



Activity update December 2023

See inside for a snapshot of recent work by Beef + Lamb New Zealand and the New Zealand Meat Board

Supporting farming excellence

B+LNZ supports farmers to achieve sustainable, profitable farming systems – we deliver the world's best research, innovation, and extension.

Tailored extension programmes and resources

- **'Sow, Grow, Thrive' webinars** – highly successful series that brought together more than 1,000 farmers and experts online to discuss managing current challenging financial realities.
- **Regionalised extension plans** – developed and delivered with B+LNZ Farmer Councils to meet regional needs through field days and other events and opportunities – nearly 12,000 attendances and more than 5,200 individuals attending 373 B+LNZ events in the past year.
- **Farming for Profit days** – popular community-driven days on topics including smart spending, planning, successful partnerships, animal health, diversified finishing systems.
- **Webinars, podcasts and resources** – used and trusted by thousands of farmers for their accuracy and information.
- **Workshops** – supporting farmers with farm production and profitability (including Wormwise, Feedsmart and Better Beef Breeding) or with integrating systems to support environmental management (including winter grazing, farm planning and trees within farms).

Research and its application

- **Facial eczema (FE)** – initiated the groundbreaking and high-profile 'sheep poo study' to better understand the prevalence of FE across NZ and ultimately eliminate its impacts here. Around 250 farmers signed up to send us sheep poo.
- Our NSI extension ran the South Island's first Facing Up to Facial Eczema workshop to help farmers prepare for and mitigate the effects of FE.
- **Wormwise** – B+LNZ funds and runs the pan-sector programme which is giving farmers the best, consistent advice about managing drench resistance on farms.
- **Parasite research** – B+LNZ is building an international research and funding team to put new parasite management tools in farmers' hands.
- **Parasite Management Group** – support for this Wairarapa farmer-led pilot programme making changes to the way internal parasites are managed on-farm.
- **R&D to help farmers in a changing climate** – includes modelling new farm systems and providing information

to farmers on alternative pasture species through AgYields. Co-funding research in Northland, where the impacts of climate change will be felt first, with DairyNZ on resilient forages.

Investment in genetics

- **Dairy Beef Progeny test** – partnership with LIC sourcing and testing bulls to find the animals that give dairy farmers animals with short gestation and easy calving and give dairy beef farmers animals with fast growth and superior carcase traits.
- **nProve** – giving stud and non-stud farmers access to the world-leading NZ Genetic Evaluation for sheep, including across-breed genomically enhanced evaluations for maternal and now terminal sheep.
- **Informing New Zealand Beef (INZB)** – delivering innovation in beef genetics – including a trial of wearable cow monitoring systems and a pilot across-breed evaluation.
- **Across-breed beef progeny test** – animals are now being processed and a record number of bulls were nominated for the latest mating season.
- **Cool Sheep** – co-funded with MPI, aiming to offer sheep farmers access to low methane genetics.
- **Workshops and resources** – including 'Better Beef Breeding' and ram buying workshops regionally and online, and a visual sheep scores guide providing a detailed overview of the scoring system used by nProve.

Attracting people to our industry and looking after them

- **Attracting, developing and retaining skilled people** – partnering with organisations like PrimaryITO and cadet farms, running leadership and skills programmes like GenNext and promoting our Employment Hub.
- **Farmer wellbeing** – developing and promoting FarmSalus, a tool to assess farmer wellbeing, and supporting initiatives like Surfing for Farmers.
- **Post-cyclone recovery** – working with Rural Support Trust, Federated Farmers and other groups to support East Coast rural communities after cyclones Hale and Gabrielle.





Over the last five years
175,000 hectares of
sheep and beef farms
have been purchased to
convert into pine
plantations



Championing the sector

B+LNZ promotes our farmers as the world's best red meat producers – we build respect and support among New Zealanders and advocate for Government policies that enable rather than restrict farmers.

