

# UPDATE ON 2020/2021 WORK

## CEO's note

Welcome to the second annual B+LNZ farmer update about the work we've been doing on your behalf.

It has been an extraordinary year. Along with a global pandemic, the primary sector faced significant drought across many parts of the country, feed shortages, floods, continued eradication of *Mycoplasma bovis* (*M. bovis*), the risk of trade disruptions from Brexit and an unprecedented amount of new environmental regulation.

Despite these challenges farmers have performed remarkably well. This is testament to farmers' focus on animal performance, flexible farming systems and resilience. Our farmers are the best in the world at adapting to change and in 2020 they've illustrated that in spades.

Market-wise, a strong performance during COVID-19 was due to our diverse 120 export markets and deep understanding and relationships across our supply chains. Processing and exporting companies shifted product to different countries, and within markets moved to new channels such as from the food service sector to retail and e-commerce. They did an amazing job. We helped New Zealand weather the economic storm from COVID-19 and next year our sector's economic contribution is likely to be even more important as key sectors like tourism remain affected.

This document summarises what B+LNZ has achieved for farmers over the last 12 months and what we're now focusing on.

One of our most important jobs is to work in areas that farmers can't individually, giving farmers a strong voice with policymakers and in global markets.

While we haven't got everything we've been advocating for, we have had a significant impact on environmental regulation in the last year.

- The Government made substantial changes to the essential freshwater rules off the back of submissions from B+LNZ and from farmers, but we're still focused on ensuring they fix the remaining issues.

- On climate change, working with other industry groups we got Government agreement to the He Waka Eke Noa partnership, rather than bringing agriculture into the Emissions Trading Scheme (ETS) or having a blanket tax at the processor level.
- We've raised awareness of the lack of restrictions on forestry offsets in the ETS and all political parties have acknowledged a change is needed – we're now working on a solution.
- We started to see promising signs of movement on aspects of the National Policy Statement on Indigenous Biodiversity, before that process was paused prior to the election.
- Across the country, B+LNZ has also been deeply involved in regional plan change processes and supporting farmers.

We've continued to build the Taste Pure Nature origin brand, deepening our activity in the United States and launching in China. We're really pleased with the partnerships with processing companies that are now delivering tangible results.

This coming year we'll continue our focus on the environment, looking to fix specific parts of the essential freshwater rules (such as winter grazing and the low slope map for stock exclusion), get limitations on carbon farming, achieve recognition for sequestration happening on sheep and beef farms and get Government agreement on pausing any new environmental legislation.

We'll also launch our new Farm Plans. These are critical to giving farmers a pathway through environmental rules, and we're advocating for them to be accepted as a certified freshwater farm plan, but they're not just a regulatory tool – rather, they're designed as practical and cost-effective resources that add wider value to the farming business.

We'll also be having our referendum. In preparation for that, B+LNZ has worked with the Meat Industry Association (MIA) on a red meat sector strategy and we're now updating our B+LNZ strategy to give farmers a really clear picture of how your levies will be invested. You'll see more about this soon.

*Sam McIvor, CEO, Beef + Lamb New Zealand*



*By Farmers. For Farmers™*

# Enhancing our environmental position

The environment has continued to be a major priority for B+LNZ. Our focus in the last year has been on influencing sensible policy development, in response to an ambitious government agenda, through:

- continuing **advocacy** with Ministers, MPs and officials
- the funding of solid pieces of **research** to support our policy positions
- **supporting farmers to engage** in the consultation process.

We have also significantly lifted our support for catchment communities across the country – it has been heartening to see a major increase in momentum. We undertook high-profile information campaigns for farmers on improving winter grazing practices.

Our focus this coming year will be on **getting some of the rules that have been introduced fixed** and **supporting farmers with the tools** to implement the new rules, particularly with respect to water and climate change.

## Essential freshwater

We engaged intensively in the essential freshwater regulation development process.

- We met with around 3,000 farmers during the consultation – hearing their concerns helped us develop our submission.
- We developed advice for farmers to make their own submissions and these templates were downloaded more than 3,000 times.
- During the consultation, we released research by BakerAg that estimated the economic cost of the essential freshwater rules and this received good media coverage.

We were able to get some **significant improvements** on the original proposals, stopping the stocking rate grandparenting and blanket stock exclusion on hill country, but the Government did not listen to our feedback on the impracticality of some of the winter grazing rules and low slope map for stock exclusion.

Since the rules were announced we've been **working with other industry organisations and advocating to the Government and regional councils**, to try and get them fixed.

