

Regulatory Impact Statement: Continuing Professional Development for Registered Forestry Advisers

Part 2A of the Forests Act 1949

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Regulatory Impact Statement: Continuing Professional Development for Registered Forestry Advisers

Coversheet

Purpose of Document

Decision sought:	<i>Analysis produced for the purpose of informing final cabinet decisions.</i>
Advising agencies:	<i>Te Uru Rākau – New Zealand Forest Service, Ministry for Primary Industries</i>
Proposing Ministers:	<i>Hon Stuart Nash (Forestry)</i>
Date finalised:	<i>17 March 2023</i>

Problem Definition

Part 2A of the Forests Act (the Act) established the Forestry Authority and mandatory registration for log traders and forestry advisers.

Continuing Professional Development (CPD) is required for maintaining registration of forestry advisers. This will enable Part 2A of the Act to achieve its overall aim of strengthening the integrity and resilience of New Zealand's forestry supply chain. In some instances, powers and functions cannot be exercised or registration operationalised without regulations being in place.

New and small forest owners in particular, need to be assured of consistent, high-quality advice on forest management, harvest, bringing timber to market, and how to ensure environmental and operational performance improvement over time. They also need protection from exploitation due to their lower levels of experience in the market and disproportionate reliance on advice from external parties compared to more mature and larger operators. The CPD requirement of registered forestry advisers will provide an increased level of professional certainty, as owners will know their forestry adviser has maintained their professional competence over time.

However, under the current voluntary system of registration, the Forestry Authority would not be able to implement or enforce CPD for registered forestry advisers. This would cause issues of equity, as the lack of assurance of consistent, high-quality advice would be most likely to affect new and small forest owners who tend to lack the resources of larger owners.

Executive Summary

In December 2022,¹ Cabinet agreed that MPI should progress the development of regulations to enable the implementation and operation of CPD requirements for registered forestry advisers.

¹ CAB-22-MIN-0599

At present, forestry advisers have the choice of registering voluntarily. There is no requirement that this be done, so currently some 90 forestry advisers are registered out of an estimated 2000. The voluntary nature of the scheme results in a large gap in the proportion of forestry advisers who are registered and the total number of workers who are delivering forestry advice and consulting services.

Existing voluntary schemes have not been designed or tested in the context of the Act. Throughout pre-consultation it was noted that existing schemes do not give effect to the diverse and disparate circumstances of forestry advisers, particularly Māori, and so do not present an equitable solution to the policy problem.

Given this, the proposal in this paper covers the content of the regulations needed to bring into effect the operational elements of a registration system. The regulation covered is the CPD requirement for registered forestry advisers.

The objectives sought in relation to the policy problem are to:

1. Raise professional standards across the supply chain
2. Ensure safeguards on the quality of the advice being given, in particular to small forest owners
3. Support a more open marketplace for the large number of 'first-time' forest owners who will be bringing their timber to the market in the 2020s, and
4. Increase investor confidence in commercial forestry, to support long term investment, and meet the Government's broader objectives for land management and climate change.

While all objectives in relation to the policy problem are important, objectives 2, and 3 are critical to the mitigation of the disproportionate effects on new and small forest owners, and objectives 1 and 4 give effect to the wider range of industry participants and broader objectives.

MPI performed an overarching multicriteria analysis (MCA) to determine which options would be 'preferred' by MPI. The overall criteria were:

- Contributes to the purpose of Part 2A of the Act. This indicates how well the option performed against the objectives for registration of forestry advisers. The objectives for registration for forestry advisers can be summarised as follows, and each option has been assessed against each objective:
 - Raise professional standards
 - Ensure quality advice
 - Provide assurance for small forest owners
 - Provide investor confidence.
- Minimal complexity and administrative cost. Implementation of an option should be as straightforward as possible, so that administration and transaction costs for registered parties, the regulator, and the Forestry Authority are minimised.
- Equity. The option provides pathways for all people and considers those who currently have higher barriers to access or opportunity. It minimises disproportionate impacts on stakeholders either directly or indirectly.

Each element of the CPD proposals was analysed for how well it might support delivery of the objectives sought in relation to the policy problem, as compared with the status quo, and considered the potential distributional impacts.

MPI's preferred option was designed based on each preferred element analysed in the MCA. This option was sense-checked to ensure it works holistically. The preferred options are summarised below:

1. Minimum Hours
 - 1.1. 50 hours of CPD per 5-year registration period is required to maintain registration.
 - 1.2. 5 hours of CPD as the minimum per year for each year of the 5-year registration period is required.
 - 1.3. Minimum CPD hours will not be set differently for the different categories of registration.
2. Categories and types of learning
 - 2.1. Types of CPD will be split into structured and unstructured eligible professional development categories.
 - 2.2. Registrants will be required to undertake a minimum of 20 of their required CPD hours in each 5-year registration period from structured professional development types.
3. Records, reporting, and compliance
 - 3.1. Registered forestry advisers must keep records of their completed CPD and report this to the Forestry Authority Annually.
 - 3.2. Reporting should occur annually, and a summary of CPD undertaken over the previous 5-year registration period included in an application to renew registration.
 - 3.3. If issues are identified in the reporting the Forestry Authority will investigate potential non-compliance.
4. Work-integrated pathway
 - 4.1. A work-integrated pathway is to be delivered in the medium to long-term, but in the short-term is not to be considered a valid pathway.
5. Static versus changing requirements
 - 5.1. A regular review of the CPD regulations is to be conducted at a minimum of every 5 years. This will ensure consultation occurs each review period and all stakeholders' views are routinely considered.

The primary risk relating to this proposal is an implementation risk. There is a risk that forestry advisers exit the profession due to lack of clarity of CPD regulations and their enforcement going forwards if regulations are not made in time. This is mitigated by the Forestry Authority promoting and communicating CPD requirements to registrants.

The regulations covered by this RIS must be in place when operating without registration becomes an offence under Part 2A of the Act 7 August 2023. Operation of Part 2A of the Act, Forestry Authority, and registration systems (including CPD) will be monitored, evaluated, and reviewed as part of the wider forestry system. Assessments of the regime will be conducted by MPI as part of its responsibility for the Forests Act 1949.

Limitations and Constraints on Analysis

Consultation constraint

The limited period between enactment of Part 2A of the Act and the time when forestry advisers must be registered has reduced the time available for seeking feedback and additional information from stakeholders.

The public consultation period took place in early 2023 from 26 January to 23 February. While every effort was made to indicate to stakeholders the constrained timeframes, it is possible that the number of submissions received was affected by people not being available

to develop and submit them. Cyclone Gabrielle affected the North Island of New Zealand in the last week of consultation, including regions with large numbers of stakeholders (Tairāwhiti and Hawkes Bay). The impact of the storm likely had an impact on submissions in the last week from those in affected areas. Due to time constraints to ensure registration system operational elements are in place prior to forestry advisers and log traders being required to be registered and compliant (7 August 2023), consultation was unable to be extended.

In addition, both government and stakeholder capacity has been under pressure due to COVID-19. To mitigate these constraints, pre-consultation interviews were held online with stakeholders. The information received during the interviews helped to refine the options that would be proposed for public consultation.

Review of previous Regulatory Impact Assessments (RIA)

The proposal covered by this RIS gives effect to policy decisions made when enacting Part 2A of the Act. The limited period between enactment, implementation, and enforcement of the registration system has meant that MPI has had reduced opportunity to undertake additional analysis to that included in the RIA supporting Part 2A of the Act. As a result, some sections of this RIS use material that was previously presented in that RIA, without further analysis.

Responsible Manager(s) (completed by relevant manager)

Susan Secker

Manager

Operational Policy

Te Uru Rākau – New Zealand Forest Service, Ministry for Primary Industries

Susan Secker

22 March 2023

Quality Assurance (completed by QA panel)

Reviewing Agency:	Ministry for Primary Industries
Panel Assessment & Comment:	<p>The MPI Regulatory Impact Analysis Panel has reviewed the Regulatory Impact Assessment (RIA) “<i>Regulatory Impact Statement: Continuing Professional Development for Registered Forestry Advisers</i>” produced by MPI, and dated March 2023. The review team considers that it partially meets the Quality Assurance criteria.</p> <p>The RIA is consulted, and as clear and concise as possible given the limited time available for development. The RIA would be more convincing if more details could be included, such as international and domestic examples drawn on, or clarification of elements and options considered in the Discussion Document. However, these are not strictly necessary for the RIA to achieve its purpose.</p>

Section 1: Diagnosing the policy problem

What is the context behind the policy problem and how is the status quo expected to develop?

This section outlines the background to this RIS and the current policy problem in relation to forestry adviser services in New Zealand. It describes the context of current forestry adviser service policy and regulation, which is the status quo.

While the Act requires the registration of forestry advisers and log traders, the CPD in this RIA only relates to forestry advisers.

Context and background behind the policy problem

Operationalising new legislation for the forestry and wood processing sector

Part 2A of the Forests Act (the Act) established the Forestry Authority and a regulatory system for log traders and forestry advisers, with mandatory registration and obligations on registered log traders and forestry advisers to ensure that logs grown in New Zealand are bought and sold in a way that is transparent and professional. The registration system commenced on 6 August 2022, with registrants required to be registered and compliant by the 7th August 2023.

While the basic elements of the registration system have been consulted on, analysed, and come into force,² consideration of the potential regulation of CPD is still required to fulfil the purpose of Part 2A of the Act and ensure the Forestry Authority can undertake its role as intended. Part 2A of the Act provides for these regulations to be made that support the implementation and operation of the registration system for log traders and forestry advisers.

CPD regulation is only being considered for registered forestry advisers. CPD is not intended to be part of the requirements of registered log traders and does not align with the purpose of Part 2A of the Act for them respectively.

Whilst Part 2A of the Act provides the high-level framework for registration and the Forestry Authority, the purpose of the CPD regulation is to provide the detail to operationalise the registration scheme and enable the purpose of Part 2A of the Act to be achieved. Part 2A of the Act's purpose (as it relates to Forestry Advisers only) is to:³

- contribute to improved economic, employment, and environmental outcomes from the forestry and wood-processing sector, nationally and for local communities; and
- contribute to improved climate change outcomes from the forestry and wood-processing sector; and
- contribute to the development, and improve the long-term sustainability, of the forestry and wood-processing sector.

The following paragraphs summarise the context which led to the enactment of Part 2A of the Act. The full analysis can be found in MPI's RIA in support of the Forests (Regulation of Log Traders and Forestry Advisers) Amendment Act 2020 (Amendment Act) that established Part 2A of the Forests Act.⁴

² The Regulatory Impact Statement for these basic elements is available at <https://www.mpi.govt.nz/dmsdocument/51037-Registration-for-log-traders-and-Forestry-Advisers-under-the-Forests-Regulation-of-Log-Traders-and-Forestry-Advisers-Amendment-Act-2020>

³ Forests Act 1949, s 63A.

