

**TE  
TUMU  
PAEROA**

Office of the Māori Trustee



# The Māori Trustee's submission on Managing Exotic Afforestation Incentives Discussion Document

April 2022

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### Summary of Position

1. The Māori Trustee administers as trustee or agent nearly 90,000ha of Māori freehold land on behalf of approximately 100,000 individual Māori landowners. Te Tumu Paeroa is the organisation that supports the Māori Trustee to carry out her functions, roles and responsibilities. Detailed information regarding the Māori Trustee and Te Tumu Paeroa is set out in Appendix 1. Additional information can be found on Te Tumu Paeroa's website, [www.tetumupaeroa.co.nz](http://www.tetumupaeroa.co.nz).
2. The New Zealand Emissions Trading Scheme (NZ ETS) is not designed for small Māori land blocks with fragmented ownership, of which represents the large majority of the Māori Trustee's portfolio<sup>1</sup>. Despite permanent forests posing economically desirable short-term benefits, they do not generally have long-term benefits for our blocks as the cost to administer the carbon credits would likely outweigh or result in a modest financial return for our owners. However, the Māori Trustee still administers landholdings in trust<sup>2</sup> that will be directly impacted by any changes to forestry policy.
3. As the Māori Trustee administers significant tranches of Māori land on behalf of over 100,000 Māori land owners, it can be appreciated that due to the scale and varied nature of our portfolio, formulating an appropriate response that is reflective of all our ownership interests and land use capabilities within the submission timeframe is impractical.
4. The Māori Trustee summarises her submissions as follows:
  - a. The Māori Trustee agrees with the Discussion Document's framing of the problem and supports the notion of permanent exotic forestry being excluded from the NZ ETS with exceptions, see points 6 to 7.
  - b. The Māori Trustee agrees with the general thrust of the objectives and assessment criteria suggested in the Discussion Document. However, the Māori Trustee's position is that any objectives and assessment criteria must be consistent with current Government priorities with respect to Māori land and other national direction (such as the Proposed National Policy Statement for Indigenous Biodiversity (NPS-IB)), see point 8.
  - c. The Māori Trustee supports option 3b – introducing a moratorium now, preventing permanent exotic forests registering in the NZ ETS while decisions on exceptions are worked through. It is the Māori Trustee's position that due to the current lack of data and evidence around the suitability of exotic forests being allowed to register in the permanent category of the NZ ETS, exceptions in the process are warranted, see points 9 to 12.

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<sup>1</sup> Presently, the Māori Trustee's portfolio administers nearly 90,000 hectares of whenua, with approximately 1,800 trusts that represent over 100,000 Māori landowners. The average size is roughly 50ha with 52% of our actively managed leases (1,705) being utilised for pastoral purposes, 20% for dairy, 7% for forestry, 11% horticulture/cropping and 10% other uses (commercial, residential, access, unutilised).

<sup>2</sup> Presently, the Māori Trustee is responsible trustee (RT) for 1,433 landholdings (approximately 85,000ha). Of these RT blocks, 839 have an area of land use capability (LUC) classification 6, 7 and 8 (approximately 54,000ha or 63% of our RT landholdings). 42,200ha have a LUC 7 and 8.



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- d. The Māori Trustee believes that the Government needs to be cognisant of He Waka Eke Noa's proposals and ensure that the Māori land is not unintentionally captured under the NZ ETS when it is not practical, see point 13.
  - e. The Māori Trustee's view is that the definition of an indigenous forest should be crafted in consultation with relevant industry groups. The definition should be publicly notified for submissions once agreed.
5. The Māori Trustee would welcome the opportunity to discuss her submission with staff from the Ministry for Primary Industries.



## Submissions

### What is the problem?

6. The Māori Trustee agrees with the Discussion Document's framing of the problem and supports the notion of permanent exotic forestry being excluded from the NZ ETS with exceptions (long-rotations), aligning with the views that some Māori have already expressed during the previous Emissions Reduction Plan consultation and submission process<sup>3</sup>.
7. The Māori Trustee's vision is that Māori land is protected and enhanced, now and for generations to come. Due to the uncertainty and potential liability that the inclusion of exotic forestry in the permanent category of the NZ ETS could have on future generations, the Māori Trustee can appreciate why the Government is wanting to take a precautionary approach towards this issue. However, the Māori Trustee is also cognisant of the counter arguments provided by Māori in the forestry sector<sup>4</sup> and the unique limitations that apply to Māori land. It is therefore the Māori Trustee's position that permanent exotic forestry should be excluded from the NZ ETS with exceptions, this is further elaborated in paragraphs 9 to 11 of this submission.

