

To: Ministry for the Environment (MfE)

Submitter Details

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Submission on Proposed changes to National Direction:

- Infrastructure, development and primary sector national direction
- Freshwater national direction

1.1 This submission is lodged by City Forests Limited (**CFL**) and Wenita Forest Products Limited (**Wenita**).

Outcomes sought

1.2 CFL and Wenita seek that the national direction be amended in the way sought in this submission. Specific changes are noted at **Appendix 1**.

1.3 We **do** wish to be heard in support of our submission if there is an opportunity to do so.

CFL and Wenita

1.1 City Forests Limited is owned by Dunedin City Holdings Limited and, ultimately, the Dunedin City Council. The Company is a Council Controlled Trading Organisation. City Forests pays regular dividends to its shareholders and the forests assets form an important part of the DCHL group of companies. The organisation has a 119 year history of commercial forestry investment.

- 1.2 Wenita is the largest producer of forest products in Otago, New Zealand. The company is proud to be part of the local community and its more than three-decade track record of supplying high-quality forest products to local and international markets.
- 1.3 In recent years CFL and Wenita have increasingly been involved in regional and national processes associated with resource management regulation. Most recently this included participation in Environment Court appeals on the Otago Regional Policy Statement 2021 as part of the wider Otago Forestry Group. Participating in those processes has demonstrated the need for national direction to be clear and specific to avoid inefficient or misinformed local idiosyncratic approaches to commercial forestry.
- 1.4 This submission focusses on the government's proposed changes to the National Environmental Standards for Commercial Forestry (**NES-CF**) but also addresses changes to the national direction generally.

NES-CF

- 1.5 The NES-CF provides nationally consistent regulation for managing the effects of commercial forestry. It was developed following consultation and engagement between the forestry sector and several governmental, community and environmental organisations.
- 1.6 It includes mechanisms for managing the environmental effects of eight core forestry activities (including afforestation, harvesting, earthworks and river crossings). Generally, the forestry sector (including CFL and Wenita) is supportive of these regulations as a consistent and comprehensive rulebook for commercial forestry nationally. The regulations go well beyond what forestry companies had previously been required to do to manage environmental effects, and were refined through several years of effort, engagement and expense. The industry has upped its game. However, due to the long cycle of forest crops, there is an inevitable delay before the benefits of NES-CF compliant management will be seen.
- 1.7 Where adverse effects are adequately addressed by those regulations already, as a general rule we submit that further or 'double' regulation is inefficient, confusing, complicates enforcement effort, and is expensive. The costs and benefits of making provision for regional "stringency" in forestry regulation needs clear justification.

Proposed changes to NES-CF

1.8 The Government's key proposed changes to the NES-CF relate to councils' abilities to impose stringency on afforestation generally and to achieve freshwater objectives. These powers sit within regulation 6 of the NES-CF.

Proposed changes to reg 6

- 2.1 The proposed changes to reg 6(4A) of the NES-CF would remove councils' ability to impose stringency in relation to afforestation *generally*. This would not prohibit councils from imposing stringency on afforestation for the other environmental reasons specified in regulation 6.
- 2.2 We are supportive of this change because afforestation itself does not inherently represent an adverse effect on the environment. Unfortunately, this tool has allowed councils to impose stringency on forestry activities in a 'catch all' way, without adequate focus or justification. Its removal would require councils to limit their focus and regulatory efforts to the few high risk areas where the regional effects of forestry *do* require more stringent regulation.
- 2.3 The proposed changes in relation to 6(1)(a) are less certain but we understand the intention is that stringency is limited to identified areas of severe erosion risk. These are unlikely to be a significant issue in Otago, though may be sensible in other areas. Although these proposed changes are an improvement, they may still result in councils imposing stringency inconsistently or without adequate assessment of erosion susceptibility. We request that these proposals should be refined to known areas of erosion susceptibility (to avoid the power being used as a Trojan Horse for additional regulation), or preferably delete 6(1)(a) entirely.
- 2.4 There are also proposed changes to slash management. The government is proposing that a slash management risk assessment is provided as part of all harvest management plans. In the alternative they are proposing that all slash above a certain size is to be removed from the cutover. It would be helpful to understand the potential administrative burden of these proposals and whether they are justified in Otago. To our knowledge, slash management under the existing regime has adequately controlled the risk of entry into rivers during rainfall events.