⁴ Strengthening the Integrity of the Forestry Supply Chain: Regulatory Impact Assessment (RIA) prepared by MPI (2020). The MPI website contains both this RIA and the RIA relating to Legal Harvest Assurance (also referred to in this paper):

Quality advice underpins an efficient market

In New Zealand, forest owners, particularly small foresters who may not fully understand the system, depend heavily on advice from consultants and other intermediaries in the sales process. These can include the consultants that are contracted by growers to provide valuation, harvest and marketing advice; forest managers who advise on the sales process; and council staff that advise on resource consenting requirements. As of 2011, of an estimated 15,000 forest owners, 54% were private individuals compared to only 30% being companies, and 6% being trusts and councils.⁵

The quality of the advice that owners receive from these sources is critical to their final return and to the operation of the broader log market. A poor financial or environmental outcome for owners has flow-on effects on market confidence for current and new investors, and for the reputation and public image of the industry (with implications for the social licence to operate), as well as for New Zealand's ability to achieve its long-term land management and climate change objectives. If owners do not receive full value for their harvest, there could be reduced confidence in the sector and lower investment.

This RIS provides a high-level summary of the problem being addressed, the option being proposed and its associated costs and benefits, the consultation undertaken, and the proposed arrangements for implementation and review.

What is the current status quo, and how is it expected to develop if no action is taken?

The current status quo is that no CPD related regulation is made under Part 2A of the Act. This means that the Forestry Authority, which is established by Part 2A of the Act, must achieve its functions without the support of specific CPD regulations.

Section 63ZZE(1)(l) of the Act empowers regulations that will impose a requirement for registered forestry advisers to undertake ongoing professional and technical training (see section 63O(h)). The Forestry Authority is the regulator for the purposes of registration. The Forestry Authority is the Secretary, meaning the chief executive of the Ministry for Primary Industries (MPI) or any person to whom a function of the Forestry Authority is delegated.⁶

The function of the Forestry Authority is to facilitate the education and professional development of registered advisers.

The status quo, which is to have no CPD regulation, would frustrate the purpose of Part 2A of the Act and undermine some of the value of the registration system. Mandating the completion of professional development for forestry advisers is an efficient and effective pathway to achieve the purpose of Part 2A of the Act and fulfil section 63C(e).

What may happen if the status quo continues

Without regulations to operationalise the registration system, the Forestry Authority could not fulfil its function 'to *facilitate the education and professional development of registered persons*'. This would undermine achievement of the aims and purpose of Part 2A of the Act. If the Forestry Authority is unable to perform its function effectively or efficiently without

<https://www.mpi.govt.nz/dmsdocument/49051-Further-policy-decisions-for-the-Forests-Legal-Harvest-Assurance-Amendment-Bill-Cabinet-paper>

⁵ Levack H and Moore H (2013)

⁶ Forests Act 1949, s 63B.

regulations, industry and public may lose confidence in the regulatory system and registered forestry advisers professional competence.

The multicriteria analysis carried out as part of this RIS (Appendix 1) assesses where specific CPD regulation would be preferable to the status quo, for example because they would better support the purpose of Part 2A of the Act, minimise administrative costs, and provide equity of access.

Furthermore, Purpose D) of Part 2A of the Act: 'contribute to improved economic, employment, and environmental outcomes from the forestry and wood-processing sector, nationally and for local communities' applies to the forestry adviser profession itself. Ensuring the capacity and capability of forestry advisers is suitable for the forestry industry's ongoing requirements is an essential consideration when evaluating the role of CPD.

Ultimately, without CPD regulation, the purpose of Part 2A of the Act would not be achieved. Individual operators would carry a higher risk of acting on poor advice, a risk that would increase in the future as registered forestry advisers may not complete ongoing professional development. For the forestry adviser profession, capacity and capability problems may exacerbate in the future in a tight labour market. The profession may continue to struggle from limited credibility and reputation to potential advisers, while the limited opportunities for professional growth may result in high exit rates of capable professionals.

Additionally, the uncertainty and confusion caused by the absence of CPD regulation as part of the registration system that is already in place risks forestry advisers exiting the sector. This would reduce market competition and lead to growers having reduced access to the services and advice that they need.

Key features of the regulatory system(s) already in place in this area

The activities of forestry advisers are currently governed by the general law, for example the law applying to contracts and negligence.

Part 2A of the Act is the first regulatory system in New Zealand that is designed specifically for the regulation of forestry advisers (as defined by Part 2A of the Act). Part 2A of the Act supplements these general laws to provide forestry specific controls that respond to changes in the forestry and wood processing sector.

Even with Part 2A of the Act in effect, some of the activities of forestry advisers continue to be governed by forestry specific rules; in particular the National Environmental Standards for Plantation Forestry,⁷ the Forests Act 1949 for indigenous timber, and the Climate Change Response Act 2002 for the Emissions Trading Scheme. The regulation of CPD for registered forestry advisers, under Part 2A of the Act, will support these regulatory systems.

Non-regulatory systems in place

Forestry practitioners can be members of, or engage with, a variety of voluntary, non-regulatory schemes and participatory bodies. Involvement in these schemes does not remove the obligation for forestry advisers to be registered under Part 2A of the Act.

The New Zealand Institute of Forestry (NZIF), an industry body, administers a voluntary registration system for forestry professionals. NZIF has approximately 90 registered members who are involved in forest management and harvesting, the valuation of crops, or the sale and purchase of cutting rights. Members may seek to become registered and carry

⁷ Formally the Resource Management (National Environmental Standards for Plantation Forestry) Regulations 2017, these regulations are an instrument of national direction under the Resource Management Act 1991.

the title “Registered Forester” or “Registered Forestry Consultant”⁸. The purpose of becoming a registered member is to provide a means for individual members to be recognised by their peers and others for attaining and maintaining:⁹

- appropriate qualifications and understanding of the principles of forestry processes;
- continuing development of professional skills, abilities and knowledge; and
- high standards of professional conduct.

To maintain registration, NZIF members must display an understanding of the basic principles underlying the forestry process relevant to the applicant’s area of qualification and expertise, and have undertaken continuing professional development (CPD) to a particular standard.

Forestry and wood processing industry bodies administer private membership schemes. These include the Forest Owners Association, Farm Forestry New Zealand, and the Forest Industry Contractors Association. Membership of these organisations is voluntary, and the behaviour of members is governed by the organisations themselves.

Forestry professionals can also access health and safety information and certification through the partnerships operated by the Forestry Industry Safety Council, the New Zealand Safety Council, and Safetree.

There are an estimated 2000 forestry advisers who will be required to register.¹⁰ The NZIF scheme currently registers approximately 90 forestry advisers. The voluntary nature of the scheme results in a large gap in the proportion of forestry advisers who are registered and the total number of workers who are delivering forestry advice and consulting services.

Existing voluntary schemes have not been designed or tested in the context of the Act. Throughout pre-consultation it was noted that existing schemes do not give effect to the diverse and disparate circumstances of forestry advisers, particularly Māori, and so do not present an equitable solution to the policy problem.

Additionally, the lack of mandatory CPD across the industry would limit the Forestry Authority’s ability to carry out its function ‘to facilitate the education and professional development of registered persons’. This would undermine achievement of the aims and purpose of Part 2A of the Act.

Previous government decisions, Legislation, Regulatory Impact Statements relevant to the problem

On 25 September 2019, Cabinet directed the MPI to confirm the case and requirements for introducing compulsory professional registration for forestry advisers and log buyers and develop a national definition for wood legality [ENV-19-MIN-0052]. A RIA accompanied the Cabinet paper seeking policy approval to draft the Bill to introduce compulsory professional registration, which included the case for CPD.¹¹

In May 2020, Cabinet agreed that regulations were required to enable the establishment and operation of the regulatory system, including the registration system. Cabinet also agreed to

⁸ “NZIF Registered Forester” and “Registered Forestry Consultant” are registered trademarks of the NZIF.

⁹ Rules of NZIF - Available at <https://nzif.org.nz/assets/Uploads/Documents/NZIF-Rules-amended-2022.pdf>

¹⁰ [Cost Recovery for the Registration of Log Traders and Forestry Advisers - Ministry for Primary Industries, 2022](#)

¹¹ The Disclosure Statement and the RIA are published on the MPI webpage on the proposed registration system at www.mpi.govt.nz/forestryregistration. The Cabinet Minute (11 May 2020) agreeing to introduce the Bill that became the Amendment Act is also publicly available at [direct \(mpi.govt.nz\)](http://direct.mpi.govt.nz).

direct MPI to develop the enabling regulations and associated rules in consultation with industry stakeholders [CAB-20-MIN-0214].

In December 2022, Cabinet agreed that MPI should publicly consult on the potential for CPD requirements to be introduced as part of the registration system for forestry advisers [CAB-22-MIN-0599].

Other ongoing government work programmes with interdependencies and linkages to this area

Registration for log traders and forestry advisers is part of the wider forestry regulatory system. The forestry regulatory system includes forest specific rules and regulations, as well as wider climate, resource management, and land use controls.

Resource management reform, climate initiatives like the Emissions Reduction Plan¹², and the *Fit for a Better World* roadmap¹³ for primary industries, all contribute to the context in which log traders and forestry advisers will be regulated. People currently operating as log traders and forestry advisers (prior to registration commencing) are required to abide by the obligations of these systems. These obligations will continue for registered log traders and forestry advisers following commencement.

Why the status quo outcomes are problematic

Without a regulation, the Forestry Authority would find it difficult to maintain and enforce an effective registration system for forestry advisers, and the purpose of Part 2A of the Act would be impaired. In some instances, powers and functions cannot be exercised or registration operationalised without regulations being in place.

The main implications of the status quo is that registered people would not have to complete any CPD. This in-turn would limit the Forestry Authority's ability to carry out its function 'to facilitate the education and professional development of registered persons'. This would undermine achievement of the aims and purpose of Part 2A of the Act.

If the Forestry Authority is unable to perform its function effectively or efficiently, industry and the public may lose confidence in the regulatory system and registered forestry advisers professional competence. It could also result in forestry advisers potentially providing poor advice, and having impaired understanding of new innovations and technologies. Furthermore, the profession could suffer from limited credibility and reputation which could in turn reduce the attractiveness of it as a career option and increase exit rates of capable professionals. The ongoing uncertainty over CPD requirements could increase exit rates of existing forestry advisers. Small and inexperienced forestry owners and operators would carry a higher risk of acting on poor advice.

Overall, without CPD regulation, the purpose of Part 2A of the Act would be undermined.

The policy problem or opportunity?

Part 2A of the Forests Act (the Act) established the Forestry Authority and mandatory registration for log traders and forestry advisers.

CPD is an ongoing requirement to undertake professional and technical training once registered. The absence of CPD regulation would inhibit the purposes of Part 2A of the Act and contribute to the risk of poor quality and inconsistent advice provided to small growers, leading to lower returns and supply chain problems. The purposes of Part 2A of the Act as

¹² [Emissions Reduction Plan | NZ Government \(mpi.govt.nz\)](https://www.mpi.govt.nz/emissions-reduction-plan/)

¹³ [Primary sector roadmap to boost export earnings | NZ Government \(mpi.govt.nz\)](https://www.mpi.govt.nz/primary-sector-roadmap-to-boost-export-earnings/)

they relate to forestry advisers and how CPD would support the fulfilment of this purpose are outlined in Table One:

Table One: How continuing professional development would help achieve the purpose of registration for forestry advisers

Purpose of registration for forestry advisers	How continuing professional development is necessary and/or desirable for the purpose of Part 2A of the Act
d) Contribute to improved economic, employment, and environmental outcomes from the forestry and wood-processing sector, nationally and for local communities	CPD requirements would provide assurance to businesses and investors that they can have confidence in the quality and reliability of advice provided by forestry advisers.
e) Contribute to improved climate change outcomes from the forestry and wood-processing sector	CPD requirements would ensure forestry advisers are actively updating their knowledge, understanding, and experience. This will support their consideration of economic, environmental, and social factors when they develop and provide advice for clients.
f) Contribute to the development, and improve the sustainability, of the forestry and wood-processing sector.	CPD requirements would also encourage forestry advisers to progress in their careers over time, providing clear pathways for upskilling and development. CPD requirements would increase the reputation of the profession and its social license and trust with the public.

