









Annual Report 2024

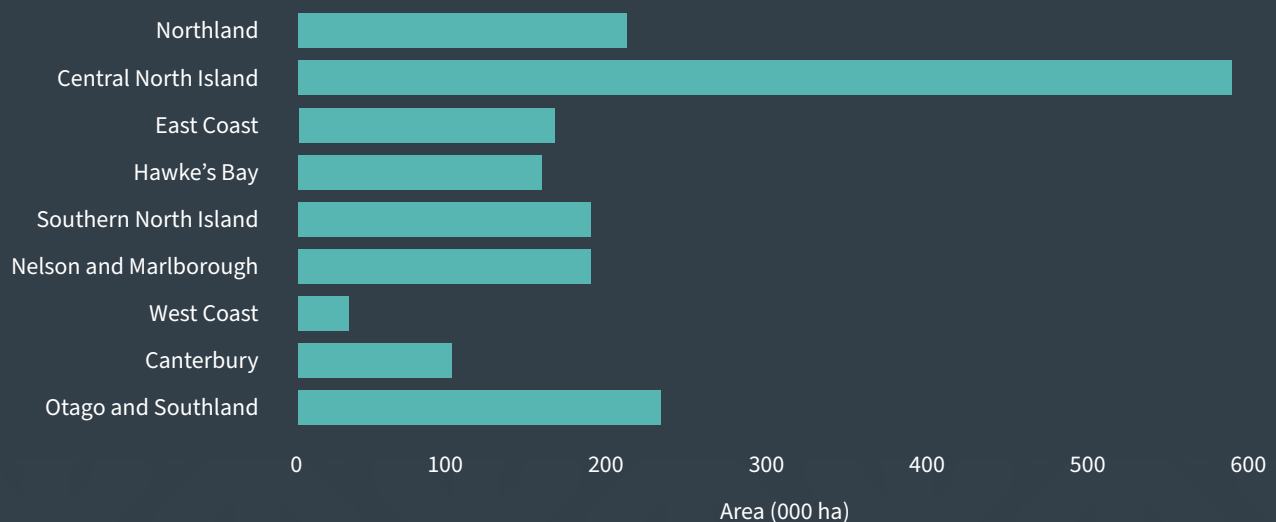


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Highlights

Distribution of forest area by wood supply region, as at 1 April 2024



Privately owned (under 40 ha)... **242,170 ha**

Privately owned (1000+ ha)... **1,091,690 ha**

Privately owned (40 – 999 ha)... **226,771 ha**

Registered public company... **9,372 ha**

Central government... **29,239 ha**

Local government... **42,643 ha**

State owned enterprise... **13,122 ha**

Other... **137,633 ha**

Source: National Exotic Forest Description as at 1 April 2024

\$5.75 billion

in forestry exports to June 2024
(#4 primary export industry)

1.79 million ha

plantation forest estate at April 2024

31.5 million m³

harvested in 2024

18.7 years

average forest standing age

President's message

As the second year of my term approaches as President of the New Zealand Forest Owners Association (FOA), I have been reflecting on the year that was.

The first thought that came to mind was the tremendously varied issues that the FOA Executive Council and management team tackled in 2024. The rapidly evolving legislative space, forest biosecurity, industry training and development, energy solutions, the need to increase domestic log consumption and use of timber products; to name a few.

Collaboration became key for gaining traction on many of these collective issues. A strong partnership formed between FOA and the Forest Industry Contractors Association (FICA), the Wood Processors and Manufacturers Association (WPMA) and the New Zealand Farm Forestry Association (NZFFA), with the overlap in membership presenting an opportunity for the four Associations to work more closely together on common issues. The outcome has been a stronger voice for forest owners in New Zealand.

This past year saw WPMA, FICA and FOA present members' collective concerns to Immigration Minister Hon Erica Stanford after changes to immigration settings in April threatened to disrupt the sector's workforce. Later in the year, FOA and WPMA worked together to prepare its members for the impending compliance requirements under the European Union's deforestation regulation (EUDR). The FOA held webinars for Forest Stewardship Council-certified growers and worked with WPMA in forming guidance for the sector while seeking an extension to the regulation's implementation.

Further changes to the Vocational Education and Training (VET) reform also saw the Associations band together to contribute to a pan-sector submission advocating for improved training outcomes for forestry.

Despite the raft of challenges, FOA's achievements were many. The Log Traders Bill was repealed saving forest owners' money and time, and annual service charges paid by forest owners in the Emissions Trading Scheme were cancelled for 2023 and 2024 after ongoing efforts from FOA to temper excessive administrative fees.

Significant time also went into providing several iterations of formal feedback on the Legal Harvest Assurance System, highlighting the complexity for forest owners, increased regulatory cost and uncertainty disproportionate to any risk.

Our staff proved instrumental not just in executing this advocacy work, but in delivery of the levy referendum, holding extensive workshops, webinars and roadshow meetings up and down the country for forest growers from April through to September. Their efforts returned widespread support for renewal of the levy.

The quality and capability of those involved with the FOA has been critical to achieving positive and progressive outcomes for forest owners thus far. It has been a pleasure working with the Executive Council and staff on such unique challenges and opportunities.

Forest industry advocacy, biosecurity and research and development all emerged as being high on the immediate agenda

This year, we welcomed Wenita Forest Products chief financial officer Kate Rankin to the Executive Council. Her financial acumen will no doubt bring additional capability. Tasman Pine Forests executive director, Steve Chandler, was farewelled after serving a four-year term. Thank you to Steve for his years of service, particularly his leadership of the Training and Careers committee.

Emily Pope now leads the FOA communications team after Don Carson retired from eight years' service as communications manager.

Don's former roles in the rural sector coupled with his 30-odd year career in journalism made him the ideal candidate for promoting the interests of forest owners nationwide. He became the voice of FOA, vehemently pushing industry messaging and strengthening our mission. We extend our deepest gratitude for his contributions to the sector and wish him the best for a well-earned retirement.

As we look to the future and consider how best to deliver for our members, stakeholders and communities, the question is not *what* to do, but rather *where* our focus should be directed. To quote the ancient Roman philosopher and statesmen Seneca the Younger, "*If one does not know to which port one is sailing, no wind is favorable*".

So, to which ports should we head? There are certainly enough unfavourable winds. The Executive Council prioritised this question through an end-of-year strategy session which identified focus areas for the next five years and how FOA can achieve improved outcomes for its members. Forest industry advocacy, biosecurity and research and development all emerged as being high on the immediate agenda and will set FOA's chief executive Dr Elizabeth Heeg and her team on a clear path for the year ahead.

Elizabeth and I look forward to direct communication from our members who seek a greater understanding of what the FOA is delivering. I am immensely proud of what the team achieved in 2024 and welcome feedback from those who aspire for us to do even better.



Matthew Wakelin
March 2025



Chief Executive's report

Survive to 2025

There were many challenges in 2024, but equally a number of wins for forest growers.

The downturn in the China market was not as catastrophic as anticipated and log prices stabilised at a level conducive to production.

We did see a contraction in wood processing, due to a combination of factors – particularly energy prices – and yet, the resilience of the sector persisted. The Ministry for Primary Industries (MPI) forecast a four percent rebound in forestry export revenue, driven by higher demand for logs and some processed wood products as activity in China improves.

The year ushered in no end of advocacy work for FOA; largely in response to the National government's policy programme, which saw the highest volume of submissions lodged from our team in five years.

Our members who are Emissions Trading Scheme (ETS) participants backed our position challenging the costs of ETS participation through both the judicial review and a complaint put to the Regulations Review Committee. While the Government did drop the costs per hectare of participation by almost half, the need to improve the efficiency and efficacy of the registry will continue to be pushed by FOA.

Increased port fees, differential rates from local bodies and an overall uptick in cost recovery efforts saw the cost of business for forest owners become an issue across the board. We commissioned several programmes of work to address these issues which are set to come to fruition in 2025, including advocacy on taxation principles for local government and cost recovery for biosecurity and fire services.

Our people are key to our success and ensuring a sustainable workforce is high on FOA's agenda for 2025.

Climate change continues to threaten the resilience of production forestry, with higher levels of forest pests and pathogens emerging globally, alongside increased prevalence of wildfire, drought and weather extremes. FOA continued to work with its members to improve sector resilience in 2024, investing in science such as forest hydrology and biosecurity initiatives and ensuring forestry's needs were considered with respect to new immigration settings and changes to the vocational education framework. Our people are key to our success and ensuring a sustainable workforce is high on FOA's agenda for 2025.

Reform of the Resource Management Act (RMA) offers real opportunities to improve our ability to operate through refinements to national direction like the National Environmental Standards for Commercial Forestry (NES-CF) and through improvements to consenting and the wider Act. Ensuring forestry and wood processing have a stable operating environment for 2025 and beyond through appropriate regulation is a key focus.

Achieving a more resilient, profitable sector will not be possible without the support of our communities. Ensuring our communities understand the value of New Zealand forests will be the foundation for achieving these goals. We continue to work to raise the profile of forestry in the media and to connect people to evidence-based advocacy emphasising forestry's value and contributions. In 2025, we will be launching a new website and doing even more to connect the public with sustainable forestry.

The work achieved to date for forest owners across the country would not be possible without the support and expertise provided by our volunteer committees and their Chairs: Ian Hinton (Research), John Simmons (Biosecurity), Marcus Musson (Promotions), Neil Cullen (Small and Medium Enterprise), Sally Strang (Environment), Sean McBride (Fire), Steve Chandler (Training and Careers), Tim Sandall (Transport and Logistics) and Simon O'Grady from the Forest Industry Safety Council. A sincere thank you to each and every one of them for the time and effort put into ensuring that New Zealand forestry is as good as it can possibly be.

