Our journey towards net zero

New Zealand's second emissions reduction plan 2026–30

Tā Aotearoa mahere whakaheke tukunga tuarua

January 2026 amendment addendum

Te Kāwanatanga o Aotearoa
New Zealand Government

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Message from the Minister of Climate Change

The Government is committed to growing the economy and delivering on New Zealand's climate change commitments.

New Zealand's farmers are already some of the world's most emissions-efficient meat and dairy producers. We are investing in new tools and giving farmers practical support, so we can help our agricultural sector to cut emissions while enabling the sector to grow.

We've amended the second emissions reduction plan to reflect the Government's revised approach to reducing agricultural emissions as the Government will not be progressing with an on-farm emissions pricing system by 2030.

This includes leveraging our investment of over $400 million to accelerate the development and commercialisation of agricultural mitigation technologies. Industry partnership, action and leadership are a key part of the approach and will continue to have support from this Government.

Public consultation on the amendment highlighted that widespread adoption of the emerging mitigation tools is critical for a technology-led approach to succeed. We agree with this.

Industry and Government both have a role in making this happen and in supporting our world-leading farmers to succeed.

We are confident New Zealand remains on track to meet its first and second emissions budgets, and our revised approach supports continued progress toward our long-term goals of net zero by 2050. By investing in technology, supporting credible markets, doubling renewable energy and exploring nature-based solutions, we can reduce emissions while growing the economy, creating high-quality jobs and unlocking new industries.

Hon Simon Watts
Minister of Climate Change

January 2026 amendment to the second emissions reduction plan

This section summarises the changes made to the second emissions reduction plan (ERP2) across three documents to reflect the January 2026 amendment. It also explains how to read this document in light of the amendment.

In 2025, the Government revised our approach to reducing agricultural emissions. In particular, we have decided not to proceed with implementing an on-farm agricultural emissions pricing system by 2030. The Government remains committed to a technology-led approach to reducing emissions and will leverage market-led schemes that support farmers to adopt new ways of reducing emissions.

ERP2, originally published in December 2024, has been amended to reflect this revised approach.

Summary of changes and how to navigate the amended ERP2

The amendment consists of an updated ERP2, to be read alongside a new addendum. These documents can be read in conjunction with the ERP2 technical annex, and latest official greenhouse gas emissions projections. Changes across the three documents are as follows.

ERP2

- The agriculture chapter of ERP2 has been fully updated to reflect the revised approach to reducing agricultural emissions.
- Elsewhere in ERP2, references to agricultural emissions pricing that are impacted by this amendment are highlighted in grey and prefaced with <Superseded by January 2026 amendment>.
- A new box at the beginning of the executive summary and the start of chapter 2 highlight that references to projections reflect 2024 data and refer readers to the latest official projections.

Addendum (this document)

- A new addendum sets out how the amended ERP2 will meet the second emissions budget, in light of the revised approach to reducing agricultural emissions.
- It further notes the impact of the amendment on the third emissions budget and 2030 and 2050 biogenic methane targets.
- The addendum is based on 2025 projections. An appendix to the addendum includes technical information on the modelling used for 2025 projections.

Technical annex

- A note in the new ‘January 2026 amendment’ section and the executive summary explain that projections within the technical annex are accurate as at December 2024 and refer readers to the latest official projections.
- References to agricultural emissions pricing are highlighted in grey and prefaced with <Superseded by January 2026 amendment>.

How to read this document

This document sets out how the amended ERP2 will meet the second emissions budget (EB2), in light of the revised approach to reducing agricultural emissions. It further notes the impact of the amendment on the third emissions budget (EB3) and 2030 and 2050 biogenic methane targets. Modelling in this document is based on the 2025 official greenhouse gas emissions projections.

This addendum should be read alongside the updated ERP2 document, which remains the primary reference document to understand the Government's policies and strategies in place for meeting EB2. The agriculture chapter of ERP2 has been updated to reflect the Government's revised approach to agricultural emissions. Both should be read alongside the latest emissions projections, which you can find on the Ministry for the Environment's webpage, New Zealand's projected greenhouse gas emissions to 2050.

