

# *Vote Forestry*

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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 2022/23 financial year covering just over \$180 million for the following:

- just under \$43 million for the provision of initiatives, grants and programmes to establish trees or build skills, capability and capacity in the forestry sector
- just over \$36 million for the operational management of the Crown's forests
- just over \$57 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
- just over \$2 million for forestry and other economic development and erosion control in the Tairāwhiti region
- just under \$6 million for climate emergency response implementation and administration
- just under \$13 million for the purchase or planting of the Crown's forestry assets
- just under \$11 million for the administration of government approved schemes, grants and assistance to the forestry sector
- \$10 million for the projects which protect erosion-prone hill country
- just over \$2 million for the management of the Crown's interest in forests and forestry-related assets.

### **Crown Revenue and Capital Receipts**

Ministers expect to collect just under \$34 million of Crown revenue and capital receipts in 2022/23. 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	2021/22		2022/23
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Multi-Category Expenses and Capital Expenditure</b>			
<b>Growth and Development of the Forestry Sector MCA (M35) (A14)</b>	178,058	178,058	<b>165,224</b>
The single overarching purpose of this appropriation is to support the growth and development of the forestry sector.			
<b>Departmental Output Expenses</b>			
<i>Forestry: Administration of Grants and Programmes</i>	4,745	4,745	10,704
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>	-	-	5,811
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>	2,607	2,607	2,633
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>	55,692	55,692	57,052
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.			
<b>Non-Departmental Output Expenses</b>			
<i>Forestry: Operational management of the Crown's Forests</i>	56,921	56,921	36,275
This category is limited to the purchase of forestry operation and management services.			
<b>Non-Departmental Other Expenses</b>			
<i>Forestry: Grants and partnerships programmes</i>	32,602	32,602	42,749
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>	10,000	10,000	10,000
This category is limited to projects that protect erosion-prone hill country.			
<i>Afforestation Grant Scheme</i>	6,991	6,991	-
This category is limited to grants to private landowners for afforestation purposes.			
<b>Non-Departmental Capital Expenditure</b>			
<i>Forestry: Capital investment in the Crown's Forestry Assets</i>	8,500	8,500	-
This category is limited to the purchase or planting of the Crown's Forestry assets.			
<b>Total Multi-Category Expenses and Capital Expenditure</b>	178,058	178,058	165,224
<b>Total Annual Appropriations and Forecast Permanent Appropriations</b>	178,058	178,058	165,224

## Multi-Year Appropriations

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Non-Departmental Other Expenses</b>		
<b>Forestry and Other Economic Development, and Erosion Control (M35) (A14)</b> 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 2020/21	-
	Adjustments for 2021/22	14,250
	Adjusted Appropriation	16,250
	Actual to 2020/21 Year End	-
	Estimated Actual for 2021/22	6,000
	Estimate for 2022/23	2,563
	Estimated Appropriation Remaining	7,687
<b>Non-Departmental Capital Expenditure</b>		
<b>Forestry: Capital investment in the Crown's Forestry Assets (M35) (A14)</b> 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 2020/21	-
	Adjustments for 2021/22	-
	Adjusted Appropriation	55,600
	Actual to 2020/21 Year End	-
	Estimated Actual for 2021/22	-
	Estimate for 2022/23	12,600
	Estimated Appropriation Remaining	43,000

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

	2021/22		2022/23
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Total Annual Appropriations and Forecast Permanent Appropriations	178,058	178,058	165,224
Total Forecast MYA Non-Departmental Other Expenses	6,000	6,000	2,563
Total Forecast MYA Non-Departmental Capital Expenditure	-	-	12,600
<b>Total Annual Appropriations and Forecast Permanent Appropriations and Multi-Year Appropriations</b>	<b>184,058</b>	<b>184,058</b>	<b>180,387</b>

