



SUBMISSION

On

Climate Change Response (Zero Carbon) Amendment Bill

to

Parliamentary Select Committee

Environment Committee

Clerk of Committee,

Level 10 Bowen House,

Parliament Buildings, 6021

Date: 12th July 2019

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About Fertiliser Association of New Zealand (FANZ)

- 1 Managing nutrients in New Zealand's primary industry production systems serves the interests of all New Zealanders', both for economic benefit and environmental management.
- 2 The Fertiliser Association of New Zealand (FANZ) promotes and encourages responsible and scientifically-based nutrient management.
- 3 To promote good management practices, FANZ develops training programmes for rural professionals (with 200 certified nutrient management advisers), funds research, participates in government and local body working groups, and works closely with other organisations in the agricultural sector.
- 4 Founded over 70 years ago, FANZ is an industry association funded by member companies to address issues of common public good. Members [Ballance Agri-Nutrients Limited](#) and [Ravensdown Limited](#) manufacture, distribute and market around 98% of all fertilisers sold in New Zealand.
- 5 The cooperative base of the FANZ members means the industry is not driven by product sales to its farmer shareholders, but by delivering best value to its farmer shareholders. The shareholders' best interests in nutrient management are aligned with effective and efficient use of nutrients.
- 6 Nitrogen fertiliser is a key component of agricultural productivity, and itself is a small part of the overall current NZ total GHG emissions, at around 2-3% of total emissions in 2017 (5.8 % of agricultural emissions). While the proportion is small, the industry has a key pan-sector role to play in management of nutrient cycling across all farm types - dairy, beef & lamb, arable and horticultural farms. The industry has the systems and expertise to aid agriculture's transition to a lower GHG emissions future in a productive and profitable way.

Submission In-brief

- 7 FANZ supports:
 - Establishment of an independent Climate Change Commission.
 - a split-gasses approach.
 - offsets (nationally and internationally) to achieve net zero emissions, including offsets for short lived gases.
 - ensuring certainty and consistency for business investment and development

- While there should be opportunity to amend targets, this should be subject to robust independent evidence to justify a change to the target and should be subject to full public consultation
 - criteria for selection of members for the Climate Change Commission should also include business acumen and understanding of trade
 - avoiding conflicting roles and responsibilities with sufficient independence of the Commission for separating evidence development from recommendations. This will ensure comprehensive global perspectives and considerations when providing recommendations and advice to government.
- 8 However, FANZ's view is that for the transition to be successful
- there needs to be cross-party agreement on enduring GHG targets
 - Responsibility should be at the farm level with a phased introduction for reporting and for obligations to allow development of the capability
- 9 Further discussion and explanation of these points is the subject of this submission, with additional context provided in Appendix 1. Appendix 2 presents our view on the principles for delivering a Low Emissions Transition Pathway for agriculture.

FANZ's philosophy and approach to managing emissions

- 10 The Zero Carbon Amendment Bill provides the framework for emissions reductions, however, what sits under the legislation will be critical to achieving NZ's goals for a low emissions economy. FANZ considers the matters below which must fit within this framework, are critical in delivering a successful, productive and competitive low emissions agricultural sector for New Zealand.
- 11 **Certainty for business investment:** On-going certainty and consistency in regulation and policy is vital for continued business investment, innovation and capacity building in the primary industries. The Zero Carbon Amendment Bill goes a long way to providing this consistency. Cross-party agreement on these key policies will deepen the signal to the sector, increase certainty, and increase confidence in investing in emissions reductions.
- 12 **Flexibility to respond to markets and conditions:** FANZ supports systems that provide land managers with flexibility to manage their systems to achieve both environmental and production outcomes. This allows farmers choice about the most effective way of achieving outcomes for their particular property and circumstances. To ensure this flexibility requires

policies that account for and recognise the full suite of emissions reductions opportunities that a farmer/grower has at their disposal.