We're working intensively with the Government on the certified freshwater farm plan. B+LNZ has updated its farm plan to cover not only water but biodiversity and climate change, and we're proposing this as a certified farm plan, as we're confident it will deliver water quality outcomes while also minimising cost and duplication for farmers. We believe the B+LNZ farm plan not only offers farmers good business information but will provide a foundation for farmers to tell their environmental stewardship story and meet market assurance requirements – as well as meeting regulations.

In parallel with this process, B+LNZ has continued to engage intensively in **key regional plan changes** across New Zealand. A major priority was the Waikato Plan Change 1 process, which was considering very similar policies to those proposed in the essential freshwater consultation. We successfully advocated for changing many of the most unworkable provisions.

## Climate change

### *Carbon farming and the Emissions Trading Scheme*

A major priority in the last year has been working to **raise awareness** of the issue of wholesale land use change from sheep and beef farming to carbon farming.

The Government is economically incentivising this land use change through the increasing price of carbon credits distorting what land is worth, and productive farmland is being sold for the future planting of trees – mainly exotic species such as *pinus radiata*. Allowing unlimited offsetting also reduces the incentive for carbon emitters to take proactive actions on reducing their own emissions.

B+LNZ estimates that over 70,000 hectares of sheep and beef farming land has been, or is in the process of being, converted into forestry since the start of 2019, with **major implications for rural communities**.

We tried to get a mechanism to restrict forestry offsets in the Emissions Trading Reform Bill but were unsuccessful. Since the passage of the Bill, we've continued to raise concerns about the need for restrictions and working with Federated Farmers and 50 Shades of Green we were successful in getting mainstream attention on this issue.

A key factor in our advocacy was our 2019 BakerAg report that highlighted the economic and job impact of large-scale conversion of sheep and beef farms into forestry in Wairoa. It showed that sheep and beef farms generate around seven jobs per year per 1,000 hectares in the Wairoa community compared to less than one job per year per 1,000 hectares from carbon farming.

All political parties acknowledged the need for restrictions on land conversion, including Labour. We will be holding them to this in the coming months.



We have also commissioned independent analysis on the amount of conversion of sheep and beef farms into forestry as the government statistics are out of date by nearly two years. We are hoping to release this report in the next couple of months.

#### *He Waka Eke Noa*

In 2019, **the Government agreed to work with our sector** on a framework for managing agricultural greenhouse gas emissions, rather than bringing agriculture into the ETS or taxing farmers through a levy at the processor.

We've been heavily involved with He Waka Eke Noa over the last year because this is the sector's opportunity to design a regulatory framework that works for sheep and beef farmers and delivers the environmental outcomes New Zealanders want.

If the sector is successful with this collaborative approach, we hope this can be applied to other policy areas. It's a huge opportunity to **take leadership of our issues**.

Of the eight workstreams identified by He Waka Eke Noa, four are underway and progressing well:

1. Emissions reporting – specifically how on-farm emissions are reported
2. On-farm sequestration
3. Carbon pricing
4. Farm planning.

A major priority for B+LNZ is to ensure that farmers get recognition for the genuine **sequestration happening on their farms**. If farmers are to face a price for their emissions, it's only fair they get recognition for their offsets. B+LNZ's view is that farmers should only have an obligation on net emissions at the farm gate.

In October this year, B+LNZ released major new research by Auckland University of Technology that estimates the woody vegetation on New Zealand's sheep and beef farms is offsetting between 63 percent and 118 percent of the on-farm agricultural emissions.

The research strengthens calls for the formal recognition of on-farm carbon sequestration, with a lot of the vegetation on sheep and beef farms not qualifying for inclusion in the ETS because it does not meet the definition of a forest. You can find a copy of the report here: [www.beeflambnz.com/net-carbon-report](http://www.beeflambnz.com/net-carbon-report)

We have now commissioned research by AgResearch to use this sequestration research to calculate a net carbon footprint per kilo of New Zealand beef and lamb.

#### **National Policy Statement on Indigenous Biodiversity**

Another important area of advocacy on behalf of farmers in the last year has been the draft National Policy Statement on Indigenous Biodiversity (NPSIB) the Government released in late 2019.

Our **farmers already look after 2.8 million hectares of native vegetation on their farms** and farmers largely support the intent of the NPSIB. However, we had significant concerns about the original policy proposals, particularly the definition and treatment of Significant Natural Areas (SNAs).

