

# Forest Growing Research

## What's in it for someone paying the Forest Growers Levy ?

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# Presentation

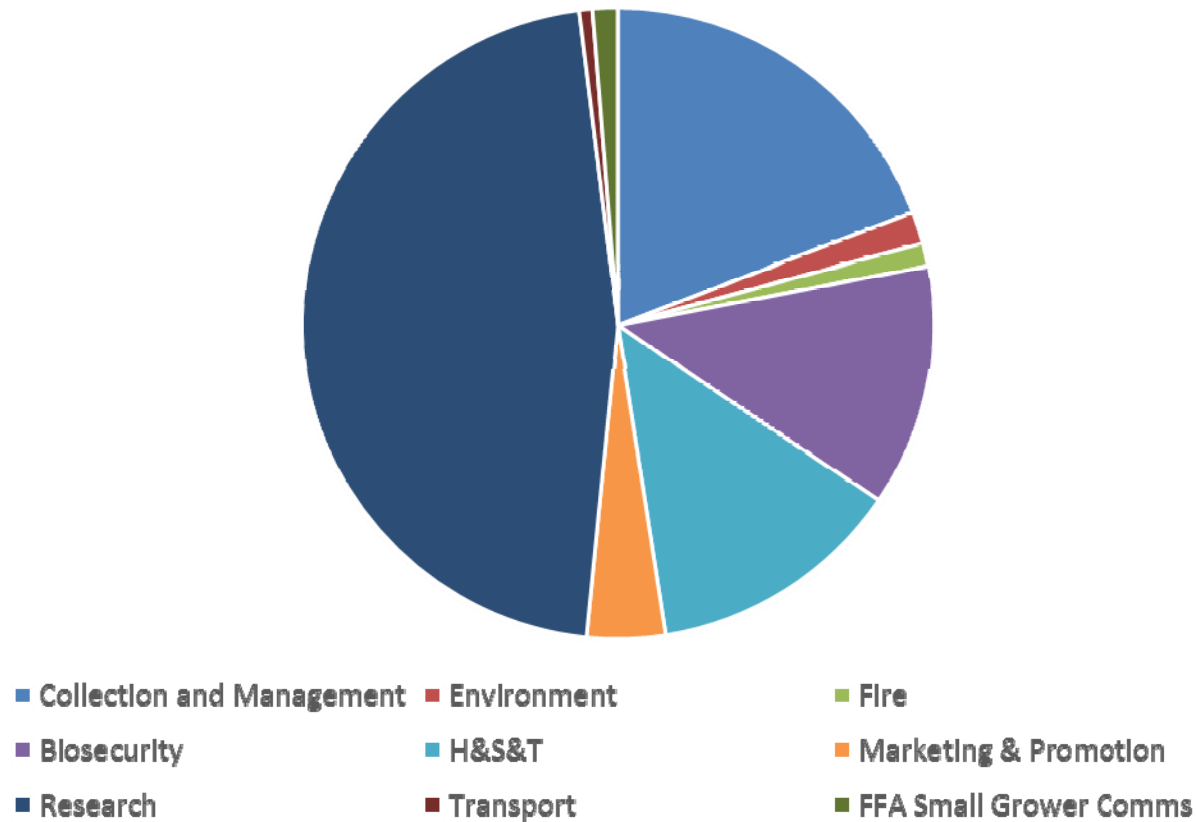
- Background to Forest Growing Levy
- Research Programme Drivers
- Forest Growing Strategic Objectives
- 2015 Research Programme
- Forest Growers Must Keep Up

