

Agri-Gate

Ministry for Primary Industries
Manatū Ahu Matua



Latest news about MPI's Investment Programmes

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Steve's column

Welcome to our June edition of Agri-gate. I'm Steve Penno, Director Investment Programmes at the Ministry for Primary Industries (MPI).

I've been at MPI for the last three and a half years, mostly as Manager of the Primary Growth Partnership (PGP) team. As Director Investment Programmes, I've enjoyed learning more about some of our other investment programmes such as the Sustainable Farming Fund and the Afforestation Grant Scheme.

Most of my career has involved working within the technology investment sector, so I have a keen interest and passion for innovation and the role investment plays. I grew up on a mixed cropping farm in South Canterbury, so I've enjoyed the opportunity to put my gumboots back on and see first-hand some of the terrific innovation occurring across the primary industries. Some of the recent highlights include visiting the National Fieldays at Mystery Creek and attending the launch of MitAgator, the flagship product developed by Clearview Innovations, our \$19.5 million, 7-year PGP programme led by Ballance Agri-Nutrients.

MitAgator develops risk maps for individual farms that identify areas where loss of phosphorus, sediment, nitrogen, and bacterial contaminants are more likely to occur. This powerful tool can be used to assess and prioritise actions to mitigate these risks, tailored to individual farm situations. This will have both environmental and economic benefits, by enabling farmers to reduce nutrient run-off, and get better value from their farming systems.

I'd like to congratulate the Clearview Innovations PGP programme for achieving this significant milestone.

In this edition of Agri-gate, we also:

- talk about the recent National Fieldays, including the launch of a range of new initiatives;
- provide an update on the review of the PGP;
- provide an early heads up of investment funding rounds opening this year for the Sustainable Farming Fund and the Hill Country Erosion Programme;
- talk about an extension of the funding round for the Erosion Control Funding Programme to 13 July 2018.
- provide an update on The Omega Lamb Project – a PGP programme that has put the healthy fats back into lamb;
- profile an Erosion Control Funding Programme project using Light Detection and Ranging (LiDAR) technology to deliver a range of benefits for the Gisborne community and their economy at large.



Christina Finlayson from Ballance Agri-Nutrient's Farm Sustainability team with John Burke from Pukekauri Farm in the Bay of Plenty – a strong advocate for sustainable farming and the value of MitAgator.

I hope you enjoy this edition.

Steve Penno
Director Investment Programmes



John Parker's Column

Welcome to this edition of Agri-gate.

Primary Growth Partnership (PGP) programmes aim to deliver innovation and long-term benefits for New Zealand. The long-term nature of PGP programmes means it's hard

to accurately plan the timelines and cost of the work over each programme's full term.

A number of variables come into play during programmes, such as both the actual cost of the work completed, as opposed to estimates, and timeframes for specific projects. As a result, PGP processes allow for extensions to both the term of programmes and additional funding.

Requests for extensions need to meet the PGP's eligibility and assessment criteria, and need to demonstrate that they will increase the expected programme benefits and/or increase the likelihood of them being realised.

A number of factors are considered as part of assessing whether further government support is justified.

For example:

- Is any additional activity consistent with the objectives and targeted outcomes of the programme?
- What has the programme delivered to date in terms of activity, outputs, outcomes and benefits?
- What is left to do to deliver the targeted benefits?
- Would the benefits be achieved without the requested additional support from government?

The requests are reviewed by MPI staff and the PGP's independent Investment Advisory Panel (IAP) prior to a final decision being made by the Director-General of the Ministry for Primary Industries (MPI), or delegate.

Any increase in funding needs to be consistent with the 40:60 government to industry co-funding ratio.

Extension requests have previously been approved for four PGP programmes, and MPI and the IAP are currently considering extensions for three more (within the seven year maximum term for PGP programmes).

On a different note, the IAP understands the findings of the independent review of the PGP will be considered by the Government in due course. We wait with interest to see what subsequent changes or improvements are made to the PGP as a result.

John Parker
Chairman, PGP Investment Advisory Panel

Update on the Primary Growth Partnership review

In January, an independent review of the Primary Growth Partnership (PGP) kicked off. This followed an announcement of the review late last year by the Minister of Agriculture, Hon Damien O'Connor.

