

BRF 24-164 OI Assessment Report 202300376 - Glengarry Forest Limited Partnership

Ki / To: Hon Nicola Willis, Minister of Finance

Rā / Date: 12 December 2023

Hon Chris Penk, Minister for Land Information

Ngā mahi e hiahiatia ana / Action Sought

Minita/Minister	Hohenga/Action	Rā Mutunga/Deadline
Hon Nicola Willis, Minister of Finance and Hon Chris Penk, Minister for Land Information	<ol style="list-style-type: none"> Review this report and consult with each other if desired; Determine whether to grant consent and, if so, on what conditions; and Indicate your decision from page 4. 	8 January 2024

Toitū Te Whenua LINZ Whakapā / Contacts

Ingoa/Name	Tūnga/Position	Nama waea/ Contact number	Whakapā tuatahi/ First contact
Anneke Turton	Leader Assessment	04 830 2513	<input checked="" type="checkbox"/>
Heidi Hughes	Customer Regulatory Specialist	03 374 3873	<input type="checkbox"/>

Released under the Official Information Act 1982

Pūtake/Purpose statement

Toitū Te Whenua Land Information New Zealand (LINZ) seek your decision on an application for consent to acquire an interest in sensitive land under the Overseas Investment Act 2005 (Act).

Summary

Applicant	Glengarry Forest Limited Partnership Hong Kong (SAR) 100%
Vendor	Peter Douglas Scheele¹ New Zealand 100% Geoffrey Ross Oxenham, Gary John Monson, John Maurice Goulding and Gary Elliott Single as trustees of Oxenham Family Trust² New Zealand 100%
Investment	Acquisition of sensitive land
Land	A freehold interest approximately 587.385 hectares of land located in Rissington, Hawke's Bay: <ul style="list-style-type: none">• 226³ hectares of land located at 967 Glengarry Road• 361.385 hectares of land located at 643 Glengarry Road
Consideration	\$7,400,000 ⁴
Sensitivity	Is more than 5 hectares of non-urban land
Pathway	Benefit to New Zealand – Farm to Forestry conversion
Relevant tests	Investor test ⁵ Benefit to New Zealand test ⁶ Farm land offer criterion ⁷ National interest criterion ⁸

The Applicant is ultimately owned by Hong Kong national Chong Vincent Yau Runme Wong.

¹ As vendor of 967 Glengarry Road

² As vendors of 643 Glengarry Road

³ Lots 1 and 3 of title HBY3/159 cover approximately 279.82 hectares. The potential acquisition concerns a portion of Lot 1, after the Vendor has subdivided approximately 32 hectares.

⁴ \$4,700,000 for 643 Glengarry Road and \$2,700,000 for 967 Glengarry Road

⁵ Section 18A of the Act.

⁶ Sections 16(1)(c)(i), 16A(1A), 16A(2) of the Act.

⁷ Section 16(1)(f) of the Act.

⁸ Section 16(1)(g) of the Act.

The Applicant is acquiring two sheep and beef farms in the Hawke's Bay to convert to production forestry. It intends to plant approximately 290 hectares of *Pinus radiata* and 30 hectares of Redwood (*Sequoia sempervirens*) on the Land.

The key benefits likely to occur as a result of the investment include the creation of jobs, increased domestic log processing and revenue from timber sales, increased investment in the Land and a reduction in net carbon emissions.

Timing

The assessment timeframe for this application has passed due to the timing of the 2023 general election. The commercial deadline for this transaction is 8 January 2024.

Tohutohu/Recommendations

After considering the application, LINZ recommended assessment is that:

- the investor test has been met;
- the farm land offer test has been met
- the transaction is not considered to be a transaction of national interest; and
- while finely balanced, the benefit test has been met.

LINZ refers you to page 4 of this Assessment Report to record your decision.

[s 9(2)(a)]



Anneke Turton

Leader Assessment

Overseas Investment - **Toitū Te Whenua**

LINZ

Rā/date: 12 December 2023

Decision

Core tests

1. I determine that:

1.1. The 'relevant overseas person' is (collectively):

Relevant overseas person	Role
Glengarry Forest Limited Partnership	Applicant
Glengarry Forest Management Limited	General partner of Glengarry Forest Limited Partnership
The Hanaissance II Trust	Beneficial owner of Glengarry Forest Limited Partnership
InterTrust (Singapore) Limited	Corporate trustee of The Hanaissance II Trust
Chong Vincent Yau Runme Wong	Beneficial owner of Glengarry Forest Limited Partnership

1.2. The 'individuals with control of the relevant overseas person' are:

Individuals with control	Role
Hamish Edge	Director of Glengarry Forest Management Limited
Agnes Chen Meiyun	Directors of Intertrust (Singapore) Limited - Trustee of The Hanaissance II Trust
Gaganpreet Singh Kalra	

1.3. None of the relevant overseas persons and individuals with control of the relevant overseas person have established any of the factors contained in section 18A(4) of the Act.

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

Hon Nicola Willis

Hon Chris Penk

Agree

Agree

Disagree

Disagree

3. I am satisfied, in relation to the benefit to New Zealand test in sections 16 and 16A, that:

3.1. the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders);

3.2. the benefit is proportionate to the sensitivity of the land and the nature of the transaction;

3.3. the farm land benefit test need not be met, on the ground set out in section 16A(2);

Hon Nicola Willis

Hon Chris Penk

Agree

Agree

Disagree

Disagree

4. I am satisfied that the farm land offer criterion in section 16(1)(f) has been met.

Hon Nicola Willis

Hon Chris Penk

Agree

Agree

Disagree

Disagree

National interest assessment

5. I note that the overseas investment in sensitive land is not a transaction of national interest under section 20A of the Act and the Minister of Finance has not notified it is a transaction of national interest under section 20B of the Act.

Hon Nicola Willis

Hon Chris Penk

Noted

Noted

Released under the Official Information Act 1982

Decision about whether to grant or decline consent

6. My ultimate decision is to:

Hon Nicola Willis

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1**

Grant consent with amended conditions provided on:

Decline consent

Hon Chris Penk

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1**

Grant consent with amended conditions provided on:

Decline consent

Hon Nicola Willis

Date: / /

Hon Chris Penk

Date: 12 / 12 / 2023

Released under the Official Information Act 1982

BRF 24-164 OI Assessment Report 202300376 - Glengarry Forest Limited Partnership

Ki / To: Hon David Seymour, Associate
 Minister of Finance
 Hon Chris Penk, Minister for Land
 Information

Rā / Date: 1 February 2024

Ngā mahi e hiahiatia ana / Action Sought

Minita/Minister	Hohenga/Action	Rā Mutunga/Deadline
Hon David Seymour, Associate Minister of Finance and Hon Chris Penk, Minister for Land Information	<ol style="list-style-type: none"> Review this report and consult with each other if desired; Determine whether to grant consent and if so, on what conditions; and Indicate your decision from page 4. 	15 February 2024

Toitū Te Whenua LINZ Whakapā / Contacts

Ingoa/Name	Tūnga/Position	Nama waea/ Contact number	Whakapā tuatahi/ First contact
Anneke Turton	Leader Assessment	04 830 2513	<input checked="" type="checkbox"/>
Heidi Hughes	Customer Regulatory Specialist	03 374 3873	<input type="checkbox"/>

Pūtake/Purpose statement

We seek your decision on an application for consent to acquire an interest in sensitive land under the Overseas Investment Act 2005 (**Act**).