We ran a roadshow during the consultation – meeting with over 1,000 farmers – to explain the issues and help farmers make a submission. Our template submissions were widely used.

We welcome the Government's decision earlier this year to postpone a decision on the NPSIB until early 2021. Given the amount of work that needs to be done on freshwater and climate change, we're asking the new Labour Government to delay this process further.

We are concerned about farmers' capacity to take on any further new policies and believe the **biggest environmental gains** will be achieved from getting the water rules right and focusing on implementation, and on progressing He Waka Eke Noa.

#### **Support for on-farm action on the environment**

In parallel with this policy work, B+LNZ has continued to engage with farmers to improve their environment practices. A major priority has been lifting our **support for catchment communities** – we're now working with over 50 groups across the country.

**Improving winter grazing practices** has also been a major priority. Since last winter, B+LNZ has had a number of joint workshops with DairyNZ across the country, including a new workshop series with agri-professionals to ensure they had the best and latest advice for farmers.

B+LNZ and DairyNZ also ran a number of online seminars with farmers during the COVID-19 lockdown. The first webinar in Southland had over 300 registrations and it's estimated that around 400 people took part on the day as whole farm teams tuned in.

B+LNZ has been refreshing its Land and Environment Plan (LEP) into the all-encompassing and dynamic Farm Plan that will help farmers future-proof their businesses in a practical and cost-effective way. (More information on farm plans is in the essential freshwater section of this document)



# Government and public insight and engagement

This year we released two major reports on the economic and social contributions of the red meat sector to New Zealand, which B+LNZ's Economic Service fed into. The reports showed our sector accounts for over 92,000 jobs and adds \$12 billion in industry added value each year. You can read the full reports here: [www.beeflambnz.com/sector-value-research](http://www.beeflambnz.com/sector-value-research)

## Policy advocacy

B+LNZ works in areas that farmers can't individually work in, providing our farmers with a strong voice. Our role **engaging with both local and central government decision makers** is always important, but it has increased significantly as the scale and pace of regulatory change facing the sector increases.

In the past year the team has coordinated numerous meetings between farmers, scientists and other experts with the Prime Minister, Ministers, MPs, and officials. While farmers don't see most of these meetings happening behind the scenes, one of the larger events was bringing in a range of farmers from across the country to meet with officials and MPs from across Parliament to put their concerns about the wholesale conversion of sheep and beef farms to carbon farming directly to decision makers.

This year has seen ongoing and increased **collaboration with industry partners**, particularly the Meat Industry Association, Federated Farmers and DairyNZ, to increase efficiency and information-sharing and to give us an even stronger voice where required.

In June, together with the MIA, B+LNZ released the red meat sector's 2020 election manifesto, which laid out how an incoming government could help the sector manage its biggest challenges while also enabling it to take advantage of the emerging opportunities for our farmers. This received good media coverage and a positive response from Government.

We commissioned major pieces of research to support our policy and advocacy with **credible facts and information** and these reports – including the Wairoa report on the impact of afforestation, an economic analysis of the impact of the essential freshwater rules, and research on the amount of sequestration on sheep and beef farms – continue to be widely referenced by a range of external parties, as well as by B+LNZ.

## Telling the farmer story

B+LNZ has also focused on **improving public perceptions** of the sheep and beef sector.

Research conducted by B+LNZ in 2019 found that while generally the public was supportive of the sector, there was a lack of knowledge of the economic contribution of the sector and lack of knowledge of our farming systems. People that had recently been on a farm were much more likely to feel positive about farmers.

For that reason, in 2020 B+LNZ was a founding partner of the launch of the Open Farms initiative which saw farm gates across the country opened up to the public in March. A survey of attendees showed this had a positive impact on their views about farming. B+LNZ strongly encourages more farmers to put up their hand to host a farm visit in 2021.

We also partnered with Meat the Need to deliver high quality nutritious meat to New Zealanders in need. Our domestic marketing arm B+LNZ Inc also ran a community support programme providing meat for charity fundraising initiatives.





The two reports jointly commissioned with the MIA that highlighted the economic and social contribution of the red meat sector to New Zealand were a key part of our work to improve public perceptions.

More work is underway to continue to lift the profile of the sector and **build a better understanding about the environmental performance of sheep and beef farms** with the New Zealand public. A key initiative to help with this is the upcoming launch of a website containing important facts about the way we farm in New Zealand and what this means for the animals we farm, consumers, the environment, and communities.