Updating our approach to reducing agricultural emissions

The Government is taking a market- and technology-led approach to reducing agricultural emissions.

The Climate Change Response Act 2002 provides that amendments may be made to emissions reduction plans and supporting policies and strategies in order to maintain their currency.[1] This addendum and the updated ERP2 documents together form the January 2026 amendment to ERP2.

The Government has revised our approach to reducing agricultural emissions. We will no longer be introducing an on-farm emissions pricing system by 2030. We will continue to support and leverage industry incentives to enable farms to accelerate their uptake of new technology to reduce agricultural emissions, without adding significant cost to production.

We remain committed to taking a multi-pronged approach to reducing agricultural emissions without undermining profitability. This approach includes:

- getting tools to farmers and growers faster, by investing in research, development and commercialisation
- having effective regulatory frameworks for new tools – here in New Zealand and internationally
- developing measurement of on-farm emissions for use by 2025 (this action was completed in October 2025)
- supporting changes in practice on-farm
- reviewing the methane science and 2050 target (this action was completed in December 2025).

New Zealand's market- and technology-led approach is already delivering results

The Government is investing more than $400 million over four years to accelerate the development and commercialisation of mitigation technologies that will drive reductions in agricultural emissions. This includes investments through the Ag Emissions Centre and AgriZero^{NZ}, a public–private partnership with leading agribusinesses and banks (for more detail on both, see chapter 10 of the amended ERP2). This is a key part of our market- and technology-led approach.

We have confidence in the pipeline of new mitigation tools, which will support New Zealand's economic growth and contribute to meeting climate commitments. Since ERP2 was first published, the range of mitigation options available in the market has expanded and a wide range of solutions in development have progressed. Three mitigation tools – urease-inhibitor-

[1] Climate Change Response Act 2002, section 5ZI(3).

coated fertiliser, low-methane sheep genetics, and EcoPond – are already available. We anticipate up to 11 mitigation tools may be available by 2030 and expect to see at least two to three of these in widespread use by 2030. For more detail on the Government's approach to reducing agricultural emissions, see the updated agriculture chapter (chapter 10) of ERP2.

We are confident the removal of the on-farm pricing system policy from ERP2 does not impact our ability to meet EB2

Our 2025 projections confirm we are on track to meet our first two emissions budgets

New Zealand's greenhouse gas emissions projections are updated annually based on the best information we have at the time to help us understand how we are tracking towards our domestic targets for reducing greenhouse gas emissions reduction. There is inherent uncertainty in projections, particularly the further out we look. They can vary each year for reasons including external factors (eg, economic conditions), changes in government policy, and changes in the methods used to compile data that inform the Greenhouse Gas Inventory.[2]

The 2025 projections indicate New Zealand remains on track to meet both the first emissions budget (EB1) and EB2, with increased buffers compared with the projections published alongside ERP2 in December 2024 (table 1). As table 1 outlines, 2025 projections are now forecasting improvements to 'with additional measures'[3] projections across EB1 and EB2, and improvements to the EB2 baseline. See appendix 1 for further detail.

Table 1: Comparison of ERP2 2024 emissions projections and 2025 emissions projections for EB1 and EB2 (based on the 'with additional measures' central estimate[4]) (Mt CO_2-e)[5]

Emissions budget	Baseline		With additional measures	
	2024 projections	2025 projections	2024 projections	2025 projections[6]
EB1 (290)	284.5 *(buffer of 5.5)*	282.3 *(buffer of 7.7)*	284.1 *(buffer of 5.9)*	282.3 *(buffer of 7.7)*

2 The Government is currently exploring different approaches to allow for the impact of methodological changes on the emissions budgets.

3 'With additional measures' (WAM) incorporate government policies that are under development or proposed but not yet implemented. They include extensions to or expansions of baseline policies that are planned but not yet implemented.

4 The further out we look, the more uncertain the projection becomes. This is expressed as an 'uncertainty range'. The uncertainty range shows a spectrum of emissions scenarios, from the lowest expected result to the highest. In the middle is the 'central estimate', which is considered the scenario most likely to hold true.