# Supporting Information

## Part 1 - Vote as a Whole

### 1.1 - New Policy Initiatives

Policy Initiative	Appropriation	2021/22 Final Budgeted \$000	2022/23 Budget \$000	2023/24 Estimated \$000	2024/25 Estimated \$000	2025/26 Estimated \$000
Maximising Carbon Storage: Increasing Natural Sequestration to Achieve New Zealand's Future Carbon Goals	<b>Growth and Development of the Forestry Sector (MCA)</b> Forestry: Climate Emergency Response Implementation and Administration Departmental Output Expense	-	5,811	11,630	8,108	4,728
Integrated Advisory Services to Support More Sustainable and Productive Land-Use Practices	<b>Growth and Development of the Forestry Sector (MCA)</b> Forestry: Administration of Grants and Programmes Departmental Output Expense	-	1,729	3,568	4,582	12,460
	<b>Growth and Development of the Forestry Sector (MCA)</b> Forestry: Grants and Partnership Programmes Non-Departmental Other Expense	-	1,000	2,350	1,600	1,500
Addressing the Impact of Changes to the Ministry for Primary Industries' Collective Agreements and Supply Costs	<b>Growth and Development of the Forestry Sector (MCA)</b> Forestry: Administration of Grants and Programmes Departmental Output Expense	-	131	270	421	421
	<b>Growth and Development of the Forestry Sector (MCA)</b> Forestry: Policy Advice and Ministerial Servicing Departmental Output Expense	-	571	1,210	1,955	1,955
	<b>Growth and Development of the Forestry Sector (MCA)</b> Forestry: Management of the Crown's Forestry Assets Departmental Output Expense	-	26	53	84	84
Primary Industry Transformation: Delivering Industry Transformation Plans in Partnership with Primary Sectors	<b>Growth and Development of the Forestry Sector (MCA)</b> Forestry: Administration of Grants and Programmes Departmental Output Expense	-	4,000	-	-	-
Drawdown of Tagged Contingency Funding for Forestry Emissions Trading Scheme (ETS) Transformation Programme	<b>Growth and Development of the Forestry Sector</b> Forestry: Policy Advice and Ministerial Servicing Departmental Output Expense	6,779	15,354	9,765	9,448	10,137
<b>Total Initiatives</b>		6,779	28,622	28,846	26,198	31,285

## 1.2 - Trends in the Vote

### Summary of Financial Activity

	2017/18	2018/19	2019/20	2020/21	2021/22		2022/23			2023/24	2024/25	2025/26
	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
<b>Appropriations</b>												
Output Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Benefits or Related Expenses	-	-	-	-	-	-	N/A	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-	-	-	-	-	-	-
Other Expenses	-	4,904	8,802	4,765	6,000	6,000	-	2,563	2,563	2,563	2,563	2,561
Capital Expenditure	-	6,802	14,899	8,084	8,500	8,500	-	12,600	12,600	18,000	3,600	21,400
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-	-	N/A	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)												
<i>Output Expenses</i>	-	109,447	115,238	124,158	119,965	119,965	76,200	36,275	112,475	105,161	108,401	103,136
<i>Other Expenses</i>	-	13,611	22,432	51,670	49,593	49,593	-	52,749	52,749	49,184	3,800	3,700
<i>Capital Expenditure</i>	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Appropriations</b>	-	134,764	161,371	188,677	184,058	184,058	76,200	104,187	180,387	174,908	118,364	130,797
<b>Crown Revenue and Capital Receipts</b>												
Tax Revenue	-	-	-	-	-	-	N/A	-	-	-	-	-
Non-Tax Revenue	-	103,522	94,675	117,363	64,120	64,120	N/A	33,833	33,833	31,024	43,224	33,573
Capital Receipts	-	-	-	-	-	-	N/A	-	-	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	-	103,522	94,675	117,363	64,120	64,120	N/A	33,833	33,833	31,024	43,224	33,573

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

	2017/18 Adjustments \$000	2018/19 Adjustments \$000	2019/20 Adjustments \$000	2020/21 Adjustments \$000	2021/22 Final Budgeted Adjustments \$000	2021/22 Estimated Actual Adjustments \$000
<b>Appropriations</b>						
Output Expenses	-	-	-	-	-	-
Benefits or Related Expenses	-	-	-	-	-	-
Borrowing Expenses	-	-	-	-	-	-
Other Expenses	-	-	-	-	-	-
Capital Expenditure	-	6,802	14,899	8,084	8,500	8,500
Intelligence and Security Department Expenses and Capital Expenditure	-	-	-	-	-	-
Multi-Category Expenses and Capital Expenditure (MCA)						
<i>Output Expenses</i>	-	-	-	-	-	-
<i>Other Expenses</i>	-	-	-	-	-	-
<i>Capital Expenditure</i>	-	(6,802)	(14,899)	(8,084)	(8,500)	(8,500)
<b>Total Appropriations</b>	-	-	-	-	-	-
<b>Crown Revenue and Capital Receipts</b>						
Tax Revenue	-	-	-	-	-	-
Non-Tax Revenue	-	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-
<b>Total Crown Revenue and Capital Receipts</b>	-	-	-	-	-	-

## 1.3 - Analysis of Significant Trends

### *Non-Departmental Other Expenses*

Non-departmental other expenditure trends down over the forecast period. This is primarily due to funding of the Forestry Grants and Partnerships decreasing.

