FOREST OWNERS ASSOCIATION

New Zealand Farm Forestry Association
Oranga Rākau Aotearoa

Submission

Natural Environment Bill and Planning Bill

Submission to Environment Select Committee

13 February 2026

Growing Your Future

Contents

Endorsement 3

FOA / FFA Contact Details 4

Introduction 4

Background to the Forestry Interests 4

Drafting notes 4

Overview of key issues 5

1. Overarching issues with regulation of forestry 5
2. Structural and System Design Issues 6

2.1 What the framework does well 6

2.2 Unnecessary duplication of the legislation across two bills 7

2.3 Overlapping and duplicated regulatory systems 7

2.4 Loss of controlled activity status – reduction in certainty 8

3. Environmental Limits Framework 8

3.1 Environmental limits likely to create bottom lines 8

4. Indigenous Biodiversity 9

4.1 Indigenous biodiversity treated as both a "goal" and a "limit" 9

4.2 Lack of clarity in relation to management of significant natural areas 10

4.3 Regulatory relief for biodiversity is too narrow 10

5. Consenting / Permitting and Enforcement 10

5.1 Permitted activity requirements 10

5.3 Improving enforcement provisions 11

6. Improving implementation 12

Potential solutions 12

CONCLUSION 14

Appendices 15

APPENDIX ONE – Table of detailed feedback on the Planning Bill and Natural Environment Bill 15

APPENDIX TWO – Detailed submission by the Forestry Interests on the Planning Bill and Natural Environment Bill

APPENDIX THREE – NZIER Cost of Compliance Report

Endorsement

Regional wood councils act as representative bodies for the forestry and wood processing industries in their respective regions. They play a critical role in promoting the sustainable development of the industry, fostering collaboration and advocating for the interests of their members. FOA/FFA's submission on the Natural Environment and Planning Bills is endorsed by the following wood councils:

Top of the South WOOD COUNCIL

Canterbury West Coast Wood Council

CNI CENTRAL NORTH ISLAND WOOD COUNCIL

NORTHLAND WOOD COUNCIL

Hawkes Bay Forestry Group

Eastland Wood Council
Te Kaunihera Pororākau o Te Tairāwhiti

Southern Wood Council

FOA / FFA Contact Details

Elizabeth Heeg
FOA Chief Executive
Elizabeth.heeg@FOA.org.nz

Vaughan Kearns
President NZFFA (Acting)
President@nzffa.org.nz

Introduction

The New Zealand Forest Owners Association Incorporated ("FOA") and the Farm Forestry Association ("FFA") (together "The Forestry Interests") welcome the opportunity to provide feedback on the Natural Environment Bill ("NEA") and the Planning Bill ("PA").

The proposed reform of New Zealand's key environmental legislation is of critical importance to the forest industry.

Background to the Forestry Interests

FOA is the representative membership body for the commercial plantation forest growing industry. FOA members are responsible for the management of approximately 1.2 million hectares of New Zealand's 1.79 M ha of plantation forests and over 75% of the annual harvest[1].

FFA is the association ("FFA") representing people who own, manage, or invest in small-scale private forests and/or are interested in the many values of trees. FFA currently has around 1,500 members, representing a good cross-section of the 15,000 entities owning private forests in New Zealand. It is estimated that small forest owners manage about 25% of the national plantation forest resource.

In 2024, the forest growing sector was worth $5.75 billion in export value, and it is anticipated that total export returns for forest products will reach $7.33 billion by 2027[2]. The sector has a 12% share of rural land use and a high proportion of Māori landowners (48%). The sector contributes 1.6% of New Zealand's GDP and employs approximately 42,000 people in wood production, processing, and the wider commercial sector. Commercial forests sequester approximately half of New Zealand's carbon dioxide emissions.

Drafting notes

This submission refers to the Planning Bill as the "PA" and the Natural Environment Bill as the "NEA". Clauses in the bills are referred to as sections.

This submission is structured to provide:

a. An overview of key issues;
b. A table setting out specific issues with proposed amendments (**Appendix One**);
c. An appendix dealing with key issues meriting more detailed explanation (**Appendix Two**).

[1] https://www.nzfoa.org.nz/images/FOA_Facts_and_Figures_2023-2024_-_Web_file.pdf
[2] Situation and Outlook for Primary Industries December 2025

Also **attached** to this submission as **Appendix Three** is a report from the New Zealand Institute of Economic Research (NZIER) commissioned by the Forest Growers Levy Trust which highlights that forestry already operates within a highly regulated primary-sector environment with high compliance costs.

The Forestry Interests note that the Government has proposed a structural reset of local government aiming to shift governance from independently elected regional councils to a Combined Territories Board. Our submission has been prepared with the premise that local governance will not change substantially as the reset is at the proposal stage and the functional details are not yet clear.

In the time available, in some cases this submission identifies issues arising from the proposed bills but proposes no specific relief. The Forestry Interests are happy to engage in further discussion to address potential solutions.

Overview of key issues

1. Overarching issues with regulation of forestry

Forestry operates as a long-term, cyclical land use with distinctive regulatory needs. Forestry involves preparation, planting, decades-long growth, maintenance, harvesting, and replanting, alongside essential ancillary activities such as roading and earthworks. Environmental effects vary across this life cycle; sediment discharges, for example, temporarily increase during harvest but over the full rotation return to levels comparable with native forest. These characteristics mean that forestry is not well served by frameworks designed for discrete, one-off activities (for example, earthworks). Recent extreme weather events have further highlighted how the long-term nature of forestry influences environmental outcomes and why regulatory settings must acknowledge the full production cycle, starting with land preparation, including weed and pest management.

Across the reform process, the Forestry Interests have steadfastly campaigned that the system for forestry regulation provides:

a. Consistent interpretation and implementation across regions and councils;
b. Risk-based regulation, where the level of control reflects the actual environmental risk;
c. Monitoring and enforcement proportional to risk, with responses targeted where they will deliver genuine environmental benefit;
d. Certainty for long-term investment, including predictable consent pathways and durations;
e. Clear, integrated consenting structures that avoid regulatory overlap between councils and between statutes; and
f. Reduced compliance costs, a concern underscored by the NZIER analysis of cumulative regulatory burdens on the sector (Appendix Three).

These principles strongly support the continuation of **sector-specific national direction**, particularly the Resource Management (National Environmental Standards for Commercial Forestry) Regulations 2017 ("NES-CF"). The NES-CF has largely delivered consistent, risk-based environmental management for forestry activities, especially when compared with generic earthworks frameworks developed for construction or farming.

Previous regional attempts to regulate forestry under broad, non-sector-specific approaches - such as the application of TP223 – Forestry Operations in the Auckland Region which was adapted for forestry using a civil earthworks standard - have demonstrated the risks: over-prescription, disproportionate rules, and controls that do not reflect forestry's risk profile or operational realities. Retaining the NES-CF as part of the suite of national direction proposed by the Bills is therefore essential to avoid blunt precautionary rules that impede well-managed forestry without improving environmental outcomes.

The Forestry Interests wish to acknowledge that some of its concerns raised throughout earlier stages of resource management reform have been heard. The revised bills reflect constructive engagement on matters such as the retention of existing use rights, removal of the effects management hierarchy as a legislative bottom line, and the inclusion of appropriate timeframes for wood-processing consents. We appreciate the improvements incorporated into the current package. However, several of the sector's longstanding issues stem not merely from local interpretation but from the absence of clear constraints on how councils may regulate forestry. Many of these could be efficiently resolved through targeted amendments that reduce opportunities for inconsistent council-level approaches and reinforce the role of centralised national instruments.

As the reforms progress, the Forestry Interests encourage the government to ensure that the legislative framework supports a regulatory system that is nationally consistent, risk-based, and responsive to the realities of forestry as a long-lived, multi-stage land use requiring certainty of investment. Doing so will improve environmental outcomes, provide regulatory certainty, and strengthen the productivity of a sector that is critical to New Zealand's regional economies and climate objectives.

2. Structural and System Design Issues

2.1 What the framework does well

The overarching objectives of the legislation, the funnel approach, the intention to streamline consenting processes, and associated framework are generally supported. The Forestry Interests acknowledge that centralising the key tenets of the policy direction introduces some inherent risks, including vulnerability to political change and lack of practical clarity in the absence of the development of the direction. That said, the approach also offers the potential upside of improved flexibility and a policy direction that seeks to be more clearly aligned with risk and proportionate responses.

The standardisation and reduction in the number of plans is also a logical step and will ensure greater efficiency and consistency once the system is operational.

Applying the effects management hierarchy through national direction where appropriate is preferred over the approach of entraining it within the legislation. However, the Forestry Interests strongly prefer that both the methodology for setting the limits and the setting of limits are determined through National Instruments. This approach will ensure that default limits are consistent and nationally coherent. In our view, any risks associated with a fully centralised approach can be mitigated by providing scope for regional councils to seek approval for regional variation where such variation is appropriate, evidence based and justifiable.

Overall, the framework offers clear opportunities to improve processing and clarity. With targeted refinement, parts of the bills can be revised to more effectively achieve the government's objectives. We are mindful that careful management of the transition is essential given the staged timing of the requisite elements.

Specific amendments are set out in the table and appendices.

2.2 Unnecessary duplication of the legislation across two bills

The Forestry Interests wish to note an overarching concern regarding the structure of the two bills. We were surprised by the extent of duplication of form between the NEA and PA particularly given the stated direction of local government reform. As drafted, the PA largely governs territorial authorities while the NEA governs regional councils, yet both contain parallel provisions, similar terminology, and repeated procedural requirements. From the Forestry Interests' perspective, this degree of replication appears unnecessary and risks creating confusion, especially in areas where the respective functions of regional and territorial authorities already overlap.

The Forestry Interests have consistently submitted in favour of reducing duplication of regulatory function and achieving a more integrated, coherent consenting system. The mirroring of provisions across the NEA and PA seems at odds with this objective and is likely to complicate rather than streamline implementation.

We emphasise that this is primarily a matter of form rather than substance. We encourage consideration of whether a more unified legislative structure could better support clarity, usability, and efficient implementation.

2.3 Overlapping and duplicated regulatory systems

Separate from the structural duplication noted above, the Forestry Interests are concerned about the functional overlap in how land-use activities are regulated under the PA and the NEA. This concern is borne of real-world experience where prior to the NES-CF forests, such as Kaingaroa which fell within three regions and multiple districts were subject to conflicting regional and district plan rules managing harvesting, earthworks, clearance of indigenous vegetation, planting setbacks and river crossings.

The PA governs land use and subdivision, while the NEA regulates natural resources, including land and discharges. Many real-world activities, such as earthworks, harvesting, and infrastructure development, are simultaneously land-use activities and activities affecting natural resources. The bills do not clearly delineate how these interactions should be managed, nor how a single activity is to be treated when it triggers both regimes. This uncertainty extends to key implementation questions, such as which Act governs consent duration where a land-use activity also involves an associated discharge. Without clearer integration rules or guidance, users may face dual pathways, inconsistent conditions, or default "bundling upward" to the most restrictive framework.

The Forestry Interests consider this a substantive issue requiring clarification to ensure that the consenting system functions efficiently and coherently, as intended.

2.4 Loss of controlled activity status – reduction in certainty

The NES-CF sets the activity status for the management of the various activities associated with plantation forestry (unless a plan is more stringent) and was developed with an activity cascade of permitted, controlled, restricted discretionary and discretionary activities.

Our experience with the NES-CF is that the activity cascade is working well. Controlled activities - which cannot be declined - are a useful component of a limited suite of activities. The controlled activity status has been used for some activities, such as harvesting, replanting and volume of earthworks where certainty is required but the existing permitted activity thresholds cannot be met. These ensure the consideration of associated matters of discretion provide for the ability to impose conditions while providing investment certainty that the activity will be approved.

When drafting the NES-PF (prior to the NES-CF), thresholds for permitted activities and associated standards were carefully considered to ensure that the statutory tests for permitted activities were met.[3] The controlled activity status was used where it was considered that the activity should not logically be declined but the council required discretion to apply site specific consent conditions. Where it was considered that the council would require discretion to decline the activity, the activity status cascades directly to restricted discretionary. Examples include mechanical land preparation, slash traps, and indigenous vegetation clearance; in these cases, the activity cascade moves directly from permitted to restricted discretionary. The utility of controlled activity status has continued to be carefully assessed through the development of the NES-CF, including in relation to slash management. Where appropriate the matters of control are extensive, for example, in relation to river crossings (reg 47).

Where there is some uncertainty as to the effects of a proposal, the NES-CF relies on the restricted discretionary activity status. This provides a council with the ability to decline a consent but more importantly, it allows the council to decide that a particular location is not appropriate for a proposed activity (for example, the location of proposed earthworks). A survey of member companies indicates that the controlled activity status is providing a useful planning tool that is especially important for harvesting, replanting and earthworks (for volume controls).

Controlled activities have recently been endorsed as a suitable mechanism in the Water Services (Wastewater Environmental Performance Standards) Regulations 2025. Though less popular in district plans, controlled activities continue to have a place in national standards.

See below for further discussion of the proposed permitted activity process.

3. Environmental Limits Framework

3.1 Environmental limits likely to create bottom lines

While one of the NEA's stated goals is to *enable the use and development of natural resources*, this is qualified by the requirement that all use and development must occur "within environmental limits." In practice, this means development will be significantly constrained by

[3] Section 43A (3)

how those limits are defined. The way environmental limits are set through national instruments will therefore be critical to the success of the Bill. However, we are seriously concerned that the design of the Bill undermines this goal.

The NEA structures the entire regulatory system around environmental limits as the primary organising device. Whereas under the RMA, exceeding a standard merely triggers a consent process so decision-makers can determine whether effects can be appropriately mitigated, by contrast, the NEA appears to intend to classify many operational "stress attributes" (for example, earthworks volumes, sediment triggers, harvest timing and biodiversity setbacks) as *environmental limits* - and then prohibit granting a permit if such a limit would be exceeded. This risks converting what should remain consentable, effects-based standards into absolute, non-consentable bottom lines. The result is a loss of context-specific decision-making, even where forestry effects are temporary or could be effectively managed through best practice or consent conditions.

The associated proposals for plans, caps and action plans could significantly restrict where and how activities, including long-rotation land uses, can occur, regardless of actual environmental effects, and may "pick winners" in land-use allocation.

Overall, the system lacks transparency, safeguards, and consistency, creating a high risk of overly stringent, poorly targeted, or duplicative controls that undermine the enabling intent of the wider reform.

The Forestry Interests contend that the legislation must clearly distinguish environmental limits - true bottom lines where exceedance would cause irreversible harm - from (land-use) standards, which are operational thresholds that should remain consentable. Without this critical distinction, the limits framework is likely to operate as an overly restrictive land-use regime and will, in effect, *dis-enable* the very natural resource use and development that the Bill purports to support.

Refer to the Appendices for more detail.

4. Indigenous Biodiversity

4.1 Indigenous biodiversity treated as both a "goal" and a "limit"

The NEA introduces a new framework for indigenous biodiversity that requires every regional council to set ecosystem health limits, implement "no net loss" goals, and give effect to nationally prescribed methodologies.

The Forestry Interests endorse and are already implementing a net gain approach to the management of indigenous biodiversity. The sector supports projects New Zealand wide that are generating net improvement in indigenous biodiversity. The sector is also investing levy funding into research which will advance our understanding of how best to manage indigenous biodiversity within plantation forests. Meaningful policy which enhances outcomes for indigenous biodiversity across all land uses is supported by the Forestry Interests and we emphasize that forest managers are already managing plantation forests for net gains in indigenous biodiversity however, we have concerns about how ecological baselines will be established that will allow realistic limits to be set.

With biodiversity placed simultaneously as a goal and a limit, and with significant reliance on regional interpretation, the regime risks undermining investment certainty and operational flexibility.