The review focuses on areas such as outcomes and economic benefits to date from PGP programmes, and seeks to identify improvements to the PGP.

The assessment phase of the review has been completed as planned. The independent review involved analysing information such as PGP programme business cases, annual plans and quarterly reports. The independent reviewer also conducted interviews with a good cross section of PGP programmes, other government agencies who administer funding schemes, the PGP independent Investment Advisory Panel and relevant Ministry for Primary Industries staff.

Once the Government has had time to consider the review findings, and agree any subsequent changes to the PGP as a result, the review findings will be published on the MPI website.

Sustainable Farming Fund opening in July

This year the Sustainable Farming Fund (SFF) will open on 9 July 2018 and close at 3pm on 17 August 2018 – a little earlier than in previous years.

The SFF supports inspiring ideas in applied research and extension projects that deliver economic, environmental and social benefits for New Zealand. It encourages unique collaborations amongst farmers and growers, scientists and researchers, iwi, local government and others who are making a real difference for our rural communities and the wider primary industries.

MPI will also be continuing last year's SFF Tere pilot for smaller projects less than \$100,000. "Tere" means "to be quick, swift or fast". Applications will also open on 9 July, but will stay open until 30 June 2019, subject to available funding.

More information is available on the MPI website at mpi.govt.nz/sff

The Hill Country Erosion Fund

The Hill Country Erosion (HCE) Programme is a partnership between the Ministry for Primary Industries (MPI), regional councils and landowners to develop and implement plans to treat erosion-prone land and to make sure it's managed sustainably. The HCE Programme supports proposals where the main treatment is tree planting, including appropriate species for natural vegetative cover.

The HCE Programme usually runs a funding round once every four years, but this year we're running two separate funding rounds. We've also added riparian planting along with alpine and coastal erosion areas to our eligibility criteria, and removed the 5 hectare limit on land that can be treated.

Applications to seek funding from the HCE Programme will be open from 1 October 2018 to 5pm on 31 October 2018. \$34 million is available over four years.

In June we also ran a one-off funding round called HCE Boost for projects to be completed by the end of June 2019. Around \$1.8 million was available.

The HCE programme supports the Government's One Billion Trees Programme.

More information is available on the MPI website at mpi.govt.nz/hce

Funding round extended for Gisborne erosion control funding

The Ministry for Primary Industries (MPI) as extended the funding round for its Erosion Control Funding Programme (ECFP) to 13 July 2018.

MPI opened the funding round for applications for ECFP funding on 7 May 2018.

"We're extending the funding round for the ECFP to 13 July 2018 to give landowners, the local council and others further time to complete their applications, particularly in light of recent weather events in Gisborne," says Steve Penno, MPI's Director Investment Programmes.

"We have staff in Gisborne and surrounding areas to help people through the application process."

The East Coast is the most erosion-prone region in New Zealand. Leaving eroded land untreated has a negative impact on the sustainability of hill country farms, infrastructure, rivers, water quality, people and communities.

The ECFP is designed to help Gisborne district landowners with the worst eroding or erosion-prone land by providing funding to treat their land. Funding can be provided to plant exotic and indigenous trees and in some cases allows for the regeneration of native bush.

Funding is also available to community groups in the Gisborne district to lead projects that both mitigate erosion and generate wider environmental, economic, and social benefits for the region. Applications for community funding can be submitted all year.

Since the ECFP opened in 1992, MPI has provided \$49 million in funding for erosion control and has treated 42,000 hectares of erodible land. Through the ECFP, eligible landowners can receive up to \$2,000 per hectare for tree planting and reversion treatments and up to \$26 per pole for poplar and willow treatments.

The ECFP supports the Government's One Billion Trees Programme.

More information is available on the MPI website at mpi.govt.nz/ecfp



MPI at the Fieldays

It was the 50th anniversary of the National Fieldays at Mystery Creek recently. This year's theme was *future of farming*.

The Ministry for Primary Industries (MPI) site this year was based on the theme 'Actions today to grow and protect tomorrow'. It focussed on what's happening now within the rural sector and the desired outcome for the future.