Recognition is also due to FOA's secretariat team, whose hard work advocating on behalf of the sector is critically important for forestry's success.

Global demand for wood fibre is increasing and New Zealand has impressive capabilities to produce a high quality and sustainable fibre to meet that need. To capitalise on our capability, we will need to be organised, have a great domestic operating environment and utilise our creativity to innovate.

Next year holds great promise for forestry if we can position ourselves to take full advantage of our abilities.



Elizabeth Heeg
March 2025



Activities

This section summarises the past year of FOA's activities across the following areas: Biosecurity, Environment, Fire, Advocacy, Small and Medium Enterprise (SME) forest owners, Training and careers, Transport and logistics and Forest research, science and technology.





Biosecurity

Forest Biosecurity Surveillance

The Forest Biosecurity Surveillance (FBS) programme is now in its seventh year. It forms part of the wider Forest Biosecurity Surveillance System comprised of three active surveillance activities undertaken by SPS Biota, general surveillance such as reporting of the unusual by foresters and the public and underpinned by the Forest Health Diagnostics Service delivered by Scion.

The surveillance system focuses on high-risk points of entry including ports and airports for early detection but also extends surveillance into higher-risk plantation forests close to those points of entry, major road and rail corridors and other important plantation forest areas.

Forest health assessments (FHA) conducted and funded by forest owners and managers form a key component of this broader programme. Suspected pests or pathogens and adverse health symptoms encountered during these surveys are collected and submitted to the FGLT-funded Forest Health Diagnostics Service for identification and further investigation if warranted. This information contributes toward the wider Forest Biosecurity Surveillance System and our forest health knowledge base.

In 2024, 718 diagnostic outcomes were generated from 579 surveillance samples. Of 26 significant finds, there was only one that met the requirements to notify Biosecurity New Zealand as a potential biosecurity threat. Following investigation, this was stood down.

While no significant production or quarantine pests were detected last year, the surveillance system continues to provide evidence in support of New Zealand's forest pest- and pathogen-free status which in turn supports our market access for wood and wood products.



↑ SPS Biota's beetle trapping programme.

The Forest Biosecurity
Surveillance System made

26 significant detections

in 2024. One was a new species
for New Zealand (new to science).



Protecting your forests with Plant Pass

The movement of plants is one of the highest risk pathways for the introduction and spread of biosecurity risks, both internationally and domestically.

Ensuring there are measures in place to minimise the risk of pests and pathogens arriving, establishing and spreading (e.g., myrtle rust, fall armyworm) is key to protecting the health of our trees.

Plant Pass is a voluntary nursery biosecurity certification scheme that promotes and supports good biosecurity practice in the nursery. It helps to reduce the likelihood of a pest or pathogen establishing in a nursery and subsequently being spread through the supply chain.

The Forest Biosecurity Committee (FBC) has been advocating for forest owners and those purchasing seedlings to include Plant Pass certification as part of their seedling supply or purchase agreements. Not only will this set a market incentive and expectation for nurseries from their customers, but it will also provide forest owners with greater and independent assurance that they are purchasing seedlings grown under best biosecurity practice.

The FBC, with 2024 FGLT funding, engaged SPS Biota to develop an online nursery biosecurity and hygiene training module and a forest nursery hygiene poster to educate and inform staff and support nurseries to register and work toward Plant Pass certification. These will be launched in 2025.



More detail on Plant Pass can be found on their website www.plantpass.org.nz or by contacting the FOA's Director Biosecurity and Risk.



↑ The Forest Biosecurity Conference attracted more than 80 delegates in 2024.

Response readiness and pest management

The Government Industry Agreement (GIA) continues to deliver benefits for forest owners and the wider forest growing sector. The GIA is an agreement between Biosecurity New Zealand and primary industries for joint decision making and funding for biosecurity readiness and response activities. *Lepidoptera* readiness work continued in 2024 with progress made across a range of projects. Plant Pass was also maintained in 2024, encouraging industry participants to take a more proactive role in managing their own biosecurity risks.

Forest Biosecurity Conference 2024

The Forest Biosecurity Conference was held in Rotorua in February 2024. A range of informative technical and operational presentations from New Zealand and Australian experts were given under the overarching conference theme of '*Threats, innovation and control strategies*'. Biosecurity New Zealand also facilitated a valuable desktop response exercise.

FOA member attendance increased significantly relative to previous years with more than ten operational foresters actively participating in the event.



Submissions

The Forest Owners Association submitted on three biosecurity related consultations in 2024.

The FOA supported¹ the proposal for single dose phosphine treatment of logs, alongside another fumigant application as alternatives to existing treatment methods. The proposal was subsequently accepted. Exporters now have more treatment options at their disposal, including the potential to remove the need for in-transit technicians altogether.

The Ministry for Primary Industries also consulted on proposed changes to protocols for management of *Arhopalus ferus* (Burnt Pine Long-horn Beetle) in 2024. The Biosecurity Committee's submission² highlighted that the proposed approach could result in additional and unnecessary fumigation or treatment costs being imposed on exporters and that the change would create unnecessary risk of goods arriving in Australia and being non-compliant. The need for more evidence on the efficiency assumptions made and greater clarity around system costs was also emphasised. The proposal progressed despite the concerns raised.

A submission was also lodged by FOA³ in response to the Biosecurity Act Review. The FOA supported changes that would contribute to improvements in the current biosecurity system, but disputed changes that pushed costs and responsibility away from MPI and onto forest owners. Review of the Biosecurity Act is ongoing.



↑ A significant find. The first detection of *Phytophthora kernoviae* on *Pinus pinea*, southern North Island. Photo; SPS Biota.

1. <https://www.nzfoa.org.nz/resources/file-libraries-resources/submissions/2024/893-consultation-for-single-dose-application-of-phosphine-for-logs-to-china/file>
2. <https://www.nzfoa.org.nz/resources/file-libraries-resources/submissions/2024/902-consultation-on-fixed-dates-for-the-arhopalus-ferus-burnt-pine-long-horn-beetle-flight-season/file>
3. <https://www.nzfoa.org.nz/resources/file-libraries-resources/submissions/2024/907-biosecurity-act-1993-proposed-amendments/file>



Environment



↑ Environment Committee visit to Waimanu Forest in Gisborne, November 2024.

The Environment Committee's mission is to maintain and enhance production forestry's licence and practical ability to operate.

The committee achieves this through engagement with various government agencies and officials and by commissioning science that supports an evidence-based narrative for forestry.

Research on the biodiversity and water quality benefits offered by forestry has been an increasing focus of the committee, using these findings as a means of correcting the myths and innuendo surrounding the environmental impact of pine forests.



↑ Kees Weytmans from Knapdale Ecolodge, Gisborne, discussing planting of alternative species with Environment Committee members Richard Powell (left), Tim Payn (centre left) and Sally Strang (right).



Statutory change and advocacy

The majority of the Committee's time is spent advocating on behalf of forest owners by preparing submissions on government policy consultations.

An influx of new regulations and policy proposals with wide-reaching implications for the sector were consulted on in 2024, making it the busiest year on record for submissions. The Committee lodged a total of 20 submissions – a 53 percent increase on the previous year.

In some instances, preparing the submissions included obtaining legal advice and/or input from subject matter experts. A significant amount of in-kind contribution was often required from committee members for these submissions, particularly the Committee chair, Sally Strang.

More input has been required from the Committee on regional matters that have the potential to set national precedents for forest owners too. The Otago Regional Council's freshwater plan and Environment Canterbury's Plan Change 7 (PC7) are two such examples that required input from the Committee in 2024.

	2021	2022	2023	2024
Submissions on National Regulatory matters	8	7	9	17
Submissions on Regional matters			4	3

53% increase

in submissions in 2024

Updating the Environmental Code of Practice and Forest Practice Guides

A sub-committee of the Environment Committee was established in 2023 to update the Environmental Code of Practice (ECOP) and the Forest Practice Guides. In 2024, the framework for the revamped ECOP was finalised and the chapters have been drafted.

FSC Cluster Group and Standards Development support

The Environment Committee continues to support both the Forest Stewardship Council (FSC) Standards Development Group and FSC Cluster Group.

FOA's involvement in this group continues to help shape standards that could directly affect its members. Specifically, FOA's input helps ensure the localised needs and realities of New Zealand forest owners are reflected in FSC's globally recognised certification framework and that members continue to have access to market opportunities that come from holding an FSC-certified forest.



↑ The study sites – Pākuratahi (3) and Tamingimangi (1) – are two adjacent catchments located in the coastal hill country of Hawke's Bay comparing water quality parameters.

Pākuratahi land use study

Hawke's Bay Regional Council undertook a 12-year paired catchment study commencing in 1993, monitoring and comparing various water quality parameters in two adjacent catchments – one in forestry and the other in farmland. The study period included first rotation harvest of forest in the Pākuratahi catchment.

The Environment Committee, Hawke's Bay Forestry Group and Hawke's Bay Regional Council are working together to repeat the study using more modern technology to assess the period up to and including second rotation harvest. This is expected to produce a more complete record for the catchments, particularly in relation to sediment losses.

Data from the original study is still relied on heavily by industry for consent applications and submissions. Updated water quality data from the study will ensure the committee's advocacy work in this space continues to be informed, relevant and science-based.



↑ The Pākuratahi catchment (345 ha) was planted in radiata pine in the early 1970s.