Refer to Appendix Two for more detail regarding the Forestry Interests' concerns about the management of indigenous biodiversity.

4.2 Lack of clarity in relation to management of significant natural areas

We are unclear about how land use functions will be applied under the PA and NEA in relation to the mapping of significant natural areas, as there seems to be no provision for it under the PA. While the management of indigenous biodiversity now sits solely with the regional councils, it is not apparent how this will intersect with the territorial authorities' land use planning functions. The Forestry Interests have long advocated for clear mapping of significant natural areas subject to nationally consistent criteria to provide certainty to operators. Subject to clarification regarding mapping processes, we generally support management of indigenous biodiversity solely by regional councils and identification of significant natural areas as a "specified topic" requiring the regional council to provide a justification report.

4.3 Regulatory relief for biodiversity is too narrow

The framework allows limits to be set without clear causal links to environmental pressures, enables councils to review or adjust conditions affecting existing activities, and offers only narrow, reactive regulatory-relief provisions that are unlikely to apply to forestry operations except where significant natural areas are mapped. While we support the concept of regulatory relief provisions we consider they do not go far enough to address the constraints that may be imposed on forestry operations.

An example of a restraint with fiscal implications is a requirement to impose coupe harvesting for the protection of indigenous biodiversity. Although this approach could result in operational constraints and increased costs, it appears unlikely to meet the high threshold tests set out in the Bills.

Refer to Appendix Two for more detail.

5. Consenting / Permitting and Enforcement

5.1 Permitted activity requirements

Contrary to popular belief, the NZIER report (Appendix Three) highlights that forestry already operates within one of the most highly regulated primary-sector compliance environments. It identifies that the sector faces disproportionately high compliance and transaction costs, even for activities that are low-risk, repeatable, and well-understood from a regulatory perspective. NZIER notes that these costs are not merely administrative: they directly affect operational efficiency, investment incentives, and the economic viability of forest operations undertaken at scale.

Against this backdrop, the Forestry Interests are concerned that s39 of the NEA and s38 of the PA fundamentally alter the nature of permitted activities by first imposing a requirement for registration and then requiring one or more additional steps, i.e. written approvals, professional certification, fees, or compliance with specified standards. Collectively, these elements create a

quasi-controlled activity framework, but without the transparency, certainty, or procedural safeguards that accompany a formal controlled activity status.

There is significant uncertainty around how these provisions would operate in practice, and any implementation is likely to introduce unnecessary bureaucracy, complexity, administrative burden, and a heightened risk of non-compliance which risks directly contradicting the government's growth and regional development objectives

From an economic perspective - consistent with the NZIER analysis - these requirements introduce:

- New fixed costs for routine forestry operations
- Increased variable costs and professional services expenses
- Higher administrative burden and opportunity costs
- Increased risks of non-compliance
- Poor alignment with risk-based regulation principles.

The Forestry Interests consider that, if a higher level of oversight for low-risk activities is intended, reinstating distinct "permitted" and "controlled" activity classes would provide a clearer, more consistent and nationally understood framework, while maintaining a genuinely low-friction and more certain pathway for activities with minimal effects.

For the record, we note our continuing support for provisions allowing councils to charge for monitoring permitted activities, as appropriate. For example, reg 106 of the NES-CF allows for monitoring in relation to afforestation, earthworks, river crossings, quarrying and harvesting. In our experience, this provision is allowing councils to successfully manage forestry activities on a permitted basis.

The NES Freshwater 2020, which regulates farming activities, also includes a similar mechanism for charging for the monitoring of those activities permitted by the regulations (reg 75).

Under the Local Government Act 2002 councils can apply targeted rates for the monitoring of permitted activities on a specific group or area. The Forestry Interests are concerned about examples of double dipping, (i.e. targeted rates and permitted activity charges being applied to cover the same activities). For example, this occurs in the Waikato Region where targeted rates are applied to permitted activities in rural areas over a certain hectarage, in addition to charging for permitted activities.

Refer to Appendix One for suggested amendments.

5.3 Improving enforcement provisions

Increasingly frequent and severe storm events mean that activities and infrastructure undertaken to accepted standards result in unavoidable environmental effects. The current reliance on the narrowly interpreted "natural disaster" defence no longer reflects real-world conditions and is creating regulatory uncertainty that undermines confidence and long-term investment in the forestry sector.

The Forestry Interests propose an expanded defence that maintains accountability for poor practice while adopting a fairer approach to effects arising from extreme weather events.

Further detail and proposed amendments are set out in Appendix One.

6. Improving implementation

Forestry applications, particularly in the Gisborne region, continue to encounter difficulties obtaining consent for land-use activities that involve associated discharges. This commonly arises in relation to harvesting, where incidental discharges of slash may occur during extreme storm events.

This issue is not new. Since the RMA's inception, uncertainty has persisted regarding the extent to which discharges associated with land-use activities are authorised by a land-use consent, or whether a separate discharge consent is required. Some regional plans have addressed this directly, expressly providing for land-use activities and their associated discharges within the same rule framework. Others have not, resulting in inconsistent practices.

In the Gisborne region, the council historically managed harvesting as a land-use activity, but subsequently, in response to storm damage has shifted to approaching associated discharges of slash as a separate activity triggering a discretionary activity consent. This introduces the potential for public notification and the bundling of all aspects of the harvesting activity under a higher activity status.

Although the NES-CF partially addresses the issue by recognising associated sediment discharges, it does not expressly address slash. For the forestry sector, bundling has been a long-standing source of frustration, the current reform bills present an opportunity to resolve these practical challenges.

Key existing problems that the bills fail to address are:

- **Duplication and overlap of council functions:** The bills perpetuate uncertainty about which council is responsible for managing earthworks where there is overlap between land-use functions and discharge functions.
- **Artificial separation of land use and discharges:** In many cases, such as earthworks, land-use activities and associated discharges cannot be meaningfully separated. Treating them independently leads to inconsistent and impractical consent pathways, such as has occurred in relation to non-point source discharges of nitrogen or sediment.

Potential solutions

Establish a new category of use with functions allocated to Regional Councils: A new activity category, explicitly recognising land-use activities with incidental discharges, would reduce ambiguity and ensure that a single authority is responsible for managing these integrated effects.

Clarify which council has authority for earthworks or harvesting and associated discharges: The bills appear to allow for a transfer of functions where overlap exists, but there is no requirement for national direction to mandate or guide such transfers. Clearer allocation of authority is needed. The NES-CF provides a partial framework for such an approach in that it clarifies where a regulation is to be carried out by a territorial authority or a regional council.

Provide a clear distinction between substances and contaminants – see Appendix One for further details.

Provide explicit direction for how bundled activities must be assessed: When activities are bundled, the consent authority should be required to apply:

- permitted activity standards to those aspects that are permitted; and
- specified matters of discretion to those aspects subject to discretion.

This would ensure proportionality and prevents councils from effectively reclassifying permitted components solely because another component requires consent. The Auckland Unitary Plan (Chapter C1.8) provides a clearer and more practical framework for bundling, and offers a useful model for legislative drafting.

Enable Planning Tribunal oversight: The Planning Tribunal should be empowered to review whether councils have correctly applied the permitted standards and matters of discretion when bundling activities.

Remove section 156(2) of the NEA: Section 156(2) conflicts with the intended streamlined consenting pathway. It grants councils overly broad discretion to "up-classify" effects that relate to other parts of the activity. Effects relating to different components should be addressed through the appropriate matters of discretion, not by undermining the status of permitted elements.

CONCLUSION

The Forestry Interests do not object to our submission being made public and wish to be heard in support of this submission. We welcome all opportunities for further discussion and engagement.

Elizabeth Heeg

CEO
Forest Owners Association

Vaughan Kearns

President (Acting)
NZ Farm Forestry Association

Appendices

APPENDIX ONE – Table of detailed feedback on the Planning Bill and Natural Environment Bill

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
Goals			
Goals - overview	The Forestry Interests support the PA Goals, including Goal 11(1)(b) "to support and enable economic growth and change by enabling the use and development of land" and Goal 1(c) "to create well-functioning urban and rural areas." These goals appropriately recognise that land use, including primary production such as forestry, must be enabled as well as supported. However, the equivalent NEA goal ((11)(a)) - *"to enable the use and development of natural resources within environmental limits"* - is far more restrictive. Because most land uses involve some discharge, this framing risks constraining productive sectors like forestry and creates a de facto hierarchy where environmental limits override enabling outcomes. The issue associated by reference to land use within environmental limits is addressed more fully in Appendix Two. Unlike the RMA, the NEA does not balance use and protection, and the enabling intent of the PA is not carried through. We therefore seek clearer alignment so that primary industries retain a meaningful ability to use and develop land.		The NEA goals should be revised to more clearly reflect the enabling intention carried through the PA. The framework must avoid creating a functional hierarchy where environmental limits prevent the reasonable use and development of land.
To achieve no net loss of indigenous biodiversity.	Refer to Appendix Two.		

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
To manage the effects of natural hazards	Under s163 (NEA) and 146 (PA) the authority may refuse consent or grant with conditions if it considers that there is a significant risk from natural hazards, but these sections do not apply if "the use of land is primary production activities as described in the *National Planning Standards*." The Forestry Interests generally support the exclusion of primary production activities from the urban focussed requirements to manage the effects of natural hazards. However, the reference to the definition in the National Planning Standards appears misplaced: There are only two references to national planning standards in the Planning Bill – the first is in relation to s146 and the other is in Schedule 1 which defines RMA Instruments as meaning regional policy statements, district plans, regional plans, national policy statements, national environmental standards and national planning standards. It is therefore not clear where national planning standards fit in the new framework. Further, given the importance of excluding primary production activities from the natural hazards provisions it is appropriate to include the definition of primary production activities in the legislation rather than in secondary regulations, where it would be subject to amendment without due consideration by parliament.		Retain s163(4) of the NEA / s146(4) of the PA. Define primary production activities in the definitions section and include "forestry" in that definition.
Restrictions on participation			
Raising Public Notification Threshold to "Significant" Adverse Effects	The Forestry Interests support shifting community engagement to the spatial and land-use planning stages and raising the public-notification threshold to "significant" adverse effects, as this focuses participation on genuinely high-risk activities.		Support raising the public notification threshold to "significant adverse effects".

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
"More Than Minor" Threshold for Directly Affected Parties	The Forestry Interests support increasing the threshold from "minor" to "more than minor" for directly affected parties, ensuring participation reflects actual, material impacts. This ensures engagement is targeted to those genuinely affected. It is expected to assist with streamlining consenting processes and to improve certainty for forestry operators.		Retain the "More Than Minor" Threshold for Directly Affected Parties.
Limiting Submitters to Qualifying Residents	The Forestry Interests generally support restricting submissions on permits to qualifying residents. Plantation forestry effects are largely localised, and local submitters are best placed to provide relevant information.		
Definition of "qualifying resident"	The definition of qualifying resident – includes a person, other than a natural person, that has an office or operates in the district. The Forestry Interests support retaining the reference to "operating in a district" within the definition on the grounds that forest owners may have forests in a district or region – and therefore a direct interest in a district or region - without necessarily having an office. However, in establishing the "funnel" approach to plan making, in principle, the Forestry Interests are unclear why opportunities for public submissions are limited, irrespective of where submitters live or the nature of their interest. Given that plans set the framework for future land use and development across wide areas and long timeframes, restricting participation at this stage risks undermining both transparency and the quality of decision-making. For the purpose of making submissions on plans industry groups such as FOA and FFA may need to rely on the assertion that they are a group that has an interest greater than the public generally. It is suggested that given this relates to plan making rather than submissions on permits or consents, that as a minimum, societies and associations should be clearly included in the plan making process.	3	Retain the reference to the person operating in the district or region. Clarify that societies and associations are parties with an interest greater than the general public.

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
Removal of the "Special Circumstances" Notification Pathway	The Forestry Interests support removing this pathway as it reduces uncertainty, inconsistent application, and pressure on councils to over-notify. This will simplify the tests to be applied by the Councils and provide greater certainty for resource users.		Retain removal of the special circumstances notification pathway.
Notification as part of a national instrument	The Forestry Interests propose that the bills should provide a pathway for national instruments to limit notification where effects of activities are specifically recognised through the relevant national standards. Activities such as forestry slash management - where risks are well understood and primarily arise during extreme weather - are unlikely to benefit from public notification and may instead lead to politicised consenting. The forest industry is familiar with incentives for councils to compel applicants into agreement regarding consent conditions simply to avoid delays, cost, or reputational risk associated with notification. Such practice undermines the role of National Instruments, which are intended to standardise expectations, remove regional inconsistency, and streamline consenting for activities with known and manageable effects. The Forestry Interests therefore propose allowing national planning standards to specify non-notification for well-understood activities with manageable risks. Where applied to harvesting activities this could facilitate routine forestry operations more efficiently.		The Acts should provide a pathway for national instruments to limit notification where effects of activities are specifically recognised through the relevant national standards.
Restrictions on land use – functional overlap	The Forestry Interests are concerned about the functional overlap in how land use activities are regulated under both the PA and the NEA. The PA governs land use and subdivision, while the NEA regulates natural resources, including land and discharges. Many real-world activities, such as earthworks, harvesting, and infrastructure development, are simultaneously land use activities and activities affecting natural resources. Rather than making it easier to get things done and enabling primary sector growth and development, the functional overlaps perpetuates existing problems under the RMA. The bills do not clearly delineate how these		Suggested mechanisms for achieving improved integration may include one or more of the following options: 1. Clearly directing national instruments to establish which

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
	interactions should be managed, nor how a single activity is to be treated when it triggers both regimes. Although a transfer of powers is provided for under s221 and there is reference to agreement regarding the roles of each local authority in the planning process (s69 PA) there is no express requirement to address duplication of functions or to implement this through national direction where there is duplication. Without clearer integration rules or guidance, users may continue to face dual pathways, inconsistent conditions, or default "bundling upward" to the most restrictive framework. Clearer integration is necessary for the following reasons: 1. The courts have recognised that the RMA "contemplates a distinction between 'activities' and their 'effects'," but "some care has to be taken with that distinction because it can be difficult to work out where one activity (or cause) ends and the effects (or another activity) begin." *Re Contact Energy Ltd* [2004] ELHNZ 334 at [23]. This case highlights the real risk that, without effective integration, councils and applicants will disagree about where the "land use" ends and the "natural resource" component begins. This will continue to result in duplication, delay, and inefficient outcomes that the revised legislation seeks to improve. 2. The High Court has accepted that when an activity engages functions assigned to both territorial and regional authorities, both regimes can apply: "it follows the scheme of the Act that if an activity engages functions assigned to territorial and regional authorities, both ss 9 and 13 can apply … [and] charges under both sections are possible in situations where there is an overlap of functions [of authorities]." *Brook Valley Community Group Inc v Trustees of the Brook Waimarama Sanctuary Trust* [2017] NZHC 1844. The complexity of overlapping functions is evident in the detailed drafting of the NES-CF, which expressly allocates responsibility between councils for different aspects of the same activity. This approach has been part of the NES-CF's success. Without similarly clear, nationally directed integration under the NEA, uncertainty, duplication, and inconsistent decision-making will persist.		authority has primacy where there is an overlap of functions; 2. Providing a single-consent or joint hearing pathway 3. Expressly requiring decision makers to avoid double regulation of the same effect.

