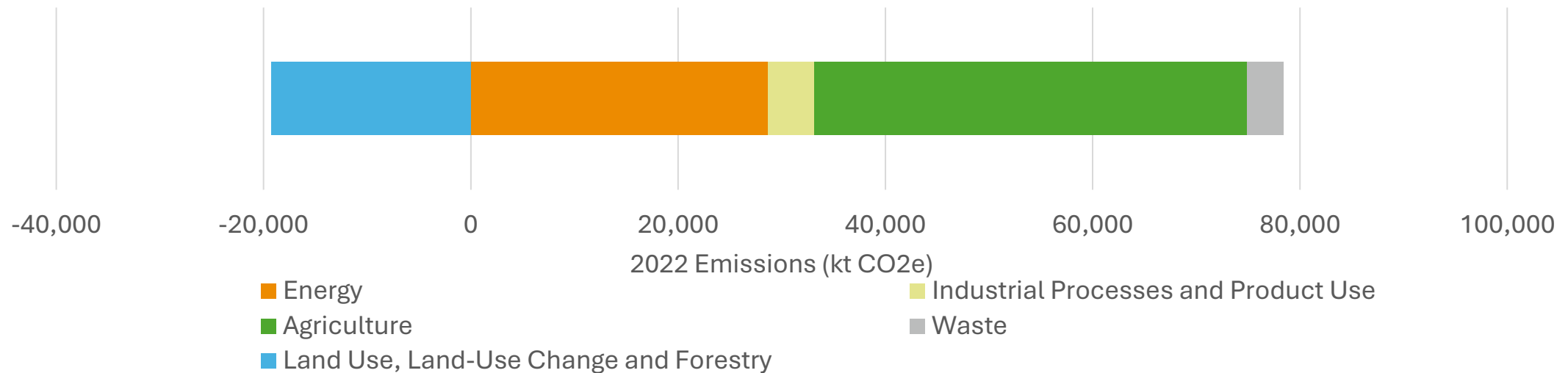


Policies for sustainable production

53% of New Zealand's gross emissions are from agriculture

- New Zealand is unique among OECD economy in its share of agricultural emissions
- The food and fiber sector make up 10.5% of the economy and employs 13% of the workforce
- 87% of electricity generation in 2022 was renewable
- Forestry offsets 21% of gross emissions



Food and fibre sector in the New Zealand economy



\$59.9 billion
in export revenue

Forecast, year to 30 June 2025.



82.5% of
goods exports

The food and fibre sector accounted for 82.5 percent of New Zealand's goods exports¹ in the year to 31 March 2025. Over the last 10 years, food and fibre exports have grown on average by 4.8 percent per year, whereas other merchandise exports have grown by 1.8 percent.²



\$40b = 2/3 exports

Drivers for Action

NZ Govt target/Domestic requirements:

- 10 per cent reduction below 2017 biogenic methane emissions by 2030, and 24-47 per cent by 2050* (*2050 under review)

Trading Partner requirements:

- Free Trade Agreements with sustainability and climate requirements (EU-NZ FTA; CPTPP; UK-NZ FTA)
- Carbon border tax adjustments
- Deforestation Regulation (EU, UK)

Customer requirements:

- Scope 3 Targets (e.g. supermarket supply chain including on farm emissions)

	By 2030	2050
Nestlé	↓ 50%	Net Zero
Danone	↓ 30.3% scope 1 & 3 forest, land and agriculture (FLAG) emissions. ↓ 30% in methane emissions from fresh milk for dairy products (absolute).	
McDonald's	↓ 16% scope 3 from FLAG emissions	
Sainsbury's	↓ 36.4% scope 3 from FLAG emissions	
Tesco	↓ 39% scope 3 by 2032 from FLAG emissions	
Mars	↓ 50%	

Current areas of focus – government's role



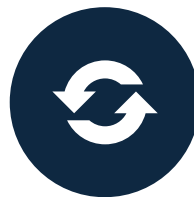
Measurement



Technology



Trade



Continuous
improvement



Public/private
partnership

Why standardise on-farm measurement



A widely-adopted, transparent and up-to-date emissions calculation methodology reduces transaction costs and risk, resulting in improved confidence and stability, supporting investment in emissions reduction

For Processors & Financial Services

Improve system integrity and confidence, reduce transaction costs associated with compliance and assurance of GHG reporting and incentive programmes