- 13 **Efficiencies in nutrient use:** We recognise that New Zealand producers are among the most efficient in the world. We need to be careful that we do not impose restrictions on producers that will disadvantage them compared to their competitors, leading to “leakage” of emissions offshore. New Zealand’s leadership position to the world is about showing how greenhouse gas emission reductions can be achieved while maintaining profitable farming.
- 14 Globally, good systems for management of livestock emissions will be very important, and this is where New Zealand can make its greatest contribution to reducing global emissions. If New Zealand attempts to simply transition entirely away from livestock, we will at best contribute to halving our 0.17 % contribution to global emissions. In contrast, developing and demonstrating solutions – including policies – for efficient livestock production and contributing to food security for high quality protein with low emissions, could provide a pathway for significant reduction in global emissions if New Zealand solutions are adopted internationally.
- 15 The majority of New Zealand’s agricultural land comprises rolling to steep landforms which are not suited to intensive arable cropping or horticulture. New Zealand pastoral systems use these lands very efficiently to produce high quality protein food production. Conversion to forestry on hill country landforms is highly beneficial however, it does not contribute to Article 2 (1) (b) of the Paris Commitment in terms of providing for food production.
- 16 Providing flexibility and opportunity to access the full suite of emissions reductions opportunities on an absolute and also intensity (emissions efficiency) basis, assists with
- a) meeting the terms of the Paris Commitments, specifically Article 2 (1) (b) which necessarily requires: “...*low greenhouse gas emissions development, in a manner that does not threaten food production*” and
 - b) maintaining New Zealand’s market competitiveness
 - c) avoiding leakage to offshore production with greater GHG emissions per unit of produce.
 - d) achieving a global impact by providing a positive role model scenario, for international agricultural systems to reduce their GHG emissions, while ensuring food security
- 17 **Drivers for change:** For the most favourable outcome in environmental management FANZ supports ‘effects’ based measures at farm level. Effects in this context result from managing the losses from the farm system, in preference to prescriptive controls on inputs.

Mechanisms for the transition to responsibility for GHGs

- 18 **Integrate management of greenhouse gases into the Farm Environment Plan** –Farm Environment Plans (FEPs) provide a vehicle to enable an integrated all drivers – climate change, water policy, biodiversity etc. FEPs can deliver a strategic five-year perspective on priorities for action tailored for the individual farm. The FEP can be supported by annual reporting mechanisms which demonstrate progress on farm.
- 19 **Farmer/Grower Choice** - FANZ proposes that farmer and growers have choice on who reports on GHGs obligations on their behalf. FANZ considers it is important that the point of obligation remain with the farmer, to ensure behaviour change. While the liability associated with emissions best rests with the farmer, flexibility on who reports on the behalf of the farmer will reduce compliance costs. Reporting could range from self-reporting, processor reporting on behalf of their supplying farms, or farm advisers reporting on behalf of a farm. The key focus needs to be to ensure that whoever does the reporting has the skills and capability to ensure accurate reporting of in farm emissions.
- 20 **Auditing recognises certification:** Professional training and quality assurance support a robust system for development of FEPs and reporting against them. Effectively, by using skilled and certified advisers the compliance burden is reduced. Existing nutrient management certification, including greenhouse gas endorsement is available through industry schemes and is poised for further growth and development, if there are clear signals.
- 21 **Phase in reporting:** It will take time to build the systems, for all farms, even though many already have the necessary farm level mechanism in place now.
- 22 The introduction of farm level accounting requires human resources, capability and systems to support it. This can be achieved several different ways, for example:
- a) phased introduction of responsibility for emissions (e.g. by farm type, financial turnover or emissions type),
 - b)
 - i) use of simple models/ look up tables where detailed assessment is not warranted, and
 - ii) use of detailed sophisticated modelling where it is warranted. Sophisticated modelling may be warranted where it provides a clear advantage to the land manager, or where it is already required, (e.g. for water quality regulation).
- 23 A phased reporting programme would allow systems to be developed and tested before full obligations are imposed.

Specific, uniquely placed expertise and products provided by the fertiliser industry

24 The industry is well placed to support farmers in addressing nitrous oxide emissions targets. The fertiliser industry is almost uniquely placed in terms of the number of trained staff with nutrient (farm nutrient cycling) expertise and the number of staff nation-wide with long-term one-to-one business relationships across all agricultural sectors. The fertiliser industry is also unique in that currently available products provide verified mitigation options for nitrous oxide mitigations from fertiliser as well as from livestock urine patches (subject to trade acceptance). The industry has invested in tools for assessing and reporting nutrient cycling on farms, including GHG emissions at farm scale. (Appendix 1 provides detail and examples of the relative GHG emissions within the agricultural sector compared to New Zealand total emissions, the role and importance of nitrogen fertiliser, and the currently known mitigations for nitrous oxide in agricultural systems).

