Corner Ruakura &
Morrinsville Roads
Private Bag 3221
Hamilton 3240
New Zealand

Ph+64 7 858 3750
Fax +64 7 858 3751

dairynz.co.nz

26 November 2025

Ministry for the Environment
PO Box 10362
Wellington 6143
ERPconsultation@mfe.govt.nz

DairyNZ submission to the Ministry for the Environment on the proposed amendment to New Zealand's Second Emissions Reduction Plan

DairyNZ appreciates the opportunity to provide feedback the proposed amendment to New Zealand's Second Emissions Reduction Plan (2026-2030).

Executive summary

DairyNZ submits the following views:

- DairyNZ supports the proposed amendments and a market- and technology-led approach to emissions reduction but urges caution around ambitious assumptions on technology uptake.
- DairyNZ seeks clarity on the absence of advisory and extension services to support farmer readiness and integrate new mitigation technologies into their farm systems.
- DairyNZ advocates for accelerated support and recognition for nature-based solutions to address climate change.
- DairyNZ welcomes ongoing support for mātauranga-centred research initiatives to support Māori to reduce agricultural emissions.

Introduction

DairyNZ is the industry-good organisation representing New Zealand's 11,000 dairy farmers. We seek to progress a positive future for New Zealand dairy farming through enhanced sustainability, profitability, and competitiveness. In the year ending June 2025, NZ dairy exports generated approximately $27 billion, accounting for one in every four export dollars earned by New Zealand. Dairy farming and processing contribute around $20 billion a year to GDP, representing 3-4% of total GDP, and the sector employs over 55,000 people, including 40,000 on farms and 15,000 in processing.

DairyNZ is committed to dairy farming playing its part in transitioning to a low emissions economy alongside the rest of Aotearoa New Zealand. Our work covers research, economic and farm systems analysis, and extension to support the sector to improve its efficiency and profitability, build resilience to a changing climate, and reduce its emissions.

Responses to consultation questions

1. **What, if any, other impacts or consequences of the revised approach to reducing agricultural emissions should the Government be aware of?**

DairyNZ is supportive of a market- and technology-led approach to reducing agricultural emissions without undermining profitability. We welcome increased research funding in this area, recognising farmers' reliance on practical, economically viable tools to reduce emissions without undermining production.

There are ambitious assumptions underpinning the 2025 projection baseline for EB2, including that by 2030, 37 percent of dairy cattle are vaccinated with a methane vaccine, and 12 percent of dairy farms are using EcoPond.

DairyNZ has consistently encouraged Government to be cautious when making assumptions on technology availability, efficacy and uptake. It is essential that projections are based on realistic assumptions that are grounded in dairy farm systems analysis. Farmer uptake of these technologies is reliant on several factors:

a. Mitigation tools and practices must be economically viable and practical to implement in our pastoral systems. They should also minimize negative environmental consequences and not affect food safety or threaten overseas trade.
b. They must be recognised in any farm-level emissions estimation and reporting system and national greenhouse gas inventory.
c. Incentive structures must be in place to support their uptake.

We note similar concerns with the scenarios used in the discussion document for projections from 2031 onwards.

2. **What actions could the Government consider taking to further support a market- and technology-led approach to reducing agricultural emissions?**

DairyNZ welcomes the progress made in estimating on-farm emissions, including MPI's work on methodology. Prompt recognition of proven practices and technologies for reducing emissions in the national inventory and farm-level estimation methodologies is critical, with alignment across systems to avoid duplication.

Given the strong linkages between climate and other environmental outcomes like water and biodiversity, DairyNZ emphasises the importance of promoting a holistic approach and monitoring impacts on ecosystem health across the whole farm system. Taking an integrated approach to emissions reduction presents an opportunity to better incentivise the uptake of nature-based solutions such as the removal of emissions through non-forest measures, e.g. wetland restoration and on-farm vegetation.

Government has an important role to play in ensuring system coherence across market-based incentive mechanisms (i.e. credit schemes), environmental reporting and other regulatory requirements to avoid duplication and confusion for farmers. We welcome work underway on an assessment framework for carbon removals and see potential for further investment and acceleration in this area.

In addition, extension services are essential for farmer readiness and integration of new technologies. We seek clarity on how these will be delivered outside the ERP, alongside sector initiatives.

3. **Noting that agricultural emissions policies may disproportionately impact Māori, what further action could the Government consider to support Māori to reduce agricultural emissions?**

DairyNZ welcomes the intent to ensure the revised approach works for Māori landowners and acknowledges the unique governance and land-use contexts that influence adoption of new technologies. DairyNZ supports Māori farmers through on-farm assistance, tikanga-based partnerships, and research incorporating mātauranga Māori.

We would welcome ongoing Government support for research initiatives seeking to reduce emissions through new regenerative systems, like Te Whenua Hou Te Whenua Whitiora, and for projects that work with iwi on holistic catchment-level approaches to environmental restoration, like in the Pōkaiwhenua catchment.

4. **What are your views on ERP2 with the revised approach to reducing agricultural emissions?**

DairyNZ supports the shift to focus on enabling the development, validation, and uptake of agricultural mitigation technologies. This is consistent with a market-led approach and with the practical realities of reducing agricultural emissions from pastoral systems.

This approach is appropriate provided assumptions round technology are realistic. As noted above, success relies on ongoing investment into research, strong enabling systems, including timely methodology updates, and farmer support.

New Zealand farmers are among the most climate-efficient producers globally. Farmers have stabilised emissions over the past decade, with dairy methane down 4.1% since 2017. As the Government looks to the sector to help drive economic growth, we believe that exploring this responsibly will be critical to sustaining progress.

DairyNZ welcomes the opportunity to discuss these topics further, if you have further questions on the feedback provided in this response, please get in contact.

Yours sincerely,

Roger Lincoln
Head of Policy
Roger.Lincoln@dairynz.co.nz