



WOOD PROCESSORS & MANUFACTURERS
ASSOCIATION OF NEW ZEALAND

Annual Report

2024/2025

Chair and Executive Report 2024-25

With a shared voice calling for resilience during tough times, the wood processing and manufacturing sector throughout the 2024-25 financial year collectively supported one another in dealing with a flat domestic market for timber sales, along with trade uncertainty created by geopolitics. Some commentators noted that it was the worst domestic market they had seen for many years, with building consents down 25 percent and government cancelling construction and infrastructure projects to reign in Crown debt. Despite this, export markets showed promise, with Stats NZ reporting an increase of 42 percent in exports of logs, wood, and wood articles for April 2025 when compared to April 2024.

New policy initiatives continued to be rolled out, with WPMA actively submitting on twenty plus legislative and regulatory proposals released by the government. This included everything from trade agreements through to new settings for migrant workers, energy proposals, and resource consent reform. Our core activities and highlights for the financial year are outlined further within this annual report.

Several positive outcomes from our advocacy for members were announced, such as a new legislative clause that resource consent decisions for wood processing activity now need to be made within 12 months, a reset on worker exposure standards, implementation of investment boost, and sign off of the Agreement on Climate Change, Trade and Sustainability which recognises wood as an environmental good. Though at the same time the government continued to side-step acknowledging the boost that increasing the use of wood products in government procurement decisions would have for our industry, the economy and New Zealand's environment.

On the energy side escalating electricity and gas prices led to restructuring and the closure of several mills. To support members, we strongly advocated for solutions to the high energy prices and uncertainty of future supply. As major electricity users our support went out to our members who had been hit particularly hard by the escalation in electricity prices. Our plea was that all political parties work together to develop a long-term plan for future proofing our industry and New Zealand through provision of secure and affordable energy now and into the future.



Chair Don Hammond and Chief Executive Mark Ross with a member of the Vietnamese delegation.

From a Board perspective we welcomed Don Hammond as the new Independent Chair of WPMA. Don is known to many within the wider forestry sector and has a strong background in all facets of the supply chain. Near the end of our financial year Oji Fibre Solutions Chief Executive, Jon Ryder, stepped down from his role as Deputy-Chair of the WPMA Board. Jon had served on the Board of WPMA since 2012 and along with his Deputy-Chair role had also been acting Chair on several occasions. At the same time Ian Jones (Fletcher Wood Products) also stepped down as a Director, due to a change in his work role within Fletchers. On behalf of the WPMA membership, we thanked Jon and Ian for their hard work in leading and supporting our industry.

After a hiatus of eight years, WPMA relocated from Salamanca Road in Kelburn back into ForestWood Centre at 93 The Terrace, Wellington. This move enabled closer engagement with other key organisations in the wider forestry chain, including NZ Forest Owners Association, the Farm Forestry Association, NZ Institute of Forestry, and the Forest Industry Safety Council bringing positive strategic benefits for both wood processing and forestry interests. Looking ahead it is essential that we collaborate more across the supply chain to get the best outcomes and growth we can from within the wood processing and forestry industries.



WPMA Chair, Don Hammond and Chief Executive, Mark Ross

The Pan Sector Group continued to meet on a quarterly basis sharing our main priorities and developing collective actions where possible to drive policies that support the wider forestry supply chain. Regular meetings between MPI and Ministers have also been established, with the Pan Sector Group focussed on economic and sustainable industry growth. To build further on this collaboration representatives from WPMA and Forest Owners Association met on a regular basis with Ministers McClay (forestry, trade) and Minister Watts (energy) to discuss and progress solutions to core industry issues.

Member networking opportunities are a core benefit of joining WPMA with our 2023-24 AGM allowing members to mix with invited guest speakers, industry representatives, and key decision-makers. Being able to share insights and make business contacts was a benefit that those attending the AGM were able to acquire. Throughout the year we also held various virtual member-based events on both domestic and global issues, with planning commencing for our October 2025 National Conference.

