

**To:** Hon Damien O'Connor, Minister for Land Information  
 Hon Barbara Edmonds, Associate Minister of Finance

## ASSESSMENT REPORT: Summit Forests New Zealand Limited

### Special Forestry Test – Application for Standing Consent

<b>Date</b>	17 August 2023	<b>Classification</b>	IN CONFIDENCE: Commercially sensitive
<b>LINZ reference</b>	202200124 BRF 24-082	<b>Deadline</b>	31 August 2023

#### Purpose

LINZ seeks your decision on an application for standing consent to acquire sensitive land for forestry purposes under the Overseas Investment Act 2005 (the Act).

#### Action sought

1. Review this report and consult with each other if desired.
2. Determine whether to grant consent and, if so, on what conditions.
3. Indicate your decision from page 3.

#### Toitū Te Whenua Land Information New Zealand (LINZ) contact

Name	Position	Contact	First contact
Pedro Morgan	Lead Advisor	04 460 2785	<input checked="" type="checkbox"/>

Released under the Official Information Act 1982

## A. Summary

1. The Applicant (Summit Forests New Zealand Limited – **SFNZ**) is seeking a standing consent to acquire sensitive land for forestry purposes.<sup>1</sup>
2. SFNZ is one of the top seven largest forestry owners/managers in New Zealand, managing over 50,000 hectares (net stocked area) of forestry estate. It has received nine previous consents<sup>2</sup> under the Act. SFNZ is a wholly owned subsidiary of Tokyo Stock Exchange listed Sumitomo Corporation.
3. SFNZ seeks the standing consent to purchase and amalgamate small – mid-sized forestry assets, which will enable it to develop a more efficient and sustainable long term forestry business which is able to provide stability of wood flow to local processors.
4. For the reasons set out in this report, LINZ's recommendation is to **grant consent**.

### Key information

<b>Applicant</b>	Summit Forests New Zealand Limited (Japan 100%)	
<b>Application type</b>	Standing consent (forestry activities) for overseas investments in sensitive land	
<b>Requested scope of standing consent</b>	<b>Interest types</b>	Forestry Rights, Crown forestry licences, leasehold or freehold
	<b>Land types</b>	Existing forests
	<b>Location</b>	North Island
	<b>Max transactions</b>	Maximum of <b>75 transactions</b> (but within the maximum total land area limit listed below)
	<b>Max total area</b>	Maximum total of <b>15,000 ha</b> of sensitive land
	<b>Max area per transaction</b>	<b>Existing forest – 2,500 ha</b> per transaction involving an acquisition of interests in land that is already used exclusively or nearly exclusively for forestry activities
	<b>Request duration</b>	Three years from the Consent date

### Timing

5. The Overseas Investment Regulations 2005 specify the total assessment timeframe for this application is 100 working days. This application is now outside of the statutory timeframe, after being delayed while LINZ waited for the report of the Ministerial Inquiry into Land Use and the Government's response.

<sup>1</sup> Under Schedule 4, clause 3 of the Act.

<sup>2</sup> Under the benefits to New Zealand, special forestry and non-residential use tests, and significant business assets.

## B. Decision

### Core tests

6. I determine that:

(a) The '**relevant overseas person**' (**ROP**) is (collectively):

Relevant overseas person	Role
Summit Forests New Zealand Limited	The Applicant and acquiring entity
Sumitomo Corporation	Ultimate owner of the Applicant

(b) The '**individuals with control of the relevant overseas person**' (**IWC**) are:

Individuals with control	Role
Takashi Sasaoka	Director of Summit Forests New Zealand Limited
Tetsuro Ogawa	
Yoshiki Yamaguchi	
Yoshikazu Ishikawa	
Shingo Ueno	Executive Vice President of Sumitomo Corporation and Head of Sumitomo's Energy Innovation Initiative

(c) The ROP and IWC were all recently considered for application 202100216, which was granted consent in September 2021. None of the ROP and IWC have established any of the factors contained in section 18A(4) of the Act.

7. I am satisfied that the investor test in section 18A has been met.

**Hon Damien O'Connor**

**Hon Barbara Edmonds**

Agree

Agree

Disagree

Disagree

8. I am satisfied, in relation to the remaining criteria for a forestry activities standing consent set out in clause 3 of Schedule 4 of the Act, that:

(a) The following conditions will be, or are likely to be, met:

- (i) conditions that must be imposed for the purpose of ensuring that the special test relating to forestry activities (the **Special Forestry Test**) is met for each overseas investment under the standing consent;
- (ii) conditions that must be imposed requiring farm land / farm land securities to be offered for acquisition on the open market to non-overseas persons;<sup>3</sup>
- (iii) conditions that must be imposed requiring that LINZ be notified of each transaction settled under the standing consent; and
- (iv) additional conditions that may be imposed including conditions limiting the land that can be acquired under the standing consent.

<sup>3</sup> This condition is not applicable - the scope of the standing consent requested only includes the acquisition of forestry land (i.e. the acquisition of farm land will not be permitted under the consent).

- (b) The Applicant has adequate processes in place for meeting the requirements of Regulation 29 (that is – the continuation of existing arrangements, existing conditions of consent, and log supply obligations).
- (c) The Applicant has a strong track record of compliance with the Act (or corresponding laws overseas) and with conditions and other requirements imposed under it.

**Hon Damien O'Connor**

**Hon Barbara Edmonds**

Agree

Agree

Disagree

Disagree

### Limits

9. The consent is to be limited as set out in the attached schedule of limits.

### National interest

10. I note that a national interest assessment is not required under section 20A of the Act and the Minister of Finance has not notified a transaction of national interest under section 20B of the Act.

### Decision

11. My ultimate decision is to:

**Hon Damien O'Connor**

**Hon Barbara Edmonds**

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1**, modified in accordance with the limits in the schedule of limits

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1**, modified in accordance with the limits in the schedule of limits

Grant consent with amended conditions provided on:

Grant consent with amended conditions provided on:

Decline consent

Decline consent

**Hon Damien O'Connor**

**Hon Barbara Edmonds**

Date: //

Date: //

## C. Background

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12. The 'special test relating to forestry activities' (or 'special forestry test') was introduced in 2018 as an alternative pathway to the Benefit to New Zealand test (Benefit test).
13. The Government created the special forestry test as a more permissive pathway in recognition of the significant role of the forestry sector for New Zealand and its reliance on foreign direct investment, and to support other Government priorities including the One Billion Trees Programme. This change was made in response to the Benefit test being administratively challenging for forestry investors, as well as the importance of the forestry sector to New Zealand.
14. The special forestry test is a lighter touch way to screen forestry investment. It is an objective, checklist-style test that focuses on:
  - (a) ensuring the relevant land will be used for forestry purposes, and
  - (b) maintaining the status quo in relation to such things as environmental protection, public access and log supply contracts.
15. The special forestry test does not consider the benefits or detriments of a particular investment and provides limited room for the exercise of ministerial discretion.
16. 'Standing consents' for investments under the special forestry test allow an investor to apply for consent before identifying the land they want to acquire (a form of 'pre-approval' or 'advance consent').
17. Standing consents avoid the need to make an application for consent for each transaction, providing:
  - (a) certainty for both purchaser and vendor
  - (b) reducing settlement times, and
  - (c) reducing costs.
18. Six forestry standing consents were granted since they became available in 2018. A summary of these standing consents is set out in **Attachment 4**.

## D. Criteria for granting a standing consent

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19. Ordinarily, Ministers must be satisfied that either the special forestry test or the benefit test is met before granting consent to a forestry investment. However, the standing consent regime allows Ministers to grant consent in advance of a transaction in certain circumstances.
20. Ministers may grant a standing consent if satisfied that the statutory criteria are met. At a high level, investors seeking a standing consent must satisfy Ministers of four criteria:
  - (a) they meet the investor test
  - (b) that the conditions imposed on the standing consent will, or are likely to be, met
  - (c) they have adequate processes in place for meeting the requirements set out in Overseas Investment Regulations 2005 (e.g. continuing existing arrangements, existing consent conditions, and log supply obligations), and
  - (d) they have a strong record of compliance with the Act and with conditions and other requirements imposed under it.

21. The criteria for a standing consent does not allow for the consideration of the broader impacts of an investment (for example, the impact on local communities or the environment).
22. LINZ assesses the investor test in **Section E**, the Applicant's reasons for seeking a standing consent and proposed scope in **Section F** and the requirements for a forestry standing consent in **Section G**. LINZ discusses national interest matters in **Part J**.

## **E. Applicant and investor test**

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23. This section describes the Applicant and assesses whether the investor test is met.

### **Business Activities**

24. Summit Forests New Zealand Limited (**SFNZ** or the **Applicant**) is a New Zealand registered company (number 3938058) incorporated in 2012.
25. SFNZ entered the New Zealand forestry industry in 2013 with the purchase of Juken New Zealand Limited's northern forestry estate in Northland (**Juken Estate**). This initial investment gave it interests in approximately 36,000 hectares of land<sup>4</sup>.
26. Since acquiring the Juken Estate, SFNZ has obtained eight consents under the Act. Details of these consents are included at paragraph 114.
27. SFNZ is one of the top seven largest forestry owners/managers in New Zealand, with \$416.4 million of assets and gross revenue of \$176.7 million for the 2021 financial year.
28. SFNZ manages over 50,000 hectares (net stocked area) of forestry estate – including leasehold and freehold interests in land as well as forestry rights and Crown Forestry Licences.
29. SFNZ holds these interests in land for domestic supply and log export, and it also provides forestry and harvesting management services in New Zealand. An analysis of SFNZ's log supply over the past ten years is included as **Attachment 2**.
30. Its forestry operations are primarily located in Northland, with other forests in Gisborne, the East Coast, Whanganui and the Thames-Coromandel regions.

### **Ownership**

31. SFNZ is a wholly owned subsidiary of Sumitomo Corporation (**Sumitomo**). Sumitomo is listed on the Tokyo Stock Exchange. Founded in 1919, Sumitomo is one of the largest worldwide general trading companies, with business activities including sales of various products and services within Japan, import and export, trilateral trade, and domestic and international business investment.
32. Other than Sumitomo there are no persons who have more than 25% beneficial or legal interest in SFNZ.<sup>5</sup>

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<sup>4</sup> Most of the Juken Estate was comprised of Crown forestry licences and private forestry rights which, at the time, were not captured by the overseas investment regime. However, as the transaction also included freehold and leasehold interests in 8,816 hectares of sensitive land the transaction required consent under the Act, and this was granted by Ministers (case 201220020).

<sup>5</sup> The shares of Sumitomo are widely held, with the largest shareholder holding a 16.76% interest.

## Control

33. SFNZ is controlled by its board of directors and operates independently from Sumitomo.
34. Sumitomo will not have any direct control over or involvement in the transactions proposed to be acquired under the standing consent.
35. SFNZ submitted that its independence from Sumitomo is evidenced by its Constitution which states that “the business and affairs of the Company (SFNZ) must be managed by or under the direction or supervision of the Board” (of SFNZ) and resolutions made by Sumitomo are not binding on SFNZ.
36. S9(2)(b)(ii) [REDACTED]
37. S9(2)(b)(ii) [REDACTED]
38. LINZ considers that the Head of EII (Mr Shingo Ueno - who is also the Executive Vice President of Sumitomo Corporation) is an individual with control for the purposes of the standing consent, as his consent is required for any acquisitions or disposals by SFNZ.

## Relevant overseas person and individuals with control

39. LINZ recommends that the ‘relevant overseas person’ (ROP) is (collectively):

Relevant overseas person	Role
Summit Forests New Zealand Limited	The Applicant and acquiring entity
Sumitomo Corporation	Ultimate owner of the Applicant

40. LINZ recommends that the ‘individuals with control of the relevant overseas person’ (IWC)<sup>6</sup> are:

Individuals with control	Role
Takashi Sasaoka	Director of Summit Forests New Zealand Limited
Tetsuro Ogawa	
Yoshiki Yamaguchi	
Yoshikazu Ishikawa	
Shingo Ueno	Executive Vice President of Sumitomo Corporation and Head of Sumitomo’s Energy Innovation Initiative

<sup>6</sup> S9(2)(b)(ii) [REDACTED]

<sup>7</sup> Section 15.

## Summary of investor test

41. The ROP and IWC established none of the factors contained in section 18A(4) of the Act. SFNZ is a repeat investor. All entities and individuals were all recently considered for application 202100216, which was granted consent in September 2021.
42. For the reasons set out above, LINZ's conclusion is that the investor test has been met.

## F. Requested standing consent

43. In this section LINZ describes the Applicant's reasons for seeking a standing consent and the scope of the standing consent requested. LINZ also briefly examines the Applicant's existing business including historic log quality and volumes, as these provide context for the scope of the requested standing consent.

### Requested scope of the standing consent

44. The following table outlines the scope of the standing consent requested. This scope of explored further in LINZ's advice on the proposed limits of the standing consent in **Section H**.