Nature, scope and scale of the problem: principal stakeholders, the nature of their interest, and how they are affected by the status quo

Stakeholders are people operating in the forestry and wood processing sector. They include new and small forest owners, recipients of forestry advice, and people currently or potentially in the future providing forestry advice. Other stakeholders include local communities.

This section is informed by the regulatory impact assessment prepared to support Part 2A of the Act¹⁴ and feedback from pre-consultation workshops and public consultation.

Forestry advisers

Under the status quo, forestry advisers do not have to undertake CPD unless they are a registered member of NZIF (voluntary membership organisation). The effects of not having to undertake CPD on an individual forestry advisor include:

- Could limit uptake of opportunities for learning and development: Without CPD requirements, forestry advisers may have limited incentives to learn about new developments, approaches, techniques, and best practices in the forestry industry. This could result in a lack of up-to-date knowledge and skills, which could potentially limit the quality of advice they can provide to clients. If forestry advisers are not required to undertake CPD, they may be less likely to adopt new approaches, which can lead to a less sustainable and less competitive industry.
- Limited opportunities for networking and collaboration: CPD requirements often provide opportunities for forestry advisers to network and collaborate with peers in the

¹⁴ This section draws in particular on the Regulatory Impact Assessment prepared by MPI to support progression of the development of new legislation to strengthen the integrity of the forestry supply chain through licensing and registration: *Strengthening the Integrity of the Forestry Supply Chain*, MPI, 2020

industry. Without these requirements, forestry advisers may have limited opportunities to build relationships and exchange ideas with others in the profession.

- Reduced professionalism: CPD is an important tool for maintaining high standards of professionalism, including ethical conduct, communication skills, and client service. If forestry advisers are not required to undertake CPD, they may be less effective in these areas, which can have negative impacts on their clients and the industry as a whole.

The forest advice profession

Under the status quo, there are inconsistent applications of CPD in the forestry advice profession due to only some advisers voluntarily completing CPD through their NZIF membership. The effects of inconsistent CPD for the forestry advice profession include:

- Issues with public trust and social license: If forestry advisers as a profession are not required to undertake CPD, it can undermine public trust in the forestry advisory profession.
- Reduced credibility and reputation as a career: The forestry advice profession may be viewed as less credible and less professional without CPD requirements. This could make the profession less attractive to potential advisers.
- Could limit uptake of opportunities for professional growth: Without CPD requirements, forestry advisers may have limited incentives to develop new skills, knowledge, and expertise. This could make the profession less attractive to individuals who are interested in ongoing professional growth and development, resulting in lower entry and higher exit rates of capable professionals. It could also limit the overall career progression and growth throughout the profession reducing the aggregate capability. Existing schemes, such as that of NZIF, provide some opportunity for professional growth and development. However, concerns over the level of equity and voluntary nature of the scheme limit its viability and consistency for all forestry advisers.

Recipients of forestry advice

Recipients of forestry advice will, under the status quo, be able to gain advice from a registered forestry adviser however there would be no requirement or mechanism to prove that the professional standard required of that forestry adviser at the time of registration is maintained over time. This could impact recipients of forestry advice through:

- Outdated advice: Forestry advisers who do not undertake CPD may be providing outdated advice to forest owners / operators. This advice may not be based on the latest industry developments or best practices, which could result in suboptimal outcomes for forest owners / operators and limited support with sustainable land use, biodiversity protection and ecosystem practices.
- Limited access to new information: Forestry advisers who do not undertake CPD may not have access to the latest information and research in the forestry industry. This could limit their ability to provide forest owners / operators with comprehensive and accurate advice. This will limit forest owners / operators abilities to operate effectively in the market, and the openness and transparency of that market.
- Increased risk: Forestry advisers who do not undertake CPD may be less aware of emerging risks and challenges in the industry. This could result in forest owners / operators being exposed to risks that could have been avoided with more up-to-date advice. This could make them more vulnerable to exploitation.

- **Reduced trust and confidence:** Clients may lose trust and confidence in forestry advisers who do not undertake CPD. Forest owners / operators may perceive advisers who do not engage in ongoing learning and development as less competent or less committed to their profession. This may lead forest owners / operators to not seek advice in the future, limiting their ability to innovate, employ best practice, sustainable land use, biodiversity protection and ecosystem practices. It also could limit investor's confidence in commercial forestry, support long term investment, and reduce the abilities of the industry to meet the Government's broader objectives for land management and climate change.

New and small forest owners (including iwi / Māori)

New and small forest owners in particular, need to be assured of consistent, high-quality advice on forest management, harvest, bringing timber to market, and how to ensure environmental and operational performance improvement over time. They also need protection from exploitation due to their relative inexperience and disproportionate reliance on advice from external parties compared to more mature and larger operators. The CPD requirement of registered forestry advisers will provide an increased level of professional certainty, as owners will know their forestry adviser has maintained their professional competence over time.

However, without the clarity provided by regulations, the Forestry Authority would find it difficult to implement and enforce the CPD on registered forestry advisers. This would cause issues of equity, as the lack of assurance of consistent, high-quality advice would be most likely to affect new and small forest owners who tend to lack the resources of larger owners.

Two examples are given below:

- Under the status quo, there would be no minimum CPD requirement. This means that, if a person has been registered for some time, new and small forest owners will have no certainty that forestry advisers are still developing professionally. New and small forest owners will need to use their own resources to check that registered people can provide advice that is appropriate for them.
- Under the status quo, registered forestry advisers do not have to provide CPD related information to the Forestry Authority unless individually requested to do so, by notice. Issuing and distributing notices to each registered adviser would be cumbersome and resource intensive, making it unlikely that the Forestry Authority will discover CPD practices that fall below the expected standard, including non-compliant behaviour, and that these practices will be identified and corrected. This will undermine the integrity of the system and not provide the protections to forest owners, and specifically to small and new forest owners, as envisaged by Part 2A of the Act.

What are stakeholders' views of the problem? How have we consulted with them, and have their views changed MPI's understanding of the problem?

Reports and workshops

MPI's Regulatory Impact Statement *Strengthening the Integrity of the Forestry Supply Chain* (2020) describes findings about the level and extent of support for the registration of log traders and forestry advisers. These were informed by:

- Reports commissioned from Forme Consulting Group and Scion in early 2019 which observed the problems experienced by small forest owners and the support, by all

parties, for the idea of registration as a way of bringing 'greater transparency to the sales process and introduce fairer trading' (Scion, 2019: 38)

- Regional workshops and targeted industry discussions (during 2019/2020), which provided qualitative evidence of situations where poor advice had been given by under-qualified practitioners, or the returns from harvesting did not reflect the nature of the property.

Pre-consultation interviews and workshop

In preparation for consultation, in November and December of 2022 Te Uru Rākau – New Zealand Forest Service held pre-consultation interviews and a group discussion with a range of peak sector body representatives and tangata whenua. The purpose of pre-consultation was to test assumptions, refine the approach, and inform options contained in the Discussion Document. At a high-level, industry representatives were supportive of the proposed requirements, while providing constructive feedback that informed the development of the options presented in the Discussion Document for consultation.

Public consultation

Public consultation on the operating model requirements for the registration of forestry advisers and log traders began on 26 January 2023 and ended on 23 February 2023.

A dedicated online submission tool was made available and promoted, alongside a templated document. Additionally, two online workshops were undertaken as part of the consultation process, a wānanga and webinar. 28 submissions were received on the consultation, alongside six attendees for the wānanga and 32 attendees for the webinar.

Respondents and attendees were broadly in support of the proposed requirements:

- Submissions: Most respondents were supportive of the requirement for forestry advisers to undertake CPD. Of those who disagreed, many responses indicated that requiring CPD may be effective for the purposes of the Act, but would need to leverage the use of exemptions to minimise unnecessary burden on forestry advisers. Consensus on the details of CPD requirements was seldom reached by respondents, however, the comments and feedback has been reflected in the multi-criteria analysis in Appendix 1.
- Wānanga: The majority of respondents were supportive of the CPD requirements for forestry advisers, noting potential economic and social benefits if Māori forestry advisers are able to be formally recognised for their knowledge and mātauranga. Some concerns were identified, including the impact on the availability of forestry advisers should CPD be overly onerous to undertake. Attendees anticipated this impact as being worsened for advisers who are not part of an association.
- Webinar: Attendees consistently agreed on the importance of continuing professional development (CPD) for forestry advisers. While attendees rarely came to a consensus on the detailed requirements, the need for simplicity of the system and the minimisation of impact to forestry advisers was clear across all elements.

The multi-criteria analysis in Appendix 1 incorporates the views, comments, and feedback collected throughout public consultation.

What objectives are sought in relation to the policy problem?

The objectives sought in relation to the policy problem, *the establishment of CPD regulation for maintenance of registration for forestry advisers*, are identical to those for Part 2A of the Act.

The objectives are to:

1. Raise professional standards across the supply chain
2. Ensure safeguards on the quality of the advice being given, in particular to small forest owners
3. Support a more open marketplace for the large number of 'first-time' forest owners who will be bringing their timber to the market in the 2020s, and
4. Increase investor confidence in commercial forestry, to support long term investment, and meet the Government's broader objectives for land management and climate change.

New and small forest owners in particular, need to be assured of consistent, high-quality advice on forest management, harvest, bringing timber to market, and how to ensure environmental and operational performance improvement over time. They also need protection from exploitation due to their relative inexperience and disproportionate reliance on advice from external parties compared to more mature and larger operators. The CPD requirement of registered forestry advisers will provide an increased level of professional certainty, as owners will know their forestry adviser has maintained their professional competence over time.

However, without the clarity provided by regulations, the Forestry Authority would find it difficult to implement and enforce the CPD on registered forestry advisers. This would cause issues of equity, as the lack of assurance of consistent, high-quality advice would be most likely to affect new and small forest owners who tend to lack the resources of larger owners.

While all objectives in relation to the policy problem are important, objectives 2, and 3 are critical to the mitigation of the disproportionate effects on new and small forest owners, and objectives 1 and 4 give effect to the wider range of industry participants and broader objectives.

Section 2: Deciding upon an option to address the policy problem

Factors that limited the scope of options

In developing options, the scope of feasible options was limited by the following factors. Note that options that did not include regulations were not considered feasible because of the reasons set out in the sections above.

The scope of feasible options is limited by Part 2A of the Act and the short-term need to bring the CPD element of registration into effect

- Non-regulatory options will not meet the purpose of Part 2A of the Act
- To ensure compliance with any CPD requirement, regulation of this requirement as part of the forestry adviser registration system is required.