Specific comment on the Climate Change Response (Zero Carbon) Amendment Bill

Setting a long-term emissions reduction target

Balancing certainty with flexibility

- 25 FANZ considers that climate change is a global challenge which must be addressed by all nations. The fertiliser industry acknowledges that the measures to address climate change are the measures which support efficient and responsible use of natural resources.
- 26 In addressing climate change to meet our obligations under the Paris Commitment, FANZ supports the approach which provides clear and consistent policy with environmentally and economically responsible emissions targets.
- 27 Clarity and consistency in approach is necessary to provide for confidence in business investment and growth.
- 28 FANZ believes that clarity and consistency for business development is provided by a firm emissions reduction target, which can only be changed if there has been a significant change in circumstances and robust independent evidence to justify a change to the target.
- 29 To achieve this level of certainty and consistency it is important there is good cross-party agreement and support. Indeed, cross-party agreement and a consistent approach is probably more important than the specific detail of the target.

Targets

- 30 FANZ supports that significant changes to circumstances, which might justify a change to the target might include:
- o global action
 - o scientific understanding of climate change
 - o New Zealand's economic or fiscal circumstances
 - o New Zealand's obligations under relevant international agreements
 - o technological developments
 - o distributional impacts
 - o equity implications (including generational equity).
- 31 FANZ supports a split target approach with short-lived gases, such as methane, having separate reduction targets compared to the long-lived gases, such as nitrous oxide and carbon dioxide.
- 32 FANZ shares concerns with the primary sector groups that the targets proposed, while intended to be challenging may not be achievable.
- 33 FANZ recognises that nil emissions for long-lived gases is not going to be possible, and offsets will be needed to achieve net zero emissions.
- 34 FANZ questions whether some form of offsets (both nationally and internationally) should also be provided for with short-lived gases. Offsets for gases which have a global warming effect should be supported. Offsets will be particularly important if technological break-through for methane reductions are not forthcoming.

Emissions budgets

- 35 Striking a balance between certainty and consistency for business investment and development, and providing for flexibility to respond to changing circumstances are conflicting tensions in setting firm emissions budgets. FANZ view is the Government's proposals in the Zero Carbon Bill strike the right balance.
- 36 FANZ Supports a clear and workable transition to achieving GHG reductions. Five yearly targets and signals are highly desirable, however, the capability to manage and deliver in the first budget period, 2022-2025, will be limited because time is needed to build up the necessary resources. The first five years need to be about establishing the pathway that will enable the long-term reduction in emissions.

- 37 Budgets to be set and the mechanism to achieve them must take into account industry resources and capability, with a framework that provides the right signals but allows industry to respond with suitable investment.
- 38 As discussed above under mechanisms for transition, Farm Environment Plans (FEPs) provide an integrated system with a five-year perspective on priorities tailored for the individual farm. This integrates well with a five-yearly timeframe for national emissions budgets.
- 39 The proposed factors that any Commission and the Minister must consider when setting a budget are supported, however, in terms of feasibility, the Commission and the Minister should be compelled to consider the views and advice of industry, as follows:
- i. the emission and removal of greenhouse gases projected for the emissions budget period:*
 - ii. a broad range of domestic and international scientific advice:*
 - iii. existing technology and anticipated technological developments, including the costs and benefits of early adoption of these in New Zealand, (while also being mindful of potential for global benefit)*
 - iv. the need for emissions budgets that are ambitious but technically and economically feasible:*
 - v. the results of public consultation on an emissions budget, including the views and advice of industry:*
 - vi. the impact of the actions taken to achieve the 2050 target:*
 - vii. the distribution of those impacts across the regions and communities of New Zealand, and from generation to generation:*
 - viii. the implications of that distribution for mitigating, and adapting to, climate change:*
 - ix. economic circumstances and the likely impact of the Minister's decision on taxation, public spending, and public borrowing:*
 - x. the responses to the threat of climate change by all parties to the Paris Agreement or to the Convention:*
 - xi. New Zealand's relevant obligations under international agreements.*

Revision of Emissions Budget

- 40 FANZ supports that recommendations should be made by an Independent Climate Change Commission, however, that the final decisions rest with the elected representative, the Minister, following opportunity for input from the House of Representatives. It is supported that when the Minister departs from recommendations of an Independent Climate Change Committee, the reasons why must be explained.
- 41 It is noted that the proposed Bill at Clause 5ZB (2) appears to prevent any revision of the emissions budgeted notified, unless the Commission recommends a revision. This means

that the power for decisions on any revision of emissions ultimately rests with the Commission, not the Minister.

