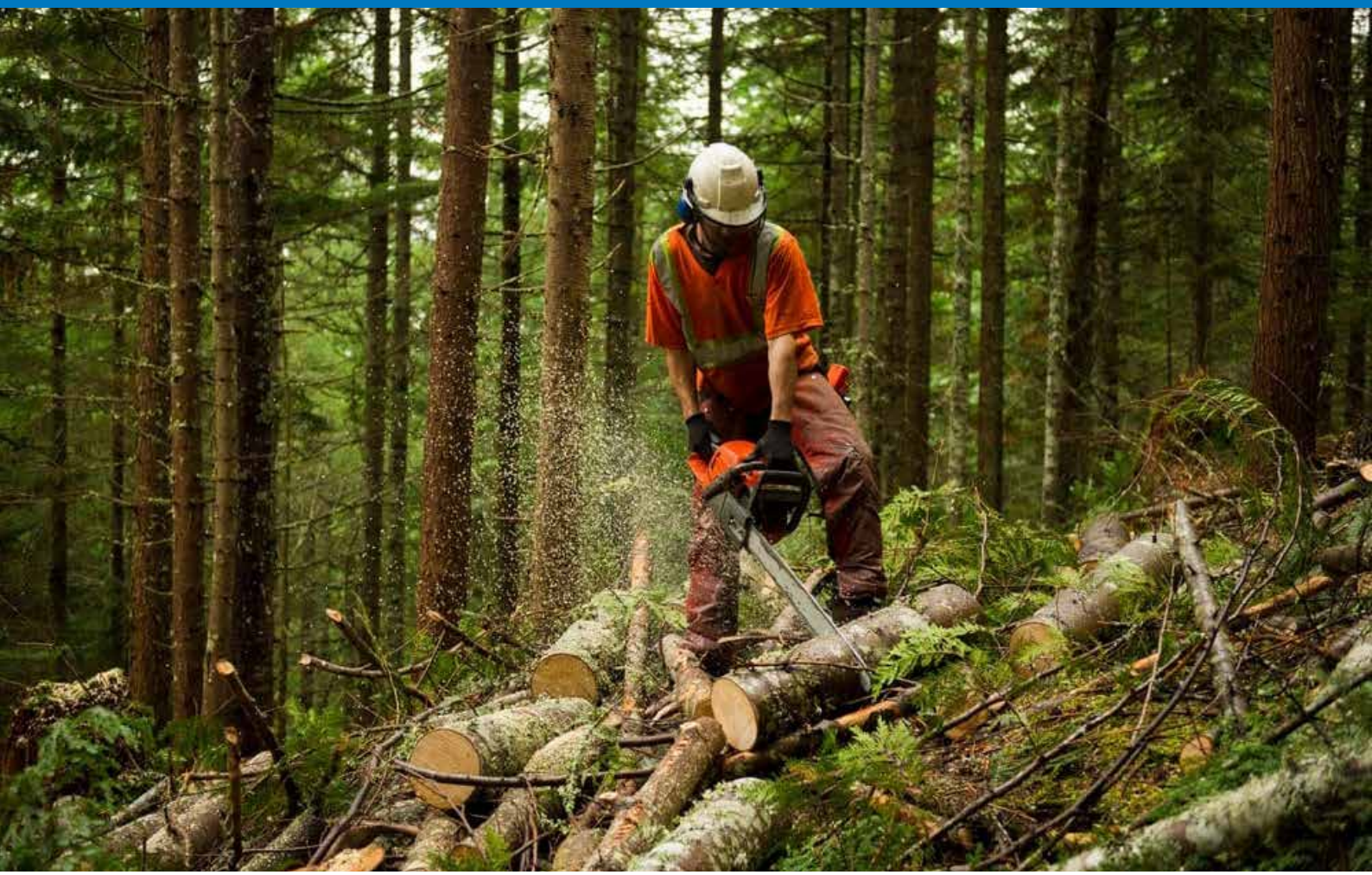


Fixing the Basics. Building the Future.

Forestry and Wood Processing

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Forestry and Wood Processing

National believes New Zealand should make more from the trees we grow. Every log we process here means more jobs in our mills and more money invested in our rural communities. In 2023, National set a goal to double the value of New Zealand's exports in ten years. We are on track to deliver on our goal, and our forestry and wood processing sector has a significant role to play in finishing the job.