Proposed removal of regulation 13 of the NES-CF

- 3.1 Recent experience in the Otago Regional Policy Statement mediations has taught us that despite the NES-CF being generally appropriate for purpose, there are some provisions that are not properly situated in the document.
- 3.2 One example is regulation 13 of the NES-CF, which restricts afforestation in areas of visual amenity:

13 Permitted activity condition: visual amenity landscapes

Afforestation must not occur within a visual amenity landscape if rules in the relevant plan restrict commercial forestry activities within that landscape.

- 3.3 The provision is arguably inconsistent with section 7(c) of the RMA, which only provides for the maintenance and enhancement of amenity values and does not require a prohibition on afforestation. Nevertheless, that is how some Councils are treating the issue because of the ability to regulate afforestation. This is an example of where the NES-CF results in more stringent outcomes than the RMA.
- 3.4 The Report from the Expert Advisory Group on Resource Management Reform noted in relation to amenity values that:¹

Landscape and amenity

128. Beyond the regulation required to appropriately protect identified outstanding landscapes and natural features, and areas of high natural character value, we do not see a role for regulation of landscape or visual amenity effects.

- 3.5 We support that advice. Regulating forestry in amenity landscapes is a free for all for those who like to pursue their own aesthetic preferences at the expense of landowners. It lacks objectivity or clarity of purpose. Given this conclusion, we think that regulation 13 is no longer

¹ Report from the Expert Advisory Group on Resource Management Reform. Blueprint for resource management reform. A better planning and resource management system 2025.

fit for purpose and should be deleted. If an appropriate alternative is required, it would likely be implemented through the Government's resource management reform programme.

Quarrying

- 3.6 In our experience there can be interpretive questions regarding NES-CF terminology like 'forestry infrastructure' and 'forestry quarrying' and how these interact with other infrastructure and quarrying specific regulations. Those questions are only going to intensify with the new National Policy Statement for Infrastructure and proposed changes to quarrying. It is worth understanding how these changes will interact with forestry further.
- 3.7 We seek that the Government pay close attention to where NES-CF infrastructure and quarrying regulations interact with the more general quarrying national direction. Our understanding is that the NES-CF provisions would apply to forestry because they are more specific. The interplay and priority between national direction instruments needs to be explicit.

Other national policy – NPS-HPL and NZCPS

- 3.8 We understand the Government is encouraging submissions on national direction generally. Accordingly, we have chosen to submit on other national policy issues which may affect forestry.

National Policy Statement on Highly Productive Land (NPS-HPL)

- 4.1 Proposed changes to the NPS-HPL may also impact forestry. For example, the government is proposing special agricultural areas (**SAAs**) to protect agricultural activities.
- 4.2 Given that forestry is captured by the definition of agriculture, it would be helpful to understand if forestry would also be captured by these SAAs. It would also be helpful to understand whether these SAAs are intended to also capture forestry activities and if there is opportunity to make consenting easier for certain forestry activities.

New Zealand Coastal Policy Statement (NZCPS)

- 4.3 Recent experience in the Otago Regional Policy Statement has taught us that policy 22(3) of the NZCPS is used to justify imposing regulation on forestry. That occurs because the “coastal environment” is not defined and is frequently applied over large areas of coastal hills. The coastal hills of Otago are particularly suitable for commercial forestry.
- 4.4 The provision purports to control discharges of forestry sediment during harvesting, which duplicates provisions in the NES-CF. The NZCPS predates the NES-CF by several years and in our submission, policy 22(3) of the NZCPS has been superseded by the NES-CF and has now become redundant. We accept that there was once a time and place for the provision, but it now singles out forestry in an odd way that is still being felt in regional policy and regulation.
- 4.5 Following the promulgation of the NES-CF we submit that Policy 22 now only creates confusion and double regulation. We propose an amendment to policy 22 in the following way:
1. Assess and monitor sedimentation levels and impacts on the coastal environment.
 2. Require that subdivision, use, or development will not result in a significant increase in sedimentation in the coastal marine area, or other coastal water.
 3. Control the impacts of vegetation removal on sedimentation ~~including the impacts of harvesting plantation forestry.~~
 4. Reduce sediment loadings in runoff and in stormwater systems through controls on land use activities.
- 4.6 An alternative means to deal with policy 22 of the NZCPS may be to seek deletion of clause 6(1)(b) of the NES-CF, which allows stringency for NZCPS reasons.

