

FOREST HEALTH SURVEILLANCE SCHEME

Background

The Forest Health Surveillance Scheme was for many years provided by the Ministry of Forestry (MOF) and more latterly by the Ministry of Agriculture and Forestry. As part of the Government's programme to divest itself of MAF's non core commercial activities, the Forest Surveillance Scheme was sold in 1999 to Forest Research. The Forest Owners' Association which each year establishes the terms and conditions of the surveillance scheme, decided to make the service contestable from 2000/2001 onwards.

Objectives

The objectives of the Forest Surveillance Scheme are as follows:

- To provide the industry and the Government with a nationwide comprehensive forest health surveillance system designed to enable the early detection of new forest pests and diseases.
- To provide overseas Governments and importers of New Zealand forest products with an assurance that New Zealand's forest products are derived from forests subject to an comprehensive forest health assessment programme.
- To provide forest owners with the opportunity to obtain information on the health condition of their particular forest estates.

Scheme Framework

From 1 July 2000, the Association has agreed that the forest health surveillance scheme will be divided into two separate parts to reflect the above objectives; namely:

- 1) the detection of forest diseases and pests new to that particular forest, and a report on existing pests and diseases, and
- 2) a report on the overall health condition of the forest.

Each part will be priced separately on the following basis:

- **Detection of New Pests and Diseases/Report on Existing Pests and Diseases**
As this has a large element of public good in terms of keeping New Zealand relatively pest free, and to safeguard the country's export of forest products, the price for this service will include an element of cross subsidy (see below for details).
- **Health Condition of Forest**

As this is of direct interest to specific forest owners/managers, particularly for management purposes, the nature and extent of the surveillance and report will be subject to negotiation between the individual forest owner/manager and the service provider.

Pricing of Surveillance Service for New Pests and Diseases

To ensure that the coverage of new pest and disease protection is as wide as possible through the participation in the scheme of the bulk of the forest estate, it is accepted that the surveillance prices throughout the country will include an element of cross subsidy. The reason for adopting this approach is to encourage owners/managers of higher cost forests – i.e. those with high surveillance costs due to intensity of surveillance or to the scattered nature or remoteness of forest areas – to participate in the scheme.

To achieve the objective of limiting the level of costs and the range of prices, interested service providers will be invited to submit proposals based on the following:

- 1) The country will be divided into eight zones – five in the North Island and three in the South Island.
- 2) Each of these zones will comprise a number of bio regions.
- 3) Interested service providers will have the option of submitting tenders for one or more of the zones.
- 4) If a service provider has his/her tender prices accepted, they will be required to undertake all surveillance work offered to them by forest growers in that zone.

Surveillance for the forest health condition of individual forests will be arranged between the service provider and the forest owner/manager. The price for this service, which is expected to vary according to the particular requirements of the owner/manager and the specific costs of the work to be undertaken, will be subject to negotiation between the individual forest owner/manager and the service provider. In the majority of cases, it is anticipated that the survey of forest health condition and its associated report will be based on the same time as the surveillance for new pests and diseases.

Surveillance Operations

The surveillance operations shall be undertaken in accordance with the procedures as established from time to time by the NZ Forest Owners Association.

Service providers will need to demonstrate an ability to undertake the forest health surveillance work in a competent professional manner. All assessors are required to have completed the National (or MOF) Certificate of Forest Health and to meet the other criteria contained in the surveillance protocol.

Nature of Reports

- 1) It is proposed that the new pests and diseases report will be a two page document certifying the absence or otherwise of new pests and diseases and reporting on the status of existing pests and diseases. This will be supported by material required for audit purposes including a surveillance checklist, maps, GPS printouts and photographs, where appropriate.
- 2) The forest health condition report will vary in length and detail according to the individual forest owners/manager's management requirements.
- 3) The service provider will be required to prepare and provide a copy of the new pests and diseases report to the following:
 - (i) forest owner/manager
 - (ii) nominated national data recording agency
- 4) The service provider will be required to submit any samples of new pests and/or diseases to their nominated diagnostic centre in accordance with the agreed surveillance protocol.

Auditing

All forest surveillance work will be audited by an agency appointed by the NZ Forest Owners' Association in accordance with the procedures established from time to time by the Association.

The cost of the audit will be paid for by the Forest Owners Association.

All audit reports will be provided simultaneously to the forest owner/manager and the service provider. Where an audit report identifies shortcomings/deficiencies in the surveillance work, including the presence of undetected new pests and diseases, in the first instance the forest owner/manager and the service provider shall negotiate a remedy which could include:

- a re-survey of the forest at a reduced or no charge to the owner/manager, or
- an agreed discount on the originally negotiated price, or
- where the forest owner/manager and the service provider are not able to agree on the appropriate remedy, either party has the right to have the issue mediated or arbitrated in accordance with the recognised procedures.

The forest owner/manager to provide NZ Forest Owners Association with a copy of the report of any mediated or arbitrated outcome.