### *Crown Revenue and Capital Receipts*

Crown Revenue or Capital Receipt Item	2021/22		2022/23	Description of Crown Revenue or Capital Receipt Item
	Budgeted \$000	Estimated Actual \$000	Budgeted \$000	
<b>Crown Revenue</b>				
Sale of Forest Produce	63,970	63,970	33,683	Revenue from the sale of forest produce from Crown forests.
New Zealand Emissions Trading Scheme	150	150	150	Fees received from forest landowners joining the New Zealand Emissions Trading Scheme.
<b>Total Crown Revenue and Capital Receipts</b>	<b>64,120</b>	<b>64,120</b>	<b>33,833</b>	



## 1.4 - Reconciliation of Changes in Appropriation Structure

2021/22 Appropriations in the 2021/22 Structure	2021/22 (Current) \$000	Old Structure		New Structure		
		Appropriations to which Expenses (or Capital Expenditure) have been Moved from or to	Amount Moved \$000	2021/22 Appropriations in the 2022/23 Structure	2021/22 (Restated) \$000	2022/23 \$000
<b>Growth and Development of the Forestry Sector MCA</b> <i>Non-Departmental Capital Expenditure</i> Forestry: Capital Investment in the Crown's Forestry Assets	8,500	Moved within Vote	(8,500)	<b>Forestry: Capital Investment in the Crown's Forestry Assets MYA</b> <i>Non-Departmental Capital Expenditure</i>	8,500	12,600
Total Changes in Appropriations	8,500		(8,500)		8,500	12,600

Explanations of the reasons for changing the appropriation structure are noted in the details of each appropriation in Parts 2-4.

## Part 3 - Details of Non-Departmental Appropriations

### 3.4 - Non-Departmental Other Expenses

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

##### *Scope of Appropriation and Expenses*

Type, Title, Scope and Period of Appropriations	Appropriations, Adjustments and Use	\$000
<b>Forestry and Other Economic Development, and Erosion Control (M35) (A14)</b> 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 2020/21	-
	Adjustments for 2021/22	14,250
	Adjusted Appropriation	16,250
	Actual to 2020/21 Year End	-
	Estimated Actual for 2021/22	6,000
	Estimate for 2022/23	2,563
	Estimated Appropriation Remaining	7,687

##### *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 Forestry and Other Economic Development, and Erosion Control scheme.

##### *How Performance will be Assessed and End of Year Reporting Requirements*

Assessment of Performance	2021/22		2022/23
	Final Budgeted Standard	Estimated Actual	Budget Standard
Number of hectares established under the Erosion Control Funding Programme per annum (see Note 1)	100ha	100ha	100ha

Note 1 – “Hectares established” translates to trees planted that are surviving.

##### *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	2021/22 Final Budgeted \$000	2021/22 Estimated Actual \$000	2022/23 Budget \$000	Expiry of Resourcing Commitment
Grant Recipient landowners for forestry treatments to address wide-scale erosion problems in the Gisborne District	6,000	6,000	2,563	30 June 2031
Total	6,000	6,000	2,563	

*Current and Past Policy Initiatives*

Policy Initiative	Year of First Impact	2021/22 Final Budgeted \$000	2022/23 Budget \$000	2023/24 Estimated \$000	2024/25 Estimated \$000	2025/26 Estimated \$000
Forestry and Other Economic Development, and Erosion Control	2021/22	2,000	-	-	-	-

## 3.5 - Non-Departmental Capital Expenditure

### 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
<b>-Forestry: Capital investment in the Crown's Forestry Assets (M35) (A14)</b> 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 2020/21	-
	Adjustments for 2021/22	-
	Adjusted Appropriation	55,600
	Actual to 2020/21 Year End	-
	Estimated Actual for 2021/22	-
	Estimate for 2022/23	12,600
	Estimated Appropriation Remaining	43,000