Pest profile

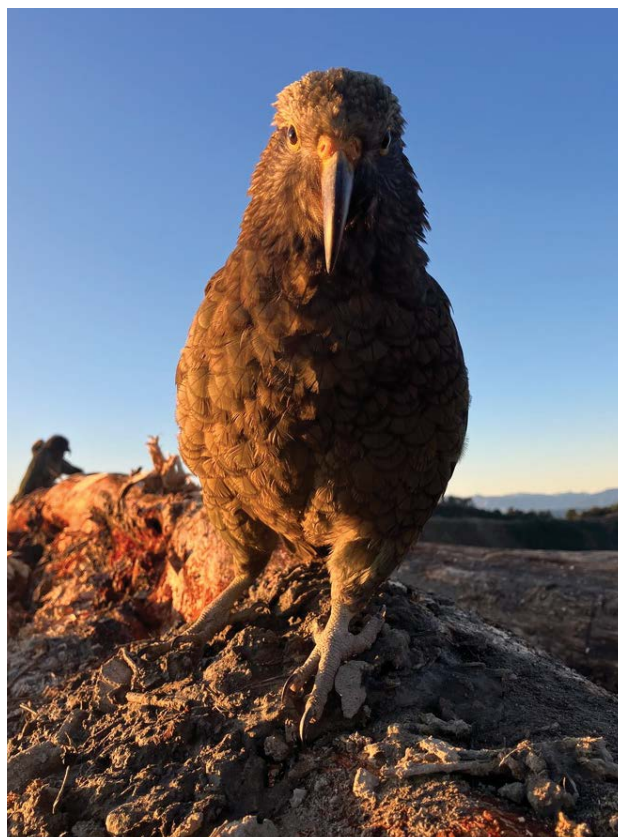
Introduced predators (rats, possums, and stoats) have a serious impact on native bird populations nationwide. However, native insectivorous birds are often abundant in large production forests. It is speculated that the impact of invasive predators in these forests may be lower than is generally assumed. To date, surprisingly little is known about the population dynamics of introduced predatory mammals in production forests.

This project seeks to evaluate the seasonal dynamics of predatory mammals in a large, contiguous production forest to determine if they differ significantly from those observed in indigenous forests. Results are expected in 2025 and will help build an understanding of pest prevalence and population dynamics in our forests.

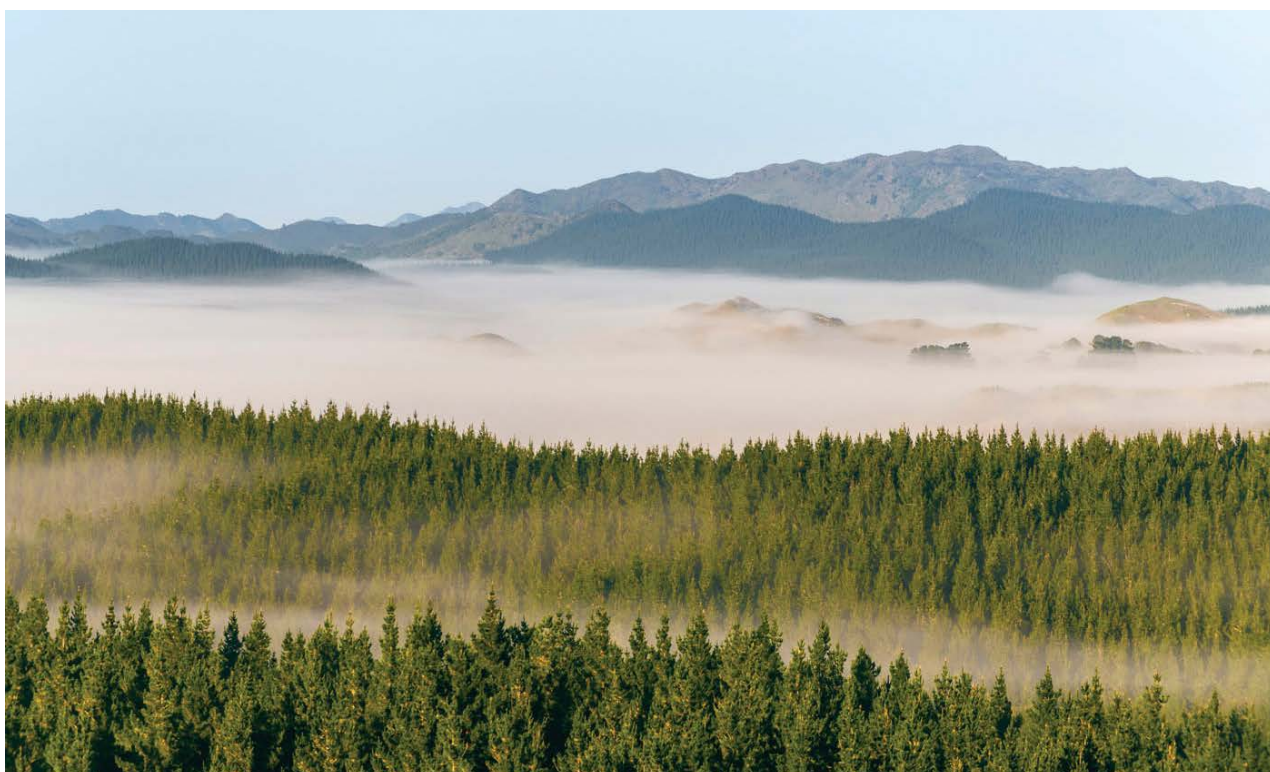
Data produced by this project will go some way in addressing some of the myths surrounding pines, providing evidence of the positive contribution they make towards biodiversity.

Wilding tree advocacy

The Forest Owners Association has been a member of the Wilding Pine Network (WPN), a wilding control advocacy group, for many years now. Subscription ensures forest owners' interests are well represented in the various wilding conifer fora, including presentation of sector case studies by Committee members at the annual WPN conference.



↑ Profiling predator abundance and dynamics in production forests could improve our understanding of the conservation value forests provide for biodiversity, particularly native New Zealand birds.



Environment Consultant

The nature of the Committee’s advocacy work often involves navigating complex legal frameworks – whether that’s pushing for policy changes, upholding forest owners’ rights, or assessing industry compliance and environmental risks.

The Environment Committee engages the services of an expert resource management consultant

to assist with these complexities, providing legal advice as required.

The consultant has proven invaluable for providing additional capacity for industry submissions and ensures expert input on national regulatory issues such as environmental legislative change, planning matters and government engagement that have widespread implications for the sector.



Fire



Well-managed production forests, overseen by well-trained personnel, play a critical role in reducing wildfire risk.

The benefits of protecting New Zealand's production forest estate from fire extend to surrounding communities – enhancing safety and preserving the local economies tied to forestry's activities.

The FOA-NZFFA Fire Committee, with funding support from the FGLT, has a strong focus on engaging with Fire and Emergency New Zealand (FENZ) to improve rural fire management in New Zealand. The Fire Committee engages with FENZ and the Department of Internal Affairs (DIA) to ensure that forestry interests are considered and that regional operational relationships are improving and effective.

Many FOA members play a significant role in rural fire management – more often than not maintaining and providing extensive firefighting resources, expertise and equipment to respond rapidly to vegetation fires and in support of FENZ.



Fire strategy

A working group was established this year to translate the outcomes of a 2023 workshop into an up-to-date fire strategy.

The strategy includes a vision for rural fire management in forestry, a mission statement, key principles and focus points, strategic drivers and identification of result areas to guide the Fire Committee and the sector on improving fire risk management.

The strategy will be considered for endorsement by the Fire Committee in early 2025.

↑ The Pigeon Valley fire of 2019 destroyed approximately 2300ha of commercial forest.



Refresh of the Forest Fire Risk Management Guidelines

A Fire Committee working group is in the process of refreshing the Forest Fire Risk Management Guidelines.

Published in 2018, the guidelines have been used widely by forest owners and managers to help reduce the risk of wildfires in our production forests.

While the guidelines remain mostly fit-for-purpose, amendments are required to account for changes to existing regulations, standards, knowledge and risks (e.g. lithium batteries). The refresh will also align the guidelines with the Plantation Forestry Rural Fire Charter.

The updated edition will be available in 2025.

Fire levy submission

The Fire Committee submitted a response to the FENZ consultation on a proposed increase to fire levy rates for 2026 – 2029.

Forest owners were exempt from paying a fire levy on insurance when FENZ was first formed. As it stood, the consultation could have placed substantial cost on forest owners.

The Committee challenged the justification for such significant cost increases given the merger of fire capability was meant to result in a more cost-effective service. It also queried how costs were being allocated and spent.

Although the fire levy was successfully passed into effect, the Committee's submission resulted in forest owners being levied at a much lower rate than initially proposed during consultation.



Published in 2018, the Forest Fire Risk Management Guidelines help forest owners reduce the risk of wildfires in production forests.



Advocacy

13
media releases
distributed in 2024.

On average, releases achieved a

46%
open rate

– a 15% increase from 2023.

FOA's media releases generated

50 follow-up
interviews
and media
coverage

of forestry through radio, print and online
articles in the second half of the year.

The primary function of FOA's communications is to represent and advocate for the interests of its members.

Increasing the public's understanding of forestry's wider contributions, both economically and environmentally, is at the core of our work, with the end goal being to safeguard or improve forest owners' interests and operational viability – often referred to as “licence to operate”.

These communication efforts are instrumental to amplifying the collective voice of our members and influencing policy, public perception and sector standards.

The communications team is supported by volunteer members on the Promotions Committee, who provide their communications, engagement and forest growing expertise to facilitate communication between members and stakeholders, including the NZFFA and the Forest Growers Levy Trust. This ensures advocacy efforts are aligned and the needs of our members are met.

Navigating a negative media landscape

New Zealand's production forest sector continued to face a complex and often negative media environment in 2024, reflecting broader social tensions particularly around land use, climate change and environmental stewardship.