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
	The legislation should proceed on the basis that many activities will trigger both PA and NEA functions. Attempting to rely on conceptual distinctions between "land use" and "effects on natural resources" is insufficient on its own. Integration must be designed into the regulatory architecture, not left to interpretation. If integration between the PA and NEA is left to optional mechanisms, such as discretionary transfers of powers, inconsistent regional practice is likely to continue. Where duplication risks are well known, we consider that mandatory national direction is preferable to permissive or case-by-case solutions. If the NEA and PA aim to reduce delay, cost, and litigation, they must replace interpretive ambiguity with clear allocation rules. Leaving integration to be resolved through consent conditions or litigation risks recreating the very inefficiencies the reforms seek to address.		
Consenting	Refer to section 2.4 of the overview submission.	31 - 33	**The Forestry Interests wish to record their position that the existing RMA activity classifications are working well and are integral to the operation of the NES-CF.**
Permitted activities	Refer to section 5.1 of the **Overview submission**.	39	Amend the Bill to re-establish **permitted** and **controlled** activity categories and to remove or significantly narrow the written-approval requirement for permitted activities. This would better align the planning framework with established practice and reduce unnecessary compliance burden across all sectors.

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
			Amend the Bill to ensure that permitted activity charges cannot be duplicated through targeted rates. It is noted that the cross reference to s169 is incorrect so it is not clear which matters s39(1)(b) relates to.
Environmental limits	Refer to part 3.1 of the **Overview Submission and Appendix Two** for more detail.	Subpart 4 45	Amend the Bill to insert distinct definitions for Environmental Limits and Operational Standards. Make it clear that (a) Environmental Limits are non-consentable bottom lines; whereas (b) Operational Standards remain consentable thresholds subject to effects management. Clarify the tests for determining whether a matter can be managed by Environmental Limits or Operational Standards. Require national instruments to explicitly state when an attribute is a limit or an operational standard. Allow the responsible minister to consider an exemption for activities where it may not be appropriate to meet strict bottom line limits. For example, how do you weigh a safety issue of maintaining an access track for safety as

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
			against obligations to achieve limits which may require maintenance or restoration of indigenous biodiversity, and in a situation where an exemption would lead to an irreversible loss of ecological integrity?
Use of caps on land use	Refer to **Appendix Two** for more detail.	45-67	Strengthen ss 45–67 to ensure that action plans are: - transparently developed subject to public input aligned with national instruments; - integrated into the wider planning system supported by robust, effects-based justification.
Correction	In section 54(2)(c) change "national environment" to "natural environment"	54	
Administrative Charges	<u>Cost recovery for compliance investigation</u> The RIS developed in support of the Resource Management (Consenting and Other System Changes) Amendment Act 2025 recommended cost recovery so that those causing the need for an activity by the Council contribute most towards its cost.[4] However, the RIS also acknowledged that "Cost recovery is not appropriate in all situations, for example, it would not be appropriate for RMA regulators to recover the cost of investigation where the investigation	229	The Forestry Interests propose that the legislation provides for cost recovery of investigations only where a non-compliance by the entity or person undertaking the activity is proven.

[4] see RIS at [69].

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
	revealed that no offence had been committed, or the party subject to that investigation was not responsible for the offending."[5] The Forestry Interests remain of the view that extending the ability to cost recover to investigations for non-compliance is inconsistent with the polluter pays principle in situations where there is no "pollution" or breach.		
Strict liability and defences	The Forestry Interests propose enlarging the existing "event beyond control" defence to expressly include severe storm events, extreme rainfall, and other climate-driven natural hazards. The law has not kept pace with climate reality: New Zealand is experiencing significantly more frequent and intense rainfall, storms, landslides, and flooding. Recent events, such as the 2023 Auckland Anniversary floods and Cyclone Gabrielle, demonstrate that weather patterns once considered rare are now becoming more common. Yet the current statutory wording relies on the concept of "natural disaster", which courts have often interpreted narrowly. As a result, the existing defence does not provide any respite for landowners, infrastructure operators or councils, where extreme but unavoidable storm events cause unintentional environmental effects, even where those effects arise despite compliance with consent conditions and design standards approved at the time of consent. Criminal prosecutions are not well suited to addressing environmental effects arising from natural events in a forestry context because criminal law is directed at punishing culpable wrongdoing, not the manifestation of risks that are inherent, variable, and often uncontrollable in large-scale, long-term land-based operations.	282	The Forestry Interests respectfully propose that the select committee is asked to obtain specific advice in relation to this issue. The Forestry Interests propose a new subsection 2(c): (b) that the action or event to which the prosecution relates was caused by - (i) a natural event, including but not limited to a severe storm, extreme rainfall, flood, landslide, cyclone, or other meteorological event, which was beyond the reasonable control of the defendant; and (ii) the natural event exceeded the reasonable design capacity or commonly accepted engineering or management standards

[5] See RIS at [78]

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
	Forestry activities occur across exposed catchments and steep terrain - exacerbated by restrictions on the classes of land that may be afforested. These areas are highly sensitive to weather and hydrological conditions. Severe storms, floods, or landslides can cause environmental effects even where operators have complied with resource consents, applied accepted industry standards, and exercised reasonable foresight. In these circumstances, prosecution risks replacing the forward-looking, consent-based assessment of risk with hindsight judgements about outcomes driven primarily by extreme natural forces. This does not imply any tolerance for neglect, poor practice, or culpable conduct. Failures to comply with consent conditions, to maintain infrastructure, or to manage known and reasonably manageable risks should continue to attract enforcement action and, where appropriate, criminal liability. The distinction is between blameworthy conduct and unavoidable consequences of extreme events that overwhelm systems designed and operated in accordance with approved standards. The prospect of strict liability for outcomes beyond an operator's reasonable control are counterproductive. They can discourage investment, adaptive management, and transparency, and may incentivise overly conservative or defensive operational decisions that do little to reduce actual risk. Regulatory tools such as consenting, conditions, monitoring, and adaptive management are far better suited to addressing climate-driven natural hazards in forestry than punitive criminal sanctions imposed after the fact. A broader defence is justified because: 1. Extreme weather can be unavoidable even with prudent management: Events exceeding design capacity cannot reasonably be foreseen or prevented by individuals or organisations acting responsibly. 2. The current "natural disaster" threshold is too high: Many severe storm events cause major environmental impacts but do not meet the legal definition of a disaster. A defence should not depend on formal declarations.		applicable to the activity, structure, or system operated by the defendant; and (iii) in the case of a resource consent granted after the commencement of this Act, the adverse effects arising from the natural event, including effects attributable to an event of the scale experienced, were expressly recognised at the time the resource consent was granted; and it was determined at that time that requiring planning or provision for that level of intensity would be unreasonable or disproportionate; (iv) the defendant took all reasonable steps to mitigate or remedy the effects of the action or event after it occurred.

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
	3. Climate change requires adaptive law: The NEA is intended to be forward-looking and resilient to changing environmental conditions. Modernising the defence, while still requiring consideration of what was reasonably anticipated, what was addressed through the consenting process and mitigation, aligns with that purpose. 4. Fairness requires distinguishing between neglect and unavoidable events**:** A broader defence could still demand reasonable maintenance, reasonable foresight, and post event mitigation. It should also take into account whether the relevant risks were identified and managed through consent conditions. Such a defence would not excuse poor practices but provide some protection for those who acted responsibly.		
S19 - Restrictions on use of beds of rivers and lakes	To reflect case law, this section could be improved by clarifying that activities that are authorised by s21 (discharges) do not also require a permit under s19. Refer to *Brook Valley Community Group Inc v Trustees of the Brook Waimarama Sanctuary Trust* [2017] NZHC 1844.	19	Clarify that activities that are authorised by s21 (discharges) do not also require a permit under s19.
Proportionality	The Forestry Interests support the Bill's explicit recognition of proportionality as a guiding concept across multiple parts of the legislation. Proportionality is essential to ensuring that regulatory responses are aligned with the scale, significance, and risk of the activity or issue being addressed. Refer to **Appendix Two** for more detail**.**		Refer to Appendix Two.
Best obtainable information	Section 59 defines "best obtainable information" and requires the decision-maker to be satisfied that "the information is obtained in a manner that is proportionate to the effects of the decision." The Forestry Interests consider this wording is inappropriate: Proportionality should apply to the *information itself – i.e.* its scope, depth, and relevance rather than the process by which it is obtained. As drafted, the clause risks implying that the method of gathering information must be proportionate, rather than the level of information required. We propose that the provision should instead require the decision-maker to be satisfied that *the information relied upon is proportionate to the effects of the decision*, ensuring clarity and alignment with the proportionality principles used elsewhere in the Bill.	59	Delete words "is obtained in a manner" from s59

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
Section 224 — Regulatory agencies to enforce law proportionately, consistently, and Reasonably	The wording in the first part of this section is incorrectly drafted. The section also appears to duplicate s222.	222 224	Revise s224
Process for making action plans	Refer to **Appendix Two**.		
New tools - Adaptive management and incentives	The provisions addressing adaptive management are generally supported on the basis that they reflect current best practice. S105 – incentives – is supported on the basis that it is likely to provide greater flexibility to councils to manage natural resources.	104 / 105	Retain the provisions on adaptive management and incentives.
Changes to national direction	During consenting or planning processes it is becoming apparent that changes to national direction that occur during the process must be considered anew with associated reassessment. This can add significant cost and uncertainty when the applicant / or decision maker is required to revise their approach part way through a process. The NEA provides that a national instrument may include transitional provisions for any matter, including its effect on existing matters or proceedings. To provide greater certainty, we propose amending this provision so that after an application for a consent / permit is lodged, it is only subject to amended national direction after that date where the direction is more enabling. Alternatively consider setting this approach as the default except where a report justifies a different approach after weighing the costs and benefits.	76	Amend the Act to clarify that after an application for a consent / permit is lodged that application is only subject to amended national direction where the direction is more enabling.
Enforcement orders – anomaly for activities complying with national regulations	When an operator complies with permitted activity standards in a plan, or with conditions of a resource consent, they are shielded from enforcement action. However, case law has clarified that no equivalent protection exists when an activity is carried out in compliance with national regulations. This creates an unjustified anomaly. There is no principled reason to allow enforcement protection for compliance with plan-based permitted activity standards, but not for compliance with requirements in a national environmental standard or other national instrument such as the NES-CF.	263(3)(a) NEA	Amend s263(3) (a) to include reference to a national instrument.

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
	This inconsistency is at odds with the policy intent of the legislative reforms, which aims to create a more efficient and enabling environmental management and planning system including supporting primary sector growth. (See *Gisborne District Council v China Forestry Group New Zealand Company Limited* [2024] NZEnvC 189 at [159].) Consideration could also be given to adding reference to a certificate of compliance.		
Regulatory relief	Refer to **Appendix Two**		
Processing of wood processing permits	The Forestry Interests support the application of strict permitting timeframes for wood processing activities. Speeding up the consent process by imposing a one year timeframe for wood processing activities is likely to promote faster decision-making and signal the importance of onshore wood processing.	139 NEA / 118 PA	
Definitions			
General submission	As a matter of form and for ease of interpretation it is confusing to include key definitions in different parts of the legislation. See for example, s45: All definitions should be located at the front of the Act.	40	Relocate all definitions to the front of the Act.
Definitions of contaminant and substances	In a forestry context, some councils are now attempting to regulate slash, sediment, soil, and woody debris as discharges of contaminants, triggering separate discharge consents and offences. This occurs even though these materials are naturally occurring, and typically mobilised as non-point source discharges as an effect of land-use activities or storm events rather than direct contaminant discharges. Case law (*Contact Energy* as adopted in *Brook Valley – see above*) clearly distinguishes "substances" from "contaminants", holding that substances, such as sediment are benign and		Suggested definition: Substance means a naturally occurring organic or inorganic material, including sediment and vegetative debris, that -

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
	usually natural, and that *substance does not include contaminant*. Current practice is tending to conflate these categories, contrary to caselaw. Misclassification leads to double regulation of the same forestry activity (land-use plus discharge), unnecessary dual consents, inconsistent enforcement, and increased costs without corresponding environmental benefit. The management of slash and sediment is fundamentally about how land is used (harvesting methods, roading, setbacks, erosion controls). These effects are appropriately addressed through land-use controls and conditions. Amending the NEA to codify the distinction between contaminants and substances would: • Provide statutory certainty • Reduce inconsistent application • Prevent dual regulation • Focus enforcement on genuine contaminants • Clarify that the movement of natural material is primarily a land-use effect, not a discharge offence. Under the suggested definition (see column to the right), a "substance" is limited to naturally occurring material conveyed by diffuse, non-point source processes and expressly excludes contaminants. Importantly, this definition does not exempt substances from regulation. It simply clarifies which statutory pathway applies. Where a person actively deposits a substance into water, for example, placing fill, slash, or sediment directly into a river or stream, this remains a "deposit" under s 13. Because s 13 regulates the *act of deposit*, not the character of the material alone, a consent would still be required for any active deposition of a substance into the bed of a river or lake. What the definition does prevent is the misclassification of diffuse, land-use effects (such as sediment or slash mobilised by rainfall) as discharges of contaminants requiring separate discharge consents. By confining "substance" to non-point source pathways, the definition ensures that diffuse mobilisation of natural material is not treated as a contaminant discharge; but active placement or deposition of that same material remains regulated under s 13.		is conveyed to water, land, or air by diffuse, non-point source processes associated with land use. Define "contaminant" to exclude substance.

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
	This aligns with the established distinction between: • Active deposits (regulated under s 13), and • Passive or effect-based movement (regulated through land-use controls). The proposal would result in the clearer allocation of regulatory responsibility and provide for the management of slash etc as part of the land use controls in a manner that aligns well with the provisions of the NES-CF.		
Definition of river	The definition of "river" carried over from the RMA includes a "continually or intermittently flowing body of freshwater," but does not define "intermittent." This lack of clarity has allowed some councils to interpret intermittent flow as including ephemeral overland flow paths, which form only in direct response to rainfall events. Ephemeral flow paths are fundamentally different from permanent or genuinely intermittent streams. They are surface drainage pathways activated during storms, rather than waterbodies with ongoing hydrological or ecological function, and they do not support fish or macroinvertebrate habitat. The NES-CF recognises this distinction by differentiating between rivers, perennial rivers, and ephemeral rivers, and by tailoring regulatory controls accordingly. However, councils may set rules that are more stringent than the NES-CF, and in practice this has allowed ephemeral rivers to continue to be regulated as rivers in some regions. Forestry operations frequently occur in steep or upland environments where ephemeral flow paths are numerous. Treating these features as rivers can lead to impractical and disproportionate regulatory consequences, including: • "Bed of river" controls: Routine forestry earthworks such as track construction may be deemed activities in the bed of a river where water is present only during heavy rain, triggering consent requirements across large areas of forest despite the absence of a permanent waterbody. • Discharge rules triggered by storm events: Sediment runoff entering an ephemeral flow path during rainfall may be treated as a discharge to water rather than to land, elevating consent thresholds and enforcement risk even where effects are short-lived and managed through standard forestry sediment controls.		Amend the definition to exclude ephemeral rivers

Issues	Natural Environment Bill	Section #s	Suggestions / Amendments
	• Setbacks with no ecological justification: Classifying ephemerals as rivers has resulted in riparian setbacks being applied to temporary drainage features that are dry for most of the year and provide no aquatic or riparian function. • Inconsistent regional interpretation: Hydrologically identical features may be regulated as rivers in one district but not another, creating uncertainty, increased compliance costs, and inconsistent outcomes for forestry activities nationwide. The new legislation provides an opportunity to address this long-standing issue. While national direction such as the NES-CF has gone some way toward differentiation, there is uncertainty as to whether it will be carried over, how replacement instruments will operate, and whether councils will continue to apply greater stringency. In that context, reliance on national direction alone is insufficient. Revising the statutory definition of "river" to clearly exclude ephemeral overland flow paths would provide a consistent national baseline, align regulation with ecological function, and reduce unnecessary duplication. Retaining a definition that enables ephemeral features to be treated as rivers under the new legislation would undermine the reform objectives of clarity, efficiency, and nationally consistent implementation.		
Schedules			
Sched 3 – references to submitter and submissions – cl 34	Draft a new definition of submission / submitter to include reference to a person who made further submissions (instead of just referring to a submission). For example, see clause 34 – rights of appeal limited to a party who made submissions on the subject matter.	Sched 3, cl 34	Make it clear that reference to a submission includes a further submission.

