



Country specific guideline for New Zealand

This guideline has been prepared by the Australian and New Zealand Governments. It is intended to assist Australian importers of regulated timber products from New Zealand in understanding the regulatory framework in New Zealand in order for them to carry out their due diligence obligations under the *Illegal Logging Prohibition Amendment Regulation 2013*, which supports the *Illegal Logging Prohibition Act 2012*.

This guideline was co-endorsed by the Australian and New Zealand governments on 7 October 2014.

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Readers should also confirm that this is the most up-to-date available guideline by referring to the Department of Agriculture website.

What is required under the new law?

Australia's *Illegal Logging Prohibition Act 2012* (the Act) restricts the movement of illegally logged timber into Australia for imported timber and timber products; and at timber processing mills, for domestically grown raw logs.

The Act seeks to address the harmful environmental, social and economic impacts of illegal logging, including forest degradation, habitat loss and threats to sustainable livelihoods.

The Act defines illegally logged as:

'in relation to timber, means harvested in contravention of laws in force in the place (whether or not in Australia) where the timber was harvested.'

The *Illegal Logging Prohibition Amendment Regulation 2013* (the Regulation) prescribes due diligence for the regulated community, that is, Australian importers of regulated timber products (for the purposes of the Act a regulated timber product is a product listed in Schedule 1 to the Regulation) and Australian processors of domestic raw logs. Under the Regulation the regulated community has to undertake a due diligence process to minimise the risk of sourcing illegal logged timber.

Due diligence requirements for importers include the following steps:

Step 1: Information gathering

Step 2: Assessing and identifying risk against a timber legality framework (optional) or a country specific guideline (optional)

Step 3: Risk assessment (if required)

Step 4: Risk mitigation (if required)

Further information about the Act and the Regulation is available at the Australian Government Department of Agriculture's website (agriculture.gov.au/illegallogging).

This guideline is intended to assist an importer of regulated timber products from New Zealand to comply with the due diligence requirements of the Regulation.

Information or evidence listed in this guideline is not an exhaustive list of evidence or documentation required to satisfy due diligence requirements under the Regulation. Please refer to the Regulation for the information required to satisfy the due diligence requirements.

Information gathered by applying this guideline, along with any other information gathered in accordance with the Regulation, needs to be assessed in accordance with the processes outlined in the Regulation to identify the risk that a regulated timber product is, is made from, or contains illegally logged timber.

What timber products are imported into Australia from New Zealand?

New Zealand is Australia's second most valuable supplier of regulated timber products (by dollar value).

In 2012, imports from New Zealand were worth A\$576.4 million, or around ten per cent of Australia's total regulated timber product imports. New Zealand is also Australia's most valuable supplier of wood articles and pulp products, worth A\$296.7 million and A\$46.2 million respectively.

Timber products imported from New Zealand to Australia have typically undergone some processing. In 2012, the top five regulated timber products imported from New Zealand, by the international Harmonized System (HS) tariff code, were:

- sawn wood (HS Code 44.07)
- builders' joinery and carpentry (HS Code 44.18)
- continuously shaped wood (HS Code 44.09)
- toilet paper (HS Code 48.18)
- uncoated kraft paper and paperboard (HS Code 48.04).

How does New Zealand assure legality in its forests?

New Zealand operates a robust regulatory framework that ensures a low risk of illegal logging within New Zealand forests. This regulatory framework is backed up by a strong judiciary, a low level of corruption, and a highly professional forestry industry.

New Zealand's regulatory framework ensures that timber harvesting in New Zealand is:

- Legal;
- Environmentally sustainable;
- Socially beneficial; and
- Economically viable.

Timber or timber products that Australia imports from New Zealand may come from one of three sources:

- Planted exotic forest;
- Natural indigenous forest; or
- Overseas timber imported into New Zealand.

Information on how the New Zealand regulatory framework covers these three sources is detailed in the Questions and Answers section.

Things to consider when importing timber from New Zealand:

- Was the product harvested in New Zealand?
- Is the species what you would expect? (e.g. exotic species from planted forests, indigenous species from natural forests).
- Do you know the exporter? Do you have an existing business relationship?
- Is there anything unusual about the product? (e.g. low price, unusual volume).

For more information see 'The Legality of New Zealand's Forest Products' document at mpi.govt.nz.

Questions and Answers

1. What are the tree species I can expect to import from New Zealand?

There are two different types of forest in New Zealand: exotic planted forests and indigenous natural forests.

The majority of the timber harvested in New Zealand comes from exotic planted forests. Common species from these forests include:

- Pine
- Fir
- Cypress
- Eucalyptus.

The majority of New Zealand's indigenous natural forests are held by the government under the conservation estate. Harvesting is generally not permitted in these forests. However, there are some privately owned indigenous natural forest where harvesting is permitted. Common species from these forests include:

- Rimu/Miro
- Native Beech
- Matai.

There may be some products which contain timber which was harvested in a third country, before it was imported into New Zealand and then exported to Australia. In this case importers should contact their New Zealand exporter to gather further information about this product as New Zealand's regulatory framework does not cover timber products harvested overseas.

2. How does the regulatory framework cover planted exotic forests in New Zealand?

Exotic forests are planted specifically to be harvested, usually with exotic species not native to New Zealand. These are usually commercial operations.

New Zealand's exotic planted forests are, along with the management of agricultural and horticultural activities, regulated under the *Resource Management Act 1991* (see legislation.govt.nz, or visit mfe.govt.nz/publications/rma/everyday for a guide to the Act). The Act operates on the basis of avoiding or minimising the adverse environmental effects of harvesting and related activities.