Emissions reduction plan

42 An emissions reduction plan with monitoring will be strongest if conducted in cooperation with industry bodies. We propose that government works with industry to help deliver the systems required to achieve the emissions reductions sought. FANZ considers this represents a key step towards achieving a farm-level pricing policy that will work for the sector and deliver the emissions reductions sought. The Government will benefit greatly from the sector's support to deliver an on-farm emissions management programme or pricing options.

Climate Change Commission

43 FANZ supports the establishment of an Independent Climate Change Commission with the advisory and monitoring roles of:

- giving independent, expert advice to the Government on emissions reduction and climate resilience
- monitoring and reviewing the Government's progress towards its emissions-reduction and climate-resilience goals.

44 Within the scope of complete independence, it is appropriate that the responsible Minister should be able to direct the Commission to consider government policy in two specific instances. Those being:

- when the Commission gives its regular advice about the NZ ETS settings
- if the Commission is asked for advice about New Zealand's Nationally Determined Contribution (NDC) under the Paris Agreement.

Selection of Commissioners and independence of Commissioners.

45 FANZ agrees that it is critical that the members of the Commission are independent of the government and between them provide a wide range of expertise and skill relative to not just climate change matters but business/trade/productivity, as these are the natural tensions which must be balanced, when weighing up the issues and giving advice to the government.

46 Section 5H of the Bill identifies the matters that the Minister must have regard to before recommending appointment of a member the Commission. These are:

- a) an understanding of climate change mitigation and adaptation, including the likely effects of any responses to climate change; and
- b) experience working in or with local and central government; and
- c) knowledge of the process by which public and regulatory policy is formed and given effect to; and
- d) technical and professional skills, experience, and expertise in, and an understanding of innovative approaches relevant to:
 - i) the environmental, ecological, social, economic, and distributional effects of climate change and climate change policy interventions; and
 - ii) te Tiriti o Waitangi and te ao Māori (including tikanga Māori, te reo Māori, mātauranga Māori, and Māori economic activity); and
 - iii) a range of sectors and industries, at regional and local levels.

47 FANZ supports the need to include wider skills in the make-up of the Commission. More explicitly in relation to 'economic' skills it is essential, that "business acumen" and "understanding of the drivers of trade" are provided for within the skill set and experience covered by the Commission.

48 Furthermore, it is important that there is a separation of science and technical providers to the Commission, from the Commission's role to interpret and evaluate the technical and science information, cognisant of wider considerations when making recommendations to government. Avoiding conflict between these different roles and responsibilities is highly desirable.

In summary:

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- Establishment of an independent Climate Change Commission.
- a split-gasses approach.
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- ensuring certainty and consistency for business investment and development
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- there needs to be cross-party agreement on enduring GHG targets
- Responsibility should be at the farm level with a phased introduction for reporting and for obligations to allow development of the capability

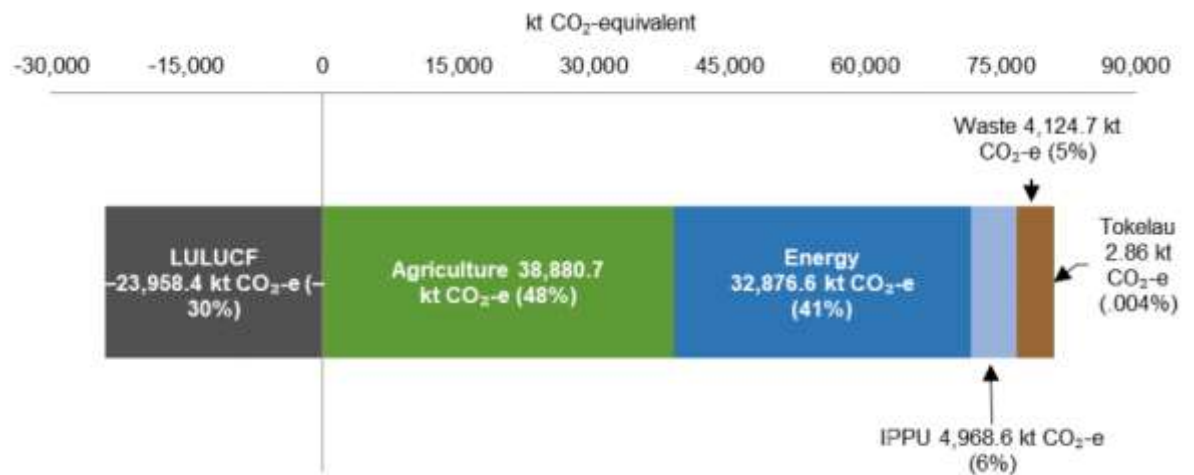
Appendix 1:

Additional context provided by GHG emissions data and an overview of the role of nitrogen fertiliser in farm systems.