Core principles to inform the development of options

This review supported the development of potential options based on the following principles:

- **Maintenance of professional competency**
Ensuring those registered maintain the competency they have when registered.

- **Enhancement of professional competency**
Ensuring the registered professional gains new competencies that may not have been required at the time they were registered. This could include understanding new research, and methods.
- **Learner directed rather than prescriptive**
Allowing the learner (registered forestry adviser) to choose what they want to learn from a range of formal, verifiable sources. Various options are available, and the learner is able to select which CPD offerings would be of most benefit to them.
- **Flexible but planned**
Learners can choose from multiple CPD types. For example, this could include formally offered conferences, workshops, courses, study-tours, and in-house training.

Options were designed in line with the objectives and outcomes desired in relation to the Policy Problem and the aforementioned review. These designed, potential options were then shared and refined with industry stakeholders during pre-consultation. The options were proposed for public consultation and this knowledge base has been used to assess refined potential options in the following multi-criteria analysis (Appendix 1).

What criteria will be used to compare options to the status quo?

Criteria used to compare options to the status quo

The process followed by MPI, to compare options to the status quo, is described below.

Options and impacts: how the options performed against the status quo

Each element of the CPD regulations was analysed for how well it might support delivery of the objectives sought in relation to the policy problem, as compared with the status quo, and considered the potential distributional impacts. This analysis supported the further refinement of options (Appendix 1).

Determining the MPI preferred options and final proposals

MPI performed an overarching multicriteria analysis to determine which options would be 'preferred' by MPI.

The overall criteria were:

- **Contributes to the purpose of Part 2A of the Act.** This indicates how well the option performed against the objectives of Part 2A of the Act. The objectives for registration for forestry advisers can be summarised as follows, and each option has been assessed against each objective:
 - Raise professional standards
 - Ensure quality advice
 - Provide assurance for small forest owners
 - Provide investor confidence.
- **Minimal complexity and administrative cost.** Implementation of an option should be as straightforward as possible, so that administration and transaction costs for registered parties, the regulator, and the Forestry Authority are minimised.
- **Equity.** The option provides pathways for all people and considers those who currently have higher barriers to access or opportunity. It minimises disproportionate impacts on stakeholders either directly or indirectly.

In the multicriteria analysis, the extent to which options met each of the criteria is indicated as follows:

Symbol	Meaning
++	exceeds the criterion
+	meets the criterion
0	status quo/neutral impact
-	does not meet the criterion by a narrow margin
--	does not meet the criterion by a significant margin
	preferred option

What options are being considered?

1. Option One – *Status Quo*

Forestry Advisers do not require CPD to be registered. The analysis of this option has been outlined in Section One and is compared to the options presented in the Discussion Document and throughout consultation.

2. Other options - *The options presented in the Discussion Document and throughout consultation for each element of a potential CPD system*

Each potential element of a CPD system presents multiple options for consideration and assessment. Each element contains one or more sub-questions as described in the Discussion Document and throughout consultation. The MCA follows this structure, with one MCA being conducted for each question and the respective options. The elements and sub-questions with optionality are:

1. Minimum hours
 - 1.1. What should the minimum number of hours of qualifying CPD be that is required of a forestry adviser to maintain their registration?
 - 1.2. Should CPD minimum hour periods be set annually or for every 5-year registration period?
 - 1.3. Should CPD minimum hours be set differently for the different categories of registration?
2. Categories and types of learning
 - 2.1. Should categories of CPD be split into structured and unstructured professional development?
 - 2.2. Do you agree with the proposed types of professional development and which category (structured/unstructured/not qualifying) they are currently shown in?

3. Records, reporting, and compliance
 - 3.1. How should registered Forestry Advisers have to keep records and report to the Forestry Authority?
 - 3.2. How often should reporting occur?
 - 3.3. How should the Forestry Authority review CPD reporting if it were to be required?
4. Work-integrated pathway
 - 4.1. Should a third-party work-integrated learning report (assuming the same number of hours are completed) be regarded as acceptable CPD reporting?
5. Static versus changing requirement
 - 5.1. Should CPD requirements be static or evolving?

For further clarification and outlining of the elements and options for each of these please refer to the Discussion Document provided for Public Consultation.¹⁵ The options for each element have been developed and refined throughout the research and consultation processes.

Determining the MPI preferred option and final proposal

MPI's preferred option was designed based on each preferred element analysed in MCA. This option was sense-checked to ensure it works holistically.

¹⁵ Consultation document - Operating requirements for log traders and forestry advisers - (mpi.govt.nz)

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

The following option is preferred by MPI and consists of each preferred element analysed and outlined in the MCA (Appendix 1).

Description of preferred option

All forestry advisers are required to have the same CPD requirement. This CPD requirement would be the minimally accepted criteria acceptable to fulfil the purpose of the Part 2A of the Act while minimising the administrative burden on the majority of forestry advisers and the Forestry Authority.

1. Minimum Hours
 - 1.1. 50 hours per 5-year registration period is required to maintain registration.
 - 1.2. 5 hours minimum per year for each year of the 5-year registration period is required.
 - 1.3. Minimum hours will not be set differently for the different categories of registration.
2. Categories and types of learning
 - 2.1. Types will be split into structured and unstructured eligible professional development categories as outlined in Table Two (Structured) and Table Three (Unstructured).
 - 2.2. Registrants will be required to undertake a minimum of 20 of their required hours in each 5-year registration period from professional development types in the Structured list.

Table Two: List of Structured Professional Development Types

Type of Professional Development	Method
Tertiary (University and Vocational) Courses	Tertiary papers and/or training courses offered through universities and vocational knowledge providers, including extramural (online or distance) study.
Online study	On-line, self-study courses that provide a completion record the learner can retain.
NZQA registered or externally provided in-house or sector led training	In-house training programmes run by employing or associated organisations to assist staff to meet business objectives, e.g., technical skills, quality management. Training must have clear learning objectives and outputs.
Group leadership programmes and study tours	Leadership programmes and study tours, where independent verification from a competent source is provided. This involves a topic or problem being specified, objectives for the study being identified, various information sources being explored and documented, and results, conclusions and recommendations being reached and written up.

Coaching (as a coach)	One-to-one coaching on specific work-related tasks providing that the coaching session occurs at defined times and follows a pre-prepared outline which includes learning objectives. Hours only available when coaching forestry advisers in the General Restricted category.
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Table Three: List of Unstructured Professional Development Types

Type of Professional Development	Method
Authorship and Presentation	Authorship or presentation at a conference or seminar of technical research that involves new learning or assimilation of ideas by the author and/or speaker.
Industry Events	Attending forest advice related seminars, workshops, meetings, and conferences.
Standards	Participation in working groups or committees for the Forestry Authority or forestry industry bodies preparing technical documents such as standards, guidelines, professional submissions, manuals or similar.
Private Study and Research	Private study and research, including group study tours where no independent verification from a competent authority is available. This involves a topic or problem being specified, objectives for the study being identified, various information sources being explored and documented, and results, conclusions and recommendations being reached and written in an article that is peer-reviewed or presented at a conference of peers.
Coaching as a coach and coachee (except as a General - Restricted forestry adviser)	One-to-one coaching on specific work-related tasks providing that the coaching session occurs at defined times and follows a pre-prepared outline which includes learning objectives. Hours are not available to General – Restricted forestry advisers in either a coach or coachee capacity.
Internally provided in-house training	In-house training programmes run within organisations to assist staff to meet business objectives, e.g., technical skills, quality management.

3. Records, reporting, and compliance

3.1. Registered forestry advisers must keep records of their completed CPD and report this to the Forestry Authority Annually. This report must consist of:

- A report of the types and hours per type of professional development undertaken.
- That the 5 minimum hours have been met for that year.
- In every report coinciding with the 5-year registrant period, the minimum hour requirements have been met (50) and 20 of these hours are from the structured category of professional development types. For efficiency, this shall be required as information to be included in an application to renew registration.

- 3.2. Reporting should occur annually.
- 3.3. If issues are identified in the reporting the Forestry Authority will investigate potential non-compliance.
- 4. Work-integrated pathway
 - 4.1. A work-integrated pathway is to be delivered in the medium to long-term, but in the short-term is not to be considered a valid pathway.
- 5. Static versus changing requirement
 - 5.1. A regular review of the CPD regulations is to be conducted at a minimum of every 5 years. This will ensure consultation occurs each review period and all stakeholders' views are routinely considered.

Risks of the preferred option

The primary risk relating to this proposal is an implementation risk. There is a risk that forestry advisers exit the profession due to lack of clarity of CPD regulations and their enforcement going forwards if regulations are not made in time. This is mitigated by the Forestry Authority promoting and communicating CPD requirements to registrants.

No other considerable risks are expected.

What are the marginal costs and benefits of the option?

Affected groups (identify)	Comment <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional costs of the preferred option compared to taking no action			
Those receiving forestry advice including small forestry owners	It is likely that the small relative cost of undertaking CPD is passed on to the recipient of advice as appropriate.	Low - a national impact of under \$2 million	Medium
Forestry advisers	Forestry advisers will face on-going costs to undertake CPD. The proposed number of hours and types are anticipated to cost between \$500 and \$1500 per year per forestry adviser. While this cost is medium for an individual forestry adviser it is anticipated that this cost would be passed on to receivers of the forestry advice and not affect the income of the forestry adviser.	Low to medium - a national impact of between \$1 million and \$3 million According to MPI estimates, there are approximately 2000 forestry advisers who would be required to be registered. ¹⁶ Using these figures as a high-level estimation of the potential number of forestry advisers, the total estimated impact is between \$1 million and \$3 million.	Medium
Total monetised costs	-	Low - a national impact of under \$2 million	Medium
Non-monetised costs	-	<i>Low to medium</i>	<i>Medium</i>
Additional benefits of the preferred option compared to taking no action			
Investment certainty	Improvements in the quality of professional advice and in market certainty feed directly into investment confidence and certainty. This supports new investment and the realisation of the full	Medium - a national impact of between \$2 million and \$5 million The value of increased investment certainty has not been quantified but it would add to the liquidity of the market for forest	Low

¹⁶ [Cost Recovery for the Registration of Log Traders and Forestry Advisers - Ministry for Primary Industries, 2022](#)

	market value for mature and immature crops.	sales (particularly immature stands).	
Improved environmental management	Improving the quality of professional advice during critical periods of the crop rotation (e.g. infrastructure development, harvesting, and crop re-establishment), will have a tangible environmental benefit by better enabling the industry to respond. This could include reduced impact of sedimentation and slash.	<p>Low to medium - a national impact of between \$1.5 million and \$3.1 million</p> <p>The value of improved environmental performance has not been quantified but drawing on overseas experience, improved environmental performance (coupled with greater investment certainty) could improve the value of forest assets by 5 to 10%. Using this estimate in conjunction with an estimated environmental benefit of \$31 million per year¹⁷, the estimated annual impact is between \$1.5 million and \$3.1 million per year.</p>	Medium
Improved recognition of the forestry advisory profession	Improving the quality of advice and providing a formal registration for forestry advisers will help to further professionalise the sector and increase recognition of advisers. This could drive demand for advisory services and raise the compensation of registered forestry advisers while generating greater efficiencies across the sector due to the increased fit-for-purpose advice.	<p>Medium to high - a national impact of between \$2.6 million and \$5.2 million</p> <p>According to MPI estimates, there are approximately 2000 forestry advisers who would be required to be registered.¹⁸ Using the average salary of a Forester of \$65,000¹⁹ and an approximate wage increase of between 2% and 4% would result in a total estimated impact of</p>	Medium

¹⁷ Monge et al - Scion, 2015

¹⁸ [Cost Recovery for the Registration of Log Traders and Forestry Advisers - Ministry for Primary Industries, 2022](#)

¹⁹ Salary for Industry: Forestry and Logging - PayScale, 2023

		between \$2.6 million and \$5.2 million.	
Cost and revenue for government as the administrators of the system	The government will incur both an establishment and ongoing operational cost as the administrator of the registration system. This is included as a monetised benefit due to a small surplus anticipated for the registration system.	<p>Low - a national impact of under \$2 million</p> <p>The total forecast revenue over the first three years is approximately \$4.1 million. Detracting estimated costs over the same period, this results in an estimated surplus of approximately \$0.25 million after the first year of operation, reducing to \$0.1 million by the end of the second year.²⁰</p>	High
Total monetised benefits	-	High - a national impact of between \$4 million and \$9 million	Medium
Non-monetised benefits	-	<i>Medium</i>	

²⁰ [Cost Recovery for the Registration of Log Traders and Forestry Advisers - Ministry for Primary Industries, 2022](#)

Section 3: Delivering an option

How will the new arrangements be implemented?