Advocating and tangibly influencing policy development

- **Pre-election advocacy** – with MIA, released the sector's manifesto and Briefing to Incoming Ministers. With Federated Farmers and DairyNZ organised Rural Issues Debate (35,000 on the livestream) where politicians outlined their primary sector policies. This (along with other farmer groups' work) contributed to major policy change signals in the new Government's coalition agreement.
- **Kiwis Backing Farmers** – campaign with 50 Shades of Green NZ, supported by MIA, highlighting the impact of environmental regulations on farmers. Resulted in over 27,000 individual emails to Ministers. One Facebook video on carbon farming was shared over 900 times and viewed more than 200,000 times.
- **Cumulative impact** – we released independent BakerAg analysis showing the cumulative impact of Government policy on sheep and beef farmers has been significant and without tangible benefits for farm businesses, rural communities or the environment.
- **Farmer input** – we used farmer surveys to inform advocacy on low-slope map for stock exclusion, carbon farming, biodiversity (700 responses total) and on advocacy priorities.
- We ran farmer feedback sessions across NZ (600 attendees) following concerns raised through the 2023 Annual Meeting process. Undertook a review of our policy and advocacy approaches.
- **Regional policy work** – supported farmers throughout NZ on plan changes and other consultations. Raised significant concerns about several regional councils' proposals to give effect to the NPS for Freshwater Management, particularly. Worked with others such as Federated Farmers. High-profile work included Environment Court appeals on:
 - Waikato Plan Change 1 – key issues such as permitted activity pathways, content of provisions and freshwater farm plans
 - proposed Southland Water and Land Plan – could mean all farming in Southland would require resource consent so partnered on Feds' appeal.

Carbon farming

- **Pushing for action** – we strongly support the integration of trees on farms as a win-win but continue to push for limits on whole farm conversions into forestry for carbon credits.

- **Leading the conversation** – we released reports that significantly lifted public understanding and led the Labour Government to start making policy changes:
 - report showing NZ was the only country to allow 100% forestry offsets, aside from Kazakhstan
 - research by Orme & Associates showing the scale and pace of sheep and beef land purchased for forestry, and
 - a report by legal firm Meredith Connell on policy responses.

Agricultural emissions pricing

- **Listening to farmers** – following farmer feedback we withdrew support for the He Waka Eke Noa proposal. Pricing is not justified and the focus should be on setting up a cost-effective farm-level measurement and reporting system that's practical and useful for farmers.

Methane targets

- **Groundbreaking research** – with Federated Farmers and DairyNZ, we commissioned research by world-leading climate scientists that clearly showed NZ's methane targets are too high. This helped prompt the new Government's commitment to review the targets based on no additional warming – a massive win.

Essential freshwater

- **Following advocacy by B+LNZ and others**, the new Government has agreed to review and replace the National Policy Statement for Freshwater and revise other rules such as stock exclusion and freshwater farm plans. This work is all critical and we'll continue to advocate for practical changes.

Biodiversity

- **National Policy Statement** – In response to farmer feedback and our advocacy, the new Government agreed to pause implementation of SNAs and we continue to call for major changes to this fundamentally flawed policy.
- **Biodiversity credits consultation** – provided a submission informed by farmer feedback.

Livestock traceability and biosecurity

- **Mycoplasma bovis** – worked with the Government and dairy industry on eradication.
- **Ministerial enquiry into COVID-19 response** – working across-sector, advocated for more involvement in decisions that affect our sector in any future pandemics.



Telling our sector story / trust and reputation

- **Beef + Lamb New Zealand Awards** – shining a light on the people, technologies and innovations that contribute so much to NZ’s world-leading red meat sector.
- **Promoting beef and lamb** – major funder of B+LNZ Inc’s high-profile marketing campaign with Stacey Waaka ‘Good things start with beef and lamb’.
- **Promoting positive stories about producers** – supporting initiatives like Open Farms, Meat the Need, Ballance Farm Environment Awards, and Ahuwhenua Trophy for Excellence in Māori Farming.
- **Pasture-Raised Advantage** – supporting research that confirms the nutritional advantage of red meat over plant-based alternatives.
- **Trusted data** – through the B+LNZ Sheep & Beef Farm Survey, supporting on-farm productivity benchmarking, insights for research and extension and to inform advocacy.
- **Regular reports** – telling the story of financial bottom lines in the coming year through the On-farm Inflation Report and the New Season Outlook. This informs our advocacy and how we help farmers navigate conditions, through workshops, seminars, field days etc.