Summary

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Vendor	Peter Douglas Scheele¹ New Zealand 100% Geoffrey Ross Oxenham, Gary John Monson, John Maurice Goulding and Gary Elliott Single as trustees of Oxenham Family Trust² New Zealand 100%
Investment	Acquisition of sensitive land
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Sensitivity	Is more than 5 hectares of non-urban land
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Relevant tests	Investor test ⁵ Benefit to NZ test ⁶ Farm land offer criterion ⁷ National interest criterion ⁸

The Applicant is ultimately owned by Hong Kong national Chong Vincent Yau Runme Wong.

The Applicant is acquiring two beef and sheep farms in the Hawke's Bay to convert to production forestry. It intends to plant approximately 290 hectares of *Pinus radiata* and 30 hectares of Redwood (*Sequoia sempervirens*) on the Land.

¹ As vendor of 967 Glengarry Road

² As vendors of 643 Glengarry Road

³ Lots 1 and 3 of title HBV3/159 cover approximately 279.82 hectares. The potential acquisition concerns a portion of Lot 1, after the Vendor has subdivided approximately 32 hectares.

⁴ \$4,700,000 for 643 Glengarry Road and \$2,700,000 for 967 Glengarry Road

⁵ Section 18A of the Act.

⁶ Sections 16(1)(c)(ii), 16A(1A), 16A(2) of the Act.

⁷ Section 16(1)(f) of the Act.

⁸ Section 16(1)(g) of the Act.

The key benefits likely to occur as a result of the investment include the creation of jobs, increased domestic log processing and revenue from timber sales, increased investment in the land and a reduction in net carbon emissions.

It is a matter for Ministerial discretion to determine whether the benefits are proportionate to the land being acquired.

Timing

The assessment timeframe for this application has passed due to the timing of the 2023 general election. The commercial deadline for this transaction is 08 January 2024.

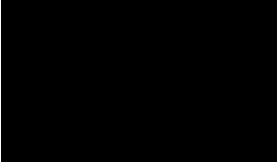
Tohutohu/Recommendations

After considering the application, Toitū Te Whenua Land Information New Zealand's (LINZ) recommended assessment is that:

- the investor test has been met;
- the farm land offer test has been met
- the transaction is not considered to be a transaction of national interest; and
- the benefit to New Zealand test is a matter requiring Ministerial judgement.

LINZ refers you to page 4 of this Assessment Report to record your decision.

[s 9(2)(a)]

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Anneke Turton

Leader Assessment

Overseas Investment - LINZ

Rā/date: 11 December 2023

Decision

Core tests

1. I determine that:

1.1. The '**relevant overseas person**' is (collectively):

Relevant overseas person	Role
Glengarry Forest Limited Partnership	Applicant
Glengarry Forest Management Limited	General partner of Glengarry Forest Limited Partnership
The Hanaissance II Trust	Beneficial owner of Glengarry Forest Limited Partnership
InterTrust (Singapore) Limited	Corporate trustee of The Hanaissance II Trust
Chong Vincent Yau Runme Wong	Beneficial owner of Glengarry Forest Limited Partnership

1.2. The '**individuals with control of the relevant overseas person**' are:

Individuals with control	Role
Hamish Edge	Director of Glengarry Forest Management Limited
Agnes Chen Meiyun	Directors of Intertrust (Singapore) Limited - Trustee of The Hanaissance II Trust
Gaganpreet Singh Kalra	

1.3. None of the relevant overseas persons and individuals with control of the relevant overseas person have established any of the factors contained in section 18A(4) of the Act.

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

Hon David Seymour

Hon Chris Penk

Agree

Agree

Disagree

Disagree

3. I am satisfied, in relation to the benefit to New Zealand test in sections 16 and 16A, that:

3.1. the overseas investment will, or is likely to, benefit New Zealand (or any part of it or group of New Zealanders);

3.2. the benefit is proportionate to the sensitivity of the land and the nature of the transaction;

3.3. the farm land benefit test need not be met, on the ground set out in section 16A(2);

Hon David Seymour

Hon Chris Penk

Agree

Agree

Disagree

Disagree

4. I am satisfied that the farm land offer criterion in section 16(1)(f) has been met.

Hon David Seymour

Hon Chris Penk

Agree

Agree

Disagree

Disagree

National interest assessment

5. I note that the overseas investment in sensitive land is not a transaction of national interest under section 20A of the Act and the Minister of Finance has not notified it is a transaction of national interest under section 20B of the Act.

Hon David Seymour

Hon Chris Penk

Noted

Noted

Released under the Official Information Act 1982

Decision about whether to grant or decline consent

6. My ultimate decision is to:

Hon David Seymour

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1**

Grant consent with amended conditions provided on:


Decline consent

Hon Chris Penk

Grant consent subject to the conditions in the Proposed Decision in **Attachment 1**

Grant consent with amended conditions provided on:

Decline consent


Hon David Seymour
Date: 8 / 2 / 24

Hon Chris Penk
Date: / /

Released under the Official Information Act 1982

A. Background and proposed transaction

7. Glengarry Forest Partnership Limited (**Applicant**) is ultimately owned by a Hong-Kong national. The Applicant is buying an approximately 587 hectares sheep and beef farm land for the purpose of converting it to a *Pinus radiata* commercial forest (**Investment**).

Land

8. The acquisition involves a freehold interest in approximately 587.385 hectares located at Glengarry Road, Hawke's Bay (**Land**). The Land comprises of two titles,⁹ highlighted in figure 1. The Applicant plans to acquire approximately:
- 361.385 at 643 Glengarry Road, Hawke's Bay
 - 226¹⁰ hectares at 967 Glengarry Road, Hawke's Bay