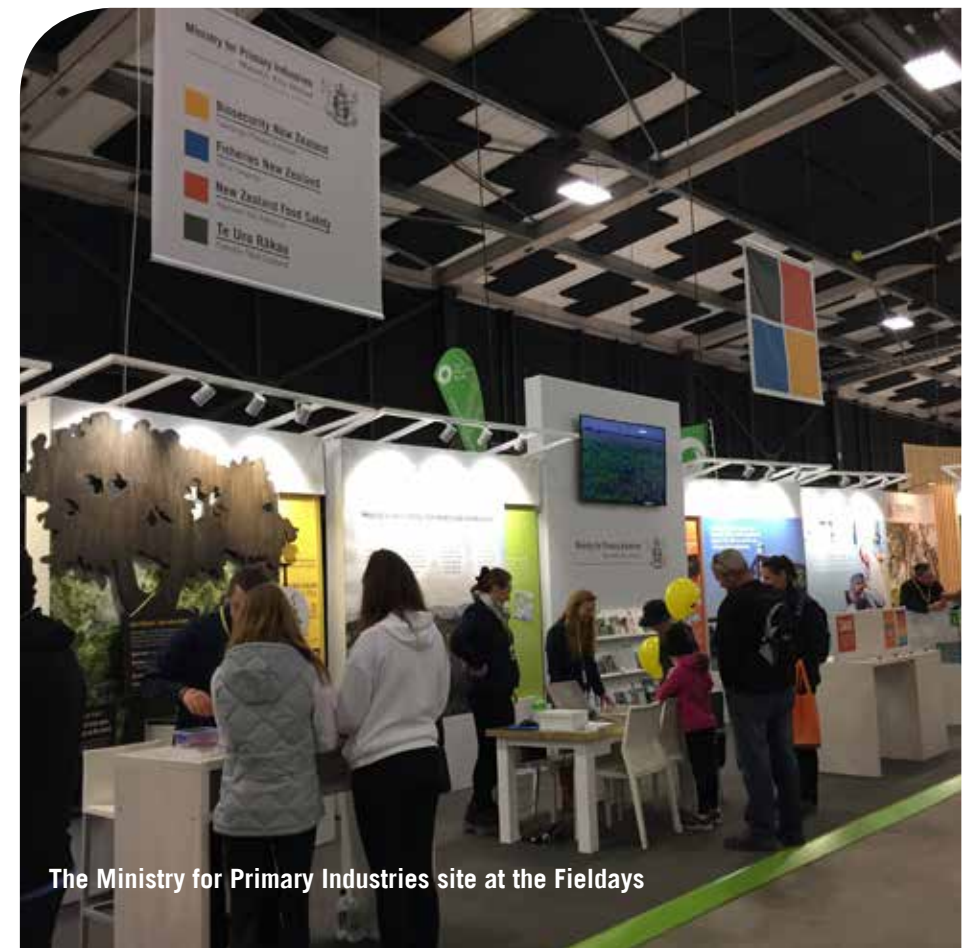
Areas like advanced agriculture innovations, technology and education all play a vital part in the future of our primary industries, along with creating and maintaining the workforce, skills and capability needed to get there.

Our MPI site featured MPI's four new branded business units: Biosecurity New Zealand, New Zealand Food Safety, Fisheries New Zealand and Te Uru Rākau (Forestry New Zealand). It also featured a 'Working together' panel to show the range of ways that MPI works with communities and others, for example through the Sustainable Farming Fund and the Primary Growth Partnership.

A number of new initiatives were also launched at the Fieldays.



Martyn Dunne, Director-General Ministry for Primary Industries (MPI), and Prime Minister Rt Hon Jacinda Ardern, visit the MPI site at Fieldays.



The Ministry for Primary Industries site at the Fieldays

Primary Industries Good Employer Awards

Associate Minister of Agriculture, Hon Meka Whaitiri, launched the Ministry for Primary Industries (MPI) and Agricultural and Marketing Research Development Trust (AGMARDT) Primary Industries Good Employer Awards. These awards will celebrate exceptional primary industry employers and those that provide services to the primary industries.

Individuals or businesses must be nominated by an industry body or a peer, with nomination entries closing on 10 August 2018. The winners will be announced in November 2018.