#### *Comparators for Restructured Appropriation*

Vote, Type and Title of Appropriation	2021/22		2022/23
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
Vote Forestry: Non-Departmental Capital Expenditure: Growth and Development of the Forestry Sector MCA: Capital Investment in the Crown's Forestry Assets	8,500	8,500	-
Total	8,500	8,500	12,600

#### *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	2021/22		2022/23
	Final Budgeted Standard	Estimated Actual	Budget Standard
Hectares of joint venture forest assets contracted for planting over the 2023 planting season (see Note 1)	1,200ha	1,200ha	1,200ha

Note 1 - This measure relates to the area contracted for planting for a given planting season (June 2022 to August 2023). The wording has been updated to reflect the correct year. This is a new multi-year appropriation established in 2022/23. In previous years, this measure was reported in the non-departmental capital expenditure category of the 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.

### *Reasons for Change in Appropriation*

This is a new multi-year appropriation established in 2022/23.

# 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: Operational management of the Crown's Forests*

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

##### **Non-Departmental Other Expenses**

###### *Afforestation Grant Scheme*

This category is limited to grants to private landowners for afforestation purposes.

###### *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.

##### **Non-Departmental Capital Expenditure**

###### *Forestry: Capital investment in the Crown's Forestry Assets*

This category is limited to the purchase or planting of the Crown's Forestry assets.

*Expenses, Revenue and Capital Expenditure*

	2021/22		2022/23
	Final Budgeted \$000	Estimated Actual \$000	Budget \$000
<b>Total Appropriation</b>	<b>178,058</b>	<b>178,058</b>	<b>165,224</b>
<b>Departmental Output Expenses</b>			
Forestry: Administration of Grants and Programmes	4,745	4,745	10,704
Forestry: Climate Emergency Response implementation and administration	-	-	5,811
Forestry: Management of the Crown's Forestry Assets	2,607	2,607	2,633
Forestry: Policy Advice and Ministerial Servicing	55,692	55,692	57,052
<b>Non-Departmental Output Expenses</b>			
Forestry: Operational management of the Crown's Forests	56,921	56,921	36,275
<b>Non-Departmental Other Expenses</b>			
Afforestation Grant Scheme	6,991	6,991	-
Forestry: Grants and partnerships programmes	32,602	32,602	42,749
Forestry: Hill Country Erosion Fund	10,000	10,000	10,000
<b>Non-Departmental Capital Expenditure</b>			
Forestry: Capital investment in the Crown's Forestry Assets	8,500	8,500	-
<b>Funding for Departmental Output Expenses</b>			
<b>Revenue from the Crown</b>	<b>62,876</b>	<b>62,876</b>	<b>76,032</b>
Forestry: Administration of Grants and Programmes	4,730	4,730	10,689
Forestry: Climate Emergency Response implementation and administration	-	-	5,811
Forestry: Management of the Crown's Forestry Assets	2,491	2,491	2,517
Forestry: Policy Advice and Ministerial Servicing	55,655	55,655	57,015
<b>Revenue from Others</b>	<b>168</b>	<b>168</b>	<b>168</b>
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	37	37	37

*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*

	2021/22		2022/23
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
The core functionality to support the Forestry Planning and Advisory service will be fully stood up by June 2023 (see Note 1)	New measure	-	Achieved

Note 1 - A new measure has been introduced to better reflect the overall effectiveness of the output categories under the MCA. It replaces the current measure 'Reporting on an annual basis'. The new measure is an indicator of overall performance of the work carried out in the appropriation. This measure relates to supporting the growth and development of the forestry sector by increasing services to better support existing and new participants and develop assurance of compliance through regulation.