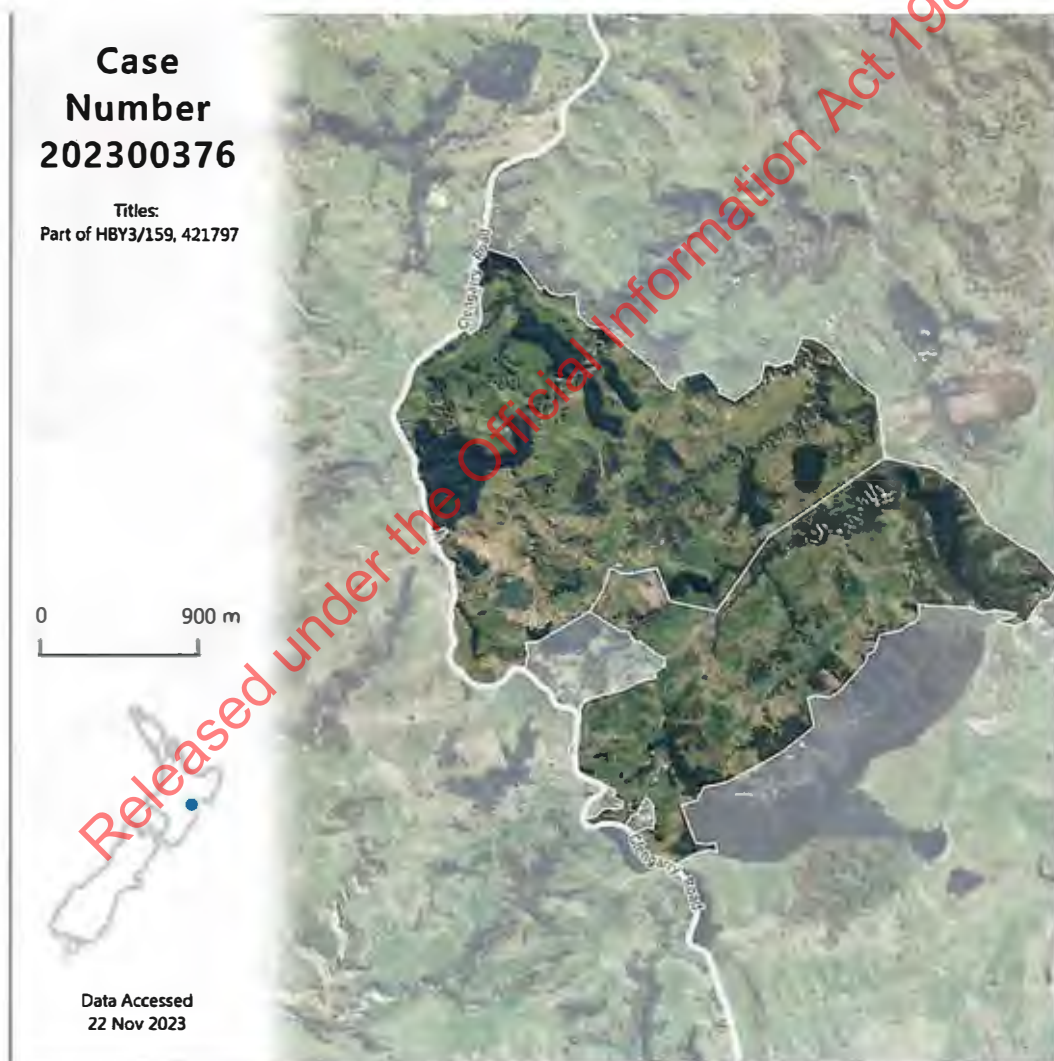


Figure 1: The Land

⁹ Being records of title 421797 (643 of Glengarry Road) and HB3/159 (967 Glengarry Road)

¹⁰ Lots 1 and 3 of title HB3/159 cover approximately 279.82 hectares. The potential acquisition concerns a portion of Lot 1, after the Vendor has subdivided approximately 32 hectares.

9. The Land is susceptible to erosion; with approximately 64% (381 ha) classified as at moderate risk and 11% (66 ha) classified as at high risk of erosion. An aerial survey, following Cyclone Gabrielle, estimated that slips currently affect 17.4 hectares of the Land.
10. The Land Use Capability (**LUC**)¹¹ class is comprised of:
 - 523 hectares of LUC 6 (89%)
 - 66 hectares of LUC 7 (11%).
11. An LUC map can be found in **Attachment 4**.
12. There are two freshwater areas on the Land. Waikokomiko Stream at 4.5 metres wide, flows southwest to northwest (through the top land parcel in Figure 1). Munro Stream is 8 metres wide and flows west to east. The streams are discussed further at paragraphs 88 to 90.

Vendor

13. The Land is owned by Peter Scheele and Oxenham Family Trust (**Vendors**). The Vendors currently utilise the Land to farm approximately a total of 2,400 beef and sheep stock units, across two farms.
14. The Vendors are selling the Land because they consider it to be uneconomic for continued farming use, following Cyclone Gabrielle related infrastructure damage and erosion.

B. Application of the Act

15. The Land is sensitive because it is non-urban land over 5 hectares in size¹² so consent is required.¹³ The following criteria for an investment in sensitive land apply to this application:¹⁴
 - The investor test must be met.¹⁵
 - The benefit to New Zealand test must be met.¹⁶
 - The farm land must have been offered for sale on the open market,¹⁷ unless exempt.¹⁸
 - You must also note whether the investment is a transaction of national interest and, if so, whether the Minister of Finance has decided that the investment is contrary to New Zealand's national interest.¹⁹

¹¹ The LUC classification system categorises land into eight classes, based on a broad assessment of the land's capability and versatility for different types of agricultural production. Lower numbered classes (classes 1-5) are more productive and lend themselves to a broader range of activities (e.g, quality and versatile soils for farming), whereas classes 6-8 have greater limitations on what they can support and may be more appropriate for forestry.

¹² Table 1, Part 1, Schedule 1 of the Act.

¹³ Under sections 10(1)(a) and 12(1)(a)(i) of the Act.

¹⁴ Set out in section 16(1) of the Act.

¹⁵ Section 18A / 16(1)(a) of the Act.

¹⁶ Section 16(1)(c)(ii) of the Act.

¹⁷ Section 16(1)(f) of the Act.

¹⁸ Section 20(1)(a) or (b) of the Act.

16. In order to satisfy the benefit to New Zealand test, the decision-maker must determine that the overseas investment will, or is likely to, benefit NZ (or any part of it or group of New Zealanders).²⁰
17. As this transaction includes fresh or seawater interest(s), the automatic condition relating to fresh and seawater areas applies.²¹ The Crown must acquire, and the owner of the Land must allow the Crown to acquire, the fresh and seawater interest(s).²² However, the Crown need not acquire the fresh or seawater interest(s) if the owner is notified of a decision not to acquire.²³
18. We assess the investor test in Part C, the benefit to New Zealand test in Part D, the farm land offer test in Part E, and discuss national interest matters in Part F.

C. Applicant and investor test

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

Business Activities

20. The Applicant is ultimately owned by a Hong Kong national, Chong Vincent Yau Runme Wong. [s 9(2)(a)]
[REDACTED]
21. Mr Wong has one previous investment in New Zealand, a dairy farm²⁴ of approximately 2,583 hectares. [REDACTED]
22. The investment is proposed to diversify Mr Wong's agricultural portfolio into New Zealand silviculture.
23. Tanupara Station Limited Partnership, the owner of the dairy farm, initially purchased the Land being acquired under this application. The Applicant was subsequently nominated as the purchaser of the two titles through variations to agreement.

Ownership and control

24. Glengarry Forest Limited Partnership and its general partner, Glengarry Forestry Management Limited (**GFM**) are beneficially owned by Mr Wong's family trust, The Hanaissance II Trust (**Trust**). GFM is responsible for day-to-day management of the asset.
25. The corporate trustee of the Trust is InterTrust (Singapore), an international trust management company. Its directors are also responsible for approving capital and operating expenditure, at the direction of Mr Wong, through the Trust.

¹⁹ Section 16(1)(g) of the Act.

²⁰ Section 16A(1)(a) of the Act.

²¹ Section 25D of the Act.

²² Clause 3, Part 2, Schedule 5 of the Act.

²³ This is accordance with Clause 4 or 5, Part 2, Schedule 5 of the Act.

²⁴ 201420098 – 756 Mangaeturoa Road, Raetihi. Ministerial consent was granted in May 2015.

