

THE FACTS

VELVET EXPORT LICENSING


Deer Industry
New Zealand

Prior to the 2024/25 velvet season, at the request of industry stakeholders, DINZ started exploring possible new export models for velvet that could add improved discipline, rigour, and transparency to the velvet industry.

The overall goal being to cohesively market our velvet to international customers and drive sustainable economic returns, with no additional costs or audits to farmers.

WHAT IS EXPORT LICENSING?

Export licensing is about building a fairer, more transparent, and more sustainable velvet export system.

It would focus on rewarding those who meet industry-agreed standards — such as quality assurance, traceability, cohesive marketing and levy compliance — while not interfering in commercial negotiations or setting prices.

The Horticultural Export Authority Act has emerged as the preferred legislative vehicle for velvet export licensing. It offers a proven model that enables industry-defined standards and oversight.

HERE'S HOW IT COULD WORK:

- Exporters must apply for a licence.
- An independent authority would assess eligibility.
- Exporters would be required to meet standards for traceability, grading, assurance, regulatory compliance, and marketing.
- Licences could be revoked for serious or repeated breaches.

Before any licensing system can be implemented, **a formal vote will be held among velvet producers and exporters.** This ensures the framework is not imposed from the top down. It must be supported by those who grow, handle, and export velvet every day.

WHAT EXPORT LICENSING IS NOT

Export licensing is considered a lighter touch model than a "single desk" option — similar to what Zespri uses. This was something that farmers wanted DINZ to explore, which we did, along with the option of keeping the status quo.

A single desk model was rejected for several reasons, the main one being a lack of legislative

support and practical feasibility. In addition, we see industry stakeholders retaining their commercial autonomy as a key consideration.

Finally, **export licensing would not set pricing, control demand in end markets, or replace the role of exporters.**



WORK SO FAR

Investigation into alternative models for velvet exports began in 2024 but then advanced with greater urgency following the 2024/25 velvet season.

Soon after the annual deer industry conference in May 2025, where the concept of export licensing was first raised publicly, an Export Licensing Working Group was established — comprised of farmers, processors and exporters, as well as DINZ and NZDFA representatives. This group was charged with weighing the pros and cons of export licensing and helping shape the criteria for what it means to be “match fit” as an exporter.

Export licensing will take a year or two to get through the Parliamentary process. For the 2025/26 season, DINZ introduced some changes to the VelTrak Terms of Use in a bid to add more structure and discipline to the system as it stands today.

Buyers and exporter representatives needed to re-register under these revised terms, with approved parties listed on the DINZ website. Any party found to have breached these updated terms can be suspended from VelTrak and their details published on the DINZ website.

WHAT'S NEXT?

DINZ will keep working closely with the Government to move export licensing forward. Ongoing discussions are happening with MPI, the Trade Minister, and other MPs to build support. A targeted consultation with the deer velvet sector will take place as part of Parliament considering action.

The Horticultural Export Authority is being

consulted to manage the licensing system, given its experience with other export sectors.

Before export licensing can proceed, both farmers and exporters will get to vote. At least 60% support from each group will be needed. If everything goes to plan, the goal is to launch export licensing for the 2026/27 season — an ambitious timeline.

BENEFITS TO FARMERS AND INDUSTRY

We're aiming to double the velvet sector value over the next ten years — building stronger returns and prosperity for farmers and exporters. To get there, we need to take responsibility for our own standards and apply fair penalties for anyone who breaks the rules.

Moreover, we aim to provide overseas customers with the confidence to invest by building long-term, direct partnerships with key players in New Zealand.

Overall, we strive for a strong return on capital at the farm gate.

Export licensing is a comparatively simple, low-cost tool that helps the industry speak with one strong, trusted voice in export markets. It should add **no extra cost to farmers and mean no extra farm audits** — the focus stays on assurance and cohesive marketing at the point of export.



Photos: Grant Charteris