Agricultural Emissions:

New Zealand's emissions profile is presented as follows, with agriculture responsible for 48% of NZ's emissions. (see Fig 1, Fig 2 and Table 1).

Figure 1 New Zealand's Greenhouse gas emissions by sector



SOURCE : Figure ES 4.2, page7, New Zealand's Greenhouse Gas Inventory 1990–2017, Publication no 1411

Total emissions from synthetic nitrogen fertiliser (including urea and associated direct CO₂ emissions) contribute approx. 5.8 per cent of agricultural emissions¹, while use of agricultural-lime contributes 1.1 % of agricultural emissions. Hence with rounding, fertiliser and lime reflect approximately 2-3 % and < 1 % respectively of Total NZ emissions at 2017.

¹ NZ's national inventory 2019, p 154

Table 1: Breakdown of New Zealand 'Total' Greenhouse Gas emissions 2017 by Sector

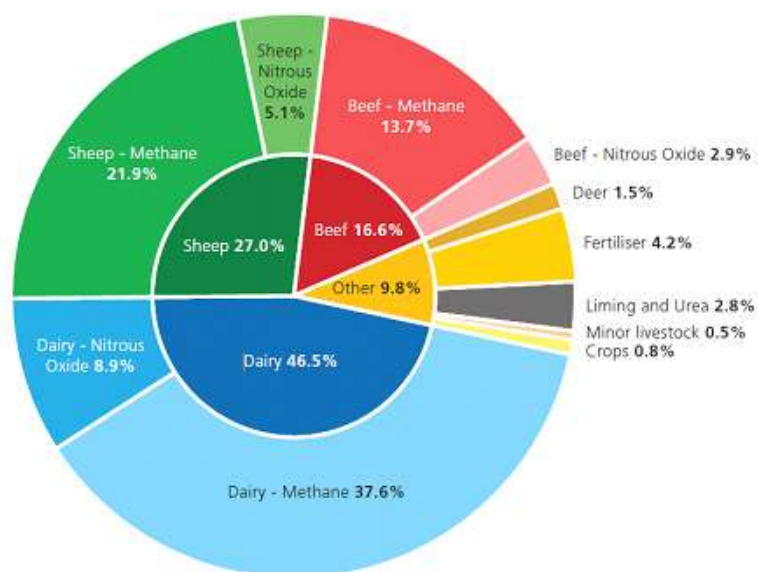
(and by gas and, for agriculture, by source)

Agriculture					Energy	IPPU	Waste		
48 %					41 %	6%	5%		
Methane (CH ₄)			N ₂ O	CO ₂	CO ₂	Mix	CH ₄	N ₂ O	
36 %			11%	1 %	41%	6%	4.9%	0.1%	
Livestock Enteric		Livestock Manure managmnt	Livestock Urine & Dung	N-Fert	Urea& Lime	Energy	IPPU	Waste	Waste
34 %		2 %	9%	2%	1 %	41%	6%	4.9%	0.1%

Source data: Derived from information on pages 148,149 & 192: "New Zealand's Greenhouse Gas Inventory 1990–2017", MfE April 2019, Publication number: 1411 (Approximate and relative values with rounding errors)

Figure 2: Breakdown of New Zealand 'Agricultural' Greenhouse Gas emissions 2016 by Sector (and by gas and by source)

Profile of domestic biological emissions, showing relative contributions of industry and gas (2016)



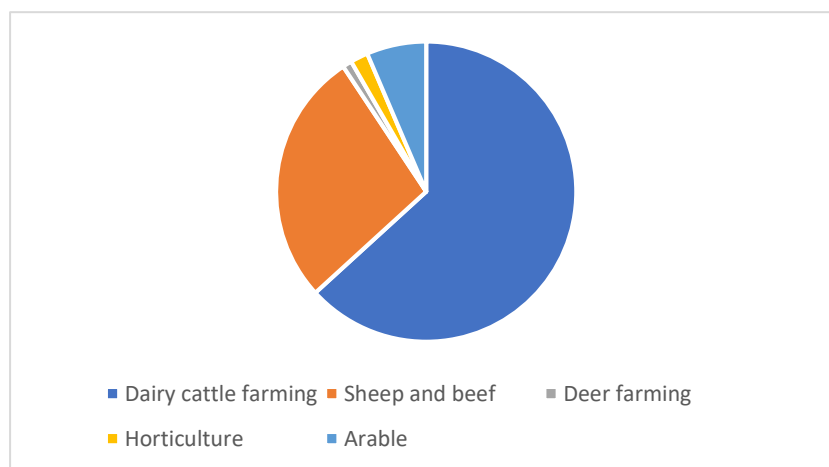
Source: Ministry for the Environment
 Note: National inventory figures are published two years behind the current calendar year (for example, the 2018 Inventory has figures up to 2016).