The development of the EUDR Starter Toolkit as a member benefit for exporters to the European Union highlighted the importance of WPMA leadership in working with the wider forestry industry and government to produce positive outcomes. This was further emphasised with the establishment of the U.S. Special Interest Group, which had a core focus on interacting with members and trade officials to advocate for a zero/low tariff on timber, lumber and

their derivatives exported to the United States. During the year we warmly welcomed several new members into WPMA. Millari NZ (a distributor of True Blue Timber) who purchased the Gisborne JNL mill, KopCoat (a wood preservations solutions company), NZ Timber Ltd (a family owned treatment and processing plant based in the Waikato), and Kaituna Mill in Blenheim (a subsidiary of OneFortyOne). Having a strong membership is important for achieving positive outcomes for the wider sector, and it was pleasing to increase the number of our members during the financial year.

As a voluntary membership driven association WPMA continued to represent our member viewpoints, with media uptake on our activities strong across all broadcasting outlets. Any relevant news and proposed changes to our industry were shared with members throughout the year via our press releases, monthly newsletters and other communications to keep them informed of our activities and key sector issues. Having WPMA member input into our activities enhanced the overall influence and importance of our Association to government officials, media, and industry colleagues.

On a final note, we thank all our members for their on-going support, and our staff for their hard work. We look forward to enhanced future engagement with you all and ultimately growth across our wood products industry.

Outlined as follows are highlights and samples of initiatives undertaken by WPMA throughout the 2024-25 calendar year.

Energy affordability and security a top priority

With mill and industry slowdowns due to escalating electricity prices, a core on-going focus of WPMA continued to be advocating for Government led solutions to lower energy prices and enable certainty to future direction. Both industry and our members were involved in numerous meetings and discussions with decision-makers and energy officials. Government has a significant role to play by removing barriers to competition, and WPMA advocated that opposition parties support is needed to secure longer term direction. The overall goal being affordable prices and energy security. We continue to engage on energy policy with the goal that outlined actions will lead to future certainty.



United States talks trade and tariffs

At certain times in our history a decade happens in a month, and with Donald J Trump being inaugurated as the 47th President of the United States on the 20 January it sure felt like the world was turned upside down in 2025. This included the launching of the United States global investigation under section 232 of the Trade Expansion Act to determine the potential effects on national security of imports of timber, lumber and their derivative products. On behalf of our members and the wider sector, we led and actively worked behind the scenes, with allied U.S. groups, government and media to emphasise the uniqueness of NZ timber and lumber, and to support the on-going \$380 million of exported wood products to the U.S. The goal being to keep our products tariff free, or at least at a workable tariff rate of 10 percent or less. This advocacy proved beneficial with, for example, media outlets running supportive stories, trade officials backing our sector, and U.S. based housing/building material Associations aligning with our cause.



European Union Deforestation Regulations – WPMA developed a New Zealand solution for wood product exporters

With the aim of ensuring European Union consumption does not contribute to global deforestation and degradation of forest ecosystems, the EU introduced regulations that will be enforced on seven commodities, including wood products. The key information required via due diligence statements will be provision of geo-coordinates of all plots of land where the wood was harvested, and evidence that the wood is deforestation free, i.e. before and after proof. WPMA formed and led a working group that included WPMA members, Forest Owners' representatives, and government officials. Working with the group WPMA developed a member-based EUDR Guidance Toolkit, with the overall goal being to ensure market access to the EU continues for our wood product exports.



Pan Pac Forest Products – Photo Credit
Simon Cartwright Photography

RMA reform good news for wood processors – WPMA advocacy benefits industry

Mandating the processing of resource consents to 1-year for wood processing facilities and related activities announced by Government as part of the resource management reform proposals was advocated for and welcomed by the Wood Processors and Manufacturers Association. With examples of resource consent renewal taking up to 13 years and costing more than \$2 million due to the drawn-out regional council processes, a more efficient system is essential. WPMA welcomed the reform, and we look forward to working alongside the resource management expert panel and officials to ensure that the new Resource Management settings are effective for incentivising future investment and growth within our industry.