The Ministry for Primary Industries retains the regulatory stewardship role for the registration systems as the agency that administers the Forests Act 1949.

The Forestry Authority will be responsible for the operation and enforcement of the registration systems. Some or all of the functions of the Forestry Authority may be delegated to a third party, including a third party outside of the Public Service. This is empowered by s63D of the Act. Some or all functions of the Forestry Authority may be delegated to a forestry industry body for forestry advisers.

The Ministry for Primary Industries is working with third party forestry industry bodies that have expressed an interest in receiving the delegation. This process includes ensuring the organisation is qualified to be delegated (as set out in s63D of the Act) and that conflicts of interest will be managed. The details of any delegation will be agreed through instrument/s of delegation. These will include the details of implementing the delegated functions and/or powers.

The regulations covered by this impact statement will come into effect when registrants are required to be registered and compliant by the 7th August, 2023. This ensures that the operational elements of the registration system are in place when compliance under Part 2A of the Forests Act come into force.

How will the new arrangements be monitored, evaluated, and reviewed?

Monitoring and evaluation

The Ministry for Primary Industries has a responsibility in its regulatory stewardship role to monitor, review, and report on regulatory systems.

Operation of the CPD regulations under Part 2A of the Forests Act, the Forestry Authority, and the registration system will be monitored, evaluated, and reviewed as part of the wider forestry system. This includes monitoring the ongoing performance of the regulatory system, use of the supporting computer system and reviewing it at appropriate intervals to determine whether it is still fit for purpose.

Review

Assessments of the regime including the CPD requirement will be conducted by the Ministry for Primary Industries as part of its responsibility for the Forests Act 1949. Information gathered in the first years of operation of the system will form a baseline to measure future performance. Compliance rates, the types of CPD, and the issues in reporting identified by the Forestry Authority will be used to measure the effectiveness of the CPD system in meeting the objectives and purpose of Part 2A of the Forests Act.

Future review of the system may include assessment of:

- the cost effectiveness of the registration and CPD reporting system
- compliance, type, and hours reported over time
- areas of improvement

Reviews of the CPD regulatory component of the registration system will occur at minimum every five years.

Appendix 1 – Multi-Criteria Analysis of Options

Criteria used to compare options to the status quo

The process followed by MPI, to compare options to the status quo, is described below.

Options and impacts: how the options performed against the status quo

Each element of the CPD regulations was analysed for how well it might support delivery of the objectives sought in relation to the policy problem, as compared with the status quo, and considered the potential distributional impacts.

Each potential element of a CPD system presents multiple options for consideration and assessment. Each element contains one or more sub-questions as described in the Discussion Document and throughout consultation. The MCA follows this structure, with one MCA being conducted for each question and the respective options. The elements and sub-questions with optionality are:

1. Minimum hours
 - 1.1. What should the minimum number of hours of qualifying CPD be that is required of a forestry adviser to maintain their registration?
 - 1.2. Should CPD minimum hour periods be set annually or for every 5-year registration period?
 - 1.3. Should CPD minimum hours be set differently for the different categories of registration?
2. Categories and types of learning
 - 2.1. Should categories of CPD be split into structured and unstructured professional development?
 - 2.2. Do you agree with the proposed types of professional development and which category (structured/unstructured/not qualifying) they are currently shown in?
3. Records, reporting, and compliance
 - 3.1. How should registered Forestry Advisers have to keep records and report to the Forestry Authority?
 - 3.2. How often should reporting occur?
 - 3.3. How should the Forestry Authority review CPD reporting if it were to be required?
4. Work-integrated pathway
 - 4.1. Should a third-party work-integrated learning report (assuming the same number of hours are completed) be regarded as acceptable CPD reporting?
5. Static versus changing requirement
 - 5.1. Should CPD requirements be static or evolving?

For further clarification and outlining of the elements please refer to the discussion document provided for public consultation.²¹

Determining the MPI preferred options and final proposals

MPI's preferred option was designed based on each preferred element analysed below. This option was sense checked to ensure it works holistically.

The overall criteria were:

- **Contributes to the purpose of Part 2A of the Act.** This indicates how well the option performed against the objectives of Part 2A of the Act. Each objective has been considered independently to inform the overall assessment. The four distinct objectives are to raise professional standards, ensure quality advice, provide assurance for small forest owners, and to provide investor confidence.
- **Minimal complexity and administrative cost.** Implementation of an option should be as straightforward as possible, so that administration and transaction costs for registered parties, the regulator, and the Forestry Authority are minimised.
- **Equity.** The option provides pathways for all people and considers those who currently have higher barriers to access or opportunity. It minimises disproportionate impacts on stakeholders either directly or indirectly.

In the multicriteria analysis, the extent to which options met each of the criteria is indicated as follows:

Symbol	Meaning
++	exceeds the criterion
+	meets the criterion
0	status quo/neutral impact
-	does not meet the criterion by a narrow margin
--	does not meet the criterion by a significant margin
	preferred option

²¹ Consultation document - Operating requirements for log traders and forestry advisers - (mpi.govt.nz)

1. Minimum hours

1.1 What should the minimum number of hours of qualifying CPD be that is required of a forestry adviser to maintain their registration?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
Status Quo	<p>0</p> <p>This option does not mandate requirements and will not give effect to the purpose of the act.</p> <p>-----</p> <p>Raise professional standards: This option does not mandate requirements and so will not raise professional standards.</p> <p>Ensure quality advice: This option does not mandate requirements and so will not ensure quality advice.</p> <p>Provide assurance for small forest owners: This option does not mandate requirements and so will not provide assurance for small forest owners.</p> <p>Provide investor confidence: This option does not mandate requirements and so will not provide investor confidence.</p>	<p>0</p> <p>This option does not mandate requirements and so no compulsory cost is borne by forestry advisers.</p>	<p>0</p> <p>This option does not mandate requirements and so there are no direct equity considerations for forestry advisers.</p> <p>Small owners and operators are disproportionately affected by the lack of CPD in the status quo.</p>
10 hours per annum or 50 hours per 5 year registration period	<p>+</p> <p>This option will moderately give effect to the purpose of the act.</p> <p>-----</p> <p>Raise professional standards: This minimum hour requirement will mandate a minimum level of learning and development for forestry advisers, moderately raising professional standards.</p> <p>Ensure quality advice: This minimum hour requirement will mandate a minimum level of learning and development for forestry advisers, providing some assurance of the provision of relevant and current advice.</p> <p>Provide assurance for small forest owners: This will support a consistent level of advice which will reduce the disproportionate risk taken by smaller owners and operators.</p> <p>Provide investor confidence: This option will support more consistent and effective advice from forestry advisers, helping to moderately raise investor confidence.</p>	<p>0</p> <p>This option places minimal burden on forestry advisers by having a lower threshold (costs to completing CPD will scale with the amount required).</p>	<p>++</p> <p>A lower threshold would enable a greater number and diversity of forestry advisers to be able to reach the minimum requirement.</p> <p>This consistent level of advice will reduce the disproportionate risk taken by smaller owners / operators who may be affected by poor advice.</p>
20 hours hour per annum or 100 hours per 5 year registration period	<p>++</p> <p>This option will significantly give effect to the purpose of the act.</p> <p>-----</p> <p>Raise professional standards: This minimum hour requirement will mandate a higher level of learning and development for forestry advisers, significantly raising professional standards.</p> <p>Ensure quality advice: This minimum hour requirement will mandate a higher level of learning and development for forestry advisers, providing a greater level of assurance of the provision of relevant and current advice.</p>	<p>-</p> <p>This option places some additional burden on forestry advisers. More CPD hours required results in more cost associated.</p>	<p>+</p> <p>This option presents a low enough threshold to encourage accessibility, but some advisers who may find it difficult to access learning materials and could be discouraged from the profession.</p> <p>There is only a small marginal benefit to greater CPD hours to smaller owners/operators.</p>

	<p>Provide assurance for small forest owners: This will significantly support a consistent level of advice which will reduce the disproportionate risk taken by smaller owners and operators.</p> <p>Provide investor confidence: This option will significantly support more consistent and effective advice from forestry advisers, helping to moderately raise investor confidence.</p>		
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Stakeholder view: Through all forums of consultation the majority of affected parties favoured the introduction of CPD. 76% of respondents to the online survey tool said CPD should be required.

The majority of stakeholders favoured 10 hours per annum or 50 hours per 5 year registration period. 20 hours per annum was seen as unnecessarily burdensome for the marginal gain in additional development by the majority of respondents.

Preferred option: The preferred option is 10 hours per annum or 50 hours per 5 year registration period. The MCA shows that this minimum hour requirement meets the purposes of the Act and provides the most equitable option for both advisers and smaller owners / operators. It also minimises administration cost.

