

Vote Forestry

APPROPRIATION MINISTER(S): Minister of Forestry (M35)

DEPARTMENT ADMINISTERING THE VOTE: Ministry for Primary Industries (A14)

RESPONSIBLE MINISTER FOR MINISTRY FOR PRIMARY INDUSTRIES: Minister of Agriculture

Overview of the Vote

The Minister of Forestry is responsible for appropriations in the Vote for the 2026/27 financial year covering nearly \$200 million for the following:

- nearly \$63 million for the purchase or planting of the Crown's forestry assets
- just over \$62 million for the provision of advice to support decision-making by Ministers, implementation of policy decisions, operational policy and administration of legislation relating to forestry
- nearly \$24 million for climate response implementation and administration
- just over \$16 million for the operational management of the Crown's forests
- \$12 million for the North Island Weather Event Cyclone Gabrielle response and recovery
- \$6.300 million for the projects which protect erosion-prone hill country
- just over \$6 million for the administration of government approved schemes, grants and assistance to the forestry sector
- nearly \$4 million for supporting community and industry groups to implement programmes in the Forestry Sector
- just over \$2 million for the provision of initiatives, grants and programmes to establish trees or build skills, capability and capacity in the forestry sector
- nearly \$2 million for the management of the Crown's interest in forest and forestry-related assets
- nearly \$2 million for supporting investments in the Forestry sector that contribute to achieving New Zealand's domestic and international climate target
- \$500,000 for forestry and other economic development and erosion control in the Tairāwhiti region.

Crown Revenue and Capital Receipts

The Ministry expects to collect just over \$5 million of Crown revenue and capital receipts in 2026/27. This is mainly comprised of sale of forest produce revenue.

Details of these appropriations are set out in Parts 2-4.

Details of Appropriations and Capital Injections

Annual Appropriations and Forecast Permanent Appropriations

Titles and Scopes of Appropriations by Appropriation Type	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Multi-Category Expenses and Capital Expenditure			
Growth and Development of the Forestry Sector MCA (M35) (A14)	152,319	152,319	134,490
The single overarching purpose of this appropriation is to support the growth and development of the forestry sector.			
Departmental Output Expenses			
<i>Forestry: Administration of Grants and Programmes</i>	6,042	6,042	6,042
This category is limited to the administration of government approved schemes, grants and assistance to the forestry sector.			
<i>Forestry: Climate Emergency Response implementation and administration</i>	20,808	20,808	23,788
This category is limited to expenses incurred in implementing and administering programmes in the Forestry Sector funded from the Climate Emergency Response Fund.			
<i>Forestry: Management of the Crown's Forestry Assets</i>	2,485	2,485	1,985
This category is limited to the management of the Crown's interest in forests and forestry-related assets.			
<i>Forestry: Policy Advice and Ministerial Servicing</i>	60,424	60,424	62,187
This category is limited to supporting Ministers on Government policy matters through the provision of advice (including second opinion advice and contributing to policy advice led by other agencies), implementation of policy decisions, operational policy, administering legislation, and ministerial servicing relating to forestry.			
Non-Departmental Output Expenses			
<i>Forestry: Climate Emergency Response Fund</i>	3,366	3,366	3,663
This category is limited to supporting community and industry groups to implement programmes in the Forestry Sector funded from the Climate Emergency Response Fund.			
<i>Forestry: Operational management of the Crown's Forests</i>	32,911	32,911	16,398
This category is limited to the purchase of forestry operation and management services.			
Non-Departmental Other Expenses			
<i>Forestry: Grants and partnerships programmes</i>	5,233	5,233	2,127
This category is limited to the use of initiatives and grants, and programmes to establish trees or build skills, capability and capacity in the forestry sector.			
<i>Forestry: Hill Country Erosion Fund</i>	6,300	6,300	6,300
This category is limited to projects that protect erosion-prone hill country.			
<i>North Island Weather Event: Cyclone Gabrielle Response and Recovery</i>	14,750	14,750	12,000
This category is limited to providing support to councils to take short to medium term measures towards mitigating the risk from woody debris to critical infrastructure in the event of significant weather events.			
Total Multi-Category Expenses and Capital Expenditure	152,319	152,319	134,490
Total Annual Appropriations and Forecast Permanent Appropriations	152,319	152,319	134,490

Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Non-Departmental Other Expenses		
Erosion Control, Forestry and Other Economic Development (M35) (A14) This appropriation is limited to erosion control, forestry and other economic development in the Tairāwhiti region. Commences: 01 July 2026 Expires: 30 June 2031	Original Appropriation	13,000
	Adjustments to 2024/25	-
	Adjustments for 2025/26	-
	Adjusted Appropriation	13,000
	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	-
	Estimate for 2026/27	500
	Estimated Appropriation Remaining	12,500
Forestry and Other Economic Development, and Erosion Control (M35) (A14) This appropriation is limited to forestry and other economic development and erosion control in the Tairāwhiti region. Commences: 01 July 2021 Expires: 30 June 2026	Original Appropriation	2,000
	Adjustments to 2024/25	14,250
	Adjustments for 2025/26	(13,000)
	Adjusted Appropriation	3,250
	Actual to 2024/25 Year End	2,627
	Estimated Actual for 2025/26	623
	Estimate for 2026/27	-
	Estimated Appropriation Remaining	-
Non-Departmental Capital Expenditure		
Forestry: Capital Climate Response Investments (M35) (A14) This appropriation is limited to supporting investments in the Forestry sector that contribute to achieving New Zealand's domestic and international climate targets. Commences: 01 July 2025 Expires: 30 June 2030	Original Appropriation	21,920
	Adjustments to 2024/25	-
	Adjustments for 2025/26	219
	Adjusted Appropriation	22,139
	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	1,975
	Estimate for 2026/27	1,822
	Estimated Appropriation Remaining	18,342
Forestry: Capital investment in the Crown's Forestry Assets (M35) (A14) This appropriation is limited to the purchase or planting of the Crown's Forestry assets. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	55,600
	Adjustments to 2024/25	21,082
	Adjustments for 2025/26	-
	Adjusted Appropriation	76,682
	Actual to 2024/25 Year End	8,757
	Estimated Actual for 2025/26	5,000
	Estimate for 2026/27	62,925
	Estimated Appropriation Remaining	-

Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	152,319	152,319	134,490
Total Forecast MYA Non-Departmental Other Expenses	623	623	500
Total Forecast MYA Non-Departmental Capital Expenditure	6,975	6,975	64,747
Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations	159,917	159,917	199,737

Supporting Information

Part 1 - Vote as a Whole

This part provides trend information for the vote.

1.2 - Trends in the Vote

Summary of Financial Activity

	2021/22	2022/23	2023/24	2024/25	2025/26		2026/27			2027/28	2028/29	2029/30
	Actual \$000	Actual \$000	Actual \$000	Actual \$000	Final Budgeted \$000	Estimated Actual \$000	Departmental Transactions Budget \$000	Non- Departmental Transactions Budget \$000	Total Budget \$000	Estimated \$000	Estimated \$000	Estimated \$000
Appropriations												
Output Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	1,026	663	434	504	623	623	-	500	500	4,500	4,500	3,500
Capital Expenditure	4,418	2,817	2,768	6,970	6,975	6,975	-	64,747	64,747	1,819	16,523	-
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	100,952	110,887	98,315	102,609	126,036	126,036	94,002	20,061	114,063	102,545	99,256	96,964
<i>Other Expenses</i>	43,188	38,673	25,058	14,464	26,283	26,283	-	20,427	20,427	8,077	8,077	8,077
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Appropriations	149,584	153,040	126,575	124,547	159,917	159,917	94,002	105,735	199,737	116,941	128,356	108,541
Crown Revenue and Capital Receipts												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	56,759	38,902	27,749	32,091	24,814	24,814	N/A	5,466	5,466	4,468	1,107	374
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
Total Crown Revenue and Capital Receipts	56,759	38,902	27,749	32,091	24,814	24,814	N/A	5,466	5,466	4,468	1,107	374

Note - where restructuring of the vote has occurred then, to the extent practicable, prior years information has been restated as if the restructuring had occurred before the beginning of the period covered. In this instance Total Appropriations for the Budgeted and Estimated Actual year may not equal Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations in the Details of Appropriations and Capital Injections.

Adjustments to the Summary of Financial Activity Table Due to Vote Restructuring

There have been no restructuring adjustments to prior year information in the Summary of Financial Activity table.

1.3 - Analysis of Significant Trends

Total Vote: All Appropriations

The increase in appropriations in Vote Forestry for 2026/27, as shown in the Summary of Financial Activity table above, was primarily driven by funding transferred from 2025/26. These transfers were required due to delays in sediment clean-up work, which could not progress as planned because of the adverse weather conditions experienced in the Gisborne region in 2025/26, as well as delays in completing aerial mapping of the affected areas.

Significant movements within each appropriation category are outlined below.

Other Expenses

The multi-year funding for forestry and other economic development and erosion control in the Tairāwhiti region has been extended to 2029/30.

Capital Expenditure

The Non-Departmental Capital expenditure peaks in 2026/27 driven by planned capital investment in Crown Forestry Assets.

