was the first sector to come under the ETS (on 1 January 2008) and it is expected that the ETS will put downward pressure on deforestation activities. In particular, the government expects that the deforestation of pre-1990 forest land to reduce substantially. Further information on forestry and New Zealand's ETS can be found at www.maf.govt.nz/sustainableforestry.

The RMA has an important role in controlling actual or potential impacts on deforestation and forest degradation. Both deforestation and other types of land clearance are tightly regulated by the RMA through the development and use of regional and district plans, and associated resource consents. In support of RMA processes and decision making MAF has sponsored a number of best management practice (BMP) guidelines to assist land managers be aware of and avoid, remedy or mitigate adverse environmental impacts such as deforestation and forest degradation. They include such publications as "Harvesting Contractor Environmental Management System" and "Indigenous Forestry Best Management Practices". The New Zealand Forest Code of Practice also describes how to avoid adverse environmental impacts.

New Zealand has strong biosecurity legislation, which controls both deliberate and unintentional import of unwanted pest species that may cause deforestation and forest degradation. The legislation provides powers to allow eradication or national containment of pest species which are not yet widespread, and to require integrated control of pests at a regional level.

Domestically, policies to support forest conservation are contained in (and implemented through) the Conservation Act, the Forests Act and the Biodiversity Strategy. DoC also works in partnership with associates and communities for conservation on private land. There are a

¹ Dated conservatively as approximately 1100-1200 AD.

number of funding mechanisms in place to encourage conservation initiatives (in both forests and other conservation habitats):

1. Ngā Whēnua Rāhui was established as a fund in 1991 to protect indigenous ecosystems on Māori land by providing some financial assistance as incentives for voluntary conservation. The Nature Heritage Fund, (formerly the Forest Heritage Fund) was established in 1990 to assist the protection of indigenous ecosystems also by providing similar incentives for voluntary conservation.
2. The East Coast Forestry Project aims to encourage sustainable land management on severely eroding lands that are predominant throughout the East Coast of the North Island by encouraging the retention of existing indigenous forest and the establishment of planted forest. Financial incentives are available for this work.
3. The Queen Elizabeth II (QEII) National Trust is an independent statutory organisation set up in 1977 to encourage and promote, for the benefit of New Zealand, the provision, protection, preservation and enhancement of open space. The Trust's core activity is to secure long-term protection of natural and cultural features on private land, usually by the legal mechanism of an open space covenant. QEII acts as a perpetual trustee to ensure the values remain protected forever. Features protected include: native forest remnants, wetlands, arboretums, and wildlife habitats. More information can be found at: www.openspace.org.nz/Site/About_QEII/default.aspx .

International

On the international front, in relation to donor activity, New Zealand is a founding member and on-going participant in the Action Strategy for Nature Conservation in the Pacific Island region, a regional donor co-coordinator for nature conservation and sustainable resource use. This is an innovative approach based on a process of voluntary commitment by multilateral agencies, international financial institutions, bilateral donors, regional inter-governmental organisations, international and regional NGOs, private foundations, church institutions and civil society representation. It has as its focus a regionally developed and owned Action Strategy which is up-dated every 4 years.

Integrate National Forest Programmes – 6(l)

As discussed in cluster 1a in relation to paragraph 6(a) of the NLBI, New Zealand has not followed a typical NFP approach and has instead developed a strong, integrated set of legislation, regulations and voluntary initiatives to encourage and support sustainable forests management.

Through its support for Pacific regional organizations, NZAID continues to support the integration of sustainability and sustainable natural resource management principles (including in the area of forests) within the national development planning frameworks of Pacific countries.

Promote the Use of Management Tools – 6(c)

The New Zealand forest industry has published a number of guidelines on good environmental practices for forestry management. These guidelines include information on the use of management tools for sustainable forestry management. New Zealand's developments in GIS

and satellite imagery-based landcover assessment are tools that are likely to have increasing roles in forest monitoring.

International Cooperation and Increased Political Will

Political Commitment – 7(a)

Although New Zealand experienced significant deforestation during the periods of Māori and European settlement there has been a high level political commitment to sustainable forest management both domestically and internationally in modern times. This is evident in New Zealand's conservation estate, approach to commercial forestry and official development assistance programmes as described above.

Domestic High Level Political Commitment

During the economic reforms of the mid-1980s it was recognized that the Government was not the most appropriate entity to run a commercial forestry business (or other businesses), with management decisions too easily influenced by near term political objectives. The resulting shift from direct participation and a strongly interventionist role to a position focusing on the macro-economic and regulatory environments represented a huge shift in government policy for the forestry sector.

Now, government plays an important role in providing leadership, sending clear signals about its vision for forestry and ensuring a level playing-field across all sectors of the economy. These roles create a positive environment for decision making and investment that supports sustainable development.

International Cooperation

The focus on sustainable rural development within New Zealand's official development programme is representative of sustained high-level commitment to supporting the implementation of sustainable forest management in developing countries and countries in transition. NZAID provides core, rather than project, funding to the Secretariat of the Pacific Community to enable it to maintain a strong and strategic programme in its mandated areas, which include support to Pacific countries in areas of forest policy and capacity building. NZAID engages regularly with countries in the Pacific and in Asia on policy issues related to sustainable forest management.

This commitment is further evident by New Zealand's support of a mechanism for reduced emissions from deforestation and degradation, support of processes to improve forest law enforcement and governance, support for international programmes relating to the practice of sustainable forest management, including in the ITTO and FAO, and support of resource assessment processes.

CLUSTER: 1B – FINANCING SUSTAINABLE FOREST MANAGEMENT

National Policies and Measures

Encourage Investment and Involvement and Develop Financial Strategies and Strengthen Partnerships – 6(h), 6(i), 6(m)

New Zealand's macro-economic policy settings are intended to treat all sectors as evenly as possible. There are currently no debt relief initiatives nor is there an investment promotion entity to support sustainable forest management specifically nor are there plans for any.

New Zealand has very few financial incentives, as such, to support sustainable forest management or other sectors of the economy. In the 1980s, New Zealand moved from being a country with high levels of government-financed subsidies to one with hardly any. The view is that these incentives distort market signals and can (and in the 1970s and 1980s probably did) lead to unwise (and unsustainable) land-use decisions. Industry's reactions to undistorted market signals are seen as a primary incentive for practising sustainable forest management, e.g. market demands for certified wood has led to many in the New Zealand forest industry to adopt the principles of sustainable forest management as advocated by the Forest Steward Council.