Increasing market returns

B+LNZ works to ensure our farmers receive increased value from our sustainable farming systems and natural grass-fed beef and lamb – we identify and create market opportunities, work to dismantle trade barriers and grow consumer preference for New Zealand beef and lamb.

Taste Pure Nature

- **Effective partnerships** – through partnering with meat and exporting companies, TPN campaigns continued to grow awareness and aspiration to buy NZ grass-fed beef and lamb in the US and China.
- **China activity** – increased followers and engagement on social media platforms, ran influencer campaigns with Silver Fern Farms and Alliance, partnered with key media outlet Sanlian Life Weekly, and launched ready-to-heat beef and lamb meal solutions in Shanghai supermarkets. Aspiration to buy NZ grass-fed beef and lamb is up to 88 and 89% respectively (up 13 and 11% respectively vs 2019).
- **US activity** – ran successful influencer campaigns with Atkins Ranch, First Light Farms and Silver Fern Farms. B+LNZ’s tracking showed Californian Conscious Foodies’ aspiration to buy NZ beef and lamb is up 13% vs 2019.

Free Trade Agreements (FTAs)

- **UK FTA** – we worked with Government and the sector to get this FTA successfully approved by the UK Government and it has now entered into force – delivering significant improved access for beef, at a time when we need new markets.
- **EU FTA** – supported negotiations between the Government and the EU for the FTA signed in July – while the outcome wasn’t what we’d hoped for, the FTA does include an increase of 38,000 tonnes carcass weight equivalent of sheepmeat access over seven years, and a 10,000 tonnes carcass weight equivalent of new beef quota over seven years.

Global trade and cooperation

- **Connecting** – attended important global meetings to better understand recent shifts in the way the world views agriculture.
- **Working with international meat producers** – on areas of common concern including building understanding of the GWP* metric. B+LNZ was elected to the Board of the Global Roundtable for Sustainable Beef in November.
- **Barriers to International Trade report** – with MIA, we released this report that showed NZ’s framework of FTAs reduced the level of red meat tariffs by \$173 million between 2010 and 2022, and how NZ must evolve its trade strategy to capture more value.





The New Zealand Meat Board (NZMB) has been a cornerstone of New Zealand's red meat sector for over a century, acting as custodians of industry reserves to restore market confidence following crises and helping the country achieve optimal returns from beef and sheepmeat exports in international quota markets.

QUOTA MANAGEMENT

The NZMB's quota management programme, which facilitates red meat exports to New Zealand's global markets, is funded solely by quota holders (exporters), not through farmer levies.

On entry into force of the EU-NZ FTA, the NZMB will administer ten country specific tariff rate quotas across three export markets (EU, UK and US), covering beef, sheepmeat and goatmeat product. The NZMB assists processors, exporters and farmers to benefit from the preferential access in these quota markets, supported by verification programmes audited at processing plants, ensuring the New Zealand Government's international treaty obligations are met.

RESERVES MANAGEMENT

The NZMB's industry reserves are also not funded by farmer levies. These historical reserves, which arose from export meat proceeds withheld from farmers during World War Two, are held in a contingency fund and are available to help restore access to export markets should the country ever suffer a biosecurity outbreak.

Investment income from these reserves also helps fund important industry good projects that have the potential to lead to a significant shift in the overall positioning/profitability of the sheepmeat and beef industry.

\$2.6b



Oversees \$2.6 billion of red meat exports to the quota markets of the European Union, United Kingdom and United States.

The NZMB helped lay the groundwork for the new NZ-UK FTA, which promises substantial benefits and growth by eventually granting tariff-free access for beef and lamb into the UK, the first time since 1973.

\$76.9m



The Board manages \$76.9 million farmer livestock reserves, including a ring-fenced contingency fund to assist in major industry crisis to re-open export markets.

In the year ending September 2023, the Jarden investment fund recorded an annual return of 4.4%. The return was -4.10% in 2022 after fees and taxes.