Appendix Two – detailed submissions by the Forestry Interests on the Planning Bill and Natural Environment Bill

FOREST OWNERS ASSOCIATION

New Zealand Farm Forestry Association
Oranga Rākau Aotearoa

Contents

Focus: Environmental Limits (ss 45–67 NEA) 3

1. Overview and position 3
2. Why blunt land use controls are inappropriate 3
3. How the NEA currently operates – limits, caps, action plans 3
4. Section 64 (NEA) – insufficient safeguards 4
5. The Forestry Interests' recommendations (ss 45–67 NEA) 4

Focus: Ecosystem Health Limits – should be set solely at a national level 6

1. Overview and position 6
2. Risk of Inconsistency and Fragmentation 6
3. Distortion of the "funnel" approach 6
4. Scope for caps and action plans without central oversight 7
5. Central limits with a managed pathway for regional variation 7
6. Summary 8

Focus: Proportionality and accountability in council decision-making 9

1. Introduction 9
2. Recognition of proportionality in the Bills 9
3. The Gap: Accountability for proportionate application 10
4. The Gap: Inconsistent application 10
5. The Forestry Interests' recommendations 10

Focus: Indigenous Biodiversity Goal – structure and implementation risks for forestry 12

1. Framing of the Indigenous Biodiversity Goal 12
2. Implementation Through Regulatory Direction 12
3. Interaction with Forestry Activities 12
4. Limits versus policy-based management 13
5. Summary 13

Focus: Regulatory relief 14

1. Overview 14
2. Scope of regulatory relief 14
3. Threshold for relief is set too high 14
4. Risk of uncompensated constraints through environmental limits 15
5. Appropriateness of relief mechanisms 15
6. Recommendation 15

Focus: Environmental Limits (ss 45–67 NEA)

1. Overview and position

This appendix addresses how ss 45–67 enable controls on land use or inputs - including through national standards, natural environment plans, caps, and action plans - and the risk that these tools become blunt instruments that regulate land use rather than environmental effects, contrary to the NEA's stated aim of a more targeted, effects-based system which will facilitate growth and development of the primary sector.

While the Forestry Interests' overview submission is that central government should direct all environmental limits, this part of the submission proceeds on the basis that the current direction is retained.

2. Why blunt land use controls are inappropriate

Forestry's effects vary with slope, geology, hydrology, harvest systems, and receiving environment sensitivity. Well-managed forestry can deliver net environmental gains, compared to alternative land uses which can generate higher sediment and nutrient loads. Blunt land-use controls, such as caps on establishment, or harvesting, risk preventing afforestation where it is most appropriate, locking in higher-impact land uses, undermining climate outcomes, and eroding investment certainty in a long-rotation sector.

Case Study – Erosion-prone hill country (Tairāwhiti / Wairoa): Independent work shows forestry reduces sediment loss markedly compared with pastoral uses on steep land; post-storm evidence indicates lower landslide density in permanent/mature forests. The use of caps on establishment in these landscapes would increase sedimentation, reduce climate resilience, and entrench higher-impact alternatives. This reinforces why any control must be tied to biophysical drivers of pressure, not specific land-use.

NES-CF as a working model: The NES-CF regulates operational effects - sediment generation, slash management, setbacks, harvest practices, roads/tracks, erosion susceptibility - with nationally consistent, risk-based rules. Introducing regional land-use caps or broad planting restrictions under ss 45–67 would duplicate or conflict with this framework and create uncertainty.

3. How the NEA currently operates – limits, caps, action plans

3.1 Environmental limits as the primary organising device

Unlike the RMA (where exceeding a standard may trigger a consent pathway), the NEA appears to contemplate operational "stress attributes" as bottom-lines. These attributes could include earthworks volumes, sediment triggers, harvest timing or biodiversity setbacks as ecosystem health limits; and where a limit would be breached, a permit may not be granted. The architecture of subpart 4 of the NEA risks converting consentable, effects-based standards into absolute, non-consentable bottom lines, eliminating context-specific decisions even where effects are temporary or can be managed through best practice and conditions and allocating natural resources.

Illustrative example: If a national instrument or spatial plan sets a catchment sediment stress-attribute limit – such as "*total sediment loading from all land uses must not exceed X tonnes/year",* then every consent authorising sediment-generating activity consumes the finite catchment "capacity". Once cumulative authorisations reach X, later applications must be declined,

regardless of mitigation or superior performance. In practice, this becomes allocation by first-in, first-served, potentially favouring incumbents and disadvantaging long-rotation forestry that cannot "apply early."

3.2 Caps and action plans

The NEA's caps and action plans can also operationalise limits derived from Spatial Plans or National Standards. As drafted, action plans may be prepared with or without national direction; they may include controls on land use or inputs if a council is not satisfied existing measures are sufficient. These instruments may be developed outside the natural environment plan process, with no guaranteed public notification, submissions, or hearings, yet can carry substantial economic and operational impacts.

Without clearer guardrails, caps and action plans can:

- replicate environmental limits (functionally),
- impose greater stringency than national direction, and
- create a triple-layered constraint: (1) limits in national instruments; (2) caps as limits; (3) action-plan restrictions - any of which could impact on forestry even where effects are manageable.

4. Section 64 (NEA) – insufficient safeguards

The Forestry Interests partly support s 64's intent to manage pressures via action plans but consider the clause fails to specify critical safeguards. As drafted, s 64 does not require:

- a causal link between the proposed control and the pressure - risking breach of a limit, or proof that the control is a reasonable proxy;
- proportionality / least-restrictive means or assessment of distributional impacts (e.g., rewarding early movers, entrenching higher-impact land uses);
- monitoring and review to address long-term settings and unintended consequences; or
- targeting to biophysical context rather than uniform controls that are over or under inclusive.

These gaps are magnified if national standards direct councils to adopt caps, or if councils proceed independently under s 60. The absence of formal participation expectations for action plans further compounds the risk.

5. The Forestry Interests' recommendations (ss 45–67 NEA)

5.1 Distinguish "Environmental Limits" from "Operational Standards"

Insert clear definitions with distinct legal effects:

- Environmental Limits = non-consentable bottom lines reserved for true ecological thresholds (exceedance causes irreversible harm to ecosystem or human health).
- Operational Standards = consentable thresholds that regulate activities/pressures and are applied with conditions to achieve outcomes (avoidance, remediation, mitigation, offsetting, compensation).

5.2 Gateways/tests before a control can be an Environmental Limit

A threshold may be set as an Ecosystem Health Limit only if the Regional Council demonstrates:

a. a causal link between the threshold and preventing irreversible harm;
b. proportionality and least-restrictive means; and
c. that outcomes cannot reasonably be delivered by Operational Standards and consent conditions.

Otherwise, the control must be framed as an Operational Standard.

5.3 Safeguards for caps and action plans (including where derived from Spatial Plans/National Standards)

- **Classification statement:** Every threshold National Standard, cap or action plan must state whether it is a Limit or Operational Standard, with reasons against the tests above.
- **No back-door limits:** Action plans/caps cannot create or "mimic" Environmental Limits; limits must be created only via national instruments with full participation.
- **Effects-based justification:** Require a written assessment covering the relevant limit, pressures, evidence for the proposed control, alternative methods considered, proportionality/ distributional impacts, targeting to biophysical context, and monitoring/review provisions.
- **Participation:** Require public notification, submissions, and hearings for action plans imposing controls on land use or inputs (or integrate action plans into the natural environment plan framework).

5.4 Preserve a workable consent pathway

- Confirm that the statutory prohibition on granting a permit applies only to Environmental Limits, not Operational Standards.
- Clarify that exceedance of an Operational Standard triggers a consent pathway with robust conditions and outcome tests - not an automatic decline.
- Where catchment-wide stress attributes (e.g., sediment) are considered, either:

  (a) treat them as Operational Standards; or

  (b) if set as Limits, provide a transparent allocation framework to avoid de facto first-in, first-served lock-ins and the "picking of winners".

Focus: Ecosystem Health Limits – should be set solely at a national level

1. Overview and position

The Forestry Interests consider that the approach to the development of ecosystem health limits lacks clarity. On the one hand Ministers set the methodology for ecosystem limits, while on the other **may** set national standards specifying minimum acceptable levels for ecosystem health, without determining an ecosystem health limit itself. (s54). This suggests that the Minister may set a bottom line - though the regional council may adopt a more stringent approach. If a limit has been set the regional council may adopt a less stringent limit only if a justification report is prepared. Conversely there is no requirement for a more stringent ecosystem health limit to be subject to a justification report, despite the potential implications for activities such as forestry

While the NEA distinguishes between human health limits (to be set through national direction) and ecosystem health limits (to be set regionally), this bifurcated approach creates significant risks of inconsistency, uncertainty, and poor system integration, particularly if there are no minimum acceptable ecosystem health limits proposed by the Minister. These risks are particularly acute given the central role ecosystem health limits play in constraining land use, triggering caps and action plans, and determining whether activities can proceed at all.

2. Risk of Inconsistency and Fragmentation

Ecosystem health attributes - such as sediment, biodiversity, freshwater health, and land disturbance - are inherently complex, scientifically contested, and highly sensitive to methodology and assumptions. Unless the Minister sets a bottom-line limit under s54, allowing each regional council to independently determine ecosystem health limits creates a high likelihood of:

- materially different limits being applied to similar environments across regions;
- divergent interpretations of what constitutes ecological “thresholds” or “irreversible harm”; and
- uneven application of precaution where data is limited, adding costs and inconsistency as between regions.

For a nationally significant, long-rotation sector such as forestry, this level of regional variability could undermine investment certainty and frustrate the intended benefits of national direction and system simplification.

3. Distortion of the “funnel” approach

The Bills’ architecture relies on a “funnel” approach, whereby high-level national direction informs spatial planning, which in turn informs more detailed regional and local planning decisions. That logic is compromised if spatial plans are required to give effect to ecosystem health limits that have not yet been set, or are later set inconsistently through natural environment plans.

If ecosystem health limits are developed after spatial plans, or are materially revised through regional processes, there is a risk that spatial plans will be overtaken, rendered obsolete, or forced to rely on

precautionary assumptions. This undermines their role in providing clear, durable signals about where development should be enabled, constrained, or avoided.

4. Scope for caps and action plans without central oversight

The Forestry Interests are particularly concerned about the scope for action plans and caps to be used as de facto substitutes for ecosystem health limits at a regional level, without central oversight. As currently drafted:

- action plans may be prepared independently of national direction;
- caps may be imposed where councils are not satisfied existing tools are sufficient; and
- neither tool is necessarily subject to the same level of national consistency, justification, or participation as national instruments.

This creates a real risk that arbitrary or overly precautionary land-use constraints are imposed through natural environment plans, framed as implementation of ecosystem health limits, without adequate scrutiny of proportionality, causation, or alternatives.

5. Central limits with a managed pathway for regional variation

The Forestry Interests acknowledge that a wholly rigid, one-size-fits-all approach is neither realistic nor desirable. There must be scope to address regionally specific ecological issues or pressures that warrant variation from nationally set limits.

However, that variation should occur within a structured, consistent and transparent national framework, rather than through unilateral regional limit-setting via natural environment plans.

We propose that the NEA allow for the Minister to set all limits – not just human health limits - subject to a process for establishing that a regional variation is appropriate.

As drafted the Bill appears to only require the Council to produce a justification report where a bottom line has been set by the Minister and the regional council wishes to be less stringent (s51(4)). This process should apply irrespective of whether the variation is more or less stringent and should be the subject of assessment as part of the National Direction process, rather than as part of the natural environment plan process (or other Regional Council processes).

Justification reports should require:

- a clear scientific and evidential basis;
- a justification report demonstrating why national settings are insufficient;
- assessment of proportionality and alternatives;
- consideration of cross-regional consistency and distributional impacts; and
- be capable of challenge as to adequacy via declarations, with referral to the Planning Tribunal (refer to review powers under PA schedule 10, cl14)

Such an approach would allow genuine regional issues to be addressed as part of the national framework, while preserving system coherence and avoiding a patchwork of inconsistent or cumulative constraints.

6. Summary

In the Forestry Interests' view, ecosystem health limits are foundational system settings that should be managed consistently at a national level. Opting for centralised limit-setting (subject to regional modification agreed to by the Minister) would:

- reduce inconsistency and uncertainty across regions;
- support the effective operation of the planning "funnel";
- prevent the use of caps or action plans as backdoor land-use controls; and
- ensure that limits are subject to robust national scrutiny, participation, and accountability.

A nationally led framework, with a principled mechanism for regional variation, is the most effective way to ensure environmental limits achieve their intended purpose without undermining workable, proportional, and effects-based land-use management.

Focus: Proportionality and accountability in council decision-making

1. Introduction

The Forestry Interests support the Bills' explicit recognition of proportionality as a guiding concept across multiple parts of the legislation. Proportionality is essential to ensuring that regulatory responses are aligned with the scale, significance, and risk of the activity or issue being addressed.

However, while the Bills embed proportionality in several operative provisions, the accountability mechanisms to ensure that councils consistently apply proportionate approaches are incomplete. Without stronger accountability requirements, there is a risk that proportionality becomes an aspirational principle rather than a consistently applied statutory constraint.

This part of the submission identifies where proportionality is already recognised in the NEA and proposes amendments to strengthen accountability and ensure proportionate, risk-based, and efficient regulatory practice.

2. Recognition of proportionality in the Bills

The Forestry Interests acknowledge and support the inclusion of proportionality in the following provisions:

Part 2 — Foundations

- **Section 11 – Goals**
  Requires decision-makers to act proportionately when managing the effects of natural hazards.
- **Section 13 – Procedural Principles**
  Requires actions to be taken proportionately to the scale and significance of the matter.

Subpart 4 — Environmental Limits

- **Section 59 – best obtainable information**
  Requires decision-makers to be satisfied that information is obtained in a manner proportionate to the effects of the decision.

Part 4 — Natural Resource Permits

- **Section 130 – applying for natural resource permit**
  Requires applicants to provide information at a level of detail proportionate to the scale and significance of the activity.

Part 5 — Key Roles

- **Section 222 – functions of regional councils**
  Requires councils to monitor compliance and respond proportionately, consistently, and reasonably to non-compliance.
- **Section 224 – Regulatory Agencies to Enforce Law Proportionately, Consistently, and Reasonably**
  Reinforces proportionality as a core enforcement principle.

Schedule 2 NEA – Information Requirements

- **Clauses 1 and 5**
  Require information in applications and assessments of environmental effects to be proportionate to the scale and significance of the activity.

The Forestry Interests strongly support the inclusion of these provisions as they reflect regulatory effort where it is most needed.

3. The Gap: Accountability for proportionate application

While proportionality is embedded throughout the NEA, most specifically through the s13 principles, the mechanisms to hold councils accountable for applying proportionality are limited or not sufficiently clear. Several provisions provide partial accountability but do not explicitly require councils to demonstrate how the s13 principles including proportionality have been applied.

Examples of accountability gaps

Section 106 NEA – evaluation report for draft proposed plan

Councils must explain how national direction has been applied, but, with the possible exception of land use or input controls, there is no requirement to demonstrate how proportionality has influenced the choice of provisions. S106(5) could be amended to explicitly require explanation as to why the response is proportionate.

Section 108 NEA – justification reports for bespoke provisions

Though justification reports assess the costs and benefits of the provision they do not explicitly require councils to demonstrate consistency with the procedural principles in s13, including proportionality.

Section 298 NEA – compliance and enforcement strategy

The strategy requires a number of matters to be taken into account but does **not** require councils to demonstrate how proportionality will guide enforcement practice.

4. The Gap: Inconsistent application

Section 11(e) NEA

While the natural hazards goal (clause 11(e)), expressly requires ‘proportionate and risk-based planning', the biodiversity goal contains no proportionality constraint.

