



# Quarterly report of swamp kauri activity

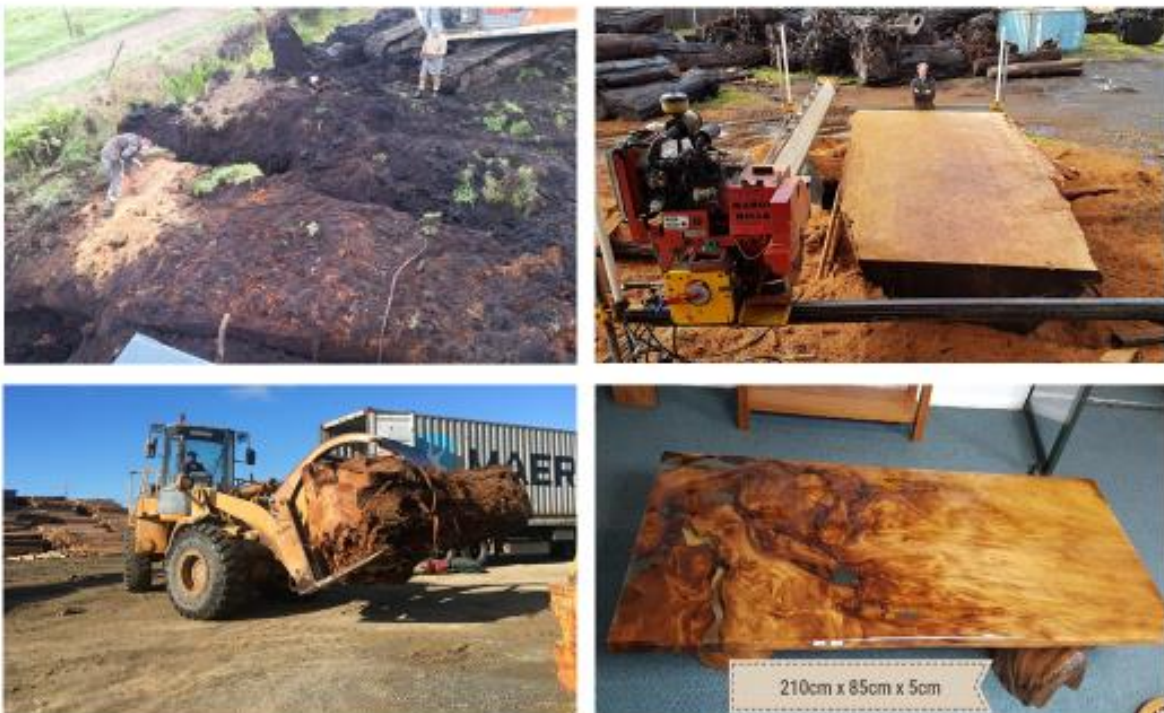
1 October 2017 – 31 December 2017

Swamp kauri, also known as ancient kauri, is kauri timber that has been buried and preserved in what used to be swamps for anywhere between 800 and 60,000 years.

The Ministry for Primary Industries (MPI) is responsible for regulating the milling and export of swamp kauri under the Forests Act 1949 (“the Act”). More information on the management of swamp kauri can be found at:

<http://www.mpi.govt.nz/exporting/forest-products/wood-and-wood-products/swamp-kauri>

This report summarises MPI’s regulatory activities in regard to the milling and export of swamp kauri, in the fourth quarter of 2017 (1 October 2017 – 31 December 2017).



## Milling controls

All indigenous timber - including swamp kauri - can only be milled by sawmills registered with MPI. MPI regularly inspects registered sawmills which are required to report their milling activity every quarter. All swamp kauri must also have an approved *milling statement* from MPI before it can be milled at a registered sawmill.

