



To: [AgEmmissionsPricing@mfe.govt.nz](mailto:AgEmmissionsPricing@mfe.govt.nz)

**Submission on:** Pricing Agriculture Emissions

**Date:** 18 November 2022

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# Submission on: Pricing Agriculture Emissions

## i. Introduction

1. The Animal and Plant Health Association of NZ welcomes the opportunity to provide feedback on the Pricing Agriculture Emissions proposals within the consultation document.
2. A key message for the government is that when dealing with today's agricultural sector, there is a need for informed and evidence-based approaches when introducing new initiatives and/or changes to respective farming systems. Policy makers need to carefully consider the potential for untoward outcomes, such as loss of livestock, farms, rural communities, and an increase in food prices.
3. Based on the industry feedback, the proposals offered by government are not fit for purpose. The alteration of the He Waka Eke Noa (HWEN) recommendations by the Climate Change Commission and Ministers have fallen foul of those involved with the HWEN initiative, which included government representatives.
4. There is good understanding that some action is needed to mitigate climate change. However, what is on the table is unworkable for the future of farming without the provision of immediate mitigation tools, acknowledgement of HWEN sequestration recommendations and acknowledgement of the work farmers are already doing to reduce their on-farm emissions.
5. From an Animal and Plant Health NZ perspective, there is the ability to provide solutions towards emission reduction that do not require government interference at the farmer level. On this front, the Government must prioritise the registration of new agrichemicals, animal medicines, inhibitors and other related innovations as part of our climate change adaptation. Having the most innovative tools for animal and plant health will be pivotal to reducing on farm emissions without compromising our food production and society.

## Key Recommendation

Animal and Plant Health NZ recommends that a small portion of the \$340 million allocated to climate change mitigation research in the 2022 budget is ring-fenced for accelerating the new product applications for crops/livestock that are currently 'stuck' in the queues within the Ministry for Primary Industries (ACVM) and Environment Protection Authority (HSNO) assessor teams.

## ii. General Comments

### Animal and Plant Health NZ supports the Industry Levy Payers' Concerns

Animal and Plant Health NZ supports the key concerns with the proposals as highlighted by farming industry groups, such as DairyNZ and Beef and Lamb NZ. These concerns are as follows:

6. The current methane targets are wrong and need to be reviewed. Targets should be science-based, not political, and look to prevent additional warming.
7. The methane price should be set at the minimum level needed and be fixed for a five-year period to give farmers certainty.
8. Any levy revenue must be ringfenced and only be used for the administration of the system, investment in Research and Development, or go back to farmers as incentives. Administration costs must be minimised.

9. The future price should be set by the Minister on the advice of an independent oversight board appointed by all He Waka Eke Noa partners.
10. The system must incentivise farmers to uptake technology and adopt good farming practices that will reduce global emissions.
11. All sequestration that can be measured and is additive should be counted. We stand by what was proposed by the He Waka Eke Noa partnership on sequestration.
12. Farmers should be able to form collectives to measure, manage, and report their emissions in an efficient way
13. Farmers who don't have access to mitigations or sequestration should be able to apply for temporary levy relief if the viability of their business is threatened.
14. We will not accept emissions leakage. The way to prevent that happening is by getting the targets, price, sequestration, incentives, and other settings right.

### **Animal Health Must be a Part of Emission Pricing Discussions**

Mitigation, adaptation and resilience are all crucial elements of tackling agricultural emissions. Keeping our animals healthy through the use of animal medicines, improved breeding, and good farm management can help us achieve each one.

#### **See Appendix 1: Facts about Livestock and Climate Change**

15. **Mitigation:** Better animal health represents a significant opportunity to reduce livestock emissions and meet climate commitments. Healthy animals mean lower emissions, and this can be achieved through a number of interventions. The intensity of GHG emissions is directly linked to the efficiency with which producers use natural resources while using better quality and more balanced feed can lower direct emissions. Overall, improved breeding, use of animal medicines and animal health can help lower livestock-related emissions.
16. **Adaptation:** Humans are not alone in their climate adaptation struggle – animals across the world are struggling too. However, [breakthroughs in livestock genetics and breeding](#) could help produce animals that cope better with high temperatures, reducing the need for more resources.
17. **Resilience:** Livestock represent sentinel species when it comes to the impact of climate change, but they can also hold the key to resilience. With an increased risk of diseases, animal health can help boost the resilience of pastoralists for a more sustainable future.

### **Crop Health Must be Part of Emission Pricing Discussions**

Plant science technologies deliver climate solutions and promote nature positive production while improving productivity and food security.

18. Plant science technologies such as crop protection products, digital and precision agriculture, and plant biotechnology help farmers and our food systems adapt to and mitigate climate change while improving agricultural productivity and delivering food security.

19. Our members oversee world-leading research and development portfolios centred on technologies that support climate-smart sustainable agriculture including specific commitments to increase R&D investment toward climate-smart innovations, reducing emissions per unit crop yield, and reducing their carbon footprints.
20. For example, the adoption of modern plant science technologies has generated climate benefits through improved productivity, which has slowed the rate of land-use conversion for agricultural purposes.
21. The advance of precision agriculture has enabled more targeted and precise applications of crop protection products, reducing greenhouse gases from associated machinery and other factors while boosting soil biodiversity.
22. Many new and future plant science technologies offer significant potential for solving the climate problem without sacrificing agricultural productivity. One such innovation is gene editing, an additive technology on top of existing breeding methods that can further climate positive impacts. The New Zealand government needs to embrace the benefits that gene editing and other biotechnology techniques offer, with the first step amending our HSNO legislation to encourage new product registrations.

### **Collaborating to enable an environment that empowers agricultural innovation and access to plant and animal science technologies**

23. To make a difference, innovations in agricultural technologies and practices must reach the field. We work with our members on a global scale to promote better regulatory and trade policies that nurture responsible innovation, provide equal access to plant science technologies and agricultural innovations, and ensure their responsible and effective use.
24. Complex regulatory processes slow down access to new agricultural innovations and delay these products getting to market and into the hands of farmers. This means that the benefits from these innovations are also being delayed or remain inaccessible to farmers and growers.
25. Now more than ever, we need a streamlined, efficient approvals system for new products and a more harmonized regulatory framework within New Zealand to improve access to plant science technologies and promote innovation that ultimately helps farmers, consumers, and the environment.

### **iii. About Animal and Plant Health NZ**

We are the peak industry association representing over 85 global and New Zealand based companies that manufacture, distribute and sell crop protection and animal health products that keep our animals healthy and crops thriving. Our mission is to protect and enhance the health of crops, animals, and the environment, through innovation and the responsible use of quality products and services.

#### **Our objectives are to:**

- Strive for effective and sustainable animal health and crop protection technology through industry leadership and advocacy.
- Achieve a balanced and science-based regulatory environment that gives members freedom to operate and grow in New Zealand.
- Enable farmers and growers to supply high quality food and fibre into domestic and global markets.
- Create an environment that encourages competition through innovation.
- Promote stewardship and responsible use of products.
- Support the health and wellbeing of pets, livestock and people.

## Appendix 1: Facts about livestock emissions and climate