5 Mt CO_2-e = million tonnes of carbon dioxide equivalent.

6 The 2025 projections presented here include a revision from those initially published in October 2025. This is because an error in transport data used in 2025 was identified and rectified, resulting in a correction in transport emissions of +0.8 Mt CO_2-e in EB2.

Emissions budget	Baseline		With additional measures	
	2024 projections	2025 projections	2024 projections	2025 projections[6]
EB2 (305)	306.3 *(abatement gap of 1.3)*	302.6 *(buffer of 2.4)*	303.1 *(buffer of 1.9)*	301.4 *(buffer of 3.6)*

The drivers for reduced emissions in 2025 projections

Key drivers of change that reduced emissions in the 2025 projections compared with 2024 projections include increased forestry removals and changes to waste emissions methodology. Updated estimates of gas reserves in New Zealand also contribute to our improved emissions outlook compared with 2024 projections – though these lower levels of gas reserves have also resulted in the removal of projected emissions reductions from carbon capture, utilisation and storage from 2025 projections.

Projected agricultural emissions in EB2

2025 projections model that agricultural mitigation technology has a greater role in EB2 than was assumed in 2024 projections. This reflects updated assumptions about mitigation technology since the development of ERP2 (eg, assuming dairy processors meet their emissions intensity targets, and use of EcoPond and a methane vaccine increases, as well as an updated modelling methodology). As a result, 2025 projections forecast 1.9 Mt CO_2-e of abatement due to agricultural mitigation technology.

Despite the projected reduction in agricultural emissions across the EB2 period, higher forecast stock numbers are driving an increase in total agricultural emissions compared with the forecast in the 2024 projections. This is because the expected increase in mitigation technology uptake is not enough to offset this increase in production. The overall result is a 4.8 Mt CO_2-e increase in emissions from agriculture across the EB2 period, compared with that projected in ERP2.

2025 projections were finalised before the Government decided not to progress agricultural pricing, but they did not specifically model the impact of an agricultural pricing system.

However, ERP2 had assumed agricultural pricing would have only a 0.2 Mt CO_2-e abatement impact on EB2, as the system was due to be introduced in the final year of the EB2 period. The impact of not progressing with this policy is therefore likely to be minor and able to be absorbed within the 2025 projections buffer. In light of this, we are confident the removal of this policy from ERP2 does not impact our ability to meet EB2.

Progress towards our third emissions budget and biogenic methane targets

ERP2 is required to set out the policies and strategies to meet EB2, although its policies are also likely to contribute to progress towards future emissions budgets. In addition, although emissions budgets are set on an all-gases basis, action in relevant emissions budget periods can support New Zealand in meeting its biogenic methane emissions targets.

It is likely that an agricultural emissions pricing system, implemented in 2030, would have supported emissions reductions in the EB3 period and beyond, and contributed towards our methane targets. However, the expected impact was uncertain and has not been quantified in the 2025 projections – as noted above, and further explained below.

Achieving biogenic methane reductions without agricultural emissions pricing is feasible. We are committed to our market- and technology-led approach, and our work and investment to accelerate the development and commercialisation of new mitigation technologies underpins this.

Third emissions budget (2031–35)

In 2025, the modelling approach in agriculture differed from the approach in 2024 for ERP2, with 2025 agriculture emissions projections setting out three scenarios for 2030–50, enabling us to consider a range of possible outcomes. These scenarios were developed by adjusting the long-term assumptions on efficacy and adoption of mitigation technologies – as this is an area of large uncertainty.

The scenarios modelled different plausible efficacy improvement and adoption pathways for mitigation technology, and did not distinguish between additional government policy and industry action in terms of their impact on emissions. This means the scenarios do not specifically model the impact of an agricultural emissions pricing system from 2030. Refer to appendix 1 for more information on the scenarios.

The 2025 projections, when using the central scenario for agriculture, suggest that New Zealand is off track for meeting EB3 by 8.7 Mt CO_2-e.