New Zealand has found that unfettered market signals encourage the free flow of capital and unhindered private sector investment, within the bounds of existing legislation. Forest products are traded on a competitive global market, with domestic prices being in parity with export returns. New Zealand uses legislation to encourage the indigenous forest estate to be managed closer to the national equilibrium forest cover, rather than the sum of the individual equilibrium covers. This is done to reflect regional and national co-benefits of forest cover (e.g. erosion protection, biodiversity)

The New Zealand government sees its primary role as providing a macro economic environment that encourages private business development and opportunities for expansion in a sustainable manner. The only economic instrument used in New Zealand for directly promoting sustainable forest management (SFM) is applied through the East Coast Forestry Project, discussed above.

Under the ETS there will be two initiatives in place to encourage landowners to plant more trees. These are the Permanent Forest Sink Initiative (PFSI), which promotes the establishment of permanent forests on previously unforested land and the Afforestation Grant Scheme (AGS), which encourages forest planting by people who do not want to join the ETS. Further information on forestry in the ETS is available at: www.maf.govt.nz/sustainable-forestry/ . The implementation of the ETS will work to bring New Zealand's forest cover closer to the global equilibrium of forest carbon stores.

Indigenous Engagement

Indigenous people are major forest and land owners in New Zealand. Further significant areas of forest land have been returned to Māori through the Treaty of Waitangi settlement process. Thirty-six thousand hectares of forest on leased Māori land is managed by Crown Forestry (a commercial group within MAF), which has a policy of returning the leases to the landowners as conditions permit.

In addition, substantial areas of land are managed by Maori through different governance and commercial structures. One example is The Lake Taupo Forest Trust (LTFT). LTFT was established in December 1968 to represent the interests of the owners of 65 separate Maori land titles located on the eastern shores of Lake Taupo. LTFT is a Maori authority that administers the land interests of almost 10,000 owners and over 32,000 hectares of land including 22,000 hectares in productive world class plantation forestry in the central North Island of New Zealand. Over the years the LTFT has established nine subsidiary organisations to manage its business interests. These include entities responsible for land ownership and leasing, and management of forestry, investments, and services and benefits for Trust beneficiaries. The Trust also provides outsourced administration services to other Maori Trusts in the region. For further information on the LTFT see: www.lfft.co.nz/ .

Māori are also involved in other forestry projects by way of leases, forestry rights and joint ventures of Māori land administered by many Māori trusts and incorporations.

In addition to regulations to support to forest management outlined and required in the Forests Acts and RMA, support for indigenous people to practice sustainable forest management is provided through programmes supplied and/or supported by DoC. For example, the Government Mātauranga Māori fund (managed by DoC) is designed to increase iwi and hapu participation in managing biodiversity (including on Māori forestland) in ways that are consistent with customary knowledge and practices.

Te Ture Whenua Māori Act 1993 (Māori Land Act 1993) (the Act) (www.legislation.govt.nz/act/public/1993/0004/latest/whole.html#DLM289882) recognizes Māori land as tāonga tuku iho (treasures passed down from ancestors) of special significance to Māori. The main principles of the Act (contained in the Preamble) are:

1. to promote the retention of land in the hands of Māori owners for their whānau (extended family), and their hapū (sub-tribe);
2. to protect wāhi tapu (places of special significance) according to tikānga Māori (Māori custom); and
3. to facilitate the occupation, development, and utilization of that land for the benefit of its owners, their whānau, and their hapū.

The Act gives explicit recognition to the Treaty of Waitangi (www.treatyofwaitangi.govt.nz). Section 2 of the Act requires the Act to be interpreted generally in a manner which best furthers the principles outlined in the Preamble, including the reaffirmation of the Treaty.

The Act refers to “Māori land” which includes Māori freehold land and Māori customary land. Māori freehold land is land of which the beneficial title has been determined by the Māori Land Court by freehold order and comprises around 6 percent of the total land in New Zealand. A few small areas of Māori customary land also exist. These are lands held in accordance with tikānga Māori.

The Māori Land Court retains a key role in supervising dealings affecting Māori land. The Court must be guided by the principles outlined in section 17 of the Act – to promote the retention of Māori land in the hands of its owners and to assist owners in the management of the land.

Part 14 of the Act provides for the Māori Land Court to amend interests in Māori land to facilitate the use and occupation by the owners of the land. The Court can make orders for partition,

amalgamation, aggregation, exchange, easements and roadways. The Act also provides for occupation orders to be granted to enable owners to reside on the property.

The Act provides Māori owners with a range of management structure options. Five types of trusts are provided for under the Act:

1. Ahu Whenua Trusts: designed to manage whole blocks, often used for commercial operations;
2. Whenua Topu Trusts: designed to bring together the interests in land belonging to an iwi or hapū;
3. Kaitiaki Trusts: to manage interests for minors or persons with disability;
4. Whānau Trusts: to hold and manage beneficial interests or shares in Māori land – whānau can bring together their various interests; and
5. Putea Trusts: to deal with fragmented interests that are impractical to deal with separately – the shares and income from them are held for Māori community purposes.

The Act also makes provision for Māori Incorporations to be established. Such Incorporations were previously restricted to farming operations but these restrictions were lifted with the passage of the Act in 1993. Māori Incorporations can now undertake a full range of activities and operate in a manner akin to that of a company. The shareholders of a Māori Incorporation have a direct beneficial interest in the Incorporation's Māori land.

The Act also requires a high threshold of support for the sale of Māori land. Where a Māori Incorporation or Trust decides to sell Māori land, 75 percent of the ownership interest must consent to the sale. In addition, if the proposed purchaser is not within the whānau or hapū of the ownership group, then a first right of refusal must be given to persons within the whānau or hapū.

International Cooperation and Means of Implementation

Political Commitment – 7(a)

As discussed in Cluster 1A in reference to paragraph 7(a) of the NLBI, New Zealand has displayed a sustained high level commitment to sustainable forestry management for some time and continues to display this through domestic policies and international cooperation.

Reverse Decline in Official Development Assistance for Sustainable Forestry Management – 7(b)

NZAID financing for activities that include sustainable forest management as a full or component focus have risen from NZ\$4.5 million in 2000/01 to NZ\$11.6 million in 2007/08.

The majority of the most recent financial year total of NZ\$11.61 million was provided to activities in which sustainable forest management was a component: NZ\$11.24 million, with NZ\$0.37 million to pure forest projects/programmes. This reflects an agency trend away from pure forest projects, to more integrated livelihoods engagements, or to core funding of agencies that include forests as a key but not sole or central component of their work.

Note, the above figures do not take account of the NZAID practice of core funding provided to multilateral institutions such as the World Bank (\$9m), Asia Development Bank (\$9m), World Food Programme (\$4.5m), United Nations Development Programme (\$8m), all of which include

significant direct forest or forest-related activities within their broad portfolios and which therefore represent real but indirect NZAID contributions to sustainable forest management.

