



**To:** Hon Todd McClay, Minister of Agriculture  
Hon Simon Watts, Minister of Climate Change

**From:** Julie Collins, Deputy Director-General Policy & Trade  
Sam Buckle, Deputy Secretary, Climate Change Mitigation and Resource Efficiency

## Potential timeframes for Reducing Agricultural Emissions Actions

<b>Date</b>	19 February 2024	<b>MPI Reference</b>	B24-0129
		<b>MfE Reference</b>	BRF-4289

Decision required	Date decision required by
YES <input checked="" type="checkbox"/> / NO <input type="checkbox"/>	23 February 2024

### Purpose

This briefing provides you with information on high-level timeframes for reducing agricultural emission actions (the plan). Following your direction, these could be signalled to Cabinet as part of the process to ‘get agriculture out of the Emissions Trading Scheme’, and then signalled publicly.

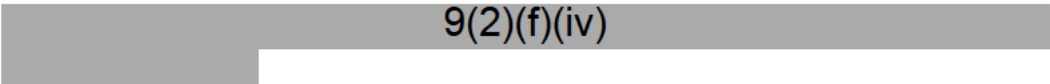
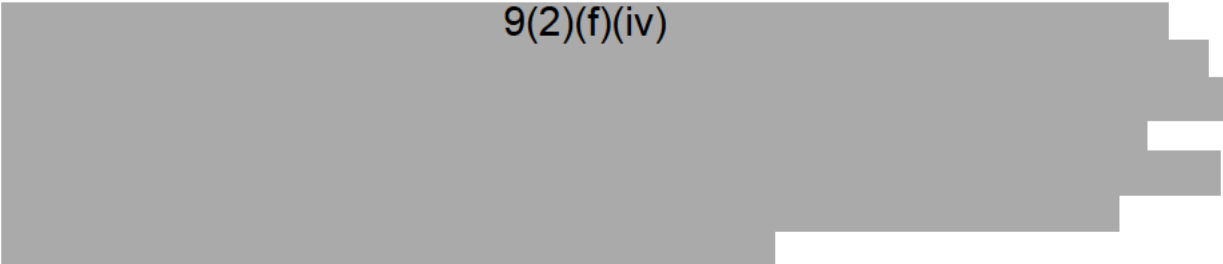
### Background

1. In your bilateral meeting on the 31 of January, you agreed to work jointly to introduce a discrete Climate Change Response Act 2002 (CCRA) amendment bill at the end of June 2024. You also agreed before the introduction of this bill to publicly signal the high-level milestones and timeframes to deliver the reducing agricultural emission actions (the plan), and advice to be provided on this in quarter one. This is in order to place CCRA amendment decisions within the context of wider strategy for agricultural emissions.

2. 9(2)(f)(iv)

### Agriculture climate change action plan timeframes

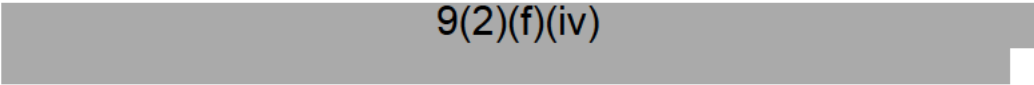
3. Based on your manifesto commitments and outcomes of the bilateral meeting, we recommend you signal that you are progressing work towards fair and sustainable pricing of agricultural emissions no later than 2030, with the milestones of:

- a) reviewing the methane science in 2024 and targets in 2025;
  - b) establishing the agriculture emissions pricing board in 2024;
  - c) amending the CCRA to take agriculture out of the Emissions Trading Scheme in 2024;
  - d) publishing the standardised farm-level methodology in the first half of 2024;
  - e) commencing measurement of on-farm emissions in 2025, based on the published methodology;
  - f)  9(2)(f)(iv)
  - g) introducing fair and sustainable pricing of on-farm emissions no later than 2030.
4. In addition to the Government's review of methane science in 2024, the Climate Change Commission is also required to undertake a review of New Zealand's legislated greenhouse gas targets in 2024.
5. You may also wish to signal there is work underway to investigate options to incentivise the uptake of mitigations, and that the intention is for to support the transition to pricing.
6.  9(2)(f)(iv)

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### Next steps

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7. Officials will draft the relevant sections of the joint cabinet paper on amending the CCRA, based on your direction from this briefing and based on decisions you jointly make in the briefing 'Climate Change Response Act Amendments: New Zealand Emissions Trading Scheme obligations' on which 'getting agriculture out of the Emissions Trading Scheme' option you pursue [B24-0127 refers].
8. Additionally, Officials will soon provide relevant Ministers with advice on:
- a) incentivising the uptake of mitigations;
  - b) establishing the agricultural emissions pricing board; and
  - c)  9(2)(f)(iv)
9. We also expect to seek the Minister of Agriculture's approval in April to publish the first iteration of the farm-level emissions methodology. As part of this, we will work the Minister of Agriculture's office in consultation with the Minister of Climate Change's office to confirm the desired approach to its launch – including whether this is to have a narrow focus on only the methodology, or if there is interest in using this as a wider opportunity to make other relevant announcements related to agricultural emissions reduction.

## Recommendations

10. It is recommended that you:

- a) **Note** that the Climate Change Commission is reviewing New Zealand's legislated greenhouse gas targets in 2024, including the methane targets;

**NOTED**

- b) **Agree** to include in the joint Climate Change Response Act Amendment cabinet paper seeking to remove agriculture from the Emissions Trading Scheme, and at an appropriate time signal publicly, the intention to meet the following timelines for key agricultural emissions actions:

- i. methane science and target reviews, beginning with an independent methane science review in 2024;

**YES / NO**

- ii. establish the Agriculture Emissions Pricing Board in 2024;

**YES / NO**

- iii. investigate options to incentivise the uptake of mitigation technologies;

**YES / NO**

- iv. publication of a standardised farm level methodology in the first half of 2024 and commence measurement of on-farm emissions in 2025, based on the standardised farm level methodology;

**YES / NO**

- v. 9(2)(f)(iv)

- vi. introduce fair and sustainable pricing of on-farm emissions by no later than 2030.

**YES / NO**



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