Multi-Category Expenses and Capital Expenditure

The expenditure has remained relatively stable since 2021/22 with increases reflecting one-off funding for adverse weather events and climate response related initiatives approved in Budget 2022. Funding peaks in 2025/26 due to the transfer of funding from 2024/25 following delays to sediment clean-up work in the Gisborne region. From 2026/27 onwards, funding reduces in line with savings decisions taken as part of the Budget 2024.

Crown Revenue and Capital Receipts

Crown Revenue or Capital Receipt Item	2025/26		2026/27	Description of Crown Revenue or Capital Receipt Item
	Budgeted \$000	Estimated Actual \$000	Budgeted \$000	
Crown Revenue				
Sale of Forest Produce	24,265	24,265	5,466	Revenue declines due to the natural conclusion of several major Crown Forestry harvest operations and the corresponding leases. These include Lake Rotoaira Forest and the first stage of Te Whāiti Nui-a Toi Forest. This reflects a planned transition period for Crown Forestry from active harvesting to asset value creation, with only limited harvesting expected over the next five years
Miscellaneous Revenue	549	549	-	The decline in revenue is driven by the settlement of Puwhenua Forest in FY2025/26.
Total Crown Revenue and Capital Receipts	24,814	24,814	5,466	

Part 3 - Details of Non-Departmental Appropriations

3.4 - Non-Departmental Other Expenses

Erosion Control, Forestry and Other Economic Development (M35) (A14)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Erosion Control, Forestry and Other Economic Development (M35) (A14) This appropriation is limited to erosion control, forestry and other economic development in the Tairāwhiti region. Commences: 01 July 2026 Expires: 30 June 2031	Original Appropriation	13,000
	Adjustments to 2024/25	-
	Adjustments for 2025/26	-
	Adjusted Appropriation	13,000
	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	-
	Estimate for 2026/27	500
	Estimated Appropriation Remaining	12,500

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve effective support and manage Forestry and other economic development and erosion control in the Tairāwhiti region via the Erosion Control, Forestry and Other Economic Development scheme.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Number of hectares established under the Erosion Control Funding Programme in the financial year (see Note 1)	Re-purposed performance indicator	Re-purposed performance indicator	300 ha or more

Note 1 - "Hectares established" translates to trees planted that are surviving. The budget standard is in line with the planned reset of the Erosion Control Funding Programme.

The performance indicator has been re-purposed for this new MYA Erosion Control, Forestry and Other Economic Development, from an existing MYA Forestry and Other Economic Development, and Erosion Control that expires on 30 June 2026. The standard for this performance indicator under the prior MYA was 700 ha or more in 2025/26.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Forestry in a report appended to the Ministry for Primary Industries' Annual Report.

Service Providers

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
Ingka Investments Management NZ Limited	178	178	210	Multiple contracts
Te Whakaari Incorporation (Paparatu Station)	132	132	10	Multiple contracts
Proprietors of Whangara B5 t/a Whangara	99	99	2	Multiple contracts
Mangaotane Trust Estate - t/a Mangaotane	62	62	-	Multiple contracts
Bexhaven Partnership	38	38	-	Multiple contracts
Tikitiki D7B Trust	23	23	-	Multiple contracts
Kiwinui A t/a Kiwinui A Trust	19	19	-	Multiple contracts
Gisborne Holdings Limited	14	14	162	Multiple contracts
Landcorp Farming Limited t/a Pamu	12	12	-	Multiple contracts
Tuakau-Pirauau A	12	12	60	Multiple contracts
CR & JA Sinton	11	11	7	Multiple contracts
McLachlan Trading Limited	11	11	22	Multiple contracts
Public Trust Limited as Trustee Estate David Hilton Hawkins (Rangikohua Station)	4	4	6	Multiple contracts
Mahanga Station Trust	3	3	11	Multiple contracts
Proprietors of Ngawhakatutu A3	3	3	-	Multiple contracts
EA & PM King Partnership	2	2	10	Multiple contracts
Total	623	623	500	

Note - 2025/26 service providers information relates to multi-year appropriation: Forestry and Other Economic Development, and Erosion Control that expires on 30 June 2026.

Reasons for Change in Appropriation

This is a newly created multi-year appropriation, with funding transferred from the multi-year appropriation: Forestry and Other Economic Development, and Erosion Control that expires on 30 June 2026.