Forestry is one of our biggest export earners. Forestry and wood processing earn more than $6 billion in exports a year and employ around 42,000 people, most of them in the regional New Zealand. Our 1.82 million hectares of planted forest produced a harvest of around 31 million cubic metres in 2025, and harvests are expected to stay high through to 2030.

But too much of that value still leaves our ports as raw logs. Every log processed here instead of offshore means more jobs in towns like Rotorua, Tokoroa, Gisborne and Whangārei, more investment in local mills, and more value kept in New Zealand. There is more work to do to lift value through investment in wood processing and new markets.

That's why in our first term National has cut red tape, lowered costs, and opened new markets for forestry.

In the last three years, National has:

- Cut the annual ETS forestry charge by two-thirds, from $30.25 to $10.28 a hectare from 1 July 2026, with lower costs for mature forests.
- Repealed the Log Traders and Forestry Advisers Act 2020, removing compliance costs that delivered no meaningful improvement in outcomes.
- Updated the National Environmental Standards for Commercial Forestry from 4 June 2026, so council rules are more consistent and slash controls are focused on the sites where the risk is highest.
- Set a one-year limit for councils to decide wood processing consents, and opened fast-track approvals.
- Opened the Primary Sector Growth Fund to forestry and backed innovation and new processing.
- Made wood processing a priority for Invest New Zealand, which took South Island wood processing opportunities to investors in Europe.
- Reopened the Indian log market and led a 13-company wood trade mission to India. It led to new deals and more exports.
- Signed and ratified a free trade agreement with India. Since it came into force on 20 October 2026, more than 95 per cent of our forestry exports enter India duty-free.
- Launched the NZ Pine brand with industry in June 2026, backed by a standard overseen by MPI.
- Committed around $110 million to clean up slash in Tairāwhiti.
- Invested $69 million to nearly double Trades Academy places to 20,000 by 2030, with new industry-led school subjects including primary industries.
- Re-established locally governed polytechnics and institutes of technology to respond to the needs of local communities and industries, including forestry, to maintain a strong pipeline of skilled regional workers.

A re-elected National Government will:

Double value-added timber exports by 2034

We will double value-added timber exports by 2034, so more of every harvest is processed here before it leaves our ports. National will also commit to targeted sector trade missions to grow trade and market access. A mission focused on one sector puts the right companies in front of the right buyers.

National will work hard to make the most of our free trade agreements, including India, and keep working with exporters and officials to remove non-tariff and phytosanitary barriers. That way more processed wood reaches more markets, and we rely less on a single buyer.

- **Lead targeted wood trade missions** into India, Asia, the US and the Gulf, selling engineered wood, mass timber and building products. We will also build on new interest from Europe, where wood fibre shortages are drawing buyers and investors to New Zealand.
- **Roll out NZ Pine** from early 2027. NZ Pine gives New Zealand's purposefully grown radiata pine a single, recognisable identity in overseas markets. It is a voluntary, industry-led brand, backed by a Government administrative standard overseen by MPI that sets the evidence needed to back its claims. It builds on New Zealand's reputation for excellence and sustainability.
- **Investigate options for more pruned logs** to get more value from every harvested tree. Pruned logs make clearwood, our highest-value timber, but pruning has fallen sharply and supply is forecast to more than halve.
- **Keep backing innovation and growth** through the Wood Processing Growth Fund, the Primary Sector Growth Fund, Invest New Zealand and faster consent pathways. The Wood Processing Growth Fund co-invests with processors in high-value, long-lived products such as structural timber, framing, furniture and engineered wood.

Keep the rules stable

You don't plant a forest, plan a harvest or build a sawmill on rules that might change next year.

- **No changes to key forestry settings next term** to provide certainty to forest owners, the thousands of farmers with woodlots, iwi, forest harvesting crews, wood processors and carbon foresters alike.

Build a skilled workforce

Forestry depends on skilled harvest crews and contractors. They have large sums tied up in machinery, but work can stop and start with log prices and the seasons. Fuel, fertiliser and freight alone make up between 14 and 28 per cent of forestry operating costs, so rising costs hit crews hard. That makes it hard to invest, hire and train.