Raise the Priority of Sustainable Forest Management – 7(c)

As displayed throughout this report-back, sustainable forest management is a high priority of the New Zealand Government, forest industry and other forestry stakeholders. New Zealand has actively sought to further raise the priority of sustainable forest management through official development assistance and in international forums.

Establish Positive Incentives in Countries to Reduce Deforestation and Incentivise Sustainable Forest Management – 7(d)

New Zealand supports the establishment of a framework to reduce greenhouse gas emissions resulting from deforestation. This is because New Zealand acknowledges that deforestation is the second largest source of human-induced greenhouse gas emissions globally and that while deforestation is addressed in respect of developed countries (Article 3.3 of the Kyoto Protocol) no comprehensive measures are in place to address deforestation in developing countries. Avoided deforestation in developing nations has been identified as a source of large amounts of near term, low cost, emissions abatement, with significant co-benefits.

New Zealand has previously supported effective action to address deforestation in developing countries. New Zealand recognises that, to be successful, any measures must provide a significant and ongoing source of funds to incentivise countries to reduce deforestation rates while still allowing development to occur. New Zealand supports measures and initiatives to, for example, build capacity, transfer technology and improve global monitoring of deforestation. However, New Zealand also recognises that such measures in themselves cannot effectively address deforestation.

New Zealand is not opposed to pilot activities and initiatives aimed at addressing deforestation at the sub-national level. However, New Zealand considers that an effective mechanism is most likely to be achieved through a new global mechanism, operating at the national level and based on a country's verifiable performance of emission reductions against a transparent and robust baseline of deforestation emissions. New Zealand sees benefits and risks to both a market based approach (for example, a sectoral deforestation "cap & trade" type mechanism and a fund based approach. Independent of the design New Zealand considers the ability for the REDD plan to be responsive to changes in the value of the land for other purposes (e.g. increased agricultural commodity prices) and changes in the value of carbon credits (e.g. via demand outstripping CDM supply) must be retained to achieve sustainable reductions in deforestation. New Zealand is open to exploring how the design of a market or a fund will achieve.

New Zealand recognises that such a mechanism operating at the national level would present challenges to the governments of many developing countries who must also subsequently find ways to provide adequate and equitable incentives to local sub-national actors to retain the forest areas committed nationally. Capacity building is likely to be needed to overcome these issues and should form an integrated component of a global mechanism to address deforestation. New Zealand retains a concern for the rights to development of forest dependent communities in developing countries and encourages their engagement with the sovereign national governments and at the international level.

New Zealand is also seeking to ensure that a global avoided deforestation mechanism also provides for independent measurement and monitoring for transparency, not only of forest area but also forest quality.

CLUSTER: 1C – CAPACITY BUILDING AND TECHNOLOGY TRANSFER

National Policies and Measures

Promoting Efficient Production and Processing – 6(e)

Production and processing in New Zealand is characterized by high levels of overseas ownership or influence in forest growing and wood processing. The sawmilling industry processed 3.9 million cubic metres of wood for the year ending June 2008. In addition, it on supplied about 1.5 million cubic metres of residues per year to the pulp and paper and panel sectors to the same year end.

The majority of New Zealand's biomass energy plants are operated as part of sawmilling or timber-processing facilities, as the fuel stocks for these plants are drawn from wood residues on the site (bark, sawdust, shavings and off-cuts). Using onsite residues not only generates energy but saves companies the cost of dumping the wood waste. Processing companies have moved to use this resource, as energy represents between 5 and 30 percent of total input costs and onsite energy plants provide companies with the ability to manage for energy price volatility and to access secure supply.

Promote Scientific and Technological Innovations – 6(s)

The Ministry of Research, Science & Technology (MRST) is a New Zealand Government Department that develops research and innovation policies and manages the publicly funded part of the research science and technology (RS&T) system on behalf of the Government. MRST works on policies, strategies and statistics while contracting other agencies such as the Foundation for Research, Science and Technology (FRST) to manage the actual funding of research and innovation projects.

FRST invests in RS&T, including forestry, on behalf of the New Zealand Government. It invests nearly \$400 million annually in a wide range of RS&T initiatives with economic, environmental or social benefits. Each year, around 2 percent of the budget goes directly to forestry with further funding to other categories related to forestry, for example, environmentally sustainable plant production and wood, wood products and paper.

Research priorities for forestry must align with government priorities and FRST criteria in order to secure a portion of the contestable research budget.

FRST works closely with key stakeholders to determine how New Zealand's major business sectors should be performing in the future. As part of this process a series of strategic objectives has been prepared for each industry. The objectives for the wood fibre industry include:

- Developing new and improved products and processes to maximize the value from timber;
- Creating production and processing regimes to achieve greater efficiency gains throughout the value chain (including energy efficiency);

- Development of environmentally sustainable and economically viable production and treatment regimes;
- Breeding the next generation of the planted forest resource – including alternative species other than the predominant radiata pine;
- Developing new areas of endeavour, based around technologies employed in forest related activities (including electronics, machinery and biofuel production);
- Identifying technologically based opportunities for horizontal linkages with other sectors, such as the development of secondary crops and extracting value from waste products;
- Determining the influence of the sector's activities on the environment and immediate communities; and
- Achieving a greater understanding of environmental sustainability and the integration of forestry in multiple land use applications.

MAF has a specific focus on the collection and dissemination of information and statistical data concerning planted forests (forest areas by age classes, new planting, harvesting, restocking, and woodflow forecasts), primary processing of wood products, and international and domestic trade of wood products.

The use of bio-fuels and the evaluation of wood waste and the optimal use of biomass co-generation are areas of research being pursued by the wood industry. Bio-energy is a very viable option for the industry, given the large increases in available wood over the next decade and the carbon neutral status of the residues from processing timber grown in planted forests.

The development and use of bio-energy is an important part of the Government's climate change policies, following its ratification of the Kyoto Protocol. It is working with the forestry sector to make progress on developing bio-energy systems.

Training and Extension Programmes – 6(v)

New Zealand's high reputation for training and expertise in sustainable forest management is internationally recognized. This has led to the development of a pool of high quality forestry consultants who regularly undertake many international assignments for a range of international organisations and individual overseas clients. These consultants are usually based in the private forestry sector or in New Zealand's research institutions.

Capacity building to implement sustainable forest management and the international proposals for action is chiefly achieved through the provision of forestry education, which is actively supported by government and industry. The provision of high quality training ensures that people are well positioned to pursue sustainable forest management.