Limit	Requested
Interest type(s)	Forestry Rights, Crown Forestry Licences, Leasehold or Freehold
Location	North Island
Maximum area	15,000 hectares total Up to 2,500 hectares per transaction
Max transactions	75 transactions
Duration	3 years

### Applicant's investment strategy

45. SFNZ seeks its first forestry standing consent. It intends to use this consent to continue to acquire forestry assets mainly in the S9(2)(b)(ii) and S9(2)(b)(i) regions to take advantage of the operational efficiencies that it already has in these regions. SFNZ will also explore expansion opportunities in S9(2)(b)(ii).
46. SFNZ intends to acquire and combine:
  - (a) S9(2)(b)(ii); and
  - (b) S9(2)(b)(ii).
47. SFNZ advises that a common scenario in the North Island is past subdivision of larger forests into smaller blocks owned by different registered owners (often with access issues). S9(2)(b)(ii).
48. S9(2)(b)(ii).



Northland

49. Ministry for Primary Industries (MPI)'s wood availability forecast for Northland<sup>8</sup> identifies the region will have a wood flow shortage from 2026 (**Wood Flow Shortage**). This is due to the age profile of the current forest estates and exacerbated by:
- (a) export and domestic pricing;
  - (b) the Northland region having many small woodlots held by smaller non-industry entities (**Small-Scale Owners**); and
  - (c) an increasingly common practice of Small-Scale Owners going to harvest earlier to take advantage of the market prices.

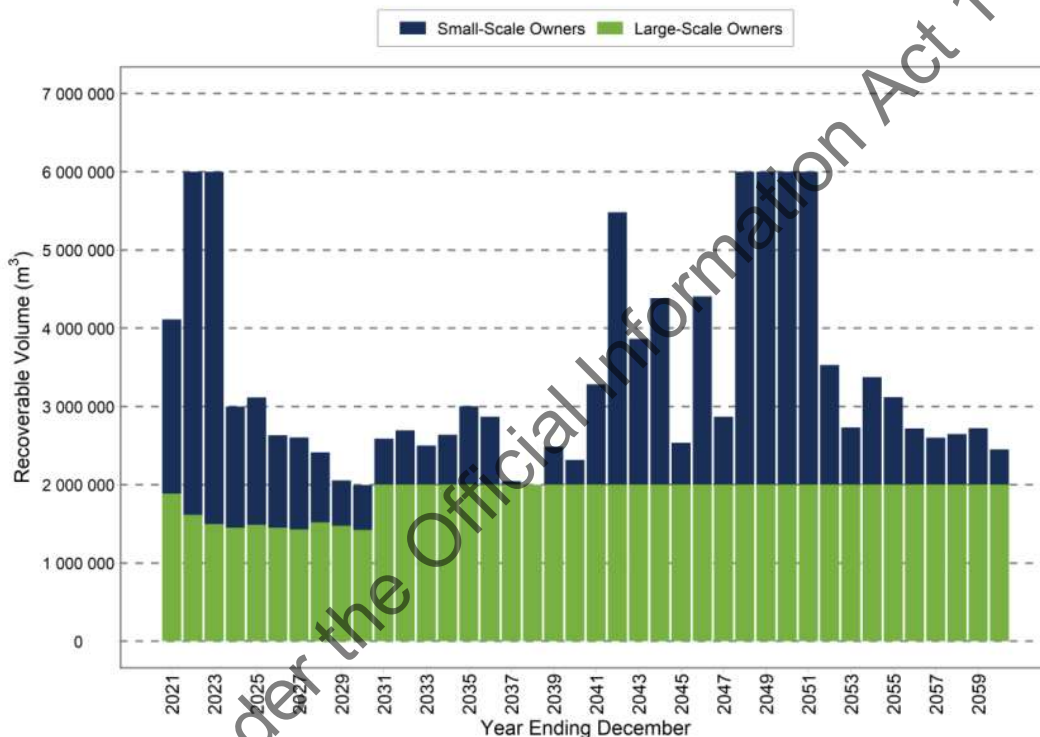


Figure 1: Northland Radiata Pine Availability, source: MPI Wood Availability Forecast Northland 2021

50. The Woodflow Shortage is predicted to have a negative impact on the local forestry industry including harvesting and cartage companies and domestic processors. Current local processing requirements are approximately 2 million tonnes. Recent export demand has seen 70% of Northland's log supply go to the export market. This is significantly above the national average of 46%. The Applicant says that this has raised serious concern for domestic processors as even at 50% of 2 million tonnes (Northland's log supply low point), this would only provide half (1 million tonne) of the required log supply.
51. By contrast, between 2013 and 2022, SFNZ supplied approximately 73% of its logs to the domestic market. (Further analysis of SFNZ's log supply over the past ten years is included below at paragraph **Error! Reference source not found.** and at **Attachment 2**).

<sup>8</sup> <https://www.mpi.govt.nz/dmsdocument/47674-Wood-Availability-Forecast-Northland-2021>

52. A further concern is the change of ownership type in the Northland region. MPI forecasts a shift from large scale ownership by corporate entities (**Large-Scale Owners**) to Small-Scale Owners from the years 2021 to 2031.
- (a) Large-Scale Owners tend to have a sustainable harvest profile and will be inclined to support local processing. This is because this type of owner has perpetual long-term assets of 25-30 years and therefore makes its returns over a longer period across its forestry estates and maintaining a healthy domestic and export market over this period is in its interest.
  - (b) Conversely small-scale Owners will typically take the highest market price on offer bringing forward their harvest at times of high export prices and suspending harvest at times of low market pricing. This can contribute to instability in domestic processing markets through diversion of logs to the export market, and harvesting operations through creating peaks and troughs in operational activity.
53. In the Northland region, SFNZ supplies up to 10 domestic mills and is the biggest supplier to the Juken New Zealand (**JNL**) mill in Kaitaia.
54. SFNZ is trying to maintain S9(2)(b)(ii) of annual harvest but expects to go S9(2)(b)(ii) without additional acquisitions. SFNZ therefore needs to purchase forestry assets to retain the ability to supply viable levels of wood to the Northland processors.
55. A key feature of the forestry assets available for purchase in the Northland region is the high number of small to medium size woodlots. SFNZ has been looking at S9(2)(b)(i) small forest woodlots in the Northland region. SFNZ has already acquired 31 of these woodlots utilising forestry rights<sup>9</sup>, however, it advises that it has had to pass on numerous freehold acquisitions due to the cost and time involved in the overseas investment consent process.
56. Should the small woodlot owners decide to sell their woodlots and the parties can commercially agree terms and conditions – SFNZ could potentially look to acquire between S9(2)(b)(i) in the Northland region using the standing consent.
57. It is not in SFNZ's interest to invest time and money on these small woodlots from a commercial and operational perspective unless it can aggregate and create scale. This is the main reason SFNZ has requested the high number of transactions for this standing consent.

#### *East Coast/Gisborne*

58. SFNZ currently holds approximately 13,000 hectares (net stocked area) of forestry rights in the East Coast/Gisborne region.
59. The East Coast/Gisborne region is heavily dependent on the export market because of the lack of large domestic processors, except the JNL mill which is self-sufficient from its own forest supply.
60. MPI's wood availability forecast for the East Coast/Gisborne region<sup>10</sup> identifies 2 million m<sup>3</sup> of wood flow being owned by Large-Scale Owners and the remaining wood flow owned by Small-Scale Owners. The region's wood flow will increase rapidly in the next 10 years due to the forest asset age class with the potential for forestry activities to peak and then decline back to 2 million m<sup>3</sup> level.

<sup>9</sup> Using the Forestry Right Exemption in section 6 of Schedule 3 of the Act.

<sup>10</sup> <https://www.mpi.govt.nz/dmsdocument/47662-Wood-Availability-Forecast-East-Coast-2021>

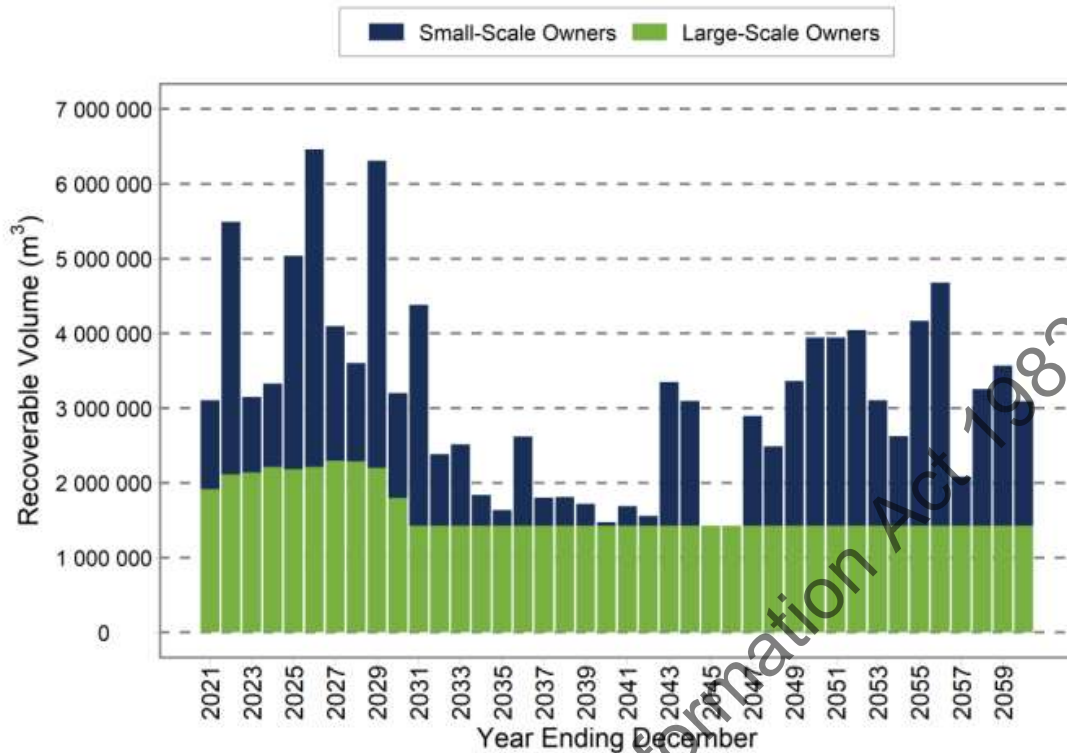


Figure 2: East Coast Radiata Pine Availability, source: MPI Wood Availability Forecast East Coast 2021

61. SFNZ is of the view that, in order to achieve sustainable forest activities in this region, long term investors with scale need to undertake sustainable operations to smooth these peaks to ensure continuity of forestry operations and security of employment to contractors.
62. SFNZ has a strong interest as a long term and sustainable Large-Scale Owner to make further investments in the East Coast/Gisborne region and build this asset base to its second largest (after Northland).
63. The standing consent will provide SFNZ flexibility so that it can act efficiently to acquire forestry assets in the region to build the necessary scale to undertake long term and sustainable forestry operations.

#### Whanganui

64. SFNZ currently owns approximately 1,000 hectares of freehold forestry land in the Whanganui region.
65. The Whanganui region has access to local sawmills, but similar to the East Coast/Gisborne region, it relies heavily on the export market. Wood flow in this region is predominantly owned by Small-Scale Owners.

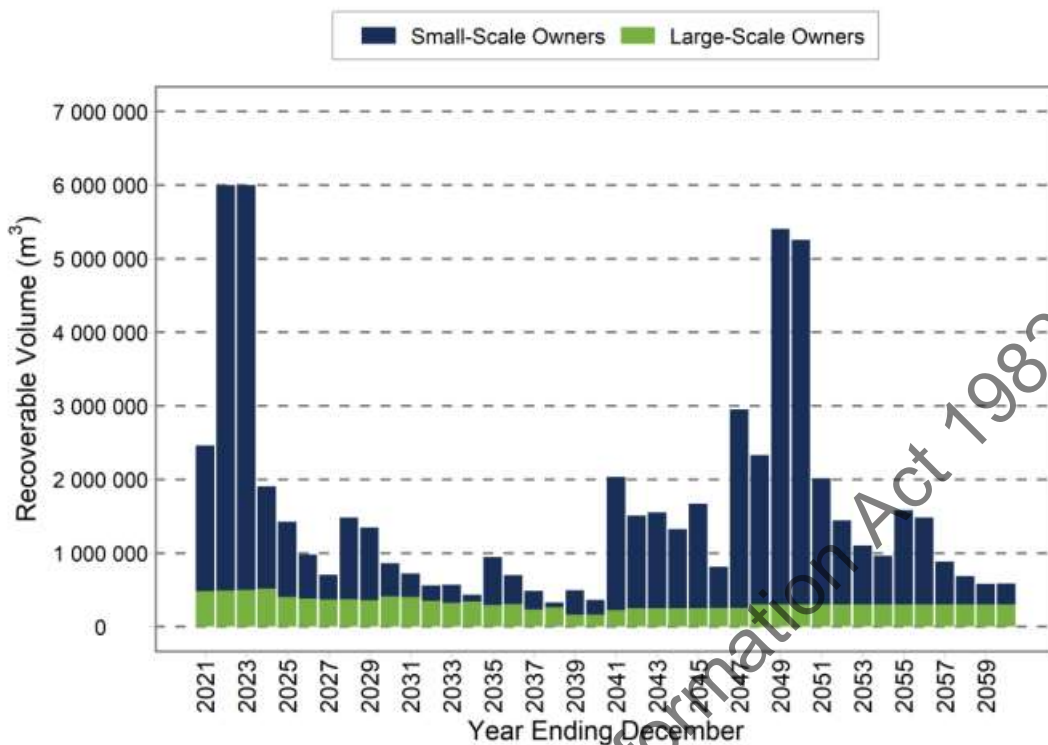


Figure 3: Western Southern North Island Radiata Pine Availability, source: MPI Wood Availability Forecast Western Southern North Island 2021

66. Building scale is important for supply of FSC certified logs to domestic processors such as S9(2)(b)(ii). There is a strong demand for certified logs, with certified wood products achieving a premium in pricing as well as allowing processors to meet sustainability credentials. S9(2)(b)(ii)

67. S9(2)(b)(ii)

68. S9(2)(b)(ii) The standing consent will allow SFNZ to competitively bid for forestry assets to build the necessary scale to become a long term and sustainable Large-Scale Owner in this region.