Summary

- 5.1 CFL and Wenita respectfully submit that the above changes would provide for better outcomes which are more consistent with the RMA generally and the proposed direction of national reforms in the new RMA.

- 5.2 Changes to the NES-CF, NZCPS and NPS-HPL as described above would better enable forestry in New Zealand in the appropriate places, in a way that would not lead to adverse effects on the environment. This would lead to a more efficient and effective approach to forestry in New Zealand.
- 5.3 I **wish** to be heard in support of my submission if there is opportunity. If others make a similar submission, I will consider presenting a joint submission alongside them.
- 5.4 Further detail on the proposed changes to national direction are supplied below in **Appendix 1**.

Dated 23 June 2025

9(2)(a) 

#	Provision	Issues with current regulation	Government proposal	Submission/Considerations
National Environmental Standards for Commercial Forestry (NES-CF)				
1.	<p>Reg 6</p> <p>Enables councils to make more stringent rules than the NES-CF</p>	<p>6(1)(a) enables stringency if a rule gives effect to an objective developed to give effect to the National Policy Statement on Freshwater Management (NPSFM).</p> <p>6(4A) enables stringency to control afforestation generally.</p> <p>The provisions increase regional variation in forestry rules, which reduces certainty and consistency for the sector.</p>	<p>Amend reg 6(1)(a) to be more specific about the criteria for how councils can impose stricter rules than the NES-CF. Councils would only be able to make plans more stringent if:</p> <ul style="list-style-type: none"> Required to manage the risk of severe erosion from commercial forestry activity in a defined area that would have significant adverse effects on receiving environments, including the coastal environment, downstream infrastructure and property. Risk cannot be managed through NESCF. Underlying risk identified in defined area through mapping at a 1:10,000 scale or using a 1 sqm digital elevation model. 	<p>Repeal reg 6(1)(a)</p> <p>Proposed changes to 6(1)(a) are better than the current position but still a little unclear. There is potential for litigation on this subject.</p> <p>However, the obvious intention is to tightly constrain the opportunity for stringency to defined areas of severe erosion risk. These areas are not generally in Otago.</p>
			<p>Repeal reg 6(4A) which enables councils' broad discretion to have more stringent rules to control aspects of afforestation.</p>	<p>Support the reg 6(4A) removal which limits the scatter gun approach to stringency.</p>
2.	<p>Regs 69(5)-(7) slash and debris management</p> <p>Manage slash on forestry harvest cutover.</p> <p>Reg 66 harvest plan</p>	<p>Costly to implement and not fit for purpose.</p>	<p>Amend reg 69 to require a slash mobilisation risk assessment (SMRA) for all forest harvest as part of the existing harvest management plan, and/or amend reg 69(5) to require all slash above an identified size to be removed from the forest cutover.</p> <p>The SMRA is intended to identify any further slash management actions that may be required:</p>	<p>We are unsure if the Otago example justifies preparation of an SMRA for all forestry harvests.</p> <p>Note that 69(5) relates to orange and red zone land. There is very little forestry on land in this category in Otago. On benign Otago land zones</p>

