

He Waka Eke Noa Steering Group Terms of Reference

Purpose of the He Waka Eke Noa Steering Group

- 1) Ensure delivery of milestones/actions of He Waka Eke Noa and its joint action plan.
- 2) Develop recommendations to Ministers for Climate Change and Agriculture on a farm level system to reduce agricultural methane and nitrous oxide emissions that includes a pricing mechanism building on the principles set out in He Waka Eke Noa.

Context

- 3) In early 2019, the Food and Fibre Leaders Forum¹ indicated to the Prime Minister that they saw an opportunity to work in partnership with Government to achieve the best outcomes for the country and the food & fibre sector with respect to agricultural emissions.
- 4) In July 2019, at the same time as the Interim Climate Change Committee (ICCC) report on pricing agricultural emissions was released for consultation, the Food and Fibre Leaders Forum released He Waka Eke Noa – the Primary Sector Climate Change Commitment.
- 5) Government sought feedback on both the ICCC's recommendations, and the options proposed in He Waka Eke Noa.
- 6) In October 2019, Cabinet agreed to take up the commitments set out in He Waka Eke Noa, and to work with the food and fibre sector and iwi/Māori to support the transition to farm-level pricing from 2025.
- 7) Through this agreement the Government and primary sector organisations have committed to work in good faith with each other and iwi/Māori to design a practical and cost effective system for reducing emissions at the farm level by 2025. Industry committed to work constructively with Government to design a pricing mechanism which reflects the principles for pricing set out in He Waka Eke Noa.
- 8) The 5-year joint action plan includes:
 - improved tools for estimating and benchmarking emissions on farms,
 - integrated farm plans that include a climate module,
 - investment in research, development and commercialisation,
 - increased farm advisory capacity and capability,
 - recognising early adopters,
 - recognising on-farm mitigation such as small plantings, riparian areas and natural cover.
- 9) Cabinet has also agreed that the independent Climate Change Commission will be requested to report to the Government in June 2022 on the progress made towards the milestones of He Waka Eke Noa and the establishment of a farm level reporting and pricing mechanism.

¹ Known at the time as the 'Farming Leaders Group'.

- 10) These milestones represent general indicators of progress needed to meet the farm-level reporting and pricing timeframes established in the Climate Change Response Amendment Bill. It is not the intent for the Climate Change Commission to be formulaic in its report to the Minister on progress of He Waka Eke Noa, but to consider if sufficient progress has been made on these milestones.
- 11) If progress is not deemed sufficient, the Government can bring the agriculture sector (livestock and fertiliser) into the New Zealand Emissions Trading Scheme at processor level prior to 2025.
- 12) Cabinet has also agreed that the Minister for Climate Change and Minister of Agriculture must table a report in Parliament by 1 December 2022 setting out core design details of an alternative farm level pricing system to the Emissions Trading Scheme.

Deliverables/Key milestones

Farm-level emissions pricing

- 13) In order to demonstrate progress and inform the Ministerial report back to Parliament on the feasibility and core design features of an alternative farm-level pricing system, the Steering Group should aim to provide recommendations on the core design features of an alternative pricing system by early 2022. Initial concept for an alternative pricing system should be complete by end of 2020. This will build on the principles set out in He Waka Eke Noa. Testing and refinement of that system with stakeholders should occur in 2021.

Emissions reporting

- 14) For 25% of farms in New Zealand, a person responsible for farm management holds a documented annual total of on-farm greenhouse gas emissions, by methods and definitions approved by the He Waka Eke Noa Steering group, by 31 December 2021.
- 15) For all farms in New Zealand, a person responsible for farm management holds a documented annual total of on-farm greenhouse gas emissions, by methods and definitions approved by the He Waka Eke Noa Steering group, by 31 December 2022.
- 16) A pilot of a farm level accounting and reporting system has been completed by 1 January 2024 across a range of farm types.
- 17) A system for farm-level accounting and reporting of 2024 agricultural emissions at farm level is in use by all farms by 1 January 2025.

Farm planning

- 18) Guidance is provided to farmers on how to measure and manage greenhouse gas emissions through farm planning by 1 January 2021.

² Climate Change Commission progress report due June 2022

Ministerial report on alternative pricing system due by Dec 2022. However, in the likely event that legislative changes are required to give effect to an alternative pricing system, completing the Ministerial report in June 2022 would give more scope to initiate legislative changes prior to 2023.

- 19) A quarter of farms have a written plan in place to measure and manage their greenhouse gas emissions by 1 January 2022³.
- 20) All farms have a written plan in place to measure and manage their greenhouse gas emissions by 1 January 2025.

Other

- 21) Progress toward broader milestones and actions set out in He Waka Eke Noa.

