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Chair’s Foreword - Michael Ahie

Tēnā koutou e hoa mā,

It’s a pleasure to present the six-month progress report for He Waka Eke Noa.

Standing behind this report are dozens of talented and committed people, working alongside each other – virtually, over the last few months – from across industry, science, and Government, and with specific Te Ao Māori expertise.

We are working to a common goal; putting the power of managing greenhouse gas emissions into the hands of farmers and growers.

The outcome we are after is complex and nuanced. We’re building a set of tools to give farmers and growers a way to improve measurement and understanding of farm emissions. A fundamental part of this is studying ways to recognise on-farm sequestration. This approach means we can recognise and reward farmers and growers for actions they take to manage their total farm greenhouse gases.

One of the most ambitious milestones for the programme is that by the end of 2022 all NZ farmers and growers know their emissions number. I am confident that we can do this. New Zealanders are known around the world for being innovative, and our farmers are world leaders.

The He Waka Eke Noa partnership is an opportunity for us to stand alongside our farmers and growers as our country leads the way on climate change. Thank you for joining us on the journey.

Nāku iti nei, nā,

Michael Ahie

Programme Director’s Foreword - Kelly Forster

The vision, mission and milestones of He Waka Eke Noa reflect the value of our farmers and growers as food producers and kaitiaki, and the role our country, farmers and growers continue to play at the forefront of global action on climate change in the primary sector.

The strength of this programme is in the primary sector, Māori and government partners working together and pulling in the same direction.

One of the key highlights of the first six months is seeing this partnership in action in the workstreams – people from a range of backgrounds across the partners, constructively working together through challenging issues and driving the programme forward. I also want to acknowledge the contribution AgResearch, Scion and Manaaki Whenua have been making to the programme. Their in-kind contribution of the country’s leading scientists and researchers will support the programme to develop scientifically credible outcomes.

A priority continues to be working with these experts and with farmers on options for recognising the sequestration that happens on farm, and on the design of an appropriate farm level emissions pricing mechanism.

As we shift out of the establishment phase of the programme, expect to see a focus on equipping farmers and growers to know their ‘GHG number’ and build greenhouse gas management into their farm environmental plans.
Introduction

He Waka Eke Noa: Primary Sector Climate Action Partnership grew out of discussions about how to achieve the best outcomes for the country and the food and fibre sector, while playing our part in global efforts to tackle climate change.

The primary sector, iwi/Māori and government are working in partnership to:

- Implement a framework by 2025 to reduce agricultural greenhouse gas emissions and build the agriculture sector’s resilience to climate change.
- Empower farmers and growers to measure, manage, and reduce on-farm emissions; recognise, maintain or increase integrated sequestration on farms; and adapt to a changing climate.

He Waka Eke Noa is at the beginning of a five-year programme that will equip farmers with the information, tools and support they need to reduce emissions and build resilience to climate change.

We are working towards farmers and growers:

- Including the mitigation of greenhouse gas emissions and adaptation to climate change in their farm business and environment plans by 2025
- Calculating their greenhouse gas emissions, and
- Being incentivised to take actions on climate change through an appropriate pricing mechanism for emissions, to be developed by 2025.

We are doing this to enable sustainable food and fibre production for future generations and competitiveness in international markets.

He Waka Eke Noa – the Primary Sector Climate Action Partnership is committed to finding the best outcomes for Aotearoa New Zealand and farmers and growers, while playing our part in global efforts to tackle climate change.

The partnership will equip farmers and growers with practical information and tools to measure, manage and reduce on-farm emissions; recognise, maintain or increase integrated sequestration on farms; and adapt to a changing climate.

Find out more at www.hewakaekenoa.nz
Six-Month Achievements

During the first six months, He Waka Eke Noa has:

- Held a series of workshops, involving more than 150 participants across the agriculture sector including Māori agribusiness, the science community, and government, to scope the programme and identify gaps, overlaps, and interdependencies with existing programmes.
- Established the workstreams needed to achieve our goals – identified workstream leads and participants and created workstream charters outlining their objectives, deliverables and interdependencies.
- Received commitment from industry partners and government to participate in and resource the programme.
- Established a Programme Office to support programme coordination and communications and engagement.
- Received in-kind commitments from AgResearch, Manaaki Whenua and Scion of subject matter experts to participate in workstreams.
- Developed draft greenhouse gas farm plan guidance for testing with farmers and growers.
- Completed a scan of existing extension programmes that could align with the He Waka Eke Noa milestones and initiated an analysis of gaps in existing programmes.
- Made an initial investigation of options to recognise and reward on farm sequestration and options for an appropriate farm level pricing mechanism.
- Short-listed definitions that need to be agreed to progress reporting options.
He Waka Eke Noa  Primary Sector Climate Action Partnership