**Government
unveils its plan
for RMA reform**

WorkSafe reform supported by WPMA

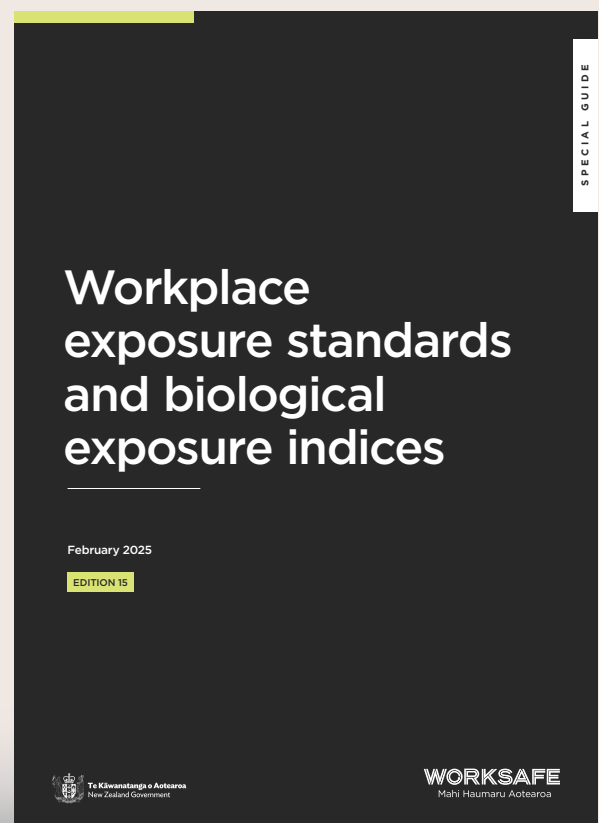
As part of a broader suite of health and safety reforms, the Government agreed to a range of changes that will significantly refocus WorkSafe from an enforcement agency to one that engages early to support businesses and individuals to manage their critical risks. This reform was supported by WPMA as a means of bringing common sense to WorkSafe when making and enforcing regulations that need to be based on science and are sensible to implement. WPMA met and raised our concerns with the Minister of Workplace Relations and Safety, Brooke van Velden, and her officials on WorkSafe's inconsistency, culture and lack of guidance, hence it was pleasing to see the sharpening of the focus of WorkSafe to change the culture of the agency.



WPMA representatives met with Minister van Velden on our concerns with WorkSafe in late 2024

Worker Exposure Standards (WES) and Biological Exposure Index (BEI) consultation paused

WorkSafe previously indicated a fresh review of softwood dust and isocyanates will be included in the next consultation on WES and BEI Guidance. However, with the WorkSafe reform announcement this consultation was put on hold. WPMA has long advocated that industry is concerned about the cost, practicality, and feasibility of achieving the levels for WES and BEI that have previously been proposed by WorkSafe and that there is no robust technical justification for how they are set. Hence, we welcomed this pause and appreciated that Minister van Velden has listened and acted on our highlighted concerns.



Caution with the Building Amendment Bill emphasised by WPMA

The Building (Overseas Building Products, Standards, and Certification Schemes) Act is targeted at reducing ‘red tape’, thus enabling the use of building materials from trusted overseas jurisdictions, without the need for new products to be certified domestically. In our submission and presentation to Select Committee we highlighted key issues. These included citing of timber treatment standards from other countries would potentially undermine the robust process used in NZ and may expose NZ consumers to structural and other timber, which is less durable and ultimately does not meet the NZ Building Code requirements; MBIE has no mechanism to measure the market share of new overseas product Standards and limited ability to monitor any issues or systemic failure; It is unclear who will check that an overseas standard meets the NZBC, and that if an overseas product standard proves to be inadequate the cost of rectification will outweigh any cost saving to the homeowner. WPMA continued to work with government to ensure that this new regulation does not have adverse effects on our future residential homes and commercial buildings, plus New Zealand’s wood processing and manufacturing industry.