²⁵ [REDACTED] is earnings before interest, tax, depreciation and amortisation

26. The ownership structure includes two intermediary holding companies²⁶ that are wholly owned by the Trust. These intermediary companies are limited partners only and have no input into decision-making for the investment.

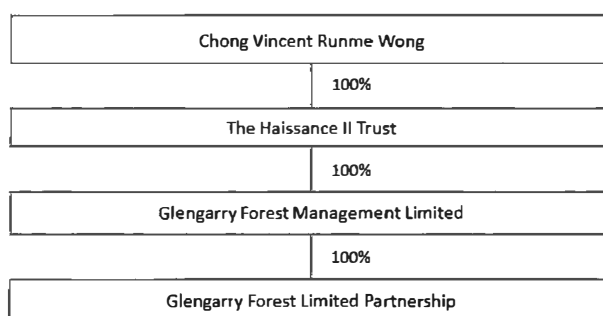


Figure 2: organisational chart

27. A diagram of the intended ownership structure is in **Attachment 2**.

Relevant overseas person and individuals with control

28. We recommend that the '**relevant overseas person**' is (collectively):

Relevant overseas person	Role
Glengarry Forest Limited Partnership	Applicant
Glengarry Forest Management Limited	General partner of Glengarry Forest Limited Partnership
The Hanaissance II Trust	Beneficial owner of Glengarry Forest Limited Partnership
InterTrust (Singapore) Limited	Corporate trustee of The Hanaissance II Trust
Chong Vincent Yau Runme Wong	Beneficial owner of Glengarry Forest Limited Partnership

29. We recommend that the '**individuals with control of the relevant overseas person**' (**IWC**)²⁷ are:

Individuals with control ^{*28}	Role
Hamish Edge*	Director of Glengarry Forest Management Limited
Agnes Chen Meiyun	Directors of Intertrust (Singapore) Limited - Trustee of The Hanaissance II Trust
Gaganpreet Singh Kalra	

²⁶ Vegasoul Holding Pte Limited and Hanaissance Pte Limited

²⁷ Section 15.

²⁸ Individuals marked with an asterisk are not overseas persons, either because they are New Zealand citizens or are ordinarily resident in New Zealand, therefore they do not need to meet the investor test.

Summary of investor test

30. The relevant overseas persons and individuals with control established none of the factors contained in section 18A(4) of the Act, therefore LINZ considers **the investor test has been met**.

D. Investment plan and benefit to NZ test

31. This section describes the Investment and our assessment of whether it is likely to meet the benefit to NZ test in the Act.

Current state (counterfactual)

32. The Land contains two beef and sheep farms at 643 and 967 Glengarry Road.

643 Glengarry Road

33. The Vendor advised that the current farming activities at 643 Glengarry Road (prior to Cyclone Gabrielle) support:

33.1. **Stocking rate:** 1,450 stock units (954 sheep and 497 beef grazing)

33.2. **Net annual profit:** approximately [s 9(2)(b)(ii)]

33.3. **Export receipts:** approximately [s 9(2)(b)(ii)] in annual export earnings. The export receipts were low comparative to the stock units because most of the cattle were breeding cows or sold to domestic farms as 'weaners'²⁹ which required additional grazing to meet processing size limits.

33.4. **Fertiliser:** There has been no fertiliser applied at the farm last season.

967 Glengarry Road

34. Key information about 967 Glengarry Road (prior to Cyclone Gabrielle):

34.1. **Stocking rate:** 1,581 stock units (1,090 sheep and 492 beef grazing)

34.2. **Net annual profit:** approximately [s 9(2)(b)(ii)] generated from breeding cattle and weaners sold to domestic farms.

34.3. **Fertiliser:** There has been no fertiliser applied at the farm, for the last three seasons.

Combined farms

35. Key information about the current state of both farms (post Cyclone Gabrielle):

35.1. **Stocking rate:** 2,399 sheep and beef stock units³⁰, a reduction of approximately 600 to 650 stock units, due to cyclone related erosion and infrastructure damage.

35.2. **Financial performance:** Morice Limited³¹ concluded that the "[s 9(2)(b)(ii)]". The effective pastoral land of 380.4 hectares (59% of the total area) generates an

²⁹ Defined as calves which were weaned within the current year.

³⁰ Approximately 423 sheep and 439 beef at 643 Glengarry Road and approximately 1,037 sheep and 492 beef at 967 Glengarry Road.

³¹ Market appraisers for agricultural, horticultural and forestry land.

estimated revenue [s 9(2)(b)(i)] per hectare; [s 9(2)(b)(ii)] per hectare less, than the average revenue of an East Coast Hill Country farm.

35.3. **Employment:** 1.55 full-time equivalent (FTE) staff

36. There is currently 172.1 hectares of native bush and 14 stands of *Pinus radiata* (a total of 69.7 hectares), comprised of seven age groups planted between 1994 and 2018 on the Land. 46.2 hectares of the forestry is currently registered with the Emissions Trading Scheme (ETS), the majority of which is *Pinus radiata*.
37. Public access is permitted only for Hawke's Bay Regional Council (due to a forestry interest in existing trees). They have exercised this right once in 15 years.
38. 643 Glengarry Road contains a three-bedroom residential dwelling and two-bedroom cottage. 967 Glengarry Road contains a residential dwelling and farm buildings, which the Vendor plans to subdivide and on-sell (32.7 hectares) prior to the Applicant acquiring the Land.
39. There are no historic sites, pest control or active management of waterways on the Land.

Investment plan

40. The Applicant intends to establish a commercial production forest by planting 290.6 hectares of *Pinus radiata* trees, commencing in mid-2024. The Applicant has engaged forestry consultants, Forest 360, to plant and manage the forest.
41. MPI states that whilst a progressive return to 70-80% of pre-cyclone productivity through pastoral use is possible; forestry is the most suitable long-term use of the Land.

Planting and silviculture regimes

42. The Land will be planted with 1,000 stems per hectare and tended to through both framing and Clearwood silviculture regimes:
 - Framing silviculture regime (170.6 hectares) - the stems will be thinned to 500-600 stems, per hectare, in year 9.
 - Clearwood silviculture regime (120 hectares) – the stems will be pruned in years 5, 7 and 9; and thinned to 330-350 stems, per hectare, in year 9.
43. Forest 360 advise a Clearwood regime will produce high value, knot free timber. A framing regime is better suited to planting areas susceptible to high wind because these stems are unlikely to achieve the diameter growth required for Forest 360 capitalise on pruning.

Erosion control

44. The Applicant will plant 30 hectares of Redwood, in wetter gully bottoms and erosion prone areas, to mitigate slash and erosion risks. Redwood will be planted at 600 stems per hectare; pruned and thinned to 200-300 stems, per hectare.
45. MPI confirmed coppice species liked Redwood are best suited to planting in erosion prone areas.

46. The Erosion Susceptibility Classification shows that the majority of the land is zoned moderate (yellow) and high (orange), therefore no resource consent is currently required for planting.