## Objectives and assessment criteria

### Alignment between national objectives and national direction

8. The Māori Trustee agrees with the general thrust of the objectives and assessment criteria suggested in the Discussion Document. However, the Māori Trustee's position is that any objectives and assessment criteria must be consistent with current Government priorities with respect to Māori land and other national direction (such as the Proposed National Policy Statement for Indigenous Biodiversity (NPS-IB)). It is unclear in this Discussion Document how the added emphasis on planting natives will interact with the proposed NPS-IB. Considering Māori land and Māori landowners have been identified as being disproportionately negatively affected by proposals in the NPS-IB<sup>5</sup>, it is important that this reform does not unintentionally undermine other Government initiatives focused on strengthening the connection Māori landowners have with their land and increasing the utilisation of Māori land for the betterment of the whenua and owners. Please refer to the Māori Trustee's submission on the NPS-IB for further detail.<sup>6</sup>

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<sup>3</sup> Managing exotic afforestation incentives: A discussion document on proposals to change forestry settings in the New Zealand Emissions Trading Scheme, p. 10.

<sup>4</sup> Webinars held by MPI and MFE, 23/03/2022 and 30/03/2022.

<sup>5</sup> [he-kura-koiora-i-hokia-discussion-document.pdf \(environment.govt.nz\)](#), p. 53  
[npisb-section-32-evaluation\\_0.pdf \(environment.govt.nz\)](#), p. 5

<sup>6</sup> [https://mfe-past-consultations.s3.ap-southeast-2.amazonaws.com/consultation\\_id%3D45/pdfFiles/757.pdf](https://mfe-past-consultations.s3.ap-southeast-2.amazonaws.com/consultation_id%3D45/pdfFiles/757.pdf)



## Options to manage permanent forestry in the NZ ETS

9. The Māori Trustee supports option 3b – introducing a moratorium now, preventing permanent exotic forests registering in the NZ ETS while decisions on exceptions are worked through. The Māori Trustee’s position is that due to the current lack of data and evidence around the suitability of exotic forests being allowed to register in the permanent category of the NZ ETS, exceptions in the process are warranted.
  
10. The Māori Trustee’s belief is that there is a place for exceptions for Māori land within the framework due to the inherent nature of Māori land being underdeveloped, fragmented, landlocked, erosion prone, having high pest and weed management costs due to current land cover and the location of many whenua Māori blocks being a large distance from port. The complexities of Māori land ownership means that Māori landowners do not have the same options available to them as those who own general title. For example, capital gains cannot be realised on sale of land as Māori land cannot easily be sold. The management of whenua Māori also requires a variety of commercial and cultural values to be taken into account and applied under an intergenerational lens before any decision is made. This means that even if permanent forestry may be an economically viable option for this generation, it is unlikely to be considered a suitable land use option if it poses future liabilities for generations to come. These elements create barriers for the development of Māori land. It is the Crown’s Te Tiriti o Waitangi responsibility to ensure that this reform does not perpetuate or exacerbate the historic and current issues experienced by Māori land and Māori landowners.
  
11. The Māori Trustee can only speak for the land that she administers but is supportive of exceptions being permissible on account that:
  - a. They are case by case, and Mātāuranga Māori is considered a viable source of evidence;
  - b. A robust management plan and wilding assessment is required that includes (but is not limited to):
    - i. clear and enforceable intent that is time bound
    - ii. research is continuously gathered to support future decisions within the permanent forestry category
    - iii. silviculture practices – thinning regimes, fire/pest/wilding management
    - iv. is approved, managed and enforced by the Ministry for Primary Industries – not local council
    - v. if plans are not adhered to, carbon credits should be relinquished or harvest forced.
  - c. Permanent forests are subject to regulations under the National Environmental Standards for Plantation Forestry 2017 (NES-PF).
  
12. The Māori Trustee is also of the view that the indicated review of the NES-PF should be conducted prior to any exceptions being agreed upon.

## Alignment with He Waka Eke Noa objectives

13. The Māori Trustee believes that the Government needs to be cognisant of He Waka Eke Noa’s (HWEN) proposals and ensure that the Māori land is not unintentionally captured under the NZ



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ETS when it is not practical. It is the Māori Trustee's understanding from her participation in the HWEN reference groups that land that is eligible for the NZ ETS will be excluded from HWEN participation<sup>7</sup>. Therefore, due to the inherent limitations on Māori land as stated in paragraph 10, this could unintentionally exclude Māori land from the benefits of both schemes. The Māori Trustee recommends that mechanisms be reviewed to ensure that Māori land that is eligible but not practical for the NZ ETS can still be considered under HWEN.

## Implementing changes to the permanent forestry category

### Definition of an indigenous forest

14. The Māori Trustee's view is that the definition of an indigenous forest should be crafted in consultation with relevant industry groups. The definition should be publicly notified for submissions once agreed.

