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Issues paper two: implementing the legal harvest  
Forest Market Assurance Programme  
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### **Issues paper two: implementing the legal harvest assurance framework**

Thank you for the opportunity to provide feedback on the issues paper two – implementing the legal harvest assurance framework.

As a general statement, we submit in support of the feedback provided by the New Zealand Institute of Forestry and the NZ Forest Owners' Association submissions. Some key comments are provided.

#### **General Comment**

From a wider industry perspective, we are in support of this legislation as a means of supporting and assisting New Zealand's wood processors and manufacturers to meet the Due Diligence requirements of importing countries, such as the European Union Deforestation Regulation (EUDR). However, as highlighted in our submission on Issues paper one, we are not convinced that the Legal Harvest Assurance Scheme will provide the Due Diligence and risk assessments that are needed to grow our industry.

As issue paper two reads it is very 'information hungry' with little context or detail. Evidence of progress with the legislation appears light with multiple requests for information highlighted within the discussion document, i.e. 116 questions, many of which we are short on detail as to what level of information is needed.

As a suggestion a more practical way to progress this legislation would be by also holding on-line or in-person stakeholder workshops and/or webinars to provide guidance on what MPI are looking for, and to receive direct oral feedback.

Given this, we provide some additional detail as follows.

#### **3.3 Assumptions – what we are trying to achieve**

We support the assumption that the information provided within a legal harvest statement will be sufficient to satisfy the due diligence system of the registered person receiving the information. It would be good to clarify this further by providing more detail as to who the 'registered person' is, and the scope of the wording 'sufficient to satisfy'.

More definitive wording is recommended, such as 'meets the due diligence system requirements'. Different registered people will have different interpretations of the legislation, hence the need for greater clarity.

The other assumptions around supply chains are supported, though it will depend on the complexity of the system. On this one, it would be useful to have a case study outlined as to how this would work based around EUDR Due Diligence requirements, for example.

#### **4.3 Assumptions – supplying timber in some circumstances and in small amounts will not pose a risk to market access?**

It is important that these regulations highlight that New Zealand is a low-risk country when it comes to our timber being illegally harvested and/or exported. We have rigorous systems already in place to track timber supply chains. We do not see that there are any known risks to market access from our harvested timber, with these regulations needing to clearly further emphasise this detail.

##### **4.5.1 Legal harvest records**

The maximum period that records are kept should reflect what the countries that we export to have within their legislation, for example, for the EU this is 5 years. These records would be stored electronically, with variations between each business acknowledged depending on their digital platforms and company guidelines.

##### **7.3 Due diligence system requirements**

We agree with these assumptions, with the exception where it is costly to change current systems, or where the due diligence system is not equivalent to the country of export. If there are parts of the due diligence missing or unclear, this could potentially compromise market access and/or supply chains.

Any templates developed should focus on the minimum information requirements. If further detail is needed, this could be added to at the time of export. Any templates or due diligence systems should be reviewed on an annual basis to ensure that they are still fit-for-purpose, meet certification scheme requirements, and that they remain functional.

##### **8.5.2 Recognition of agencies and sign off of due diligence systems**

MPI as the lead government agency needs to be responsible for appointment and overseeing of agencies involved in assurance, plus any associated documentation and due diligence systems. It is MPI's prerogative as to how they achieve this process. Models are already in place such as within biosecurity and phytosanitary certification sign off.

##### **9.3 Public registers**

A public register is supported, based on it containing no confidential or commercially sensitive detail that could be accessed by competitors to gain a commercial advantage. Or in the case of NGOs to carry out activist activities. Any detail must be simple and within the confines of the Commerce Act legislation. Overseas regulators will require this detail in the future, so it is prudent to put the registers into place.

If you require any clarification on our feedback, feel free to contact me at [mark@wpma.org.nz](mailto:mark@wpma.org.nz)

#### **The Wood Processors and Manufacturers Association**

##### **About us:**

The Wood Processors and Manufacturers Association (WPMA) was established in 2014 through a merger of the Wood Processors Association and the Pine Manufacturer's Association. We are a



voluntary funded industry association with a strong focus on promoting wood as the heart of a future zero-carbon economy.

Our members are leaders in the New Zealand wood industry converting harvested logs into a wide range of products including sawn lumber, pulp, paper, panels, laminated products, mouldings, and engineered wood, through to the development of bioenergy solutions.

Total sales of industry products both domestically and globally in 2023 were approximately \$5 billion. The industry employs close to 30,000 staff, mostly in the New Zealand regions.

<https://www.wpma.org.nz/>

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