# Forest Growing Levy

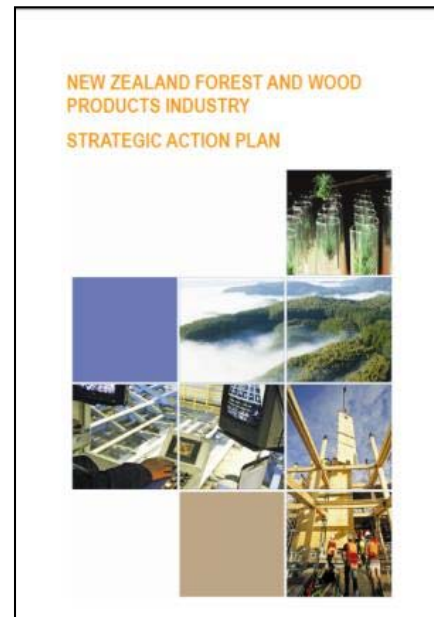
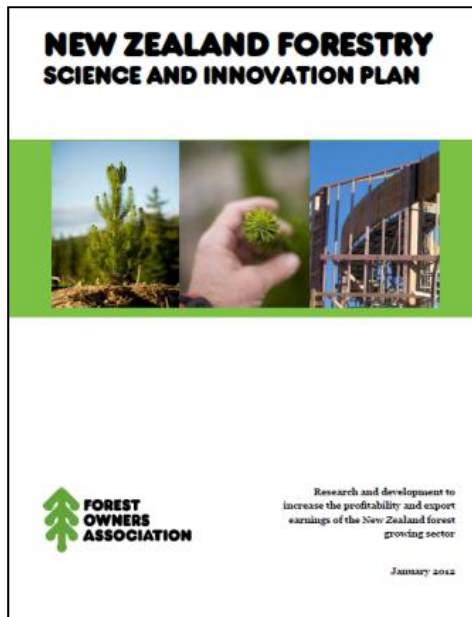
- Introduced 1 January 2014
- Paid when forest harvested
- Levy is compulsory
- Levy is NZ \$0.27 per tonne (maximum NZ \$0.30)
- Levy is set for 6 years
- Levy is to fund activities of benefit to all forest owners
- Forest Growers Levy Trust (FGLT) is custodian
- About 50% of levy to Research and Development