Media narratives frequently framed forestry as a contributor to landscape monoculture, with criticism forthcoming on conversion of pastoral farmland to pine plantations. Public commentary on overseas investors displacing agriculture often ensued. The 'native tree versus exotic tree' narrative persisted this year, reflecting the ongoing debate over the environmental, ecological and cultural implications of planting and preserving native versus exotic tree species.



High-profile stories tended to refer to the perceived ecological consequences of forestry, particularly historic issues such as harvest debris and their impact on waterways, amplifying public unease about forestry's environmental footprint.

This coverage often overshadowed the significant contributions forestry makes as producer of high-quality timber, fibre and added-value products as well as its role in maintaining ecological balance and diversity.

The Emissions Trading Scheme (ETS) continued to be a lightning rod, with media – and subsequently the public – questioning the reliance on forestry offsets as a climate solution, particularly amid debates over permanent carbon forests and their implications for future land-use flexibility.

Misconceptions about the sector's productivity – such as the belief that forestry displaces more jobs than it creates – further fuelled scepticism, despite evidence that production forests generate significant employment and economic activity in the regions.

The FOA's communications provided opportunities to reshape these narratives and educate audiences in support of forest owners.

Thirteen media releases were distributed in 2024, advocating on behalf of members in response to reports and policy changes at a national level.

The releases achieved a 46% average open rate – a 15% increase compared to the previous year. Engagement was largely from journalists, policymakers and industry stakeholders.

Top-performing media releases centred on themes of land-use change and land-use rights, namely: farm to forestry conversions, carbon sequestration policies and regulatory shifts like the Emissions Trading Scheme (ETS) adjustments.

Our media releases generated more than 50 follow-up interviews and coverage of forestry through radio, print and online articles in the second half of the year, delivering important representation of members' interests.

Public perception

Despite the headwinds, forestry's FGLT-funded annual public opinion survey returned a five percent increase in reputation score in 2024 – the highest rating the sector has achieved since the surveys began in 2021. This was coupled with a 14 percent increase in the view that forestry is important to New Zealand.

However, public perception remained polarised.

Nearly 50 percent of respondents cited environmental impacts such as slips, floods and fires as the driving factor for their negative perceptions of forestry. The 55+ age group continues to hold negative views on the sector, however the younger demographic (25 – 44-year-olds) emerged as having a negative attitude too.

Engagement with our stakeholders also indicated a persistent divide between urban and rural perspectives, with urban audiences more likely to view production forestry through a lens of environmental cost, while rural communities grappled with economic realities and land-use transitions.

Connecting to forest owners

Enhancing engagement with our members while telling forestry's story was a core focus of the communications team in 2024.

Further investment was made into the monthly e-newsletter, streamlining information, trialling new mediums and generating more practical content and guidance for growers on the ground.

Performance of the newsletter continued its upward trajectory, with close to two-thirds of recipients opening each newsletter. One in five readers engaged with embedded links or calls-to-action.

The Chief Executive's column attracted the highest reader interest, suggesting that personalised, authoritative insights from FOA resonate well with the wider sector. Subscriber numbers also reflect this, achieving a 19 percent growth in audience compared to the previous year.



The *Bulletin* magazine

Produced three times a year by FOA, the *Bulletin* magazine is a valuable vehicle for telling forestry's story and connecting members with sector news.

This past year saw the *Bulletin* distributed to nearly 1000 recipients each issue, including FOA members.

Topics in 2024 covered policy updates, biodiversity initiatives, sector profiles, the latest in research and innovation, threats to forest health and guidance for growers.

The magazine was expanded to double its typical content in the latter half of the year to ensure members' needs were balanced with outreach.

The *Bulletin* will continue to be refined in 2025 to improve value for members.



Facts & Figures

Facts & Figures is a pocket-publication produced yearly in conjunction with the FGLT and with input from our forest owners and the Ministry for Primary Industries.

It provides members, stakeholders and the wider sector with up-to-date industry data covering key metrics such as timber production, workforce insights, economic impact, export statistics and more.

This comprehensive booklet enables members to benchmark their operations and keep abreast of market trends, strengthening their capacity to plan and invest strategically.

It's often referenced by external parties, particularly schools and academics, seeking to understand the economic and environmental contributions of forestry. It's also become a crucial tool for communications, providing evidence-based data that informs FOA's advocacy efforts.

The popularity of this resource saw FOA repeat a print run of its 2022 *Facts & Figures*, followed by production of the 2023 *Facts & Figures* later in the year.





Mystery Creek National Fieldays

The Forestry Hub was present for its third consecutive year at the June 2024 Fieldays. The overall event attracted 106,000 visitors, with nearly a third of them visiting the Forestry Hub across four days.

While the Hub was delivered jointly by the Forest Growers Levy Trust and Te Uru Rākau – New Zealand Forest Service –

the FOA held a presence at the event, advocating for forest owners and educating the public through its Biosecurity and Environment exhibitor stands.

The event proved to be a valuable advocacy opportunity for FOA, providing a platform to network with policy makers on core forestry issues and returning one-on-one engagement with Prime Minister, Rt Hon Christopher Luxon and Minister of Forestry, Hon Todd McClay.



↑ The 2024 Fieldays Forestry Hub attracted nearly 30,000 visitors.



↑ A variety of timbers and engineered wood products formed a central display in the Hub.



↑ Minister of Forestry, Hon Todd McClay, made an address at the 2024 event.



Small and Medium Enterprise (SME) forest owners

14 percent⁴

(in area) of New Zealand's production forest estate is comprised of small (1–99 hectares) and medium scale (100 – 999ha) forest owners.

The (SME) Small and Medium Enterprise forest owner Committee plays an important role in representing the needs, concerns and perspectives of these small- and medium-scale forest owners to the FOA-NZFFA committees, stakeholders and local and central government.

Chaired by the President of the NZFFA, the SME committee is comprised of NZFFA members who own small and medium sized woodlots, as well as larger forest growing representatives. This composition ensures the Committee supports the unique needs, challenges and contributions of smaller-scale forest owners.

Typically, the Committee's efforts have revolved around diversification of New Zealand's production forestry species and improving the resilience of small-scale forestry businesses and woodlots.



↑ The *Abies grandis* trials have produced 5000 seedlings so far.

Abies grandis nursery trials

Reducing the industry's reliance on *Pinus radiata* through species diversification was a core focus of the SME Committee in 2024.

Abies grandis has similar growth rates and timber production properties to radiata but less susceptibility to pine-specific pests and pathogens – rendering it a strong contingency species to radiata.

Under the governance of the SME Committee, *Abies grandis* nursery trials were conducted in an attempt to grow seedlings in commercial numbers within a two-year period at a reasonable price.

Seeds were sourced from multiple provenances in North America, with the best germination rates linked to regions with low annual rainfall, suggesting suitability for dry areas like the east coast of the North and South Islands.

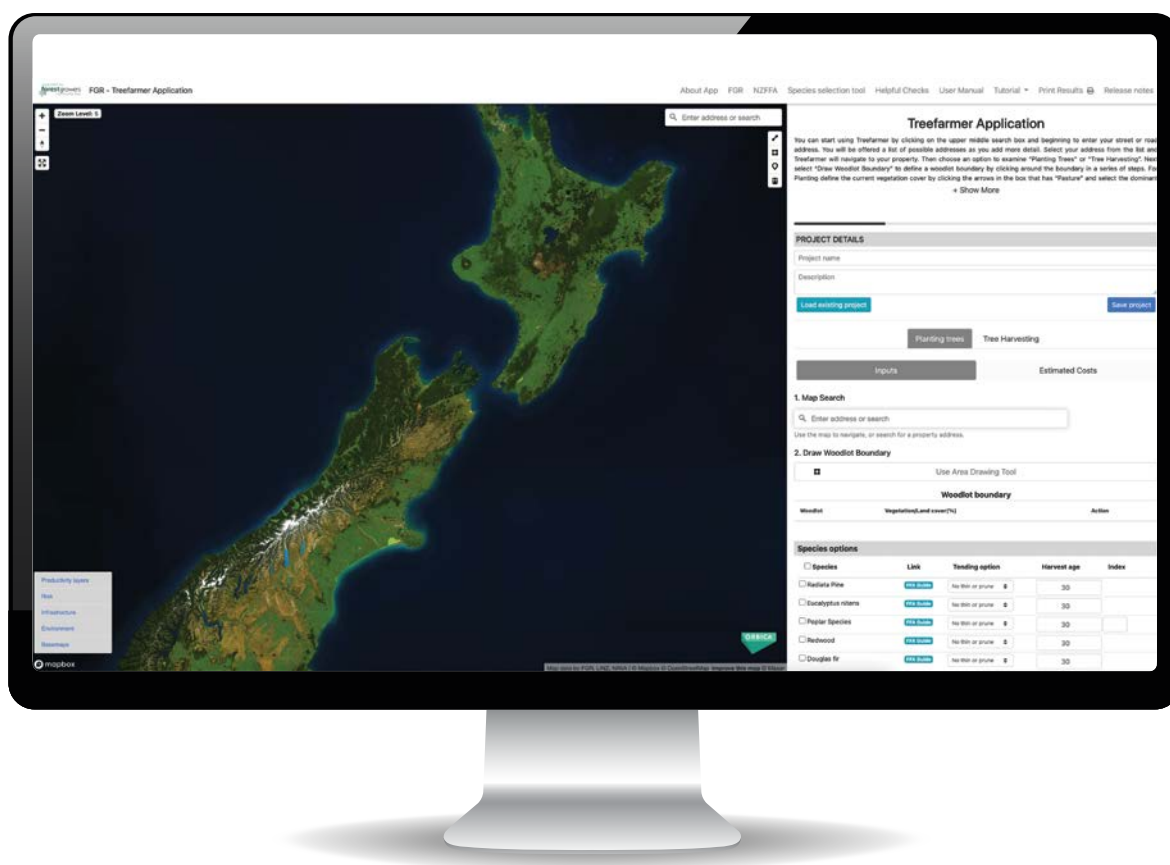
Trials to date have been successful, producing 5000 *Abies grandis* seedlings and generating significant interest from industry.