Subdivision

47. The Applicant intends to subdivide and on-sell approximately 7.1 hectares of the Land, as shown in **Attachment 4**. The subdivided area includes a 3-bedroom house, garage, workshop, two hay sheds an implement shed and two pump sheds. It is anticipated that the Land will be subdivided and advertised for sale by December 2024.
48. The Applicant plans to retain the two-bedroom cottage as incidental forestry worker accommodation.³²

Harvesting and export

49. The Applicant plans to harvest *Pinus radiata* between 27-28 years and Redwood between 45-50 years.
50. Logs are most likely to be exported, via Port of Napier (32 km). If sawmill capacity allows, the Applicant may sell pruned and unpruned logs to domestic sawmills for processing.
51. The Applicant submits that resource consents to harvest the timber and to construct roads on the Land, to access logs, are likely to be granted.

Employment

52. The Applicant estimates it will create the equivalent of 2.4 direct FTE,³³ per annum, as a result of establishing this forest. With forestry the number of jobs is cyclical in nature, but these numbers have been averaged out through to 2053.
53. A new production forest is also likely to create some indirect jobs.

Development expenditure

54. Establishing and managing new forest estate will result in an estimated [s 9(2)(b)(ii)] being paid to local suppliers of goods and services throughout the first rotation (an average of [s 9(2)(b)(ii)], per annum, over 29 years).
55. This investment would be approximately [s 9(2)(b)(ii)] above the current farming spend over the same 29-year period.³⁴

Timber and export receipts

56. The Applicant expects total timber revenues over the first rotation to be approximately [s 9(2)(b)(ii)] averaged over a 29-year period.³⁵
57. Converting the Land to a production forest will result in a net increase in export receipts of approximately [s 9(2)(b)(ii)] over a 29-year period.³⁶

³² See **Attachment 1** for the proposed conditions.

³³ A net increase of approximately 0.56 annual FTE per 100 hectares

³⁴ Net annual increase of [s 9(2)(b)(ii)] per 100 hectares

³⁵ Net export earnings of [s 9(2)(b)(ii)] per 100 hectares

³⁶ Net annual export receipts increase of [s 9(2)(b)(ii)] per 100 hectares

Carbon sequestration

58. The Applicant claims that removal of farming activities on the Land will reduce carbon emissions by approximately [s 9(2)(b)(ii)] per year. In addition, the forest is expected to sequester [s 9(2)(b)(ii)] of carbon over the 28-year period before the trees are harvested.
59. The new forest and approximately 53.7 hectares of existing forestry will be registered in the ETS. It is estimated to generate between [s 9(2)(b)(ii)] in carbon revenue.

Environmental initiatives

60. The Applicant agreed to implement a fish survey of freshwater areas and a control plan for pests, such as ungulates and wilding pine, in consultation with a suitable ecological expert and Department of Conservation.

Assessment of benefits

61. The benefits to New Zealand that are likely to result from this investment and our assessment of the relative weight to be given to each are set out in the table below.³⁷

Farmland benefit test does not apply

62. The Investment involves the acquisition of farm land over 5 hectares which would ordinarily need to meet the modified farm land benefit test. In this case, the test has not been applied because the land will be used for forestry activities.³⁸

Benefit claims

63. LINZ have analysed the benefits that are likely to occur as a result of the Investment, compared to the current state of the Land, in the table below. This may include benefits that the Applicant did not specifically claim, but that LINZ have identified may occur.
64. Carbon and climate related claims are assessed under their own heading to prevent double counting as they relate to more than one benefit factor.
65. Factors that we considered were either not relevant to the investment, or the benefit to New Zealand was not sufficient to be relied on, are noted in **Attachment 3**.

³⁷ In applying the benefit to NZ test, you are required to consider each of the benefit factors, decide which of them are relevant and determine the relative importance of those relevant factors. The weight and relative importance to be given to each factor is a matter to be determined by you as the decision-maker (except where the farm land benefit test requires a factor to be given high relative importance). This report sets out our assessment to guide your consideration, however it is not determinative.

³⁸ Section 16A(2) of the Act states the modified farm land benefit test does not apply if the relevant Ministers are satisfied that:

- the farm land will, or is likely to, be used exclusively, or nearly exclusively, for forestry activities; and
- whenever a crop of trees is harvested on the farm land, a new crop will be, or is likely to be, established on the farm land to replace the crop that is harvested; and
- the non-occupation outcome will, or is likely to, occur in relation to the farm land.

Benefit		Analysis
Economic Moderate	Creation of jobs	The creation of the equivalent of 0.9 additional FTE per annum, fluctuating over the life of the forest
	Revenue and export receipts	Revenue is likely to increase by approximately [s 9(2)(b)(i)] per annum (including export receipts of approximately [s 9(2)(b)(i)] per annum)
	Development and operating expenditure	Additional spending of approximately [s 9(2)(b)(i)] per annum on average to establish and maintain the forest.
Carbon & Climate change Moderate	Reduction in net carbon emissions	The conversion to forestry and removal of the stock is likely to result in a net emission reduction of approximately [s 9(2)(b)(ii)] of carbon dioxide over a 27 year period.
	Revenue from carbon credits	Increased revenue of approximately [s 9(2)(b)(ii)] from the sale of carbon credits.
	Support Government Emissions Reduction Plan - 2022 ³⁹	The net emission reduction is likely to advance this Government policy. LINZ notes that the Plan acknowledges the importance of afforestation initiatives and growing the forestry industry.
Environmental Weak	Protect flora and fauna	There will likely be ecological gains upon the Land.
	Improve water quality	The removal of stock reduces effluent risk to freshwater areas on the Land.
	Erosion control	Planting trees and adding buffer zones, in freshwater areas, will likely reduce erosion risk.
Public access Weak	Permit system	Public access is improved however there is no right enduring legal right to access.

³⁹ The relevant chapter within the Plan relating to forestry is Chapter 14 - <https://environment.govt.nz/publications/aotearoa-new-zealands-first-emissions-reduction-plan/forestry/>.

Consultation and submissions about the investment

66. In undertaking our assessment, we consulted with Herenga ā Nuku | Outdoor Access Commission, Ministry of Primary Industries (**MPI**), the Department of Conservation (**DoC**) and local Māori (Mana Ahuriri).
67. In general, we requested the agencies to give feedback on the credibility and accuracy of the Applicant's proposals in the investment plan. We have dealt with any feedback we received on specific proposals in the body of our assessment report, immediately after the relevant proposal.

Proposed conditions and rationale

68. The Applicant's afforestation proposal is the primary action from which all the specific benefit claims flow. The proposed conditions require the Applicant to use the Land for forestry activities (including planting, maintaining, harvesting and replanting a crop of trees) and undertake the other initiatives referred to above.

Conclusion – benefit to NZ test

Key benefits

69. After considering the application, we are satisfied that the Investment is likely to result in the benefits considered above. In particular, it is likely to result in economic benefits such as jobs, additional expenditure and increase export receipts. The investment is also likely to result in environmental benefits, primarily due to the sequestration of carbon.

Proportionality

70. LINZ have undertaken our assessment having regard to the sensitivity of the Land and the nature of the Investment, reflecting the proportional nature of the benefit to NZ test.
71. Matters which were considered to raise the proportionality include:
 - the Land being acquired is 587 hectares which of medium size;
 - the Land is currently being used as farm land and is no longer financially as a viable sheep and beef operation;
 - the Land contains a freshwater area;
 - the Land will be converted to an alternative (non-farming) use;
 - the Applicant is acquiring a freehold interest; and
 - the Applicant is entirely overseas owned.
72. Mitigation factors include:
 - the Land is LUC 6 and 7; and
 - Morice Limited (an independent valuer) assessed that only 59% of the Land is effective pastoral land.
73. LINZ considers that the Land is medium on the spectrum of "sensitivity" for farm land. This is because the erosion risk and LUC categorisation of the Land limit the economic

viability of the Land for continued farm use. However, the careful consideration of the environmental risk of conversion of the Land to production forestry is required, given the location of the Land and presence of freshwater areas on the Land.

