



## SUSTAINABLE FORESTRY TOOLKIT

# FORESTRY ALLOCATION AND EXEMPTIONS

## Information for Māori owners of pre-1990 forest land

*This fact sheet provides a brief summary of three important opportunities for owners of pre-1990 forest land. More detail is provided in A Guide to the Forestry Allocation and Exemptions.*

### PRE-1990 DEFORESTATION RULES UNDER THE EMISSIONS TRADING SCHEME

When landowners deforest more than two hectares of pre-1990 forest land in each five-year period from 1 January 2008, they are mandatory participants in the Emissions Trading Scheme (ETS) and incur liabilities for the carbon emissions from those forests.

Deforestation is harvesting followed by a change to a non-forest land use. Harvesting and timely re-establishment as part of business-as-usual is not deforestation. The deforestation rules apply equally to Māori land.

### THREE IMPORTANT OPPORTUNITIES

As a result of introducing the deforestation rules under the ETS, the government is providing three important opportunities for landowners of pre-1990 forest land. These are:

- › Applying for an allocation of New Zealand Units (NZUs, or carbon credits).

- › Applying for a less than 50 hectares exemption from deforestation liabilities under the ETS.
- › Applying for a tree weed exemption from deforestation liabilities under the ETS.

All pre-1990 forest land owners are eligible for an allocation. Some landowners may also be eligible for an exemption, but they cannot do both on the same piece of forest land.

These opportunities have value so you may be worse off if you do nothing. To take advantage of them you must apply before the deadlines as none of the options are automatic. There is no fee to apply, but there may be time and costs involved in assembling the information required.

### WHO CAN APPLY?

In general, it is the legal owner of land with eligible pre-1990 forest on 20 July 2010 who is eligible to apply for the allocation or exemption – whether the land is held as general, Māori freehold or Māori customary title. If you own the land but not the rights to the trees, you are still eligible to apply.

### WHAT IS ELIGIBLE PRE-1990 FOREST LAND?

Pre-1990 forest land has a specific meaning under the ETS – it is:

- › land that was covered by exotic or indigenous forest on 31 December 1989;
- › and remained in predominately exotic forest (such as pines) on 31 December 2007.

So eligible pre-1990 forest land can be:

- › land in exotic forest on both the key dates; and
- › regenerating indigenous forest (including manuka and kanuka) on 31 December 1989 that was planted in exotic forest and was still in exotic forest on 31 December 2007.



Land that was in indigenous forest on 31 December 2007 is not pre-1990 forest land, is not part of the ETS, and is not eligible for these opportunities.

**Option 1. Pre-1990 forest land allocation** – applying for a one-off allocation of NZUs

The allocation is partial recognition from the government of the impact of the ETS deforestation rules on landowners. The allocation is either 60, 39, or 18 NZUs per hectare of eligible forest land, depending on when and how you acquired the land.

You are eligible for an allocation regardless of what you do in the future (whether you change land use, or keep it in forest). The allocation can assist you to meet your ETS deforestation liabilities if you change the land use in future. Otherwise, the allocation will be a one-off gain that can be held, or sold at your discretion.

There may be costs to assemble the correct information to make an application. A holding account with the NZ Emission Unit Register is required – this is like a bank account, and has a separate and additional application process (call 0800 CLIMATE or see [www.eur.govt.nz](http://www.eur.govt.nz)).

You must apply by: 30 November 2011.

**Option 2. Less than 50 hectares exemption** – a one-off opportunity for a permanent exemption

This is a permanent exemption from the deforestation rules of the ETS. You can change land use at any time in the future without liabilities.

There are detailed eligibility criteria. The criteria include that each owner has less than 50 hectares in total of pre-1990 forest land on 1 September 2007 – across all their interests, including private holdings, joint ownership and as trustees. For some landowners,

pre-1990 forest interests on 1 September 2007 may be difficult to determine.

You must apply by: 30 September 2011.

**Option 3. Tree weeds exemption** – an exemption for clearing legitimate tree weeds (trees that are spreading by themselves and creating a problem, such as wilding pines)

If you think this may apply, refer to *A Guide to Tree Weed Exemptions*. There is a short deadline.