3.5 - Non-Departmental Capital Expenditure

Forestry: Capital Climate Response Investments (M35) (A14)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Forestry: Capital Climate Response Investments (M35) (A14) This appropriation is limited to supporting investments in the Forestry sector that contribute to achieving New Zealand's domestic and international climate targets. Commences: 01 July 2025 Expires: 30 June 2030	Original Appropriation	21,920
	Adjustments to 2024/25	-
	Adjustments for 2025/26	219
	Adjusted Appropriation	22,139
	Actual to 2024/25 Year End	-
	Estimated Actual for 2025/26	1,975
	Estimate for 2026/27	1,822
	Estimated Appropriation Remaining	18,342

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve effective planting for Woody Biomass funded through Capital Climate Response Investments.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Number of hectares contracted for planting over the planting season under the Woody Biomass planting programme (see Note 1)	540 ha or more	540 ha or more	540 ha or more

Note 1 - This is a new multi-year appropriation established in 2025/26. In previous years, this performance indicator was reported in the non-departmental capital expenditure category in the Growth and Development of the Forestry Sector Multi-Category Appropriation.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Forestry in a report appended to the Ministry for Primary Industries' Annual Report.

Forestry: Capital investment in the Crown's Forestry Assets (M35) (A14)

Scope of Appropriation and Expenses

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
Forestry: Capital investment in the Crown's Forestry Assets (M35) (A14) This appropriation is limited to the purchase or planting of the Crown's Forestry assets. Commences: 01 July 2022 Expires: 30 June 2027	Original Appropriation	55,600
	Adjustments to 2024/25	21,082
	Adjustments for 2025/26	-
	Adjusted Appropriation	76,682
	Actual to 2024/25 Year End	8,757
	Estimated Actual for 2025/26	5,000
	Estimate for 2026/27	62,925
	Estimated Appropriation Remaining	-

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve the effective establishment and tending of the Crown's joint venture forest assets.

How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Hectares of Crown Forestry One Billion Trees joint venture forest assets tended during the financial year (see Note 1)	1,400 ha or more	1,400 ha or more	1,500 ha or more

Note 1 - The budget standard has been increased in line with projections for 2026/27 as advised by Forestry Management contractors.

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Minister of Forestry in a report appended to the Ministry for Primary Industries' Annual Report.

Part 4 - Details of Multi-Category Expenses and Capital Expenditure

4 - Multi-Category Expenses and Capital Expenditure

Growth and Development of the Forestry Sector (M35) (A14)

Overarching Purpose Statement

The single overarching purpose of this appropriation is to support the growth and development of the forestry sector.

Scope of Appropriation

Departmental Output Expenses

Forestry: Administration of Grants and Programmes

This category is limited to the administration of government approved schemes, grants and assistance to the forestry sector.

Forestry: Climate Emergency Response implementation and administration

This category is limited to expenses incurred in implementing and administering programmes in the Forestry Sector funded from the Climate Emergency Response Fund.

Forestry: Management of the Crown's Forestry Assets

This category is limited to the management of the Crown's interest in forests and forestry-related assets.

Forestry: Policy Advice and Ministerial Servicing

This category is limited to supporting Ministers on Government policy matters through the provision of advice (including second opinion advice and contributing to policy advice led by other agencies), implementation of policy decisions, operational policy, administering legislation, and ministerial servicing relating to forestry.

Non-Departmental Output Expenses

Forestry: Climate Emergency Response Fund

This category is limited to supporting community and industry groups to implement programmes in the Forestry Sector funded from the Climate Emergency Response Fund.

Forestry: Operational management of the Crown's Forests

This category is limited to the purchase of forestry operation and management services.

Non-Departmental Other Expenses

Forestry: Grants and partnerships programmes

This category is limited to the use of initiatives and grants, and programmes to establish trees or build skills, capability and capacity in the forestry sector.

Forestry: Hill Country Erosion Fund

This category is limited to projects that protect erosion-prone hill country.

North Island Weather Event: Cyclone Gabrielle Response and Recovery

This category is limited to providing support to councils to take short to medium term measures towards mitigating the risk from woody debris to critical infrastructure in the event of significant weather events.

Expenses, Revenue and Capital Expenditure

	2025/26		2026/27
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Appropriation	152,319	152,319	134,490
Departmental Output Expenses			
Forestry: Administration of Grants and Programmes	6,042	6,042	6,042
Forestry: Climate Emergency Response implementation and administration	20,808	20,808	23,788
Forestry: Management of the Crown's Forestry Assets	2,485	2,485	1,985
Forestry: Policy Advice and Ministerial Servicing	60,424	60,424	62,187
Non-Departmental Output Expenses			
Forestry: Climate Emergency Response Fund	3,366	3,366	3,663
Forestry: Operational management of the Crown's Forests	32,911	32,911	16,398
Non-Departmental Other Expenses			
Forestry: Grants and partnerships programmes	5,233	5,233	2,127
Forestry: Hill Country Erosion Fund	6,300	6,300	6,300
North Island Weather Event: Cyclone Gabrielle Response and Recovery	14,750	14,750	12,000
Funding for Departmental Output Expenses			
Revenue from the Crown	76,939	76,939	81,182
Forestry: Administration of Grants and Programmes	6,027	6,027	6,027
Forestry: Climate Emergency Response implementation and administration	20,808	20,808	23,788
Forestry: Management of the Crown's Forestry Assets	2,369	2,369	1,869
Forestry: Policy Advice and Ministerial Servicing	47,735	47,735	49,498
Revenue from Others	12,820	12,820	12,820
Forestry: Administration of Grants and Programmes	15	15	15
Forestry: Management of the Crown's Forestry Assets	116	116	116
Forestry: Policy Advice and Ministerial Servicing	12,689	12,689	12,689

What is Intended to be Achieved with this Appropriation

This appropriation is intended to achieve effective support for the growth and development of the forestry sector.