Forestry training covers a broad spectrum in New Zealand, from silviculture and harvesting techniques through to timber machining, fibre science and product marketing. Most of these skills are taught throughout New Zealand (e.g. harvesting techniques) but for more specialized activities training courses are held in one or two locations. The institutions providing forestry training include four of New Zealand's universities, the majority of the polytechnics, a number of industry bodies, and a range of private institutions.

The majority of trainees who are undertaking skill and professional courses are doing so while still in full employment. This is being achieved through increasing use of on-site training programmes. Employers are developing programmes in conjunction with FITEC and with the

New Zealand Qualifications Authority. This workplace training is normally supplemented by technical block courses. A major provider of these intensive, short courses is the Waiariki Institute of Technology, based in Rotorua. The growth in on-site training programmes is progressively improving the skill base of workers within the industry. In addition to this, on-site training programmes are leading to an improvement in workplace practices.

The principal university involved in forestry training is the University of Canterbury which has a dedicated School of Forestry offering degree courses through to doctoral level. The School of Forestry offers courses in forestry science, management and engineering. Three other universities offer forestry courses ranging from diploma through to master's level (covering pulp and paper technology, forest planning, agro-forestry and industry economics).

A number of New Zealand's polytechnics offer single year silviculture, harvesting and timber machining courses. Trainees can progress from these courses to more specialized training at the Waiariki Institute of Technology. Waiariki provides certificate and national diploma courses in aspects of wood processing, forest harvesting and a national diploma in forest management.

There are also a number of private institutions providing forestry training, normally at the silviculture and harvesting level. These courses are often a stepping stone to further learning (i.e. fulltime and on-site training).

The Government, in partnership with the industry, launched a major initiative to address the skill shortages that are beginning to arise in the sector, owing to the steady increase in harvest volumes. A National Centre of Excellence in Wood Processing Education and Training has been established in Rotorua and at Auckland University. The initial phase of development, costing \$2.7 million, was funded predominantly by central government (\$2 million), while the further implementation phase (estimated at \$10 million to \$12 million) is being funded through a mix of industry and public sources.

In 2006/07 there was a major step-up in the teaching and research of timber structural design at the Universities of Auckland and Canterbury with the appointment of a Professor of Wood Design at each. The government provided seed-funding for both positions. The ultimate outcome sought is greater utilization of wood in non-residential construction, initially in New Zealand then potentially spilling over to export markets. To achieve this outcome, it will be necessary to undertake the following tasks simultaneously:

- Increase engineering graduates, at Bachelor of Engineering, Master of Engineering and Doctor of Philosophy levels, with timber design knowledge and skills; and
- Carry out a dynamic research programme, to increase the level of expertise in the design of multi-storey timber structures.

International Cooperation and Means of Implementation

Capacity Building and Technology Transfer (numerous)

On the international front, NZAID has not been requested to assist and is not currently engaged in direct capacity building and technology transfer for sustainable forest management activities. For information on NZAID's approach to forest assistance see Cluster 1A paragraph 6(d) comment. Most of the sustainable forest management related activities funded under NZAID include a particular focus on capacity development, institutional strengthening, and technology

transfer. In the Pacific, NZAID's core funding of the South Pacific Community (SPC) includes specific areas or research and development, capacity building, and technology transfer in areas that include productivity, conservation of regional germplasm varieties, provision of improved germplasm, and sustainable forest management.

Outside of the ODA programme, New Zealand has adopted policies and engaged with a number of processes to strengthen capacity building and collaboration, particularly in relation to policies on government procurement and also illegal logging. These are discussed in more detail in Cluster 2A response to 7(h), 7(i), 7(j).

New Zealand has also supported workshops on the FAO Forest Resource Assessment by providing both financial and expert support.

CLUSTER: 1D – STAKEHOLDER PARTICIPATION

National Policies and Measures

Encourage Investment – 6(h)

New Zealand's macro-economic policy settings are intended to treat all sectors as evenly as possible. There are no debt relief initiatives nor is there an investment promotion entity to support sustainable forest management specifically. For more information see comments in Cluster 1(b).

Establish and Strengthen Partnerships, Promote Participation and Enhance Access to Markets – 6(m), 6(w), 6(y)

New Zealand's policies support an inclusive approach to stakeholder engagement and partnerships are evident across the forest sector and forestry stakeholders. For more information see the comments in Cluster 1(b).

Encourage Voluntary Instruments – 6(x)

Voluntary instruments are encouraged in New Zealand and an important part of New Zealand's forest policy matrix. For more information see Cluster 1A paragraph 6(a) comments.

International Cooperation and Means of Implementation

Enhance and Facilitate Access to Appropriate Technologies to Developing Countries – 7(k)

An example of New Zealand's recent efforts in this area is a financial contribution to an ITTO project supporting the trade in products from CITES-listed species. This project is expected to have direct benefits for local and indigenous communities. Within the ODA programme, New Zealand continues to support a wide array of community level activities which involve direct transfer of appropriate technology to local and indigenous communities. Just a few examples include promotion and provision of fuel efficient stoves in Zambia to reduce reliance on forest sourced fuel wood; development of tree nurseries for indigenous commercial varieties and associated extension in Vanuatu; support to initiatives to develop sustainable livelihood use of

non-timber forest products such as forest herbs in Vietnam; and community level forest certification approaches in Indonesia.

CLUSTER: 1E – ENHANCED INTERNATIONAL COOPERATION

International Cooperation and Means of Implementation

Combat Illicit International Trafficking in Forest Products – 7(i)

New Zealand's domestic policy on illegal logging is discussed in Cluster 2A below.

Technical and Scientific Cooperation – 7(n)

New Zealand has continued to cooperate on matters relating to sustainable forest management. An example is support for monitoring and reporting particularly in relation to FAO reporting and promoting the responsible management of planted forests for example by presenting on the sides of the Asia Pacific Forestry Commission (APFC) meeting in April 2008.

Partnerships and the Regional and Subregional Levels – 7(q)

New Zealand supports regional and sub-regional initiatives related to sustainable forest management for example, the APFC of the FAO. New Zealand commends the coordination between groups in the Asia-Pacific region and looks forward to further coordination.

In the Pacific, NZAID provides core funding to the key regional agencies, including SPC, South Pacific Regional Environment Programme (SPREP), and South Pacific Applied Geoscience Commission (SOPAC), all of which have overlapping mandates in the areas of forests, environment, natural resource management, and water. Via our engagement with these agencies, NZ aims to ensure mandates and strategies around forests are clear and appropriate, adequately resourced relative to other programming areas, and well aligned behind national leadership. The core funding approach, seeks to allow these regional agencies to develop strategic responses and partnerships which best respond to the needs of countries in the region.