Based on 2024 projections, emissions reductions from agricultural emissions pricing were estimated to be 10.6 Mt CO_2-e in the EB3 period. However, the design of the pricing system and price level were still undecided, and these decisions would have had significant impacts on the level of reduction seen. It is also not clear the extent to which these reductions would have been additional to what industry- and market-led measures may otherwise have achieved.

The third emissions reduction plan (ERP3) will set out how the Government plans to meet EB3. This plan is due to be published in 2029. As noted in the 2025 Government response to the Climate Change Commission's emissions reduction monitoring report,[7] we are committed, as the Commission recommends, to looking at opportunities ahead of ERP3. This will help to shape policy development and ensure we are well placed to meet our climate targets.

The biogenic methane targets

New Zealand's two biogenic methane targets are for biogenic methane emissions to be:

- 10 per cent below 2017 levels by 2030
- 14 to 24 per cent less than 2017 levels by 2050 and thereafter.

[7] Ministry for the Environment. 2025. *Government Response to the Climate Change Commission: Monitoring Report: Emissions Reduction 2025*. Wellington: Ministry for the Environment.

2030 biogenic methane target

Based on the central estimate of the 2025 projections, New Zealand is off track for meeting the 2030 target for biogenic methane emissions, with these emissions projected to decrease 7.9 per cent from 2017 levels by 2030 (this equates to a 0.8 Mt CO_2-e gap). The uncertainty range of the 2025 projections includes meeting the 2030 target, but achieving it would likely require higher levels of technology uptake or a reduction in production compared with assumptions underpinning the central estimate in projections.

2050 biogenic methane target

The 2025 projections scenarios show it is possible that we can achieve the 2050 biogenic methane target. This assumes continued technology development and greater incentives to adopt mitigation technologies as industry and market ambition increases over time.

Macro-economic and distributional impacts

When published in 2024, ERP2 contained computable general equilibrium (CGE) modelling that estimated the aggregate impacts of ERP2 on the economy (see ERP2 technical annex).[8] The CGE modelling demonstrated the possible difference in outcomes in 2050 across households, sectors and regions compared with the counterfactual scenario.

By design, CGE models take a high-level, top-down approach and make some simplifying assumptions on how policy impacts play through the economy. As with all modelling, especially on a three-decade horizon, the CGE results are highly uncertain and should be considered in that context. The modelling can provide insights into where impacts are likely to occur and in what direction, but the magnitude of the impacts is highly uncertain.

The CGE modelling as included in ERP2 in 2024 took a conservative estimate of the cost of agricultural emissions reductions required to meet the 2050 biogenic methane target. The projections for biogenic methane emissions under the 2025 central scenario are broadly consistent with those originally modelled. Together, these circumstances suggest the economic modelling done for ERP2 is still a good indicator of how the updated ERP2 will likely affect the economy and different groups.

[8] Torshizian E, Adams P, Stroombergen A. 2024. *Economic Impact of New Zealand's Second Emissions Reduction Plan*. Report to Ministry for the Environment by Principal Economics Limited in collaboration with the Centre for Policy Studies and Infometrics Limited.

Key changes to ERP2 as published in December 2024

The agriculture chapter of ERP2 (chapter 10) has been updated to reflect recent developments as part of the Government's revised approach to reducing agricultural emissions including:

- the Government's decision not to introduce an on-farm emissions pricing system by 2030, while it continues to support and leverage industry incentives to enable farms to accelerate the uptake of new technology to reduce agricultural emissions, without adding significant cost to production
- the most recent inventory data (New Zealand's Greenhouse Gas Inventory 1990–2023) including in updated versions of figures 10.1 and 10.2
- the change of the name of the New Zealand Agricultural Greenhouse Gas Research Centre to the Ag Emissions Centre
- current progress by AgriZero^{NZ} and the Ag Emissions Centre, including the further development of the mitigation technology pipeline
- the outcomes of the Ministry for Regulation's review into the Agricultural Compounds and Veterinary Medicines Act 1997 and Hazardous Substances and New Organisms Act 1996 and progress on establishing a gene technology regulator
- recent developments in standardising the approach to estimating on-farm emissions
- an overview of how the Government is supporting Māori-led approaches to reducing agricultural emissions
- the independent review of methane science and 2050 target and the Government's decision to amend the 2050 biogenic methane target to 14–24 per cent less than 2017 levels.