PROGRAMME STRUCTURE

PARTNERS

STEERING GROUP
Michael Ahie (Independent Chair), Charlotte Rutherford (Agrifood Processors), Jeremy Baker (Beef + Lamb), Bruce Thorrold (DairyNZ), Karen Williams (Federated Farmers), Tanira Kingi (FOMA), Michelle Sands (Horticulture NZ), Vaughan Payne (Iwi Māori perspectives), Martin Workman (MfE), Ruth Fairhall (MPI)

PROGRAMME OFFICE
Programme Director  Programme Manager  Communications & Engagement  Programme Support

WORKSTREAMS

FARM PLANNING
INDUSTRY, MĀORI & GOVERNMENT LEADS

EMISSIONS REPORTING
INDUSTRY, MĀORI & GOVERNMENT LEADS

EMISSIONS PRICING
INDUSTRY, MĀORI & GOVERNMENT LEADS

ON-FARM SEQUESTRATION
INDUSTRY, MĀORI & GOVERNMENT LEADS

EXTENSION
INDUSTRY, MĀORI & GOVERNMENT LEADS

PARTICIPANTS
Beef + Lamb  DairyNZ  DCANZ  Deer Industry NZ  Federated Farmers  FOMA  HortNZ  MPI  MfE  Scientists/subject-matter experts

MĀORI AGRIBUSINESS - cross-connecting workstream that integrates Māori perspectives

Ongoing engagement with farmers and growers to test options and share knowledge and tools across all workstreams

OCTOBER 2020
Programme Structure

He Waka Eke Noa has a membership of 11 agricultural sector organisations including Māori Agribusiness, and two government departments.

Programme Office

A dedicated Programme Office is the central hub for all project management functions and provides support to the Steering Group and workstreams. The Programme Office includes a Programme Director, Programme Manager, Communications and Engagement Specialist, and Programme Support/Policy Officer.

During the establishment phase of He Waka Eke Noa, the Programme Office operated with just the Programme Director role, supported by a Programme Manager seconded from Fonterra. Recruitment for the Communications and Engagement Specialist and the Programme Support/Policy Officer roles has been completed, with these positions filled from September onwards. The recruitment process for the Programme Manager role, replacing the seconded role, is underway.

The Programme Office support functions (Human Resources, Information Systems, administration and office facilities) are provided by Beef + Lamb New Zealand.
Workstreams

The Steering Group has approved the use of workstreams to progress the work. These workstreams are a collective of qualified and experienced staff from across He Waka Eke Noa partner organisations who bring their wealth of knowledge to co-design and implement activities to achieve the milestones. The workstreams’ leadership structures are an ‘Industry Co-Lead’, a ‘Government Co-Lead’ and a ‘Māori Co-Lead’. Māori Co-Leads also form part of the structure of the Māori Agribusiness/Te Aukaha workstream. This ensures that the partnership approach is given prominence and brings the concept of co-design to life.

Additional to the workstream leads and participants, there are also technical subject matter experts involved in the workstreams who have been generously provided as in-kind contributions from AgResearch, Manaaki Whenua Landcare Research, The Fertiliser Association of New Zealand and SCION. These contributions add to the richness of thought and rigour within the workstreams.

Steering Group

A Steering Group has been appointed by Government and the Food and Fibre Leaders’ Forum to provide oversight and ensure delivery of the milestones and objectives of the work programme.

The agreed principles for the kaupapa and ways of working of the Steering Group are:

- Developing common goals and a shared set of values and principles that underpin the relationship and how they 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).
- Trialling and learning from experience, including reviewing and refining the programme of action.
- Clear accountability for action and commitment to transparent progress reporting.

The Workstream leads and participants are all provided from the He Waka Eke Noa partner organisations in an in-kind capacity.

This support is vital to the success of He Waka Eke Noa.