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			<ul style="list-style-type: none"> • Low risk - no further action required to manage slash on the cutover. • Not low but risk can be readily managed through accepted forestry practices – practices included in harvest management plan and only those practices needed to manage slash on cutover. • High risk – careful attention to assessing and managing risk will be required, either by removing most slash from the cutover or by mitigations agreed through a resource consent. <p>If the identified size route was followed, the proposed sizes are sound wood greater than 3.1m with a 10cm small end diameter (must be removed). A residual amount of 15 cubic metres of material of this size might be left on the cutover.</p> <p>Amend reg 66 to include requirement for SMRA.</p>	<p>there is little risk of slash movement provided good practice is followed.</p> <p>These amendments may be helpful. But it's worth considering whether it will increase the administrative burden for areas with low erosion susceptibility.</p> <p>In particular, the amendment to 3.1m with a 10cm small end diameter matches the dimensions of the smallest merchantable log product, which makes sense.</p>
3.	Definition of 'cutover'	<p>Currently definition reads</p> <p>cutover means the land area that has been harvested, and any adjacent land between the harvested area and any land that would be covered by water during a 5% AEP event, but does not include water bodies or land that would be covered by water during a 5% AEP event</p> <p>Very hard to interpret what this means.</p>	cutover means the area of land that has been harvested.	Support - Current definition is confusing. Simplifies meaning and will likely be helpful for preparing management plans.
4.	Regs 10A, 77A, Schedule 3	<p>10A and 77A require planning documentation that duplicates existing requirements.</p> <p>Afforestation and replanting plans duplicate management plans.</p>	Repeal regs 10A and 77A (which, respectively, require afforestation and replanting plans) and repeal Schedule 3 (which sets out the requirements for these plans).	Support - May be benefit in limiting the number of plans that need to be provided.

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		NES-CF already requires management plans where forestry quarrying, earthworks and harvest are carried out as permitted activities. Councils have discretion over the preparation and content of management plans if they choose to require them for consents, which many do.		
5.	Reg 71A(b)	Drafting error in regulation 71A(b) contradicts the policy intent behind it by including the word 'not'.	Amend regulation 71A(b) to state that low-intensity harvesting ² is permitted if "any relevant forest planning requirement is complied with".	Support
6.	Schedules 3, 4, 5 and 6	Schedules 3, 4, 5 and 6 use the term "woody debris" where existing definitions for "slash" may already cover this term.	Remove the term 'woody debris' from all forest planning requirements in Schedules 3, 4, 5 and 6. The regulations already contain defined terms (such as 'slash') that cover woody debris.	Support/Neutral
7.	Wilding tree risk assessment generally 11(4) 79(5)	Wilding tree risk assessment required at the time of replanting is unclear and not part of the assessment sheet submitted to local authorities. 11(4) currently decouples the calculation sheet from the assessment sheet that should be submitted.	Amend wilding tree risk and control regulations 11(4)(b) and 79(5)(b) to simplify wording and link the required activity to the notice requirement. Clarifies that calculation sheet and assessment sheet would be supplied at the same time.	Support

² **low-intensity harvesting** means harvesting where a minimum of 75% canopy cover is maintained at all times for any given hectare of forest land

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8.	NEW Draft slash mobilisation risk assessment	Responds to hard to interpret slash management rules in current regime.	Available at page 7 onwards: https://environment.govt.nz/assets/publications/RMA/attachment-2.2-national-environmental-standards-for-commercial-forestry.pdf	May increase administrative burden unjustifiably on low erosion risk areas such as Otago. Hard to tell based on information available.
9.	Reg 13 – Visual Amenity Landscapes	Not proposed for amendment.	Not proposed for amendment.	Propose removal - see commentary above in the submission. We propose removing reg 13. This would be consistent with Government's RMA reform package.
NPSHPL				
10.	LUC 1, 2 or 3 land	Including LUC 3 land in the NPS-HPL restricts greenfield development. Removing this land from the NPS-HPL will free up the supply of land to work towards addressing housing crisis.	Remove LUC 3 land from NPS-HPL restrictions with immediate effect. Maintain NPS-HPL restrictions on LUC 1 and 2 land.	Support - potentially helpful for forestry adjacent activities, such as forestry quarrying. Unlikely to affect forestry which is already considered 'land based primary production'.
11.	Protections for primary production	Certain food and fibre production still requires protection.	Test alternative ways to protect additional areas of agricultural land that are important for food and fibre production, and consulting on establishing special agricultural areas (SAAs) around key horticulture hubs like Pukekohe and Horowhenua.	Need further clarity – we are unclear on whether these proposals would capture forestry, which is considered food and fibre production. The intent is to protect specific areas of value for food production, but the reach is uncertain.
12.	Timeframes to map LUC land.	Proposed changes to remove LUC 3 land and to add SAAs make the October 2025 deadline difficult.	Extend timeframes for mapping of HPL to be completed within two to three years (2027 or 2028) or suspending requirements for mapping HPL until further direction is provided in the replacement resource management system.	Further clarity - need to understand when and how SAAs may be mapped, what areas they may affect and what they may do in these areas.
NZCPS				
13.	Policy 22(3)	Not proposed for change	Not proposed for change	Amend - this provision singles out forestry by explicitly noting the need to