### Red meat sector strategy and B+LNZ strategy

Over the past few months B+LNZ and the MIA have worked together to refresh the red meat sector strategy. The sector has made great progress since the strategy was last updated in 2011, and has in fact been one of New Zealand's standout sectors over the last ten years. However, the environment in which we work and the opportunities and challenges we face today are very different. **Collaboration across the sector** is more important than ever and the red meat sector strategy provides a foundation for continued cooperation and collective effort, identifying the prioritised activities and critical enablers for our sector. The new strategy is expected to be released in December.

The strategy will then be used to guide the refresh of the B+LNZ strategy. We're reviewing our priorities so that they most reflect farmers' needs and will have **the greatest impact for farmers**. This will be released next year in the lead-up to the referendum so farmers have a clear idea of the key deliverables B+LNZ will look to achieve under each priority area over the next few years.

### Proven insights

B+LNZ's Economic Service continues to be widely recognised as a **trusted provider** of insights and celebrated its 70th anniversary in July. Resources such as its Farm Survey provide insight into the state and financial health of New Zealand's agricultural industry, and the information gathered is used to inform local, regional and central government policy, and underpin forecasts and trends in meat and wool production. It also enables farmers to benchmark their businesses against others.

We also undertake **regular research among farmers** to understand the mood of the industry, what they want B+LNZ to deliver and how we're performing. In September we released results showing that sheep and beef farmer confidence had dropped to the lowest recorded level since August 2017. The speed and scale of Government-led environmental reforms was a key factor behind this fall in confidence, while the lingering impacts of drought across New Zealand and uncertainty in export markets as a result of COVID-19 also had an effect. Publicly telling these stories helps us help the Government and public better understand why we take a particular position on issues.



# Unlocking market potential

## Taste Pure Nature

B+LNZ and meat processing and exporting companies have successfully adapted the Taste Pure Nature origin programme in response to COVID-19, and it's proving to be a critical platform to **position the sector with consumers** during this time.

Taste Pure Nature was launched in China in January, following its US launch last year. The marketing is targeted at a consumer segment we call the 'conscious foodie'.

## US update

Over the last year, B+LNZ and processing companies have been building **brand awareness and preference for New Zealand grass-fed red meat** in the US through several digital marketing campaigns, most in collaboration with processing companies.

Our research shows COVID-19 has heightened the global trend of conscious foodie consumers seeking safe and sustainable food, and as a result we adjusted our messaging to amplify our sustainability story and world-leading food safety systems.

In late 2019, we brought a group of key **US foodie influencers** to New Zealand. Their activities reached more than 40 million people and garnered more than 126,500 social media engagements.

We've continued working with Good Morning America which is proving to be very successful. In the lead-up to the Superbowl, a recipe by Chef George Duran had over 70 million impressions online and through social media. We used Earth Day to tell New Zealand's farming story in the US – nine Instagram posts were seen over three-quarters of a million times.

We've worked with Silver Fern Farms, Firstlight Foods, Atkins Ranch, and the Lamb Company on specific campaigns driving consumers to their product under the Taste Pure Nature brand. We also recently partnered with New Zealand Trade and Enterprise and others in the 'Made With Care' campaign, to collectively promote New Zealand's food and beverage sector on the global stage.

We're continuing to focus on telling New Zealand's sustainable story to the right audiences and looking for **opportunities to collaborate with processing companies** and using influencer activity to reach our growing audience.

## China launch

Despite COVID-19, processing and exporting companies were keen to launch Taste Pure Nature in China this year as they see an opportunity to position New Zealand as the source of **premium, healthy and safe** grass-fed beef and lamb with customers in China.

Taste Pure Nature was piloted in **retail outlets** in the Shandong province of China in January in a collaborative campaign with ANZCO, Greenlea Premier Meats and Silver Fern Farms. While the timing was affected by the outbreak of COVID-19, a supermarket is now rolling out the brand in 200 retail stores.

Another retail campaign with ANZCO saw sizeable crowds visit 13 of Beijing's ultra-high-end 7 Fresh stores, to experience New Zealand's grass-fed beef through curated instore experiences. As part of the campaign influencer Hu-Hu-Sheng-Wei-Er (Tiger) posted a video to his followers about New Zealand grass-fed beef on Chinese social media channel Weibo which has been viewed more than 284,000 times.

Another significant new campaign with Alliance was also launched online, linked to a major e-commerce channel.