The Act applies to all natural and physical resources. It is administered by local governments through their regional and district plans. Links to the local council websites are available at localcouncils.govt.nz.

These plans are prepared and administered by local government to ensure good resource management, taking account of the geographic, social and other factors applicable to the region or district to which the plan relates.

Activities, including forest harvesting, are categorised as "permitted", "consented", or "prohibited" depending on the outcomes of local government's planning processes.

An example of a resource consent certificate granted by a local council for the purposes of harvesting timber can be found at Annex 1.

The long history of exotic planted forestry in New Zealand and the environmental context in which it operates has given rise to a regulatory and community perception of forestry as environmentally and socially beneficial in many parts of the country.

New Zealand forest harvest practices are subject to ongoing scrutiny, both formally and through the actions of interested stakeholders within the community. The Ministry for Primary Industries, the Ministry for the Environment and other central government agencies work to ensure that forestry operations in exotic planted forests are environmentally sustainable, safe and legal under New Zealand law.

3. How does the regulatory framework cover natural indigenous forests in New Zealand?

Indigenous forests are the natural forests of New Zealand comprised of native species. The majority of these forests are owned by the government and are protected as a part of the conservation estate under the *Conservation Act 1987* (see legislation.govt.nz) and the *Reserves Act 1977* (see legislation.govt.nz).

Some harvesting is permitted in privately owned indigenous forests. Indigenous timber harvesting is governed by the *Forests Act 1949* (see legislation.govt.nz), in addition to having to comply with the *Resource Management Act 1991*. The *Forests Act 1949* is national legislation implemented by central government. All harvesting of indigenous timber in New Zealand must be done under a permit or plan. These permits and plans are administered by the Ministry for Primary Industries.

There is a ban on the export of indigenous timber in log or wood chip form and further restrictions on the export of indigenous timber. Only rimu and beech may be exported as sawn products.

See <u>Annex 2</u> for an example of a Notice of Intention to Export Indigenous Timber form, and <u>Annex 3</u> for an example of a New Zealand Customs Service Export Delivery Order, the final stage of clearance for exporting indigenous timber from New Zealand.

For more information on the regulatory framework surrounding indigenous forests see mpi.govt.nz/forestry/forestry-in-nz/indigenous-forestry.

4. Are there other parts of the regulatory framework that cover the legality of harvested timber?

Yes. In New Zealand, the theft of property is covered by the *Crimes Act 1961* (see legislation.govt.nz). This includes the theft of timber and timber products after the point of harvest. It also covers the forging of documents, which could potentially include the forging of documents associated with forestry operations.

5. Is corruption a problem in New Zealand?

New Zealand is recognised internationally as having low levels of corruption. Transparency International (see transparency.org) ranked New Zealand as joint first in the world in its 2013 Corruption Perception Index due to low levels of corruption and well enforced rule of law.

Who should I contact for further information?



Australian Government

Department of Agriculture

Australian Government

Department of Agriculture GPO Box 858 Canberra ACT 2601

Phone: +61 2 6272 3933

agriculture.gov.au/illegallogging illegallogging@agriculture.gov.au



New Zealand Government

Ministry for Primary Industries PO Box 2526 Wellington 6140

Phone: +64 800 00 83 33

mpi.govt.nz/about-mpi/contact-us

mpi.govt.nz/forestry/forestry-in-nz/illegal-

logging

Annex 1 - Resource Consent Certificate for harvesting timber (example)



Annex 2 - Notice of Intention to Export Indigenous Timber (Form ITE1) (example)

Notice of Intention to Export Indigenous Timber (Form ITE1)



This form to be forwarded to AsureQuality New Zealand at least 10 days prior to the date of exporting Notice of Intention to Export - Form ITE1 (s 67C(3) Forests Act 1949; s 5(2) Forests Amendment Act 2004)

To: Director-General, Ministry for Primary Indus	tries			
I GIVE NOTICE of my intention to export the indiger	nous forest produce d	escribed in this notice, and, I dec	lare that the particulars set	t out in this notice were, at
the date of this declaration, true and correct in every	y respect and in accor	dance with the requirements of th	ne Forests Act 1949.	
I ACKNOWLEDGE an inspection of the export cons	signment by a Forestr	y Officer is required.		
Signature of Exporter:	(Print Name):		Date:	
Exporter/Consignor Name and Address				
_	T_		I - s	
Phone:	Fax:		Email:	
Buyer/Consignee Name and Address				
Ship/Airline/Post (Name of vessel/Fight No.)	Sea/airport of load	ng		
Sea/airport of discharge	Final Destination		Date of exporting:	
Description of Exports (include any marking)		Species	Net weight (kg)	Volume (m³)
Source: I I Note: All applications MUST include a written statement of timber (for example, SFM Plan/Permit Annual Logging Pla Statement and owner(s) name.)		Notes:		
Address where consignment can be inspected:				
Contact Name:		Contact Number:		
Phytosanitary certificates required?				
MPI Use Only	(st MP)	AsureQuality Use Only Inspected: Y / N EXPORT: APPROVED / NOT APPROVED		
Source confirmed: Y / N	stamp here			(10)
Source confirmed: Y / N Signed: Date:		EXPORT: APPROVED / Signed:	NOT APPROVED Date:	(10)
Source confirmed: Y / N	here	EXPORT: APPROVED /		(10)

phytosanitary requirements.

Export information is provided on the back of this form.

Email phytocerts@asurequaity.com or fax 07-575-8110 your completed form to AsureQuaity-Mt Maunganui.

For further information contact the Ministry for Primary Industries: 0800 00 83 33

Notice of Intention to Export Indigenous Timber - Form ITE1

Ministry for Primary Industries

Annex 3 – Customs Service Export Delivery Order (example)