5. The Forestry Interests’ recommendations

To ensure proportionality is not merely aspirational or observed in the breach, The Forestry Interests recommends the following targeted amendments.

Recommendation: Strengthen Evaluation and Justification Requirements

Amend the above sections to require councils to explicitly demonstrate:

- how proportionality has been applied;
- why the chosen regulatory approach is the least intrusive means to achieve the purpose; and

- how the regulatory burden is proportionate to the scale and significance of the issue.

Recommendation: Require Cross-Referencing to Procedural Principles

Ensure that all accountability mechanisms (evaluation reports, justification reports, enforcement strategies) explicitly reference the procedural principles in s13, including proportionality.

Recommendation: Require s64 to include refer to proportionality principles

Refer to the specific submission on ecosystem health limits.

Recommendation: Amend s11 to apply proportionality to achieving no net loss in biodiversity

This is necessary to ensure consistent application of the principle. For further detail regarding the concerns about the application of the goals to indigenous biodiversity refer to the submission on indigenous biodiversity.

Note that this submission applies equally to the equivalent PA provisions.

Focus: Indigenous Biodiversity Goal – structure and implementation risks for forestry

1. Framing of the Indigenous Biodiversity Goal

The NEA establishes indigenous biodiversity as a standalone goal, including an objective of no net loss of indigenous biodiversity. Unlike other goals in the NEA, the biodiversity goal is not explicitly constrained by proportionality, risk-based decision-making, or practical manageability. This places biodiversity in a uniquely strong and potentially determinative position within the overall framework.

For forestry, the concern is not the intent of the goal itself - there is general acceptance of the objective of maintaining and enhancing indigenous biodiversity - but the way the goal is structured and how it is intended to be implemented through regulatory direction, particularly environmental limits, national instruments, and regional plan provisions.

2. Implementation Through Regulatory Direction

The NEA relies heavily on national policy direction, national standards, and regionally set environmental ecosystem health limits to give effect to the biodiversity goal. While this approach is intended to provide flexibility, it also creates uncertainty as to how the goal will work in practice.

Key risks arise because:

- the Bill does not specify how “no net loss” is to be measured, over what timeframe, or at what geographic scale;
- it is unclear how the biodiversity goal will be balanced against other goals where full achievement is not required in all places or at all times;
- regional councils are tasked with setting ecosystem health limits for indigenous biodiversity, potentially resulting in conservative or precautionary thresholds where data is limited.

In a forestry context, this creates a risk that the goal will be translated into binding constraints on land use, rather than outcomes-focused management of effects.

3. Interaction with Forestry Activities

Forestry activities typically involve regular cycles of disturbance and re-establishment that can temporarily affect indigenous species or habitat values, particularly where indigenous vegetation is present within or adjacent to plantation forests. Without clear implementation parameters, the biodiversity goal risks being applied in a manner that treats forestry disturbance as ongoing biodiversity loss, irrespective of:

- the regenerative nature of plantation forestry;
- existing biodiversity values within plantation forests;
- the temporary and rotational character of forestry operations.

If implemented through absolute environmental limits or prescriptive national direction, the biodiversity goal could effectively constrain harvesting, replanting, or land-use flexibility across large areas of forestry land, even where overall biodiversity outcomes are neutral or positive over time.

4. Limits versus policy-based management

Indigenous biodiversity is not well suited to rigid bottom-line limits. Biodiversity values are location-specific, variable, and responsive to active management. Applying environmental limits in the same way as for physical resources such as water or air risks converting a high-level goal into a de facto prohibition on activities that interact with indigenous vegetation or habitat.

This risk is amplified by the absence of clear guidance on:

- when limits must be applied versus when effects management is appropriate;
- how offsetting or compensation can be used to meet biodiversity objectives;
- how existing consents and established land uses will be treated when limits are set or reviewed.

5. Summary

From a forestry perspective, the core issue is not whether indigenous biodiversity should be protected, but how the goal is translated into regulatory controls. Without clearer statutory direction on implementation, there is a substantial risk that national and regional instruments will:

a. default to overly restrictive interpretations of “no net loss”;
b. treat the effects management hierarchy as applying automatically and uniformly to all biodiversity impacts, rather than as a context-specific tool; and
c. undermine long-term forestry investment and operational certainty.

Clarifying the structure and application of the biodiversity goal, including explicit recognition of proportionality, setting ecosystem health limits at a national level, recognising the role of commercial forestry through national direction and the appropriate role of offsets and compensation including in relation to commercial forestry operations will be essential in ensuring the goal supports practical and effective biodiversity outcomes without imposing unnecessary or disproportionate constraints on forestry activities.

Focus: Regulatory relief

1. Overview

The regulatory relief provisions of the NEA provide a mechanism for relief where a specified rule in a plan has a significant impact on the reasonable use of land. From a forestry perspective, such impacts most commonly arise not through the formal taking of land, but through regulatory controls that materially constrain forestry production, harvesting, replanting, or access, often over large areas and across long investment timeframes. An example of a restraint with fiscal implications is a requirement to impose coupe harvesting for the protection of indigenous biodiversity.

The proposed regulatory relief framework recognises that planning controls can impose real economic and operational costs on landowners, and this acknowledgement represents an improvement on the status quo under the RMA. However, as currently framed, the availability of relief is unduly narrow and risks failing to respond to the kinds of impacts most acutely experienced by forestry interests.

2. Scope of regulatory relief

Under the PA, regulatory relief is available only where a specified rule has a **significant** impact on the reasonable use of land and relates to a limited set of protection categories, including indigenous biodiversity, significant natural areas, sites of significance to Māori, outstanding landscapes and features, and areas of high natural character. The NEA further narrows access by linking relief to limits on land-based indigenous biodiversity and related matters, and by elevating the threshold for challenge in some cases to whether a provision **severely impairs** the reasonable use of land and places an unfair and unreasonable burden on the landowner. The different approach to the drafting of these provisions creates an inherent inconsistency which is assumed to be unintended.

In practice, protections in these categories frequently affect forestry land by restricting harvesting, imposing setbacks, limiting road access, constraining replanting, or prohibiting particular forestry activities, even where land remains in private ownership and continues to bear rates and other obligations. These impacts may be substantial and enduring, yet fall short of "significant impact" or "severe impairment" while still undermining the economic viability and intended long-term use of the land.

3. Threshold for relief is set too high

The Forestry Interests are concerned that the reliance on a "significant" or "severe impairment" threshold sets the bar for regulatory relief too high, particularly for a capital-intensive, long-rotation land use such as forestry. Regulatory controls may materially reduce land value, restrict productive use, or erode investment certainty without ever rendering land unusable in an absolute sense.

Limiting relief to only the most extreme cases risks excluding a wide range of situations where forestry land is no longer able to be used in a viable or intended manner, despite remaining technically compliant with plan provisions. This is especially problematic where such restrictions are imposed to achieve public or community-wide environmental outcomes, rather than to address site-specific effects caused by forestry activity.

A more balanced approach would provide access to regulatory relief where new controls result in a **material impact** on the reasonable use or value of land, rather than only where impacts are classified

as significant or severe. This would better reflect the cumulative and long-term nature of forestry investment decisions and provide a fairer allocation of regulatory burden.

4. Risk of uncompensated constraints through environmental limits

These concerns are amplified by the way regulatory relief interacts with environmental limits, caps, and action plans. Ecosystem health limits and associated controls may significantly constrain forestry activities through natural environment plans, spatial plans, or action plans, yet relief may not be triggered if the high statutory thresholds are not met. This creates a real risk that forestry landowners will bear disproportionate economic costs arising from centrally or regionally determined environmental objectives, without meaningful recourse or mitigation.

The Forestry Interests are particularly concerned that where limits or caps are imposed to give effect to national direction, relief may still be unavailable or limited, even though the constraints arise from decisions made in the broader public interest rather than from site-specific effects.

5. Appropriateness of relief mechanisms

The range of relief tools contemplated - such as rates relief, cash payments, no-fees consents, access to grants, land swaps, or bonus development rights - is appropriate in principle. These mechanisms can help offset the economic effects of regulatory constraints and recognise the contribution landowners are making to public environmental outcomes. However, their effectiveness is undermined if access to relief is restricted to only the most extreme cases.

6. Recommendation

The Forestry Interests support the introduction of a regulatory relief framework but consider that, to be effective and fair, it must:

- apply to material impacts on reasonable land use, not just significant or severe impairment;
- recognise the cumulative and long-term impacts of regulatory controls on forestry;
- ensure consistency between national direction, environmental limits, and relief mechanisms; and
- avoid situations where substantial land-use constraints are imposed in the public interest without any obligation to address the economic consequences borne by individual landowners.

NZIER
NEW ZEALAND INSTITUTE OF ECONOMIC RESEARCH

Forestry: cost of compliance

Plan advocacy, consents, monitoring consents, training and other costs

NZIER report to the Forest Growers Levy Trust

February 2026

About NZIER

New Zealand Institute of Economic Research (NZIER) is an independent, not-for-profit economic consultancy that has been informing and encouraging debate on issues affecting Aotearoa New Zealand, for more than 65 years.

Our core values of independence and promoting better outcomes for all New Zealanders are the driving force behind why we exist and how we work today. We aim to help our clients and members make better business and policy decisions and provide valuable insights and leadership on important public issues affecting our future.

We are unique in that we reinvest our returns into public good research for the betterment of Aotearoa New Zealand.

Our expert team is based in Auckland and Wellington and operates across all sectors of the New Zealand economy. They combine their sector knowledge with the application of robust economic logic, models and data and understanding of the linkages between government and business to help our clients and tackle complex issues.

Authorship

This paper was prepared at NZIER by Chris Nixon.

It was quality approved by Peter Clough.

The assistance of Sarah Spring is gratefully acknowledged.

How to cite this document: Forestry: cost of compliance

NZIER. 2025. Forestry: cost of compliance. A report for the Forest Growers Levy Trust.

Registered office: Level 13, Public Trust Tower, 22–28 Willeston St Wellington
Auckland office: Level 4, 70 Shortland St, Auckland
Postal address: PO Box 3479, Wellington 6140
Tel 0800 220 090 or +64 4 472 1880 | econ@nzier.org.nz | www.nzier.org.nz

Key points

Objective

This report provides an indicative estimate of the scale and distribution of regulatory compliance costs facing New Zealand's commercial forestry sector. It assesses how these costs have changed since the introduction of the National Environmental Standards for Commercial Forestry (NES-CF), how they differ across regions and forest sizes, and how they interact with wider regulatory and environmental pressures.

Main findings

Regulatory compliance costs for forestry are material, unevenly distributed, and scale poorly, particularly for small growers. While the NES-CF has improved national consistency, compliance costs have increased across several major categories.

- Plan advocacy:
  - Large companies: Advocacy effort has fallen significantly compared with the pre-NES era but remains episodic. Large spikes occur when regional plans diverge from national direction or when councils adopt precautionary or bespoke interpretations.
  - Small growers: Face rising, time-intensive and often defensive advocacy demands, partly due to inconsistent council interpretations and the need to correct misunderstandings of NES-CF rules.
- Consents and monitoring:
  - Consent costs have increased nationwide, driven by the introduction of the NES-CF, more complex applications, greater information requirements, and growth in consultant involvement.
  - Monitoring charges now represent a significant and unpredictable share of total compliance costs. In some regions, monitoring costs are 20 percent to 50 percent of the original consent fee and sometimes bear little relationship to actual environmental risk.
- Training and 'shadow' compliance costs:
  - Large firms have systematised training and integrated regulatory requirements into operational practice, benefiting from scale.
  - Small growers face disproportionately high time and learning costs, often without access to in-house technical capability.
- Other quasi-regulatory and policy-driven costs:
  - Costs associated with wilding pine control, science levies, and differential council rating add materially to the compliance burden, particularly in regions where these charges are applied independently of demonstrated risk.

Overall assessment

Compliance costs have increased across most categories, and small growers bear a disproportionate share of them. Regional variability, regulatory churn, and inconsistent council capability amplify cost pressures.

Although some compliance costs arise from the legitimate need to manage environmental and social risks, the current system delivers uneven and sometimes inefficient outcomes, reducing confidence and creating investment uncertainty.

While this report does not model specific regulatory reform packages, interview evidence suggests that decision-makers broadly face trade-offs between:

- National consistency vs regional discretion
- Risk-based vs blanket regulatory approaches
- Equity for small growers vs administrative simplicity.

These trade-offs should not all be decided by District and Regional councils since they are unlikely to be in the best position to determine the national interest. Some consideration should be given to the following:

- Strengthening national direction to reduce regional variability and prevent the re-emergence of fragmented rules.
- Developing a risk-based compliance framework that explicitly recognises scale and site-specific risk for both consents and monitoring.
- Improving council capability, including consistent interpretation of NES-CF rules and improved technical understanding of forestry operations.

The following table sets out the relevant costs.

Table 1 Summary of regulatory costs

Per annum spend

	Estimated plan advocacy spend per annum	Comment
Plan advocacy (nationally)		
Large companies	$988,000	Significantly lower for most companies nationally
Small companies	$300,000	Significantly higher than prior to the NES-CF, nationally
Consent spending (nationally)		
Consent spending (includes council charges and company compliance costs)	Between $2,198,000 and $5,097,600	Highly variable. Based on the average costs of servicing consents over 5 years
Council charges on consents regionally (average per region)		
Tairāwhiti	$19,000–$35,000	These have doubled since the report into Cyclone Gabrielle
Hawke's Bay	$5,000–$7,000	Proactive council and willing to engage
Northland	$6,000–$7,000	Minimal consent activity and modest costs
Bay of Plenty/Waikato	$3,000–$12,000	Predictable processes

	Estimated plan advocacy spend per annum	Comment
Canterbury	$6,000–$7,000	Focused on water monitoring, given competing land uses
Nelson, Marlborough and Tasman	$4,000–$6,000	Consent costs stable, increases come through monitoring
Southland and Otago	$6,000–$8,000	Relatively predictable, but interviewees consider that there have been overreactions to weather events
Wellington/Lower North Island	$9,000–$10,000	Small foresters have to contend with a council that does not have a lot of forestry experience
Training costs		
Large foresters	Varies between companies but similar to pre-NES	The NES has made training more straightforward.
Small foresters	Small foresters struggle to keep up	They spend a lot more time examining how new regulatory changes impact them, relative to bigger companies, on a per hectare basis
Monitoring costs		
Large foresters		Can be unpredictable, particularly when Councils hire consultants to provide them with reports on monitoring
Small foresters		Small foresters struggle with monitoring costs, given they have less capability and capacity
Total monitoring costs per annum	$372,000 and $744,000 per annum	Unpredictable and variable across New Zealand
Wilding conifers	Up to $1.2 million per annum	Variable, highly dependent on the location. Many of these forests dealing with wilding conifers are in the South Island.
Science levies	$2,000 – $3,000	Selected councils have imposed these levies
Differential rates	Rate differentials of up to four times those of other competing land uses	District councils such as Wairoa and Ruapehu District Councils have imposed large rate increases on forest owners.

Source: NZIER estimate based on industry response

Caveats

The results here should be regarded as order-of-magnitude estimates, subject to several constraints:

- Most data come from interviews and self-reported estimates, not administrative records.
- Regional contexts differ markedly, including terrain, climate, exposure to extreme weather, and council practice.
- Several important categories of cost (e.g. internal management time, investment delays, quasi-regulatory burdens) are only partially quantified.

- The analysis does not quantify the environmental and social benefits of forestry or the avoided costs of poor practice or weak regulation.
- Establishing a robust counterfactual is challenging, given the lack of historic baseline data and uncertainty about how regulation would have evolved without the NES-CF.