How Performance will be Assessed for this Appropriation

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Number of Forestry Support engagements during the year (see Note 1)	Minimum of 600 engagements per year	Minimum of 600 engagements per year	Minimum of 600 engagements per year
Percentage of submitted emissions returns with a New Zealand Unit (NZU) entitlement that were processed and sent to the Environmental Protection Authority (EPA) within 20 working days (see Note 2)	Equal to or greater than 95%	Equal to or greater than 95%	Equal to or greater than 95%

Note 1 - "Engagement" is any focused interaction with our customer segments for the specific purpose of providing support and advice to the forestry sector, including: (a) visits to landowners to provide advice, (b) workshops with landowners and land users, (c) presentations at formal events, (d) meetings with iwi/hapū, and (e) representation at forestry events. The budget standard refers to a minimum of 600 engagements total per year, ensuring that each customer segment (8) is engaged with per quarter.

Note 2 - "Submitted" means an emissions return received by TUR-NZFS with all mandatory fields and declarations completed and payment from participant as per section 65(2) of the Climate Change Response Act 2002 (CCRA).

"Processed" means an emissions return that has been approved and has a corresponding entitlement direction sent to the Environmental Protection Authority (EPA) Registrar (who actions the direction to issue NZUs to the participant). This excludes the processing of any "amendments" or "assessments" as defined under the CCRA.

What is Intended to be Achieved with each Category and How Performance will be Assessed

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Departmental Output Expenses			
Forestry: Administration of Grants and Programmes			
This category is intended to achieve effective administration and management of forestry related grants and programmes.			
Percentage of One Billion Tree fund milestone assessments that meet performance targets in the financial year	90% or above	90% or above	90% or above
Forestry: Climate Emergency Response implementation and administration			
This category is intended to achieve the delivery of programmes as part of the forestry sector's contribution to the Climate Emergency Response Fund.			
Number of Maximising Forest Carbon programme outputs for improving measurement, reward systems, and incentives for forest carbon sequestration produced in the financial year (see Note 1)	6 or more	6 or more	6 or more
Case study to show the deliverables and impacts of the investments to address the long-term nature of challenges presented by climate change	Achieved	Achieved	Achieved

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Forestry: Management of the Crown's Forestry Assets			
This category is intended to achieve the effective administration and management of the Crown's interest in forests and forestry-related assets.			
Costs and revenues are consistent with industry norms as assessed by annual independent review of a sample of forests (see Note 2)	Achieved	Achieved	Achieved
Forestry: Policy Advice and Ministerial Servicing			
This category is intended to achieve the effective development, provision and implementation of policy advice and legislation, and efficient ministerial servicing relating to forestry.			
Percentage of forestry-related requests completed within either specified or statutory timeframes:			
<ul style="list-style-type: none"> Aide Memoires (timeframes are set on a case-by-case basis) 	95-100%	95-100%	95-100%
<ul style="list-style-type: none"> Briefings (timeframes are set on a case-by-case basis) 	95-100%	95-100%	95-100%
<ul style="list-style-type: none"> Ministerial Correspondence (proposed response within a 20-working day timeframe) 	95-100%	95-100%	95-100%
<ul style="list-style-type: none"> Ministerial Official Information Act 1982 requests (proposed response within a 15-working day timeframe) (see Note 3) 	95-100%	95-100%	95-100%
<ul style="list-style-type: none"> Written Parliamentary Questions (Proposed responses within agreed timeframes) (see Note 4) 	95-100%	95-100%	95-100%
Technical quality assessment level for MPI policy advice papers, on a scale of 1 to 5 (see Note 5)	3.5 or higher	3.5 or higher	3.5 or higher
Satisfaction of the Minister of Forestry with the policy advice service, on a rating scale of 1 to 5 (see Note 6)	4 or higher	4 or higher	4 or higher
Percentage of high priority registered sawmills inspected annually for compliance with the Forests Act 1949 (Part 3A) (see Note 7)	90% or above	90% or above	90% or above
Percentage of approved annual logging plans' post-harvest inspections carried out by Te Uru Rākau - New Zealand Forest Service (MPI) for compliance with the Forests Act 1949 each financial year (see Note 8)	90% or above	90% or above	90% or above
Non-Departmental Output Expenses			
Forestry: Climate Emergency Response Fund			
This category is intended to achieve effective implementation of programmes to help achieve New Zealand's Future Carbon Goals.			
Potential increase in domestic processing of logs as a result of Wood Processing Growth Fund Catalyst grants over the life of the catalyst fund (see Note 9)	Increased by 1 million GMT per annum by 2030	Increased by 1 million GMT per annum by 2030	Increased by 1 million GMT per annum by 2030