Appendix 1: Technical information on 2025 emissions projections

Modelling used for 2025 projections

The projections have been developed using a combination of agency sectoral models and the Emissions in New Zealand (ENZ) model. The ENZ model is a bottom-up model that includes data to represent individual industries and technologies and has been used widely in New Zealand, including by the Climate Change Commission | He Pou a Rangi.

The modelling of macroeconomic and distributional impacts in ERP2 has not been updated from 2024. That modelling was undertaken using the CGE framework (see Macro-economic and distributional impacts), which differs from, but draws on, the emissions projections modelling undertaken in ENZ.

Central estimates and sensitivity bands

As part of the 2025 projections process, two sets of projections were prepared.

- Baseline projections (also referred to as 'with existing measures' or WEM) reflect government policies and measures that are currently legislated, funded and implemented.
- Additional policy measures (also referred to as 'with additional measures' or WAM) show the impact of the additional emissions reductions generated by the policies and measures in ERP2.[9]

Table A1.1 presents the central projections for each projection set (WEM and WAM), along with a low estimate and a high estimate. This range reflects the underlying sensitivity in the projections.

Table A1.1: Central, high and low 2025 projections for baseline and additional policy measures (Mt CO_2-e)

Emissions budget	Budget	Baseline projections			Additional policy measures		
		Low	Central	High	Low	Central	High
EB1	290	280.1	282.3	287.7	280.1	282.3	287.7
EB2	305	287.3	302.6	328.1	286.1	301.4	326.7
EB3	240	229.4	259.2	300.1	234.0	248.7	271.5

[9] As noted in the Third emissions budget (2031–35) section, for agriculture a scenario approach was taken beyond 2030. These scenarios assume additional drivers of mitigation beyond the policies and measures in ERP2.

Changes (and drivers of change) from 2024 to 2025 projections

Several factors have contributed to notable shifts in emissions projections in 2025 compared with the 2024 projections that were published alongside ERP2 (table A1.2). The drivers of the shifts include updated data on sector activities, an evolving understanding of the implementation of policy and private sector commitments, and improvements in modelling approaches (informed by new data).

Table A1.2: Comparison of ERP2 projections with 2025 projections by emissions budget (Mt CO_2-e)

Emissions budget	Budget	Baseline		Additional policy measures	
		ERP2 projections	2025 projections	ERP2 projections	2025 projections
EB1	290	284.5	282.3	284.1	282.3
EB2	305	306.3	302.6	303.1	301.4
EB3	240	266.3	259.2	249.2	248.7[10]

Changes in the forward outlook for the baseline can influence the impact of policies. This effect has been observed in the 2025 projections, which indicate that some ERP2 policies will lead to a lower level of emissions reductions.

The following tables compare:

- emissions impacts of ERP2 policies (excluding agriculture) in ERP2 projections and 2025 projections, by sector and emissions budget (table A1.3)
- agriculture emissions impacts of ERP2 projections and 2025 projections for EB2 (table A1.4)
- agriculture emissions impacts across the different scenarios for EB3 (table A1.5).

[10] 'With additional measures' use agricultural scenario B as the central projection in 2025 projections.

Table A1.3: Comparison of the impacts of ERP2 policies on EB2 and EB3 in ERP2 projections and 2025 projections by sector *excluding agriculture* (Mt CO_2-e)