Source : Report of Biological Emissions Reference Group, Dec 2018

Nitrogen use in the pastoral system and horticultural / arable system.

90% of nitrogen fertiliser is applied to pastoral land, (dominated by dairy), with the remainder to horticulture and arable land use (Fig 3)

Figure 3: Nitrogen fertiliser use by farm system

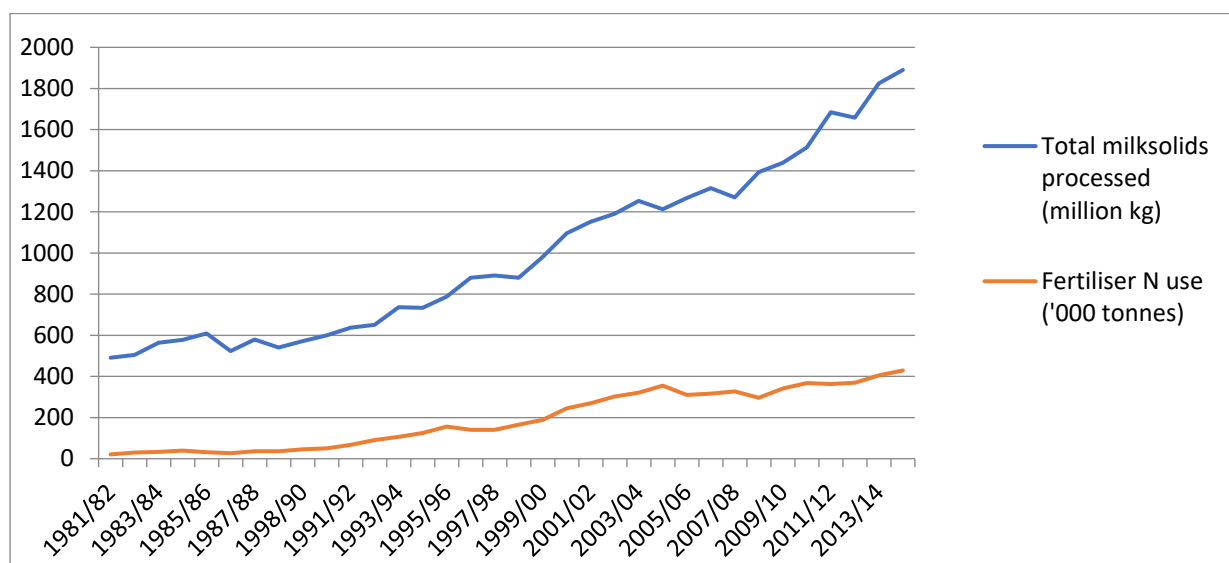


Data source: Stats NZ 2017 Agricultural census

Benefits of fertiliser use:

In support of farm productivity, the amount of synthetic nitrogen fertiliser applied to agricultural land has increased considerably since 1990². This increase in nitrogen fertiliser has been mostly associated with dairy industry expansion (land area increased by 23% since 1990) and intensification to remain internationally competitive. (Fig 4)

Fig 4: Comparison of milksolids processed with estimates of fertiliser nitrogen consumption in New Zealand.



Source: New Zealand Dairy Statistics, LIC, and Fertiliser Association of New Zealand.

Alternatives to fertiliser for a pastoral system

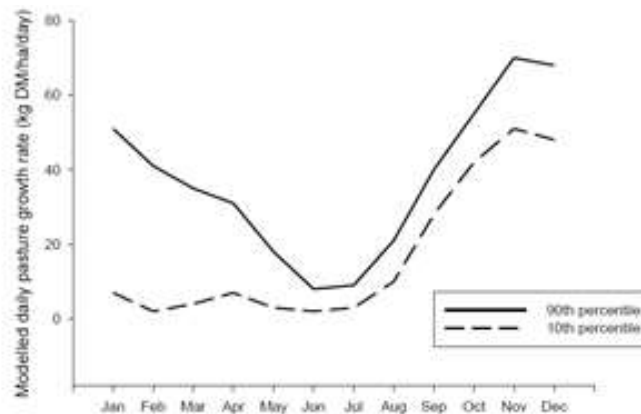
In a pastoral system nitrogen fertiliser is used to boost grass growth to fill periods of feed gaps. (i.e. early spring – late summer) In the absence of nitrogen fertiliser, other forms of feed (supplementary feed) can be brought in or alternatively production will simply match feed availability and drop significantly if pasture growth is inadequate.