Assessment of Performance	2025/26		2026/27
	Final Budgeted Standard	Estimated Actual	Budget Standard
Forestry: Operational management of the Crown's Forests			
This category is intended to achieve the effective management of the Crown's forestry estate including purchase of forestry operations, management services, and related forest asset expenditures.			
Annual independent assessment of a sample of the Crown Forest estate shows Crown Forestry activities and operations align with expected performance of a prudent forest manager (see Note 10)	Achieved	Achieved	Achieved
Volume of logs (in cubic metres - m3) harvested and sold on behalf of the Crown, from the Crown Forestry Estate (see Note 11)	130,000 m3	130,000 m3	30,000 m3
Non-Departmental Other Expenses			
Forestry: Grants and partnerships programmes			
This category is intended to achieve and encourage new planting and reversion of an expected 25,000ha over the life of the One Billion Trees programme.			
Number of hectares established under the One Billion Trees Fund (see Note 12)	1,500 ha or more	1,500 ha or more	1,000 ha or more
Forestry: Hill Country Erosion Fund			
This category is intended to achieve the effective provision of projects that protect erosion-prone hill country.			
Number of hectares treated through Hill Country Erosion Funding this financial year	5,600 ha or more	5,600 ha or more	5,600 ha or more
North Island Weather Event: Cyclone Gabrielle Response and Recovery			
This category is intended to achieve the removal and treatment of woody debris that presents an ongoing risk to life, infrastructure and properties from significant weather events.			
Percentage of Woody Debris Clean-up fund budgeted funding contracted in the financial year (see Note 13)	90% or above	90% or above	90% or above
Woody debris treated in high priority catchments in Gisborne during the financial year (see Note 14)	Achieved	Achieved	Achieved

Note 1 - "Outputs" are the knowledge and insights gained from research contract deliverables that inform policy work and provide insights for the public, and the policy advice generated through the policy process used by TUR-NZFS (MPI). The Maximising Forest Carbon (MFC) programme will conclude on 31 December 2026.

Note 2 - "Industry norms" are determined by an independent reviewer by considering factors such as log sale revenues, harvesting rate for logging subcontractors, log cartage rates, rates for silviculture subcontractors, management fees for harvesting and marketing and silviculture operations, etc., for similar operations (eg, similar forest types, workplans, contract tenure, location) elsewhere in the region of the sample of forests.

Note 3 - The statutory timeframe to respond to an Official Information Act (OIA) is soon as reasonably practicable and no later than 20 working days as stated in the Official Information Act 1982. MPI has an agreement with Ministers' offices to provide a proposed response for Ministerial OIA within 15 working days. Based on this, Ministerial OIAs are measured to a 15-working day timeframe.

Note 4 - The parliamentary timeframe to respond to a Written Parliamentary Question is six working days. MPI aims to provide the Minister with a proposed response within agreed timeframes.

Note 5 - This performance indicator assesses the quality of MPI's policy advice using the Policy Quality Review (PQR) process. The process aligns with guidance from the Department of the Prime Minister and Cabinet's Policy Quality Framework (A guide for panels assessing policy advice papers with the Policy Quality Framework), which sets expectations for high-quality policy advice. From 2025/26 onward, MPI policy papers will be reviewed by an internal quality assessment panel.

Note 6 - Since 2023/24, MPI has been using an updated methodology that aligns with the guidance provided in the DPMC guidelines for Ministerial Satisfaction Surveys. DPMC rating scale: 1=Never, 2=Some of the time, 3>About half of the time, 4=Most of the time, 5=Always.

Note 7 - High priority sawmills are those that are: (a) milled over 100m³ in the financial year, or (b) were not inspected in the previous two financial years, or (c) have previously been prosecuted or sent a warning letter for non-compliance (except for educational letters) under the Forests Act 1949, at any time, and (d) new sawmills registered for the current financial year.

Note 8 - This performance indicator only relates to indigenous forestry.

Note 9 - This performance indicator considers the potential uplift in wood processing that could occur from co-investment in projects funded through Catalyst grants. The Wood Processing Growth Fund (WPGF) Catalyst fund provides grants to support pre-investment activities for wood processing projects. Uptake of WPGF Catalyst grants is demand-driven; therefore, the target has been set across the life of the programme with annual updates on the progress toward the all-of-programme target.