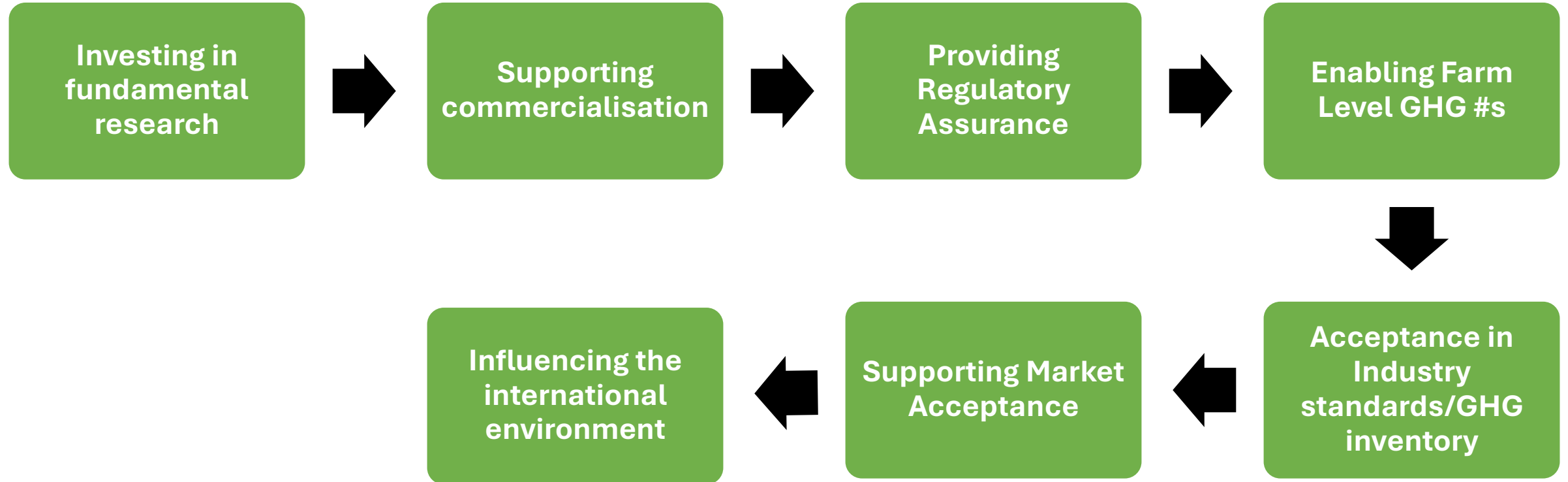
For Farmers

Reduce costs and burden of compliance, improve access to market incentives, and improve confidence in GHG reporting.

For NZ Inc.

Align with evolving market requirements, facilitate compliance with GHG reporting obligations including pricing agricultural emissions by 2030.

Technology led approach



Public/private example: AgriZero

AgriZero example: continued

AgriZero^{NZ} Scorecard

Q4 FY25
as at 30 June 2025



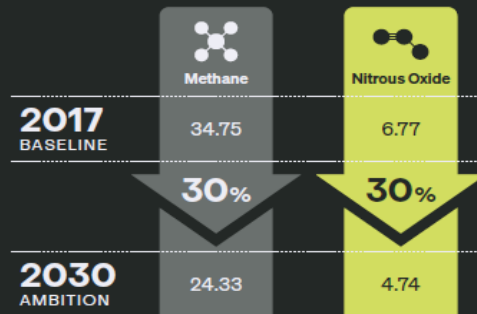
OUR PURPOSE

To undertake targeted investments and actions to accelerate development and deployment of solutions that will be used by New Zealand farmers and others to significantly reduce emissions



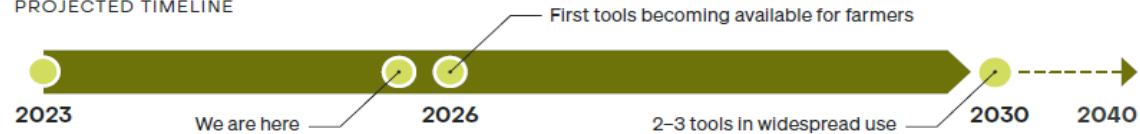
OUR AMBITION

To ensure all farmers in Aotearoa New Zealand have equitable access to affordable, effective solutions to reduce biogenic methane and nitrous oxide emissions, with a goal of supporting a 30% reduction by 2030 and drive towards 'near zero' by 2040

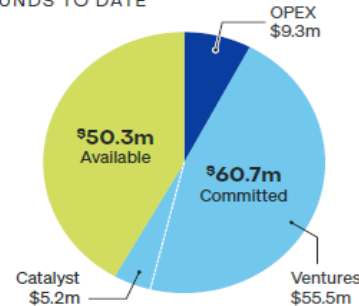


Million tonnes of carbon dioxide equivalent (Mt CO₂-e)
Baseline source: New Zealand's Greenhouse Gas Inventory

PROJECTED TIMELINE



FUNDS TO DATE



Investors contribute to our fund each year. Industry funding is matched by Government, dollar-for-dollar. New investors can join and grow the fund.

TOTAL FUNDS TO 2026

\$191m

INVESTMENT HIGHLIGHTS

Company	Tool	Animals	Funds
Agrochemical Products NZ	Feed additive		\$0.4m
Agteria Biotech	Feed additive		\$4.1m
ArkeaBio	Vaccine		\$9.9m
BioLumic	Pasture		\$5m
BiomEdit <small>UPDATED</small>	Feed additive		\$6.3m
Bovotica <small>UPDATED</small>	Feed additive		\$1.5m
Hoofprint Biome Inc	Feed additive		\$13m
Lucidome Bio	Vaccine		\$9.5m
Ruminant BioTech	Bolus		\$5.8m

VENTURES INVESTMENTS
Tools & tech

9

CATALYST INVESTMENTS
Research & trials

5

POTENTIAL INVESTMENTS
On our radar

77

Ministry for Primary Industries
Manatū Ahu Matua



Recommendations for APEC



For individual economies:

- Don't ignore agriculture
 - There are reductions available in production
 - You can have the “triple win”
- Context/economy specific focus and method
 - Must work politically

For APEC as a group

- Support outcome-based trade rules
 - Allow diverse approaches to maximise food security
- Agree measurements/standards
 - Outcome-based approach requires agreement on how you measure success/achievement

Thank you

philip.houilding@mpi.govt.nz