**Table 1:** Milling statements issued 1 October – 31 December 2017

<b>Milling statement #</b>	<b>Timber source</b>	<b>Region</b>	<b>Volume</b>
7-00-02796 <sup>1</sup>	Land that is not indigenous forest land	Northland	110 m <sup>3</sup>
7-00-02800	Land that is not indigenous forest land	Northland	20 m <sup>3</sup>
7-00-02802 <sup>2</sup>	Land that is not indigenous forest land	Northland	20 m <sup>3</sup>
7-00-02816 <sup>3</sup>	Land that is not indigenous forest land	Northland	33 m <sup>3</sup>
7-01-02782 <sup>4</sup>	Land that is not indigenous forest land	Auckland	10 m <sup>3</sup>
7-01-02808	Land that is not indigenous forest land	Auckland	120 m <sup>3</sup>
			<b>313 m<sup>3</sup></b>

1. This is a renewal of milling statements 7-00-02261 & 7-00-02262

2. This is a renewal of milling statement 7-00-02574

3. This is a renewal of milling statement 7-00-02539

4. This is a renewal of milling statement 7-01-02010

## Site inspections

Responsibility for managing the extraction of swamp kauri rests with Regional and District Councils, under the Resource Management Act. However, as part of the evidence required when applying for a milling statement or for export approval, MPI inspects all new notified sites before and after extraction activities.

2 extraction sites were active this quarter. 1 had a pre-extraction inspection conducted in a previous quarter.

**Table 2:** Inspections of notified swamp kauri extraction sites, 1 October – 31 December 2018.

<b>Total Sites</b>	<b>2</b>
<b>Total Inspections</b>	<b>1</b>
Pre-extraction	<b>1</b>
Mid-extraction	<b>0</b>
Post-extraction	<b>0</b>

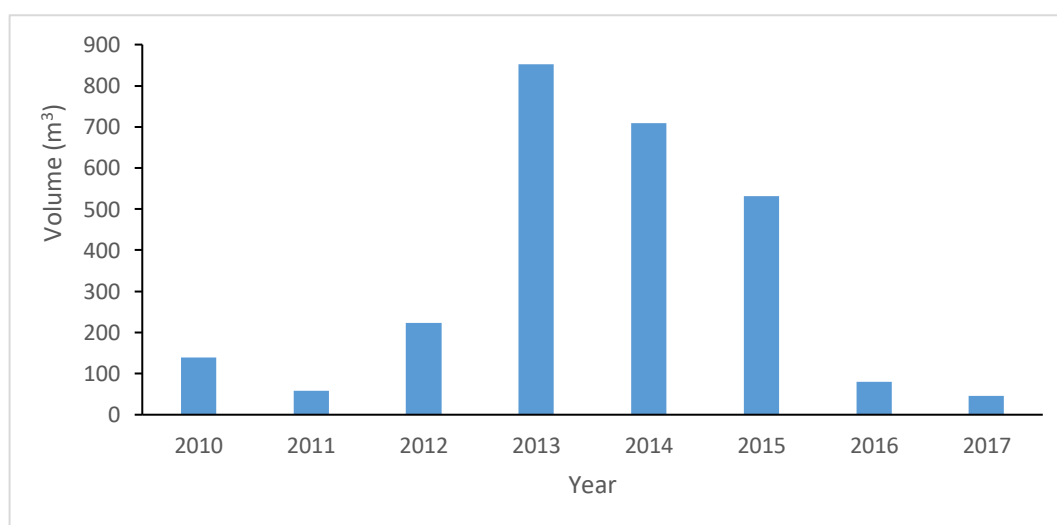
## Export controls

Swamp kauri can only be exported as either a finished product or, if it isn't from indigenous forest land, as whole or sawn stumps or roots. Indigenous timber export controls are set out in Section 67C of the Act.

**Table 3:** Notified swamp kauri export consignments for 1 October – 31 December 2017

Destination	Number of exports approved	Number of export inspections	Volume exported
China	1	1	5.9 m <sup>3</sup>
Italy	2	2	15.7 m <sup>3</sup>
Taiwan	1	1	14.7 m <sup>3</sup>
USA	2	1	9.0 m <sup>3</sup>
<b>Total</b>	<b>6</b>	<b>5</b> <sup>1</sup>	<b>45.3 m<sup>3</sup></b>

<sup>1</sup>. The un-inspected consignment consisted of three manufactured items totalling 0.023 m<sup>3</sup>



**Figure 1:** Swamp kauri export volumes for Quarter 4 (1 October – 31 December), 2010 – 2017.

# Annual summary of swamp kauri activity

1 January 2017 – 31 December 2017

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This section presents summary information on the 2017 year and on historic swamp kauri activities. MPI appreciates the cooperation of vigilant members of public and of the Industry in helping to ensure that New Zealand law is upheld and our values are protected.

