



**He Waka Eke Noa consultation hui**

Thursday 11 November 2021



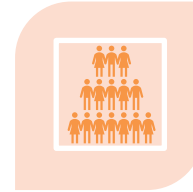
# Agenda

- **Overview of Māori agribusiness**
- **Overview of FOMA:** Partnerships and approach
- **Overview of HWEN:** Objectives and approach
- **Pricing Options:** Overview and Insights
- **Sequestration:** Overview and Insights
- **Next Steps**

# Context of Māori Agribusiness



~27 million ha Total  
\*1.7 million ha Māori  
\*12 million ha Pastoral



27,137 Land titles  
2.3 million Interests

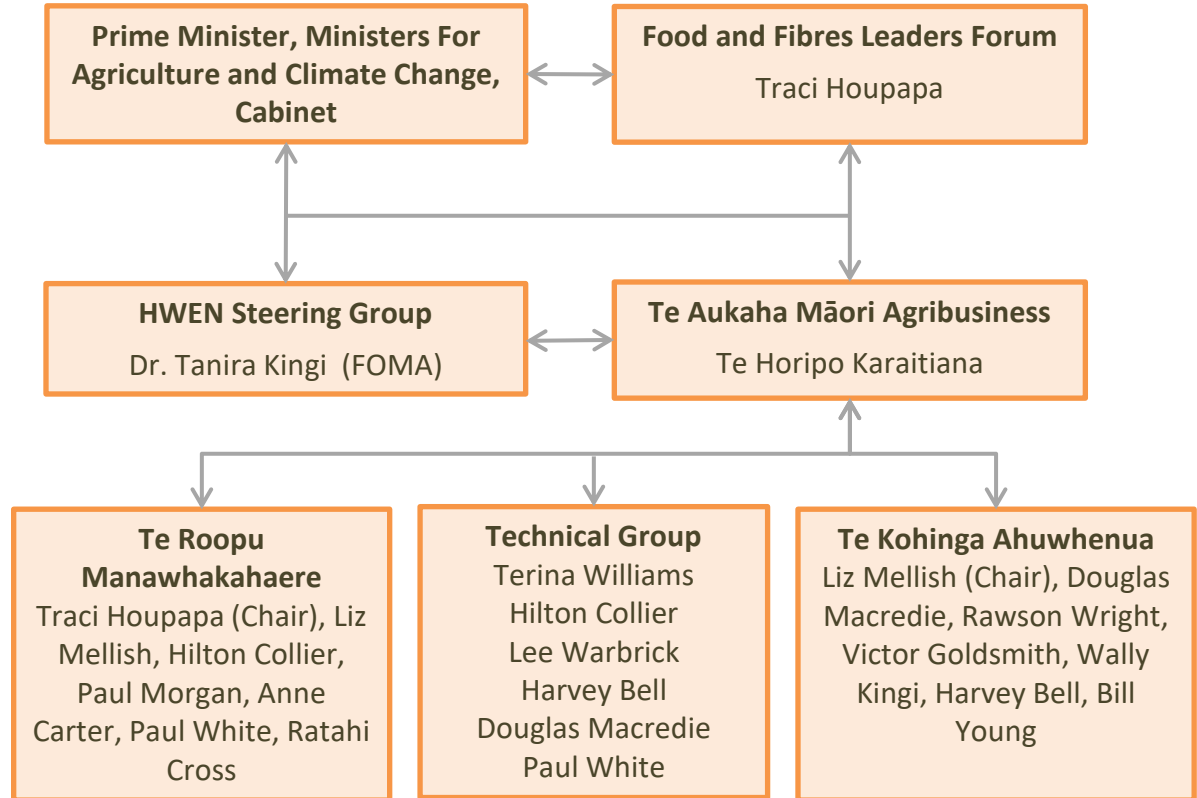


60% - Regional  
Distribution  
80% - LUC 6, 7, 8  
20% - LUC 1-5



Te Ture Whenua Māori  
Act 1993  
\*Competing principles  
\*Severe restrictions

# HWEN Partnership Framework



# Strategic Partnerships

Policy/Priority	Group	Government/industry Partner	FOMA members
Essential Freshwater, Resource management	Kahui Wai Māori Ministerial Advisory Group	Manatu Mo Te Taiiao	Kingi Smiler Chair, Paul Morgan, Traci Houpapa, Dr Tanira Kingi
	Te Tai Kaha – Māori fresh water collective FOMA, NZ Māori Council, Kahui Wai Māori	Manatu Mo Te Taiiao	King Smiler Chair, Traci Houpapa, Paul Morgan (Rights and Interests), Annette Sykes (Resource Management reform)
Fit for a Better World	Māori Primary Industry Forum	Manatu Ahu Matua	Traci Houpapa Chair, Dr Tanira Kingi, Bob Cottrell, Dr Riri Ellis, Ingrid Collins, Nadine Tunley
	Food and Fibres Partnership Group	Manatu Ahu Matua	Traci Houpapa, Miriana Stephens, Craig Ellison
Horticulture	Māori Horticulture Council NZ	Horticulture NZ	Ratahi Cross Chair, Te Horipo Karaitiana, Dr Riri Ellis, Traci Houpapa, James Wheeler and other FOMA members. Supported and sponsored by Te Awanui Hukapak
Forestry	FOMA Forestry Group	NZ Forest Owners Association	Frankie Taituma, John Bishara, FOMA forestry members
Science, research and innovation	FOMA Innovation	Science for Technology & Innovation NSC	Te Horipo Karaitiana, Reece Moors, Rawson Wright, Heni Unwin, Te Taiawatea Moko-Mead, Traci Houpapa.
Trade for All	FOMA Trade	Manatu Aorere	Traci Houpapa, Liz Mellish, Ratahi Cross, Paul Morgan, Johnny McGregor, Rawson Wright, Pita Tipene, Rachel Taulelei, Victor Goldsmith

# Te Aukaha Approach



Integration of  
Te Ao Māori



Te Tiriti o  
Waitangi



Climate  
Change  
Science



Equitable  
transition

## HE MĀHERE TAIAO

Te Hau Ora o te Ao

Tiakina te taiao, Tiakina te Iwi.

Care for the environment, so it can sustain the people.