Contents

1 Background and context 1
1.1 Purpose of this report 1
1.2 Views of forestry wax and wane 3

2 Approach to analysis 4
2.1 Forestry company interviews 4

3 Counterfactual 5
3.1 Assumed counterfactual (No NES-CF) 5

4 The current situation 6

5 Specific forestry costs and their impact 10
5.1 Plan advocacy costs 10
5.2 Smaller foresters 12
5.3 Consents 13
5.4 Monitoring consent costs 16
5.5 Training 18
5.6 Other costs 19
5.7 Summary of regulatory compliance costs 20

6 Conclusion 23

7 References 24

Appendices

Appendix A Pre-NES and post-NES costs 25

Tables

Table 1 Summary of regulatory costs v
Table 2 Plan advocacy (large companies) 11
Table 3 Plan advocacy (small companies) 12
Table 4 Consent spending nationally 14
Table 5 Selected consent costs regionally 16
Table 6 Monitoring costs 17
Table 7 Training costs associated with regulatory reform 19
Table 8 Other costs and quasi-regulatory costs (examples) 20
Table 9 Summary of regulatory costs 21
Table 10 Pre-NES and post-NES costs 25

1 Background and context

1.1 Purpose of this report

Compliance costs are all the costs a firm incurs to comply with regulations. Compliance costs include salaries for compliance staff, time and money spent on reporting, new systems required to meet retention requirements, and a raft of other costs.

Why are we interested in forestry compliance costs? Compliance costs are, to a large extent, currently subject to the resource management plan development, consenting, and compliance processes administered by all district, city, and regional councils and unitary authorities. This situation can create variation in resource management practice across the different authorities, despite a largely successful effort to remove these variations under the National Policy Statement Commercial Forestry (NES-CF).

Compliance costs typically increase as regulatory oversight of an industry intensifies. Compliance costs can be incurred because of local, national, and international regulations. They are particularly important for land and sea-based industries.

NZIER has a long history of estimating the compliance costs across various industries, including exotic forestry. This association has mainly been through the cost-benefit analyses (CBAs) done for National Policy Statements (NPS) and National Environmental Standards (NES). Three CBAs have been done for forestry to support the NES process, the last in 2014.

While these estimates are dated, the data-collection methodology will be relatively similar. To assist the NZIER in identifying costs, we have interviewed a range of stakeholders to understand:

- The categories of compliance costs (regional, national and international). This assists in itemising each cost
- The dollar amount of each compliance cost and whether they are different in different parts of New Zealand
- The overall impact of the costs, including the layering effect, since costs can come from multiple sources.

Interviews have been conducted with a range of stakeholders to help identify international, national and regional compliance costs. The focus will be on:

- Forestry owners, managers, consultants and industry organisations. These include representatives of larger and smaller forestry interests, as well as those with interests in a range of locations within New Zealand.

We also reviewed any available current literature.

As in previous analyses, the interviews have been conducted in a structured format. A set of interview questions or topics was developed to help identify and quantify compliance costs.

As part of this process, we have broken down the compliance costs by cost area. These could include:

- National costs and associated in-house costs.
- Regional costs, including:

- Plan advocacy
- Consents and council annual charges
- In-house compliance by forestry companies.

- Other compliance areas.

There will also have to be consideration of the different costs between small and large forestry companies.

To improve credibility amongst the report's potential readership in both government and the industry, it will be necessary to refine the estimation of compliance costs, or at least qualify their interpretation by:

- Distinguishing between the unambiguous additional regulatory costs and those associated with activities that businesses may continue if regulation ceased (e.g. some types of measurement or recording).
- Recognising that regulations are aimed at providing wider external benefit (e.g. reduced environmental impact or lower risks to people's safety), so that from a nationwide perspective, the ending regulation would not only provide savings for the regulated industry but also cause some offsetting reduction in wellbeing.

Regulation reduction is not a 'free win' but comes at a cost of some loss of wellbeing, albeit often hidden and not expressed in market values.

1.2 The National Environmental Standard changed from Production Forestry (NES PF) to Commercial Forestry (NES CF)

The NES PF established in 2018 became the NES CF in 2023, following amendments to improve slash management and environmental protection.[1] These changes, driven by extreme weather events and 2022 consultations, expanded regulations to cover a broader range of forestry activities, including permanent carbon forests. The changes included:

- Scope Expansion: The update broadened the focus from solely "plantation forestry" to "commercial forestry," allowing better management of environmental effects from different types of forestry, including carbon farming.
- Slash Management: New regulations (69(5-7)) were introduced to manage forestry slash, creating stricter rules for slash disposal, particularly in high-risk, erosion-susceptible areas.
- Regulatory Changes: The amendments allowed local authorities more power to manage the location and scale of new forests, including tougher rules for afforestation.
- Operational Updates: The 2023 changes updated terminology to "commercial forestry" across definitions, including in, earthworks, and harvesting.

The development of the NES PF was significant because it meant that foresters reduced their dealings with individual councils significantly.

[1] See for example: https://www.mpi.govt.nz/forestry/national-environmental-standards-commercial-forestry/nes-pf-guidance/guidance-transitioning-nes-pf

1.3 Views of forestry wax and wane

The public perception of forestry has shifted significantly in the wake of cyclones Hale and Gabrielle. The extensive damage has become closely associated with forestry operations. In particular, the large volumes of slash carried down rivers and deposited on beaches. Images of debris-covered coastlines have had a tangible impact on the sector's reputation, and this shift in sentiment is now an important consideration for policymakers at local, regional, and national levels.

This represents a notable change from the 2000–2010 period, when public and environmental group attitudes toward forestry were generally neutral or implicitly positive. At that time, forestry was often viewed as a comparatively low-impact land use, particularly when contrasted with the highly negative publicity surrounding 'dirty dairying', which dominated environmental debates.

Several factors underpinned forestry's more favourable standing during that earlier period:

- Environmental benefits: Forestry was recognised for reducing soil erosion – especially on steep land – and for its contribution to carbon sequestration. These attributes gained prominence as New Zealand engaged with the Kyoto Protocol and broader climate policy.
- Credible land-use alternative: Amid growing scrutiny of dairy farming's environmental impacts, forestry was sometimes seen as a more publicly acceptable and potentially more financially stable option, mainly when the external environmental costs of dairying were accounted for.
- Comparative perception: Although the forestry sector faced its own challenges (such as worker safety and market volatility), it did not attract the intense public and media criticism directed at dairy. In the public eye, the environmental performance of the two sectors contrasted sharply: dairy was widely viewed as a major polluter, while forestry was generally regarded as a sustainable and responsible alternative.

2 Approach to analysis

The approach for this analysis involved the following key tasks:

- Canvassing as many forestry companies as possible to gain an insight into the costs
- Evaluating the cost impacts.

2.1 Forestry company interviews

The cost of the compliance survey was aimed at further understanding the costs associated with forestry and making a comment on their reasonableness. We were less interested in costs that were the costs of doing business (such as health and safety) and costs that were part of an entity's strategy (such as the emissions trading scheme (ETS)). We were more concerned about costs escalating quickly and the unevenness across regions.

The approach taken here was to survey forestry companies represented on the Environment Committee organised by the New Zealand Forest Owners' Association (NZFOA) and New Zealand Farm Forestry Association to ask a series of questions about costs associated with plan advocacy, consents, training, and other costs. Forestry entities were contacted as follows:

- Introductory meeting with the Environment Committee
- Email questionnaires to contact
- Follow-up phone calls and texts
- Microsoft Teams interviews based on the questionnaire.

The individual Microsoft Teams contact yielded more information and context than written questionnaire responses alone. The responses were supplemented with information from other documents.

The approach and survey sample reflect the resources available. The survey sample was not designed with any statistical method in mind. Instead, the aim was to talk to as many people involved in the forestry business as possible.

The sample contained many of the major forestry companies in New Zealand operating in almost all provinces. We contacted 13 entities. We thus believe we interviewed the majority of forestry environmental managers in New Zealand.

Respondents could not, or did not, answer all questions. We report answers for those who choose to respond to each question.

3 Counterfactual

A counterfactual scenario is required to estimate costs relative to a baseline. This begins with a clear description of the current state of play—what exists on the ground now. Since the NES-CF came into force in 2018, we have an identifiable regulatory framework and associated cost structures that provide a useful benchmark. These include:

- Plan advocacy costs related to regulation
- Consent acquisition
- Consent monitoring
- Training
- Other compliance-related costs.

However, defining a robust counterfactual is challenging due to:

- Limited baseline data from which to measure changes accurately
- Uncertainty about what regulatory or operational approaches would have emerged in the absence of the NES-CF
- Sector-specific complexity, where the costs of compliance vary significantly by circumstance, for example, whether harvesting requires stream crossings, can materially affect compliance costs.

As a result, multiple credible counterfactuals could be constructed. The version presented here should therefore be treated as provisional – a pragmatic 'peg in the ground' rather than a definitive view.

3.1 Assumed counterfactual (No NES-CF)

In the absence of the NES-CF, we assume:

- Regional divergence would persist or intensify, with some councils continuing to refine and evolve their existing systems.
- Processes would likely be ad hoc and fragmented, characterised by:
  - One-off regulatory or procedural solutions tailored to specific industries or local circumstances
  - Highly variable practices driven by individuals within councils or agencies who may exceed typical expectations or apply inconsistent thresholds

Under this scenario, regulatory practice would differ markedly across regions and sectors. Larger employers or industries may be better placed to negotiate bespoke arrangements or compliance pathways, given their scale and bargaining power. However, this advantage is not guaranteed, as regional councils' perspectives, capacities, and priorities will differ, potentially resulting in uneven outcomes for medium and small enterprises.

4 The current situation

A number of factors have dominated the current situation:

- The NES-CF, which came into force in 2018
- Weather events such as Cyclone Gabrielle and the implications for forestry, particularly in Tairāwhiti
- Escalating costs, as new costs have been introduced, and established costs have increased.

4.1.1 The NES-CF and its purpose

Plantation forestry is a nationally significant land use that operates across multiple regional and district boundaries. Prior to the introduction of the NES-CF,[2] forestry activities were regulated solely through regional and district plans under the Resource Management Act (RMA). This resulted in substantial variation in rules, activity classifications, and consent triggers for the same activities occurring in different parts of the country.

While some level of local tailoring was appropriate to reflect specific biophysical risks, the degree of variation observed created unnecessary compliance costs, regulatory uncertainty, and inconsistent environmental management.

Prior to the NES-CF, forestry operators were repeatedly required to engage in plan processes in multiple councils to address the same technical matters (e.g. sediment control, earthworks thresholds, riparian setbacks).

This resulted in:

- High plan-advocacy costs for industry and councils
- Delays in decision-making
- No clear evidence of materially improved environmental outcomes.

The forestry evidence indicated that some companies employed full-time RMA specialists to manage the volume of plan variation across 10–15 districts.

Operational planning was complicated by neighbouring councils applying different rules to identical activities. In some cases, individual forests spanned several districts and two regional council areas.

This created:

- Confusion among field staff and contractors
- Inadvertent non-compliance where thresholds differed between jurisdictions
- Inefficient sequencing of harvest and earthworks activities, and
- Increased on-the-ground compliance and monitoring burdens.

Since the NES-CF was introduced, operators report significantly fewer mistakes and smoother operational planning due to a single, stable set of rules.

[2] It has had a name change. Previously it was called the National Environmental Standard for Plantation Forestry.

Interestingly, other issues were on the NES radar but have failed to adequately be addressed.

These issues are:

- Disproportionate impact on small foresters

Fixed compliance costs, such as technical assessments, planning, engineering input, and consent fees, fall disproportionately on small woodlots and farm-forestry operations. Interview evidence confirms that some small blocks incurred almost the same compliance effort as 90,000-hectare estates. Activities that were previously straightforward, such as replanting, now require specialist input to demonstrate compliance with more complex rules.

It is an established economic reality that fixed costs are, by nature, more burdensome for small entities than for large ones. The issue here is not simply the presence of fixed costs. Instead, interviewees highlighted that the scale and complexity of the compliance effort appear misaligned with the risks posed by small-scale operations, raising concerns about whether the cost burden is proportionate to the benefits delivered.

Given that one of the objectives of the NES-CF was to support small foresters and enable ongoing participation in forestry as a viable land-use option, there is a case for considering how compliance requirements affect smaller players. Without such consideration, the cumulative cost pressure may unintentionally undermine the policy intent of maintaining a diverse and resilient forestry sector.

- High-risk areas are subject to inefficient approaches

Some regions, particularly Tairāwhiti, apply very stringent and administratively heavy rules, resulting in:

  - Long, condition-heavy consents
  - High consent-processing costs
  - Limited monitoring to ensure the conditions were effective.

4.1.2 Weather events have had a major impact on policy

Weather events impact policy by creating a need for increased public and private sector preparedness and response, driving the creation of resilient infrastructure, influencing economic recovery efforts, and increasing pressure to address climate change through long-term strategies. This includes immediate measures like insurance claim management, financial system adjustments, and disaster relief, as well as long-term policies focused on climate adaptation, resilient infrastructure, and economic sustainability.

Forestry has experienced major storm-related disruption over the past few years. In particular, cyclones Hale and Gabrielle caused extensive damage in Tairāwhiti and Wairoa, prompting a Ministerial Inquiry into land use. The panel assessed storm impacts from woody debris and sediment and proposed ways to lessen future risks.

Ministry for Primary Industries (MPI) set out the main reasons for the widespread destruction in Tairāwhiti:

- Steep terrain
- High rates of tectonic activity (for example, frequent earthquakes and uplift)

- Weak geology dominated by fractured and crushed mudstone
- A mixed climate with warm-dry periods, heavy rainfall, and cyclones
- Large areas where native forest cover has been cleared.

The Ministerial Inquiry was given eight weeks to complete its report, during which it interviewed many affected individuals, iwi, social entities, and forestry companies. The recommendations from that report included:

- Clearing woody debris
- Support for the Gisborne District Council on land use management
- Improved national guidance on forestry management, including on forestry slash
- Work to strengthen regional partnerships.

4.1.3 Layering of costs is causing investment uncertainty

While regulatory consistency is improving, the new costs are causing uncertainty about future compliance requirements and potential capital investment in new forests.

This uncertainty has manifested through:

- Differences in council interpretation and staff practice
- Occasional extreme regulatory anomalies—such as the Port of Tauranga "polluted airshed" interpretation, which temporarily implied no new consents could be issued for port-related activities. Although rare (approximately once every 5–10 years), such anomalies can cost the industry hundreds of thousands of dollars and undermine confidence in the regulatory system
- The difference in costs between councils that use consultants and those that provide in-house services for setting up consents and monitoring.

4.1.4 Wider system pressures exacerbate the problem

Rapid regulatory change ('regulatory pendulum')

Frequent shifts between more stringent and less stringent national settings (e.g. freshwater planning, indigenous biodiversity, land-use controls) have created uncertainty for councils and industry.

This 'pendulum' effect imposes:

- Repeated adjustment costs
- Reduced confidence in long-term settings
- Greater risk of councils interpreting new obligations inconsistently.

Emerging quasi-regulatory burdens

Differential rating policies in some rural districts where forestry faces targeted rates set at 4×–12× the standard multiplier have introduced cost pressures that are not consistently applied to other heavy road users (e.g. farms that use milk tankers and fertiliser trucks). Industry stakeholders also noted cases where foresters contribute directly to upgrading multiple local roads, including roads that provide wider community benefits beyond

forestry operations. This raises equity concerns and adds to the sense of a fragmented and uneven regulatory burden.

The underlying reasons help explain why these pressures arise. Forest land generally has a low rateable value, and standing trees are excluded from valuation, prompting councils to use high multipliers to recover anticipated road wear. At the same time, forestry's impact on local roads is highly concentrated around harvest, often decades after planting. This creates a mismatch between when councils receive revenue and when they face costs, contributing to variable approaches across districts. Interviewees pointed to considerable inconsistency in how councils apply multipliers, structure targeted rates, and negotiate contributions for road upgrades. This heightens uncertainty for forest owners, particularly those with small or mid-sized estates.