Four priority workstreams have been established (Farm Planning, Emissions Reporting, On-Farm Sequestration and Emissions Pricing) and are well into their work. Further insight into these workstreams is provided below. The Māori Co-Leads have been selected and will engage in the workstreams pending the finalisation of the funding arrangement for the Māori Agribusiness workstream/Te Aukaha. The Extension and Te Aukaha/Māori Agribusiness workstreams are in the process of being established.

1. The Food and Fibre Leaders’ Forum consists of B+LNZ, DairyNZ, Horticulture NZ, Federated Farmers, Apiculture NZ, the Federation of Māori Authorities, Foundation for Arable Research, Fonterra, Deer Industry NZ, Meat Industry Association, and Irrigation NZ.
Steering Group Members

- Michael Ahie – Independent Chair
- Martin Workman – Ministry for the Environment
- Ruth Fairhall – Ministry for Primary Industries
- Vaughan Payne – iwi/Māori
- Tanira Kingi – Federation of Māori Authorities
- Bruce Thorrold – DairyNZ
- Karen Williams – Federated Farmers of New Zealand
- Charlotte Rutherford – Agrifood Processors
- Jeremy Baker – Beef + Lamb New Zealand
- Michelle Sands – Horticulture New Zealand

More detail on each Steering Group member is available on the He Waka Eke Noa website.

Status

Over the past six months, the Steering Group has met at least once a month for formal governance meetings, with smaller sub-committees formed to consider specific issues such as funding arrangements, Māori partnership approach, and programme information technology needs.

The Steering Group has held meetings to discuss and agree upon the terms of reference, mission, purpose and programme criteria of He Waka Eke Noa. Impacted by travel and gathering restrictions as a result of COVID-19, all but two of the formal governance meetings, and every workshop, have been via video conference.

Reporting Lines

The reporting lines for the Steering Group are to the Ministers of Climate Change and Agriculture, and to the Food and Fibre Leaders Forum Chairs, as well having responsibility for reporting progress to the Climate Change Commission as illustrated in the diagram below.
He Waka Eke Noa  Primary Sector Climate Action Partnership

5-YEAR PROGRAMME OVERVIEW

OUR VISION
Farmers and growers take action on climate change to protect, restore and sustain our environment and to enhance our well-being and that of future generations.

OUR MISSION
We are working together to implement a framework by 2025 to reduce agricultural greenhouse gas emissions and build the agriculture sector’s resilience to climate change. Through this framework farmers and growers will be empowered to measure, manage and reduce on-farm emissions; recognise, maintain or increase integrated sequestration on farms; and adapt to a changing climate. We are doing this to enable sustainable food and fibre production for future generations and competitiveness in international markets.

ON-FARM RESULTS
By 2025 all farmers and growers are:

- including climate change mitigation and adaptation in their farm business and environment plans.
- calculating their net greenhouse gas emissions and being incentivised to take action on climate change through an appropriate pricing mechanism for emissions.

2020
- MARCH: Partnership established, and Joint Action Plan agreed
- JUNE: Workstreams underway
- NOVEMBER: Methods and definitions for calculating and reporting on emissions
- DECEMBER: Guidance on how to measure and manage emissions through farm planning

2021
- MARCH: Discussion with farmers and growers on options for understanding and recognising on-farm sequestration (that is, the long-term storage of carbon for example in trees or soil)
- MARCH: Discussion with farmers and growers on options for a farm-level pricing mechanism for emissions
- DECEMBER: 25% of farmers and growers in NZ know their annual total on-farm emissions and have a written plan to manage emissions

2022
- FEBRUARY: Partnership recommendations on farm-level emissions pricing mechanism and recognising on-farm sequestration presented to Government for consideration
- DECEMBER: 100% of farmers and growers in NZ know their annual total on-farm emissions

2023
- DECEMBER: Pilot project testing a system for farm-level emissions accounting and reporting completed

2024
- DECEMBER: 100% of farmers and growers in NZ have a written plan to measure and manage emissions

2025
- JANUARY: All farms in NZ using system for farm-level accounting and reporting of 2024 agricultural emissions at farm level

WORKSTREAMS
Each workstream involves a team of industry, Māori and government participants collaborating to co-develop climate change knowledge, tools and support for New Zealand’s farmers and growers.