### Ngā Ritenga Taiao

<p><b>Kaitiakitanga</b></p> <p>Active guardianship</p> <p>Long term focus</p> <p>For the coming generations</p> <p>Environment as a priority</p>	<p><b>Manaakitanga</b></p> <p>Caring for whānau</p> <p>Socio-economic wellbeing</p> <p>Caring for the planet</p>	<p><b>Mana Tuku Iho</b></p> <p>Mana Atua</p> <p>Mana Tangata</p> <p>Mana Whenua</p> <p>Whakapapa</p>	<p><b>Mauri</b></p> <p>Everything is connected</p> <p>Everything has a life force</p> <p>Holistic thinking</p>	<p><b>Mana Whakahaere</b></p> <p>Ngā Hapū me nga Iwi</p> <p>Collective approaches</p> <p>Partnerships</p>	<p><b>Mana Motuhake</b></p> <p>Hapū and Iwi</p> <p>Independence and inter-dependence</p>
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Tino Rangatiratanga  
Mātauranga Māori  
Tikanga

MĀORI








TE TIRITI  
Leadership Co-design

CROWN

Partnership obligations  
Protection obligations  
International obligations

### Ngā Kaupapa Matua:

Contributing workstreams?

<p></p> <p><b>Whenua</b> Land</p> <p>Sustainable land use</p> <p>Good farming practices</p> <p>Bio diversity</p> <p>Water quality policy</p> <p>Weed control strategy</p> <p>Pest control strategy</p> <p>Waste management</p>	<p></p> <p><b>Moana</b> Sea</p> <p>Oceans policy</p> <p>Three waters reform</p> <p>Urban &amp; Farm run-off</p> <p>Pollution</p> <p>Fisheries policies</p> <p>Bio-diversity</p>	<p></p> <p><b>Wai</b> Fresh Water</p> <p>Te Mauri o te Wai</p> <p>Customary ownership</p> <p>Pollution</p> <p>Essential use</p> <p>Productive use</p> <p>Awa, roto, repo</p>	<p></p> <p><b>Āhuarangi</b> Climate</p> <p>Climate change</p> <p>Sea level rise</p> <p>GHG emissions</p> <p>Carbon Zero</p> <p>Climate Commission</p> <p>Extreme weather</p>	<p></p> <p><b>Kōhauhau</b> Atmosphere</p> <p>Climate change</p> <p>Air quality</p> <p>GHG emissions</p> <p>Pollution</p> <p>Carbon Zero</p> <p>Climate Commission</p>	<p></p> <p><b>Ira Tangata</b> People</p> <p>Health of people</p> <p>Health of communities</p> <p>Land use change</p> <p>Economic opportunity</p> <p>Fairness and equity</p>	<p></p> <p><b>Ngā Tini o Tane</b> Flora &amp; Fauna</p> <p>Taonga species</p> <p>Bio diversity</p> <p>Animal health</p> <p>Weed control strategy</p> <p>Pest control strategy</p> <p>Restoration programs</p>
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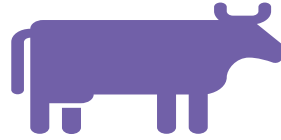
# He Waka Eke Noa Objectives