Further planting trials are planned for 2025 to confirm the best provenances for growth and survival across varying conditions and to assess potential pest and disease risks.

Trials to date have been successful, producing

5000 *Abies grandis* seedlings

4. National Exotic Forest Description 2024 report



TreeFarmer

TreeFarmer is a geospatial web tool developed to support small-scale growers with woodlot planning.

The tool explains rudimentary harvest planning while underpinning spatial information to drive costs down. Users are able to determine their own woodlot area, establishment costs and potential yields. At harvest it will estimate roading, harvesting and transport costs based on terrain and location information.

Its ongoing development is overseen by the SME Committee and directed by feedback from forest-based personnel for forest-based users.

The tool was promoted to a wider audience online and through print advertising in 2024 as well as through in-person workshops. The tool has received particular interest from the Institute of Primary Industry Management and New Zealand Association of Resource Management who have discussed using it in educational workshops.



Training and careers

Career pathways and training of forestry personnel are essential to the success of New Zealand's forests.

With 1.79 million hectares of plantation forests, the industry supports 40,000 jobs across the supply chain.

Advancements in mechanisation have boosted productivity and expanded career opportunities beyond traditional manual roles, creating demand for highly skilled machine operators and technical specialists. However, attracting and retaining these workers remains a challenge, particularly during industry downturns. An aging workforce, shifting market conditions, evolving regulations and fluctuating planting rates add to the complexity.

The Training and Careers Committee plays an important role in strengthening the sector's workforce. Comprised of forest growers, industry leaders, training providers and government representatives, the Committee strives to bridge the gap between forest owners and the broader workforce ecosystem; advocating for practical, industry-aligned training solutions and career pathways that support the longevity of the workforce and forestry operations.

New Zealand's forestry and wood processing sector supports

40,000 jobs
across the supply chain.

Promotional activities

Promotion of forestry training and career opportunities continued through various sector publications, school magazines and resources in 2024.

The committee commissioned a paid editorial for placement in the October issue of the *Leaving School* magazine, profiling 23-year-old Blake Roigard – a logging all-rounder driving the processing machine and feller buncher for Thomassen Logging in Kinleith Forest. The editorial demonstrated the range of high paying machine operating roles and opportunities available in harvesting.

A full-page advert under the 'Love Our Forests' branding was also placed in *Principals Today* magazine in term four, endorsing forestry career pathways.





Submission on Accredited Employer Work Visa review: Phase Two

A suite of changes made to the Accredited Employer Work Visa (AEWV) in April 2024 placed significant strain on forestry and wood processing's workforce.

The New Zealand Forest Owners Association, the Forestry Industry Contractors Association (FICA) and the Wood Processors and Manufacturers Association (WPMA) made a joint appeal directly to the Immigration Minister to address the uncertainty the new settings generated for forest owners, contractors, wood processors and their employees.

A formal submission was subsequently lodged by FOA and FICA⁵, highlighting the important role of migrant workers in planting and thinning operations. The submission advocated for removal of the three-year work experience requirement, elimination of the level four English test requirement and provision for migrants to renew their visas for an additional three years.

Submission on Vocational Education and Training (VET) System reform

The Committee contributed to the submission⁶ made by the Pan Sector Collaboration Group (PSG) of the Forestry & Wood Processing Industry on the 2024 Vocational Education and Training System redesign consultation.

The PSG advocated for retaining work-based learning, improving funding efficiency to better support learners and employers, and opposing a Polytech-based model for forestry training on the basis that the nature of forestry roles requires a high degree of in-field training.

While the proposed *Forestry and Wood Processing Learning Hub* was not adopted, it influenced discussions for the 2025 consultation.



↑ Photo; Wenita Forest Products

5. <https://www.nzfoa.org.nz/resources/file-libraries-resources/submissions/2024/903-accredited-employer-work-visa-aeww-immigration-settings/file>

6. <https://www.nzfoa.org.nz/resources/file-libraries-resources/submissions/2024/900-redesigning-vocational-education-and-training-for-21st-century-outcomes-in-forestry-and-wood-processing/file>



Transport and logistics



The Transport Committee's work is focused on ensuring safe and efficient transportation of logs and forest products.

The Committee works closely with the Log Transport Safety Council (LTSC) to promote collaboration and knowledge-sharing within the log transport sector.

It is actively involved in the Transport Collaboration Group, alongside the New Zealand Transport Agency and LTSC, with the goal of addressing industry-wide transport challenges.

Log Transport Safety Council (LTSC)

The Transport Committee works closely with the pan-industry Log Transport Safety Council (LTSC), which commissions research and directly engages with forest owners, operators, researchers, government and enforcement agencies to ensure sustainable and safe best practice log transport operations.

The LTSC runs a *Driver Pathway Accreditation* programme, promoting safety standards by recording, recognising and rewarding the progress and experience levels of operators in log transport. In 2024, five trucking companies achieved 5-star certification through the programme and two drivers attained platinum certification – a record-breaking year.

Log truck signage compliance

The 0800LOGTRUCK phone reporting system has transitioned to an online feedback platform at www.logtruck.co.nz. Quarterly driver feedback reports are circulated to committee members for distribution within their organisations.

Updated signage has been installed on trucks.

The Committee coordinated volunteer site visits to Northland and Lyttelton ports in 2024 to assess compliance of logging trucks with the new signage requirements. These visits recorded and analysed signage compliance and trailer lifting certification with the results being shared with LTSC and committee members to identify room for improvement. The audit found a number of trucks were still carrying out-of-date LTSC signage and expired lifting certificates.

Findings were shared with LTSC members to action.



Log Transport Safety Improvement Plan

The Log Transport Safety Improvement Plan (LTSIP) provides a framework for the forest industry to collaborate, consult and coordinate safety initiatives.

It sets measurable outcomes aimed at improving safety, health and wellbeing, with progress monitored and evaluated over time.

Following an update to the Log Transport Safety Accord in 2023, the LTSIP is now undergoing a biannual review to accommodate new technology and work practices. The revised document will be circulated in 2025.

Export port logistics review

The key causes of national logging truck delays and inefficiencies in forestry's export supply chain have been identified in a report prepared by Ian Brown of Woodhill Consulting on behalf of the Transport Committee.

The report incorporates insights from stevedores, marshallers, export agents and industry stakeholders, rounding off the initial scoping report from 2023.

Several recommendations are outlined; including changes to ticketing and scaling processes, potential shared storage solutions, increased collaboration, sharing of shipping schedules and possible new approaches to export marketing models.

These recommendations will be canvassed with the industry in 2025.

Road Engineering Manual Updates

The FOA Road Engineering Manual⁷ has been updated to include an appendix on *Forest Roads for High Productivity Motor Vehicles (HPMVs)*, which are becoming increasingly popular.

The update⁸ provides guidance on HPMV truck configuration options, curve widening requirements, corner gradients, road pavement design and construction and other key considerations.

These updates aim to help forest owners better accommodate larger HPMV trucks on forest roads.



7. <https://www.nzfoa.org.nz/resources/file-libraries-resources/transport-and-roading/843-nz-forest-road-engineering-manual-2020/file>

8. https://www.nzffa.org.nz/system/assets/9384/Appendix_NZFOA_Road_Engineering_Manual_HPMV_Trucks.pdf



Forest research, science and technology

Highlights

Forest Growers Research (FGR) welcomed **innovation manager, Alison Slade**, to its team. The additional capability intends to improve delivery and uptake of research outputs across the sector.

Australia and New Zealand forestry representatives, visited the Basque Country, Spain in November

to see firsthand the very real threat that Brown Spot Needle Blight (BSNB) could pose to our own forests.

The annual FGR conference was held in Dunedin, attracting 120 delegates.

Six individuals also received awards for their contribution to forestry science and technology.

FGR consulted with stakeholders on forestry diversification.

This will form the basis for the business case to develop a long-term research programme focussed on adaptation and diversification.

The Government announced a review of New Zealand's science system, which could see

Crown Research Institutes such as Scion merged.

Implications for forestry's key research providers are not yet known. Formal recommendations from this review are anticipated in early 2025.



Overview

Forest Growers Research (FGR) is the industry's research management company that coordinates the scoping, contracting, funding, delivery and dissemination of research and development (R&D) programmes important to forestry.

As the full shareholder of Forest Growers Research, the New Zealand Forest Owners Association holds an important role in maintaining oversight of the research and technology programme. FOA's facilitating role is important for ensuring R&D projects are relevant to the current operating environment and that they align with the needs of FOA members – be that small- or large-scale forest owners.

Multiple sources fund FGR's programme, the majority coming from forestry's *Harvested Wood Material Commodity Levy*, but also direct government investment, sector investment and in-kind support. The programme continues to deliver good value for New Zealand forest owners – raising \$2.50 for every dollar invested.

Over 20 research programmes and projects from across forestry's value chain were managed by FGR in 2024. Most fall under five core research areas:

- 1 Propagation and advanced biotechnology
- 2 Silviculture
- 3 Productivity and resilience
- 4 Biosecurity
- 5 Harvesting

43% (\$4.54 million)

of forestry's Commodity Levy funding was invested into research and development in 2024.