1.2 Should CPD minimum hour periods be set annually or for every 5-year registration period?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
Status quo	<p>0</p> <p>This option does not mandate requirements and will not give effect to the purpose of the act.</p> <p>-----</p> <p>Raise professional standards: This option does not mandate requirements and so will not raise professional standards.</p> <p>Ensure quality advice: This option does not mandate requirements and so will not ensure quality advice.</p> <p>Provide assurance for small forest owners: This option does not mandate requirements and so will not provide assurance for small forest owners.</p> <p>Provide investor confidence: This option does not mandate requirements and so will not provide investor confidence.</p>	<p>0</p> <p>This option does not mandate requirements and so no compulsory cost is borne by forestry advisers.</p>	<p>0</p> <p>This option does not mandate requirements and access consideration is not required.</p>
5 year admin period	<p>+</p> <p>This option will moderately give effect to the purpose of the act.</p> <p>-----</p> <p>Raise professional standards: This minimum hour period will help to ensure standards are updated and remain relevant on a medium-term basis.</p> <p>Ensure quality advice: This minimum hour period will help to support the provision of relevant and current advice, however, short-term changes in best practice or industry standards may not be reflected.</p> <p>Provide assurance for small forest owners: This will support a consistent level of advice which will reduce the disproportionate risk taken by smaller owners and</p>	<p>0</p> <p>This option allows for increased flexibility for forestry advisers, allowing them to plan for the completion of CPD hours.</p>	<p>+</p> <p>This option provides increased flexibility for forestry advisers, allowing for greater accommodation of the diverse needs of forestry advisers.</p>

	<p>operators. However, a 5 year period may leave room for inconsistencies from year to year, as forestry advisers could complete all CPD hours in the final year.</p> <p>Provide investor confidence: This option will support more consistent and effective advice from forestry advisers, helping to moderately raise investor confidence.</p>		
Annually	<p>++</p> <p>This option will significantly give effect to the purpose of the act.</p> <p>-----</p> <p>Raise professional standards: This minimum hour period will help to ensure standards are updated and remain relevant on a short-term basis.</p> <p>Ensure quality advice: This minimum hour period will help to support the provision of relevant and current advice, and short-term changes to best practice or industry standards are more likely to be captured.</p> <p>Provide assurance for small forest owners: This will support a consistent level of advice which will reduce the disproportionate risk taken by smaller owners and operators. An annual minimum hour period will create the greatest level of consistency due to the higher mandated frequency of learning.</p> <p>Provide investor confidence: This option will support more consistent and effective advice from forestry advisers, helping to significantly raise investor confidence.</p>	<p>-</p> <p>This option places some additional burden on forestry advisers, being required to complete CPD requirements over a shorter period and reducing the ability to plan for CPD hour completion.</p>	<p>-</p> <p>This option reduces the flexibility for forestry advisers and may not accommodate for the often-changing situations of forestry advisers.</p>
Five year cumulative minimum with a lower annual amount to enable flexibility between years (e.g minimum 5 hours per year with 50 completed over 5 years)	<p>++</p> <p>This option will significantly give effect to the purpose of the act.</p> <p>-----</p> <p>Raise professional standards: This minimum hour period will help to ensure standards are updated and remain relevant on a short-term basis while allowing for flexibility between years.</p> <p>Ensure quality advice: This minimum hour period will help to support the provision of relevant and current advice, and short-term changes to best practice or industry standards are more likely to be captured.</p> <p>Provide assurance for small forest owners: This will support a consistent level of advice which will reduce the disproportionate risk taken by smaller owners and operators. This option will provide a moderate level of consistency in the provision of advice while retaining a degree of flexibility.</p> <p>Provide investor confidence: This option will support more consistent and effective advice from forestry advisers, helping to significantly raise investor confidence.</p>	<p>0</p> <p>This option allows for moderate flexibility for forestry advisers, allowing them to plan for the completion of CPD hours over the medium-term. Although this option is more complex its popularity in consultation indicates this complexity is not burdensome or unworkable.</p>	<p>+</p> <p>This option provides increased flexibility for forestry advisers, allowing for greater accommodation of the diverse needs of forestry advisers, while retaining oversight over short-term periods. It reduces the risk of forestry advisers missing important professional development in the short-term such as regulatory changes or new innovations which could affect owner / operators who disproportionately rely on advice.</p>

Stakeholder view: 43% of stakeholders in public consultation favoured a 5 year cumulative minimum requirement with a lower annual amount to enable flexibility between years (e.g minimum 5 hours per year with 50 completed over 5 years). This was tied with the annual option. The static 5 year minimum was the least favourable.

Preferred option: The preferred option is a 5 year cumulative minimum with a lower annual amount to enable flexibility between years. The requirement that is preferred is a minimum of 5 hours per year with 50 completed over 5 years in line with the preferred option for minimum hours indicated above. The MCA shows that this minimum hour period requirement meets the purposes of the Act and provides the most equitable option for both advisers and smaller owners / operators. It also minimises administration cost.

1.3 Should CPD minimum hours be set differently for the different categories of registration (General – Restricted, General, or General – Specialist)?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
Status quo (No)	<p>0</p> <p>This option does not account for the differing activity and levels of capability required for different registration types.</p> <p>-----</p> <p>Raise professional standards: This option does not mandate any additional requirements for more specialised registration types, and so will not raise professional standards due to not capturing the additional capabilities that may be required.</p> <p>Ensure quality advice: This option ensures a base level of quality advice but does not ensure specialists are providing advice of a quality beyond the base registration for specialist advisers.</p> <p>Provide assurance for small forest owners: This option provides a base level of assurance.</p> <p>Provide investor confidence: This option provides a base level of confidence, but does not address the additional capabilities and activities that may be required by specialist advisers.</p>	<p>0</p> <p>This option keeps the system simple and the burden on forestry advisers consistent.</p>	<p>0</p> <p>All forestry advisers would have the same access requirements regardless of registration type, and the associated level of capability required.</p>
Yes	<p>+</p> <p>This option provides assurance that specific activities and the associated required capabilities are being maintained.</p> <p>-----</p> <p>Raise professional standards: This option does mandate any additional requirements for more specialised registration types, and so will raise professional standards further for those registering as specialists who may require additional capabilities.</p> <p>Ensure quality advice: This option ensures a base level of quality advice and helps to ensure specialists are providing advice of a quality beyond the base registration for specialist advisers.</p> <p>Provide assurance for small forest owners: This option provides a base level of assurance for all advisers while providing greater visibility and assurance over the capabilities of advisers of different types.</p> <p>Provide investor confidence: This option provides a base level of confidence, and addresses the additional capabilities and activities that may be required by specialist advisers, raising investor confidence.</p>	<p>++</p> <p>This option places additional burden on forestry advisers who fall under a more stringent registration category and increases the complexity of the system.</p> <p>There is additional administrative burden on the Forestry Authority to administer this additional layer of complexity including a requirement for the Forestry Authority to determine areas of specialisation, assess CPD counted towards these, and monitor effectiveness.</p>	<p>0</p> <p>It would create different requirements across the categories of registration, meaning not all forestry advisers would face the same ease-of-access. However, it would align the level of CPD required to the estimated capability of each registration category.</p> <p>For advice recipients, specialist categories would give some assurance of CPD quality.</p> <p><i>Public consultation highlighted the risk that not enough CPD options exist to meet higher minimum hour requirements.</i></p>

Stakeholder view: The majority of stakeholders in public consultation favoured no difference in minimum hours for different categories of registration. Some stakeholders (particularly industry representatives) thought that CPD should be linked to specialisation but the ability to evaluate this would be difficult.

Preferred option: The preferred option is to not set different minimum hours for the different categories of registration. This will help minimise complexity and administrative burden.

2. Categories and types of learning

2.1 Should categories of CPD be split into structured and unstructured professional development?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
Status quo	<p>0</p> <p>Having no specific learning types does not give effect to the purpose of the Act.</p> <p>-----</p> <p>Raise professional standards: This option does not recognise the differing values of learning types, but will still provide a base level of mandated professional development.</p> <p>Ensure quality advice: This option does not ensure high quality advice due to the lack of control over the use of higher vs lower value learning.</p> <p>Provide assurance for small forest owners: This option provides a minimum level of assurance for all owners, but due to the additional vulnerabilities of small owners, they may be disproportionately affected.</p> <p>Provide investor confidence: This option provides minimal confidence for investors due to the possibility of advisers completing solely low value CPD.</p>	<p>0</p> <p>This option does not require any specific CPD types, giving complete freedom and simplicity to forestry advisers.</p>	<p>0</p> <p>This option does not account for the differing value and effectiveness of different learning types, but equally does not impose any additional requirements that may inhibit access.</p>
One list	<p>+</p> <p>This option only recognises a specific set of CPD learning types that are valuable, but it does not encourage the use of more effective and robust learning types. There is a risk that 'lower-value' types are favoured and CPD becomes a check-box exercise.</p> <p>-----</p> <p>Raise professional standards: This option does specify types of CPD, somewhat raising professional standards, but does not recognise the additional value of structured learning.</p> <p>Ensure quality advice: This option ensures a base level of quality by mandating a set list of valuable CPD types, but does not encourage the use of higher value learning.</p> <p>Provide assurance for small forest owners: This option provides a minimum level of assurance for all owners, but due to the additional vulnerabilities of small owners, they may be disproportionately affected.</p> <p>Provide investor confidence: This option provides a base level of confidence for investors due to the use of only specified CPD types that are valuable. However, there is still the possibility of advisers completing lower value CPD more often.</p>	<p>0</p> <p>This option only recognises a specific set of CPD learning types, but does not impose any additional complexities.</p>	<p>-</p> <p>This option does not account for the differing value and effectiveness of different learning types.</p> <p>It does provide the most equity of access by allowing forestry advisers to choose from a greater list to fulfill all.</p>
Structured and Unstructured list	<p>++</p> <p>This option only recognises valuable CPD learning types, while also imposing minimum requirements for the higher-value types, increasing the assurance in the quality and consistency of advice provided by forestry advisers.</p> <p>-----</p> <p>Raise professional standards: This option only allows valuable learning types and also encourages the use of higher-value types, raising professional standards significantly.</p>	<p>-</p> <p>This option specifies both the recognised learning types and the category in which they fall into, imposing an additional requirement.</p>	<p>0</p> <p>This option accounts for the differing value and effectiveness of different learning types, but also imposes an additional requirement that could adversely impact some forestry advisers.</p>

	<p>Ensure quality advice: This option will significantly improve the quality of advice by encouraging the use of more high value learning types for all forestry advisers.</p> <p>Provide assurance for small forest owners: This option provides a significant level of assurance for all owners, but will also mitigate some of the specific vulnerabilities faced by smaller forest owners.</p> <p>Provide investor confidence: This option provides significant investor confidence due to the assurance of forestry advisers providing advice based on high-vale learning types.</p>		
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Stakeholder view: Throughout consultation, robust debate was conducted on the pros and cons of having split CPD categories. The potential of lists of types were refined prior to public consultation through pre-consultation with industry body stakeholders. Although, the majority of submitters in public consultation disagreed with the split type as it was proposed, the reasons for this were various ranging from concerns surrounding complexity, the lower value of unstructured learning and whether it should be included at all, and concerns around there not being enough types to require a split of how they are treated. There is no clear consensus from consultation. However, 64% of respondents believed that categories of CPD should be split into structured and unstructured CPD.

A further consideration of this is how minimum hours should be treated if a split in types is used. Consultation did not provide a clear consensus. Stakeholders by and large did think if a split in types was employed then a minimum hour requirement for structured types only would be advisable to ensure that forestry advisers could choose to do all structured learning but not all unstructured learning.

Preferred option: The analysis shows that splitting the requirement of types into two lists - structured and unstructured is an appropriate option given the criterion. This option exceeds the purposes of the Act because it ensures structured learning types are being undertaken.

Regarding minimum hours for each list, and in line with the intended purposes of the Act a minimum of 20 hours from the structured learning types per 5 year registration period is preferred. No minimum per each reporting year is also preferred to reduce administrative burden. This option provides the most flexibility to advisers whilst ensuring the intention of CPD as envisaged by the Act is maintained.

