



Phytos work update – July 2026

Welcome to the latest Phytos update.

Recent Board Activity

The Phytos Board met again towards the end of June. Key discussions included final changes to an updated Draft Constitution, Board representation, updated financials and the approval of the 2026/27 budget, R&D strategy, India systems approach, debarking quality assurance, Phlebiopsis fungi dispensation request and the NZ Pine Brand overview. The Board continues to drive strategic priorities for the log export sector.

Governance Update

The Board advanced the final draft Constitution, incorporating feedback from a recent legal review. Substantive changes (which are minor) will go to the 2026 AGM for approval. Discussions also covered the process for appointing a replacement board member representative for a 'forest owner who exports'. This Board seat is currently held by Hazel Honor (New Forests). Hazel intends to step down at the end of her term in December. Phytos will call for nominations in July.

Financial Update

Financial reports as at 31 May 2026 were reviewed, with the year-to-date deficit remaining well within budget. The 2026/27 Budget was approved, based on projected industry volumes of approximately 18 million MT (down from the current years estimate of 20.5 MT) and the current 1c levy. Reserves remain sufficient to support the planned R&D and market access initiatives.

R&D and Work Update

- **Phosphine R&D:** Updated strategy and detailed research plan discussed, focusing on further work related to temperature, O₂ levels, and gas distribution. The Board also spent time discussing and evaluating options to further strengthen the single-dose treatment pathway to China.
- **India – Systems Approach:** Continued collaboration with MPI on the enhanced proposal for a trial container shipment. Phytos representation on the cross-sector "special interest group" promoting forestry exports to India remains active.
- **Debarking – Quality Assurance:** A draft Official Assurance Programme (OAP) document is with the sector for feedback. Traceability testing (of lot number to debarker) is progressing with marshallers and exporters. Quality control reporting shows Bark percentages are generally below 2% and within the China import requirements. Phytos and debarkers will progress with continued monitoring.
- **Phlebiopsis Dispensation:** Targeted application for Nelson Tasman windthrow logs under consideration by MPI. The application seeks time-bound variation with segregation, traceability, and enhanced management. Phytos and sector partners support this to minimise disruption and protect value while upholding standards.



- **NZ Pine:** An overview of the cross-sector brand development initiative was provided, with Board input on appropriate Phytos involvement.

Industry Update: INTRESO GROUP and EDN

Members will be aware that, as part of Phytos' remit to seek and support alternatives to methyl bromide, the manufacturers of EDN (Draslovka) gained approval to use EDN on timber and logs in NZ in 2022 (EDN is also approved for use in Malaysia and Australia). Since then, there have been limited opportunities for the commercial application of EDN in NZ. The main reasons for this include the lack of importing country approvals (i.e. China and India), supply chain constraints and resource consenting issues.

In the last four years, the manufacturers of EDN (Draslovka) acquired INTRESO Group and consolidated the combined fumigation and distribution functions under the one brand. More recently INTRESO Group has been acquired by DETIA DEGESCH GROUP. DETIA DEGESCH is one of the world's largest manufacturers of phosphine tablets and cylinderised fumigation products. INTRESO will sharpen its focus on the development and rollout of eFUME® and other ethyl formate-based treatments, while continuing as the distribution and commercial partner for Draslovka's EDN product where opportunities arise.

Phytos looks forward to continued collaboration with INTRESO on sustainable fumigation alternatives and options that support New Zealand log export market access.

Board Chair Transition

As members will be aware, the June 24 meeting was Don Hammond's last as Chair of Phytos. We again thank Don for his guidance, wisdom and sector leadership over an extended period of time. Phil Taylor will start as Chair with an induction later in July. His first Board meeting as Chair is scheduled for August 27.

Phytos continues to advocate strongly for the sector. If you have any questions or suggestions, please contact Executive Officer Matt Hill at matt@phytos.co.nz