Thames-Coromandel

69. SFNZ recently acquired two Crown Forestry Licences in the Thames-Coromandel region totalling approximately 24,096 hectares.<sup>11</sup>

70. SFNZ intends to grow its asset base to make this regional asset more valuable using the same investment strategy as the Northland region, accumulating small woodlots to form a larger managing estate.

<sup>11</sup> Case 202100216

71. There are a limited number of sawmills in the Thames-Coromandel region. While SFNZ is currently in discussion with a third party for log sales from the forestry estates, most of the harvested logs will be exported through Port of Tauranga which is the biggest log exporting port in country.
72. SFNZ intends to acquire forest assets that can be managed by its management team within Thames-Coromandel region and will concurrently look to add assets outside the region that can still be exported through Port of Tauranga to benefit from economies of scale.

### **Intended silvicultural practices**

73. SFNZ has told LINZ that it intends to invest in predominantly Radiata Pine species in a thinned structural regime.
74. As part of this management regime, SFNZ plants at 1,000 stems per hectare and usually thins to 450-500 stems per hectare between the age of 8-10 years.<sup>12</sup> No pruning will be undertaken, as pruning is unnecessary for structural timber.
75. SFNZ typically harvests at 25-28 years old. It will replant the land after harvest where possible (noting that some contractual terms do not allow replanting - for example forestry rights).
76. The forestry assets acquired will mostly be managed by SFNZ. Where management is outsourced to third party managers, SFNZ will enter into a forestry management agreement with the forest manager to undertake forest management services.
77. SFNZ's silvicultural program is covered in its forest management plans which are submitted to and have been accepted by the internationally recognised sustainability Forestry Stewardship Council (FSC) certification body.<sup>13</sup>
78. Due to FSC certification requirements SFNZ requires its business systems/processes are used by its forest managers. This allows the trees to be FSC certified even if the forest managers are not.

### *Historic log quality*

79. SFNZ's forest estate produces a mix of pruned logs (where the branches were pruned at a young age to allow clear wood/knot free logs to be produced), sawlogs (logs of a suitable size for sawing into lumber, knot size between 7cm - 12cm) and pulp logs (poor quality logs used for pulp, paper, MDF and particle board). One tree is likely to deliver logs of varying grades, with pruned logs, sawlogs and pulp logs often coming from the same tree.
80. Between 2013 and 2021, SFNZ's average log grade production was as follows:
  - (a) pruned logs 17% (total volume 1,006,906 tonnes);
  - (b) sawlogs 63% (total volume 3,684,855 tonnes); and
  - (c) pulp logs 20% (total volume 1,132,641 tonnes).

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<sup>12</sup> SFNZ noted the need for flexibility to carry a higher stocking to reduce tree size on sensitive sites to reduce heavy trees.

<sup>13</sup> FSC forest management certification confirms that the forest is being managed in a way that preserves biological diversity and benefits the lives of local people and workers, while ensuring it sustains economic viability. FSC certified forests are managed to strict environmental, social and economic standards.

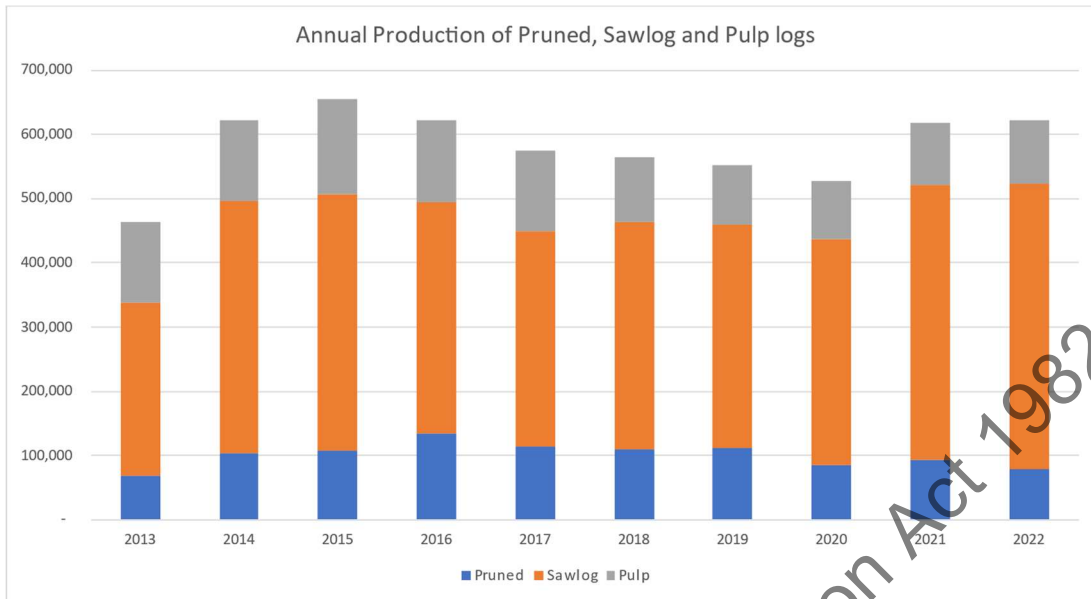


Figure 4: SFNZ's annual production of logs over the last 10 years

81. SFNZ states that the log grade depends on the forest management regime, and that in Northland most forests are managed on a 'structural' regime (delivering a greater proportion of sawlogs) rather than a 'pruned' regime (delivering a greater proportion of pruned logs). This is due to sites being moderate to low productivity and Northland is known for producing high density logs suitable for structural use.
82. Further details of SFNZ's log production over the last ten years are included at **Attachment 2**.

*Intended future log quality*

83. SFNZ confirms the quality of the logs it produces meets market demand. As set out above under intended silvicultural practices, SFNZ is growing structural timber.

*Historic log sales*

84. Between 2013 and 2022, SFNZ supplied an average of approximately 73% of its logs to the domestic market and 26% to the export market.

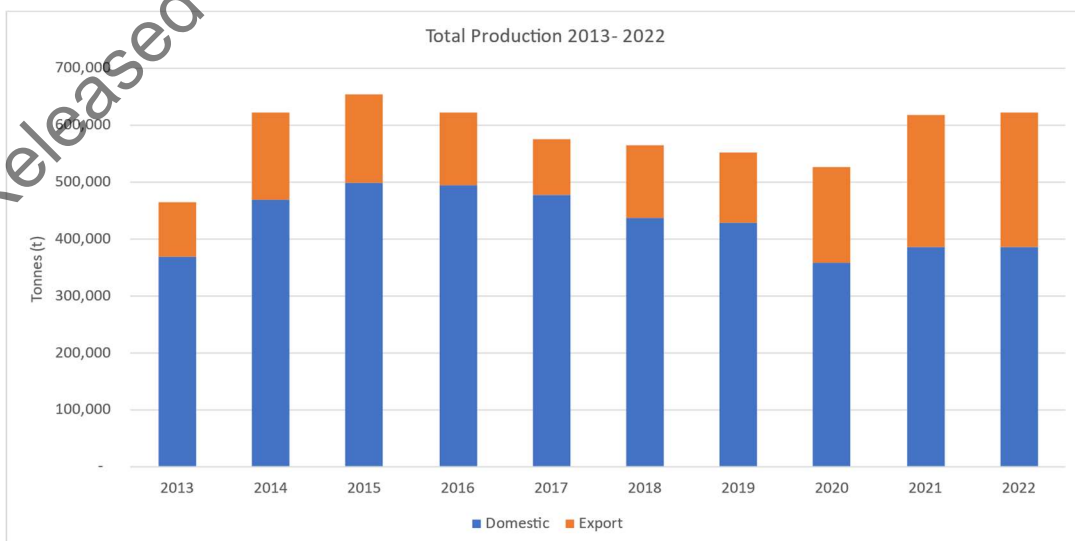


Figure 5: SFNZ's total production over the last 10 years

85. The level of SFNZ's logs exported increased from 21% in 2013 to 38% in 2021 and 2022. This is partly due to SFNZ's regional expansion to the East Coast/Gisborne, Whanganui and Thames-Coromandel regions which are heavily dependent on the export market due of the lack of large domestic processors (as detailed above at paragraphs 56,65 and 71).
86. SFNZ says that the proportion it will export will increase in future as Gisborne is an expanding region for it, with minimal domestic options.
87. Further details of SFNZ's log production over the last ten years are included at **Attachment 2**.

## **G. Requirements for a forestry standing consent**

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88. This section addresses the remaining criteria for a forestry standing consent:
- the conditions that will be imposed on the consent (both mandatory and discretionary) are likely to be met;<sup>14</sup>
  - the Applicant has adequate processes in place for meeting the requirements set out in regulations (continuing existing arrangements, existing consent conditions and log supply obligations);<sup>15</sup>
  - the Applicant has a strong record of compliance with the Act or corresponding laws overseas, and with conditions and other requirements imposed under the Act or the relevant laws.<sup>16</sup>
89. This section first describes the processes and systems the Applicant will use to meet the above criteria. It then addresses whether these criteria have been met.
90. Various mandatory and discretionary conditions of consent will be imposed which will ensure that all standing consent (forestry activities) requirements will be met. These consent conditions are included in **Attachment 1**.

### **Processes for complying with requirements**

91. SFNZ's in-house legal team has been involved in the acquisition of a number of forestry assets which have been subject to obtaining consent under the Act.
92. SFNZ also engages external law firms for sensitive land certificates and legal advice. SFNZ consults with other third parties as needed during the acquisition process and ongoing management of forestry assets.

#### *Pre-acquisition legal and operations review*

93. SFNZ's legal due diligence includes a detailed questionnaire to the vendor. Where the vendor confirms that existing arrangements, consent conditions or log supply obligations exist, SFNZ requests necessary information for review and analysis.
94. SFNZ engages an expert to determine whether the land contains residential land or fresh and sea water area(s).
95. All registered interests on the record(s) of Title as well as the Land Information Memorandum are reviewed as part of the legal due diligence.

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<sup>14</sup> Schedule 4, clause 3(2)(b) of the Act.

<sup>15</sup> Schedule 4, clause 3(2)(c) of the Act. The relevant regulations are set out in reg 29 of the Overseas Investment Regulations 2005.

<sup>16</sup> Schedule 4, clause 3(2)(d) of the Act.

96. SFNZ's Operations Team<sup>17</sup> undertakes extensive desktop due diligence reviewing the vendor provided information against publicly available sources such as MPI and Heritage New Zealand databases. They also undertake site visits and check the geography and geology of the land, the health of the forests, erosion susceptibility, stand information, silvicultural regimes, standard of forestry road access, infrastructure, market options and operational costs.
97. This information is then reviewed to identify and work through all existing and future requirements of the forestry asset.

#### *Post-acquisition implementation*

98. SFNZ enters consent conditions into a Contract Management System (**LEX**). Relevant obligations are then allocated to appropriate team members for action and automated reminders and deadlines set for key dates.
99. SFNZ uses a Geographical Information System (GIS) by Trimble as its Land Resource Manager (**LRM**) to build an operations guide. SFNZ inputs the features of assets including their "geo references", resource consents, relevant consent conditions and archaeological sites into the LRM. These are then passed on to SFNZ's employees and contractors and implemented into the forestry operation contracts and/or work prescriptions.
100. SFNZ follows standard monitoring processes to identify any non-compliance. Any non-compliance and corrective actions are input into SFNZ's quality management software (**Mango**), diarised and confirmed as completed. External audit service providers are also engaged when required.
101. Between LRM, LEX and Mango, SFNZ ensures its forestry operations are conducted in accordance with regulatory requirements and consent conditions.

#### **Compliance with conditions of consent**

102. The Act requires that standing consents include mandatory conditions to ensure that, for each investment the consent will apply to:<sup>18</sup>
- the requirements of the Special Forestry Test are met;
  - the farm land advertising requirements are met;<sup>19</sup> and
  - LINZ is notified of the transaction and how the requirements of the regulations will be met in respect of it.
103. The Act also provides for additional, discretionary conditions to be imposed.<sup>20</sup> This may include conditions limiting the scope of the standing consent.
104. For a standing consent to be granted, the conditions that will be imposed on the consent must be likely to be met. The table in **Attachment 3** sets out why LINZ consider those conditions will likely be complied with.