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<sup>7</sup> Farmer Reference Group Paper – 8 September 2021, p. 39.



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## **Conclusion**

15. The Māori Trustee looks forward to discussing this submission with the Ministry for Primary Industries officials.
16. Please contact [REDACTED]

**Dr Charlotte Severne**  
Māori Trustee





## Appendices

### Appendix A – The Māori Trustee and Te Tumu Paeroa

#### Who We Are

17. The Māori Trustee is appointed by the Minister for Māori Development under the Māori Trustee Act 1953. The role of the Māori Trustee, is to provide accurate and timely administration and management of whenua and other client assets in compliance with the principles and obligations of trusteeship and agency, and in accordance with the Māori Trustee Act 1953, Trusts Act 2019, Te Ture Whenua Māori Act 1993 and other legislation. The current Māori Trustee, Dr Charlotte Severne, was appointed for a three-year term in September 2018 and was re-appointed for a five-year term in October 2021.
18. Te Tumu Paeroa is the organisation that supports the Māori Trustee to undertake her functions, duties and responsibilities.
19. The Māori Trustee administers around 88,000 hectares of Māori freehold land, as well as general land and other interests and investments, on behalf of approximately 100,000 Māori Land owners.
20. A primary objective of The Māori Trustee, is to protect, utilise and grow the assets of our Māori land owners. The organisation provides land administration and professional trustee and agency services to one third of all Māori land trusts (over 1,700 trusts), as well as targeted development and sector-specific expertise. The organisation is involved in the management of a number of Māori enterprises and development projects.
21. The Māori Trustee currently employs 124 staff across five offices throughout New Zealand, with the Māori Trustee located in Te Whanganui-a-Tara. Our organisation is made up of, but not limited to, trust and property management, law, client services, and other specialist teams. Our employees are focussed on protecting and enhancing the whenua Māori that we have the privilege to administer on behalf of its landowners and their tipuna.
22. Te Tumu Paeroa is unique, in that it is the only nation-wide organisation that manages significant tranches of Māori land and assets on behalf of Māori landowners.

#### Our Vision and Priorities

23. Our vision is: *Ko Te Tumu Paeroa tēnei, te tauawhi nei, te taunaki nei, te tiaki nei ngā whenua Māori mō naianei, mō āpōpō hoki. Ensuring Māori land is protected and enhanced, now and for generations to come.*

Our vision requires a careful balance between protection of the whenua and taiao and enhancement of the whenua through a range of pathways, including commercial development.



24. Our purpose is to be a dedicated professional trustee service for Māori.
25. Our strategic priorities assist us to deliver on our vision and purpose:
- Enhancing operational excellence.
  - Growing an inclusive culturally competent organisation committed to a greater understanding of Te Ao Māori.
  - Contributing to growth, development and future leadership in whenua Māori administration and governance.
  - Increasing the resilience and sustainability of the assets and whenua we administer.
26. Our responsibility as trustee in the context of the Managing Exotic Afforestation Incentives Discussion Document, is to ensure that the voices of the whenua that we are responsible for, and those landowners who whakapapa to that whenua, are heard and understood.

## Our Portfolio

27. Our portfolio currently<sup>8</sup> consists of the following:
- Number of trusts and other entities under administration – 1,751.
  - Number of hectares under management – 88,000.
  - Number of owner accounts maintained – 100,793.
  - Number of ownership interests – 252,580.
  - Number of leases administered – 1,732.
  - Client funds under management (market value) – \$ 133.2 million.
  - Māori Trustee equity – \$ 170.7 million.

## Our Mahi

28. The Māori Trustee has the responsibility to ensure that the best interests and outcomes for Māori land owners are advanced by Te Tumu Paeroa's mahi.
29. Our core services are:
- Administration of trusts where the Māori Trustee is the responsible trustee.
  - Agreed trustee services where the Māori trustee is an agent or custodian trustee.
  - Keeping records for trusts we administer.
  - Managing finances and preparing financial statements.
  - Consulting with and convening meetings for advisory trustees.
  - Consulting with and convening meetings for beneficial owners.
  - Reporting to responsible trustees, advisory trustees and beneficial owners.
  - Administering trust distributions.
  - Filing applications with the Māori Land Court and attending associated hearings.

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<sup>8</sup> The Māori Trustee Annual Report 2021



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- j. Property management, including leases and asset maintenance.
  - k. Reviewing land use and considering, where appropriate, alternative land use options.
  - l. Developing and enhancing land and assets; including the production and maintenance of Asset Management Plans and Farm Environment Plans.
  - m. Responding to requests for information.
  - n. Managing and investing cash assets in the Common Fund.
  - o. Managing and providing support services for the General Purposes Fund.
  - p. Acquiring and paying for goods and services.

## Appendix B - Heading

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