Postgraduate Science Scholarship

Hon Meka Whaitiri also announced ten winners of a new Postgraduate Science Scholarship that offers Masters and PhD students funding to support their primary industry research in New Zealand. The aim of the scholarship is to help meet the science and technology needs within the primary industries, and ensure New Zealand has the new generation of scientists to tackle future issues such as genetics, to measuring and managing ecosystem impacts, to consumer and market insights.

New Forestry Scholarship

Minister of Forestry Hon Shane Jones and Hon Meka Whaitiri launched a new forestry scholarship called Ngā Karahipi Uru Rākau that aims to grow the capability of the forestry sector and increase the number of women and Māori in the industry.

Ngā Karahipi Uru Rākau provides \$8,000 a year to Māori and female students enrolling in either a Bachelor of Forestry Science or Bachelor of Engineering (Hons) in Forest Engineering at the University of Canterbury. It also provides paid internships with Te Uru Rākau (Forestry New Zealand) and other forestry employers.

Four scholarships will be awarded for the 2019 academic year, and this will increase to a total of 18 over the next three years.



Hon Shane Jones (back row, second from left) and Hon Meka Whaitiri (back row, fourth from left) at the launch of the Forestry Scholarship (Ngā Karahipi Uru Rākau) with Julie Collins, Head of Te Uru Rākau (Forestry New Zealand), and Martyn Dunne, Director-General Ministry for Primary industries, (second row, first and second from left), with representatives from Minginui Nursery and students from Rototuna Senior High School, Hamilton.

Future-proofing our rural communities

Minister for Rural Communities Damien O'Connor launched the new Rural Proofing Policy aimed at making it easier for government policy-makers to ensure rural communities are at the heart of their decisions.

It was launched at the opening of the Health Hub at the Fieldays.

People living in rural communities can face unique challenges that must be reflected in government policy. The Rural Proofing Policy will ensure that when policy-makers design rules they take into account the unique factors that affect rural communities such as low populations, isolation, and reliance on the primary sector for employment.

More information on these new initiatives is available on the MPI website at mpi.govt.nz

Update from: The Omega Lamb Project

The Omega Lamb Project is now in its third year and well over 100 restaurants in New Zealand and Hong Kong have had TE MANA LAMB on their menus.

The Project builds on a decade-long scientific programme and breakthrough research. It found that the right combination of genetics, management and feeding can alter the fat profile of lamb and produce animals that are healthy, while delivering a tastier and healthier product.

TE MANA LAMB is higher in Omega-3 than other lamb available on the market.

Mark Williamson, General Manager of The Omega Lamb Project, a collaboration between the Ministry for Primary Industries (MPI) under the Primary Growth Partnership, the farmer-owned Headwaters and leading food company Alliance Group, said TE MANA LAMB is being praised by chefs for its flavour and consistent eating quality.

“TE MANA LAMB won the Innovation in Food and Beverage category at the New Zealand Innovation Awards in October 2017 and since then has continued to turn heads,” he said.

The programme is expected to achieve 49,500 lambs going to processing this year – 17,500 more than in 2016-17.

Mr Williamson said that, although numbers had to be readjusted from the target of 60,000 lambs processed, due to the extreme dry conditions, it was a pleasing result.

“This was certainly a learning year. The grazing management system we used this year can be improved on and we’ll take these learnings and refine things over winter for next season, when our system of finishing the lambs on chicory is expected to become more commercial.”

The project’s first second-generation lambs were born this year – to Headwaters Omega rams and 50 percent Omega ewes. 2,000 of these have been processed and meat is being analysed to see what the differences are to the first cross.

Following the successful launch of TE MANA LAMB into the food service sector, The Omega Lamb Project team is currently working on growing these markets and developing processed TE MANA LAMB products such as bacon, stocks and prosciutto.

“A lot of marketing development is still required and exporting processed products poses additional challenges, due to factors like licensing and labelling requirements,” said Mr Williamson.

“As we move forward, we need to return to a healthy meat, retail focus and ensure we leverage the reputation TE MANA LAMB has achieved in the food service market. While taste has been the key factor in our promotion to date, a key part of branding for retail will also be around the health message for the products.

“We will also be looking at the opportunities for health products. There are tight restrictions on making health claims – but the scientific rigor underpinning the health elements for this natural product provides an exciting market opportunity.”