Silviculture **31%** Productivity and Resilience **20%**
Biosecurity **17%** Genetics and Propagation **15%**
Harvesting **9%** Other projects **6%** Diversification **2%**



Alison Slade, Innovation manager

Innovation manager joins FGR

Alison Slade was recruited as the innovation manager in March 2024, tasked with improving delivery and uptake of research outputs from across the research portfolio. This role is multi-faceted, from network and relationship building through knowledge translation to commercialisation. Alison's key goal is to help make sure that the knowledge generated from forestry's research, science and technology projects is shared with forest owners and people that need it.

Tissue Culture Techniques for 21st Century forests

The 21st Century Tissue Culture programme is developing a platform to automate tissue culture with a goal of delivering more cost-effective, elite germplasm to the sector. Now in its sixth year, the programme is jointly funded by the levy, MBIE and Scion through its Strategic Science Investment Fund (SSIF). The Government's gene technology legislative reform has increased the focus on this programme.

In 2024, FGR trialled Finnish collaborators (Luke and Xamk) approach for somatic embryogenesis. The robotic system uses artificial intelligence (AI) to automatically select mature somatic embryos for germination. FGR is testing the system's effectiveness with radiata pine and versatility across different species. A four-way agreement between Forest Growers Research, Scion, Luke and Xamk has now been signed.



Dr Russell Burton

Tissue Culture Programme manager retires

Dr Russell Burton retired in March 2024 after managing the Tissue Culture Programme (TCP) for four years. Russell worked closely with Science Leader Dr Kranjakova and her team to strengthen collaboration with the Natural Resources Institute of Finland (Luke) and South Eastern Finland University of Applied Sciences (Xamk), resulting in the purchase of an embryo-picking robot for the programme, now located at Scion.

Russell has been a key member of the FGR team and provided significant support to commercialisation projects, including development of policies and procedures for managing Intellectual Property. We thank Russell for his dedication to the programme and contributions to forest research.

The 21st Century Tissue Culture programme is developing a platform to automate tissue culture.



Claire Stewart, PSP programme manager

Precision Silviculture Programme (PSP) - Modernising forestry in the digital era

The Precision Silviculture Programme (PSP), now entering its third year, continues to drive change to forestry practices through mechanisation, automation and digitalisation. This seven-year initiative is funded by a \$25.5 million grant from MPI alongside contributions from the Forest Growers Levy Trust (FGLT), fifteen forest companies and other stakeholders. The programme aims to enhance productivity, create higher-value and safer jobs and minimise environmental impact.

The PSP has five critical workstreams:

1. NURSERY INNOVATIONS

- **PlantIT:** A tree and box tracking app developed by technical partner, Integral. The app will enable tracing of tree stocks from nursery to the field, benefiting both nursery and forest management companies by providing information on box location, stock arrival timestamps, quality issues and biosecurity traceability. PlantIT will be available for use by the sector by Winter 2025.
- **Bareroot seedling lifting:** A project with the University of Canterbury to mechanise bareroot seedling lifting. A field prototype was tested in 2024 with further development planned for 2025 to improve lift, trim, bundle, enhance precision pathing and refine the pull mechanism without damaging seedlings.
- **AI-based seedling grading:** AI technology for seedling grading is advancing with an in-shed prototype to retrain the model for robustness. This involves installing cameras and sensors in a real-time environment to test speed and grading quality. Ultimately, the solution could be used in a lifting machine in the field or in an in-shed environment.

- **Autonomous nursery monitoring:** Projects are ongoing for developing algorithms for measuring seedling count, growth and health using both air and ground-based methods. It's expected a prototype will be available for the air-based solution in 2025.
- **Pathogen detection:** A partnership with Australian-based company BioScout, to scope their next-generation plant disease management system and its effectiveness in detecting 'terminal crook' *Colletotrichum acutatum* fungal spores across several test sites in the North Island.

2. PLANTING AND ESTABLISHMENT INNOVATIONS

- **Mechanised planting:** A project with Pan Pac and Apex Engineering Services is developing a concept for adapting the PlantMax Swedish mechanical planter to a new base machine. This adaptation aims to improve terrain capability and planting efficiency in New Zealand.
- **Steep slope mechanised planting:** Aspect Forestry has been engaged to test an excavator-based planting machine, optimised for steep terrain, in the top of the South Island. Efforts are ongoing to enhance productivity and feasibility of mechanised planting on slopes.
- **Precision planting tools:** New tools for precision planting are in development, including a Green Plot Ratio (GPR) planting spade to enhance the accuracy and effectiveness of tree establishment. Route planning software is also being explored to aid mechanised planting already underway with Swedish collaborator, Skogforst.
- **Unmanned Aerial Vehicle (UAV) based spot spraying:** A partnership with company 'Automation' to develop a cutting-edge release spray drone. This project is expected to significantly increase the drone's carrying capacity and flight duration. Precision targeting is underway with field trials planned for Winter 2025.



3. PRUNING INNOVATIONS

- **Battery-powered pruning tools:** Battery-powered pruning tools were tested and assessed, with modifications made to a new prototype unit to allow for a wider cutting head and longer arm better suited to *Pinus radiata*.
- **Mechanical pruning machines:** In 2024, The University of Canterbury and Awdon Technologies developed a lab-scale prototype for a robotic pruning arm. The project will proceed with the university team in 2025.

4. THINNING INNOVATIONS

- **Virtual Reality thinning training tool:** Significant progress has been made in developing a virtual reality thinning training tool which provides immersive training experiences for forestry professionals. This tool will enhance skills and safety in thinning operations by simulating real-world scenarios in a controlled environment.
- **SlopeTor:** SlopeTor is an innovative, teleoperated thinning machine improved designed to operate on steep slopes with minimal environmental impact, thereby aiding safe maintenance of steep and sensitive terrain. Prototype development will commence in 2025.
- **Hyperspectral imaging for chemical thinning:** Researchers are employing hyperspectral imaging to understand plant stress induced by chemical thinning. This technology aims to provide the earliest reference for assessing the success of chemical thinning operations. The intent is to down-sample the data to multiple spectral bands, making the technology more accessible and practical for operational use.

- **Forest system design:** This initiative focuses on integrating more mechanical operations into forest management, optimising forest layout and enhancing operational efficiency through digital tools before committing to landscape. Collaborations with companies using the 'RoadEng' software are underway to digitally design forests.
- **TreeTools platform:** The TreeTools platform developed by Interpine enables pre, post and real-time thinning assessment functionality. It has been deployed as part of a prototype tool available free of charge for industry trial.

5. DATA AND MĀORI ENGAGEMENT

- **Data platform:** Concept design and technical architecture is underway for a data platform that delivers improved models to the sector. It aims to provide a better way to access models like individual tree detection and stand boundary detection.
- **Māori Stakeholder Engagement:** A partnership with Ngā Pou a Tāne to engage with Māori stakeholders has resulted in co-designed pathways for capturing silviculture innovations. These opportunities will be prioritised for further development in 2025.

The PSP is a seven-year initiative funded by a

\$25.5 million
grant from MPI alongside industry
and stakeholder contributions.



Keith Raymond, A&R programme manager

Automation and Robotics (A&R) Programme: *Forestry work in the modern age*

Te Mahi Ngahere i te Ao Hurihuri – Forestry Work in the Modern Age, commenced in 2019 as a follow up to the successful Steepland Harvesting Programme. It is funded by forestry's levy, MPI and contributions from forestry companies and contractors.

This nine-year programme aims to create value, improve profitability and enhance sustainability through development of automation technologies in harvesting and logistics across the forestry value chain.

Several projects within this programme made good progress in 2024, reaching the commercialisation phase:

1. REMOTE FELLING WEDGE

Even with widespread mechanisation over the last decade, felling trees with chainsaws is sometimes still required. This project aims to use remote technology to remove operator hazards. The tree faller sets up the felling wedge in the back cut, then retreats to a safe distance and activates the remote control to tip the tree over.

Two different models of remote-controlled felling wedges (the *Forstreich Wedge* and the *BaSt-Ing Valfast Felling Wedge*) were trialled by contractors in different regions of New Zealand in 2024. The *Forstreich Wedge*, weighs approximately 10kg, making it suitable for two-person felling crews. Both models are commercially available in New Zealand. Widespread use will help make manual tree felling safer.



↑ The *Forstreich* felling wedge



2. AUTOMATED QUICK COUPLER

Developed out of the need to lower harvesting costs, the quick coupler reduces the number of machines required in smaller scale logging operations, allowing the operator to switch between different attachments at the push of a button. It allows one machine to multitask between felling, shovel logging, processing logs, sorting, stacking and loading trucks.

The attachments can be swapped out in a few seconds. Early analysis found the quick coupler machine could reduce forestry operations' logging costs by over \$2.80 per tonne when operated in its ideal production range of 220-240 tonnes a day.

The quick coupler is now available for purchase by the sector. FGR is in the process of publishing a full report.

3. IN-FIELD MOBILE LOG DEBARKER

The in-field mobile log debarker is a processing head using rollers to rotate logs through fixed knives that strip the bark. At least one log can be processed every minute, or a maximum of between 60 and 70 logs per hour – about the same rate as current grapple processors.

A major driver of the project was to provide an alternative to the chemical fumigation of export logs using Methyl Bromide through debarking. Being an in-field debarker, it has the added benefit of keeping bark in the forest and providing nutrients to the soil. Log stacking and transport is also improved, allowing more wood volume to be loaded on trucks, reducing storage and transport costs.