Engage and Support the Collaborative Partnership of Forests and Support the CPF Joint Initiatives 7(r), 7(s)

New Zealand supports the collaborative partnership of forests (CPF) and the joint initiatives of CPF's members.

CLUSTER: 2A FOREST LAW ENFORCEMENT AND GOVERNANCE

National Policies and Measures

Combat and Eradicate Illegal Practices – 6(n)

New Zealand has a range of legislation on forest land and property, including the Forests Act (1949) and the Resource Management Act (1991). There are also a number of other policies and associated legislation and mechanisms, as discussed.

New Zealand's natural forest estate has two components: conservation and private land. Logging is not allowed in conservation forests. The conservation estate is managed by the Department of Conservation. Any illegal extraction of timber or other forest products from the conservation estate is exceptionally rare. Prosecutions when they do occur receive extensive publicity and the penalties are high.

Harvesting is allowed in privately owned indigenous forest but this heavily regulated by MAF under section IIIA of the Forests Act (1949) to ensure sustainable forest management. Requirements for harvesting include sustainable forest management plans and permits, personal use harvesting and milling approvals and milling statements for one-off situations such as wind-thrown trees, naturally dead trees or salvaged timber. All sawmills used for milling indigenous timber must also be registered with the MAF. Again, harvesting in violation of these laws is exceptionally rare due to both monitoring by the MAF and public criticism of those caught.

New Zealand's forests are increasingly being independent third-party certified. Over 50 percent of New Zealand's plantation forests are Forest Stewardship Council (FSC) certified. This is through the use of local (forest-specific) standards. The New Zealand Forest Owners' Association (FOA) has a voluntary national forest standard but it has not yet been ratified by any of the main certification bodies such as Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC).

International Cooperation and Means of Implementation

Enhance Cooperation to Address Illicit Trafficking in Forest Products – 7 (h), 7(i), 7(j)

New Zealand is a member of the WTO and APEC and pursues the objectives of fair and legitimate trading through these memberships. New Zealand, represented by MAF and the Ministry of Foreign Affairs and Trade (MFAT), is contributing to action to address illegal logging through the implementation of policies and participation in relevant fora.

New Zealand sees its role in addressing legitimate trade as a regional contributor. New Zealand supports the Forest Law Enforcement and Governance (FLEG) process and has engaged with countries in the region to discuss how we can work with partners to address this issue. Cooperation to address illegal logging is also highly relevant to New Zealand's involvement in international discussions related to forest sustainability.

Recent policies have focused on the need for consumer awareness of suspicious wood and the benefits of legal verification. Domestic developments such as timber and forest sector initiatives on certification and import standards are linked to forest law enforcement and governance and its associated trade issues.

New Zealand's developments in GIS and satellite imagery-based landcover assessment are tools that are likely to find increasing roles in forest monitoring, such as in FLEG. Another position will be to focus on pushing for measures that set standards for good forestry practices, and ensuring that countries in our region can meet such standards. Equally important are agreed standards for trade by timber-consuming countries through the development and adoption of certification and procurement policies. These would underpin the enforcement measures that are the current focus of FLEG.

Further information on New Zealand's policies to prevent illegal logging can be found at www.maf.govt.nz/forestry/illegal-logging/.

CLUSTER: 2B – INTERNATIONAL TRADE IN FOREST PRODUCTS

National Policies and Measures

Recognition of the Range of Values Derived from Goods and Services – 6(j)

Increasingly, attention is focusing on the “environmental services” provided by New Zealand's forests. These are wide ranging and largely unvalued, but probably far exceed the commercial values. They include the maintenance of biodiversity, the mitigation of soil erosion, the maintenance of water quality, the sequestration and storage of carbon, landscape values and the provision of recreational opportunities.

One environmental service or “externality” (where the actions of individuals or firms affect others, but the costs or benefits are not reflected in the values of their transactions) that is now being commercialized is carbon storage and sequestration. This could have profound implications for the forestry sector over the coming decades because it is likely to affect the risk profile, expected returns, types of products, and wood availability.

Forests' mitigation of soil erosion is a critical environmental service in New Zealand. Nearly 10 percent of New Zealand's land area has severe to extreme soil erosion, and over half the country is affected by moderate to slight soil erosion. Soil erosion affects not just onsite environmental and commercial values, but can have major impacts on downstream properties, infrastructure and community services. In 1988, Cyclone Bola caused soil erosion of unprecedented scale on the East Coast. Property damage was estimated at nearly \$120 million, and 1500 landowners received relief payments totaling \$60 million. Land that had been under forest for eight years or more had only a tenth of the soil loss rate of pasture land.

Water quality is of increasing concern in New Zealand. However, streams draining indigenous forests and maturing plantation forests generally have high water quality and low concentrations of nutrients and suspended solids than streams draining other sources. Many domestic water supplies are sourced from forested catchments.

More financial assistance is becoming available to use trees and forests to support sustainable catchment management. These opportunities can be combined with timber production and the demonstration of sustainable forest management to expand a highly valuable forest estate.

Voluntary Instruments to Promote Products from Sustainably Managed Forests – 6(x)

Voluntary instruments are encouraged in New Zealand and are an important part of New Zealand's forest policy matrix. For more information see Section A.

International Cooperation and Means of Implementation

Promoting Trade in Products from Sustainably Managed Forests – 7(g)

New Zealand supports trade in sustainably managed forests by ensuring sustainable forest management in New Zealand. Commercial and industry initiatives also support and promote trade in products from sustainably managed forests.

Combating Illicit International Trafficking – 7(h), 7(i), 7(j)

New Zealand supports efforts to address the issue of the illicit international trafficking of timber. For information see Cluster 2A response to 7(h); 7(i); 7(j).

CLUSTER: 2C – PROTECTION OF FORESTS

National Policies and Measures

Analyze and Address Threats (Natural and Human Activity) – 6(o)

New Zealand addresses the risk and manages the impact of natural and human activities. For information see Cluster 1A response to 6(k).

CLUSTER: 2D – SCIENCE AND RESEARCH

National Policies and Measures

Strengthen and Promote Science and Research in Policy and Technology – 6 (r), 6(s)

New Zealand encourages science and research. For comments on the direct support of the New Zealand Government see Cluster 1C response to 6(s).

International Cooperation and Means of Implementation

Promote, Enhance and Strengthen Science and Technologies – 7(n), 7(o), 7(p)

New Zealand supports cooperation and transfer of appropriate technologies. For information on NZAID's approach see Cluster 1A response to 6(d).

CLUSTER: 2E – PUBLIC AWARENESS AND EDUCATION

National Policies and Measures

Promoting Understanding of and Education about the Benefits of Sustainable Forest Management – 6(t), 6(u), 6 (v)

New Zealand promotes understanding and education about sustainable forest management. For information see cluster 1A.