## The Swamp Kauri Good Practice Guide

The Swamp Kauri Good Practice guide was released in December 2017. The purpose of the guide is to help swamp kauri extractors, sawmillers, and exporters understand their legal requirements and to promote the enhancement of values associated with swamp kauri. It is also intended to give the public confidence about the activities of the industry and the increasing professionalism of swamp kauri operators.

MPI will be distributing the guide amongst swamp kauri operators, local government, and other interest groups. Full-length and 'field' versions of the guide are available on MPI's website, here: <https://www.mpi.govt.nz/growing-and-harvesting/forestry/indigenous-forestry/swamp-kauri/>

## Release of the Court of Appeal's judgment

The Court of Appeal's judgment in respect of the swamp kauri judicial review was released in 19th December 2017. The appeal was dismissed.

The appeal was brought by the Northland Environmental Protection Society (NEPS) in respect of a High Court decision regarding swamp kauri export decisions under the Forests Act 1949 by MPI and, the regulatory roles of the New Zealand Customs Service and the Ministry for Culture and Heritage.

The decision effectively endorses MPI's approach to the administration of the export provisions for finished or manufactured indigenous forest products.

## Milling controls

A total of 29 milling statements were issued in 2017, totalling 5769.2m<sup>3</sup>. Of these, one milling statement for 3600m<sup>3</sup> was for timber extracted historically, and 16 milling statements totalling 1641m<sup>3</sup> were re-issues of expired milling statements.

A total of 152 sawmills are registered for the 2017-18 financial year; 28 of these are in Northland.

MPI also referred two cases to our compliance directorate for investigation into the milling of swamp kauri without MPI approval. These investigations have not yet concluded.

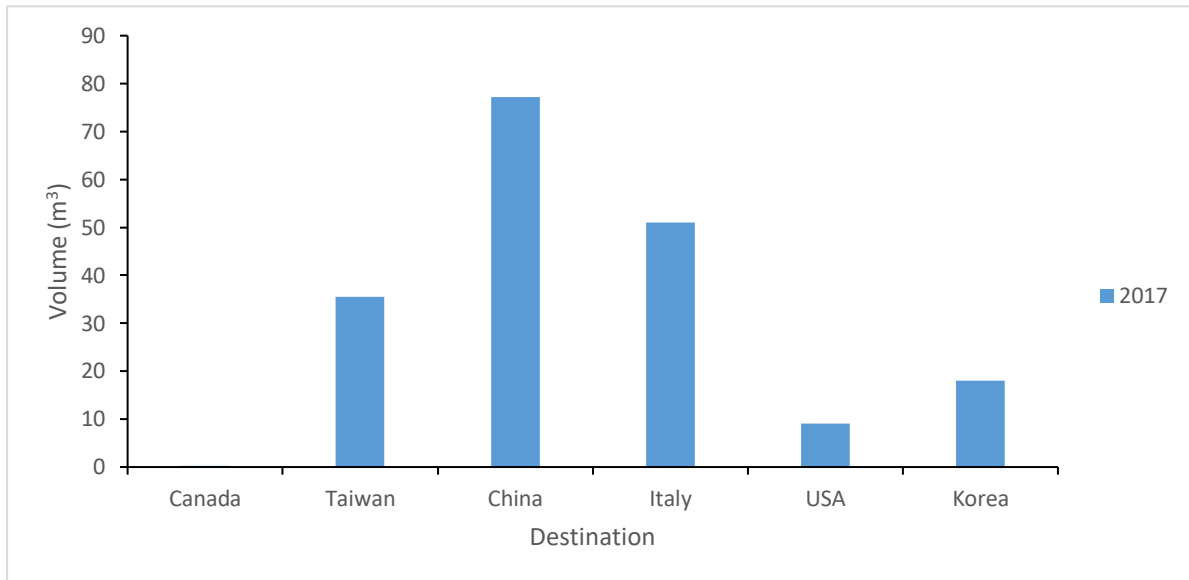
### Site inspections

MPI observed good uptake of our introduced voluntary measures with 5 pre-extraction inspections of new extraction sites conducted in 2017. One site was not pre-notified and resulted in the requirements for MPI milling or export approval not being satisfied.