HWEN	Te Aukaha
<ul style="list-style-type: none"><li>All farms know their annual total on-farm greenhouse gas emissions. <i>(25% by 31 Dec 2021, 100% by 31 Dec 2022)</i></li></ul>	<ul style="list-style-type: none"><li>Māori will know their numbers and have a plan</li><li>Mohio ou tatau me te mahere</li></ul>
<ul style="list-style-type: none"><li>All farms have a written plan in place to measure and manage their emissions. <i>(25% by 1 Jan 2022, 100% by 1 Jan 2025)</i></li></ul>	<ul style="list-style-type: none"><li>Te Aukaha will assist Māori Agribusiness to achieve their lower emissions targets</li></ul>
<ul style="list-style-type: none"><li>Present pricing system recommendations to Ministers. <i>(by 31 March 2022)</i></li></ul>	<ul style="list-style-type: none"><li>Māori will lead the lower emissions economy in Aotearoa</li></ul>

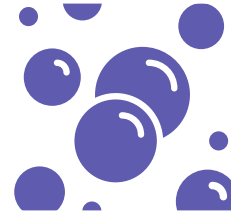
# Climate Change overview



**Climate change**



**Emissions**



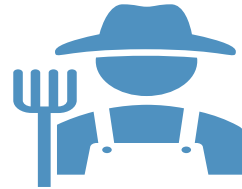
**Split-gas**



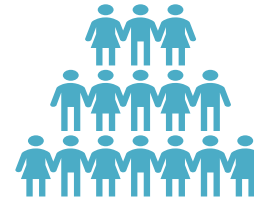
**Sequestration**



**ETS and HWEN**



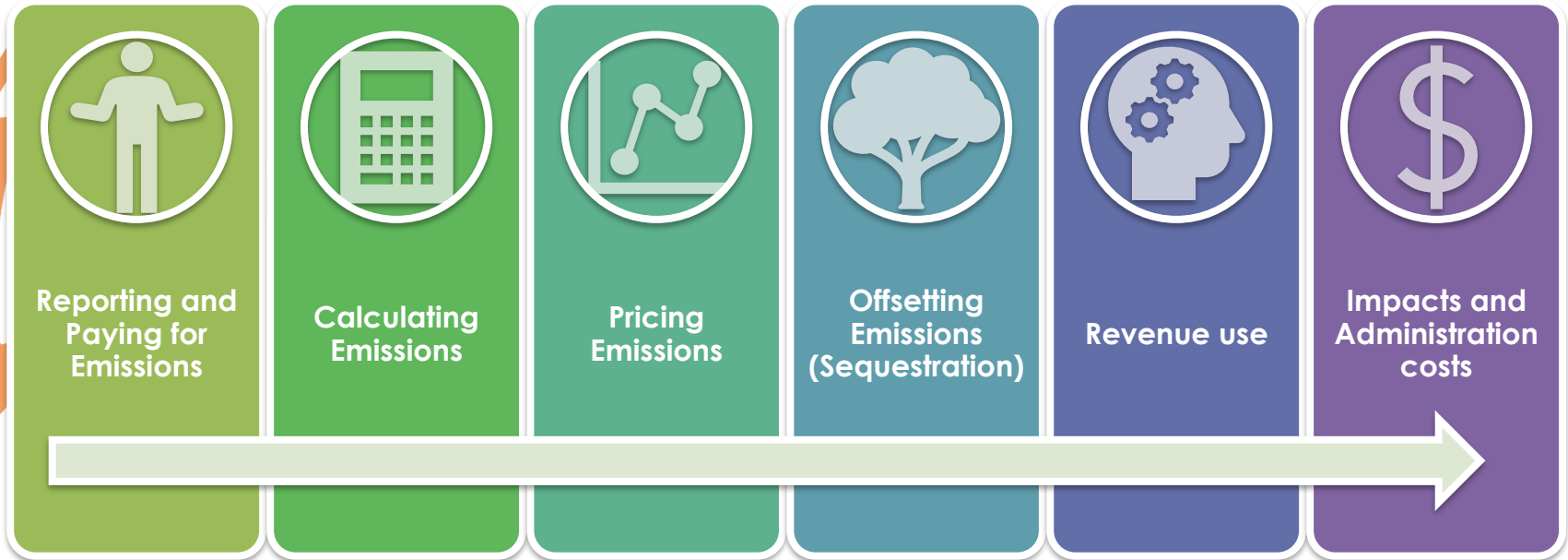
**Participants**



**Collectives**



# He Waka Eke Noa Approach






# Pricing Options



## (1) The Backstop



## (2) Farm-level Levy



## (3) Processor hybrid Levy

**Who?** Processor Level

**Calculated?** Tonnes product  
x Emissions factor

**Priced?** Carbon price

**Sequestration?** ETS eligible  
Separate from emissions (via ETS)

**Revenue?** Agriculture sector

**Advantages?** Low administrative costs

**Disadvantages?** No recognition of on-farm  
activities, split gas

Farm level  
(*Individual or collective*)

Central calculator  
(*simple/detailed*)

Split gas levy rate

HWEN eligible  
Same as emissions system

Agriculture sector

Split gas, recognises on farm  
efforts

High administrative costs

Processor level (*Levy*)  
Farm level (*EMC*)

Tonnes product  
x Emissions factor

Split gas levy rate

HWEN eligible (*EMC*)

Agriculture sector

Split gas, recognises on-farm  
efforts

Price signal is blunt/likely  
ineffective



## Pricing Insights



### (1) The 'Backstop'

- More you produce, more you pay
- No recognition of on-farm emissions reduction
- Sequestration based on existing ETS only/NZUs



### (2) Farm-level Levy

- Best incentive to respond
- Administratively costly
- Low price = weak incentive to change
- Strong price = makes sector(s) unviable



### (3) Processor hybrid Levy

- Economically efficient
- Challenge for complex ownership structures
- Administratively cost-effective
- Transitional measure?

