

# QUESTIONS & ANSWERS



## Sustainable Land Management and Climate Change Plan of Action

### What is the *Plan of Action*?

The *Plan of Action* is a \$175 million work programme work that the Government will implement in partnership with the land management sectors, local government and Māori, in order to tackle climate change. It will assist land-based sectors adapt to the challenges of a changing climate, take advantage of the business opportunities that may arise, reduce emissions and enhance forestry establishment.

### How was the *Plan of Action* developed?

The *Plan of Action* was developed following wide-ranging consultation with the agriculture and forestry sectors. The Government released the *Sustainable Land Management and Climate Change: Options for a Plan of Action* discussion document in December 2006. Consultation on the document included 43 meetings with farmers, foresters, local government and Māori, and resulted in 1233 written submissions. The *Plan of Action* was developed following further policy analysis and feedback from the consultation.

### How does the *Plan of Action* fit with the Emissions Trading Scheme?

Part of the *Plan of Action* will provide the supporting groundwork needed for the introduction of the agriculture and forestry sectors into the Emissions Trading Scheme (ETS), especially in research and technology transfer.

The ETS provides the basis for New Zealand to address continued growth in greenhouse gas emissions across all sectors (energy, transport, agriculture and forestry, etc).

### What is being done about the absence of technology to reduce methane emissions from livestock?

The *Plan of Action* includes a provision for significant new research funding of \$45 million over the next five years. Under the *Plan of Action*, a strategic research framework will be developed to prioritise research into new technologies and practices that will improve the measurement and reduction of greenhouse gas emissions, including methane from livestock. The framework will give precedence to areas where significant reductions can be made.

This research programme is in addition to funding already agreed by the Foundation for Research,

Science and Technology (FRST) and agriculture industry members of the Pastoral Greenhouse Gas Research Consortium (PGGRC)<sup>1</sup> for a second five-year joint funding cycle for research into agriculture emissions abatement. This consists of matching Crown funding for each \$2.5 million per year of agricultural sector investment.

The *Plan of Action* also includes the development of a technology transfer implementation programme to encourage and accelerate the uptake of new mitigation technologies and practices by farmers, as they become available.

## Why do the land-based sectors need to adapt to climate change?

New Zealand agriculture and forestry will be exposed to a changing climate marked by warmer temperatures, increased drought in the east, more intensive, frequent and damaging rainfall events across the country and, potentially, new pests and diseases. The sectors are likely to benefit from enhanced growing conditions, as long as water is available, but only up to the global average temperature increase of 1-2°C. After that, the effects of climate change become increasingly negative.

Effective adaptation to a changing climate will require the close cooperation of central and local government, the agriculture and forestry sector, Māori and other stakeholders. The Ministry of Agriculture and Forestry (MAF) will lead a process with the sectors, local government and Māori to identify activities to be included under a five-year adaptation programme.

## What is the Government doing to help the sectors adapt to the changing climate?

Under the *Plan of Action*, the Government will work with representatives from the sectors, local government and Māori to develop a five-year adaptation programme. This will be linked to work already being carried out through primary sector initiatives, local government work programmes and other government initiatives.

Work on water storage and irrigation is one of the single most effective actions to help the primary sectors adapt to climate change. For this reason, the Government has established the Community Irrigation Scheme, a \$5.7 million fund running over nine years, as part of the adaptation programme under the *Plan of Action*. This scheme will support a range of activities to gain investor and community support for irrigation scheme development after an initial feasibility study has been done, but before resource consents are applied for.

## What else besides the ETS is the Government doing to reduce greenhouse gas emissions?

For forestry, the *Plan of Action* includes a new measure – the Afforestation Grant Scheme, which is aimed at encouraging smaller forest owners to plant more trees. This initiative is intended to promote the creation of additional ‘forest sinks’ and will deliver other environmental benefits such as erosion reduction, water quality improvements and increased biodiversity.

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<sup>1</sup> Fonterra, Dairy InSight, Meat NZ, Deer Industry NZ, NZ Fertiliser MRA, Wrightson Ltd.

The *Plan of Action* also includes minor amendments to enhance two existing initiatives to reduce carbon emissions:

- the Permanent Forest Sink Initiative (PFSI), which allows landowners to receive Kyoto-compliant carbon credits for carbon dioxide absorbed from the atmosphere by eligible forests;
- the East Coast Forestry Project, which encourages tree planting on erosion-prone land in the East Coast region.

For agriculture, the Government expects the sector to start taking steps towards reducing emissions before 2013. It will require the sector to monitor and report its emissions as early as 2011. The five-year period before agriculture enters the scheme will also provide opportunities for:

- \* pilot farm level monitoring and reporting of emissions;
- \* increased contribution from the sector towards research into mitigation and adaptation;
- \* increased contribution to technology transfer; in particular, commitments to introduce mitigation technology and energy efficiency on farms.

### Why does the *Plan of Action* consider business opportunities arising from climate change?

Moving from a high-emission to a low-emission economy is as much about positioning New Zealand for longer-term economic growth as it is about meeting this country's international climate change obligations. New Zealand's agricultural and forestry industries will need to adapt to changing markets and capitalise on the resulting business opportunities if they are to secure their long-term viability in a world increasingly focused on climate change.

Under the *Plan of Action*, a five-year Government-Primary Sector Partnership Programme will be developed to maximise business opportunities. This programme will identify how New Zealand's land-based primary sector firms and industries can prepare themselves for longer-term economic growth and competitive positioning. Over the next six months, to March 2008, a working group that includes representatives from the primary sector and Māori will be set up to identify the activities to be included under the programme.


### How will the sectors and other interests be involved in developing the *Plan of Action*?

The Government is committed to moving forward on the basis of meaningful partnership with the sectors, local government and Māori.

The formation of a Peak Group will provide the highest level of partnership to support the *Plan of Action*.

The Peak Group will consist of key representatives from Māori, the forestry and agriculture sectors and local government, and its members will set the strategic direction on the development and implementation of the *Plan of Action*. It will also help to provide a sounding board for the various sectors represented. The group will be chaired by the Director General of MAF.

Working groups for the various pillars of the *Plan of Action* will also provide a level of partnership



with the sectors. These working groups will provide practical and technical advice and coordinate joint implementation of the work programmes. They will have specialist and sectoral representation from forestry and agriculture, local government and Māori.

### How will the Peak Group be supported?

The Peak Group will be supported by a secretariat in MAF that will provide administrative assistance. This secretariat will be funded by MAF under the *Plan of Action*.

### Does the *Plan of Action* take Māori issues into account?

The plan acknowledges that Māori have a strong interest in the sustainability of agriculture and forestry for their continued and growing prosperity.

In recognition of their status as a Treaty partner and their particular type of land ownership, Māori will be involved in the development and implementation of the *Plan of Action* through representation on the Peak Group and on the various working groups.