Training and Extension Programmes – 6(v)

New Zealand is well known for quality forestry programmes. For information see Cluster 1C response to 6(v).

International Cooperation and Means of Implementation

Strengthen Capacity in Other Countries to Address Illegal Logging – 7(j)

New Zealand supports collaboration at a regional and also bilateral level to address illegal logging. For information on New Zealand's approach to addressing illegal logging see cluster 2A response to 7(h); 7(i), 7(j).

CLUSTER: 2F – PRIVATE SECTOR AND INDUSTRY

National Policies and Measures

There is very little government ownership or involvement in commercial forestry in New Zealand today beyond legislative and regulatory frameworks that allow market mechanisms to work. Private sector and industry relationships and processes are addressed throughout this report but particularly in cluster 1A and 1B.

International Cooperation and Means of Implementation

New Zealand remains committed to the continued practice of sustainable forest management in New Zealand and welcomes opportunities to cooperate with partner countries and organizations in the Asia-Pacific region. New Zealand appreciates the opportunities for cooperation through regional organizations.

CLUSTER: 2G – INDIGENOUS AND LOCAL COMMUNITIES

National Policies and Measures

Support and Promote Traditional Knowledge and Benefit Sharing – 6(f)

In mid-2000 the government set up a five-year fund for Māori to develop appropriate frameworks to preserve customary knowledge about nature, the Mātauranga Kura Taiao (*Knowledge of biodiversity*) Fund. This funding enables the Government to work with appropriate Māori experts to develop an appropriate framework for the retention and promotion of Mātauranga Kura Taiao with the knowledge remaining as the property of the particular local Māori iwi, hapū and community. The Mātauranga Kura Taiao fund is a contestable fund to support tangata whēnua/Māori initiatives to increase their capability to retain and promote traditional Māori knowledge and its use in biodiversity management (including forestry). The fund also aims to increase Māori participation in processes for managing biodiversity in their rohe (area). It recognises that the use and protection of traditional knowledge is central to biodiversity management and therefore supports the need for Māori to be actively involved and participate in biodiversity management.

Over the last 50 years, needing to rely on forest resources for daily life has lessened for many Māori. Many older Māori have, however, kept alive a lot of Traditional Forest-Related Knowledge (TFRK) (e.g. on medicinal plants). The project aims to foster TFRK through facilitating the transfer of this knowledge to future generations by recording it using modern technology. Much of this TFRK relates to specific tribal groupings and relevant communities, such as the recognised as having medicinal benefits. The Mātauranga Kura Taiao fund helps develop that local “intellectual property”. The project also helps local Māori communities recognise and plan for specific forest protection activities, with follow-up management advice available from the Department of Conservation.

Māori have considerable interests in native and exotic forests, first and foremost as tangata whēnua (the indigenous peoples) and either as landowners or developers or both. As well, Māori have a particular interest in retaining traditional knowledge related to biodiversity and sacred sites. For example the New Zealand Conservation Authority and the 13 regional Conservation Boards are both citizen bodies with Māori representation with functions to advise on management of the conservation estate and any other aspect of conservation they deem fit. These Boards have statutory decision-making powers (which bind the Crown) with respect to Regional Management Strategies and National Park Management Plans. This therefore brings TFRK into real play in the management of New Zealand's protected areas. Tikanga Māori input is an established practice in the management of planted forests as much as it is indigenous forests, and, indeed it was a prerequisite in the establishment of planted forests on Māori-owned land. Tikanga Māori is also part of the process to develop a national standard to facilitate forest certification. Māori currently continue to use indigenous biodiversity for cultural purposes, such as collecting bird feathers for weaving and making use of mature rimu trees for carved meeting houses or waka (canoes). Waahi tapu (sacred sites) within planted forests are legally protected.

As discussed above in Cluster 1B, the Ministry of Economic Development (MED) is responsible for policy relating to the protection of intellectual property and New Zealand representation in international intellectual property forums.

Create Enabling Environment to Promote Investment and Engagement of Indigenous Peoples in Sustainable Forest Management, Technology, and Training – 6(h), 6(s), 6(v), 6(y)

An important aspect of the Resource Management Act is the involvement of individuals and communities in decision making that affects the environment. The Act requires both central and regional government to consult widely with the public when environmental policy decisions are made. Public participation is also part of the framework for developing national and regional plans and policy statements under the Act. Any activity (including many forestry activities) that needs resource consent from local government (who apply the provisions of the Act) may require stakeholder participation under the consent application process. Stakeholders are defined as anyone having an interest in, or being affected by, an activity, and include indigenous people, forest owners, and local communities.

For public conservation lands, there is a management planning and decision making system that involves extensive public input. In addition the New Zealand Conservation Authority and 14 local Conservation Boards provide independent advice and oversight of the management of public lands by the Department of Conservation.

As discussed, indigenous people in New Zealand are significant participants in the New Zealand forestry sector. For information on these points see cluster 1A paragraph 6(d) comment and

cluster 1B paragraph 6(h), 6(i), 6(m). For information on training options see cluster 1C response to 6(c).

In its forest engagements, NZAID pursues opportunities to strengthen engagement by local forest dependent communities in the formal governance of forest resources.

International Cooperation and Means of Implementation

Enhance and Facilitate Access and Transfer of Technologies – 7(k)

New Zealand supports cooperation and transfer of appropriate technologies. For information on NZAID's approach see Cluster 1A paragraph 6(d) comment.

MONITORING, ASSESSMENT AND REPORTING

National Policies and Measures

New Zealand is committed to monitoring and reporting on our forests and assisting other countries with this task where and when possible. Statistics on commercial forestry are available at: www.maf.govt.nz/statistics/forestry/index.htm. In addition, New Zealand supplies statistical information to a number of international organisations including the FAO, the ITTO, and the Montreal Process.

PROGRESS TOWARDS ACHIEVING GLOBAL OBJECTIVES ON FORESTS

Global Objective 1

Reverse the loss of forest cover worldwide through sustainable forest management, including protection, restoration, afforestation and reforestation, and increase efforts to prevent forest degradation.

In the relatively short time of human influence, and particularly during the last 200 years, New Zealand's forest cover has changed rapidly. About 80% of New Zealand was forested before the first human settlers arrived but after human settlement the forest area has been extensively cleared and modified through trade in forest products, expanding agriculture and settlement, and the establishment of human-introduced animals and plants.