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				<p>control the impacts of harvesting plantation forestry.</p> <p>Propose the following amendment:</p> <p>(3) Control the impacts of vegetation removal on sedimentation including the impacts of harvesting plantation forestry</p>
Multiple instruments dealing with quarrying and mining				
14.	References to 'aggregate extraction and 'quarrying activities' in the NPSIB, NPSFM, NESFW, NPSHPL	Definition of quarrying activities varies considerably in different national directions. May influence consenting pathways.	Align definitions across national direction instruments that provide for quarrying and mining, and to ensure the consent pathways are consistent.	<p>Helpful to understand the interrelationship between these instruments and forestry quarrying under the NESCF.</p> <p>Would changes capture forestry quarrying, which is generally permitted under the NESCF. If so, what effect would that have on that essential forest management activity?</p>
New National Policy Statement for Infrastructure				
15.	New NPS-I	Infrastructure can be difficult and expensive to consent.	Government has proposed new NPS-I to address infrastructure difficulties.	<p>NES-CF forestry infrastructure such as roading, tracks and river crossings <i>may</i> be captured by infrastructure policies.</p> <p>Helpful to understand if it would capture forestry activities. If so, would this help or hinder those activities.</p>

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16.	Operational and functional needs	The operational need part of the policy is intended to recognise the technical and financial constraints for infrastructure providers in managing adverse effects of infrastructure on the environment.	The NPS-I proposes to require decision-makers to recognise and provide for the functional need or operational need of infrastructure to locate in particular environments.	<p>Follows from the above. Operational and functional need have been an issue in RPS appeals relating to forestry infrastructure.</p> <p>If forestry is captured by the NPS-I, there may be benefit in providing for operational need for forestry infrastructure, given sensitive environments it may traverse (such as rivers). Functional need test much harder to pass.</p> <p>Forestry infrastructure defined in the NESCF as structures and facilities that are required for the operation of the forest, including forestry roads, forestry tracks, river crossings, landings, fire breaks, stormwater and sediment control structures, and water run-off controls</p> <p>Forestry quarrying defined differently and may be considered infrastructure too.</p>
National Environmental Standards for Electricity Transmission Activities				
17.	Provisions relating to maintenance of electricity transmission networks.	Recognise routine activities that are essential for electricity network.	Enable routine work on electricity transmission network including vegetation clearance.	Further clarity needed - may have impacts on adjacent forestry and setbacks. Helpful to understand if it will.
National Policy Statement on Freshwater Management				
18.	Single Objective	Currently being interpreted as requiring pristine water quality to be	Multiple objectives being proposed. New objectives including to:	Support

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		achieved, before allowing any other uses of freshwater.	<ul style="list-style-type: none"> • Safeguard the life supporting capacity of freshwater and the health of people and communities, while enabling communities to provide for their social, cultural and economic well-being, including productive economic opportunities. • Communities' long term goals/visions for freshwater. The cost of change and who bears the cost (including what the trade offs are). Within what timeframes change should occur, recognising that improving freshwater quality will require iterative, gradual improvement over a long time and through multiple planning cycles. • For vegetable growing and water security. • To maintain or improve freshwater quality. 	
19.	Addressing water security and water storage	Freshwater scarce at critical times in many parts of NZ, and water security becoming increasingly important.	<p>Provide direction to councils through new objective or policy in the NPSFM to address the issue of water security as part of climate change resilience.</p> <p>Freshwater allocation to be addressed as part of upcoming replacement legislation for the RMA</p>	Helpful to understand if these may affect forestry