Membership

- Includes the following members:

#	Position	Representative
1	Chair (Independent)	Michael Ahie
2	Ministry for Primary Industries Manatū Ahu Matua	Deputy Director General (Policy and Trade) - Ruth Fairhall
3	Ministry for the Environment Manatū Mō Te Taiao	Deputy Secretary (Water and Climate Change) - Cheryl Barnes
4	Member with understanding of iwi, hapū and whānau perspectives	Vaughan Payne
5	Federation of Māori Authorities (FOMA)	Tanira Kingi
6	Beef + Lamb New Zealand	Jeremy Baker
7	Dairy New Zealand	Bruce Thorrold
8	Horticulture New Zealand	Michelle Sands
9	Federated Farmers of New Zealand	Karen Williams
10	Agrifood processor	Charlotte Rutherford

- 22) Members must complete the conflict of interest form and return it to the Programme Office by the first group meeting, and at any time if a new potential conflict of interest arises.

Changes in membership

- 23) In the event a Steering Group member no longer works for their organisation or cannot continue to be a member of the Steering Group, a replacement participant may be appointed in agreement between the Minister for Climate Change, Minister of Agriculture and Food and Fibre Leaders Forum Chairs.

³ The wording of this milestone provides flexibility on the level of climate change measurement and management included into farm plans that are developed prior to the completion of the guidance described in paragraph 17

- 24) If changes to the member organisations are required, they will be made in agreement between the Minister for Climate Change, Minister of Agriculture and the Food and Fibre Leaders Forum Chairs.
- 25) It is important that the steering group comprises experience and expertise in key areas of relevance to the programme including implementation of large-scale farmer behaviour change programmes; farms systems and farm management (dairy, horticulture, arable and drystock); agricultural economics. Where the Steering Committee lacks any of this expertise as a result of the normal appointments process Minister for Climate Change, Minister for Agriculture and Food and Fibre Leaders Forum chairs will agree on appointment of additional members.
- 26) The appointment and replacement process for the member with understanding of iwi, hapū and whānau perspectives to the Steering Group will be made in agreement between the Ministers for Climate Change, Minister for Agriculture and the Food and Fibre Leaders Forum Chairs. Ministry for the Environments Chief Māori Advisor and Ministry for Primary Industries will recommend names for the initial appointment and any replacements following consultation with key iwi/Māori climate change contacts including but not limited to the Iwi Chairs Forum/Climate Change Iwi Leaders Group.
- 27) A member may resign at any time by notifying the Chair of the Steering Group in writing.
- 28) A member's appointment may be terminated at any time for good reasons upon the recommendation of the Steering Group, and by the agreement of the FFLF and the Ministers. Good reason includes but are not limited to:
 - a breach of confidentiality,
 - communication or disclosure to the media of material that has not been authorised for release by the Steering Group, and
 - a failure to declare a conflict of interest that materially affects their ability to impartially operate as a member of the Steering Group.
- 29) Members may share information within their respective organisations and the organisations they represent related to the considerations, decisions and work programme of the Steering Group for the purposes of advancing the Steering Group's work programme and supporting continued mandate, but may be held accountable for actions taken by other members within their organisation and the organisations they represent that contravene the reasons listed above.

Term of appointment

- 30) The term of appointment for the Steering Group is the length of the work programme under the Joint Action Plan established for *He Waka Eke Noa*, noting that changes of membership can occur within that timeframe as set out above.

Fees and reimbursements

- 31) Letters of appointment will detail the remuneration and reimbursement arrangements for the Independent Chair and member with understanding of iwi, hapū and whānau perspectives.
- 32) All other members will be responsible for their own travel and reimbursement arrangements.

Way of working

Approach/principles

- 33) The following principles will guide the Steering Groups approach to a way of working
- Developing common goals and shared set of values and principles that underpin the relationship and how we will work together (including common vision, criteria and objectives to assess policy options) building on the principles set out in He Waka Eke Noa.
 - An inclusive and participatory approach that recognises the wide range of stakeholders with interests in the join action plan, including iwi/Māori.
 - Developing a detailed programme of action, including identifying key deliverables and milestones (in addition to those already agreed)
 - Trailing and learning from experience, including reviewing and refining the programme of action.
 - Clear accountability for action and commitment to transparent progress reporting.

Programme Office

- 34) The Steering Group will be supported a Programme Office, for the duration of the He Waka Eke Noa agreement.
- 35) The role of the Programme Office is to support the Steering Group and the delivery of the work programme through the working groups, including meeting arrangements, and preparation of a range of resources and materials at the direction of the Steering Group.
- 36) Expected roles in the Programme Office:
- Programme Director.
 - Project/Change Manager.
 - Communications and Engagement specialist.
 - Administrative support.
- 37) The Programme Office will support working groups for each work stream that will be formed to draw on wider government and industry resource. The formation of workgroups will take account of existing structures, and work programmes and look to leverage these to reduce administrative costs, or duplicate work, wherever possible.
- 38) Appointments to and cost-share arrangements for the Programme Office will be determined by the Steering Group.

Reporting lines

- 39) The Steering Group will report to the Minister for Climate Change and the Minister of Agriculture and the Food and Fibre Leader Forum Chairs at least quarterly, on progress toward key deliverables
- 40) After consultation the Food and Fibre Leader Forum Chairs the Steering Group will provide recommendations to the Minister for Climate Change and the Minister of Agriculture to inform the Ministers report back to Parliament in 2022 on the core design features of an alternative farm level pricing system.
- 41) Diagram illustrating reporting lines see Appendix 1.