FARM PLANNING
Develop a Farm Plan (FP) approach that:
- Establishes Good Farming Practice (GFP) principles for greenhouse gases that consider mitigation, sequestration, adaptation and adverse events
- Integrates and enables co-benefits with other regulatory farm planning, industry assurance programme (IAP) and farm business needs, including freshwater
- Is farmer focused and provides confidence in the application of the farm planning approach
- Acknowledges the kaitiaki practices of Māori landowners (including Te Hau Ora o te Ao) and that responds to and maximises the opportunities for Māori landowner mixed use farming systems

EMISSIONS REPORTING
Develop criteria, methodologies and definitions to:
- Build the awareness of farmers and growers of their on-farm greenhouse gas emissions and sequestration rates by 2022
- Build a farm-level accounting and reporting system that supports a farm-level pricing mechanism by 2023

ON-FARM SEQUESTRATION
Design a simple and cost-effective programme that:
- Enables New Zealand farmers and growers to understand and be recognised for the sequestration that is happening on their farm
- Drives behaviour change by empowering farmers to increase sequestration (or prevent carbon losses) on their farms, resulting in improved greenhouse gas emission profiles, broad environmental benefits

EMISSIONS PRICING
Design a farm-level pricing mechanism, that forms part of a broader behaviour change framework within He Waka Eke Noa, that:
- Incentivises farmers and growers to reduce greenhouse gas emissions within New Zealand’s agricultural sector
- Contributes to reducing greenhouse gas emissions from the agricultural sectors towards meeting New Zealand’s targets under the Climate Change Response Act
- Supports productive, internationally competitive and sustainable New Zealand agricultural and horticultural sectors

MĀORI AGIBUSINESS
A cross-connecting workstream that integrates Māori perspectives into He Waka Eke Noa to ensure relevance and delivery to Māori farmers, landowners, and land entities

EXTENSION
Details to be confirmed
## Key Milestones

### Farm Emissions Reporting

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<thead>
<tr>
<th>Status</th>
<th>Milestone</th>
<th>Rationale for Status</th>
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<tbody>
<tr>
<td><img src="image" alt="Green Circle" /></td>
<td><strong>Milestone One:</strong> For 25 per cent 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 accepted by the Steering Group by 31 December 2021.</td>
<td>The minimum standards for methods and definitions are being developed. However, there is further work to be done on integrating a Te Ao Māori perspective. A scan of existing extension programmes and their alignment with He Waka Eke Noa milestones provides a high level of confidence that existing industry commitments will achieve this milestone.</td>
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<td><img src="image" alt="Yellow Circle" /></td>
<td><strong>Milestone Two:</strong> 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 accepted by the Steering Group, by 31 December 2022.</td>
<td>A gap analysis of existing extension programmes is in progress. This will inform how existing extension programmes need to align to support this milestone and provide clarity on further programmes that will be needed to reach all farmers. Some risk remains around reaching farms not covered by existing extension programmes within a tight timeframe.</td>
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<td><img src="image" alt="Yellow Circle" /></td>
<td><strong>Milestone Three:</strong> A pilot of a farm-level accounting and reporting system has been completed by 1 January 2024 across a range of farm types.</td>
<td>Work is in progress to develop options for farm level accounting and reporting as part of the Emissions Pricing, On-Farm Sequestration, and Emissions Reporting workstreams. On track to make recommendations in February 2022. These recommendations may require legislative change which may impact timelines. Delivery of the milestone will be dependent on in-progress work to scope and deliver IT requirements for an accounting and reporting system.</td>
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<td><img src="image" alt="Yellow Circle" /></td>
<td><strong>Milestone Four:</strong> A system for farm-level accounting and reporting of 2024 agricultural greenhouse gas emissions at farm level is in use by all farms by 1 January 2025.</td>
<td>As noted in Milestone 3, there is work in progress to develop options for farm level accounting and reporting and scope the IT requirements for a system. Delivery of the milestone will be dependent on the IT system and ensuring extension programmes reach all farmers.</td>
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Farm Plans