B+LNZ is **continuously monitoring** the Chinese market and consumer preferences through social media monitoring and will tailor marketing efforts to address consumer needs. We'll also continue to expand our marketing activities in China to meet the growing interest in New Zealand's grass-fed beef and lamb.

## Global Market and Taste Pure Nature webinar

You can watch this update, part of B+LNZ's National Webinar Series, here: [www.beeflambnz.com/blnz-national-webinar-series](http://www.beeflambnz.com/blnz-national-webinar-series)

## New Zealand Farm Assurance

The New Zealand Farm Assurance Programme (NZFAP) continues to go from strength to strength. NZFAP underpins the Taste Pure Nature brand.

NZFAP is delivering on many of the benefits it set out to do, such as **eliminating duplication, reducing costs**, and encouraging more farmers and meat processing companies to adopt the standard.





The overwhelming majority of processors are now auditing to the NZFAP standard, meaning the total number of audits of farms overall has decreased by 4,644 over a three-year period, with a reduction in physical on-farm audits of 37 per cent. This is estimated to have saved the industry NZ\$1.9 million in audit fees over three years.

Alongside the savings in reduced audit duplication, NZFAP will help build up the reputation of New Zealand's red meat sector and underpin the work we're doing in our domestic and international markets promoting red meat.

### Report on the future of the red meat sector

In late 2019 B+LNZ released the *Shaping the Future of the Red Meat Sector* report identifying the **emerging trends** influencing the future of the red meat sector and how the industry can respond to them. The study, conducted in partnership with leading research firm Kantar Singapore and key industry partners, identified seven priority areas for the sector so it can thrive in the future. You can read the full report on the B+LNZ website: [www.beeflambnz.com/news-views/shaping-future-red-meat-sector-report](http://www.beeflambnz.com/news-views/shaping-future-red-meat-sector-report)

As part of responding to the trends identified in the report, B+LNZ has recently started significant research into the global market potential of regenerative agriculture. This research will provide valuable insights into what consumers think regenerative agriculture is, and whether they're willing to pay a premium for its products. In early September the study received a boost with the Ministry for Primary Industries (MPI) providing \$390,000 in funding, and the wine industry and Bragato Research Institute is now also involved. Results from the study are expected in early 2021.

### Trade

COVID-19 has reinforced the importance of **maintaining open markets**. With significant impacts on agricultural production globally, we're watching key markets to ensure there are no moves to restrict imports. The Government's recent efforts in this space are appreciated.

B+LNZ have been **working with international partners** to strengthen the global trading environment. We represent New Zealand on the International Beef Alliance (IBA), whose members are responsible for 66 percent of the world's beef exports. With the increase in global protectionism our united voice on trade liberalisation is more important than ever. The latest IBA statement, from its recent virtual annual conference, is here: [www.tinyurl.com/y56mfj4h](http://www.tinyurl.com/y56mfj4h)

B+LNZ also recently hosted a Global Trade Update webinar with guest speaker Vangelis Vitalis, one of New Zealand's top trade negotiators, to give farmers insights into the global trade policy situation. You can watch the webinar here: [www.beeflambnz.com/global-trade-update-recap](http://www.beeflambnz.com/global-trade-update-recap)

### NZ/UK and NZ/EU FTA negotiations

B+LNZ has been doing a lot of advocacy both here and in Europe over the last year to support our market access interests into the United Kingdom and European Union.

In terms of Brexit, we have continued to strongly oppose the current proposal to split quotas and continue to advocate for a long-term solution that does not erode our World Trade Organization (WTO) rights and that allows exporters to make sensible business decisions.

We're strongly supportive of New Zealand's FTA negotiations with both the UK and EU, through which we'd like to build on our existing WTO access. We're in constant discussions with the New Zealand Government around these negotiations.

There has been strong pushback this year in the UK and EU from their farmers about doing FTA negotiations with what they claim are countries with lower environmental and food safety standards. A key focus of our advocacy has been on **ensuring people understand how high New Zealand standards are**. Our representative in Brussels has been working hard to share information about New Zealand's farming systems and regulatory framework with EU and UK officials and influencers and we have done submissions to the EU parliament around this. We've also invited key UK and EU government representatives based in New Zealand to visit our farms to see our high environmental standards and to show we would not pose any risks to their industries.





# Supporting farming excellence

## Farming Excellence Strategy

At the end of September, B+LNZ launched its Farming Excellence Strategy to help inform the design of tools, resources and programmes. The aim is to have a **world-best research and extension** programme. This strategy, based on six inter-connected programmes with a process of continual feedback, ensures information, tools and resources are making a tangible difference to farmers, their businesses and farming communities.