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<sup>17</sup> Including the Contracts Manager, GIS specialists, National Planning Manager, local operation staff (i.e. regional/forest and harvest managers, harvest planners and forest engineers) and consultants.

<sup>18</sup> Schedule 4, clause 3(3) of the Act.

<sup>19</sup> This condition is not applicable - the scope of the standing consent requested only includes the acquisition of forestry land (i.e., the acquisition of farm land will not be permitted under the consent).

<sup>20</sup> Schedule 4, clause 3(4) of the Act.



105. LINZ is satisfied that the conditions that will be imposed on the standing consent are likely to be met having regard to:
- (a) the nature of SFNZ's business – which is entirely production forestry related;
  - (b) SFNZ's reasons for acquiring the land under the standing consent – to grow its forestry estate;
  - (c) the due diligence processes set up by SFNZ;
  - (d) the pre-acquisition legal review imposed under the conditions of consent; and
  - (e) SFNZ's track record of compliance.

### **Processes for meeting requirements in regulations**

106. The second criterion for a standing consent is that the Applicant has adequate processes in place for meeting the requirements set out in regulations. These requirements are that:<sup>21</sup>
- existing arrangements in respect of the land for certain purposes must be continued. This includes arrangements for public access, and for protecting indigenous flora and fauna, trout, salmon, wildlife and game, historic places or areas and wāhi tapu, and Māori reservation land;
  - existing conditions of consent relating to the same purposes referred to above must be complied with; and
  - existing log supply obligations will be met.
107. The existence of these arrangements, conditions and obligations will be identified through SFNZ's normal due diligence processes.
108. SFNZ will:
- (a) make contact where necessary with relevant government agencies or authorities prior to settlement to ensure the continuity of existing arrangements;
  - (b) engage an Archaeologist to undertake a survey of historic and wāhi tapu sites identified in its due diligence process as part of its operational pre-planning processes;
  - (c) manage arrangements for wāhi tapu and Māori reservation land in conjunction with local Iwi/Hapu; and
  - (d) meet with affected parties of existing log supply agreements.
109. SFNZ will record these arrangements and relevant areas in its LRM (for arrangements) and LEX systems (where it is a consent condition) and ensure that relevant employees and contractors are aware any areas of significance and their responsibilities to protect them.
110. Continuous monitoring will be undertaken by site supervisors throughout forestry operations. Regular audits will also be undertaken.
111. LINZ is satisfied that SFNZ has adequate process in place for meeting requirements in the regulations.

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<sup>21</sup> Overseas Investment Regulations 2005, regulation 29(2) and 29(5) (definition of "specified purpose").

112. **Special Condition 2** will require SFNZ to undertake certain due diligence steps which will identify whether any qualifying existing arrangements, prior consent conditions or log supply obligations exist.

### Compliance record

113. The final criterion for the issue of a standing consent is that the Applicant has a strong record of compliance with the Act or corresponding overseas laws.

#### Previous consents

114. The application and a review of our records indicates that the Applicant has obtained nine consents under the Act:

Case Date	Relevant test	Investment
201220020 <sup>22</sup> 18-Nov-2012	Benefit to NZ test	100% of the shares of Juken NZ Northern Plantations Limited which owns or controls: 816 hectares of freehold land, 8,030 hectares of leasehold land and more than 30,00 hectares of Crown Forestry Licence land and various forestry rights.
201410061 <sup>23</sup> 08-Sep-2014	Benefit to NZ test	308 hectares of freehold forestry land at 599 Awaroa Road, Broadwood.
201520042 10-Dec-2015	Benefit to NZ test	777 hectares of freehold forestry land (the Otangaroa, Fern Flat, Dutton Road, Waiotehue Road, Carman's Block and Humphries Road Forest Estates).
201610015 23-Aug-2016	Benefit to NZ test	1,358 hectares of freehold forestry land (the Takou Bay and Whitehills Forest Estates).
201620073 30-Jun-2017	Benefit to NZ test	328 hectares of freehold forestry land (the Duncan Road Forestry Block).
201710022 16-Jul-2018	Benefit to NZ test	1,241 hectares of freehold forestry land (the Te Ara To Waka, McNabs, Siceleys and Tauwhare Forestry Blocks).
201900568 27-Mar-2020	Special forestry test	729 hectares of freehold forestry land (the Baker, Fitsimmons and Maungataniwha Forests).
202000296 27-Jan-2021	Special forestry test	1,070 hectares of freehold forestry land (the Twin Valley and Adamson Forests).
202100216 15-Sep-2021	Significant business assets  Non-residential use test	The Crown Forestry Licences relating to the Whangapoua Forest (10,556 hectares) and the Ruatoria Forest (13,540 hectares).  1 hectare of freehold residential land located at 3245 Tairua Whitianga Road, Whitianga.

<sup>22</sup> Consent held by Summit Forest Management of NZ Limited (SFNZ's previous name)

<sup>23</sup> Consent held by Summit Northern Plantation Limited – a previously wholly owned subsidiary SFNZ which was amalgamated into SFNZ on 31 March 2015.

### **Our review of SFNZ's compliance history**

115. LINZ has reviewed its records relating to SFNZ's consents and compliance history, its findings are summarised below.
116. In November 2015 as part of their annual reporting for Awaroa Road, Broadwood,<sup>24</sup> SFNZ notified LINZ that due to an administrative error they had not obtained FSC Certification and had not engaged with the New Zealand Walking Access Commission as required by conditions of consent. LINZ granted SFNZ an extension to complete these conditions and the conditions were satisfied shortly afterwards.
117. In November 2019 LINZ investigated SFNZ's failure to notify LINZ of changes to its ownership structure. The investigation concluded that this was an oversight by SFNZ and no further action was taken.
118. No further compliance issues have arisen, and no enforcement action has been taken against SFNZ.
119. LINZ considers that these matters are minor in nature, are relatively insignificant given the number of acquisitions SFNZ has undertaken, and the consent conditions which it has otherwise fully complied with since 2012.

### **Conclusion**

120. On balance, LINZ's view is that the Applicant has a sufficiently strong record of compliance with the Act and consent conditions to be recommended for a standing consent.

## **H. Standing consent conditions**

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121. This section sets out how the requirements for the mandatory conditions will be met, and proposes other conditions, including possible limits on the scope of the standing consent.

### **Limits on the standing consent**

122. The Act *permits* Ministers to grant a standing consent subject to **other conditions**, including:
  - (a) conditions about the land in relation to which the consent may apply (for example, limits by total land area, location of land, and geographic type of land); and
  - (b) limits on the number of overseas investments for which the standing consent can be relied on.
123. The Act does not expressly prescribe what you can and cannot take into account when deciding what (if any) additional conditions or limits should be imposed. In the absence of such express direction, LINZ considers that you should take into account the purpose of the Act generally, along with the purpose of the special forestry test pathway and standing consent regime specifically.

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<sup>24</sup> Consent 201410061

124. The purpose of the Act is set out in section 3:

**3 Purpose**

- (1) *The purpose of this Act is to acknowledge that it is a privilege for overseas persons to own or control sensitive New Zealand assets by—*
- (a) *requiring overseas investments in those assets, before being made, to meet criteria for consent; and*
  - (b) *imposing conditions on those overseas investments.*
- (2) *This Act also has the purpose of managing certain risks, such as national security and public order risks, associated with transactions by overseas persons.*

125. The Act does not expressly state the purpose of the special forestry test (or the related standing consent). However, the purpose of the special forestry test emerges clearly from the language of the test itself and from the Parliamentary materials dating to the time of its enactment and recent amendment.

- (a) The purpose of the changes introduced by the Overseas Investment Amendment Act 2018 (as they related to forestry) was to encourage investment in forestry by improving the coherency and simplicity of the overseas investment regime. Further investment in forestry would support the Government's goal to see one billion trees planted.
- (b) The special forestry test was a key element of simplifying the screening of forestry investments.
- (c) Standing consents under the special forestry test were for investors who could demonstrate a strong record of compliance with the Overseas Investment Act or similar rules overseas, further simplifying the regime for this class of investors.

126. Changes to the special forestry test in 2022 made one material change: limiting the test to existing forestry assets only (meaning that the test can no longer be used for farm land being converted to forestry).

127. The more the limits depart from those imposed previously (whether the effect is to make a standing consent more permissive or less permissive), the greater the likelihood that you will be required to give reasons for imposing those additional conditions or limits.

128. A number of standing consents have recently expired or will expire over the next two years and six forestry standing consents are all being processed with decisions to be made in the coming months. In light of this, and in light of recent changes to the Overseas Investment Act as it relates to forestry, LINZ understands that the Minister for Land Information wishes that the conditions and limits imposed on standing consents be reviewed to ensure that they remain appropriate.

129. In light of the range of options set out below and the Minister for Land Information's wish that the limits be reviewed, LINZ proposes to separately document your decisions on limits once you have had an opportunity to review this report.

130. The proposed conditions of consent at **Attachment 1** reflect the scope *sought* by SFNZ, and would be modified to give effect to any other limits that you might choose to impose.

*Limits on type on acquisition of farm land*

131. SFNZ does not seek a standing consent to acquire farm land for conversion to forestry. The standing consent sought is for existing forestry land only.
132. Even if that was not the case, LINZ would recommend limiting the standing consent to existing forestry only.
133. SFNZ's application was made before the 16 August 2022 changes to the Act and could lawfully be granted in respect of farm land for conversion to forestry. However, LINZ considers that Parliament's clear intention was that transactions entered into after 16 August should meet the benefit to New Zealand test, and allowing a standing consent for farm land would be contrary to that clear intention.
134. LINZ therefore recommends that the standing consent be limited to existing forestry land only.

*Limits on land tenure*

135. SFNZ seeks a standing consent for forestry rights, Crown forestry licences, and for leasehold or freehold interests in land.
136. LINZ considers that Crown forestry licences are not interests in land and no consent is required to acquire them. The remaining forms of tenure are all consistent with SFNZ's investment plan and are all common ways to invest in forestry assets.
137. LINZ recommends that the standing consent allow for investments in forestry rights, leasehold interests, and freehold interests in land.

*Limits on location of land*

138. SFNZ seeks a standing consent for land across the entire North Island. This is consistent with SFNZ's investment plan.
139. LINZ has identified two models for limiting the location of land beyond the boundaries of the North Island:
  - (a) SFNZ's investment plan distinguishes between land near to existing assets (to allow it to take advantage of operational efficiencies) and land in other regions. You might reasonably conclude that investments are more likely to be successful (for both SFNZ and for New Zealand) if they are near to existing SFNZ assets. If you were inclined to this approach, you might consider limiting the standing consent to existing forests in the Northland Region, Thames-Coromandel District, and Whanganui District.
  - (b) You might also reasonably conclude that investments nearer to processing facilities or export ports are more likely to be successful (again, for both SFNZ and for New Zealand). If you were inclined to this approach, you might consider limiting the standing consent to existing forests within:
    - (i) 125km (or some other distance) of an export port, or
    - (ii) 125km (or some other distance) of at least two facilities capable of processing all logs from the land.<sup>25</sup>

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<sup>25</sup> 100km is the average distance from forest to port or processing plant, although the average varies by region.

140. In addition to these limits, LINZ recommends *excluding* land in the *Gisborne Region* and *Wairoa District* from the standing consent. The Government's response to the Ministerial Inquiry into Land Use aims to achieve sustainable land use that meets the current and future needs of the environment, communities and iwi, hapū and landowners.
141. The Government's response will be in two phases:
- (a) first, reducing risk in the near term, and
  - (b) second, strengthening resilience to future severe weather events and supporting the transition to more sustainable, lower risk, land uses and practices at a district and national scale.
142. Some of the changes required to deliver the second stage may take many years, and granting a standing consent (which necessarily will be subject to generic conditions suitable for any property) would deny you the ability to impose conditions in future cases in order to support the Government's response.

*Limits on number of transactions and size of land*

143. SFNZ seeks a standing consent for up to:

- (a) 75 transactions,
- (b) 2,500 ha per transaction, and
- (c) 15,000 ha in total.

144. S9(2)(b)(ii)

145. LINZ recommends that you consider the following options:

(a) Option 1: targeting smaller properties

- (i) One option is to allow a larger number of transactions, but limiting the size of those properties to the small to mid-sized properties referred to in SFNZ's investment plan.
- (ii) You could give effect to this approach by limiting the standing consent to 75 (or some other number) of transactions of no more than 200 ha each (giving a theoretical maximum of up to 15,000 ha).

(b) Option 2: a balanced approach

- (i) Another option is to allow a number of smaller transactions (like in option one) with a small number of larger transactions.
- (ii) You could give effect to this approach by limiting the standing consent to:
  - (a) 75 (or some other number) of transactions of no more than 200ha each (giving a theoretical maximum of up to 15,000 ha), and
  - (b) 3 (or some other number) of transactions of no more than 2,500 ha each,
  - (c) provided that the total area of land acquired not exceed 15,000 ha (or some other maximum).