However, New Zealand has halted the loss of forest cover in New Zealand with the total cover remaining relatively steady over the past twenty years with approximately 8.2 million hectares, or 30.6%, of New Zealand's land area. Of this, 6.4 million hectares (23.5%) are indigenous and 1.8 million hectares (6.7%) are planted forests. The balance is mainly regenerating shrubland. This halt has been achieved through the policies and approaches discussed above, including conservation of indigenous forest, the privatization of plantation forests, the removal of subsidies on land clearance for farming and promoting the benefits of afforestation for certain land types through regional councils.

Internationally, New Zealand has been working to achieve a reverse in the decline of forest cover by encouraging protection and conservation, the development of plantation forests to ease pressure on protected and conserved lands, and the development of market based mechanisms to reduce deforestation and degradation.

New Zealand has also worked to ensure sustainable forest management by targeting sustainable rural livelihoods in our official development assistance country programmes, through supporting the development of and publication of best practice guidelines through the FAO and by engaging with countries in our region to develop cooperative relationships to address issues relating to forestry in a mutually beneficial manner.

Global Objective 2

Enhance forest-based economic, social and environmental benefits, including by improving the livelihoods of forest dependent people

As discussed, New Zealand has supported the enhancement of the forest-based economic, social and environmental benefits, including by improving the livelihoods of forest dependent people primarily through targeted activities within our Official Development Assistance programmes operated by NZAID.

Global Objective 3

Increase significantly the area of protected forests worldwide and other areas of sustainably managed forests, as well as the proportion of forest products from sustainably managed forests

New Zealand has a steady area of forest under conservation. New Zealand also has a range of regulatory processes and voluntary criteria in place to ensure the sustainable forest management plantation forestry in New Zealand. This is increasingly being recognized through the achievement of third party certification.

New Zealand supports conservation and the goal of increasing the area of protected forests worldwide and other sustainably managed forests however, we recognize that total conservation is not always possible and that a sustainable harvest level can sometimes support the long term conservation and support forest dependent peoples.

To set an example for consumers, the New Zealand Government has implemented a timber and wood products procurement policy that requires timber and wood products purchased by the government to have legal verification. The Government will soon require sustainability verification for its timber and wood products as well.

Global Objective 4

Reverse the decline in official development assistance for sustainable forest management and mobilize significantly increased, new and additional financial resources from all sources for the implementation of sustainable forest management

New Zealand supports sustainable forest management. ODA spending is discussed in section 7(b). New Zealand has also provided additional financial and in-kind support for sustainable forest management through MAF. Most recently, this was to projects being undertaken by the ITTO on forest law enforcement and governance and trade in species with CITES-listings.

CONCLUSION

New Zealand supports the inclusion of specific actions in the NLBI for the implementation of sustainable forest management. We are pleased that the actions captured in the NLBI are being addressed in New Zealand and that they have been for sometime.

Key lessons gained from the implementation of sustainable forest management in New Zealand include the economic and environmental benefits of privatizing plantation forestry and allowing market forces to work; the benefits of plantation forestry for reducing pressure on conservation forests; the need for different management tools and processes for different environments.

Sustainable forest management remains a priority for New Zealand. Domestically, future priorities include greater increased levels of third party certification. Related to this is the need to ensure a greater international understanding of New Zealand's system of sustainable forest management. New Zealand will continue to prioritise sustainable forest management relating to sustainable rural livelihoods in official development assistance programmes where agreed with partner countries and providing financial and technical support to the development of guidelines on the implementation of sustainable forest management for example through the FAO and ITTO.

New Zealand looks forward to discussing with other countries the required steps to further enhance the implementation of the NLBI.

New Zealand has appreciated the importance of sustainable forest management for sometime and hopes that the NLBI and the multi year programme of work will support the further development and expansion of sustainable forest management globally.

Questions Related to UNFF 8 Agenda Item 5c: Forests and Biodiversity Conservation, including Protected Areas

Biodiversity is an important issue for New Zealand. A national Biodiversity Strategy was launched in February 2000. The Biodiversity Strategy was prepared in response to the state of decline of New Zealand's indigenous biodiversity — described in the State of New Zealand's Environment report as our "most pervasive environmental issue". The Biodiversity Strategy also reflects New Zealand's commitment, through ratification of the international Convention on Biological Diversity (CBD), to help stem the loss of biodiversity worldwide.

The purpose of the Strategy is to establish a strategic framework for action, to conserve and sustainably use and manage New Zealand's biodiversity. The primary focus is on New Zealand's indigenous biodiversity. However, because of the value and economic importance of much of our introduced biodiversity, the conservation of the genetic resources of our important introduced species is also addressed.

New Zealand's Biodiversity Strategy incorporates a comprehensive set of goals and actions aimed at land, freshwater and marine habitats and also dealing with people participation, knowledge and education, governance, biosecurity issues, conservation and use of genetic resources and international obligations. Further information about the New Zealand's Biosecurity is obtainable at: www.biodiversity.govt.nz/picture/doing/nzbs/contents.html.

The Biodiversity Strategy is one of a suite of regulatory and voluntary mechanisms in New Zealand to recover and sustain biodiversity in forests. The Forest Act, Resource Management Act and various voluntary protocols discussed in the body of the implementation report are some of the other mechanism that work in conjunction with the Biodiversity Strategy.

New Zealand acknowledges that threats and pressures on forests apply in different ways and in different countries, according to forest type, setting and national circumstances, for example the impacts and natural place of fire. The main threats for New Zealand have been, and continue to be invasive alien species (handled through the biosecurity system), forest fires, wind damage, and adaptation to climate change.

New Zealand is actively engaged in the CBD. New Zealand considers the CBD Expanded Program of Work (EPOW), as devised, is sufficiently comprehensive to meet the needs and priorities of all parties. Each of the elements, goals and objectives cover the full array of issues and aspirations for forests and forestry in relation to the objectives of the Convention. The activities listed under each of the objectives are a full and comprehensive list of specific actions as they relate to each specific objective and generally need not be added to, although New Zealand has identified cases where we would support particularly emphasis be given to certain activities.

New Zealand considers that the NLBI identifies actions for the implementation of measures that support biodiversity in relation to sustainable forestry management.

New Zealand is supportive of the UNFF and CBD enhancing collaboration (as called for in decision IX/5 of the CBD at COP-9, 19-30 May 2008) to support measures to operationally and measure the EPOW. We support this collaboration involving other organisations, including the FAO (especially in relation to the Forest Resource Assessment 2010) and the ITTO when appropriate.

ANNEX A

LEGISLATION, REGULATIONS AND INTERNATIONAL AGREEMENTS RELATING TO SUSTAINABLE FOREST MANAGEMENT

This annex describes the key legislation and international agreements affecting forestry in New Zealand

Statutes and Regulations

The following listing excludes amendments except for the Forest Amendment Act 1993.