# Sequestration



The faster the trees grow, the faster carbon is absorbed



The amount of carbon that different vegetation sequesters is finite



Awarded through an accounting method called “Additionality”



Two factors impact sequestration:

- The stage of growth
- The way it is managed



Vegetation falls into two broad categories: Permanent and Cyclical.



Liabilities, adverse events, Nature Based Solutions, Customary use.

# Comparison of Sequestration eligibility

Type of Vegetation	Description	ETS	He Waka Eke Noa
Exotic forest	More than 1 hectare of exotic and 30 metre canopies	✓	✗
Perennial cropland	At least 0.25ha of orchards and vineyards, associated with perennial cropland planted on or after 1 January 2008	✗	✓
Small woodlots	Up to 1ha and at least 0.25ha of tree species that have greater than 30% canopy cover, planted on or after 1 January 2008	✗	✓
Scattered trees	Minimum of 0.25ha for any area counted with minimum stocking rate of 15 stems per hectare planted on or after 1 January 2008. May include shelter belts	✗	✓
Riparian	Established on or after 1 January 2008 and are plantings suited to margins and banks of waterways including wetlands, minimum of 1 m wide from the edge of the bank of the waterway/wetland	✗	✓
Native forest pre-1990	(*a) with reward for active management of vegetation	✗	(*a) ✓
Native forest post- 1990	(*b) Post 1990 native forest can be registered in NZ ETS, but proof is needed that the land was not in forest prior to 1 January 1990.	(*b)	(*c)
	(*c) Post 2008 native trees planted will qualify for NZ ETS rates of sequestration. Pre 2008 native trees will qualify for a lower rate of sequestration, if the farmer can prove the area is being actively managed (stock exclusion). The sequestration rate will depend on the state of the vegetation.	✓	✓



# Te Aukaha Approach in HWEN

- Supporting Māori land owners, land users and land managers, as mana whenua with mana whakahaere, to act with authority over their land, resources and assets
- Addressing the historic disparities faced by Māori landowners by working with government and industry on key strategic and policy priorities
- Recognising the past and present contribution from Māori land owners to improving the emissions profile of Aotearoa
- Advising and informing Māori land owners on the policy, legislative and regulatory reform process and the effects on land use and land management



# Next steps

- Te Aukaha to circulate:
  - Consultation material
  - Survey and Questionnaire  
*(On November 24th, 2021)*
- Recommendations and feedback
  - *teaukaha@foma.org.nz*
- He Patai