Together, these factors reinforce the broader theme that forestry is exposed to a patchwork of local funding practices that are difficult to predict and may not align with the timing or distribution of road-use impacts.

5 Specific forestry costs and their impact

Complexity and scale are two issues that the forestry industry is dealing with:

- When it comes to compliance costs, scale matters; fixed costs can weigh as heavily on a 60-hectare block as on a 90,000-hectare forest, which argues for a risk-based approach that doesn't disadvantage smaller growers.
- Some processes that were once straightforward, such as replanting, now require specialist help, adding cost and complexity. Ideas such as planting trees on 10 percent of the least-productive farmland overlook that these areas can be the highest risk and most expensive to harvest and consent.

Not only is there complexity, but there is also unevenness in the costs. Below, we look at the major cost areas to understand how they have moved since the NES-CF came into force.

5.1 Plan advocacy costs

5.1.1 Bigger players

The interviews reveal a clear and consistent picture: plan advocacy costs have fallen substantially since the introduction of the NES-CF, but they remain a material and sometimes unpredictable part of forestry companies' compliance burden.

Before the NES, large owners and forest managers routinely spent weeks at a time responding to district and regional plan processes, often re-litigating the same rules across several jurisdictions.

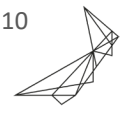
In the North Island in particular, companies were dealing with multiple regional councils and numerous district councils, each with its own thresholds, setbacks, and interpretations. As several interviewees observed, major firms once employed full-time planning or RMA specialists simply to keep up with this workload.

With the NES now providing a consistent national framework, those repeating cycles of advocacy have largely disappeared, and once costly (and constant) district plan issues have become far less significant. Today, plan advocacy is more targeted and far less time-intensive, with internal environmental teams handling most of it rather than lawyers and consultants.

Even so, plan advocacy has not vanished; instead, it has shifted in nature. Companies now focus on monitoring and responding to regional plan changes, including proposed departures from the NES, and supporting forestry-specific working groups or forums created by councils. Internal staff time remains the backbone of this work.

Several forestry managers reported spending only a small share of their time, often around 5 percent of an FTE, on advocacy today, compared with four to six weeks of hands-on work for a single plan before the NES.

Others estimated total internal advocacy expenditure at $400,000–$425,000 per year for larger organisations, once staff time is valued appropriately, while some maintain annual budgets of $120,000–$180,000 for specialist planning support. These ranges reflect differences in scale, geographic spread, and the degree to which companies rely on industry



bodies such as NZFOA, and regional wood councils, who now carry a significant share of the submission and coordination workload.

Across all interviews, a major theme is that advocacy costs today are episodic rather than continuous. Most years are relatively light, but specific regional issues can generate large spikes in activity and expense. We have already mentioned the Port of Tauranga "polluted airshed" provisions. Similarly, in Canterbury, forestry companies were required to challenge aspects of Plan Change 7 in court, with one firm spending around $180,000 to resolve issues created by an overly precautionary local interpretation of freshwater rules. These kinds of major interventions are rare but impactful, occurring perhaps once every five to ten years, and they dominate the advocacy cost profile when they arise.

Another consistent theme is that regional variation is driven more by personalities than by policy. Interviewees described wide differences in how individual planners interpret national rules, how risk-averse councils are, and how willing they are to override the NES. Tairāwhiti was repeatedly identified as the most demanding region, with increasingly complex rule-making and stringent expectations around certification, risk assessment, and erosion-prone land.

By contrast, many other regions "accept the NES and sit on it," applying it consistently and focusing their effort on monitoring rather than rewriting the national standards. These contrasts create uneven demands on forestry companies, who must engage deeply where councils push beyond the NES, but can take a lighter approach where councils rely on it as intended.

Looking ahead, companies expect plan advocacy costs to rise again in the short term, driven by RMA reform, transitional arrangements, and new national policy settings on freshwater and indigenous biodiversity. Although costs today remain lower than in the pre-NES era, the regulatory pendulum continues to swing, and each significant policy shift prompts a new cycle of submissions, hearings, and mediation.

Companies emphasised that stable and evidence-based national direction remains essential to preventing the re-emergence of fragmented regional rule-making.

Interviewees portray a sector where the NES has delivered real and enduring reductions in plan advocacy effort, but where costs have not disappeared and may rise again without careful national stewardship. Advocacy today is more strategic, more internally managed, and more efficient than in the past, but remains vulnerable to regional overreach, regulatory churn, and the occasional high-stakes dispute. These findings highlight the importance of consistent national direction and a risk-based approach to planning to ensure that compliance remains proportionate, predictable, and equitable across forest sizes and regions.

Table 2 Plan advocacy (large companies)

Per annum spend

	Estimated plan advocacy spend	Comment
Plan advocacy spend	$988,000	Significantly lower than prior to the NES-CF for most big players

Source: NZIER estimate based on industry response

5.2 Smaller foresters

The experience of small forestry growers differs sharply from that of larger companies. While the NES-CF reduced plan advocacy workloads for major operators, small growers have faced rising costs as compliance has become more technical.

Planting or replanting where once manageable inhouse, but new requirements such as detailed management plans and GIS shapefiles now force small growers to hire external specialists. In one case, the need to produce NES-compliant shapefiles increased replanting costs by $1,000 per hectare for a 20-hectare block, reflecting how fixed technical requirements scale poorly for small operations.

Plan advocacy itself imposes a significant time burden. One grower reported spending around 600 hours per year preparing submissions and responding to plan changes, particularly those proposing tighter forestry controls in the Wellington region. Valued at $125 per hour, this represents a cost typically absorbed by environmental or planning staff in larger firms. Across regional Farm Forestry Association branches, small growers may collectively contribute 2,000–2,500 hours annually to advocacy work, highlighting that regulatory processes disproportionately draw on volunteer time rather than professional capacity.

Small growers also experience substantial 'hidden' advocacy costs when councils misinterpret or incorrectly apply rules. In one case, council staff unfamiliar with the NES issued an abatement notice for a permitted ford crossing and wrongly challenged riparian planting. These episodes required lengthy correspondence and, in one instance, forced the grower to source metal off-site at a cost of $10,000 to avoid further enforcement risk.

Such interactions illustrate how small growers must often advocate defensively, that is, explaining regulations back to councils because they lack the institutional presence of large companies and because enforcement staff may have limited forestry expertise.

Overall, plan advocacy costs for small foresters are higher per hectare, less predictable, and more dependent on local council capability than for large operators. Fixed compliance requirements, council knowledge gaps, and the need to purchase professional services combine to create a disproportionate burden. For many small growers, the regulatory environment now demands a level of technical skill, time, and expense that significantly exceeds what their scale can reasonably support.

Table 3 Plan advocacy (small companies)

Per annum spend

	Estimated plan advocacy spend	Comment
Plan advocacy spend	$300,000	Significantly higher than prior to the NES-CF

Source: NZIER estimate based on industry response

5.3 Consents

5.3.1 National impact

Across the interviews, a consistent national picture emerges: resource consent costs for forestry have risen over the past five to seven years, driven by the NES-CF and by how regional councils interpret, implement, and monitor it.

It was expected that the NES would increase the number of consents; however, it was not expected that those consents would become more complex or more expensive.

Nationally, simple consents (such as afforestation setbacks or minor earthworks) now commonly cost $2,800–$3,500 to process, with forestry company preparation taking one to two days for a large company, and longer for smaller operators. More complex consents, particularly those involving slash management, sediment discharge risk, stream crossings, or high-risk erosion zones, can take weeks to months to prepare, with costs rising to $7,000–$15,000 for council charges alone, and $10,000–$25,000 in internal or consultant time. Some companies report internal preparation costs now exceeding external charges, reflecting increasingly detailed information requests and complex assessment requirements.

Larger firms often handle the bulk of consent preparation in-house, keeping costs lower. Smaller companies or woodlot owners, by contrast, must rely almost entirely on consultants, giving them less control over both cost and quality. Several interviewees emphasised that the fixed-cost nature of consents falls heavily on small growers, as the cost of preparing a consent is similar whether a block is 20 hectares or 2,000 hectares.

A national issue that crosses all regions is the marked rise in compliance and monitoring fees after consents are granted. These ‘after-approval costs’ now form a material part of the total burden, with invoices issued for site visits, monitoring reports, and follow-up investigations – sometimes amounting to dozens of billable hours for short site inspections. Companies consistently describe monitoring costs as unpredictable, uneven across councils, and increasingly separated from actual environmental risk.

It is also clear that other costs associated with consents are appearing. These include:

- Science levies, for unspecific work done by councils
- Levies that apply just for having a consent
- Consultant using equipment that provides only a marginal benefit and substantially increases consent costs

Small forest owners estimate typical consent charges for small growers nationwide at $9,000 for the simplest applications, with higher fees increasingly common.

Table 4 Consent spending nationally

Per annum spend

	Average cost of servicing consents (per year)	Total consent costs (nationally)	Comment
Larger forests			
Consent costs (council charges)	Between $6,500 and $11,000	Between $1,250,000 and $2,581,000	Approximate 30% increase in consents before the NES, with further increases due to issues such as slash
Compliance costs (by forestry companies)	Between 20% and 100% of the council charge	Between $383,000 and $1,916,000	More information is required by councils. Uses the mid- point of council charges to proxy compliance costs
Smaller forests (less than 500 hectares)			
Consent costs (council charges)	Between $6,500 and $11,000	Between $565,000 and $600,000	Approximate 30% increase in consents prior to the NES, with further increases due to issues such as slash
Compliance costs (by forestry companies)[1]	Between 20% and 100% of council charges	Between $116,500 and $582,500	More information required by councils. Uses the mid-point of council charges to proxy compliance costs

Note: (1) What companies have to do to meet council consent requirements. (2) Numbers are rounded.

Source: NZIER estimate based on industry response

5.3.2 Regional impact

Tairāwhiti

Tairāwhiti stands out as the most expensive, time-consuming, and unpredictable region for forestry consents. Multiple interviewees – both large and small operators – described the region as an 'outlier' in terms of bureaucracy, difficulty, and inconsistency.

One interviewee explained that the council's requirement for an SQEP (Suitably Qualified and Experienced Professional) to certify both planned and completed works adds substantial cost and administrative load, with no comparable requirement elsewhere. Tairāwhiti is also the only region where companies reported taking up to a year to obtain relatively simple consents, including a culvert installation that dragged on for 12 months, with an additional 6 months passing before an invoice was issued.

Respondents expect consent costs in Tairāwhiti to double relative to other regions, rising well above historic averages of $10,000–$11,000 per consent. Frequent and repeated requests for further information (RFIs) are a major cost driver, as are long administrative delays. The requirement for discharge permits for sediment and slash under section 15 RMA is unique to the region and significantly expands the consenting footprint.

Tairāwhiti also shows the strongest link between consents and regional policy direction, including land overlay transitions that may force thousands of hectares out of production. This creates a situation where companies feel compelled to over-prepare applications, adding cost but not necessarily improving environmental outcomes.

Hawke's Bay

Hawke's Bay generally presents mid-range and relatively stable consent costs. Companies report typical consent charges in the $3,000–$7,000 range, with preparation effort similar to that in Northland or the Bay of Plenty. The council tends to be pragmatic, risk-focused, and receptive to industry engagement.

Forestry companies working across both Tairāwhiti and Hawke's Bay emphasise the sharp contrast between the two regions. Some interviewees, whose forests straddle the boundary, face differing costs. A consent may cost thousands more on the Tairāwhiti side despite identical terrain, risk profile, and operational approach. This makes Hawke's Bay an important benchmark for assessing what 'normal' process, cost, and timeframes should look like.

Northland

Northland sits at the lower end of the cost spectrum. Several companies reported very few recent consents, partly because more activities qualify as permitted under the NES, and partly because the council engages constructively with forestry operators. When consents are required, charges are modest and timelines are short.

An interviewee reported minimal consent activity and modest costs in Northland in recent years, in contrast to Tairāwhiti. Other respondents also noted that Northland consents tend to be straightforward and have manageable monitoring requirements.

Bay of Plenty

The Bay of Plenty shows moderate consent costs and relatively predictable processes. One interviewee obtained three consents recently: one cost around $3,000 using a consultant, while others handled in-house were less costly. The region is viewed as stable, with clear expectations and reasonable timeframes.

Marlborough, Nelson, and Tasman

The Marlborough–Tasman–Nelson region generally presents lower-to-mid-range consent costs, but companies report a growing administrative burden and increasing uncertainty, largely driven by council capability and variable monitoring expectations. Operators working in this region manage sizable estates (up to 80,000 hectares) and hold a large suite of consents, many of them long-standing and predating the NES-CF.

While typical consent preparation costs are estimated at around $5,000 per consent, the overall workload fluctuates significantly, particularly following major weather events that trigger additional consents for slash tracks or land disturbance.

One interviewee noted they were currently spending around half of their work time on consent-related matters due to recent windthrow, though in a normal year, they may apply for only a small number of consents.

Canterbury

Canterbury is notable not for consent fees but for expensive, protracted disputes. Post-NES, one interviewee's forest in Canterbury was burdened by strict water-monitoring requirements (see plan advocacy).

Southland and Otago

Consent costs in the southern regions tend to be lower and more predictable, with some operators using long-lasting 'global consents' that cover multiple forests or activities. One regional consent in Southland costs $6,000–$7,000 per year to maintain, but monitoring costs are reportedly declining as systems mature.

Nonetheless, the drafting of new setbacks and overly precautionary rules has occasionally prompted costly advocacy or re-consenting, although not on the scale seen in Canterbury or Tairāwhiti.

Lower North Island

For small growers in particular, the Lower North Island is becoming a regional grouping of concern. While consent numbers remain low, the policy direction signals a potential shift toward restricted discretionary status for many forestry activities. Small growers expect future consent costs to rise significantly if these changes proceed, with fixed costs hitting them hardest.

Average costs regionally

Estimating average costs is difficult because the terrain and council approaches differ. Below, we have taken the soundings from companies to illustrate the costs that they face. We do not have complete coverage, but we do have a good range of regions.

Table 5 Selected consent costs regionally

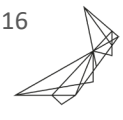
Per annum spend

Selected regions	Estimated consent costs (average)	Comment
Tairāwhiti	$19,000–$35,000	These have doubled since the report into Cyclone Gabrielle
Hawke's Bay	$5,000–$7,000	Proactive council and willing to engage
Northland	$5,000–$8,000	Minimal consent activity and modest costs
Bay of Plenty/Waikato	$3,000–$12,000	Predictable processes
Tasman/Marlborough/Nelson	$4,000–$6000	Consents tend to be at the lower end; however, monitoring costs are increasing.
Canterbury	$6,000–$7,000	Focused on water monitoring, given competing land uses
Southland and Otago	$7,000–$12,000	Relatively predictable, but interviewees consider that there have been overreactions to weather events
Wellington	$7,000–$12,000	Small foresters have to contend with a council that does not have a lot of forestry

Source: NZIER estimate based on industry responses

5.4 Monitoring consent costs

One of the most frequently mentioned costs is the compliance burden associated with council monitoring and site visits. Several companies reported receiving invoices for large blocks of billable time following short inspections, with one forest manager charged 80 hours of council time for a two-hour site visit on a minor road segment.



Small growers experience this even more acutely. Their costs have gone up in line with larger foresters, with little regard for their size. The fixed costs of being a small forester have increased dramatically, squeezing their margins.

Companies also highlighted monitoring and compliance charges tied to consent conditions, which can extend well beyond the initial application cost. These include sediment monitoring, water sampling, ecological assessments, and land stability checks, which are sometimes required annually throughout the life of the forest.

Monitoring pressures are a growing concern. Interviewees described some councils as increasingly demanding and difficult to work with, citing inconsistent interpretations of NES-CF requirements and council staff turnover as key drivers of unpredictability.

