

Discussion paper on behalf of the industry cohort led by AgriTechNZ to Ireland and the UK.

Introduction

In September, 24 members of the NZ agritech community (researchers, investors, innovators and enablers) visited Ireland and the UK on a mission supported by the Agritech ITP. The composition and presentation of the group meant we had access to senior level meetings with regulators, agri-businesses, and research groups in both regions. We also attended the World Agritech Innovation Summit in London.

As is usual with such missions, the dynamic ended up being a mobile think tank as experiences and debates weaved their way across the entire 2-week mission.

This document captures a snapshot of the discussions across this experience. We provide it solely as a prompt for further discussion and the exploration of insights from other investigations of these different country dynamics.

Talking points

Frameworks for communication and alignment across the entire system (science-industry-policy)

1. The Irish Marginal Abatement Cost Curve (MACC) is a great communication tool that enables alignment and clarity between science and policy (obviously, the MACC is quite specific to Irish scene both in terms of policy and farming practices / opportunities for reduction)
 - a) We wonder if an interactive MACC tool customised for the New Zealand agricultural context would enable engagement with a wide range of stakeholders including the general public. It could create a bridge between policy conversations and key stakeholders. It could transparently reveal assumptions and allow different or opposing views to be compared. The tool could incorporate and overlay MACC curves for a range of environmental impacts and industry contexts, in an integrated way.
2. We note the by-line used at events by the Dept of Agriculture, Food and the Marine (DAFM) "Science into Action". We note Teagasc as the 'owners' of the MACC and their active aversion to being involved in policy decisions themselves! (Q. from DAFM *"does protected urea being 100% better than unprotected urea mean that we should ban unprotected urea"*; A. from Teagasc *"all we can say is that protected urea is 100% better than unprotected urea" !!!*)
3. The alignment of science, science investment and policy was viewed to be quite direct and clear in Ireland – helped by the subsidy environment (to which we see many poor side effects). We have more instances of stakeholder groups in New Zealand (multiple science providers, levy groups...), and believe this could be a positive in terms of impact and change processes, **IF** we can create better alignment between groups.

Targets and approaches to changes on farm

4. Discussions with Tirlán and others emphasised that, in addressing agricultural emissions, the market will move faster than any government.

- a) This seems a likely dynamic on many key initiatives where supply chain commitments are based on adaptations at farm.
 - b) Noting the difference between NZ Government objectives on 10% CH₄ reduction by 2030 and AgriZero/Fonterra/ Scope 3 alignment of 30%. Got significant discussion DAFM.
 - c) Credit was given to the AgriZeroNZ public-private joint venture, as being both market facing and supported by Government.
 - d) Methane and Nitrous Oxide reduction is a necessary but narrow focus. Water, soil health and biodiversity are also key. Arguably, if you address water many other things fall into place.
 - e) Interesting to note the Irish sovereign fund approach. The Irish Strategic Investment Fund are also a mission led fund, but with a wider remit than CH₄ and NO₂
5. At the Munster Technological University (MTU) in Tralee, we were involved in many 'stand up' workshops. One of those explored the potential of collaboration on a Soil Health Index... "Don't treat soil like dirt"!
6. We note that at the World Agritech Innovation Summit (attended by most of the major multi-national agritech/ chemical businesses, retailers and global investors) the theme was "how to fund nature-positive food systems". What we may have thought was a unique selling point for food systems like ours, is being chased by everyone.

Recording and modelling systems

7. The Irish scene is 'simplified' due to EU policy and different %impact of farming, so AgNav as a simplified single tool might work for a while there (until the feature requests start coming in and what was a science project becomes an active piece of ongoing product mgt). NZ is a more complex environment, and a single tool may stifle innovation. For this reason, it is potentially very powerful from a farmer engagement perspective to work on a standards/definitions approach that empowers multiple toolsets (at choice of farmer and their advisors) to deliver the required data. We note the catalytic effect on innovation Fonterra had with this approach for Milk Vat Monitoring System.

Regulatory processes

8. Gene editing was a key discussion point at the World Agritech Innovation Summit. Particularly in terms of UK's approach to changing definitions and regs, which it feels justified in doing faster than EU. It is too important a tool to keep it off the table. Regulatory change appropriate to New Zealand in this domain is strongly supported.
9. How can we do the right things faster in terms of agricultural compound or veterinary medicine (ACVM) in New Zealand?

Who will pay

10. The prevalence of subsidies in the EU is not seen as an overall benefit to the system, but is a useful mechanism in paying for some of the environmental services required to effect environmental change. The approach in England for subsidy 'replacement' with payments for environmental services was noted. Key question on 'who will pay' remains unaddressed in NZ.

Other thoughts

11. At a time of critical system change, how do better support and enable our leaders to have the courage to make the necessary changes?

12. If the market has the potential to move faster than Government, what is feasible in terms of enabling the industry to deliver by setting things up for the industry to solve. This would require clear guidance on what needs to be achieved and then letting industry come with solutions. We again note how approaches like the MACC (a science and economics communication tool) have the potential to enable clear frameworks and roadmaps across all levers in the system.

Conclusion

As an open discussion, there is no conclusion. Just a willingness on behalf of this group to continue exploring the best concepts, frameworks and mechanisms that will benefit New Zealand.