The budget standard refers to 'Domestic wood processing is increased by 1 million green metric tonnes (GMT) per annum by 2030'. 'GMT' means tonnes of freshly harvested logs (including moisture content).

Note 10 - Crown Forestry annually commissions an independent review of a sample of its estate to demonstrate that it is meeting its required forest management performance measures. This independent review assesses Crown Forestry's activities against what is expected of a prudent forest manager. This includes compliance with statutory and contractual obligations, whether value for money regarding procured contract and sub-contract operations is being received, and effective risk management.

Note 11 - The annual standard has been reduced to align with Crown Forestry's harvesting schedule.

Note 12 - The One Billion Trees programme encompasses both grants and partnerships. Grants are quantified each year based on number of hectares that met establishment criteria following an inspection. Partnership hectares are estimated based on the proportion of total milestones completed during the year multiplied by the total hectares contracted over the life of the partnership. For example, if 2 of a total 10 milestones are completed during the year for a 100-hectare project, the value reported is 20 hectares. The programme is nearing its final stages, and the reduced targets reflect this progression.

Note 13 - This performance indicator measures the amount of budget allocated through this appropriation for the financial year that has been contracted to the Gisborne District Council (GDC) to support the implementation of activities that will mitigate the impact of woody debris to critical infrastructure in the event of significant weather events.

Note 14 - Evidence of achievement of the budget standard is based on treatment in accordance with the deliverables and priorities determined by Gisborne District Council's (GDC) Operational Plan.

“Treatment” of woody debris includes activities such as:

- removal with disposal offsite
- removal and safely stored onsite
- cutting debris into smaller pieces where environmentally effective, and removal is too costly
- engineered mitigation / containment (eg, slash catchers)
- engineered protective structures for key infrastructure (ie, strengthening or deflection).

GDC's current debris treatment Operational Plan aims to treat 364 km of river, thereby de-risking 940 km of rivers across seven catchments over two financial years (2025/26 and 2026/27).

Service Providers for the Multi-Category Appropriation

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
Climate Emergency Response Fund				
Ngāi Tahu Farming Limited	245	245	88	June 2026
NZ Forest Research Scion - Bioeconomy Science Institute	213	213	196	June 2027
Biotanex New Zealand Limited	203	203	-	September 2026
Rosvall Sawmill Limited	202	202	-	August 2026
Calibre Equipment Limited	105	105	96	September 2026
The Bio Factory GP Limited	100	100	-	June 2026
Mac Direct Limited	68	68	-	February 2026
Li Legler	35	35	-	March 2026
Douglas Gaunt t/a Gaunt Consulting	35	15	-	June 2026
Gourmet Wood Inc. Limited t/a Gourmet Wood	26	26	-	August 2026
Margules Groome Consulting Limited	20	12	18	June 2027
University of Canterbury	20	-	20	June 2027
Wenita Forest Products Limited	19	19	-	June 2026
Indufor Asia Pacific Ltd	16	0	16	June 2027
Kiwood Limited	13	13	64	August 2027
Paul McCreedy	13	-	13	June 2027
Smith Railey Consulting Limited	12	6	6	June 2027
Vaughan Kearns	10	10	-	September 2025
Te Awahohonu Forest Trust	10	10	-	March 2026
New Zealand Timber Design Society Incorporated	9	9	9	August 2028
Forme Consulting Group Limited	9	-	9	June 2027
John Fairweather Specialty Timber Solutions	5	5	-	September 2025
Other Providers	1,978	2,070	3,128	
Total Climate Emergency Response Fund	3,366	3,366	3,663	

Provider	2025/26 Final Budgeted \$000	2025/26 Estimated Actual \$000	2026/27 Budget \$000	Expiry of Resourcing Commitment
Grants and Partnership Programmes				
Landowner grant recipient for forestry treatments	3,636	3,636	1,454	June 2029
Partnership grant recipient for enabling activities	1,597	1,597	673	June 2029
Total Grants and Partnership Programmes	5,233	5,233	2,127	
Hill Country Erosion Fund				
Taranaki Regional Council	910	910	910	June 2027
Waikato Regional Council	744	744	691	June 2027
Hawkes Bay Regional Council	910	910	921	June 2027
Horizons Regional Council	910	910	908	June 2027
Greater Wellington Regional Council	905	905	910	June 2027
Northland Regional Council	476	476	361	June 2027
Environment Canterbury	480	480	586	June 2027
Marlborough District Council	228	228	262	June 2027
Nelson City Council	202	202	202	June 2027
The Bay Of Plenty Regional Council	194	194	194	June 2027
Otago Regional Council	85	85	96	June 2027
Gisborne District Council	223	223	223	June 2027
Auckland Council	33	33	11	June 2027
Other Providers	-	-	25	June 2027
Total Hill Country Erosion Fund	6,300	6,300	6,300	
Operational management of the Crown's Forests				
NZFM (2022) Limited Partnership	14,591	14,591	1,072	Multiple Contracts
Ngāti Porou Forests Limited	7,447	7,447	4,743	Multiple Contracts
PF Olsen Ltd	2,865	2,865	4,154	Multiple Contracts
Northland Forest Managers (1995) Ltd	582	582	715	Multiple Contracts
Farman Turkington Forestry Limited	233	233	234	Multiple Contracts
Saathof Forestry Services Limited	110	110	107	Multiple Contracts
John Turkington Limited	1,216	1,216	382	Multiple Contracts
Other Providers	5,866	5,866	4,991	Multiple Contracts
Total Operational management of the Crown's Forests	32,911	32,911	16,398	