Wood declared an Environmental Good under new Trade Agreement

Increased export opportunities through the removal of tariffs for 41 wood products included within the Agreement on Climate Change, Trade and Sustainability was welcomed by New Zealand’s wood processing and manufacturing industry. Not only will this new trade agreement deliver commercial benefits for New Zealand, but it will send a strong environmental message to our trading partners. As new countries join the collective formed by New Zealand, Switzerland, Costa Rica and Iceland, the potential to grow a commercial benefit to our wood products industry and tackle climate change over time is significant. Further information about the Agreement can be found on the [MFAT ACCTS webpage](#)



Mass Timber adoption increases within New Zealand construction

A significant upsurge in mass timber awareness and application was highlighted by the Building Research Association of New Zealand (BRANZ) in its survey of building and construction experts. The finding was encouraging and signalled an increased adoption of engineered timber products in New Zealand by builders, designers and architects. With New Zealand's sustainable forestry model, using locally grown timber supports our circular bioeconomy, climate change targets, and domestic processing of logs.



NZ/UAE trade deal offers opportunities for NZ wood product exporters

Tariff elimination across all New Zealand wood products entering the UAE through the new NZ/UAE trade deal was supported by the wood processors and manufacturers association. The UAE is in a transition period where they are favouring timber-based construction over concrete and steel, signalling a regional shift towards sustainability. From a New Zealand basis we currently export around \$10 million in wood products to the UAE, with the main categories being sawn timber, sleepers, pulp and paper. Even a minor percentage growth in NZ exports to the UAE through the CEPA will assist in providing encouraging signals to our domestic wood processing industry.



Immigration setting changes raised concerns within the wood processing industry

The government changed the Accredited Employer Work Visa (AEWV) settings as a means of reducing the current high levels of net migration. With many of our members employing overseas workers this new regulation resulted in uncertainty, business operational issues, and in some cases worker anxiety. As large employers in the regions, e.g. Taranaki, Taupo, Otorohanga, Napier and Northland, wood processing and manufacturing is essential to on-going community support and regional growth. Several key solutions to the AEWV were proposed to lessen the burden on the industry, with WPMA forming a member working group to collate information and work in with officials as to solutions for retaining migrant workers within the workplace.



Non-tariff barriers obstructing New Zealand wood product exporters

Non-Tariff Barriers (NTBs) continued to cause trade distortions that are having a negative impact on the New Zealand wood product and forestry industry was the key message that WPMA and NZFOA presented to the Foreign Affairs, Defence and Trade Select Committee hearing on *non-tariff barriers faced by New Zealand exporters*. NTB's are not directly visible or clearly targeted as tariff barriers, and they are difficult to define, evaluate and quantify. As tariff levels have been reduced for forestry and wood product exports,

NTBs have assumed a more central role within the industry's trade agenda. Deforestation regulations, building codes, subsidies and phytosanitary measures become NTB's when they are implemented in a way that makes it difficult to meet the required levels of compliance. New Zealand needs to be taking advantage of our sustainable forestry position by providing readily available systems and evidence-based information for business transactions and government to government trade discussions.

Manufacturing support boosted by the Minister for Manufacturing

A Manufacturing Productivity Advisory Group (MPAG) was established to set a pathway for the sector and to establish priorities for the government, with WPMA Chief Executive, Mark Ross, included in the group. The MPAG has a focus on five core priorities - fostering talent, access to Capital, boosting digitalisation and innovation, simpler access to information, plus reducing the burden of compliance and cutting red tape.

As a core industry group within the manufacturing sector, wood products and paper make up 9 per cent of New Zealand's total manufacturing output, clocking \$2.15 billion in income.