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<th>Status</th>
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<th>Rationale for Status</th>
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<td><strong>Milestone Five:</strong></td>
<td>The draft greenhouse gas guidance has been developed for testing with Māori and stakeholders. However, there is work to be done to integrate a Te Ao Māori perspective.</td>
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<td>Guidance is provided to farmers on how to measure and manage greenhouse gas emissions through farm planning by 1 January 2021.</td>
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<td><strong>Milestone Six:</strong></td>
<td>A gap analysis of existing extension programmes is in progress. This will inform how existing and new extension programmes need to align to achieve this milestone. However, the implementation of this milestone is dependent on the development of guidance (Milestone 5).</td>
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<td>A quarter of farms have a written plan in place to measure and manage their greenhouse gas emissions by 1 January 2022.</td>
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<td><strong>Milestone Seven:</strong></td>
<td>A gap analysis of existing extension programmes is in progress. This will inform how existing and new extension programmes need to align to achieve this milestone. Some risk remains around ensuring extension programmes reach all farmers.</td>
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<td></td>
<td>All farms have a written plan in place to measure and manage their greenhouse gas emissions by 1 January 2025.</td>
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Farm-level Emissions Pricing

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<td><strong>Milestone Eight:</strong></td>
<td>We are tracking well with a short list of pricing and sequestration options which will be tested, refined and developed through 2021. However, there is work to be done to integrate a Te Ao Māori perspective.</td>
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<td>The Steering Group will provide recommendations on the core design features of an alternative pricing mechanism and a system to recognise on farm sequestration by February 2022.</td>
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<td>Initial concept for an alternative pricing mechanism will 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 will occur in 2021.</td>
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## Key Programme Risks

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<th>Risk</th>
<th>Mitigation</th>
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<tr>
<td>Recurring and remitting regional shutdowns as a response to COVID-19 will impact on people's ability to dedicate time if they need to be redeployed in COVID-19 response work, and limit the in person contact between the workstreams and Programme Office, making design and delivery more challenging.</td>
<td>Remain adaptable and agile, be comfortable using digital and web-based tools, and ensure that when COVID-19 could impact programme critical work that this is highlighted early.</td>
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<td>If key staff/industry partners become temporarily or permanently unavailable to participate in the programme due to competing work priorities this could lead to failure or significant disruption to the delivery of some workstreams or compromise the co-design aspect of He Waka Eke Noa.</td>
<td>Scope the required resourcing and allocate dedicated resource. Undertake robust contingency/handover planning in preparation if someone were to get pulled into other work or sick. Seek firm commitments that in kind contribution is prioritised within Industry and Government. Manage issues that arise and have good records and communication within the programme.</td>
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<td>If Māori and stakeholder expectations are not met this could lead to failure or significant disruption to the delivery of some workstreams or compromise the co-design aspect of He Waka Eke Noa.</td>
<td>Ensure the right selection of workstream leads and participants. Peer review work and obtain Steering Group sign off where required. Keep objectives at the forefront of documentation e.g. the programme plan.</td>
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The Farm Planning workstream is focused on developing a Farm Planning approach that:

- Is farmer-focused;
- Establishes Good Farming Practice (GFP) principles for greenhouse gases;
- Integrates and enables co-benefits with other regulatory FP, industry assurance programme (IAP) and farm business needs;
- Provides confidence in the application of the farm planning approach;
- Acknowledges the kaitiaki practices of Māori landowners (including the Hau Ora o te Ao) and responds to and maximises the opportunities for Māori landowner mixed-use farming systems.

The Farm Planning workstream has been focused on delivery of the milestone: ‘Guidance provided to farmers on how to measure and manage greenhouse gas emissions through farm planning by 1 January 2021.’

The workstream is considering both the technical content of what guidance should be provided to farmers via a Farm Plan, and the process of the appropriate mechanisms to provide the Farm Plan guidance to farmers. This workstream has also been at the forefront of identifying how He Waka Eke Noa works alongside other on-farm initiatives such as freshwater farm planning and biodiversity.

The draft guidance is on track to meet the 1 January 2021 milestone. The draft will be tested with farmers and growers from October prior to the milestone release date.
The Emissions Reporting workstream has been focused on delivery of the milestones:

- For 25 per cent 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 accepted by the Steering Group, by 31 December 2021.
- 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 accepted by the Steering Group, by 31 December 2022.
- A pilot of a farm level accounting and reporting system has been completed by 1 January 2024 across a range of farm types.
- A system for farm-level accounting and reporting of 2024 agricultural greenhouse gas emissions at farm level is in use by all farms by 1 January 2025.