(c) Option 3: allowing maximum flexibility

- (i) Alternatively you could allow maximum flexibility by imposing the limits sought by SFNZ. At the extreme, this could result in the acquisition of six 2,500 ha blocks under the standing consent.

146. Note that the consent has been drafted to make it clear that transactions may include the acquisition of multiple parcels of land (having contiguous boundaries) within the same forest from multiple registered owners where each sale and purchase agreement (SPA) is conditional on the completion of all other SPAs and is a single transaction for the purposes of the Act. This is consistent with the treatment of those transactions under one-off consents under the special forestry test.

*Limits on the duration of the standing consent*

147. SFNZ seeks a three-year standing consent.

148. LINZ's standard approach to limiting the duration of standing consents is to define two dates, by which the transaction can be:

- (a) entered into, and  
(b) completed.

149. LINZ recommends that SFNZ be given three years from the date of the standing consent to enter into a transaction, and 12 months from the date the transaction is entered into to complete the transaction.

**Mandatory conditions**

150. The Act *requires* that Ministers grant consent subject to certain **mandatory conditions**:

- (a) ensuring that the special forestry test is met,  
(b) ensuring that the consent holder does not acquire farm land without it first being advertised, and  
(c) ensuring that LINZ is notified of transactions.

151. Special condition 3, 5 and 6 will ensure that the special forestry test is met, by:

- (a) ensuring that the relevant land will be, or is likely to be, used exclusively, or nearly exclusively, for forestry activities; and  
(b) ensuring that land will not be, or is not likely to be, used, or held for future use, for any residential purposes, except in permitted circumstances  
(c) ensuring that any 'existing arrangements' will continue to be implemented and maintained  
(d) ensuring that existing consent conditions in respect of the land are complied with  
(e) ensuring that any log supply obligations are honoured, and  
(f) ensuring that whenever a crop of trees is harvested on the relevant land, a new crop will be established to replace it.

152. LINZ considers that a special condition ensuring that SFNZ does not acquire farm land without it first being advertised is unnecessary, as the proposed standing consent is limited to existing forestry assets only.

153. Special condition 3 will ensure that LINZ is notified of transactions.

## Other conditions

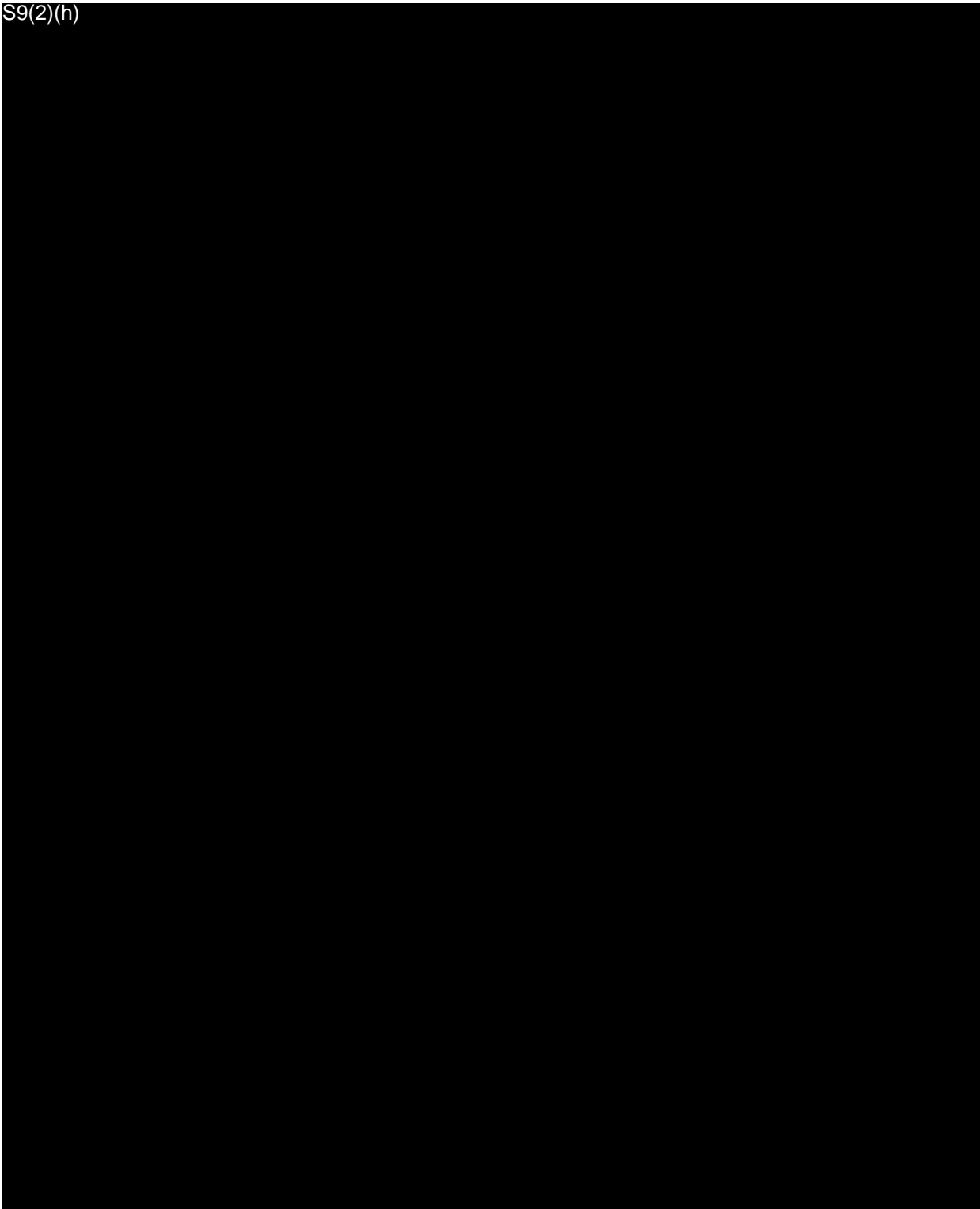
154. The Act *permits* Ministers to grant a standing consent subject to **other conditions**. LINZ does not recommend imposing other conditions.

### I. Residual discretion to decline a standing consent

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155. There is a residual discretion to decline to grant a standing consent, even if the criteria for consent are otherwise met.

S9(2)(h)





S9(2)(h)



## **J. Not a transaction of national interest**

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170. The investment does not involve a transaction of national interest under the mandatory criteria of s20A of the Act. This is because the standing consent itself does not involve a transaction as such, nor does this consent involve a non-NZ government investor or an investment in a strategically important business (as defined in section 20A).
171. LINZ has not referred this transaction to the Minister of Finance for him to call it in for a national interest assessment on a discretionary basis. He has therefore not declined consent to the transaction.

172. LINZ is directed that the starting point is the assumption that overseas investment is in New Zealand's national interest, and that LINZ should only recommend the Minister of Finance exercise his discretion for a national interest assessment if the proposed investment:<sup>26</sup>

- could pose risks to New Zealand's national security or public order
- would grant an investor significant market power within an industry or result in vertical integration of a supply chain
- has foreign government or associated involvement that was below the more than 25 per cent ownership or control interest threshold for automatic application of the national interest test, but granted that government (and/or its associates) disproportionate levels of access to or control of sensitive New Zealand assets
- would have outcomes that were significantly inconsistent with or would hinder the delivery of other Government objectives
- raises significant Treaty of Waitangi issues, or
- relates to a site of national significance (e.g. significant historic heritage).

173. LINZ does not consider that this investment engages any of these risk factors.

## K. Conclusion and recommendation

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174. After considering the Application, LINZ's view is that:

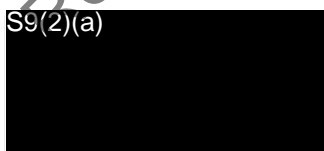
- a) the investor test has been met, and
- b) all other requirements for a forestry standing consent have been met:
  - i) the conditions imposed on the consent are likely to be met
  - ii) the Applicant has adequate processes in place for meeting requirements of the Special Forestry Test in the regulations, and
  - iii) the Applicant has a strong record of compliance with the Act.

175. LINZ's recommendation is therefore to:

- (a) grant the standing consent
- (b) exclude land in the Gisborne Region and Wairoa District, and
- (c) impose the limits that you deem appropriate.

176. If you agree, LINZ refers you to **Attachment 1** to review the Proposed Decision (including consent conditions), and to **paragraphs 6-9** of this Assessment Report to record your decision.

S9(2)(a)



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Pedro Morgan, Lead Advisor Overseas Investment

Date: 17 August 2023

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<sup>26</sup> Ministerial Directive Letter (24 November 2021) at 46 and Annex at 11.

## L. List of Attachments

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<b>Attachment 1</b>	Proposed decision
<b>Attachment 2</b>	SFNZ log production analysis
<b>Attachment 3</b>	Compliance with conditions of consent
<b>Attachment 4</b>	Forestry standing consents

Released under the Official Information Act 1982

## Attachment 1: Proposed decision

### Standing Consent for Overseas Person to Acquire Sensitive New Zealand Land

Read this consent carefully - you must comply with all the conditions. If you do not, you may be required to dispose of land acquired under this consent and/or be subject to fines or other penalties. We may also vary or revoke this standing consent.

#### Consent

Decision date: 6 October 2023

The following people have been given the following **consent**:

<b>Case</b>	202200124
<b>Consent type</b>	Standing Consent (forestry activities) for overseas investments in sensitive land.
<b>Consent</b>	The Consent Holder may give effect to overseas investments in sensitive land, subject to the limits and conditions set out below.
<b>Consent Holder/s</b>	Summit Forests New Zealand Limited (company number 3938058) ( <b>You or the Consent Holder</b> )
<b>Limits</b>	<ul style="list-style-type: none"><li>(a) You may complete no more than <b>75</b> overseas investment Transactions;</li><li>(b) You may acquire interests in no more than <b>10,000</b> hectares of sensitive land <b>in total</b>;</li><li>(c) the sensitive land must already be used exclusively or nearly exclusively for Forestry Activities, and must not include farm land or residential land;</li><li>(d) the maximum land area <b>per Transaction</b> is <b>2,500</b> hectares;</li><li>(e) You may only acquire interests in land that is located in the North Island, but excluding land in the Gisborne Region and Wairoa District;</li><li>(f) this Standing Consent <b>cannot</b> be used to acquire an investment in a strategically important business as described in section 20A(1)(c) or (d) of the Act.</li></ul>
<b>Entry Date</b>	<b>6 October 2026</b> being three years from the Consent date
<b>Completion Date</b>	<b>6 October 2027</b> being 12 months from the Entry date

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## Conditions

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Your Consent is subject to the special conditions, standard conditions and reporting conditions (**Conditions**) set out below. You must comply with them all. Be aware that if you do not comply with the Conditions the Consent may be revoked or varied, you may be subject to fines or other penalties, and you may also be required to dispose of land acquired under this Consent.

We may vary the Conditions after you notify us of a Transaction to record any existing arrangements, conditions of consent, or log supply obligations you must comply with. We may also vary the conditions for other purposes with your agreement. We may do so by adding schedules to this consent (one for each investment Transaction requiring variation).

In the Consent and the conditions, we refer to Toitū Te Whenua Land Information New Zealand as LINZ, us or we.

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## Definitions

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**Act** means the Overseas Investment Act 2005.

A transaction is **complete** when:

- you become the registered owner of an interest in land
- an unregistered interest in land commences
- you are recorded in the issuer's security register as the holder of securities, or
- you have substantially paid the purchase price and are treated by the vendor as the owner of assets other than those described above.

**Crop of trees** means

- any **new crop of trees** that will be established on the land;
- any **existing crop of trees** that had already been established on the land; and
- any **replanted crop of trees** replanted in accordance with Special Condition 7;

but for the avoidance of doubt excludes trees that were not planted with the intention of being harvested to provide wood, such as native species planted in riparian margins.

**Forestry Activities** has the same meaning as in the Act and for the avoidance of doubt excludes permanent forestry.

**Fresh or Seawater Areas** has the same meaning as in the Act.

**Grouped Transaction** means the acquisition of multiple parcels of land within the same forest from one or more registered owners where each sale and purchase agreement (**SPA**) is conditional on the completion of all other SPAs and is a single transaction for the purposes of the Act.

**Land** means the relevant land in relation to an overseas investment in sensitive land acquired under this Standing Consent.

**Legal Review** means a review by either a New Zealand lawyer who has experience with the Act or by the Consent Holder/Sumitomo Australia Pty Ltd's in-house legal department, to confirm a Transaction is covered by this Consent and what the Consent Holder must do to comply with the Conditions.

**Notification Template** means the notification template for Transactions settled under a standing consent published on our website and updated from time to time.

**Regulations** means Overseas Investment Regulations 2005.

**Relevant investment** means, in respect of a failure to comply with a condition, all of the assets acquired in the same transaction as the interest in land in respect of which the condition was not complied with.

**Sensitive Land Certificate** means a certificate for the purposes of Schedule 1 of the Overseas Investment Act 2005 (as published on our website and updated from time to time) completed by a land professional or lawyer experienced in providing such certificates.

**Standing Consent Checklist** means the pre-investment checklist for standing consents published on our website and updated from time to time.