The project team has developed a supplementary prototype bark detection tool that uses computer vision technology to detect and measure how much bark remains on the log after debarking. FGR plans to collaborate with a manufacturing partner to commercialise the tool for fixed debarking facilities across the country. Computer vision using AI will provide an objective measure of debarking performance and ensure critical debarking specifications are met for both export and domestic logs.



↑ Steelwrist SQ80 coupler with Waratah 624 processor.



4. AUTOMATED LOG LOAD SECURING

The automated log load securing system was designed as a safer and easier way to chain up logs and keep them secure on log trucks. It's comprised of chain throwers, auto tensioners and a load monitoring system.

The chain thrower and auto tensioner components of the load securing system, developed by Trinder Engineers Ltd of Nelson, were commercialised in 2024, with sales following.

5. IMPROVED RESIDUAL BIOMASS MANAGEMENT

The National Environmental Standards for Commercial Forestry (NES-CF) introduced new cutover clearance standards specifying that harvest residues must be removed, unless unsafe to do so post-harvest.

A modified Hauler Slash Grapple, designed and built by 3D Industrial Ltd of Rotorua, was trialled in a Hawke's Bay swing yarder operation in late 2024.

The grapple efficiently extracted slash and broken pieces down to about 2m in length and approx. 10cm in diameter – meeting the NES-CF standards. The initial trial proved the concept that improved cutover residue management can be achieved using specially designed slash grapples for operation on cable haulers.



↑ Prototype 3D Industrial Hauler Slash Grapple mounted on a swing yarder.



↑ WASP Chain Thrower in action (Source: Trinder Engineers Ltd, Richmond).



Marco Lausberg, Forestry Diversification lead

Forestry diversification

With the completion of the Specialty Wood Products (SWP) research partnership in 2022, there has been no significant programme addressing adaptation and diversification in the New Zealand forestry sector.

With support from MPI's Sustainable Food and Fibre Futures Fund, FGR undertook a consultation process to determine the aspirations and research requirements for a more diverse, resilient and profitable sector over the next 30–50 years.

From December 2023 until September 2024, FGR interviewed 75 people across 60 organisations, canvassing a broad range of views. Not surprisingly, building sector resilience concerned people the most. Other themes that emerged included:

- Building on what is known and the investment already made into other species
- Finding a contingency species for radiata that integrates seamlessly into the current supply chain
- Finding a solution for shortening the rotation age of radiata without compromising wood quality
- Developing new high-value products utilising the whole tree
- Exploring the characteristics of other forestry models such as mixed species regimes.

Several short-term projects have been identified for 2025 which would provide essential background information to help identify key knowledge gaps. Workshops will be delivered to help establish a clear direction for a future diversification programme.

2024 Forest Growers Research Conference

The Forest Growers Research Conference attracted more than 120 delegates to Dunedin in October. Themed, *'Resilience through innovation'* the conference showcased research supporting forestry to build resilience to the challenges ahead.

Twenty-eight presentations occurred over the two days, plus a field trip to Berwick Forest; hosted by City Forests and Wenita Forest Products.

The conference culminated in the annual Awards dinner, with six individuals recognised for their contributions to science and research of industry importance.



↑ Dr Stuart Fraser, Scion; presenting on needle diseases at the 2024 FGR conference in Dunedin.



2024 AWARD WINNERS

Award Recipients
Communication & Sector Engagement Dr Dean Meason, Scion
Innovation that Enhances Sector Value Dr Stuart Fraser and Dr Emily McLay, Scion
Science of International Quality Dr Serajis Salekin, Scion
Research Participation & Implementation Mitch White, Aspect Forestry, Nelson
Contribution to Science Team Stephanie Sopow, Scion
Young Scientist Patrick Humphrey, School of Forestry, University of Canterbury



↑ Patrick Humphrey (School of Forestry, University of Canterbury) receiving the Young Scientist Award at the 2024 FGR conference in Dunedin.



↑ Interest in the large drone being developed with SPS Automation for operational herbicide application, FGR conference field trip, Berwick Forest, Dunedin (Oct 2024).

→ Dr Patrick Mitchell, Australian Forest and Wood Innovations (AFWI), presenting at the 2024 FGR conference in Dunedin.





↑ The New Zealand and Australian forestry delegation on a biosecurity field visit with the Basque Country hosts. Photo Baskegur.

BIOSECURITY AWARENESS – LESSONS FROM BASQUE COUNTRY

Australia and New Zealand forestry representatives, including forest health and biosecurity experts, visited the Basque Country, Spain in November.

The delegation saw the widespread effect *Lecanosticta acicola* – a fungus causing the needle disease, Brown Spot Needle Blight (BSNB) – has had on forest health and its flow on effects to the economy, jobs, communities and people dependent on the Basque forest industry.

The trip highlighted how critical forest health is to the entire supply chain. The delegation will continue to work collaboratively with government and forest owners in Australia and New Zealand over the next 12 months to develop and execute a pre-emptive biosecurity strategy, encompassing international collaboration hoped to enhance protection of radiata pine in Australasia.

The strategy will focus on identifying research and management priorities for needle diseases, finding ways to enhance surveillance and diagnostics and looking at further testing of genetic material. Development of new and existing tools for responding to biosecurity threats will also be considered alongside ways of increasing education and awareness of forest health at both an industry and public level.

**The trip highlighted
how critical forest
health is to the entire
supply chain.**

Financials

**This section contains the Auditor's Report
and Financial Statements.**



Audit report

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INDEPENDENT AUDITOR'S REPORT

To the Members of NZ Forest Owners Association Incorporated

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of NZ Forest Owners Association Incorporated ('the Society'), which comprise the statement of financial position as at 31 December 2024, and the statement of financial performance and statement of movements in funds for the year then ended, and notes to the financial statements, including significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at 31 December 2024, and its financial performance for the year then ended in accordance with the Tax Administration (Financial Statements) Order 2014.

Our report is made solely to the Members of the Society. Our audit work has been undertaken so that we might state to the Members of the Society those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Members of the Society as a body, for our audit work, for our report or for the opinions we have formed.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with Professional and Ethical Standard 1 (Revised) *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor, we have no interests in or relationship with the Society. Another firm in our network provides taxation compliance services for NZ Forest Owners Association Incorporated. Provision of these other services has not impaired our independence.

Emphasis of Matter – Special purpose accounting framework

We draw attention to the statement of accounting policies in the financial statements, which describes the basis of accounting. The financial statements are prepared for tax compliance purposes in accordance with a special purpose framework (the Tax Administration (Financial Statements) Order 2014). As a result, the financial statements may not be suitable for another purpose and our report should not be distributed to parties other than the Society or the Members. Our opinion is not modified in respect of this matter.

Responsibilities of the Executive Council for the Financial Statements

The Executive Council is responsible on behalf of the Society for the preparation and fair presentation of the financial statements in accordance with the Tax Administration (Financial Statements) Order 2014, and for such internal control as the Executive Council determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Council is responsible on behalf of the Society for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Executive Council either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (NZ) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is located at the External Reporting Board's website at: <https://xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

BAKER TILLY STAPLES RODWAY AUDIT LIMITED

Wellington, New Zealand

17 March 2025

Statement of Financial Performance

FOR THE YEAR ENDED 31 DECEMBER 2024

	For the year ended 31 December 2024 \$	For the year ended 31 December 2023 \$
Income		
Forest Growers Levy Trust Management Fee	1,843,358	1,732,911
Forest Growers Levy Trust Secretariat Fee	95,000	95,000
Interest	33,559	33,488
Occupancy & Staff Recovery	43,883	53,669
Subscriptions	251,905	184,865
ETS Judicial Review Contributions	96,947	0
Other income	9,765	12,299
Total Income	2,374,416	2,112,232
Less Expenditure		
Operating		
Staff	1,872,129	1,603,561
Rent & Shared Occupancy Expenses	206,675	175,096
Professional Development & Resources	39,025	16,337
Phones & Internet	7,741	10,069
Stationery & Printing	15,337	14,502
General office expenses	3,237	808
Repairs & Maintenance for Premises & Equipment	48,028	34,496
Travel & Meeting Costs	169,530	167,918
Depreciation & Loss on Disposal	15,596	11,353
	2,377,298	2,034,140
FOA Activities – Activities Funded by Members and Third Parties		
Communication	28,613	21,400
AGM	8,809	7,896
Conferences & Workshops	7,913	10,262
Legal	32,923	25,625
Audit Fees	8,362	7,040
ETS Judicial Review Costs	96,947	0
FOA Strategy Costs	27,875	0
Other	12,244	12,097
	223,684	84,320
Total Expenditure	2,600,982	2,118,460
Surplus (Deficit) before Tax	(226,566)	(6,228)
Less Income Tax on Interest Received	9,117	9,097
Net Surplus (Deficit) after Tax	(235,682)	(15,325)
Comprising:		
Surplus (Deficit) transferred to General Fund	(235,682)	(15,325)
	(235,682)	(15,325)

The notes to the Financial Statements form part of and are to be read in conjunction with these accounts.

Statement of Movements in Funds

FOR THE YEAR ENDED 31 DECEMBER 2024

	For the year ended 31 December 2024 \$	For the year ended 31 December 2023 \$
General Fund		
Balance brought forward from previous year	1,203,364	1,218,689
Surplus/(Deficit) for the year	(235,682)	(15,325)
Balance carried forward	967,682	1,203,364

Statement of Financial Position

AT 31 DECEMBER 2024

	Note	As at 31 December 2024 \$	As at 31 December 2023 \$
Current Assets			
Cash & Cash Equivalents		818,378	1,001,990
Accrued Income		2,132	28,919
Income Tax	4	434	0
Accounts Receivable & Prepayments		352,287	497,257
		1,173,231	1,528,166
Current Liabilities			
Accounts Payable & Funds held for Other Groups	6	189,860	259,608
Income Received in Advance		24	21,746
Lease Incentive Liability (current)		7,067	7,067
Income Tax	4	0	9,097
GST		52,386	48,996
		249,337	346,514
Non-current Assets			
Fixed Assets	2	47,910	32,901
Non-current Liabilities			
Lease Incentive Liability		4,122	11,189
Net Assets		967,682	1,203,364
Association Funds			
General Fund		967,682	1,203,364
Total Funds		967,682	1,203,364

The notes to the Financial Statements form part of and are to be read in conjunction with these accounts.