Conclusion

74. After considering the application, LINZ is satisfied that the Investment is likely to result in moderate economic benefits, as well as weak environmental, public access, government policy benefits.
75. Ministerial judgement is required to determine the importance and weighting that should be given to benefits likely to occur as a result of this investment and whether they are proportionate to the Land being acquired.

E. Farm land offer test

76. Because the Land is farm land,⁴⁰ we note that it was advertised for sale on the open market with the required information for a period exceeding 30 working days⁴¹ on trademe.co.nz and bayleys.co.nz⁴² and in Hawke's Bay Property Guide.⁴³
77. We are therefore satisfied the regulations requiring the farm land to be offered for acquisition on the open market have been complied with.⁴⁴

F. Not a transaction of national interest

78. The Investment does not involve a transaction of national interest under the mandatory criteria of the Act.⁴⁵ This is because the Investment does not involve a non-NZ government investor, or an investment in a strategically important business (as defined in the Act).
79. The Minister of Finance has not called the Investment in for a national interest assessment.⁴⁶

G. Fresh or seawater areas

80. The investment includes fresh or seawater interests, being the interiors of the Munro Stream and the Waikokomiko Stream.
81. Mana Ahuriri confirmed that there were no cultural concerns arising from the acquisition of Land containing Munro Stream and Waikokomiko Stream (as tributaries of the culturally significant Esk River).⁴⁷
82. If the Applicant is granted consent for this investment, the Applicant will lodge a water areas acquisition notice⁴⁸ immediately on receiving the interest in the Land. A separate

⁴⁰ Currently being used primarily for beef and sheep farming (see the definition of farm land in s 6 of the Act).

⁴¹ For sale by tender, closing on 28 April 2023 (643 Glengarry Road) and 04 May 2023 (967 Glengarry Road).

⁴² From 14 March 2023 (643 Glengarry Road) and 17 March 2023 (967 Glengarry Road).

⁴³ On 24 March 2023.

⁴⁴ Overseas Investment Regulations 2005, regulations 5 to 10.

⁴⁵ Under s 20A of the Act.

⁴⁶ Under s20B of the Act.

⁴⁷ Ahuriri Hapū Claims Settlement Act 2021

decision will be made by decision-making Ministers subsequently. LINZ have included the automatic condition that the Applicant must comply with the provisions of Schedule 5 of the Act.

H. Conclusion

83. For the reasons set out in this report, LINZ consider that it is open to Ministers to either grant or decline consent.
84. We refer you to **Attachment 1** to review the Proposed Decision (including consent conditions), and to page 3 of this report to record your decision.

I. Attachments

1. Proposed Decision
2. Ownership structure
3. Other benefit factors
4. Maps

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⁴⁸ The water areas acquisition notice records the Crown's right to acquire the fresh or seawater area and the Crown may acquire the fresh or seawater area at any point within the subsequent 10 years.

ATTACHMENT 1 PROPOSED DECISION

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 the land and/or be subject to fines or other penalties.

Consent

Decision date: [date]

The following people have been given the following consent:

Case	202300376
Consent	The Consent holder may acquire the Land subject to the Conditions set out below.
Consent holder/s	Glengarry Forest Limited Partnership (registration number 50162292) We will also refer the Consent holder as you .
Land	A freehold interest in approximately 587.385 hectares of land comprised of: a) 226 hectares of land located at 967 Glengarry Road, Puketapu contained in Record of Title Part HBY3/159 (Hawke's Bay), being the area outlined in red in the Particulars and Conditions of Sale of Real Estate by Tender dated 11 May 2023. b) 361.385 hectares of land located at 643 Glengarry Road, Puketapu contained in Record of Title 421797 (Hawke's Bay).
Timeframe	You have until [12 months from decision date] to acquire the Land.

Conditions

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 you may be subject to fines or other penalties, and you may also be required to dispose of the Land.

Definitions

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

Act means the Overseas Investment Act 2005.

Crop of trees means:

- the **new crop of trees** that will be established under special condition 1,
- any **existing crop of trees** already established on the Land,
- any **replanted crop of trees** replanted in accordance with special condition 5

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.

DoC means Department of Conservation

Existing Trees means the commercial trees planted on the Land at the time of acquisition by the Consent Holder.

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

Forestry Land means the parts of the Land which you intend to use exclusively, or nearly exclusively for Forestry Activities (which, for the avoidance of doubt, may include areas of native bush, and reasonable allowances for roads, setbacks, buffer areas, riparian planting and other land reasonably deemed "non-productive").

Fresh or Seawater Areas means the Waikokomiko Stream and the Munro Stream

LINZ means Land Information New Zealand.

NES-PF means National Environmental Standards for Planation Forestry.

NES-F means National Environmental Standards for Freshwater regulations.

New Trees means the pinus radiata trees to be planted by the Applicant which are not the Existing Trees.

Other Land means Land that is not Forestry Land (which for the avoidance of doubt, comprises of approximately 7.1 hectares containing a three-bedroom residential dwelling and other area to be subdivided and sold. See **Attachment 4**)

Regulations means Overseas Investment Regulations 2005.

WAAN means water areas acquisition notice in accordance with the Act.

Special conditions

You must comply with the following **special conditions**. These apply specifically to this Consent and were considerations that particularly influenced us to give consent:

Details	Required date
Automatic condition: Fresh or Seawater Areas	
You must, in relation to the fresh or seawater area(s), comply with all provisions of Schedule 5 of the Act.	By the times set out in schedule 5.
You must provide a draft WAAN to FSAapplications@linz.govt.nz.	At least 15 working days before settlement.
You must lodge the WAAN on the title.	Immediately following the transfer and before registering any other interests on the title.
Special condition 1: Land must be planted with trees	
You must establish a new crop of trees on the Land covering at least 350 hectares.	By 30 September 2025
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 2: Forestry Land must be used for Forestry activities	
The Forestry Land must be used exclusively, or nearly exclusively, for Forestry Activities except as otherwise permitted by these Conditions.	At all times
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 3: Minimum silvicultural practices	
The crop of trees must be maintained in accordance with minimum silviculture practices. In particular, the crop of trees must be planted at approximately 1,000 stems per hectare and thinned to a maximum of 600 stems per hectare.	At all times
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 4: Crop of trees must be harvested	
You must ensure that no more than 5% (by area) of the crop of trees on the land is older than the	At all times