Future wood processing apprenticeship training placed under threat

The closure of Toi Ohomai (the Timber Industry Training Centre) in Rotorua was announced and will have a significant impact on the Timber Machinist and Saw Doctor training for wood processing, along with the forestry industry in general. In response to the closure various meetings have been held between different industry groups. This is a first step to enable more time to develop a full response to future training, including assessing alternative options, working with the wider forestry industry to determine what future training/education is needed, plus determine what other detail is required.

Vietnam bodes well as destination for increased exports in NZ wood



A delegation of the Commission for the Management of State Capital at Enterprises (CMSC) led by its Vice Chairman Nguyen Canh Toan had a working session with representatives of the wood processing and forestry sectors in December. Under the CMSC Vietnamese businesses are wanting to connect and set up investment and business partnerships with New Zealand companies. Within the delegation Vietnam

Forestry Corporation Chairman, Mr Cuong, indicated investment prospects within New Zealand forestry and wood processing, along with market opportunities within Vietnam for NZ wood products. With Vietnam's population of circa 100 million and projected economic growth of 6 percent in 2025 the future looks bright for New Zealand-Vietnam relations.

Legal harvest assurance system - All traders in timber and timber products included

The LHAS will have a sizeable impact on all wood processors and manufacturers. To ensure WPMA members remained informed we held a virtual meeting with members to overview the proposed regulation and seek feedback into our submission. The LHAS is due to come in effect in August 2027 with all businesses trading in timber and timber products needing to comply with the legal harvest assurance system criteria. Once finalised, businesses will need to register for legal harvest assurance to continue to process and export logs and timber.



Technical Manager for WPMA appointed to joint timber standards committees

Wood Processors and Manufacturers Association's Technical Manager, Jane Cuming, was approved by the New Zealand Standards Approval Board to the following joint (AS/NZS) standards committees as a new participant:

- TM-010 Timber Structures and Framing;
- TM-011 Engineered Timber Products; and
- TM-012 Timber Grading and Preservation.

Joint standards are important tools for ensuring timber products and timber structures are safe, fit-for-purpose, and reliable. Having Jane on the committees now ensures WPMA and our members voices are heard in the development and implementation of these important standards.



Jane Cuming, WPMA Technical Manager

WPMA chairs session on wood products at the Forest Growers Research Conference

With a theme of 'Resilience through Innovation' the 2024 Forest Growers Research Conference covered a broad range of research topics from genetics and silviculture through to alternate species and biosecurity challenges. For this year's conference WPMA was provided the opportunity to host a session on product innovations in wood. Topics included local wood processing, short rotation forestry, the Canterbury University wood product innovation challenge and a case study on the future of wood via the Abodo story.



Science system reset aimed at boosting the economy

Changes announced by the government as to how science operates within New Zealand will see wood products and forestry having a central role to play within our future bioeconomy. By using our forests to produce a variety of biological resources including sawn and mass timber, bioproducts, chemicals and materials bode well for a sustainable wood products future for New Zealand. The reset is significant and will see the current seven Crown Research Agencies being morphed into three Public Research Organisations,

plus the establishment of Invest New Zealand which will assist growth in the wood products industry by being the direct one-stop-shop for foreign direct investment. Technology and science have a significant and expanding impact on the advancement of wood technology and forestry within New Zealand. Having this acknowledged in the reset will ensure that science will continue to play a central role in developing our industry.

New Zealand Government remained non-committed in recognising mass timber as our future sustainable building material

While global trading partners such as the United States and Canada progressively recognising and incorporating mass timber products in construction projects, the New Zealand government did the opposite by cancelling the Building for Climate Change programme, for example, and other initiatives aimed at supporting low emissions building and construction materials. With key allies such as the United States, Japan, Australia, and Great Britain committed to recognising the benefits of wood through signing a pledge for increased timber in construction at COP 28, WPMA advocated that New Zealand now needs to reflect and join the mass timber movement.