Matthew Wakelin – President
14 March 2025



Dr Elizabeth Heeg – Chief Executive
14 March 2025

The NZ Forest Owners Association Incorporated

Notes to the Financial Statements

FOR THE YEAR ENDED 31 DECEMBER 2024

1. Statement of General Accounting Policies

Reporting Entity

NZ Forest Owners Association Incorporated (FOA) is an incorporated society registered under the Incorporated Societies Act 1908.

These financial statements are special purpose financial statements and have been prepared in accordance with the Tax Administration (Financial Statements) Order 2014.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on a historical cost basis are followed in these financial statements.

Specific Accounting Policies

The following specific accounting policies which materially affect the measurement of financial performance and financial position have been applied:

Accounts Receivable

Accounts receivable are valued at expected realisable value.

Fixed Assets and Depreciation

Fixed assets are recorded at cost less accumulated depreciation. Furniture and office equipment have been depreciated on a diminishing value basis between 8.5% and 67%.

Taxation

FOA is a not-for-profit organisation for the purposes of the Income Tax Act 2007. It is consequently eligible for a standard expense deduction of \$1,000.

Goods and Services Tax

These statements are prepared on a GST exclusive basis except for accounts receivable and payable which are inclusive of GST.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the entity and revenue can be reliably measured.

Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

Subscriptions from members are recognised in the year to which the fees relate.

Interest revenue is recognised as it accrues, using the effective interest method.

ETS Judicial Review – Income and Expenditure

Four organisations, of which FOA is one, joined together to initiate a judicial review in relation to the MPI imposed cost structure for the operation of the ETS register. ETS registered members of FOA were asked to contribute to cover the costs. Their contributions are shown as Income and the FOA 25% share of the legal fees are shown as an Expense.

Cash & Cash Equivalents

Cash and cash equivalents include the current account, savings account with our bank and term deposits of up to 90-day duration.

Term Deposits Held on Behalf of Another Entity

The Association holds term deposits to the value of \$700,000 on behalf of Phytos Incorporated. These deposits are not recognised as assets of the Association, as the Association does not have control over the economic benefits associated with these deposits. The term deposits are held in a fiduciary capacity and are managed in accordance with the terms agreed upon with Phytos Incorporated.

Forest Growers Research Limited

NZ Forest Owners Association Inc acts as trustee of 100% of the issued shares in Forest Growers Research Ltd. The Association's investment in Forest Growers Research Ltd is held at its cost of \$nil (2023: \$nil).

Changes in Accounting Policies

There have been no changes in accounting policies. All policies have been applied consistently to all periods presented in these financial statements.

2. Fixed Assets

31.12.2024	At Cost	Accumulated Depreciation	Current Year Depreciation	Book Value Year End
Furniture & Equipment	\$105,571	\$57,661	\$15,258	\$47,910

Included in the Cost were assets purchased of \$30,605 during the year, no disposals.

31.12.2023	At Cost	Accumulated Depreciation	Current Year Depreciation	Book Value Year End
Furniture & Equipment	\$87,460	\$54,559	\$9,972	\$32,910

Included in the Cost were assets purchased of \$16,429 during the year, no disposals.

3. Rent

There is a new lease agreement in place for three years from 1 August 2023. Two months' free rent was offered upon signing the agreement, which is amortised over the term of the lease.

4. Income Tax

	31.12.2024 \$	31.12.2023 \$
Interest Income	33,559	33,488
Less Exemption	(1,000)	(1,000)
Taxable Income	32,559	32,488
Tax at Current Tax Rates	9,117	9,097
Prior year Tax Due/(Refund)	9,097	3,019
Less:		
Tax Refunded/(Paid)	(9,097)	(3,019)
Provisional Tax (Paid)	(9,551)	0
Tax Payable (Refund Due)	(434)	9,097

5. Contingent Liabilities

There are no known contingent liabilities. (31 December 2023: Nil).

6. Accounts Payable & Accrued Expenses

	31.12.2024	31.12.2023
Accounts Payable	32,578	108,836
Accrued Expenses	101,153	103,950
Wages Deductions Payable	56,129	46,822
	189,860	259,608

7. Commitments (GST exclusive amounts)

31.12.2024	< 1 year	> 1 year	Total
Operating Commitments			
Rent – 93 The Terrace	\$127,200	\$74,200	\$201,400
Rent – Rotorua Branch	\$53,040	\$0	\$53,040
Photocopier	\$5,716	\$6,192	\$17,624
31.12.2023	< 1 year	> 1 year	Total
Operating Commitments			
Rent – 93 The Terrace	\$127,200	\$201,400	\$328,600
Rent – Rotorua Branch	\$51,918	\$0	\$51,918
Photocopier	\$5,716	\$11,908	\$17,624

Capital Commitments: There were no known capital commitments at balance date (31 December 2023: Nil).

8. Credit Facilities

At balance date the FOA had available for its use BNZ Visa business cards. The limit on this facility was \$40,000. This was not fully utilised at balance date.

9. Associated Person Transactions

Most members of the Dothistroma Control Committee are members of FOA. The activity of the Committee is not included in these financial statements. The net effect on the financial position of FOA is Nil.

During the year FOA loaned funds to Dothistroma Control Committee totalling \$540,000 all of which had been repaid by the balance date. Interest of \$10,235 was paid on the loans. FOA staff is provided at a cost of \$5,000 to support Dothistroma with office management and accounting services, with \$3,750 outstanding as accounts receivable at year end.

FOA manages the Work Programme approved by the Forest Growers Levy Trust (FGLT) Board incurring expenditure on behalf of FGLT. All expenditure incurred has been repaid by FGLT except for the amount of \$12,126 outstanding as accounts receivable at year end.

FOA charged FGLT a secretariat fee of \$95,000 and a management fee of \$1,843,358 during the year under the Levy Services Agreement. All amounts have been paid by FGLT except for the combined amount of \$206,775 outstanding as accounts receivable at year end.

FOA and Forest Industry Safety Council Trust (FISC) have members of key management personnel in common. FISC manages the Health & Safety section of the Work Programme approved by FGLT. During the year FISC received no funding from FOA.

FOA staff is provided at a cost of \$5,000 to support FISC with office management and accounting services, with \$2,500 outstanding as accounts receivable at year end.

In November 2017 FISC relocated its offices to Level 9, 93 The Terrace where FOA is the main tenant. During 2024 FOA charged FISC for rent and related occupancy expenses totalling \$21,275 in cost recovery. All expenditure incurred has been repaid by FISC except for the amount of \$1,727 outstanding as accounts receivable at year end.

FOA and Forest Growers Research Limited (FGR) have members of key management personnel in common. FGR manages the research section of the Work Programme approved by FGLT. During the year FGR received no funding from FOA.

The Executive Council is made up of management employees from a few forest owning organisations, those organisations also pay a subscription to FOA charged at a flat fee of \$0.20/ha. In addition, there were voluntary contributions from members, some with management employees on the Executive Council, towards judicial review invoices challenging the ETS costs charged for running the scheme.

10. Events Subsequent to Balance Date

There were no events that have occurred after balance date that would have a material impact on the Financial Statements.

Executive Council and FOA staff





Matthew Wakelin
New Forests
President from March 2024



Dean Witehira
Timberlands
Vice President



Bert Hughes
Forest Enterprises



Chris Barnes
Manulife



Darren Mann
Ernslaw One



Grant Dodson
City Forests
President to March 2024



Jason Syme
Rayonier Matariki



Kate Rankin
Wenita Forest Products
from March 2024



Marcus Musson
Forest 360



Phil Taylor
Port Blakely



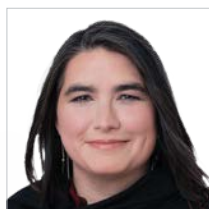
Sean McBride
Juken New Zealand



Steve Chandler
Tasman Pine Forests
to March 2024



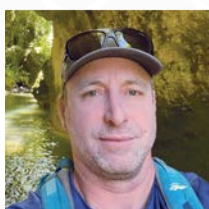
Tim Sandall
Pan Pac



Dr Elizabeth Heeg
Chief Executive



Joseph Brolly
Chief Operating Officer



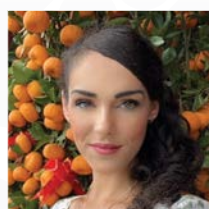
Brendan Gould
Director Biosecurity
and Risk



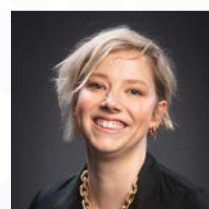
Rachel Millar
Environment Manager



Don Carson
Communications Manager
to April 2024



Emily Pope
Communications Manager
from April 2024



Sarah Walker
Senior Communications
Advisor from May 2024



Jeff Drinkwater
Accountant



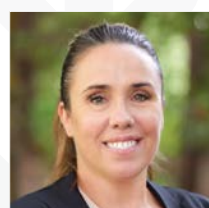
Rosemary McFadyen
Office Manager



Paul Adams
R&D Manager



Alison Slade
Innovation Manager
from March 2024



Amanda Brake
Office Manager (Rotorua)



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