This workstream has hosted three sessions and workshops with existing greenhouse gas estimation tool providers to keep them up to date with the programme and this workstream’s direction of travel.

This workstream will contribute to achieving lasting behaviour change by:

- Developing methods and systems for calculating and benchmarking emissions and removals – to provide some of the knowledge required for behaviour change, as well as social drivers for change (through benchmarking).
- Assessing emissions reporting tools and building farmers capability to know their number as a first step in helping farmers manage and reduce/offset their emissions.
- Developing a reporting system which enables emissions to be priced, as a driver for behaviour change.
This workstream has been focused on completing tasks related to building awareness amongst tool providers as well as farmers and growers, and answering some foundational and functional questions that needed to be considered:

- Developing and completing the Workstream Charter which sets out the purpose, objectives and criteria of the workstream;
- Developing the recommended methodology for defining a farm for the purposes of He Waka Eke Noa;
- Developing the minimum methods and definitions that a Greenhouse Gas Estimation tool must satisfy in order to be used to for He Waka Eke Noa’s milestones.
On-Farm Sequestration Workstream

Industry Co-Leads: Federated Farmers of New Zealand
Government Co-Lead: Ministry for Primary Industries
Māori Co-Lead: Federation of Māori Authorities
Workstream Participants: FFNZ, MPI, FOMA, Beef + Lamb NZ, DairyNZ, DINZ, MfE, SCION, Manaaki Whenua Landcare Research, DOC and HortNZ.

The On-Farm Sequestration workstream is designing a programme that incentivises on-farm carbon sequestration from sources that do not currently qualify under the NZ ETS. These sources may include, but are not limited to, native vegetation, soil carbon, riparian planting, shelter belts, woodlots, orchards and vines.

This workstream seeks to investigate, design, and propose a simple and cost-effective programme that:

- Enables New Zealand farmers and growers to understand and be recognised for the sequestration that is happening on their farms;
- Drives behaviour change by empowering farmers to increase sequestration (or prevent carbon losses) on their farms, resulting in improved greenhouse gas emission profiles; broad environmental benefits; and
- Supports and integrates with other He Waka Eke Noa workstreams.

This solution will empower farmers and growers to maintain and increase integrated carbon sequestration on farm.

Enabling farmers and growers to be better recognised for the carbon sequestration occurring on farms will mean the wider He Waka Eke Noa programme will have a ‘whole farm view’. That is, considers emissions sinks alongside emissions sources.

The workstream is undertaking a long- to short-listing process of options for recognising on farm sequestration. This will use a multi criteria method to determine the options that best align to the criteria above.

Once shortlisted, the most suitable options will be interrogated to address key information gaps, to provide the steering group with a comprehensive assessment and recommendations.

This workstream has the opportunity to design a low cost and socially equitable solution that holds environmental integrity and has farmer and grower buy-in.
The Emissions Pricing workstream is seeking to design a farm-level pricing mechanism, which forms part of a broader behaviour change framework within He Waka Eke Noa, that:

- Incentivises farmers and growers to reduce greenhouse gas emissions within New Zealand’s agricultural sector;
- Contributes to reducing greenhouse gas emissions from the agricultural sectors toward meeting New Zealand’s targets under the Climate Change Response Act; and
- Supports productive, internationally competitive and sustainable New Zealand agricultural and horticultural sectors.

The workstream is considering how designing this mechanism can meet the following criteria:

**Achieves agricultural sector emissions reductions**

- Achieves behaviour change and emissions reductions;
- Incentivises uptake of cost-effective mitigation;
- Avoids emissions leakage, allows food production to be maintained, and supports global emissions reductions;
- Supports a split-gas approach to biogenic methane.
Is cost-effective and workable for the agricultural sector and the New Zealand economy

- Minimises administration for the regulator and implementing organisations;
- Minimises administration and compliance costs to participants;
- Is practical and efficient for participants to interact with;
- Distributional impacts are equitable;
- Is enforceable;
- Recognises the wellbeing of rural communities and our people.

Supports farm systems to align with wider government and industry objectives

- Integrates with and supports broader government and industry initiatives to reduce greenhouse gas emissions;
- Supports a productive, profitable, and competitive New Zealand agricultural sector;
- Supports wider government and sector objectives, such as freshwater health, biodiversity, animal welfare, soil health, rural community, and value addition;
- Is consistent with the Crown’s Treaty of Waitangi obligations.