The strategy was developed after extensive **consultation** with farmers and farming groups and will help ensure B+LNZ's work remains relevant and accessible for sheep and beef farmers operating in an increasingly complex environment. Along with the traditional focus on driving improvements in productivity, efficiency, and cost reductions, the strategy also incorporates additional factors that are becoming increasingly relevant on farm, including consumer expectations, environmental and biosecurity concerns, social licence and government policies.

You can find a copy of the farming excellence strategy at: [www.beeflambnz.com/farming-excellence-strategy](http://www.beeflambnz.com/farming-excellence-strategy)

## Red Meat Profit Partnership Action Network

The Red Meat Profit Partnership (RMPP) Action Network model involving 200 groups and 1600 farm businesses has been transitioned into B+LNZ where it will be used across the organisation as an extension tool to support farmers and help drive **on-farm productivity and profitability**.

MPI have also agreed to extend to the Action Network programme until 31 March 2021 as a result of COVID-19. This gives the 200 Action Groups more time to work together to explore ideas and share expert resources to help make positive changes on-farm. More new Action Groups will also be able to form.

Recent independent analysis conducted on the programme shows a benefit of \$46/ha per year for the farms involved in Action Groups. More info: [www.beeflambnz.com/action-network-extension](http://www.beeflambnz.com/action-network-extension)

## Online extension

When COVID-19 restrictions meant B+LNZ face-to-face extension events had to be cancelled, our extension teams adapted quickly and online webinars proved very popular, reaching a wide audience and attracting large numbers of participants. The online extension activities have given B+LNZ the opportunity to **reach and interact with a wider range of people** than through traditional extension methods such as field days and workshops.

As a result of this success, B+LNZ's regional teams are continuing to investigate how to best integrate online events into the mix of extension delivery in the coming year.

B+LNZ has also established a new National Webinar series covering topics of national interest to farmers such as essential freshwater policy, the Taste Pure Nature programme, and an update on the global trade situation. These have also proven very popular and are likely to continue.



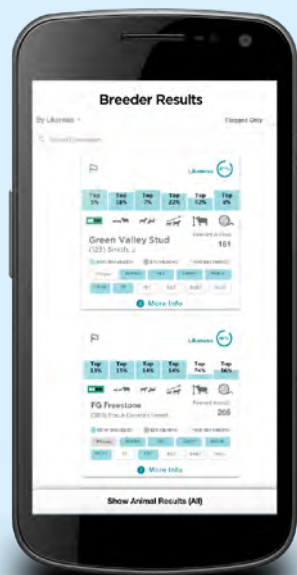


## B+LNZ Genetics

Genetics is a critical part of B+LNZ's strategy and has been **successfully integrated** back into B+LNZ, after being a standalone organisation for seven years. Integration has allowed B+LNZ Genetics to take advantage of B+LNZ's extension and science expertise while reducing overall costs.

### nProve

In September this year, B+LNZ Genetics launched nProve. The new tool, which will ultimately replace FlockFinder and RamFinder, is available for commercial farmers this ram buying season. Developed in partnership with RMPP, nProve makes it **easier for farmers** to identify the ram flocks that best fit their own set of circumstances, using simple slider scales to indicate the specific traits important for their operation. [www.nprove.nz](http://www.nprove.nz)



### Low-input sheep progeny test

Good progress is being made on this project, in partnership with MPI, which is focusing on:

- animal welfare traits (tail length, dagginess, bareness of wool) meaning lambs will not need to be docked and require less or no treatments for dag control and flystrike
- breeding sheep that are disease resistant (parasites, pneumonia) that require less or ultimately no drenching
- breeding sheep that are environmentally efficient (methane and feed efficient).

Excellent progress is also being made on the dairy-beef progeny test, which aims to find bull beef breeds that are friendly to dairy cows, so that **more value** can be achieved. B+LNZ partnered with LIC to deliver the dairy beef progeny test, giving beef breeders with the best genetics access to the large dairy beef market. In time this will mean improved animals coming through dairy beef systems and being available to customers.

### Informing New Zealand Beef

B+LNZ Genetics has started an exciting new seven-year programme of work on behalf of the New Zealand beef industry, supported by MPI. In 2020 a progeny test has commenced in Te Anau and this will provide the basis for delivering a number of the programme's objectives for farmers.





## Key farming excellence initiatives

We support farming excellence through a range of initiatives, carefully investing farmer levies in work that gets results.