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

Assessment of Performance	2021/22		2022/23
	Final Budgeted Standard	Estimated Actual	Budget Standard
<b>Departmental Output Expenses</b>			
<b>Forestry: Administration of Grants and Programmes</b>			
This category is intended to achieve the sustainable growth and development of the forestry sector.			
The percentage of contractual milestones under the One Billion Tree Fund that are past their due date (see Note 1)	Less than or equal to 10%	Less than or equal to 10%	Less than or equal to 10%
<b>Forestry: Climate Emergency Response implementation and administration</b>			
This category is intended to achieve the delivery of programmes as part of the Forestry sector contribution to the Climate Emergency Response Fund.			
The delivery of programmes agreed as part of the Forestry sector Climate Emergency Response	-	-	Achieved
<b>Forestry: Management of the Crown's Forestry Assets</b>			
This category is intended to achieve the effective administration and management of the Crown's interest in forests and forestry-related assets.			
The number of hectares of the Crown's forestry assets divested via a surrender or sale process (see Note 2)	250ha	250ha	250ha
Number of hectares contracted under commercial forest leases or forestry joint ventures as part of the One Billion Trees programme (see Note 3)	650ha	650ha	1,500ha
<b>Forestry: Policy Advice and Ministerial Servicing</b>			
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: Aide Memoires and Briefings; Ministerial Correspondence; Ministerial Official Information Act 1982 requests; and Parliamentary Questions (see Note 4)	95-100%	95-100%	95-100%
The technical quality assessment level for the Ministry for Primary Industries (MPI) policy advice papers, on a scale of 1 to 5, will be equal to or greater than	3.5	3.5	3.5
The satisfaction of the Minister of Forestry with the policy advice service, on a scale of 1 to 5, will be equal to or greater than	4	4	4
Percentage of high priority registered sawmills inspected annually for compliance with the Forests Act 1949 (Part 3A)	90%	90%	90%
Percentage of completed inspections for approved annual logging plans subject to post harvest inspections each financial year	75%	75%	75%



	2021/22		2022/23
	Final Budgeted Standard	Estimated Actual	Budget Standard
Assessment of Performance			
Percentage of voluntary emissions returns applications that have been completed fully and contain accurate calculations at the time of submission	75-80%	75-80%	75-80%
<b>Non-Departmental Output Expenses</b>			
<b>Forestry: Operational management of the Crown's Forests</b>			
This category is intended to achieve the effective purchase of forestry operations, management services, research and related forest asset expenditure including expenditure related to asset divestment.			
Percentage of forest management activities comply with all statutory requirements, lease agreements and other contractual arrangements as assessed by annual independent review of a sample forest (see Note 5)	100%	100%	100%
Percentage of costs and revenues are consistent with industry norms as assessed by annual independent review of a sample of forests	100%	100%	100%
Cubic metres (m3) of logs harvested and sold, on behalf of the Crown, from the Crown Forestry Estate, to within +/- 10%	500,000m3	500,000m3	500,000m3
<b>Non-Departmental Other Expenses</b>			
<b>Forestry: Grants and partnerships programmes</b>			
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.			
The number of hectares established under the One Billion Trees Fund (see Note 6)	3,000ha	3,000ha	3,000ha
<b>Forestry: Hill Country Erosion Fund</b>			
This category is intended to achieve effective provision of projects that protect erosion-prone hill country.			
The number of hectares treated through Hill Country Erosion Funding in 2022/23 (see Note 7)	4,900ha	4,900ha	4,900ha
<b>Non-Departmental Capital Expenditure</b>			
<b>Forestry: Capital investment in the Crown's Forestry Assets</b>			
This category is intended to achieve the effective purchase or planting of the Crown's forestry assets.			
Hectares of joint venture forest assets contracted for planting over the 2023 planting season (see Note 8)	1,200ha	1,200ha	Converted to a Multi-Year Appropriation

Note 1 - Milestones are considered to be overdue once the due date is exceeded by two months. The wording and standard was updated during Supplementary Estimates 2021/22 so that it can be measured more accurately.

Note 2 - The number of hectares divested is subject to the programmed surrender or exit under agreed lease or forestry right terms.

Note 3 - This measure was removed in Budget 2021 but has been reinstated in the Supplementary Estimates 2021/22 and Budget 2022, as the One Billion Trees mandate has been extended with new targets.

## Note 4 -

- (a) Written Parliamentary Questions - The parliamentary timeframe to respond to a WPQ is six working days. MPI aims to provide the Minister with a proposed response within four working days.
- (b) Ministerial Correspondence - MPI aims to provide the Minister with a proposed response within a 20 working day timeframe.
- (c) Ministers request Aide Memoires and Briefings - Ministerial timeframes are set by Ministers for aide memoires and briefings. Timeframes are set on a case-by-case basis.
- (d) Ministerial OIAs - The statutory timeframe to respond to an OIA is 'as 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 OIAs within 15 working days. Based on this, Ministerial OIAs are measured to a 15 working day timeframe.

Note 5 - An annual management review of a sample of the Crown Forest estate assesses that all lease and forestry right obligations that apply to the Crown are met; and that the Crown does not breach relevant forest industry statutes.

Note 6 - This is measured annually in December of each year. This standard will remain in place until December 2024. The funding has now closed to new applications however, projects contracted under the fund are managed until its completed date (by 2028).