- Train the next generation: Double Trades Academy places to 20,000 by 2030 and expand Youth Guarantee places by 1,000 a year, and introduce an industry-led Food and Fibre Systems subject for Years 12 and 13 from 2029. These give more young people early, practical pathways into skilled forestry jobs in the regions.
- Strengthen industry representation: Ensure strong forestry industry representation on the newly established Industry Skills Boards (ISBs), so qualifications reflect industry standards and workforce needs.





- Protect strategically important training: Ensure that vital forestry and silviculture training such as work undertaken at Toi Ohomai's Timber Industry Training Centre, can continue at tertiary providers at all levels, recognising its importance to regional economies and economic growth.
- Back future leaders: Continue the Future Leaders Scholarship, which gives emerging leaders in agriculture, horticulture and forestry $10,000 towards study, industry experience and governance skills, and keep Apprenticeship Boost targeted to areas including forestry.

Deliver practical rules for forestry and slash

Forestry must manage slash to protect our rivers, roads and communities. The rules to do that should be clear, based on evidence and, where practical, the same across the country. The National-led Government has committed more than $110 million to debris and sediment clean-up in Tairāwhiti, including the removal and treatment of forestry slash and other woody debris.

- **Set national standards and national direction for forestry.** These replace the old NES-CF under our new planning laws. Foresters will meet their obligations on slash under practical rules based on evidence and risk. That reduces costs and drives better environmental outcomes.
- **Practical rules to manage risk.** Forestry operates across very different terrain. Effort should be targeted at steep, erosion-prone land and sensitive catchments, using recognised slash mobilisation risk assessments, rather than applying the same rules to every site.

Protect our forests from fire and wilding conifers

Forests are long-term assets. Hotter, drier and windier summers are lengthening the fire season, and wilding conifers are spreading across our landscapes. Both put forests, farms and communities at risk, and both are best tackled in partnership with the people who manage the land.

- **Create regional wildfire readiness plans** with forest owners, farmers, Fire and Emergency New Zealand and councils, so firefighters can act fast with the right information on access tracks and water sources.
- **Complete the National Pest Management Plan for wilding conifers.** Wilding conifers are a major and rapidly expanding threat to our landscapes, conservation estate and regional economies.

Back wood in government buildings

National have already cut red tape for commercial forestry and made council forestry rules nationally consistent. But for processors to invest in new plants, they need confidence there will be steady demand for their products. National will help provide that confidence.

Modern engineered timber, such as cross-laminated timber and glulam, is strong, fast to build with, performs well in earthquakes and is increasingly cost-competitive. Yet it is often not considered at the design stage, when material choices are locked in. National will make sure it is considered in new government-owned buildings.

We will also recognise measuring and accounting for the carbon captured in harvested wood and longer-life timber products. Forest owners earn carbon units for the carbon their trees store, but the carbon that stays locked up in timber products for decades is not recognised in the same way. Getting this right will help drive investment, innovation and jobs in wood processing.

- **Introduce a wood policy** so timber or wood-based options are considered at the pre-design stage of new government-owned buildings, where practical and appropriate, before key design decisions are made. This will allow wood options to be fairly evaluated on cost and performance alongside other construction materials.

Drive greater value from biomass

Around four million tonnes of slash and residue are left in our forests every year. New Zealand is great at producing commodities like logs and milk powder, but there is much more value we can capture. We still import high-value specialty chemicals and ingredients made from petrochemicals that could instead be made here from biomass. The BioFactory will help turn our side and waste streams into these high-value products, creating new revenue, intellectual property and jobs in the regions.

Small pilot plants can't prove commercial viability, so businesses have had to build their own costly facility or take their science offshore, putting their intellectual property at risk. The BioFactory will close that gap. It is a single, shared site where companies can test and scale new products using real wood, farm and marine by-products at volume, before committing to a plant of their own.

- **Back New Zealand's first BioFactory in Rotorua** by ring-fencing $15 million towards a $30 million capital raise, conditional on a further $15 million from private investors.

This policy is part of National's plan to fix the basics and build the future. It sits alongside our Next Billion Customers trade strategy, Bluegreens and Agriculture policy. Together, they back the kiwis that live and work in our regions. They keep us on track to double the value of New Zealand's exports by 2034, which means more jobs, higher incomes and more money coming back into our rural communities.

Fixing the Basics. Building the Future. Party Vote National.