WPMA joined the NZ International Business Forum

Given the importance of the wood processing and manufacturing industry as a key sector of New Zealand's export economy, WPMA readily accepted an invitation to join the NZ International Business Forum (NZIBF). The Forum is a collaboration of senior

New Zealand business leaders of major internationally oriented sectors of the economy and larger business organisations working to expand New Zealand's global business opportunities.

Indian Comprehensive Free Trade Agreement supported by WPMA

'For the CFTA to be comprehensive and commercially meaningful there must be a commitment by both New Zealand and India to eliminate as many barriers to trade as possible by an agreed deadline', was WPMA's core message within our submission on the CFTA negotiations to trade officials. With the Indian wood market projected to increase from USD\$1 billion to USD\$1.47 billion by 2029, India is set to become one of the largest consumers of wood. With this in mind we added our support the CFTA negotiations.



What about wood? – WPMA wrote to the Minister for Economic Development

In her role as Minister for Economic Growth, WPMA wrote to Hon Nicola Willis requesting that she now, as with wool, also directed government agencies to use wood fibre products in the construction and refurbishment of government buildings, where practical

and appropriate. WPMA called on the Government to align the wool directive with wood, as to directing agencies to consider using wood fibre products in the construction and refurbishment of government buildings.



Wood product exports contributed to record trade surplus

An increase of 42 percent in exports of logs, wood, and wood articles for April 2025 when compared to April 2024 as reported by Stats NZ was welcomed by WPMA. It was pleasing to see wood products and log exports contributing \$481 million towards the \$7.8 billion record surplus, an increase of \$141 million from a year ago. This increase is encouraging for an industry that is doing is tough, but we need this trend to continue as a means of reigniting and growing our domestic wood processing sector.

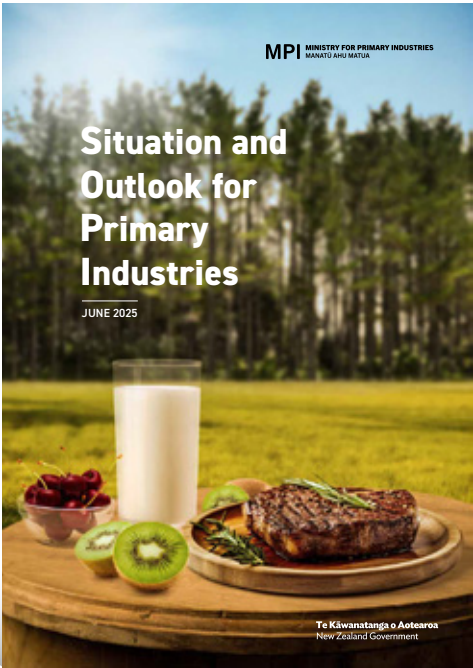
“Investment Boost” announced in Budget 2025 welcomed by wood processors and manufacturers

From the 22 May 2025 a new tax incentive, “Investment Boost”, that allows businesses to immediately deduct 20% of the costs of new assets (or second-hand assets purchased from overseas) – such as machinery, equipment, tools and buildings – from taxable income on top of the existing depreciation write-offs was welcomed. The announcement was

made as part of Budget 2025, with the scheme allowing wood processing and manufacturing businesses to deduct a higher percentage of the cost of eligible assets in the first year of purchase, reducing their tax burden and freeing up capital for further investment.