Strategic use of nitrogen fertiliser in pastoral systems enables farmers to increase grass production to address seasonal feed gaps (with feed gaps occurring in early spring and late summer (Figure 5).

² NZ's national inventory 2019, p 64

Alternatives to introducing nutrient in the form of fertiliser, regardless of whether it is mineral or organic forms of nutrient for a pastoral system, include supplementary feeds, or being limited to nitrogen fixation by legumes as was the dominant nitrogen source prior to 1990's, as shown in Fig 4.

Figure 5: Example of typical seasonal pasture growth patterns.



Modelled daily pasture growth rates at Tokanui, based on 34 years of weather data. Lines show the 10th and 90th percentiles for growth rates each month over the 34 years (Data provided by Warren King).

Source: FERTILISER ADVICE – WHAT PROGRESS CAN WE MAKE?

Mark Shepherd & Gina Lucci in *Adding to the knowledge base for the nutrient manager*. (Eds L.D. Currie and C L. Christensen). <http://flrc.massey.ac.nz/publications.html>. Occasional Report No. 24. Fertilizer and Lime Research Centre, Massey University.

Cereal and vegetable cropping requirements

In a cropping or horticultural systems nitrogen fertiliser is used to ensure crop growth and crop quality aspects. Nitrogen is needed to replace or supplement soil available nitrogen. In the absence of nitrogen fertiliser at the correct time and rate, arable and horticultural crops can face significant yield or quality failure.

Proven greenhouse gas mitigations for nitrous oxide emissions from fertiliser and pasture:

The fertiliser industry has provided a number of proven mitigation options for the reduction of nitrous- oxide emissions from fertiliser and from the urine patch. e.g. Urease inhibitors for application with urea fertiliser, and nitrification inhibitors for application with nitrogen fertiliser and for application to livestock urine patch. (Use of nitrification inhibitors still remain subject to trade acceptance)

Urease inhibitors (UI) are currently provided to approximately 30 % of all urea sales (this been steadily increasing year-on-year) (Fig 6). UI provides a 4% reduction in GHG emissions from urea fertiliser, using national inventory calculations.

Uptake of urease inhibitors has been steadily increasing since 2010, due to the benefits of reduced system losses.

Figure 6: Percentage of urea fertiliser which has urease inhibitor (UI) coating, and the associated GHG mitigation benefit during the period 2010- 2017.

Year	Percentage of urea fertiliser applied that included urease inhibitor (urea treated/total urea)	Estimated greenhouse gas mitigation from using urease inhibitor kt CO ₂ -e
2010	6.9	4.1
2011	5.3	3.5
2012	7.0	4.6
2013	8.6	5.9
2014	20.2	13.6
2015	16.2	13.1
2016	26.5	20.1
2017	27.8	21.6

Source : Adapted from ; “New Zealand's Greenhouse Gas Inventory 1990–2017” MfE April 2019, Publication number: 1411

Nitrification inhibitors are currently voluntarily withdrawn due to market acceptance reasons, all though the product had been available for use with fertiliser for decades. The application to urine patches following grazing can reduce N₂O emissions, by anywhere between 20 % and 70 %³. Even at

³ “Nitrous oxide emissions from animal urine as affected by season and a nitrification inhibitor dicyandiamide” Weihong Qiu & Hong Jie Di & Keith C. Cameron & Chengxiao Hu Journal Soils Sediments (2010) 10:1229-1235

And
“Effects of the nitrification inhibitor dicyandiamide (DCD) on pasture production, nitrous oxide emissions and nitrate leaching in Waikato, New Zealand” SF Ledgard, J Luo, MS Sprosen, JB Wyatt, SF Balvert & SB Lindsey, New Zealand Journal of Agricultural Research, 57:4, 294-315

the lower end of the range, this represents a very significant reduction opportunity for a significant source of nitrous oxide from biological emissions. New and alternative products are currently under investigation for their use an application. Hence targeting fertiliser emissions must be considered from the perspective of the “farm system” approach, incentivising adoption of currently proven mitigations.