**Termination Period** means the period during which the Consent Holders may terminate a Transaction, on grounds which include that the Transaction is not covered by the Consent or the Consent Holders cannot comply with the Conditions.

**Transaction** has the same meaning as in the Act and for the avoidance of doubt includes a Grouped Transaction.

**WAAN** means water areas acquisition notice.

**Worker Accommodation** means forestry worker accommodation that complies with section 16A(4)(c) of the Act.

Any term or expression that is defined in the Act or Regulations and used, but not defined, in this consent has the same meaning as in the Act or Regulations.

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### Special Conditions

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You must comply with the following **Special Conditions**. These apply specifically to this Consent and include conditions that we must impose under the Act.

Details	Required date
<b>Automatic Condition: Fresh and Seawater Areas</b>	
You must, in relation to the Fresh or Seawater Area(s), comply with all provisions of <a href="#">Schedule 5</a> of the Act.	By the times set out in schedule 5.
You must provide a draft WAAN to <a href="mailto:FSAapplications@linz.govt.nz">FSAapplications@linz.govt.nz</a> .	At least 15 working days before settlement of any transaction entered into under this consent.
You must lodge the WAAN on the title.	Immediately following the transfer and before registering any other interests on the title of Land acquired pursuant to this consent.

<b>Special Condition 1: when transactions may be entered into and completed</b>	
You may enter into transactions.	Until the Entry Date.
You may complete up to <b>75</b> transactions.	By the Completion Date.
<b>Special Condition 2: due diligence</b>	
<p>You must do the following for each Transaction:</p> <ol style="list-style-type: none"> <li>1. complete a Standing Consent Checklist (if we have published one);</li> <li>2. obtain a Sensitive Land Certificate;</li> <li>3. obtain confirmation from the Vendor as to whether there are any requirements that must be met under regulation 29(2) (e.g. any existing arrangements, conditions of consent, or log supply obligations); and</li> <li>4. obtain a Legal Review.</li> </ol>	Before entering into a Transaction or during the Termination Period.
You must <b>not</b> settle a Transaction in reliance on this Standing Consent unless that Transaction is covered by this Standing Consent and you can comply with the Conditions.	At all times.
<p>If you do not comply with this condition,</p> <ul style="list-style-type: none"> <li>• this Standing Consent will cease to apply and you will not be able to enter into or complete further transactions; and</li> <li>• Standard Condition 6 will apply and we may require you to dispose of the relevant investment.</li> </ul>	
<b>Special Condition 3: notice of individual acquisitions</b>	
You must notify us of each Transaction settled under this Standing Consent using LINZ's Notification Template ( <b>Notification</b> ).	As soon as you can, and no later than 2 months after you complete the transaction.
<b>Special Condition 4: land must be used for Forestry Activities</b>	
The Land must be used exclusively, or nearly exclusively, for Forestry Activities.	At all times.
<p>You must ensure that no more than 5% (by area) of each crop of trees on the land is older than the species age limit.</p> <p>For <u>Pinus Radiata</u>, the species age limit is 35 years.</p> <p>For <u>all other species</u>, the species age limit is as determined by the regulator.</p>	At all times.

<p>You must replace each crop of trees you harvest on the Land with a new crop of trees (<b>Replant</b>). You may Replant on a like-for-like basis or on any similar basis.</p> <p>This condition does not require you to:</p> <ol style="list-style-type: none"> <li>1. replant with the same species of tree or use the same silvicultural regime, or</li> <li>2. replant land held under a forestry right that expires upon the completion of harvesting or within two years of harvesting.</li> </ol>	<p>Within 2 years of harvest, unless an alternative period or arrangement is agreed in writing with LINZ.</p>
<p>You must comply with the Resource Management (National Environmental Standards for Plantation Forestry) Regulations 2017 (as amended), or any replacement to the regulations.</p>	<p>At all times.</p>
<p>You must not register more than 5% (by area) of the crop of trees on the Land as “permanent forestry” (or in any category similar to permanent forestry) in the Emissions Trading Scheme established under the Climate Change Response Act 2002 (or any replacement for that scheme or enactment).</p>	<p>At all times</p>
<p>For the avoidance of doubt, this condition does not require you to do anything in breach of any other Act, regulation, rule, bylaw, or that is otherwise contrary to law.</p>	
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the relevant investment. If we require you to dispose of the relevant investment, this Standing Consent will cease to apply and you will not be able to enter into or complete further transactions.</p>	
<p><b>Special Condition 5: residential use restrictions</b></p>	
<p>The Land must not be used, or held for future use, for any residential purposes except for Worker Accommodation.</p>	<p>At all times.</p>
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the relevant investment. If we require you to dispose of the relevant investment, this Standing Consent will cease to apply and you will not be able to enter into or complete further transactions.</p>	
<p><b>Special Condition 6: existing arrangements, consent conditions, and log supply obligations</b></p>	
<p>You must ensure all requirements set out in regulation 29(2) are met, including:</p> <ol style="list-style-type: none"> <li>1. specific obligations identified in a Notification and included in a schedule to this Consent; and</li> <li>2. obligations that are not identified in a Notification.</li> </ol> <p>In summary, the above requirements are to:</p> <ol style="list-style-type: none"> <li>1. maintain and implement any existing arrangements for specified purposes;</li> </ol>	<p>At all times</p>



<p>2. to do, or not do, things as required by any existing conditions of consent that are for a specified purpose; and</p> <p>3. supply logs as required by any existing log supply obligations.</p> <p>(together, the <b>Obligations</b>).</p>	
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the relevant investment. If we require you to dispose of the relevant investment, this Standing Consent will cease to apply and you will not be able to enter into or complete further transactions.</p>	

### Standard Conditions

You must also comply with the **Standard Conditions** set out below. These apply to all overseas people who are given consent to acquire sensitive New Zealand land, including you:

Details	Required date
<p><b>Standard Condition 1: acquire the interest in Land</b></p>	
<p>If you acquire an interest in land under this Consent, you must do so by the Completion Date stated in the Consent, using the acquisition, ownership and control structure you described in your application.</p> <p>Note, only you – the named Consent Holder - may acquire the interest in Land, not your subsidiary, trust or other entity.</p>	<p>As stated in the Consent.</p>
<p><b>Standard Condition 2: Tell us when you acquire the Land</b></p>	
<p>You must tell us in writing when you have acquired the land. Include details of:</p> <ol style="list-style-type: none"> <li>1. the date you acquired the land (<b>Settlement</b>),</li> <li>2. consideration paid (plus GST if any),</li> <li>3. the structure by which the acquisition was made and who acquired the land, and</li> <li>4. copies of any transfer documents and Settlement statements.</li> </ol>	<p>As soon as you can, and no later than two months after Settlement</p>
<p><b>Standard Condition 3: allow us to inspect the Land</b></p>	
<p>Sometimes it will be helpful for us to visit the Land so we can monitor your compliance with the Conditions.</p> <p>We will give you at least two weeks' written notice if we want to do this.</p> <p>You must then:</p> <ol style="list-style-type: none"> <li>1. Allow a person we appoint (<b>Inspector</b>) to: <ul style="list-style-type: none"> <li>(a) enter onto the Land, including any building on it,</li> </ul> </li> </ol>	<p>At all times.</p>

<p>other than a dwelling, for the purpose of monitoring your compliance with the Conditions (<b>Inspection</b>),</p> <ul style="list-style-type: none"> <li>(b) remain there as long as is reasonably required to conduct the inspection,</li> <li>(c) gather information,</li> <li>(d) conduct surveys, inquiries, tests and measurements,</li> <li>(e) take photographs and video records, and</li> <li>(f) do all other things reasonably necessary to carry out the Inspection.</li> </ul> <p>2. Take all reasonable steps to facilitate an Inspection including:</p> <ul style="list-style-type: none"> <li>(a) directing your employees, agents, tenants or other occupiers to permit an Inspector to conduct an Inspection,</li> <li>(b) being available, or requiring your employees, agents, tenants or other occupiers to be available, at all reasonable times during an Inspection to facilitate access onto and across the Land. This includes providing transport across the Land if reasonably required.</li> </ul> <p>3. During an Inspection:</p> <ul style="list-style-type: none"> <li>(a) we will not compel you and your employees, agents, tenants or other occupiers to answer our questions or to let us look at, copy or take away documents,</li> <li>(b) our Inspector will comply with any reasonable instruction and co-operate with any reasonable health and safety policy or procedure you notify to us before the Inspection.</li> </ul>	
<b>Standard Condition 4: remain not unsuitable to Invest in New Zealand</b>	
<p>You, and to the extent that you are not an individual, the Individuals Who Control You must remain not unsuitable to own or control the Assets in accordance with section 18A(1) of the Act.</p> <p>The <b>Individuals Who Control You</b> are individuals who:</p> <ul style="list-style-type: none"> <li>(a) are members of your governing body,</li> <li>(b) directly or indirectly, own or control more than 25% of you or of a person who itself owns or controls more than 25% of you, and/or</li> <li>(c) are members of the governing body of the people referred to in paragraph (b) above.</li> </ul>	<p>At all times.</p>
<b>Standard Condition 5: tell us about changes that affect you, the people who control you, or people you control</b>	
<p>You must tell us in writing if any of the following events</p>	<p>Within 20 working days</p>

<p>happens to any of the Consent Holders:</p> <ol style="list-style-type: none"> <li>1. You become aware that you and/or any Individual Who Controls you establishes any of the investor test factors listed in section 18A(4) of the Act.</li> <li>2. You cease to be an overseas person or dispose of all or any part of the interest in Land.</li> <li>3. Your New Zealand Service Address changes. This is the address you provided us in your application as the address which we will send any legal document we need to serve on you.</li> </ol>	<p>after the change.</p>
<p><b>Standard Condition 6: dispose of the interest(s) in Land if you do not comply with Special Conditions</b></p>	
<p>Some of the Special Conditions were key to the decision to give consent. If we consider you have failed to comply with one of those Special conditions in a material way we may require you to dispose of the Land.</p> <p>If all or part of this Standard Condition 6 applies to a Special Condition, we have said so in that condition.</p> <p>We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:</p>	
<p><b>Value the interest in Land:</b> obtain and send us a copy of a market valuation of the relevant interest in Land from a New Zealand registered valuer.</p>	<p>Within six weeks of the date of our notice.</p>
<p><b>Market the Land:</b> instruct a licensed real estate agent to actively market the relevant interest in Land for sale on the open market.</p>	<p>Within six weeks of the date of our notice.</p>
<p><b>Dispose of the Land:</b> dispose of the relevant interest in Land to a third party who is not your associate.</p>	<p>Within six months of our notice.</p>
<p><b>Offer without reserve:</b> if you have not disposed of the relevant interest in Land within six months of our notice, offer the interest in Land for sale by auction or tender without a reserve price or minimum bid and dispose of the interest in Land.</p>	<p>Within nine months of our notice.</p>
<p><b>Report to us about marketing:</b> tell us in writing about marketing activities undertaken and offers received for the relevant interest in Land.</p>	<p>By the last day of every March, June, September and December after our notice or at any other time we require.</p>
<p><b>Report disposal to us:</b> send us, in writing, evidence:</p> <ol style="list-style-type: none"> <li>(a) that you have disposed of the relevant interest in Land,</li> <li>(b) of disposal (including copies of sale and purchase agreements, settlement statements and titles</li> </ol>	<p>Within one month after the Land has been disposed of.</p>

showing the purchaser as registered proprietor), (c) the purchaser is not your associate.	
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## Reporting Conditions

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We need information from you so we can monitor your progress against the Conditions.

You must notify us of **each Transaction** settled under this Standing Consent as set out in Special Condition 3.

In addition, you must lodge an **annual report** by **1 April each year** until LINZ confirms in writing that annual reporting is no longer required.

Each annual report must:

1. be sent to [oiomonitoring@linz.govt.nz](mailto:oiomonitoring@linz.govt.nz) (or otherwise submitted using LINZ's webform);
2. contain information about your progress in implementing the Special Conditions, including those set out in a schedule to this Standing Consent; and
3. follow the format of, and provide any additional information required by, the relevant annual report template published on our website.

If requested in writing by LINZ, the Consent Holder must provide a written report within 20 working days (or such other timeframe as specified) on any matter relating to its compliance with:

1. the representations and plans made or submitted in support of the application (or related transactions) and notified by the regulator as having been taken into account when the Consent was granted; or
2. the Conditions of this Consent.

### Power to vary reporting date

The dates on which reports are due to be provided may be changed by agreement between the regulator and the consent holder, provided that this power may not be used to give a time extension for an individual report.