NEW ZEALAND-UNITED KINGDOM FTA

A significant positive development was the commencement of the New Zealand-United Kingdom Free Trade Agreement (FTA) on May 31 2023. The FTA promises substantial benefits by eventually granting tariff-free access for beef and lamb into the UK, the first time since Britain's entry into the European Economic Community (EEC) in 1973. This high-quality agreement not only opens new avenues for growth but fosters closer cooperation between the NZ and UK red meat sectors.

For sheepmeat, the FTA grants New Zealand access to an additional 35,000 tonnes in year one, increasing to 50,000 tonnes in years five to 15, provided 90% of the existing World Trade Organisation sheepmeat and goatmeat quota is utilised. In the case of beef, access started at 12,000 tonnes in year one, incrementally increasing to unlimited quantities from year 11 onwards (with safeguards until year 15). As a result of the entry into force occurring on 31 May, New Zealand's actual access was 7,068.4 tonnes.

The NZMB, in collaboration with the Ministry for Primary Industries and Ministry of Foreign Affairs and Trade, diligently prepared for the FTA's implementation over the past year.

Following consultation with the sector on Quota Allocation Mechanisms for both new FTA quotas, the Board opted for a balanced approach with a 3.5% tranche for new entrants and the rest for those with qualifying production and/or export history.



SUPPORTING NEW ZEALAND'S BEEF INDUSTRY

The New Zealand Meat Board is an investor in the Informing New Zealand Beef (INZB) programme, alongside Beef + Lamb New Zealand and the Ministry for Primary Industries' Sustainable Food and Fibre Futures Fund (SFFF). The Board contributed \$1.4 million to the programme in the 2022-2023 financial year and is consulting with farmers on additional investment for the coming year.

Nearing the end of its third year, INZB is a ground-breaking initiative aiming to give breeders and farmers genetic tools to help produce great tasting beef and drive production efficiency, support a sustainable beef farming industry and ultimately boost the sector's profits by \$460m over the next 25 years.

In addition to developing a beef genetic evaluation system that includes traits that are important to New Zealand beef farmers, the programme is running a beef progeny test, linking in data from commercial herds and developing an extension programme to help drive uptake of the genetic tools produced as part of the project. The beef progeny test is complementary to the dairy beef progeny test run by B+LNZ.

More information can be found at blnzgenetics.com/informing-nz-beef



QUOTA MANAGEMENT

Paperless certification for United States

The NZMB's work with US Customs & Border Protection and supported by NZ Customs Service resulted in the launch of paperless certification for exporters of US Beef and Veal Quota. The digitisation of certificates has built efficiencies and cost savings into the trade process, which has been welcomed by exporters.

EU Sheepmeat and Goatmeat Tariff Rate Quota (TRQ)

For the quota year ending 31 December 2022, New Zealand recorded exports of 67,192.5 tonnes (carcase weight equivalent), representing 58.8% utilisation of the TRQ of sheepmeat and goatmeat under the quota. The quota allows a maximum of 114,184 tonnes (c.w.e.).

UK Sheepmeat & Goatmeat Tariff Rate Quota (TRQ)

When the UK exited the EU on 31 December 2020, an independent Sheepmeat & Goatmeat Tariff Rate Quota for the UK was created, allowing access of 114,205 tonnes (carcase weight equivalent) for New Zealand into the UK. In the quota year ending 31 December 2022, 36.1% of that quota was utilised. This represented 41,283.0 tonnes (carcase weight equivalent).

USA Beef and Veal Tariff Rate Quota (TRQ)

The USA Beef and Veal Tariff Rate Quota for the year ending 31 December 2022 was 213,402 tonnes (product weight) with 58.6% of that quota utilised.

EU High Quality Beef Tariff Rate Quota (TRQ)

New Zealand had quota rights to 846 tonnes by product weight of high quality beef into the 27 EU countries. In the quota year to 30 June 2023, 75.7% of that quota was utilised and that represented 640.7 tonnes of high quality beef, by product weight.

UK High Quality Beef Tariff Rate Quota (TRQ)

An independent High Quality Beef Tariff Rate Quota for the UK was created when the UK exited the EU on 31 December 2020, allowing access of 454 tonnes (product weight) for New Zealand into the UK. In the quota year ending 30 June 2023, 17.54% of that quota was utilised. This represented 79.6 tonnes (net product weight).