The following is a snapshot of work B+LNZ has been involved in over the past year and where we're going with projects and research.

There's more information about our work on our website – [www.beeflambnz.com](http://www.beeflambnz.com)

### *Hill Country Futures*

B+LNZ is a partner in the \$8.1 million Hill Country Futures programme. The programme has four research strands:

- Stakeholder interviews – information gathered from 170 farmer focused interviews and six focus group discussions will be used to inform the development of a vision to support a **resilient and sustainable hill country future** and how this can be achieved.
- Communities to market – using information from the interviews, this area is focused on **telling farmer and community stories**.
- Biodiversity in forage landscapes – alternative forage species such as new legumes and native plants are being evaluated at a number of sites nationally.
- Landscape classification tools - modelling of forage legume yield from a national perspective is underway. Monitoring sensor networks have been established that can help support classification of the landscape according to suitability for legume forage options at the farm-scale. The role and opportunity for soil health, soil carbon and biodiversity in farm planning is being evaluated.

You can find further information here:  
[www.hillcountryfutures.co.nz](http://www.hillcountryfutures.co.nz)

### *Pastoral Genomics*

B+LNZ was a major funder, along with DairyNZ, in the five-year Pastoral Genomics programme which concluded this year. The programme produced four **significant advances**:

- It demonstrated that genomic selection can be successfully applied to ryegrass and clover and proved the technology for use in New Zealand and Australia. Early results in experimental plots show a 13 percent increase in dry matter yield compared with a traditional breeding method.
- The development of a machine for measuring phenomics – the physical characteristics of plants – substantially reducing the cost and increasing the accuracy of measurements. The machines have been made available to seed companies.
- The development of easier-to-use software for use in breeding programmes – this is being used by seed company partners.
- Identification of clover plants with novel traits that can be used by seed companies in their breeding programmes.

You can find further information about the outcomes here:  
[www.pastoralgenomics.com](http://www.pastoralgenomics.com)

### *Future Farm*

B+LNZ has taken total ownership of the lease of its first Future Farm, Lanercost. Taking ownership of the lease of the North Canterbury farm gives us the ability to **push boundaries** on new technologies and farm systems.

The founding partners did a fantastic job with farm set-up and will continue to be involved with the farm and will help ensure the programme remains grounded in **solving the issues farmers face**.

Eighteen months on, the Future Farm is now in a fit for purpose infrastructure and genetics position which provides an appropriate launching pad for testing new technologies and farming systems.

More information on the Future Farm programme can be found at: [www.futurefarm.co.nz](http://www.futurefarm.co.nz)





### Facial eczema tolerance testing funded

In July a pilot study to investigate a potentially **groundbreaking** facial eczema tolerance test was launched. Funded by B+LNZ and led by AgResearch's Dr Axel Heiser, it will explore the feasibility of a laboratory-based test to determine an animal's tolerance to the toxin associated with facial eczema. If the initial results look promising, the test will require further development and full validation to make it a readily available test for breeders and commercial farmers.

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### Pastoral Greenhouse Gas Research Consortium (PGgRC)

Good progress continues to be made by the PGgRC, which B+LNZ is a funder of, into research on reducing agricultural emissions.

In a **world first**, New Zealand sheep farmers now have the ability to breed animals that emit less methane with B+LNZ Genetics launching a 'methane research breeding value'. The launching of this significant breeding tool is thanks to a 10-year multi-million dollar collaboration between PGgRC, the New Zealand Agricultural Greenhouse Gas Research Centre (NZAGRC) and AgResearch, supported by the Ministry of Business, Innovation and Employment, and MPI.

For more information: [www.tinyurl.com/y5qe3tfs](http://www.tinyurl.com/y5qe3tfs)

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### Dairy-beef book

In February B+LNZ launched *Beef Levies for Dairy Farmers* with **overwhelmingly positive feedback from dairy farmers**. The book brings together the many projects and initiatives that have been undertaken on behalf of dairy farmers, both by B+LNZ and **in conjunction with other industry partners** such as DairyNZ. Projects include the selection of beef genetics that add value to dairy farmer calf crops through to driving higher premiums for New Zealand's grass-fed, naturally raised beef exports – the majority of which originate on dairy farms. You can find a copy of the dairy-beef book here: [www.beeflambnz.com/knowledge-hub/PDF/beef-levies-dairy-farmers.pdf](http://www.beeflambnz.com/knowledge-hub/PDF/beef-levies-dairy-farmers.pdf)

### Supporting Māori Farmers

Māori are large-scale operators in the primary sector and play a significant role in leadership. It's estimated that Māori operate up to 25 percent of New Zealand sheep and beef farmland, and participation in processing is even higher. B+LNZ is committed to building **quality enduring relationships** with Māori as partners by acknowledging and understanding the unique role of tangata whenua within New Zealand's land management activities.