Agriculture's low emissions transition pathway

FERTILISER ASSOCIATION OF NZ

Achieving a low emissions transition pathway for New Zealand's agricultural sector will require:

1. Enduring, predictable and consistent policy to support business investment and behaviour change, avoiding shifting goalposts.
2. Farm-level obligation so farmers/growers are incentivised to take appropriate actions, and have flexibility to adapt their systems while meeting market demands.
3. Access to proven, verifiable mitigation products and technologies for farmers/growers.
4. Policies that provide for a productive, profitable and competitive agriculture sector and that add value in export markets.

The biggest impact we can have on global emissions is by showing it is possible to reduce agricultural emissions while maintaining production. If we get it right, others will follow. This is New Zealand's leadership opportunity and a key mechanism to effectively contribute to global reductions.

FARMER/GROWER INTEREST	FANZ PATHWAY PROPOSAL	GOVERNMENT CONCERN
EFFICIENCIES		
<p>REPORT ONCE</p> <p>Farmers/growers do not want to spend extra time reporting the same information to different entities. This time is better spent doing what they do best: producing quality agricultural products.</p>	<p>INTEGRATE INTO FARM ENVIRONMENT PLANS (FEPs)</p> <p>FEPs are a long-term strategic document (e.g. 5yrs) that allow farmers to prioritise actions and pace change. Water quality rules already require farm level accounting. Bring climate & water together and develop a centrally-funded, nationally agreed auditing system.</p>	<p>COST OF FARM/ GROWER REPORTING</p> <p>The costs of reporting, monitoring and complying at farm level could be huge.</p>
REPORTING METHOD		
<p>APPROPRIATE REPORTING</p> <p>It may not be appropriate for all farmers/growers to use a complex model to report on their emissions.</p>	<p>FARMER/GROWER CHOICE</p> <p>Liabilities should be based on the annual report, which draws on the FEP. Let farmers /growers choose whether to: - use a simple method or more complex model. - report themselves or have another entity do it on their behalf.</p>	<p>BURDEN OF ON-FARM REPORTING</p> <p>Concern about the logistics of having 35,000 farmers/ growers using a complex tool. 15,000 nutrient budgets are already required by existing or planned regional council policies</p>
AUDITING AND COMPLIANCE		
<p>AVOID TIME CONSUMING AUDIT & COMPLIANCE</p> <p>Avoid farmers/growers spending unnecessary time, energy and resources engaging in bureaucratic audit and compliance exercises.</p>	<p>AUDITING RECOGNISES CERTIFICATION</p> <p>Certified advisers or institutions carry the risk for errors in annual reports. Their skills, plus this liability, should increase quality & accuracy of reports and lead to better compliance outcomes.</p>	<p>COMPLIANCE FOR 35,000 FARMS</p> <p>Concerns about the logistics of running auditing and compliance for 35,000 farms.</p>
CAPABILITY		
<p>ACCESS TO RELIABLE ADVICE</p> <p>Farmers/growers need to understand their emissions and be able to rely on the advice they are given. Practical, tailored advice specific to their circumstances is needed.</p>	<p>UPSKILL ADVISERS & PHASE IN REPORTING</p> <p>Set clear policy direction - professionals will upskill in response. Training and certification opportunities are needed to enable this. Phase in reporting requirements to avoid saturating capability.</p>	<p>CAPACITY FOR ON FARM ADVICE</p> <p>Need to build capacity and capability quickly to support up to 35,000 farmers. Concern about "cowboys" providing unreliable advice.</p>
AFFORDABILITY OF ADVICE		
<p>YET ANOTHER COST</p> <p>Farmers/growers need to be able to access good advice - cost could be a barrier. Some aren't used to accessing professional advice.</p>	<p>GOVT SUPPORTS 10 HOURS FREE</p> <p>10 hours free advice for all farmers to encourage them to access professional support. <20 hours for Iwi/Māori farming organisations.</p>	<p>COST A BARRIER FOR SOME</p> <p>The first FEP will be expensive for farmers/growers.</p>
GOVERNMENT-FERTILISER CO-OPERATIVES COMMITMENT		
<p>The fertiliser industry is committed to emissions reductions and helping farmers thrive in an emissions constrained world. To demonstrate this commitment we are proposing:</p> <ol style="list-style-type: none"> 1. Tailored reporting to shareholders on the emissions embodied in products purchased 2. Investment in innovation that will improve the efficiency of nitrogen fertilisers 3. Advice to farmers to enable them to transition to profitable farms and climate responsibility 		

end/.