



Afforestation Grant Scheme

The refreshed Afforestation Grant Scheme (AGS) will be open for applications from 27 May and close 30 June 2015. Grants are for people or organisations wanting to plant new forests.

Grants for new forests

We want 15 000 hectares of new forest planted by 2020, to improve land-use productivity and regional economic development. The new forests will also give environmental benefits, including reducing soil erosion, storing carbon, and improving water quality. To help reach this goal, we're providing grants of \$1300 a hectare to help people plant new forests. In return, the Crown will get the carbon credits. People must commit to maintaining the forest for at least 10 years.

Who can apply

Anyone or any organisation that owns land or has a right to use land for forestry can apply. You can also apply if you're about to buy the land or gain an interest in the land. You must be able to commit between 5 and 300 hectares of land to planting in new forest.

Eligible land

Your land can be across more than one title, as long as you own it or have the right to use it. Your application can include more than one parcel of land – each parcel must be bigger than 1 hectare. We'll prioritise applications to plant erodible pastoral land that are part of a farm plan that's been approved by a regional council.

The land must be new forest planting. It can't:

- be 'forest land' under the Climate Change Response Act 2002 when you apply;
- have been 'forest land' on 31 December 1989;
- have been 'forest land' in the 5 years before you apply.

The type of forest you can grow

You must plant the forest to qualify for a grant, you can't seed it or let it regenerate naturally. You can use the AGS for commercial or environmental reasons, or both. You have to maintain the forest to a set standard to be eligible for the grant. If you cut down the forest or don't look after it, you may have to replant or, as a last resort, pay the grant back.

You can plant native or exotic trees. The trees can be a mix of forest species. A forest species is one able to grow to at least 5 metres in the place you've planted it – it isn't a species used mainly for fruit or nut crops.

You still own the trees and timber

If your forest is funded by a grant, you still own the trees and the timber. However, the government will get the carbon credits for the first 10 years.

When and how you get the grant

You will be able to make an application for a grant from 27 May to 30 June 2015. Once MPI receives your application, we:

- will check it for eligibility;
- may do a site inspection;
- will compare the merits of your application to all the other applications.

If MPI accepts your application, you'll then have 1 year to establish your forest. Once it's established you can claim your grant. We'll visit your forest to make sure it's established to the required standard. If the forest meets the establishment standard, MPI will pay you the grant for the area established.

If you sell or transfer your forest to someone else, you must tell MPI and we will transfer your grant agreement to the new owner.

MPI will monitor your forest over the following 10 years to make sure it's up to standard. After 10 years, you're free to do as you choose with your forest.

How this scheme differs from the old one

The new scheme builds on the experience MPI gained from running the old scheme. We've made the following improvements:

- There's one funding pool – administered by MPI to be more efficient (rather than 2 funding pools split between MPI and regional councils).
- The grant is fixed – \$1300 a hectare – which gives applicants certainty so they can make informed decisions.
- We'll prioritise applications on how they benefit the environment, such as reducing soil erosion.
- We've excluded forests to be established by seeding or natural reversion.
- Forests will be assessed for their risk of wilding spread. Forests at high risk won't be eligible.

Learn more

MPI will publish application forms and a guide to applicants, with more details on **27 May 2015**.

You can register your interest in the scheme at funding@mpi.govt.nz.

We will let you know when the funding round is open.