# How is Forest Grower Levy Spent ?

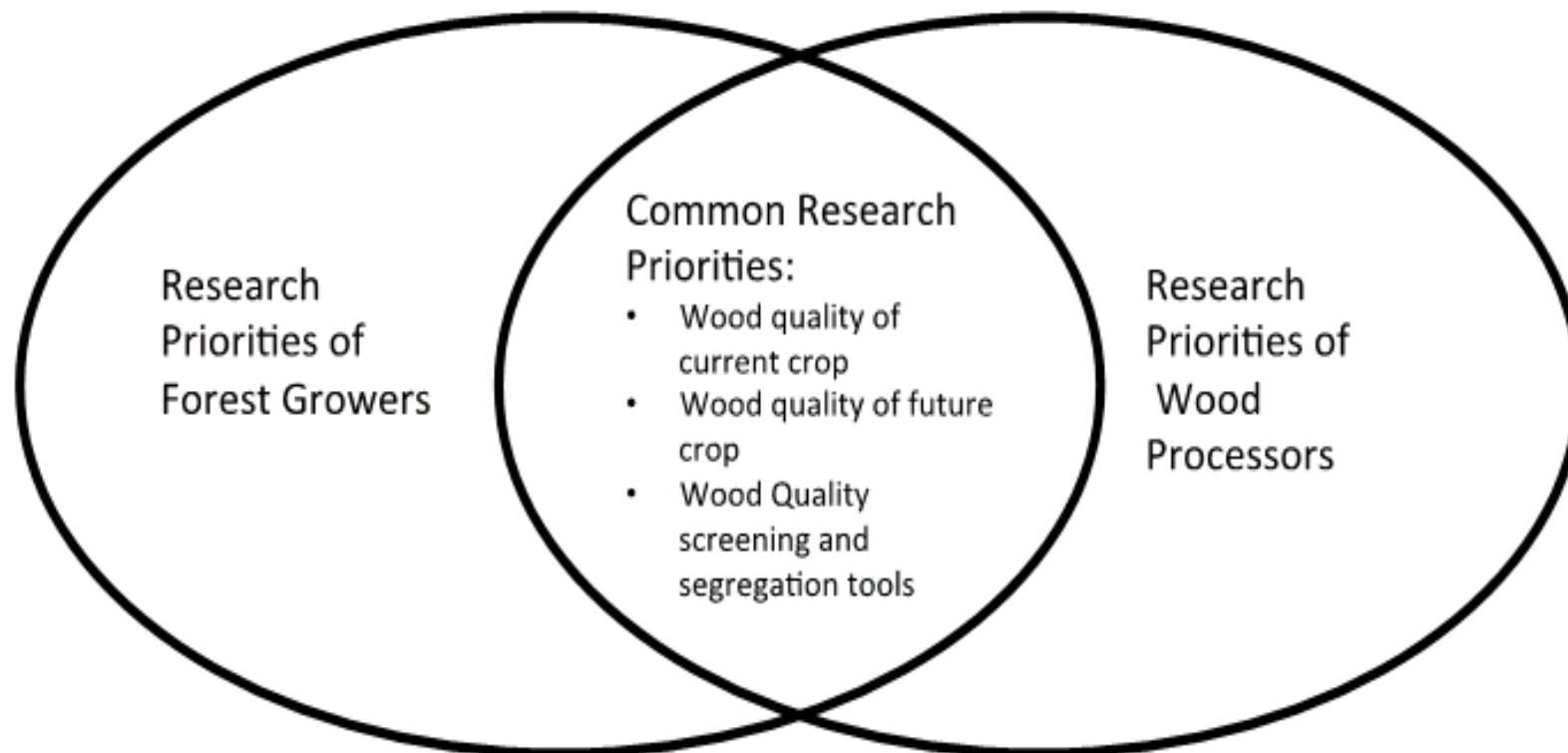
2015 Levy Allocation



# What are the Research Programme Drivers?



# Forest Growing Research

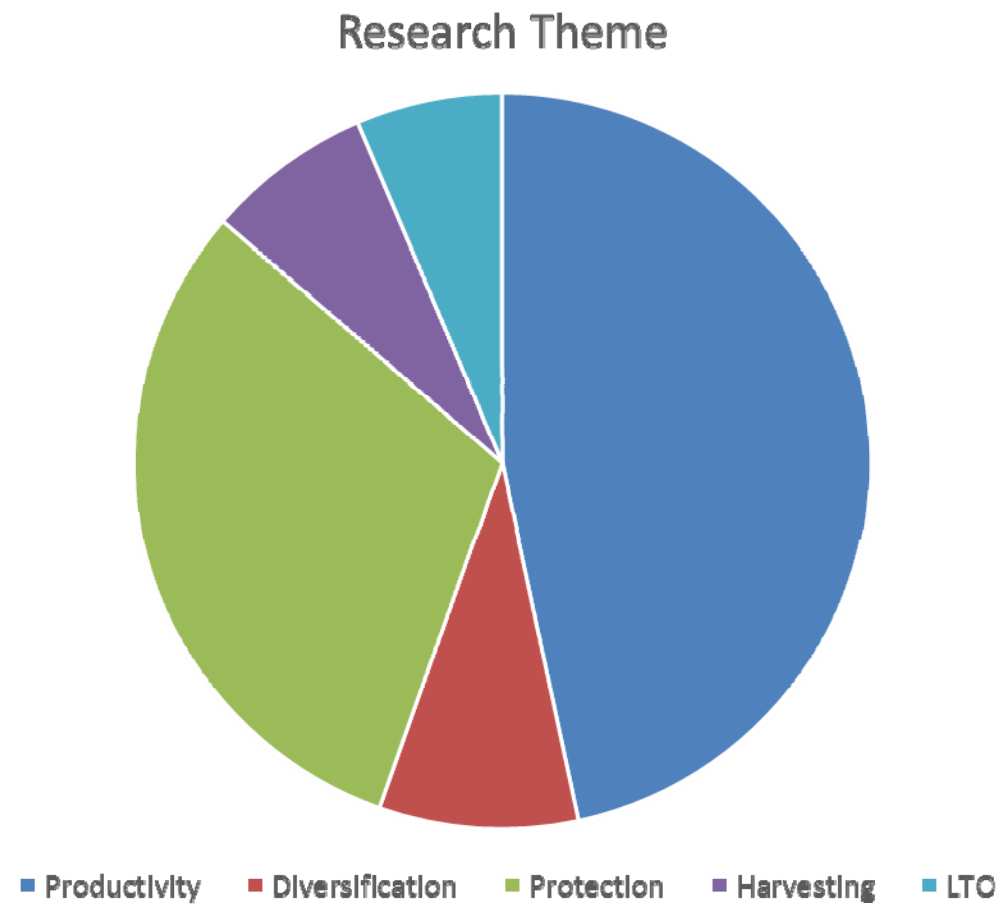


# Strategic Objective

*Improve the profitability of growing forests on a sustainable basis:*

- Protect forest assets and markets from adverse factors
- Improve productivity and fibre uniformity
- Sustain and enhance forestry's license to operate
- Improve efficiency and safety in operations
- Species for diversity of sites and markets

# Levy Research Portfolio





# Research Funding 2015

(\$million per year)

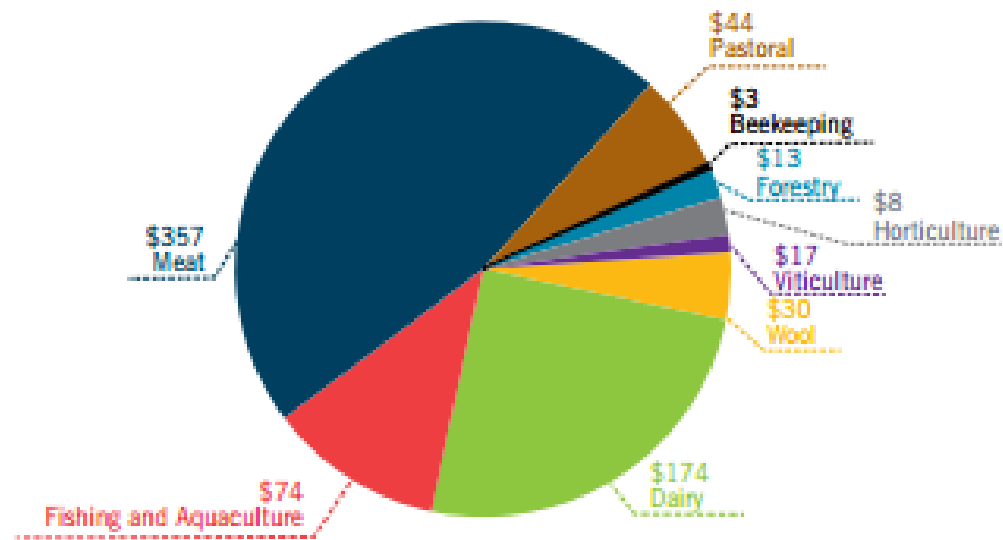
Programme	MBIE	Scion	FG Levy	Forest Growers	Other	Total
<b>Levy Funded</b>						
Sustainable Intensification (GCFF)	3.38		1.60		0.20	5.18
Diverse Species		0.25	0.30			0.55
Phytophthora Diseases	2.20	0.50	0.40		0.27	3.37
Foliar Diseases		1.89	0.30		0.16	2.35
Bioprotection – Endophytes			0.30			0.30
Fire	0.70	0.05	0.06		0.30	1.11
PGP Steep Slope Harvesting		0.13	0.25	0.50	0.60	1.48
Riparian Margin Resilience			0.02			.02
Water Quality Monitoring			0.08			.08
Forestry Weeds Research			0.12			.12
<b>Total Levy Funded Research</b>	<b>6.28</b>	<b>2.82</b>	<b>3.43</b>	<b>0.50</b>	<b>1.53</b>	<b>14.56</b>

# GCFF is the Flagship Programme

- Largest and most ambitious programme in industry portfolio
- Long term journey but GCFF will deliver benefits along the way
  - Remote sensing
  - Nutrient management tools
  - Smarter silviculture
  - Nursery and growing stock improvements
  - Tools for improving segregation and value recovery
  - Research to support “licence to operate” issues
- Industry engagement is essential to success

# Forest Industry Must Keep Up

Crown/co-investor committed investment by sector (in millions)  
Total \$720 million



MPI – Primary Growth Partnership Investment