Note 7 - The wording has been updated to reflect the correct year.

Note 8 - The appropriation for this MCA category has been established as a stand-alone multi-year appropriation in 2022/23.

### *Service Providers for the Multi-Category Appropriation*

Provider	2021/22 Final Budgeted \$000	2021/22 Estimated Actual \$000	2022/23 Budget \$000	Expiry of Resourcing Commitment
<b>Operational Management of the Crown's Forests</b>				
NZ Forest Managers Ltd	33,996	33,996	20,956	Multiple Contracts
PF Olsen Ltd	1,742	1,742	1,464	Multiple Contracts
Northland Forest Managers (1995) Ltd	449	449	277	Multiple Contracts
Ngati Porou Forests Ltd	6,377	6,377	6,652	Multiple Contracts
Forest 360 Ltd	139	139	92	Multiple Contracts
Interpine Group Ltd	69	69	42	Multiple Contracts
Southern Forests NZ Ltd	273	273	165	Multiple Contracts
Other Providers	13,876	13,876	6,627	Multiple Contracts
<b>Total</b>	<b>56,921</b>	<b>56,921</b>	<b>36,275</b>	

Provider	2021/22 Final Budgeted \$000	2021/22 Estimated Actual \$000	2022/23 Budget \$000	Expiry of Resourcing Commitment
<b>Hill Country Erosion Fund</b>				
Greater Wellington Regional Council	2,439	2,439	2,333	30 June 2023
Horizons Regional Council	1,671	1,671	1,701	30 June 2023
Hawkes Bay Regional Council	1,394	1,394	1,468	30 June 2023
Taranaki Regional Council	1,116	1,116	1,203	30 June 2023
Northland Regional Council	1,008	1,008	1,062	30 June 2023
Waikato Regional Council	1,036	1,036	972	30 June 2023
Nelson City Council	330	330	320	30 June 2023
Marlborough District Council	350	350	307	30 June 2023
Tasman District Council	188	188	162	30 June 2023
Environment Canterbury	378	378	398	30 June 2023
Gisborne District Council	85	85	-	30 June 2022
Other Providers	5	5	74	
<b>Total</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	
<b>Forestry: Grants and Partnerships Programmes</b>				
Partnership grant recipients for enabling activities	7,476	7,476	33,274	30 June 2028
Landowner grant recipients for forestry treatments	25,126	25,126	8,475	30 June 2028
Other	-	-	1,000	
<b>Total</b>	<b>32,602</b>	<b>32,602</b>	<b>42,749</b>	
<b>Afforestation Grant Scheme</b>				
Grant recipient landowners for forestry treatments	6,991	6,991	-	30 June 2021
<b>Total</b>	<b>6,991</b>	<b>6,991</b>	<b>-</b>	

The table above shows the main service providers for these appropriations.

### *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	2021/22 Final Budgeted \$000	2022/23 Budget \$000	2023/24 Estimated \$000	2024/25 Estimated \$000	2025/26 Estimated \$000
Maximising Carbon Storage: Increasing Natural Sequestration to Achieve New Zealand's Future Carbon Goals	2022/23	-	5,811	11,630	8,108	4,728
Integrated Advisory Services to Support More Sustainable and Productive Land-Use Practices	2022/23	-	2,729	5,918	6,182	13,960
Addressing the Impact of Changes to the Ministry for Primary Industries' Collective Agreements and Supply Costs	2022/23	-	728	1,533	2,460	2,460
Primary Industry Transformation: Delivering Industry Transformation Plans in Partnership with Primary Sectors	2022/23	-	4,000	-	-	-
Drawdown of Tagged Contingency Funding for Forestry Emissions Trading Scheme (ETS) Transformation Programme	2021/22	6,779	15,345	9,765	9,448	10,137
Continuing the Ministry for Primary Industries Current Scope of Operations	2020/21	3,487	3,487	3,487	3,487	3,487
Transforming New Zealand Forestry: Growing a Vibrant and Inclusive Low-Emissions Economy	2019/20	14,343	13,798	-	-	-
The One Billion Trees Programme: Actions and Decisions for Implementation	2018/19	-	-	(8,052)	-	-
Establishing the Foundation for One Billion Trees	2018/19	670	670	670	670	670
Tree Planting and Hill Country Erosion Programme Expansion	2018/19	13,068	13,068	31,068	13,068	31,068