Decision making process/lines of accountability

- 42) For formal recommendations the Steering Group will strive for consensus where possible.
- 43) In the case of consensus not being achieved alternative positions and options will be presented as part of recommendations.
- 44) Outside the accountability framework below, the He Waka Eke Noa Steering Group does not hold decision-making powers on government policy and decisions will remain with Ministers or Chief Executives as appropriate.
- 45) Outside the accountability framework below, The He Waka Eke Noa Steering Group does not hold decision-making powers on the organisations represented by the Steering Group and decisions will remain with Chairs or Chief Executives of those organisations as appropriate.
- 46) Government officials retain their ability to engage directly with treaty partners and a broad set of stakeholders and provide advice to Ministers on matters relating to the He Waka Eke Noa.
- 47) Notwithstanding paragraphs 41-42, Ministers and Industry have entered the He Waka Eke Noa partnership in good faith and with the expectation that Parties will work together design a mutually agreed effective farm level pricing mechanism that Government would implement in 2025.
- 48) Steering Group members are responsible for keeping the organisations they represent informed and for representing those organisations perspectives/positions so those perspectives/positions are considered as part of Steering Group decision making.

Accountability Framework

Decision type/ deliverable	Ministers	Food and Fibre Leaders Forum Chairs	Chief Executives (MPI/MFE and Food and Fibre)	Steering Group	Programme Office
Work Plan	Informed	Accountable	Accountable	Responsible	Supportive
Financial resource/investment	Accountable (if Budget implications)	Accountable	Accountable (If contingency funding implications)	Responsible	Supportive
Work Plan implementation	Informed	Informed	Informed	Accountable	Supportive
Final recommendations	Informed	Consulted	Consulted	Accountable	Supportive
Significant changes to time, cost or scope of Work Plan	Accountable (if Budget implications)	Accountable	Accountable	Responsible	Supportive
Minor changes to time, cost or scope of Work Plan	-	-	-	Accountable	Responsible
Communications	Informed	Consulted	Informed	Accountable	Supportive

Key for accountability framework

Responsible (owns product)
Accountable = to whom 'R' is accountable – who must sign off (Approve) work before it is authorised
To be Supportive – can provide resources or can play a supporting role in implementation
To be Consulted – has information and/or capability necessary to complete the work
To be Informed – must be notified of results, but need not be consulted

Meetings

- 49) Meet once a month at a minimum, with discretion to meet more frequently.
- 50) Meeting Schedule determined by the Chair and Members as part of their establishment phase.
- 51) Members are expected to treat meetings of the Steering Group as a high priority and attend as often as possible.
- 52) Members who are not able to attend a meeting may seek the agreement of the Chair in advance of the meeting to be represented by a substitute or proxy. Members are responsible for fully briefing any substitute or proxy prior to the meeting to participate and make decisions on their behalf. Substitutes or proxies from each organisation should be consistent where possible.
- 53) Meetings of the Steering Group will initially be held on a Chatham House rule basis, and rules relating to the conduct of Steering Group meetings may be changed by the Chair in consultation with the Steering Group members.
- 54) Meetings of the Steering Group must have a quorum of seven members. . A quorum is at least three representatives from non-government, an iwi/Māori representative and both the Ministry for Primary Industries and the Ministry for the Environment representatives, and the Chair of the Steering Group.
- 55) The Chair in consultation with the Steering Group can invite people to attend meetings as observers and/or presenters (eg, Climate Change Commission).

Media/Publicity

- 56) An important element in building trust and confidence in He Waka Eke Noa, both within member organisations and more broadly across New Zealand, is positive and consistent communications about the He Waka Eke Noa work programme. All Steering Group members and the Food and Fibre Leaders Forum have a role to play in building that trust and confidence. The Steering Group will develop a shared communications plan for their respective organisations and the Food and Fibre Leaders Forum reflecting this.
- 57) In engaging in/communication with organisations or peoples outside those represented in the Steering Group, the Food and Fibre Leaders Forum, and the Crown members are expected to:
 - convey the views and recommendations of the Steering Group,
 - reserve the right to express their preferences or options within those views and recommendations,
 - operate on a no surprises basis (that is, inform the Steering Group of upcoming engagement/communication).
- 58) Information in relation to He Waka Eke Noa held by Government departments will be subject to the Official Information Act 1982 (the Act). Information held by entities not subject to the Act will not be subject to the Act.

Timeframes

- 59) The Steering Group formally stood up from Jan 2020.

- 60) The Terms of Reference will be regularly reviewed by the Steering Group, at least annually or as otherwise required.

Disestablishment

- 61) On completion of Joint Action Plan in Dec 2024 or as otherwise determined by the Ministers and the Chairs of the Food and Fibre Leader's Forum.

Appendix 1: Diagram illustrating reporting lines