2.2 Do you agree with the proposed types of professional development and which category (structured/unstructured/not qualifying) they are currently shown in?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
Status quo Having no specific learning types does not give effect to the purpose of the Act. ----- Raise professional standards: This option does not recognise the differing values of learning types, but will still provide a base level of mandated professional development. Ensure quality advice: This option does not ensure high quality advice due to the lack of control over the use of higher vs lower value learning. Provide assurance for small forest owners: This option provides a minimum level of assurance for all owners, but due to the additional vulnerabilities of small owners, they may be disproportionately affected. Provide investor confidence: This option provides minimal confidence for investors due to the possibility of advisers completing solely low value CPD.	0 This option does not require any specific CPD types, giving complete freedom and simplicity to forestry advisers.	0 This option does not account for the differing value and effectiveness of different learning types, but equally does not impose any additional requirements that may inhibit access.	
The proposed types ----- Structured:	++	-	0

<div><div><div><div><div><div>- Tertiary courses</div><div>- Online study</div><div>- NZQA registered or externally provided in-house, or sector-led training</div><div>- Group leadership programmes and study tours</div><div>- Coaching (as a coach)</div><div>- Work-integrated learning</div></div></div><div><div>Unstructured:</div><div><div>- Authorship and presentation</div><div>- Industry events</div><div>- Standards</div><div>- Private study and research</div><div>- Coaching (being coached)</div><div>- Internally provided in-house training</div></div></div></div></div></div>	<div><div><div>This option only recognises valuable CPD learning types, while also imposing minimum requirements for the higher-value types, increasing the assurance in the quality and consistency of advice provided by forestry advisers.</div><div>-----</div><div>Raise professional standards: This option only allows valuable learning types and also encourages the use of higher-value types, raising professional standards significantly.</div><div>Ensure quality advice: This option will significantly improve the quality of advice by encouraging the use of more high value learning types for all forestry advisers.</div><div>Provide assurance for small forest owners: This option provides a significant level of assurance for all owners, but will also mitigate some of the specific vulnerabilities faced by smaller forest owners.</div><div>Provide investor confidence: This option provides significant investor confidence due to the assurance of forestry advisers providing advice based on high-vale learning types.</div></div></div>	<div><div><div>This option specifies both the recognised learning types and the category in which they fall into, imposing an additional requirement and increasing the complexity of the system.</div></div></div>	<div><div><div>This option accounts for the differing value and effectiveness of different learning types, but also imposes an additional requirement that could adversely impact some forestry advisers by being more prescriptive.</div></div></div>
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Stakeholder view: In general, stakeholders across all forums of consultation agreed with the placement of each type in the lists. There was a consideration from some that the lists should be the same as NZIF’s CPD lists.

Preferred option: The proposed types were iterated through consultation and in public consultation received majority approval across the types for the structured list. Consideration was given to the alignment with NZIF categories of CPD which could reduce the administrative burden to some forestry advisers who would potentially need to submit CPD records to both the Forestry Authority and NZIF. This weighting of industry service types of development encourages more interaction with a membership body. This is not the intention of CPD as envisioned in the Act. Therefore, the types as listed have remained unchanged as were proposed in consultation except for the inclusion of work-integrated learning covered in element 4.1.

3. Records, reporting, and compliance

3.1 How should registered Forestry Advisers have to keep records and report to the Forestry Authority?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
Status Quo	<div><div>0</div><div>The status quo does not mandate any record keeping or reporting, minimising the assurance over the CPD being completed.</div><div>-----</div></div>	<div><div>0</div><div>The status quo has no administrative burden due to no reporting or recording requirements.</div></div>	<div><div>0</div><div>The status quo does not impact access to CPD or becoming registered.</div></div>

	<p>Raise professional standards: This option does not mandate any reporting, resulting in a lack of visibility in CPD being completed and inhibiting the ability for CPD to raise professional standards.</p> <p>Ensure quality advice: This option does not ensure CPD hours are being completed, leaving the system open for cheating and mal-practice and will not ensure the provision of quality advice.</p> <p>Provide assurance for small forest owners: This option does not provide any assurances or visibility for forest owners, but due to the additional vulnerabilities of small owners, they may be disproportionately affected.</p> <p>Provide investor confidence: This option will not provide investors with confidence as the system would be easy to cheat with no record of learning.</p>		
Keep records only	<p>0</p> <p>This option only mandates the keeping of records, meaning there is no visibility and assurance over the validity of CPD hours completed due to the lack of reporting.</p> <p>-----</p> <p>Raise professional standards: This option does not mandate any reporting, resulting in a lack of visibility in CPD being completed and inhibiting the ability for CPD to raise professional standards.</p> <p>Ensure quality advice: This option does not ensure CPD hours are being completed, leaving the system open for cheating and mal-practice and will not ensure the provision of quality advice.</p> <p>Provide assurance for small forest owners: This option does not provide any assurances or visibility for forest owners, but due to the additional vulnerabilities of small owners, they may be disproportionately affected.</p> <p>Provide investor confidence: This option will not provide investors with confidence as the system would be easy to cheat with no record of learning.</p>	<p>0</p> <p>This option keeps the system simple and free from complexity, but imposes a small burden on forestry advisers.</p>	<p>0</p> <p>This option places a small additional burden on all registered forestry advisers equally.</p>
Report records (minimum)	<p>+</p> <p>This option mandates some level of reporting, providing visibility and assurance that CPD is being completed.</p> <p>-----</p> <p>Raise professional standards: This option mandates a minimum level of reporting, providing some assurance over the completion and validity of CPD, helping to raise professional standards.</p> <p>Ensure quality advice: This option helps to ensure the provision of quality advice by maintaining visibility of learning completed and keeping forestry advisers accountable for their continued development.</p> <p>Provide assurance for small forest owners: This option provides assurance for all forest owners, but will help to mitigate the particular vulnerabilities faced by small forest owners.</p> <p>Provide investor confidence: This option will provide investors with confidence that advisers are completing valuable CPD, ensuring that the forestry industry is being informed by relevant advice.</p>	<p>-</p> <p>This option increases the complexity of the system and moderately increases the administrative burden on forestry advisers and the Forestry Authority.</p>	<p>0</p> <p>This option places a small additional burden on all registered forestry advisers equally.</p>

Report records (full)	<p>++</p> <p>This option mandates comprehensive reporting, providing assurance over the completion and effectiveness of CPD hours being completed.</p> <p>-----</p> <p>Raise professional standards: This option mandates a high level of reporting, providing significant assurance over the completion and validity of CPD, helping to significantly raise professional standards.</p> <p>Ensure quality advice: This option helps to ensure the provision of quality advice by maintaining a high level of visibility of completed learning and keeping forestry advisers accountable for their continued development.</p> <p>Provide assurance for small forest owners: This option provides a high level of assurance for all forest owners but will help to mitigate the particular vulnerabilities faced by small forest owners to a great extent.</p> <p>Provide investor confidence: This option will provide investors with a high level of confidence that advisers are completing valuable CPD, ensuring that the forestry industry is being informed by relevant advice.</p>	<p>--</p> <p>This option increases the complexity of the system and significantly increases the administrative burden on forestry advisers and the Forestry Authority.</p>	<p>-</p> <p>This option places a moderate additional burden on all registered forestry advisers equally.</p>
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Stakeholder view: The majority of stakeholders throughout consultation felt that registered forestry advisers should keep records of CPD. The majority of stakeholders held the view that these records should be reported but that they should be minimal consisting only of the hours and types of professional development.

Preferred option: The analysis shows that a minimal report of records meets the criterion of aligning to the purpose of the Act. This option, although causing some administrative burden on forestry advisers and the Forestry Authority, is preferred compared to the status quo, keeping records only, and providing a full report due to the balance of achieving the purposes of the Act and minimising the additional burden and complexity.

3.2 How often should reporting occur?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
Status Quo	<p>0</p> <p>The status quo does not mandate any record keeping or reporting, minimising the assurance over the CPD being completed.</p> <p>-----</p> <p>Raise professional standards: This option does not mandate any reporting, resulting in a lack of visibility in CPD being completed and inhibiting the ability for CPD to raise professional standards.</p> <p>Ensure quality advice: This option does not ensure CPD hours are being completed, leaving the system open for cheating and mal-practice and will not ensure the provision of quality advice.</p> <p>Provide assurance for small forest owners: This option does not provide any assurances or visibility for forest owners, but due to the additional vulnerabilities of small owners, they may be disproportionately affected.</p> <p>Provide investor confidence: This option will not provide investors with confidence as the system would be easy to cheat with no record of learning.</p>	<p>0</p> <p>The status quo has no administrative burden due to no reporting or recording requirements.</p>	<p>0</p> <p>The status quo does not impact access to CPD or becoming registered.</p>
Annually	++	-	0

	<p>This option mandates comprehensive and frequent reporting, providing the greatest level of assurance over the completion and effectiveness of CPD hours being completed.</p> <p>-----</p> <p>Raise professional standards: This option mandates a high frequency of reporting, providing significant assurance over the completion and validity of CPD, helping to significantly raise professional standards. Additionally, it does provide visibility over CPD being completed to address short-term changes in best practice or standards across the sector.</p> <p>Ensure quality advice: This option helps to ensure the provision of quality advice by maintaining visibility of learning completed and keeping forestry advisers accountable for their continued development. Additionally, it does provide visibility over CPD being completed to address short-term changes in best practice or standards across the sector.</p> <p>Provide assurance for small forest owners: This option provides assurance for all forest owners but will help to mitigate the particular vulnerabilities faced by small forest owners.</p> <p>Provide investor confidence: This option will provide investors with some confidence that advisers are completing valuable CPD, ensuring that the forestry industry is being informed by relevant advice. Additionally, it does provide visibility over CPD being completed to address short-term changes in best practice or standards across the sector.</p>	<p>This option keeps the system simple and free from complexity, but imposes a small burden on forestry advisers having to report each year. The forestry Authority will have a small burden of administration although much of this will be automatable.</p>	<p>This option places a small additional burden on all registered forestry advisers equally, but provides additional assurance for small organisations over their access to effective and consistent advice.</p>
<p>Every-5 year registration period</p>	<p>+</p> <p>This option mandates reporting but infrequently, providing some visibility and assurance that CPD is being completed.</p> <p>-----</p> <p>Raise professional standards: This option mandates a minimum frequency of reporting, providing some assurance over the ongoing completion and validity of CPD, helping to raise professional standards. But it does not provide visibility over CPD being completed to address short-term changes in best practice or standards across the sector.</p> <p>Ensure quality advice: This option helps to ensure the provision of quality advice by maintaining visibility of learning completed and keeping forestry advisers accountable for their continued development. But it does not provide visibility over CPD being completed to address short-term changes in best practice or standards across the sector.</p> <p>Provide assurance for small forest owners: This option provides assurance for all forest owners but will help to mitigate the particular vulnerabilities faced by small forest owners.</p> <p>Provide investor confidence: This option will provide investors with some confidence that advisers are completing valuable CPD, ensuring that the forestry industry is being informed by relevant advice. But it does not provide visibility over CPD being completed to address short-term changes in best practice or standards across the sector.</p>	<p>-</p> <p>This option keeps the system simple and free from complexity, but imposes a burden on forestry advisers to maintain 5 years worth of records and report them all at once. This increases the risk of admin error or losing records.</p>	<p>0</p> <p>This option places a small additional burden on all registered forestry advisers equally, but provides additional assurance for small organisations over their access to effective and consistent advice.</p>

Stakeholder view: The majority of stakeholders feel that reporting should occur annually.