Details	Required date
<p>species age limit.</p> <p>For pinus radiata, species age limit is 35 years.</p> <p>For Redwood, species age limit is 55 years</p> <p>For all other species, the species limit is determined by LINZ.</p>	
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.</p>	
<p>Special condition 5: Trees must be replanted after harvest</p>	
<p>You must replace each crop of trees (Existing Trees and New trees) which you harvest with a new crop of trees (Replant). 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"> 1. Replant the Land with the same species of tree or use the same silviculture regime; or 2. do anything in breach of any other Act, regulation, rule, bylaw, or that is otherwise contrary to law. <p>This condition does not limit Special Condition 2 (Forestry Land must be used for forestry activities) or Special Condition 3 (Minimum Silviculture practices).</p>	<p>Within 3 years of harvest (or as otherwise permitted by this condition)</p>
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.</p>	
<p>Special condition 6: ETS registration</p>	
<p>You must not register the crop of New Trees or any replacement 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>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.</p>	
<p>Special condition 7: Non-occupation outcome</p>	
<p>None of the following people may occupy the Land acquired under this consent for residential purposes:</p> <p>a) You</p>	<p>At all times</p>

Details	Required date
b) Any overseas person with more than 25% ownership or control of the people in (a); c) any overseas person that occupies the Land other than on arm's length terms; ⁴⁹ d) Any overseas person who has a beneficial interest in, or beneficial entitlement to, the relevant interest in the Land; e) If (a) is a trust, any beneficiary (direct or indirect) who may benefit under the trust at the trustees' discretion.	
This condition does not apply to the extent that accommodation is being provided for the purpose only of supporting forestry activities (as defined in section 16A(9) being carried out on the Land)	
Special condition 8: Permitted temporary activities	
The Land may be grazed for transitional purposes prior to be planted with a crop of trees (in accordance with special condition 1 (Land must be planted with trees)	Until 30 September 2025
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 9: Subdivide and dispose of Other Land	
You must complete a subdivision so the Other Land can be disposed of.	By 30 September 2025
You must dispose of Other Land	By 31 January 2026
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 10: Comply with NES-PF and NES-F	
You must comply with NES-PF and NES-F in respect of the Land	At all times
If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.	
Special condition 11: Ecological condition	

⁴⁹ 'At arms length terms' has the meaning in clause 17, Part 5, Schedule 2 of the Act. In summary it means terms, for example under a lease (or other contract), that are on a reasonable commercial basis.

Details	Required date
<p>You must engage suitably qualified and experienced consultants authorised under the Wildlife Act (Ecological Consultants) to prepare ecological and freshwater reports to assess the biodiversity of the Land.</p> <p>In particular, the assessment should address the potential impact and threat of forestry operations to flora, fauna and water yield and quality.</p>	By 30 September 2025
<p>You must implement any reasonable recommendations within the ecological reports (as confirmed by DoC) which are not already achieved through compliance with the NES-PF</p>	By 30 September 2025
<p>You must establish a pest and weed management plan, to be reviewed by DoC (that may include the control of wilding pines) and undertake pest control on the Land by a suitably qualified operator.</p>	By 30 September 2025
Special condition 12: Construct setbacks/buffer zones	
<p>You must construct minimum 10 metre setbacks/buffer zones to riparian areas with permanent water and minimum 5 metre setback/buffer zones to first order streams</p>	By 30 September 2025
<p>You must allow access to DoC representatives, contractors and relevant staff to the Land</p>	At all times
<p>If you do not comply with this condition, Standard Condition 6 will apply and we may require you to dispose of the Land.</p>	
Special condition 13: Permit system	
<p>You must establish and maintain a public permit system for access to the streams for fishing and the Land for general recreation.</p> <p>For the avoidance of doubt access permits may be refused or be subject to reasonable limitations, for reasons including but not limited to:</p> <ul style="list-style-type: none"> a) prohibiting or limiting access for operational reasons (like during planting and harvest or to manage the risk of fire), b) defining the times and frequency of access, entry and exit points, routes, and activities undertaken on the Land, c) rules to manage for health and safety and other risks (including communications, insurance requirements, and induction 	<p>To be established by 30 September 2025, and once established, to be maintained at all times</p>

Details	Required date
<p>processes), d) to ensure the access does not disturb or cause a nuisance to the native bush on the Land.</p> <p>You must advertise this permit system by installing signage on the Land.</p> <p>You must advise the local DoC office of this permit system so that DoC is able to direct any enquires to the correct place.</p>	

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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
Standard condition 1: Acquire the Land	
<p>You must acquire the Land:</p> <ol style="list-style-type: none"> 1. by the date stated in the Consent. If you do not, your Consent will lapse or become invalid and you must not acquire the Land, and 2. using the acquisition, ownership, and control structure you described in your application. Note, only you - the named Consent Holder - may acquire the Land, not your subsidiary, trust, or other entity. 	As stated in the Consent
Standard condition 2: Tell us when you acquire the Land	
<p>You must tell us in writing when you have acquired the Land. Include details of:</p> <ol style="list-style-type: none"> 1. the date you acquired the Land (Settlement), 2. consideration paid (plus GST if any) 3. the structure by which the acquisition was made and who acquired the Land, and 4. copies of any transfer documents and Settlement statements. 	As soon as you can, and no later than two months after Settlement
Standard condition 3: Allow us to inspect the Land	
<p>Sometimes it will be helpful for us to visit the Land so we can monitor your compliance with the Conditions. We will give you at least two weeks' written notice if we want to do this. You must then:</p> <ol style="list-style-type: none"> 1. Allow a person we appoint (Inspector) to: <ol style="list-style-type: none"> a. enter onto the Land, including any building on it, other than a dwelling, for the purpose of monitoring your compliance with the Conditions (Inspection), b. remain there as long as is reasonably required to conduct the inspection, c. gather information, d. conduct surveys, inquiries, tests, and measurements, e. take photographs and video records, and f. do all other things reasonably necessary to 	At all times

Details	Required date
<p>carry out the Inspection.</p> <p>2. Take all reasonable steps to facilitate an Inspection including:</p> <ul style="list-style-type: none"> a. directing your employees, agents, tenants, or other occupiers to permit an Inspector to conduct an Inspection, 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. <p>During an Inspection:</p> <ul style="list-style-type: none"> 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, 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. 	
Standard condition 4: Remain not unsuitable to Invest in New Zealand	
<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 Individuals Who Control You are individuals who:</p> <ul style="list-style-type: none"> a. are members of your governing body 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 c. are members of the governing body of the people referred to in paragraph (b) above. 	At all times
Standard condition 5: Tell us about changes that affect you, the people who control you, or people you control	
<p>You must tell us in writing if any of the following events happens to any of the Consent holders:</p> <ul style="list-style-type: none"> 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. 2. You cease to be an overseas person or dispose of all or any part of the Asset. 3. Your New Zealand Service Address changes. This is the address you provided us in your application as 	Within 20 working days after the change

Details	Required date
the address which we will send any legal document we need to serve on you.	
Standard condition 6: Dispose of the Land if you do not comply with key special conditions	
<p>If all or part of this Standard Condition 6 applies to a special condition, we have said so in that special condition.</p> <p>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>We will give you written notice if we require you to dispose of the Land. After we have given you notice, you must:</p>	
Value the Land: obtain and send us a copy of a market valuation of the Land from a New Zealand registered valuer.	Within six weeks of the date of our notice
Market the Land: instruct a licensed real estate agent to actively market the Land for sale on the open market.	Within six weeks of the date of our notice
Dispose of the Land: dispose of the Land to a third party who is not your associate.	Within six months of our notice
Offer without reserve: if you have not disposed of the Land within six months of our notice, offer the Land for sale by auction or tender without a reserve price or minimum bid and dispose of the Land.	Within nine months of our notice
Report to us about marketing: tell us in writing about marketing activities undertaken and offers received for the Land.	By the last day of every March, June, September, and December after our notice or at any other time we require
<p>Report disposal to us: send us, in writing, evidence of the following:</p> <ol style="list-style-type: none"> that you have disposed of the Land (including copies of sale and purchase agreements, settlement statements and titles showing the purchaser as registered proprietor), and that the purchaser is not your associate. 	Within one month after the Land has been disposed of

Reporting conditions

We need information from you about how your investment plan is tracking so we can monitor your progress against the Conditions.