In partnership with Māori farmers B+LNZ has developed a strategy with a range of focus areas including better understanding Māori land ownership in sheep and beef farming from a tribal rohe perspective. We are also co-designing extension activities which best suit the ownership and governance structures in Māori farming.

B+LNZ is also a strong supporter of the Ahuwhenua Excellence in Māori Farming competition, with the Federation of Māori Authorities being a key strategic partner in many initiatives, including He Waka Eka Noa.

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### *Mycoplasma bovis* (*M. bovis*)

July 2020 marked three years since *M. bovis* was detected in New Zealand. In July there were only two farms in the country with infected cattle still on-farm – despite the more recent discovery of cases in Canterbury this is still a remarkable achievement. There have been significant challenges and major impacts on farming families since the decision was made to attempt eradication of the disease.

B+LNZ and DairyNZ have worked closely with the Government to continually improve the response, especially around compensation and support for farmers. *M. bovis* eradication is a world first and **we are still on track** to successfully eradicate the disease. We'll continue to reinforce to farmers the importance of ongoing vigilance around biosecurity procedures on farm and accurately recording animal movements in NAIT.

More information about *M. bovis* can be found at: [www.beeflambnz.com/mycoplasma-bovis](http://www.beeflambnz.com/mycoplasma-bovis)



## People, capability and training

### Attracting and retaining talented people in our sector remains an important focus area for B+LNZ

We were heavily involved, with the Government and primary sector, in the development of the new Food & Fibre Skills Action Plan 2019-22. This aims to **fix the skills gaps** facing farmers and growers.

This year B+LNZ has been focused on the establishment of the Workforce Development Council, helping to set up a new Centre of Vocational Excellence for the primary sector, and continuing our own initiatives to support **on-farm training and development** opportunities for sheep and beef farmers.

We've continued to support cadet farms and agriculture in schools across New Zealand. We're heavily involved in the 'Meat Your Career' school camps for young people to learn about on-farm work, and in partnership with Growing NZ we attend career expos to target students who are making career decisions.

Our Generation Next programme continues to prove successful in the South Island so we're expanding it to areas of the North Island next year. The programme is designed to nurture, assist and encourage current and future farmers within our sector to take leadership roles.

B+LNZ also welcomed the July launch of the Government's Opportunity Grows Here campaign to attract new people into food and fibre sector jobs. With many on-farm jobs found through word-of-mouth, **putting linkages in place** for people interested in the primary sector is vital to turn that initial interest into a decision to pursue a career on-farm or in the wider sector.

B+LNZ has also been working with industry partners throughout COVID-19 to lobby the Government for support to help fill workforce shortages facing the sector due to the country's closed borders.

More information about the work B+LNZ is doing to support capability and training is available here: [www.beeflambnz.com/supporting-sector-capability-and-training](http://www.beeflambnz.com/supporting-sector-capability-and-training)

### Farmer Council critical link

B+LNZ continued to work with our 120 Farmer Councillors across seven regions to ensure that grass-roots needs are understood and catered for with regional extension and consultation activities, guided by our 'by farmers for farmers' approach.

**The Farmer Council is critical to B+LNZ's success**, providing strategic advice and expert input into advisory groups such as the Environmental Reference Group (ERG), and the Farmer Research Advisory Group (FRAG). The industry is indebted to the passionate and skilled contributions of these members.

## How we fund our work

### Levy expenditure<sup>1</sup>

Priorities		Actual 2019-20 \$,000	Budget 2020-21 \$,000
 <b>Supporting farming excellence</b>	(incl. final year RMPP funding \$3 million in 2021)	12,585	14,324
 <b>Unlocking market potential</b>		8,352	7,808
 <b>Enhancing our environmental position</b>		4,329	5,277
 <b>Government &amp; public insight &amp; engagement</b>		3,469	3,600
 <b>Building a great organisation</b>	(incl. referendum in 2021)	2,322	3,167
<b>Total levy expenditure</b>		<b>31,057</b>	<b>34,176</b>

<sup>1</sup> Funded by levies, NZMB grant \$1 million for genetics and other income