You must apply by: 31 October 2010.

### **PARTICIPATION BY MĀORI LANDOWNERS**

These are important decisions, so it is important that all owners including beneficiaries and shareholders take up opportunities to attend meetings and take part in the decision-making process.

Taking up one of these options may involve multiple owners working together to make decisions and complete the application forms and other documents needed. Preparing your affairs and the application forms will take work and time, so it is important that you start early in order to participate.

### **OWNERSHIP OF MĀORI PRE-1990 FOREST LAND**

The current ownership of Māori land may be difficult to determine. Searches of land title records show who is currently registered as the legal landowner:

- › Māori freehold and customary land ownership records can be searched for free on [www.maorilandonline.co.nz](http://www.maorilandonline.co.nz) – this includes individual, trust and Māori Incorporation interests.
- › Land Information New Zealand (Landonline) – the government agency that operates search facilities. There is a fee.
- › Land title search agents – commercial companies who charge a fee.



### WHO SIGNS THE FORMS?

The legal owners of the land, not the beneficial owners, have to sign the application forms. You can have an agent prepare the forms for you, but all the legal landowners must still sign the forms.

Legal landowner	Who signs the form
INDIVIDUAL	Individual
MULTIPLE OWNERS	Each owner
JOINT OWNERS	Each owner
TRUST	Each trustee
INCORPORATION	Committee members as authorised
COMPANY	Director(s)
MĀORI TRUSTEE	Māori trustee

The names of the people signing the application form must match the names listed on the land titles or the Māori Land Court records. If land title records are out of date (for example trustees have changed, owners have passed away) then ownership records will need updating before you apply.

For Crown forest licence land to be transferred to iwi as part of future Treaty of Waitangi settlements, a person/organisation will be appointed by the Minister for the Environment to apply for and hold the allocation on behalf of future owners. The allocation will be transferred to the iwi upon settlement.

For land held by the Māori Trustee, if you wish to have the Māori Trustee apply for and hold an allocation on your behalf, you should contact an office of the Māori Trustee.

### MAPS OF PRE-1990 FOREST LAND ON MĀORI LAND

MAF has prepared maps that show the approximate location of pre-1990 forest on Māori land to help with locating and identifying ownership of pre-1990 forest land. These maps are a general aid only, and are available at the regional and Wellington offices of MAF, and on MAF's website.

### DETERMINING THE AREA OF PRE-1990 FOREST LAND

You will have to map your pre-1990 forest for all applications using electronic mapping tools and aerial photos – paper maps are not accepted. There are commercial mapping service providers and forestry consultants that provide a mapping service for a fee. The costs for these services currently range from less than \$1 per hectare to \$10–20 per hectare.

Alternatively, from late 2010, MAF will have a free mapping tool available online for you to do this yourself.

### DEADLINES

Reminder: the deadlines for allocation and exemption applications are:

TREE WEED EXEMPTIONS	31 October 2010
LESS THAN 50 HECTARES EXEMPTION	30 September 2011
ALLOCATION OF NZUs	30 November 2011

### FOR MORE INFORMATION

Staff on the free-phone can assist you with queries:

Phone: **0800 CLIMATE (254 628)**

Website: [www.maf.govt.nz/forestry-allocation](http://www.maf.govt.nz/forestry-allocation)

Email: [climatechange@maf.govt.nz](mailto:climatechange@maf.govt.nz)

The following guides have more detail (and are available through the free-phone number or online):

- › *A Guide to Pre-1990 Forestry Allocation and Exemptions.*
- › *A Guide to Tree Weed Exemptions.*

You may also contact a local MAF adviser at one of these regional offices:

Brian Boyd	Whangarei	09 430 7850
Bryan McKinlay	Gisborne	06 986 8691
Sarah Pitcher-Campbell	Rotorua	07 921 3400
Pat Hawinkels	Whanganui	06 348 7312
Ben Doherty	Nelson	03 543 9183
Alan Tinnelly	Christchurch	03 943 3700
Denis Albert	Dunedin	03 951 4725