### Power to narrow scope of reports

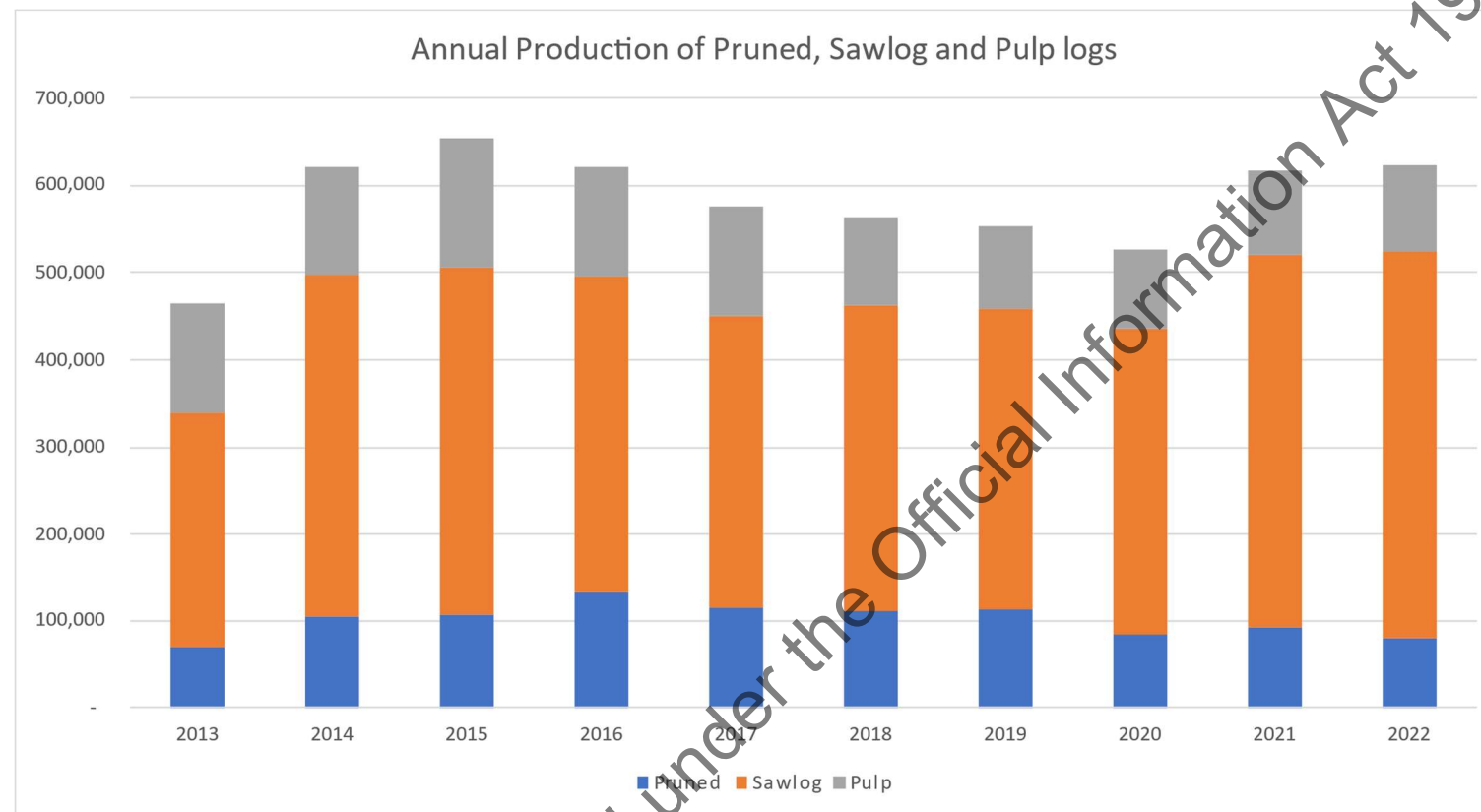
The regulator may temporarily or permanently waive the requirement to report on a particular matter.

### Power not to require further reporting

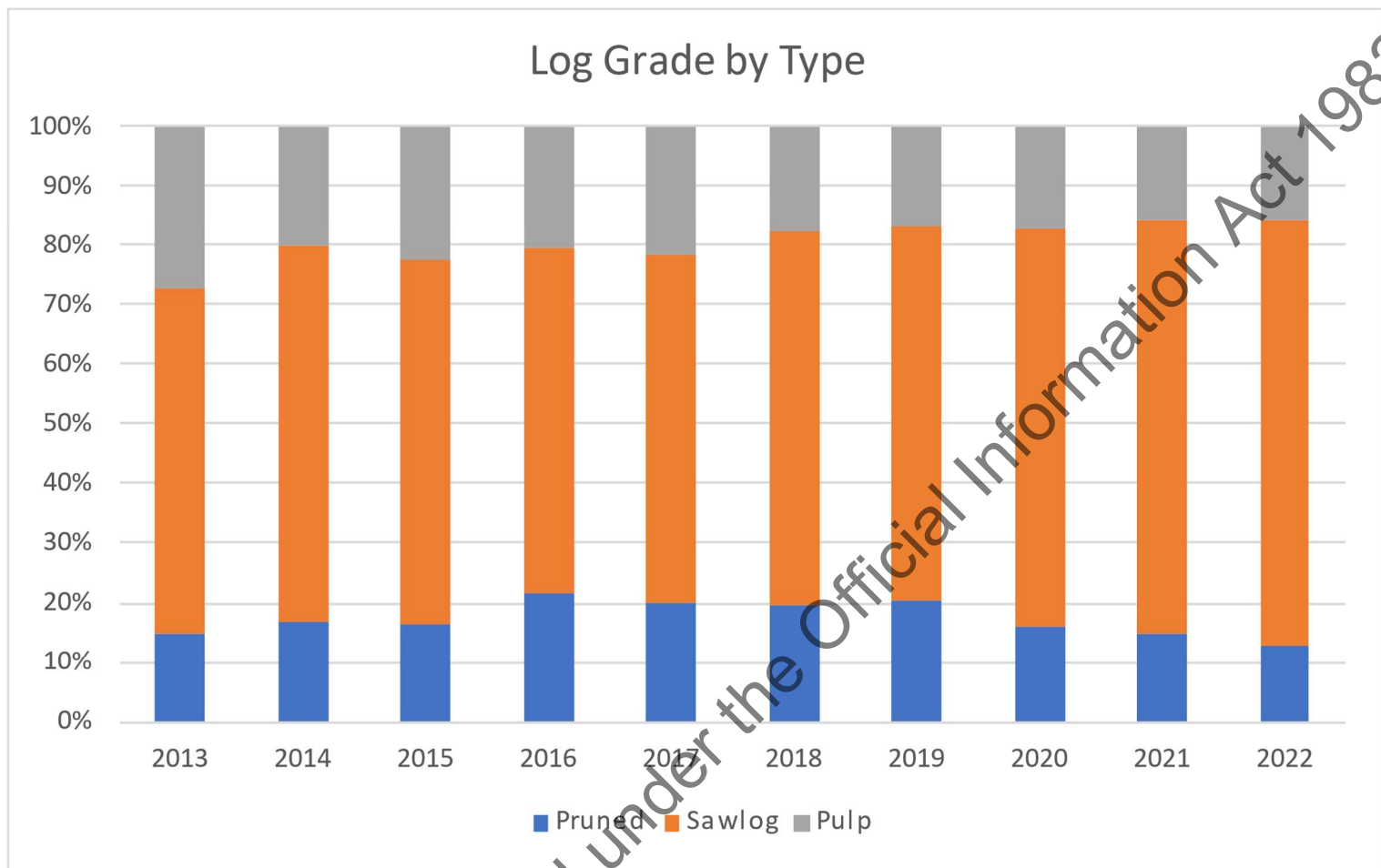
The regulator may waive the requirement to submit a report and may waive the requirement for future reporting.

## Attachment 2: SFNZ log production analysis

1. SFNZ provided the following analysis of the log grade mix produced from its forestry estates between 2013 and 2022:

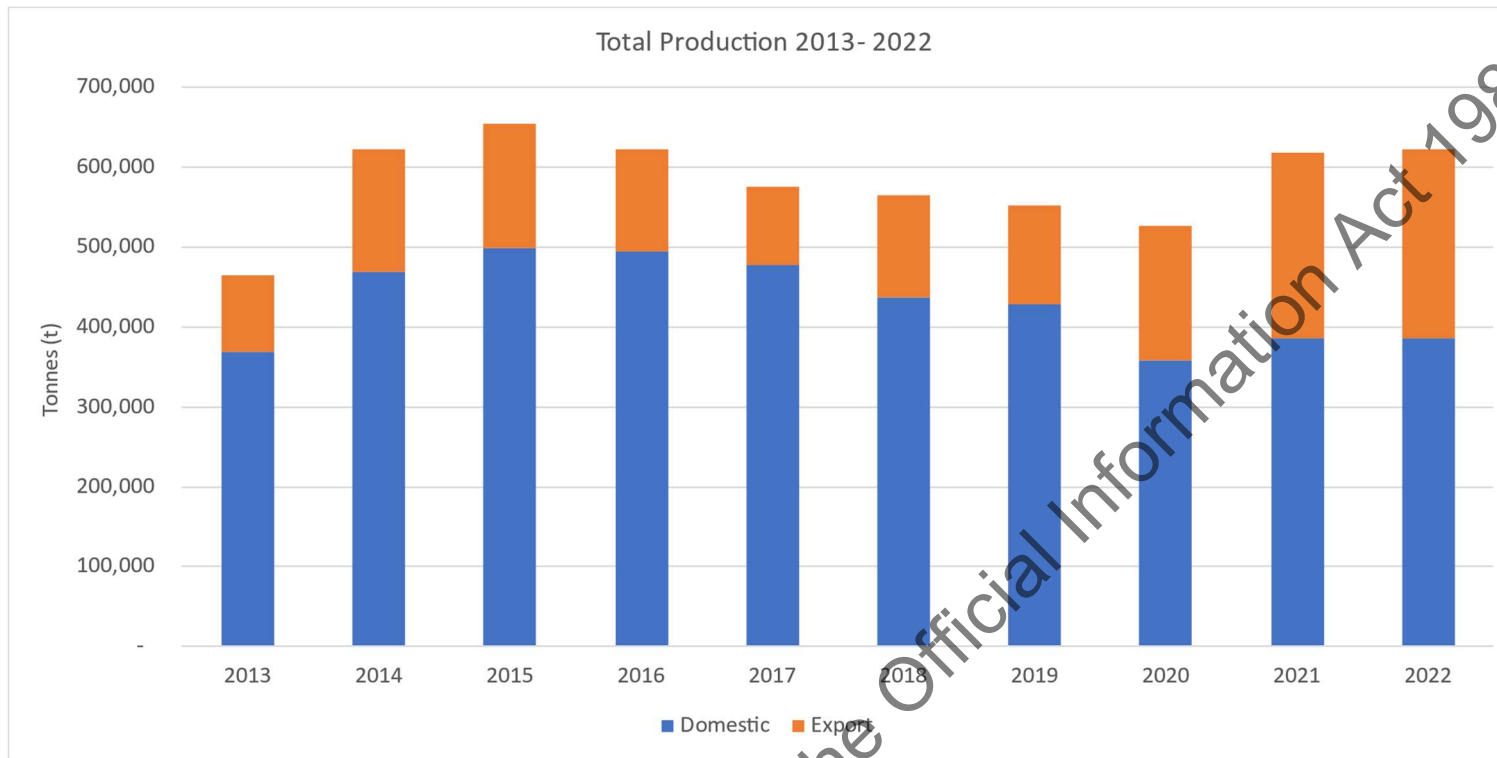


Log Grade	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Pruned	68,420	104,365	106,864	134,098	114,121	110,804	112,536	84,601	92,350	78,748
Sawlog	270,165	392,855	399,600	361,052	336,035	353,098	346,876	351,383	428,390	445,400
Pulp	125,946	125,187	148,259	127,170	125,292	100,188	93,414	91,099	97,450	98,638
<b>Total</b>	<b>464,530</b>	<b>622,407</b>	<b>654,725</b>	<b>622,320</b>	<b>575,448</b>	<b>564,089</b>	<b>552,826</b>	<b>527,083</b>	<b>618,189</b>	<b>622,786</b>



Log Grade	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Average
<b>Pruned</b>	15%	17%	16%	22%	20%	20%	20%	16%	15%	13%	17%
<b>Sawlog</b>	58%	63%	61%	58%	58%	63%	63%	67%	69%	72%	63%
<b>Pulp</b>	27%	20%	23%	20%	22%	18%	17%	17%	16%	16%	20%
<b>Total</b>	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