Outlook for Timber and Lumber exports looks promising – MPI report

With a 9 percent increase in export revenue forecast, a positive outlook for the export of forestry and value-added wood products was reported by the Ministry for Primary Industries (MPI) at Field Days in June. According to the report this growth is driven by stronger log prices and higher sawn timber export volumes. On the wood products side sawn timber revenue is forecast to rise to \$1.1 billion, mainly due to improving demand in Asia and the U.S. Though the report is mainly positive, exporters continue to face global logistic challenges and trade uncertainties. More details can be found here [June 2025 SOPI](#)



Wood Industry Development and Education Trust supporting training for wood processing and manufacturing

If you are looking for funding towards staff training at your wood products business, then the WIDE Trust may be able to assist. The Trust is a charitable trust established in 2018 with a mission to support development and education in the forestry and wood industry sectors through the provision of grants and scholarships to New Zealand students and institutions. They currently support several initiatives within the forestry education sector and looking forward are keen to provide a greater level of funding support towards on-site training for apprentices and other training programmes within wood processing and manufacturing. For more details, please visit: <https://www.widetrust.org.nz/>



Submissions on new Government Policy

WPMA continued to make individual submissions where new policy and/or regulation is of high interest to our members.

These submissions included:

- Removing barriers to using overseas building products
- New Zealand's second emissions reduction plan
- Issues paper two: Implementing the legal harvest assurance framework
- Fixed date for the *Arhopalus ferrus* (Burnt Pine Long-horn beetle) flight season
- Crown minerals amendment bill
- ACC proposed levy rates 2025-28
- Accredited Employer Work Visa review: Phase two
- Non-tariff barriers faced by New Zealand exporters
- Building (Overseas building products, standards and certification schemes) amendment bill
- International treaty examination of the agreement on climate change, trade and sustainability
- Resource Management (Consenting and other system changes) bill
- Operational detail for the legal harvest assurance system
- Concerns regarding the taxation of not-for-profit business associations
- Government procurement rules: responsible expenditure of public funds (5th schedule 2025)
- New Zealand's and India's negotiation for the Comprehensive Free Trade Agreement
- Public Works (Critical infrastructure) amendment bill
- Non-tariff barriers – Plurilateral agreement

Technical Report

Standards Update

NZS 3604 *Timber framed buildings*. The committee has made steady progress and expects a draft for public comment to be ready in 2026

Stage: drafting.

AS/NZS 1328.1 *Glued laminated structural timber - Performance requirements and minimum production requirements*

Aside from restructure of the document, the major shifts in this long awaited revision are a change to performance-based requirements and increased rigour in the requirements for ongoing verification, reflecting the growing use of structural glued laminated timber in higher-risk, multi-residential and commercial structures.

The TM-011 committee met in Sydney in March 2025 to discuss and resolve submitted comments following public consultation. It is expected the standard will be published in the second half of the year. Stage: Final drafting prior to publication

AS/NZS 4063.2 *Characterization of structural timber - Determination of characteristic values*.

The objective of this document is to provide requirements for sampling, statistical evaluation of test data and determination of characteristic values for structural timber products. The major changes in this revision are:

- The scope will include characterization of engineered wood products.
- The evaluation of characteristic values has been expanded to include both material properties (such as strength and modulus of elasticity) and product properties (such as capacity and stiffness).

Stage: Public consultation comments have been resolved, awaiting ballot.

Other

Fire Safety Review

Near the 2024 anniversary of the Loafer's Lodge fire, Minister Penk announced MBIE will undertake a Fire Safety Review. This review will cover NZBC Fire clauses and approved documents. MBIE is focused on

- the effectiveness of fire safety measures
- the need to keep up with new technologies and new fire challenges
- the need for certainty, clarity, and consistency.

WPMA is represented on the Stakeholder Reference Group established to oversee the review. This is a multi-year project.

MBIE interest in Joint Standards

MBIE has resolved to re-joint various building Standards which have been de-jointed over the years, but secure funding of joint standards remains unresolved.

Environmental Product Declarations (EPDs) The WPMA group EPD expired in Oct 2024. We are proud the WPMA EPD established a benchmark for NZ timber when it was published in 2019 and served as a stepping-stone for many of the 10 participating companies to go on to publish individual EPDs.



Nelson Airport Terminal. Photography credit Jason Mann.

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‘Wood is our future’

Wood Processing and Manufacturing - Empowering New Zealand