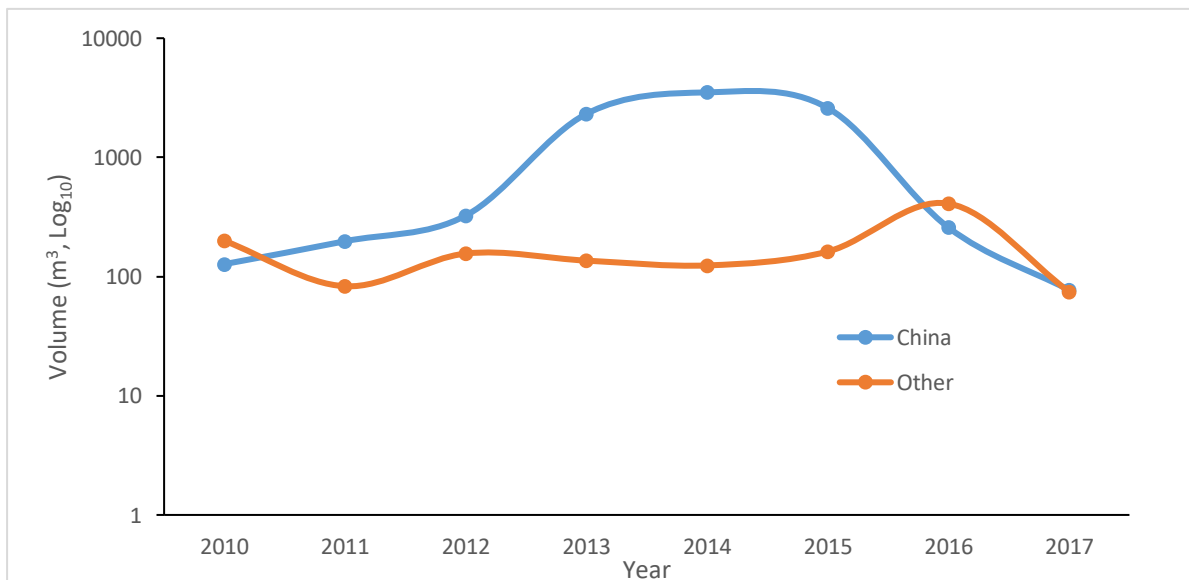
A total of 17 inspections were conducted in 2017, across 16 sites.

## Export controls

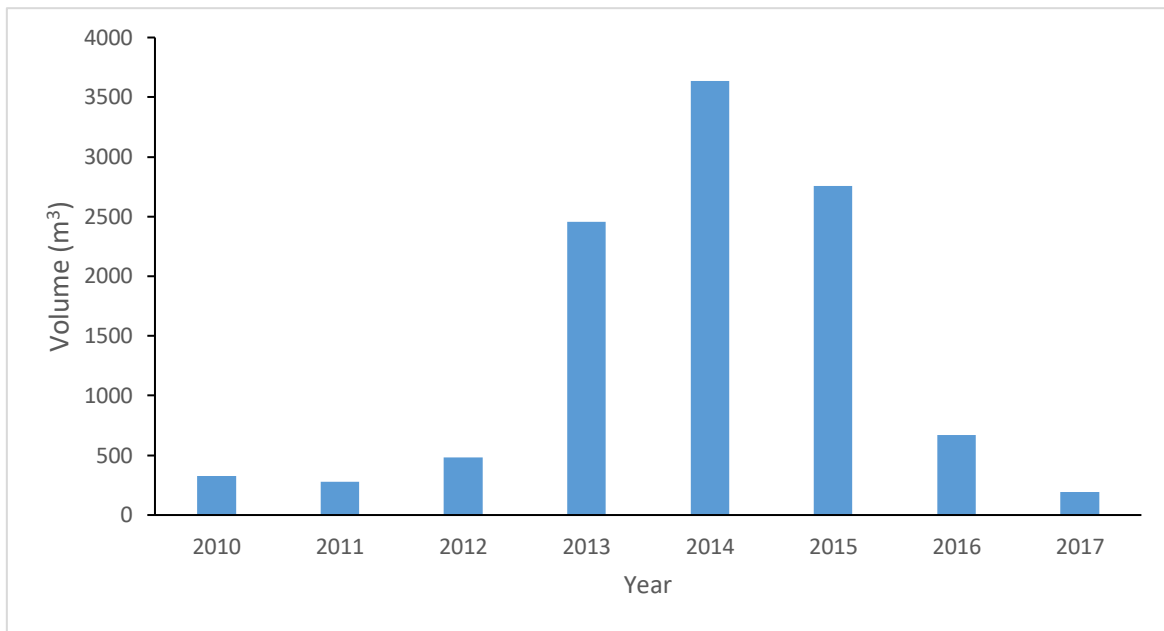
In 2017, the largest total volume of swamp kauri exports went to China (77.2 m<sup>3</sup>), followed by Italy (51.1m<sup>3</sup>; see Figures 2 and 3.). Overall, the total volume of swamp kauri exports in 2017 (191.1 m<sup>3</sup>) was down 71.4% relative to 2016 (Figure 4.).