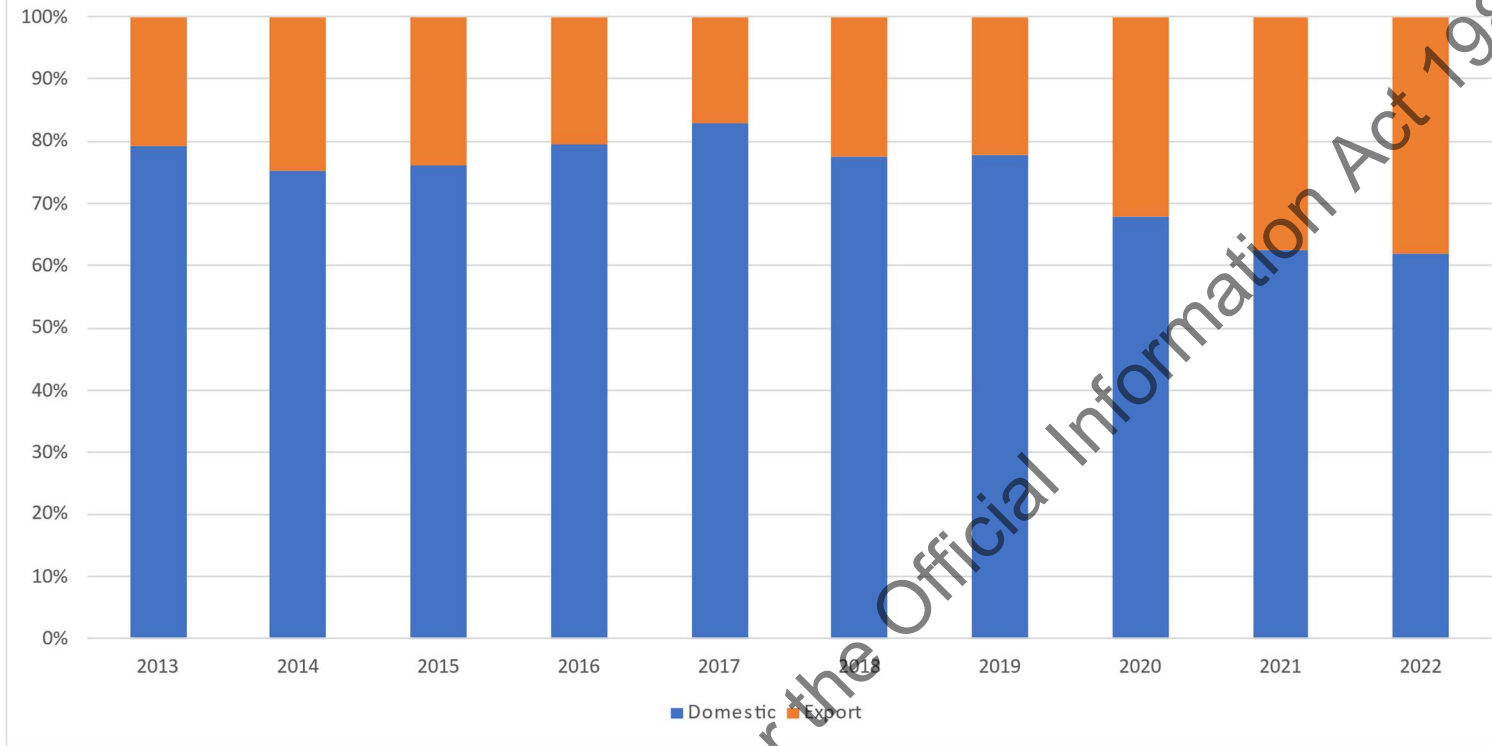
2. SFNZ provided the following analysis of total log production from its forestry estates between 2013 and 2022:



Market	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Domestic</b>	368,525	468,049	499,148	494,754	477,304	437,075	429,377	357,322	386,134	386,741
<b>Export</b>	96,006	154,358	155,577	127,566	98,144	127,014	123,449	169,761	232,054	236,046
<b>Total</b>	464,530	622,407	654,725	622,320	575,448	564,089	552,826	527,083	618,189	622,786

3. SFNZ provided the following analysis of its domestic versus export supply between 2013 and 2022:

Domestic vs Export Supply over the last 10 years



Market	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Domestic</b>	79%	75%	76%	80%	83%	77%	78%	68%	62%	62%
<b>Export</b>	21%	25%	24%	20%	17%	23%	22%	32%	38%	38%
<b>Total</b>	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

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## Attachment 3: Compliance with conditions of consent

Requirement	LINZ Analysis
<p><b>Forestry activities</b></p> <p>The land will be, or will likely be, used exclusively, or nearly exclusively, for forestry activities (section 16A(4)(a))</p>	<p>LINZ is <b>satisfied</b> that this condition is likely to be met.</p> <p>SFNZ'S core business is as a production forestry owner, manager and exporter and it intends to continue its business on this basis.</p> <p>SFNZ has only requested the standing consent for acquisitions of existing forestry land, and the scope of the standing consent will not cover the acquisition of farm land.</p> <p><b>Special Condition 4</b> expressly requires any land to be used exclusively, or nearly exclusively, for forestry activities, and supports this by:</p> <ul style="list-style-type: none"> <li>• requiring the crop of trees to be harvested and replanted (as would be expected of production forestry)</li> <li>• placing a limit on species age to ensure that harvesting occurs in line with the intention to operate a rotational forest</li> <li>• limiting registration in the ETS to 'standard forestry' (making permanent forestry less attractive), and</li> <li>• requiring compliance with the National Environmental Standards for Production Forestry.</li> </ul>
<p><b>Replanting</b></p> <p>Crops of trees will be, or will likely be, replaced with a new crop of trees after harvest (section 16A(4)(e))</p>	<p>LINZ is <b>satisfied</b> that this condition is likely to be met having regards to SFNZ's track record of compliance.</p> <p>SFNZ is committed to long term investment in the New Zealand forestry industry.</p> <p>Where SFNZ is the registered owner of freehold land it will replant the land within 2 years of harvest. Where SFNZ is a grantee or lessee, then replanting will be subject to negotiation and agreement of commercial terms with the owners.</p> <p><b>Special Condition 7</b> requires trees to be replanted after harvest.</p> <p>As permitted by section 3(5) of Schedule 4 of the Act, the conditions that provide that the requirement in section 16A(4)(e) does not have to be met in relation to a crop of trees that is harvested under the forestry right if the forestry right expires on completion of the harvesting or after a short period following the completion of the harvesting.</p>
<p><b>Residential land</b></p> <p>Any residential land adjoins non-residential land that also forms part of the relevant land (section 16A(4)(b))</p>	<p>LINZ is <b>satisfied</b> that this condition is likely to be met.</p> <p>SFNZ has only requested the standing consent for acquisitions of existing forestry land. The scope will not cover the acquisition of residential land.</p> <p>SFNZ will obtain a Land Certificate as part of its pre-acquisition legal review confirming whether the land contains residential land and will not proceed with a transaction if the certificate indicates the land contains residential land.</p> <p><b>Special Condition 2</b> requires SFNZ to undertake various due diligence steps which will identify any residential land.</p>

Requirement	LINZ Analysis
<p><b>Residential purposes</b></p> <p>Relevant land will not be used, or held for future use, for any residential purposes other than for a permitted purpose (i.e. worker accommodation supporting forestry activities on the relevant land) (section 16A(4)(c))</p>	<p>LINZ is <b>satisfied</b> that this condition is likely to be met having regard to:</p> <ul style="list-style-type: none"> <li>• SFNZ’s track record of compliance; and</li> <li>• SFNZ’s due diligence process.</li> </ul> <p>SFNZ will identify accommodation and buildings in response to the Legal DDQ and during on-site visits. This information will be kept in SFNZ’s LRM system. SFNZ will record in its LEX system that the buildings are not to be used for residential purposes and relevant department managers will be informed. Site visits will monitor for any non-compliance.</p> <p><b>Special Condition 5</b> provides that the land must not be used for residential purposes except for forestry worker accommodation.</p>
<p><b>Regulations</b></p> <p>Requirements set out in Regulations will be, or are likely to be, met (section 16A(4)(d)). In summary - continuing existing arrangements, existing consent conditions, and log supply obligations.</p>	<p>LINZ is <b>satisfied</b> that this condition is likely to be met having regard to:</p> <ul style="list-style-type: none"> <li>• SFNZ’s track record of compliance;</li> <li>• the pre-acquisition Legal Review; and</li> <li>• SFNZ’s due diligence process.</li> </ul> <p><b>Special Condition 2</b> requires SFNZ to undertake various due diligence steps which will identify existing arrangements, existing consent conditions, and log supply obligations.</p> <p><b>Special Condition 6</b> requires existing arrangements, consent conditions, and log supply obligations to continue.</p>
<p><b>Fresh and Seawater Area(s)</b></p> <p>Any fresh or seawater area(s) to be notified to LINZ in accordance with the Regulations prior to a transaction being entered into or before a transaction is settled and section 25D to be complied with.</p>	<p>LINZ is <b>satisfied</b> that this condition is likely to be met having regard to SFNZ’s track record of compliance and:</p> <ul style="list-style-type: none"> <li>• the due diligence processes set up by SFNZ;</li> <li>• the Land Certificate confirming whether the land contains fresh or seawater area(s);</li> <li>• by requiring SFNZ to comply with the provisions of Schedule 5 of the Act and lodge a water areas acquisition notice immediately on receiving the title to the land acquired. A separate decision whether to acquire the fresh or seawater area(s) will be made subsequently by decision-making Ministers.</li> </ul> <p><b>Special Condition 2</b> requires SFNZ to undertake various due diligence steps which will identify any Fresh and Seawater areas.</p> <p>An <b>Automatic Condition</b> of consent requires SFNZ to comply with the provisions of Schedule 5 of the Act.</p>
<p><b>Farm land advertising</b></p> <p>Farm land to be offered for acquisition on the open market to non-overseas persons in accordance with the Regulations (clause 3(3)(b) of Schedule 4, and section 16(1)(f)).</p>	<p>This condition is <b>not applicable</b> as SFNZ has only requested the standing consent for acquisitions of forestry land. The scope of the standing consent will not cover the acquisition of farm land.</p>

Requirement	LINZ Analysis
<p><b>Notification conditions</b></p> <p>The regulator will be, or will likely be, notified of each transaction entered into under the standing consent in accordance with the requirements of the consent (clause 3(3)(c) of Schedule 4)</p>	<p>LINZ is <b>satisfied</b> that this condition is likely to be met having regard to SFNZ's record of compliance.</p> <p>SFNZ's acquisitions team and legal advisors will be aware of the notification requirements and will ensure that they form part of their legal due diligence work plan.</p> <p><b>Special Condition 3</b> requires SFNZ to notify LINZ of each transaction settled under the standing consent using the notification template published on our website.</p>
<p><b>Other conditions</b></p> <p>Additional conditions, including conditions limiting the scope of the standing consent, will be, or are likely to be, complied with (clause 3(4) of Schedule 4).</p>	<p>The proposed standing consent is subject to several limits and other conditions.</p> <p>SFNZ will incorporate all conditions imposed by the Standing Consent in its Contract Management software (LEX) and distribute and allocate to the relevant department managers.</p> <p>LINZ is <b>satisfied</b> that these conditions are likely to be met having regard to SFNZ's track record of compliance and the pre-acquisition Legal Review.</p>

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## Attachment 4: Forestry standing consents

	Pan Pac Forest Products	NZ Redwood Company	Nelson Forests	Oji Fibre Solutions	Matariki Forests	Kauri Forestry LP
<b>Granted</b>	September 2019	October 2019	September 2020	September 2020	March 2021	March 2021
<b>Maximum total land area granted</b> <i>(compared with max area requested by Applicant)</i>	20,000 ha granted <i>(requested 30,000 ha)</i>	4,000 ha granted <i>(requested 4,000 ha)</i>	15,000 ha granted <i>(requested 67,303 ha)</i>	15,000 ha granted <i>(requested 30,000 ha)</i>	10,000 ha granted <i>(requested 20,000 ha)</i>	6,000 ha granted <i>(same as requested)</i>
<b>Maximum number of transactions</b>	25	10	25	25	12	20
<b>Maximum land area per transaction</b> <i>(compared with area requested by Applicant)</i>	10,000 ha granted <i>(requested 25,000 ha)</i>	2,000 ha granted <i>(requested 2,000 ha)</i>	- 2,500 ha for land already used for forestry; and - 500 ha for non-forest land (e.g. farm conversions).			
			<i>(requested 20,000 ha)</i>	<i>(requested 15,000 ha)</i>	<i>(requested 10,000 ha)</i>	<i>(requested 4,500 ha)</i>
<b>Duration of standing consent granted</b> <i>(compared with duration requested by Applicant)</i>	3 years granted <i>(same as requested)</i>	4 years granted <i>(9 years requested)</i>	3 years granted <i>(3 or 5 years requested)</i>	3 years granted <i>(same as requested)</i>		
<b>Any regional limitations imposed</b>	Nationwide	Manawatu-Wanganui	Nationwide	Central North Island area -shown in map	North Auckland, South Auckland, Hawkes Bay, Gisborne, Wellington, Canterbury, Westland, Otago and Southland Land Registration Districts.	Nationwide

## SCHEDULE OF LIMITS: Summit Forests New Zealand Ltd

The standing consent granted to Summit Forests New Zealand Limit is granted subject to the following limits under schedule 5, clause 3(4) of the Act:

<b>Interest types</b>	Freehold, leasehold and forestry rights
<b>Land types</b>	Land already used exclusively or nearly exclusively for forestry activities
<b>Location</b>	North Island
<b>Number of transactions</b>	No more than 75 transactions
<b>Total area</b>	No more than <del>15,000</del> ha of sensitive land 10000
<b>Area per transaction</b>	No more than 2,500 ha per transaction
<b>Entry Date</b>	Three years from the Consent date
<b>Completion Date</b>	12 months from the Entry date



**Hon Damien O'Connor**

Date: 18/9/23



**Hon Barbara Edmonds**

Date: 29/9/23

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