The workstream is undertaking a long- to short-listing process of options for the core design elements of an appropriate pricing mechanism. A multi-criteria method will be used to determine the options that best align to the criteria above.

Once shortlisted, the most suitable core design element options will be interrogated to address key information gaps, to provide the Steering Group with a comprehensive assessment and recommendations. This will include understanding the distributional impacts, and the cost benefit analysis of the options.
Extension Workstream

The Extension workstream is in the process of being established. The identification of Māori and Government workstream leads is fundamental to ensuring that the co-design and partnership principles are embedded in the establishment of this workstream. This workstream will include subgroups around key topics of supporting innovation and early action.

Potential objectives:

- Support the alignment of existing extension programmes with the objectives, goals and milestones of He Waka Eke Noa.
- Support the development of clear and consistent information for farmers around the why, what and how.
- Support the link between other workstream outputs (e.g. farm plan guidance and emissions reporting standards and definitions) to farmers via existing extension programmes.
- Understand gaps in existing extension related programmes (e.g. to build farm advisor capacity and capability) and identifying options to address those gaps.
- Identify and implement options to overcome barriers to early action to reduce emissions on farm, that are over and above what is already occurring in other workstreams (e.g. emissions reporting and farm planning).
- Identify and support the research, development and commercialisation of the practices, tools and technologies available to farmers and growers to reduce emissions, and to accelerate their uptake.

As a precursor to workstream establishment a team of extension experts from across partners has completed a scan of existing extension programmes and their alignment with the milestones of He Waka Eke Noa. The next step is an analysis of the gap between existing programmes and He Waka Eke Noa milestones for farm planning and emissions reporting.
At the heart of the Food and Fibre Leaders’ proposal to the Government on He Waka Eke Noa was the commitment to a three-way partnership approach between Government, Industry and iwi/Māori. This partnership approach explicitly included co-designing a detailed programme of action and identifying key deliverables and milestones.

Te Aukaha/Māori Agribusiness workstream is in the process of being established to ensure that iwi, hapū and whānau perspectives are incorporated throughout the development and delivery of the He Waka Eke Noa work programme. Te Aukaha is being led by the Federation of Māori Authorities (FOMA).

The overarching objectives of Te Aukaha are aligned with the overall programme goals:
- To ensure that Māori Collective Farmers have measured their baseline carbon profile (25% by 31 Dec 2021, 100% by 31 Dec 2022);
- To ensure Farm Environmental Plans are in place (25% by 1 Jan 2022, 100% by 1 Jan 2025) and being deployed; and
- To provide cohesion and add value to the other He Waka Eke Noa workstreams.

In late June interim funding for Māori workstream leads was secured for June/July. Workstream Co-Leads were appointed to the four priority workstreams (Emissions Pricing, Emissions Reporting, Farm Planning and On-Farm Sequestration) to provide Te Ao Māori perspectives and ensure that policy development in these workstreams supports the aspirations and specific challenges of Māori farmers, growers and landowners.

Up to this point the ability for FOMA and the Māori co-leads to engage fully in the programme has been limited by funding. More recently FOMA has had to pause Te Aukaha participation in the He Waka Eke Noa programme. However, activity in the He Waka Eke Noa programme is anticipated to resume as soon as a funding agreement by Partners for Te Aukaha is finalised.
The Next Six Months

With the programme now established, key activities over the next six months are:

- Mapping out broad and specific Māori and stakeholder engagement.
- Building awareness of the programme and what it means for farmers and growers.
- Testing of options with existing farmer reference groups.
- Detailed design and analysis of options for an appropriate farm level pricing mechanism.
- Detailed design and analysis of options to recognise sequestration on farm.
- Publish Farm Planning guidance on measuring and managing greenhouse gas emissions.
- Assessment and recommendations of minimum methods and definitions for estimation tools for use in He Waka Eke Noa’s milestones.
- Alignment and assessment of existing farmer and grower extension activities against He Waka Eke Noa’s milestones, with gap analysis on where more effort may be required.
- Support of the ramping up of implementation activities of the He Waka Eke Noa partners to achieve the emissions reporting and farm planning milestones by the end of 2021.
- Planning for the Information System needs for delivery of a farm level accounting system.