**Figure 2:** Total export volume by Destination for 2017



**Figure 3:** Annual swamp kauri export volumes, China vs. Rest of World 2010 – 2017.



**Figure 4:** Annual swamp kauri export volumes, 2010 – 2017.



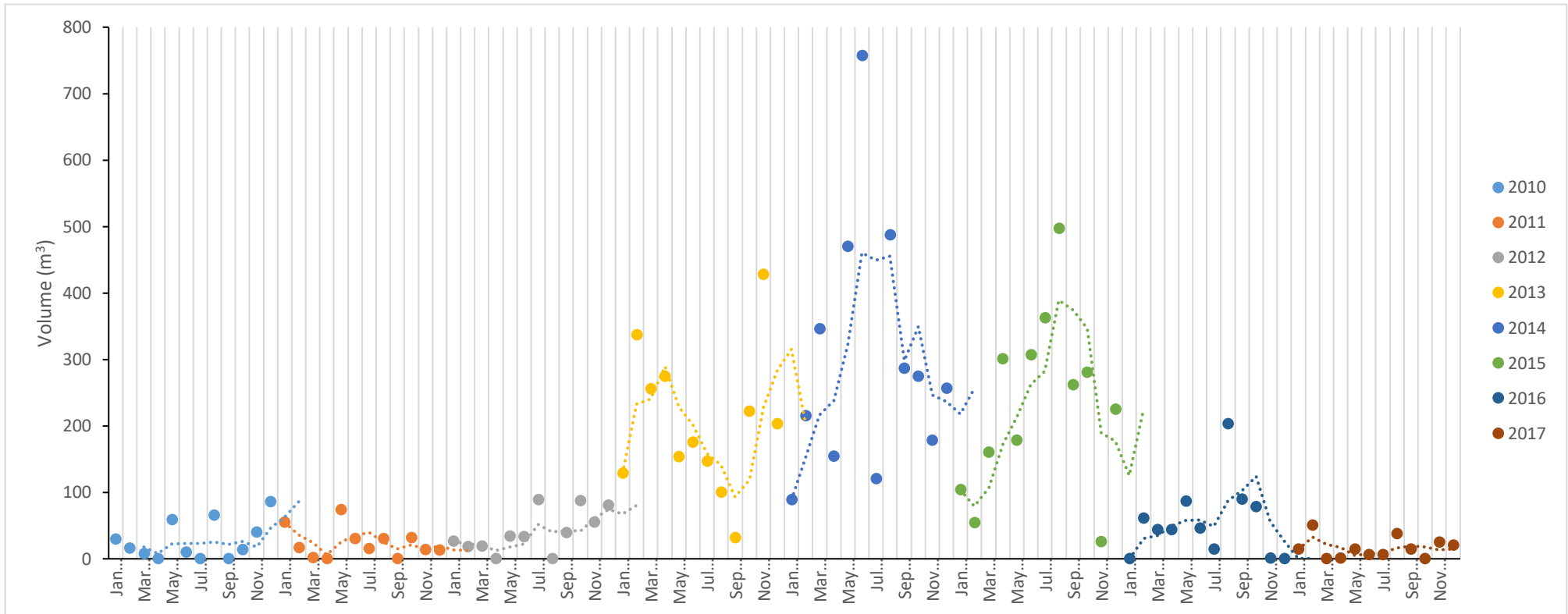


Figure 5: Monthly swamp kauri export volumes, 2010 – 2017 (trend: three point moving average).