The project has featured prominently in the media in recent months, including on Country Calendar in June. Simon and Annabel Saunders from Stag Valley talked about their involvement in The Omega Lamb Project and why they are so excited about the product.

In May, TE MANA LAMB was the subject of a 10-page spread in Cuisine magazine’s special New Zealand issue.

Cuisine editor Kelli Brett outlined the project’s journey and the science which lies behind the product. She also visited farmers Tim Burdon, of Mt Burke Station, in Otago’s Maungawera Valley, and Steve Rome and his wife Helen and son Scott, who finish Tim’s lambs on chicory at their Waifield farm in Southland.

TE MANA LAMB also starred in Alliance Group’s Antipocurean Series, an innovative marketing initiative which saw a host of international chefs and food writers and bloggers visit a series of farms and premium restaurants in May.

Peter Russell, Alliance General Manager Marketing, said: “The aim was to improve awareness and understanding of New Zealand as a supplier of premium fare and showcase to international media and the food service sector the passion of New Zealand’s farmers and quality of our red meat.”

The group travelled across the South Island, touring farms included Wanaka’s Minaret Station, which produces TE MANA LAMB.

TE MANA LAMB was on the menu for the Metro Peugeot Restaurant of the Year awards in Auckland on 30 April.



From left: Mike Tate (previous Programme Manager for The Omega Lamb Project), Aimee Charteris (Geneticist), Peter Russell (Alliance General Manager Marketing), and Tony Nowell (Chair of the Programme Steering Group for The Omega Lamb Project).

High-res 3D digital mapping in Gisborne Region to reduce erosion and boost infrastructure planning

A new initiative about to start will deliver a significant advancement to Gisborne's topographic information using 3D mapping. It's expected to deliver a range of benefits for the region's community and economy at large, including improving infrastructure planning and identifying erosion prone land (including landslips) with a much higher degree of accuracy.

This initiative is good news, particularly for the Gisborne region, because for several decades the region has suffered extensive infrastructure damage and loss of agricultural land, caused by erosion and other natural hazards like flooding. When these natural hazards happen, the consequences are often far-reaching. The damage caused directly impacts community life and also affects the regional economy.

With a precise regional 3D model, infrastructure developers will be able to better identify features and areas susceptible to hazardous events, greatly increasing their ability to protect people and communities from disaster. For example, planners will be able to use it to identify the potential for landslides when they're planning the route of a future highway, or to accurately assess the risk of flooding in coastal areas.

The improved topographic information will be produced using a technology known as LiDAR (light detection and ranging) which involves laser pulses fired from an aeroplane to precisely map the terrain and accurately measure the height (and pitch) of the land. The end product is an accurate high resolution 3D digital model of the earth's topography.

Once completed, the LiDAR data will be publically available through the Land Information New Zealand (LINZ) Data Service or LDS. The data will be of significant value to both

government and private industry, including landowners, farmers, property developers, forestry companies and the agricultural community.

The project will be joint funded by the Gisborne District Council (GDC), the Ministry for Primary Industries (MPI) and LINZ. The Gisborne District Council (GDC) will engage an experienced contractor to complete most of the work, with the project estimated to take around 30 months to complete. It could be sooner if aspects like suitable weather conditions permit.

MPI's Director Investment Programmes, Steve Penno, says MPI will provide funding towards the project through the Erosion Control Funding Programme (ECFP). "Increasing the accuracy of identifying erodible land through the new LiDAR dataset will help us to target erosion treatments more

effectively, and help with our decision-making," says Steve. The ECFP, which also makes funding available for planting native and exotic species on erodible land, has treated over 42,000 hectares of erodible land (in Gisborne) since 1992.

Another attractive feature of the LiDAR dataset is the ability to present both a canopy-level and below-canopy-level view of forestry. In other words, users will be able to see a high resolution 3D view of both the bush (or plantation) canopy, as well the ground below the canopy.

This will enhance the ability to identify and preserve important sites, such as Pa heritage sites," says Steve.

"The LiDAR dataset will provide a potent tool in treating erosion, and boosting the resilience of the Gisborne region from natural hazards."



The 1st frame shows areas, in red, that are susceptible to flooding. The 2nd frame shows a more accurate representation of the areas that are susceptible to flooding. The 3rd frame shows the raw high-res 3D topographical data.