Directly relevant

- Conservation Act 1987
- Co-operative Forestry Companies Act 1956
- Crown Forest Assets Act 1989
- Forest & Rural Fires Act 1977
- Forestry Encouragement Act 1962
- Forestry Rights Registration Act 1983
- Forests Act 1949 (amended by the Forests Amendment Act 1993)
- National Parks Act 1980
- Reserves Act 1977
- Resource Management Act 1991 (Common abbreviation RMA)
- Wildlife Act 1953

Indirectly relevant

- Biosecurity Act 1993
- Fencing Act 1978
- Historic Places Act 1993
- Land Act 1948
- Māori Reserved Land Act 1955
- Misuse of Drugs Act 1975
- Native Plants Protection Act 1934
- New Zealand Walkways Act 1990
- Pesticides Act 1979
- Plant Varieties Rights Act 1987
- Plants Act 1970
- Tarawera Forests Act 1967
- Te Ture Whēnua Māori Act (Māori Land Act) 1993
- Transport Act 1962
- Treaty of Waitangi Act 1975
- Trespass Act 1980
- Wild Animal Control Act 1977

Relating to forestry as a commercial venture or business

- Commerce Act 1975
- Companies Act 1955
- Companies Act 1993
- Contracts Employment Act 1956
- Employment Contracts Act 1991
- Health and Safety in Employment Act 1992

Holidays Act 1981
Land Transfer Act 1952
Local Government Act 1974
Machinery Act 1950
Minimum Wage Act 1983
Overseas Investment Act 1973
Public Works Act 1981
Sale of Goods Act 1908
Trade Marks Act 1953

Forestry-related regulations

Forest and Rural Fires Regulations 1979
Forest Disease Control Regulations 1967
Forest Produce Import and Export Regulations 1966
Forest Encouragement Grants Regulations 1983
Forestry Encouragement Loans Regulations 1967
Forestry (East Coast Grants) Regulations 1992
State Forest Parks & Forest Recreation Regulations 1979
Timber Industry Training Centre Advisory Committee Regulations 1979
Timber Production Advisory Committee Regulations 1949
Timber Regulations 1948

International agreements and initiatives affecting New Zealand forestry

Rio Declaration on Environment and Development

New Zealand is a signatory to the Declaration. The Declaration is concerned with inter-generational equity issues, participation of all society sectors in decision making, access to information for all society sectors, polluter pays principles, precautionary approaches and community responsibilities for protecting global environments.

Agenda 21 for Achievement of Sustainable Development.

Agenda 21, to which New Zealand is a party, is primarily concerned with developing a common framework of action for all countries to achieve sustainable development including the management and conservation of natural resources.

Convention on Biological Diversity (CBD)

New Zealand signed the CBD in September 1993. The CBD has three objectives; the

- conservation of biological diversity;
- sustainable use of its components;
- fair and equitable sharing of the benefits arising from the utilization of natural resources.

Framework Convention on Climate Change (FCCC)

New Zealand signed the FCCC in 1993. Under the FCCC, New Zealand is committed to reduce net emissions of CO₂ and other greenhouse gases by the year 2000. New Zealand's approach to achieve reductions is based on enhancing sinks and reducing gross emissions.

Kyoto Protocol

In 1992 the international community came together in Rio de Janeiro to form The United Nations Framework Convention on Climate Change (UNFCCC), as a first step to address climate change. New Zealand was one of 152 nations to sign up to the Convention, and accept

voluntary targets to reduce greenhouse gas emissions. By the mid-1990s it became obvious that voluntary targets were not being met, so the world came together again in Kyoto 1997 to draw up a treaty placing legally binding targets on signatory countries to reduce greenhouse gas emissions. They called it the Kyoto Protocol.

The Protocol will only enter into force if 55 countries (including developed countries that were responsible for 55% of developed-country carbon dioxide emissions in 1990) ratify. The first condition has already been met, with 104 countries already ratified. New Zealand ratified in December 2002. Russia is expected to ratify later this year, bringing the Protocol into force.

Forest Principles for Management, Conservation and Sustainable Development

The Principles, to which New Zealand is a signatory, cover all types of forest and require that all forests and forest lands are sustainably managed (but with rights to develop and use according to country needs).

Montreal Process

The Montreal Process is an international initiative to advise the development of internationally agreed criteria and indicators for the conservation and sustainable management of temperate and boreal forests at the national level. Participants include: New Zealand, Australia, Canada, Chile, China, Japan, Republic of Korea, Mexico, USA, Russian Federation, Uruguay and Argentina.

International Tropical Timber Agreement (2006)

The International Tropical Timber Agreement guides the International Tropical Timber Organisation (ITTO), a commodity organisation that focuses on the sustainable trade of tropical timber products. The current agreement, the ITTA1994, was renegotiated and the resulting agreement, the ITTA2006. New Zealand was pleased to be involved in the renegotiation process and was pleased to sign the ITTA2006 in February 2008. The Agreement is now going through domestic processes to enable ratification.

Annex B

Acronym List

AGS	.....	Afforestation Grant Scheme
CBD	.....	Convention on Biological Diversity
DoC	.....	Department of Conservation
EPOW	.....	Expanded Programme of Work
ETS	.....	Emissions Trading Scheme
FAO	.....	Food and Agricultural Organisation
FITEC	.....	Forest Industries Training
FLEG	.....	Forest Law Enforcement and Governance
FOA	.....	Forest Owners Association
FRST	.....	Foundation of Research, Science and Technology
FSC	.....	Forest Stewardship Council
GIS	.....	Geographic Information System
ITTO	.....	International Tropical Timber Organisation
LTFT	.....	Lake Taupo Forests Trust
MAF	.....	Ministry of Agriculture and Forestry
MED	.....	Ministry of Economic Development
MFAT	.....	Ministry of Foreign Affairs and Trade
MfE	.....	Ministry for the Environment
MRST	.....	Ministry of Research, Science and Technology
NFP	.....	National Forest Programme
NLBI	.....	Non Legally Binding Instrument
NZAID	.....	New Zealand Agency for International Development
ODA	.....	Official Development Assistance
PEFC	.....	Programme for the Endorsement of Forest Certification
PFSI	.....	Permanent Forest Sink Initiative
QEII	.....	Queen Elizabeth II
REDD	.....	Reduced Emissions from Deforestation and Degradation
RMA	.....	Resource Management Act
RS&T	.....	Research Science and Technology
SOPAC	.....	South Pacific Applied Geoscience Commission
SPC	.....	Secretariat of the Pacific Community
SPREP	.....	South Pacific Regional Environment Programme
TFRK	.....	Traditional Forest Related Knowledge
UNFF	.....	United Nations Forum on Forests