In addition to Settlement reporting (as set out in Standard Condition 2), you must provide LINZ with reports detailing the progress of the investment. The reports must:

1. be submitted via our [Webform](#) by these dates:
 - a. 31/10/2025
 - b. 31/10/2026
2. contain information about your progress in implementing the special conditions (which can include photographs, maps or aerial imagery as evidence of compliance with relevant conditions),
3. follow the format of the template annual report published on our website

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

- a. the representations and plans made or submitted in support of the application and notified by the regulator as having been taken into account when the Consent was granted, or
- b. 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 LINZ and the Consent Holder, provided that this power may not be used to give a time extension for an individual report.

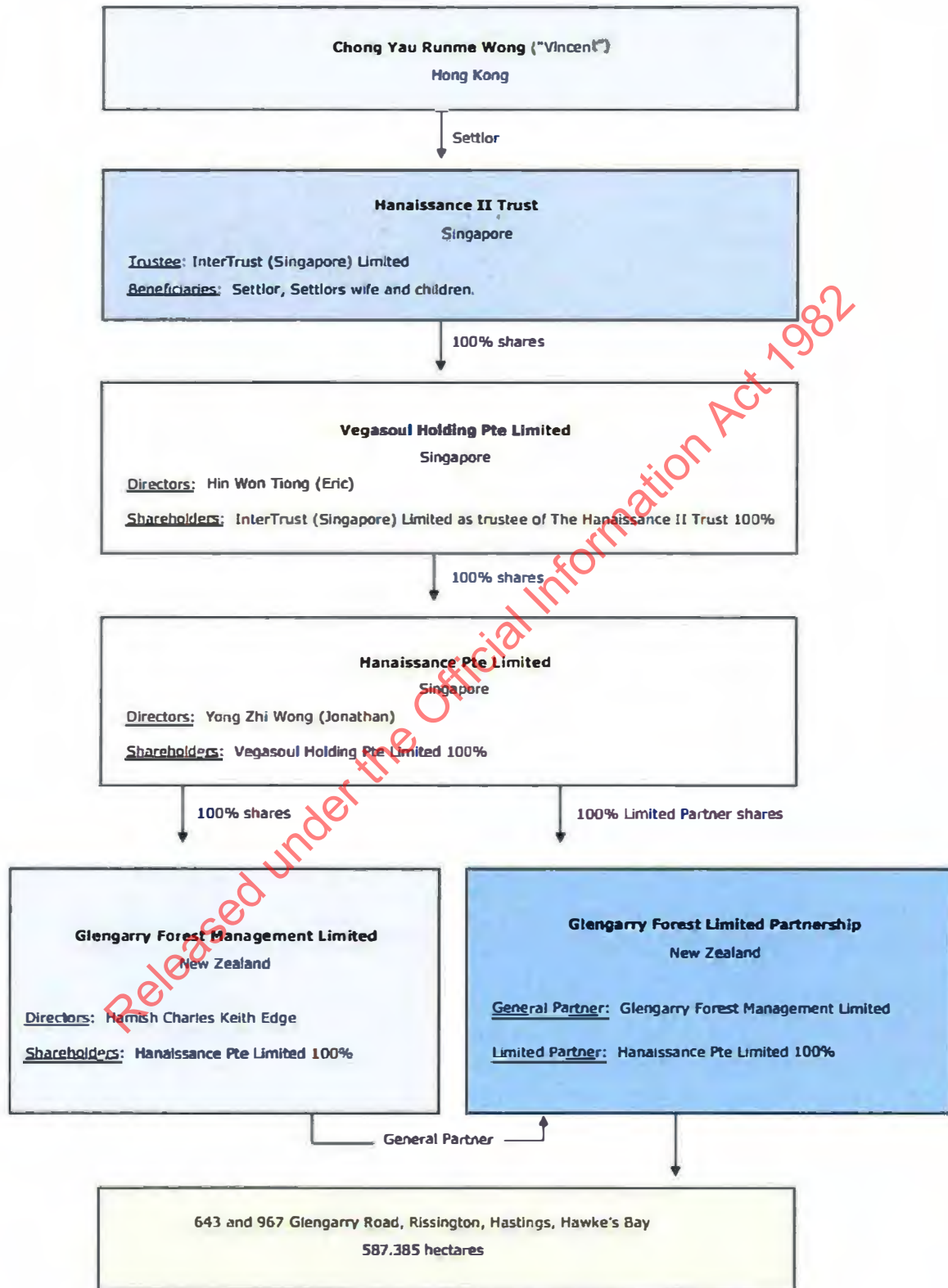
Power to narrow scope of reports

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

Power not to require further reporting

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

ATTACHMENT 2 – OWNERSHIP STRUCTURE



ATTACHMENT 3 – OTHER BENEFIT FACTORS

The table **below** lists other factors in the Act for assessing the benefit of overseas investments.

We considered that the factors below were either not relevant to the investment, or the benefit to New Zealand was not likely or sufficient to be relied on for the purposes of our assessment.

Factor	Reason not relevant or insufficient
Historic heritage	No historic heritage has been identified on the land
Oversight or participation by New Zealanders	No oversight or participation by New Zealanders has been identified
Consequential benefits	No consequential benefits have been identified
Extraction of water for bottling/human consumption	Not relevant

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Figure 4: Existing tree crop map



Figure 5: Proposed subdivision map of 643 Glengarry Road

VARIATION TO CONDITIONS OF CONSENT FOR GLENGARRY FOREST PARTNERSHIP LIMITED

We refer to application number 202300376 in relation to the acquisition of a freehold interest in approximately 587.385 hectares of land at 643 and 967 Glengarry Road, Puketapu, Hawke's Bay.

We consider a variation of the special conditions of consent imposed by Ministers appropriate to correct an administrative error in the recommended conditions in the assessment report. The amended special conditions align with the consent conditions consulted with the applicant and issued on 12 February 2024.

The amendment corrects special condition 1 to read "*You must establish a new crop of trees on the Land covering at least **300** hectares*".

The amendment corrects special condition 3 to read "*The crop of trees must be maintained in accordance with minimum silviculture practices. In particular, **for pinus radiata** the crop of trees must be planted at approximately 1,000 stems per hectare and thinned to a maximum of 600 stems per hectare and **for Redwood**, the crop of trees must be planted at approximately 500-600 stems per hectare and thinned to a maximum of 300 stems per hectare.*"

[s 9(2)(a)]

Anneke Turton
Leader Assessment
Overseas Investment - LINZ

Rā/date: 15 February 2024

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