A loss of institutional knowledge within councils contributes to confusion over what constitutes compliance, prompting the need for joint field days to clarify basic regulatory expectations. Operators expressed frustration at being labelled non-compliant for routine sediment management practices, reflecting a lack of applied understanding among council officers.

While consent fees themselves remain moderate, the administrative and relational overhead required to ensure compliance is becoming more material. With the introduction of the NES, monitoring costs were expected to rise. However, the rise in monitoring costs has been significant. On average, monitoring costs are almost double and triple what they were pre-NES, nationally.

Regionally, the monitoring costs on average are approximately 20 percent to 50 percent of the council consent charges per annum (see Table 6).

Table 6 Monitoring costs

	Cost type	Comment
Large foresters	Average of between $2,000 and $4,000 annually	Can be unpredictable, particularly when councils hire consultants to provide them with reports on monitoring
Small foresters	Between 10 cents and 20 cents per hectare annually	Small foresters struggle with monitoring costs, given their limited ability to absorb fixed costs
Total cost	$372,000 and $744,000 per annum	Estimated number of consents (161) multiplied by average cost between $2,000 and $4,000 and an increase in small foresters monitoring costs of between $50,000 and $100,00 nationally per annum. Unpredictable and variable across New Zealand
Regional impact	Between 20 percent and 50 percent of council consent costs per annum	The higher the consent charges, the higher the monitoring costs tend to be (with some exceptions).

Source: Based on industry response

5.5 Training

5.5.1 Large foresters

Across the forestry sector, training related to regulatory compliance has always been a component of operational cost. While not always captured in financial accounts, interviewees consistently emphasised that the time spent training staff, contractors, and managers to meet evolving regulatory requirements is important, particularly as rules become more complex.

For larger companies, regulatory training is increasingly woven into routine operational practices. Firms build monthly contractor briefings and pre-season workshops into their work programmes, covering NES-CF requirements, environmental protection standards, erosion and sediment control, slash management obligations, consent conditions, and health and safety rules.

Some interviewees hold around 10 training sessions a year, each covering consent and environmental compliance, as well as operational matters. These firms tend to absorb the cost internally: managers deliver training themselves, contractors carry their own time costs, and external specialists are required only occasionally. Even so, internal preparation and delivery represent significant managerial time, especially when councils modify rules or issue new guidance, and when staff must be brought up to speed rapidly on a region's expectations.

In regions where councils adopt stricter or more inconsistent approaches, Tairāwhiti being the starkest example, training requirements intensify. Companies must coach crews on additional inspection regimes, the use of SQEPs, tighter slash controls, or complex sediment-management expectations.

Contractors and supervisors frequently need refreshers on what is permitted versus what triggers consents, as the cost of misunderstanding is high. Several interviewees noted that because some consent conditions are unique to a region or even a single forest, training must be customised rather than standardised, thereby increasing time and administrative costs.

5.5.2 Small foresters

Training is a major challenge for small foresters. Without in-house capability, they face steep learning curves.

Even technically competent growers struggled to use the mapping and modelling tools embedded in NES-CF requirements, including GIS software and MPI's upcoming new wilding risk calculator, which interviewees found practically unusable for small forests due to a minimum mapping resolution of 900 hectares.

Small growers, therefore, spend significant time self-training, interpreting guidance, or attending workshops. These time costs effectively substitute for financial costs that large firms absorb through salaried staff.

5.5.3 Overall impacts

A consistent theme across interviews is that regulatory training is no longer optional – it is integral to maintaining compliance, avoiding enforcement action, and managing operational risk. Yet the burden is unevenly distributed. Large companies can spread

training overhead across dozens of crews and thousands of hectares, whereas small growers must either train themselves, pay consultants, or risk non-compliance. As councils introduce new rules, update freshwater plans, or reinterpret NES-CF provisions, the training load grows correspondingly.

Overall, regulatory training now functions as a shadow compliance cost: not always visible, not always invoiced, but deeply felt in staff time, contractor coordination, and the need to update internal systems continually. It is one of the clearest examples of how compliance costs scale poorly for small operators while accumulating steadily, though more manageably, for larger forestry companies.

Table 7 Training costs associated with regulatory reform

	Training costs	Comment
Large foresters	Varies between companies but similar to pre-NES	The NES has made training more straightforward. Company management has been able to systematise and standardise training, given the certainty of the NES from district to district. The exception has been Tairāwhiti, where rules have been less predictable.
Small foresters	Small foresters struggle to keep up	They spend a lot more time examining how new regulatory changes impact them, relative to bigger companies, on a per-hectare basis

Source: Based on industry responses

5.6 Other costs

Beyond plan advocacy, consent preparation, monitoring and regulatory training, forestry companies face a range of costs that, while individually smaller, collectively form a significant and growing burden. A recurring theme across interviews is that these costs often arise indirectly, such as enforcement interactions, data requirements, or policy-driven obligations. They are not always captured in financial reporting systems.

5.6.1 Wilding conifers

Wilding pine control also emerged as an additional, often under-recognised cost for forestry companies. While effects are highly region-specific, interviewees noted that wilding conifers are primarily a South Island and central North Island issue, with limited impact in areas where plantation forests are surrounded by farmland or other commercial forests.

Operators managing radiata-only estates in the North Island reported relatively modest contributions – typically small annual payments to collaborative control programmes, such as $10,000–$15,000 per year around Lake Taupō – reflecting a responsibility to maintain landscape values even where production forests are not the source of the incursion.

However, wilding conifers in regions such as the Mackenzie Basin, central plateau, and Naseby are frequently conflated with plantation forestry despite often originating from historic Crown plantings or non-production species such as contorta or Douglas fir. Some companies have spent up to $800,000 per annum over the last four years controlling wilding conifers.

5.6.2 Differential rates

Companies also pointed to other policy-driven or quasi-regulatory costs, including the science levies in regions such as Tairāwhiti, and in some cases, targeted forestry rates, where councils have sought to impose substantially higher rates on forest land relative to pastoral farming. Examples include Ruapehu District Council's 400 percent rate increase, phased in over four years, and attempts in Upper Hutt to introduce differential rates specifically targeting forestry landowners. Wairoa District Council was another council imposing large rate increases on forestry owners.

Taken together, these 'other costs' reveal a compliance environment where obligations extend well beyond consents and rules. They reflect a system where monitoring, certification, data requirements, and council capability each shape the true cost of operating a forest – often in ways that fall most heavily on smaller growers with limited capacity to absorb or contest these burdens.

Table 8 Other costs and quasi-regulatory costs (examples)

	Cost type	Comment
Wilding conifers	Up to $1.2 million per annum	Variable, highly dependent on the location of the forest. Many of these forests dealing with wilding conifers are in the South Island, but not all
Science levies	$2,000–$4,000 per annum	Selected councils have imposed these levies
Differential rates	Rate differentials of up to four times those of other competing land uses	District councils such as Wairoa and Ruapehu District Councils have imposed large rate increases on forest owners.

Source: Based on industry responses

5.7 Summary of regulatory compliance costs

Current forestry regulatory compliance costs have become more complex, more uneven, and scale poorly. Fixed and technical requirements that are manageable for large forests fall disproportionately on small growers, especially where replanting, mapping and consent processes now require specialist input.

While the NES-CF has reduced duplicated plan advocacy work for most big players by providing a more consistent national framework, advocacy has not disappeared. It appears that costs have shifted to monitoring regional plan changes, addressing local departures from the NES, and handling occasional high-stakes disputes. For small growers, advocacy and compliance work is more ad hoc, more time-intensive, and often involves 'defensive' engagement with councils.

Consent-related costs have risen sharply nationwide, driven as much by the way councils interpret and monitor consents. Simple activities now entail more preparation and scrutiny, complex consents can be highly demanding, and post-approval monitoring and reporting have become a major, unpredictable burden. Regional variation is stark, with some councils pragmatic and risk-focused, while others add layers of requirements, delays, and uncertainty that significantly widen the consenting footprint.

Alongside this sit 'shadow' compliance costs. Larger companies have systematised regulatory training and can spread this overhead across many crews, but still face growing demands as rules and guidance change. Small growers must self-train, buy in expertise, or risk non-compliance.

Monitoring charges, science levies, wilding control obligations, and differential rating all add further pressure, particularly when councils use them in ways only loosely connected to actual environmental risk.

Overall, the system has delivered some national consistency benefits, but compliance remains highly sensitive to regional practices and continues to weigh most heavily on smaller operators.

Table 9 Summary of regulatory costs

Per annum spend

	Estimated plan advocacy spend per annum	Comment
Plan advocacy (nationally)		
Large companies	$988,000	Significantly lower for most companies nationally
Small companies	$300,000	Significantly higher than prior to the NES- CF, nationally
Consent spending (nationally)		
Consent spending (includes council charges and company compliance costs)	Between $2,198,000 and $5,097,600	Highly variable. Based on the average costs of servicing consents over 5 years
Council charges for consents regionally		
Tairāwhiti	$19,000–$35,000	These have doubled since the report into Cyclone Gabrielle
Hawke's Bay	$5,000–$7,000	Proactive council and willing to engage
Northland	$6,000–$7,000	Minimal consent activity and modest costs
Bay of Plenty/Waikato	$3,000–$12,000	Predictable processes
Canterbury	$6,000–$7,000	Focused on water monitoring, given competing land uses
Nelson, Marlborough and Tasman	$4,000–$6,000	Consent costs are stable, and increases come through monitoring
Southland and Otago	$6,000–$8,000	Relatively predictable, but interviewees consider that there have been overreactions to weather events
Wellington/Lower North Island	$9,000–$10,000	Small foresters have to contend with a council that does not have a lot of forestry
Training costs		
Large foresters	Varies between companies but similar to pre-NES	The NES has made training more straightforward
Small foresters	Small foresters struggle to keep up	They spend a lot more time examining how new regulatory changes impact them, relative to bigger companies, on a per-hectare basis
Monitoring costs		

	Estimated plan advocacy spend per annum	Comment
Large foresters		Can be unpredictable, particularly when councils hire consultants to provide them with reports on monitoring
Small foresters		Small foresters struggle with monitoring costs, given that they have less capability and capacity
Total monitoring costs per annum	$372,000 and $744,000 per annum	Unpredictable and variable across New Zealand
Wilding conifers	Up to $1.2 million per annum	Variable, highly dependent on the location. Many of these forests dealing with wilding conifers are in the South Island
Science levies	$2,000–$3,000	Selected councils have imposed these levies
Differential rates	Rate differentials of up to four times those of other competing land uses	District councils such as Wairoa and Ruapehu District Councils have imposed large rate increases on forest owners.

Source: NZIER estimate based on industry responses

6 Conclusion

Of the components that could be plausibly quantified, results suggest that regulatory compliance costs for commercial forestry are material, unevenly distributed, and scale poorly, particularly for smaller growers.

The principal compliance cost impacts captured in the quantified analysis are:

- Plan advocacy costs:
  - For large companies, these have fallen relative to the pre-NES-CF period, but remain episodic and can spike sharply when regional plans depart from national direction
  - For small growers, plan advocacy is more ad hoc, time-intensive, and often defensive, with higher per-hectare costs than for larger operators.
- Consent and monitoring costs:
  - Consent costs have risen substantially nationwide, driven by more complex applications, greater information requirements, and increased reliance on external specialists, especially for small foresters.
  - Post-approval monitoring charges: site visits, reporting, sampling and follow-up – now form a significant and often unpredictable share of total compliance costs, with regional practices varying widely.
- Training and "shadow" compliance costs:
  - Larger firms have been able to systematise training and embed regulatory requirements into routine operations, spreading costs across large estates.
  - Small growers bear disproportionate time and learning costs in understanding and implementing NES-CF and related requirements, often without in-house capability.
- Other quasi-regulatory and policy-driven costs. Wilding pine control, science levies, differential rating and similar measures add to the overall burden, particularly where they are only loosely tied to the actual risk posed by a specific forest or operation.

We must stress that there are limitations in the quantified analysis, largely reflecting the availability and quality of information:

- Most data are based on interviews and self-reported estimates from a sample of forestry companies and growers, rather than comprehensive administrative records.
- Regional practices, terrain and exposure to extreme events differ markedly, so national estimates inevitably mask local variation.
- Some important cost categories, such as internal management time, opportunity costs of delayed investment, or the full extent of quasi-regulatory burdens, are only partially captured.

The figures presented in this report should be regarded as order-of-magnitude estimates of forestry compliance costs rather than definitive measures. They provide a structured indication of where costs are concentrated, how they differ between large and small operators, and how they have shifted since the NES-CF came into force.

7 References

Manaaki Whenua Landcare Research. 2025a. 'LCDB v6.0 - Land Cover Database Version 6.0, Mainland, New Zealand | LRIS Portal'. October 21. https://lris.scinfo.org.nz/layer/123148-lcdb-v60-land-cover-database-version-60-mainland-new-zealand/.

Manaaki Whenua Landcare Research. 2025b. 'New Zealand Land Cover Database (LCDB) Classes at Version 6'. October 14.

Ministry for the Primary Industry. 2025. 'Gully Erosion in Tairāwhiti Gisborne'. https://www.mpi.govt.nz/forestry/forest-science-and-research/gully-erosion-in-tairawhiti-gisborne.

Orme & Associates. 2025. *Land-Use Change from Pastoral Farming to Large-Scale Forestry: Update May 2025*. https://beeflambnz.com/knowledge-hub/PDF/land-use-change-pastoral-farming-large-scale-forestry.pdf.

Appendix A Pre-NES and post-NES costs

Table 10 Pre-NES and post-NES costs

Per annum spend

	Pre-NES costs	Post-NES costs	Comment
Plan advocacy (nationally)			
Large companies	$958,000	$988,000	Mostly down for forestry companies
Small companies	Not known	$300,000	Up for most small entities
Consent spending (nationally)			
Consent (council charges + forestry compliance costs). Large companies	1,241,000	Between $1,633,000 and $4,497,000	Highly variable between companies. Increase volume of consents (30%), but prices are similar in most regions
Consent (council charges + forestry compliance costs). Small companies	Not known	Between $565.000 and $600,000	Similar consent and compliance profile to large companies
Council charges on consents regionally (average)			
Tairāwhiti	$19,000–$35,000	Increased number of consents and double pre-NES	
Hawke's Bay	$5,000–$7,000	Increased number of consents, consent prices similar to pre-NES	
Northland	$6,000–$7,000	Increased number of consents, consent prices similar to pre-NES	
Bay of Plenty/Waikato	$3,000–$12,000	Increased number of consents, consent prices similar to pre-NES	
Tasman/Marlborough/Nelson	$4,000–$6000	Increased number of consents, consent prices similar to pre-NES	
Canterbury	$6,000–$8,000	Increased number of consents, consent prices similar to pre-NES	
Southland and Otago	$6,000–$8,000	Increased number of consents, consent prices similar to pre-NES	
Wellington	$9,000–$10,000	Increased number of consents, consent prices similar to pre-NES	
Monitoring costs			
Large forests		Between 20% and 100% of council consent charges	Variable. Has increased substantially in some regions
Small forests		Between 20% and 100% of council consent charges	Has increased substantially for all small foresters
Total monitoring costs	$140,000	$372,000 and $744,000 per annum	Unpredictable and variable across New Zealand
Training costs			

	Pre-NES costs	Post-NES costs	Comment
	Not recorded	$500,000	Varies between companies but similar to pre-NES
	Not recorded		Increased training
Wilding conifers	Not recorded	$1.2 million per annum	Variable, highly dependent on the location
Other charges associated with consents	Nil	$2,000–$4,000 per annum	Variable. Science levies, consent levies
Differential rates	Nil	Rate differentials of up to four times those of other competing land uses	District councils such as Wairoa and Ruapehu District Councils have imposed large rate increases on forest owners

Source: NZIER estimate based on industry responses