Preferred option: The preferred option is annually. As per the analysis this approach best fulfils the Purpose of the Act by having CPD be routinely reported by registered forestry advisers. The risks of administrative error in reporting from forestry advisers having five-year intervals to report outweigh any additional administrative burden of annual reporting which would be minimal.

To ensure that forestry advisers complete the correct amount of structured CPD across their 5-year registration period, forestry advisers should also be required to report on the CPD they have completed in the previous registration period. For efficiency, this information should be included with an application by the forestry adviser to renew their registration.

3.3 How should the Forestry Authority review CPD reporting if it were to be required?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
Status Quo	<p>0</p> <p>The status quo does not mandate any record keeping or reporting, minimising the assurance over the CPD being completed.</p> <p>-----</p> <p>Raise professional standards: This option does not mandate any reporting, resulting in a lack of visibility in CPD being completed and inhibiting the ability for CPD to raise professional standards.</p> <p>Ensure quality advice: This option does not ensure CPD hours are being completed, leaving the system open for cheating and mal-practice and will not ensure the provision of quality advice.</p> <p>Provide assurance for small forest owners: This option does not provide any assurances or visibility for forest owners, but due to the additional vulnerabilities of small owners, they may be disproportionately affected.</p> <p>Provide investor confidence: This option will not provide investors with confidence as the system would be easy to cheat with no record of learning.</p>	<p>0</p> <p>The status quo has no administrative burden due to no reporting or recording requirements.</p>	<p>0</p> <p>The status quo does not impact access to CPD, becoming registered, or the ability to receive advice.</p>
If issues are identified in reporting	<p>++</p> <p>This option continually identifies issues in the CPD being completed, providing oversight of risks and issues and a pathway to their mitigation.</p> <p>-----</p> <p>Raise professional standards: This option increases the integrity of the system by finding and addressing issues as they arise, holding forestry advisers to a high level of accountability and raising professional standards.</p> <p>Ensure quality advice: This option helps to ensure quality advice by providing assurance that forestry advisers are completing their CPD appropriately and in accordance with requirements to a high degree of assurance.</p> <p>Provide assurance for small forest owners: This option provides assurance for all forest owners and will help to mitigate the particular vulnerabilities faced by small forest owners by providing them with a high-degree of confidence in the security of the system and validity of forestry advisers CPD.</p> <p>Provide investor confidence: This option will provide investors with confidence by ensuring a resilient system that provides a high-degree of visibility and assurance over the appropriate completion of CPD.</p>	<p>-</p> <p>This option increases the complexity of the system and creates an additional process to be undertaken by the Forestry Authority. The exact level of administrative cost would depend on the number of issues being found; however, it is expected that in the long-term issues would be minimal as they have already been proactively found and resolved.</p>	<p>+</p> <p>This option is equally administered over all forestry advisers and helps to ensure confidence for small organisations in the provision of effective and consistent advice through ensuring valid CPD is completed.</p>

<p>Random number of reviews per year</p>	<p>+</p> <p>This option provides oversight of a sample of reporting and CPD hours being completed, which will provide some assurance over the validity of CPD being completed.</p> <p>-----</p> <p>Raise professional standards: This option somewhat increases the integrity of the system by monitoring CPD hours; however it does not actively seek and address issues.</p> <p>Ensure quality advice: This option helps to ensure quality advice by providing assurance that forestry advisers are completing their CPD appropriately and in accordance.</p> <p>Provide assurance for small forest owners: This option provides assurance for all forest owners and will help to mitigate the particular vulnerabilities faced by small forest owners by providing them with some confidence in the validity of forestry advisers' CPD hours.</p> <p>Provide investor confidence: This option will provide investors with confidence by promoting accountability through random reviews. However, it does not actively seek and mitigate issues as they arise.</p>	<p>--</p> <p>This option increases the complexity of the system and creates an additional process to be undertaken by the Forestry Authority. It is expected that this would require a consistent medium level of ongoing effort.</p>	<p>+</p> <p>This option is equally administered to all forestry advisers and helps to provide some confidence to small organisations in the provision of effective and consistent advice.</p>
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Stakeholder view: The majority of stakeholders in public consultation indicated that the Forestry Authority should only investigate CPD reporting if issues with that reporting were identified.

Preferred option: The preferred option is for the Forestry Authority to only investigate CPD reporting if issues with that reporting were identified. The analysis showed that investigating issues in CPD reporting is preferable due to its likely lower administrative burden and reduced complexity for the Forestry Authority. This option also takes a development-focused philosophy rather than a compliance-focused philosophy which is in line with the Forestry Authority’s function to facilitate education and professional development under the purpose of the Act. Those registered forestry advisers who are identified to have issues with their reporting will be able to work with the Forestry Authority to resolve these issues.

4. Work-integrated learning

4.1 Should a third-party work-integrated learning report (assuming the same number of hours are completed) be regarded as acceptable CPD reporting?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
<p>Status Quo (No work-integrated option)</p>	<p>0</p> <p>The lack of a work-integrated pathway would require forestry advisers to seek other approved forms of CPD that give effect to the Act.</p> <p>-----</p> <p>Raise professional standards: This option will not raise or lower professional standards but reduces the available pathways for CPD.</p> <p>Ensure quality advice: This option will ensure additional quality of advice but reduces the available pathways for CPD.</p> <p>Provide assurance for small forest owners: This option will not provide additional assurance for forest owners but reduces the available pathways for CPD.</p> <p>Provide investor confidence: This option will not provide additional confidence for investors but reduces the available pathways for CPD.</p>	<p>0</p> <p>This option would impose no additional complexities or administrative costs.</p>	<p>0</p> <p>This option would reduce the flexibility for forestry advisers to complete the minimum CPD hours and inhibit access to forestry advisers who may be unable to complete other forms of CPD.</p>

Work-integrated option	<p>+</p> <p>The ability to use work-integrated learning as a valid form of CPD would help forestry advisers to develop their skills in a targeted capacity while providing an additional pathway for CPD hours to be completed.</p> <p>-----</p> <p>Raise professional standards: This option will not raise or lower professional standards but increases the available pathways for CPD.</p> <p>Ensure quality advice: This option will ensure additional quality of advice but increases the available pathways for CPD.</p> <p>Provide assurance for small forest owners: This option will not provide additional assurance for forest owners but increases the available pathways for CPD.</p> <p>Provide investor confidence: This option will not provide additional confidence for investors but increases the available pathways for CPD.</p>	<p>-</p> <p>This option would impose additional administrative costs and complexity to the system required for operation by the Forestry Authority, due to the inclusion of an additional validation process.</p>	<p>+</p> <p>This option would allow forestry advisers who face access issues to other CPD types to complete the minimum requirements for registration.</p>
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Stakeholder view: Work-integrated learning was an option presented by Ngā Pou a Tāne – The National Māori Forestry Association in pre-consultation. This type of professional development was workshopped with other industry body stakeholders and had no strong opposition except that the administrative complexities may be a barrier. The accessibility of this option for forestry advisers who have impaired access to more traditional types of professional development was acknowledged. In public consultation this option was favoured to be included as a type by the majority.

Preferred option: While the long-term preferred option is to enable a work-integrated learning type, there are concerns about the flexibility of the market of potential assessors to enable this in the short-term. Ensuring assessors of this type of PD are reputable is essential to ensure equity for all types of learning and the robustness of the CPD system overall. One option to achieve this is to require NZQA validated assessors only to evaluate work-integrated learning. There are, however, existing channels and mechanisms already captured under the Structured learning types (vocational courses) which are similar in intention and ensure validity. The preferred option is to not recognise work-integrated learning as a CPD option as of now or in the short-term, but to deliver this over the medium to long-term as part of ongoing regulatory reviews after conducting further research and working with the respective Workforce Development Council.

5. Static or evolving

Should CPD requirements be static or evolving?

	Criteria		
Option	Purpose of the Act	Minimal Complexity and Administrative Cost	Equity
Status Quo (Static option)	<p>0</p> <p>The lack of a mechanism to evolve the CPD requirements overtime could reduce the relevance of requirements in the long-term.</p> <p>-----</p> <p>Raise professional standards: This option will hinder the long term raising of professional standards by not providing assurance that requirements remain relevant and fit-for-purpose.</p> <p>Ensure quality advice: This option will provide assurance of quality advice in the short-term, but over the long-term requirements will be unable to adapt to the changing landscape of the sector, reducing the effectiveness and quality of advice.</p> <p>Provide assurance for small forest owners: This option will disproportionately negatively impact small forest owners, as they are less equipped to recognise the changing circumstances and gaps in advice as current requirements become outdated.</p>	<p>0</p> <p>This option would impose no additional complexities or administrative costs.</p>	<p>0</p> <p>This option could result in forestry advisers abiding by requirements that are no longer relevant or outdated. Additionally, small organisations would have less assurance over the ongoing validity of advice being received and the capability of their advisers.</p>

	<p>Provide investor confidence: This option will not provide additional confidence for investors as they will not be re-assured that in the long-term the forestry sector will be underpinned by continually fit-for-purpose advice.</p>		
<p>Changing requirements over time</p>	<p>+</p> <p>The ability to change and evolve the requirements over time would ensure they remain fit-for-purpose with the changing operating requirements of forestry advisers and the evolving outlook of the sector.</p> <p>-----</p> <p>Raise professional standards: This option will help the long term raising of professional standards by providing assurance that requirements remain relevant and fit-for-purpose.</p> <p>Ensure quality advice: This option will provide assurance of quality advice in the long-term by ensuring requirements can adapt to the changing landscape of the sector, increasing the effectiveness and quality of advice.</p> <p>Provide assurance for small forest owners: This option will disproportionately positively impact small forest owners, as they are less equipped to recognise the changing circumstances and gaps in advice. This option would give them confidence that advice remains relevant and fit-for-purpose.</p> <p>Provide investor confidence: This option will provide additional confidence for investors as they will be re-assured that in the long-term the forestry sector will be underpinned by continually fit-for-purpose advice.</p>	<p>-</p> <p>This option would impose additional administrative costs and complexity to the system required for operation by the Forestry Authority, due to the inclusion of an additional process.</p>	<p>++</p> <p>This option would ensure forestry advisers are beholden to requirements that are continually updated to reflect their operating environment. Additionally, small organisations would have increased confidence in the long-term provision of consistent and effective advice.</p>

Stakeholder view: The majority of stakeholders in all forums of consultation preferred that CPD requirements evolved over time rather than remain fixed.

Preferred option: It is clear the stakeholders desire CPD requirements to evolve and be updated over time. The analysis shows an evolving requirement allows for a greater ability of CPD to fulfil the purpose of the Act over time and allows for equitable options to be considered and/or amended as the situation changes. To achieve this intention a regular review of the CPD regulations is preferred to be conducted at a minimum of every 5 years. This will ensure consultation occurs each review period and all stakeholders' views are routinely considered.