End of Year Performance Reporting

Performance information for this appropriation will be reported by the Ministry for Primary Industries in its Annual Report.

Current and Past Policy Initiatives

Policy Initiative	Year of First Impact	2025/26 Final Budgeted \$000	2026/27 Budget \$000	2027/28 Estimated \$000	2028/29 Estimated \$000	2029/30 Estimated \$000
Current Government						
Catalyst Wood Processing Growth Fund-Return of Funding	2024/25	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Establishing Native Forests at Scale-Return of Funding	2024/25	(2,600)	(2,600)	(2,600)	(2,600)	(2,600)
Woody Biomass Planting Programme-Return of Funding	2024/25	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Ministry for Primary Industries Operating Efficiencies-Return of Funding	2024/25	(2,174)	(2,174)	(2,174)	(2,174)	(2,174)
Mini Budget, Budget 2024 and the Fiscal Sustainability Programme	2023/24	(8,000)	-	-	-	-
Previous Government						
Joint Minister decision: NZ ETS market governance tagged contingency drawdown	2023/24	209	219	-	-	-
Establishing the Wood Processing Growth Fund to deliver the Budget 2022 Maximising Carbon Storage Initiative	2023/24	4,859	4,959	4,959	4,959	4,959
Drawdown of Tagged Contingency Delivering Industry Transformation Plans in Partnership with Primary Sectors	2023/24	8,340	-	-	-	-
Drawdown of Tagged Contingency Increasing Woody Biomass Supply to Replace Coal and other Carbon Intensive Fuels and Materials	2022/23	14,521	9,844	8,039	7,970	11,148
Drawdown of Tagged Contingency Funding for Establishing native forests at scale to develop long-term carbon sinks and improve biodiversity	2022/23	7,694	7,694	7,694	7,694	7,694
Maximising Carbon Storage: Increasing Natural Sequestration to Achieve New Zealand's Future Carbon Goals	2022/23	4,728	4,728	4,728	4,728	4,728
Integrated Advisory Services to Support More Sustainable and Productive Land-Use Practices	2022/23	13,960	13,960	13,960	13,960	13,960
Addressing the Impact of Changes to the Ministry for Primary Industries' Collective Agreements and Supply Costs	2022/23	2,460	2,460	2,460	2,460	2,460

Reasons for Change in Appropriation

The decrease in this appropriation for 2026/27 is mainly due to:

- \$16.513 million reduction in forecast expenditure for the Forestry: Operational management of the Crown's Forest
- \$8.357 million expiry of time-limited funding to support Forestry Research Programme which concludes in 2025/26
- \$3.106 million decrease associated with the One Billion Trees Programme
- \$2.750 million decrease in lime-limited funding for the woody debris removal (Cyclone Gabrielle) in the Tairāwhiti region.

The above is partially offset by:

- \$7.034 million increase for the Woody Biomass programme
- \$4.500 million increase due to funding transferred from 2025/26 to the next three years for the Measurement of Carbon Sequestration and Evaluation of Forest Management Practices programme
- \$2 million increase for National Exotic Forest Description programme due to \$1 million transferred from 2025/26 to 2026/27.

Memorandum Account

	2025/26		2026/27
	Budgeted \$000	Estimated Actual \$000	Budget \$000
Forest Market Assurance/ETS			
Opening Balance at 1 July	(76)	(76)	1,577
Revenue	13,635	13,635	15,460
Expenses	11,982	11,982	12,295
Closing Balance at 30 June	1,577	1,577	4,947

The Forest Market Assurance/ETS memorandum account covers emissions trading scheme services provided by MPI in accordance with the Climate Change (Forestry) Regulations 2022, and the Climate Change (Emissions Rulings: Fees and Charges) Regulations 2010.