	Policy impact of ERP2 projections		Policy impact of 2025 projections		Description of change in policy impacts from ERP2 to 2025 projections
	EB2	EB3	EB2	EB3	
Transport energy	–0.01	–0.2	*–0.01*[11]	*–0.2*	No change in the impact of the ERP2 policy of 10,000 public electric vehicle charging points.
Industrial processes and product use (IPPU)	–0.4	–0.7	–0.4	–0.6	ERP2 included the impact of an earlier implementation of a regulated product stewardship scheme for refrigerants. For 2025 projections, the modelling assumptions for this policy were unchanged. However, the impact is now slightly lower in EB3. This is because IPPU emissions in the absence of this policy are projected to be lower than they were in ERP2 – so the policy applies to a smaller baseline level of emissions.
Non-transport energy	–1.1	–2.5	–0.04	–0.2	Recent reports on the extent of gas scarcity in New Zealand were not available when the policy impact of Electrify NZ was calculated for ERP2 projections. The Government has received new information about gas scarcity in New Zealand, which shows a significant decline in predicted natural gas reserves: 2025 gas production is forecast to be 24% lower than previously estimated. This new information impacts the choices of stakeholders in the energy market. The Todd group has publicly stated that it does not intend to pursue carbon capture and storage (CCUS) at the Kapuni site, noting gas scarcity and New Zealand Emissions Trading Scheme price as drivers for its decision. As a result, a judgement in making the 2025 projections has been to not model CCUS. This will be kept under review as legislation progresses to make the pathway for CCUS possible in New Zealand.
Waste	–1.8	–2.1	–1.0	–2.8	Compared with ERP2, the impact of policies on waste emissions is lower in EB2 but slightly higher in EB3. This change is due to several factors, including: • improved modelling of the likely timing of emissions reductions resulting from Waste Minimisation Fund initiatives (with less reduction in EB2 but higher reduction in later emissions budgets) • expected higher impacts from improved landfill gas capture, compared with ERP2 modelling, which assumed lower policy potential in this area • lower projected waste tonnages in the baseline, with a smaller waste volume for policies to act on.
Forestry	0.4	–1.8	0.4	–1.8	The modelling for the afforestation on Crown-owned land policy included in 2025 projections is consistent with the modelling for that policy in ERP2.

[11] This policy has been moved into the baseline for 2025 projections, so there is no difference between the baseline and 'with additional measures' projections.

Table A1.4: Comparison of ERP2 and 2025 projections for EB2 and EB3 for *agriculture emissions only* (Mt CO_2-e)

Agriculture projections scenario	EB2	EB3
ERP2 projections modelling results – projected agriculture emissions		
Baseline	196.3	194.8
ERP2 policy impact	–0.2	–10.8[12]
ERP2 policy scenario	196.1	184.1
2025 projections modelling results – projected agriculture emissions		
Baseline	201.0	199.0
'With additional measures' central scenario impact	–0.1[13]	See table A1.5
'*With additional measures'* central scenario	200.9	
Total mitigation technology impact in the *'with additional measures'* central scenario	–1.9[14]	

Table A1.5: 2025 projections scenarios in EB3 for *agriculture emissions only* (Mt CO_2-e)

2025 agriculture projections scenario	EB3 scenario emissions	EB3 scenario impact from baseline[15]	EB3 total mitigation technology impact in scenario[16]
Baseline	199.0	–	–6.0
Scenario A	195.9	–3.1	–8.2
Scenario B	194.0	–5.0	–10.1
Scenario C	188.8	–10.2	–15.4

Each scenario assumes different levels of technology efficacy and adoption (for an overview, see Scenarios used for 2031 onwards for agriculture). The scenarios do not distinguish between different drivers of these different levels of adoption (ie, the impact of agricultural pricing, and other government or market drivers). In each scenario, reductions from mitigation technology could be achieved through industry incentive schemes, government policy and/or a collaboration between government and industry.

The **total impact of mitigation technology** in scenario B in EB3 is –10.1 Mt CO_2-e. A significant portion of this is assumed within the baseline (–6.0 Mt) as a result of industry-led initiatives and market-led adoption.

The amount of technology adoption in the baseline for the 2025 projections is higher compared with the ERP2 baseline in 2024, noting that industry has made further commitments since ERP2 was published.

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12 The modelled impact in ERP2 of an agricultural emissions pricing system was –10.6 Mt in EB3. The additional impact is due to a small amount of stock displacement resulting from the ERP2 policy for afforestation on Crown-owned land.

13 In EB2, this impact is due solely to the ERP2 policy for afforestation on Crown-owned land.

14 In EB2, this is captured entirely in the 2025 baseline.

15 This includes additional technology adoption and the impact of the ERP2 policy for afforestation on Crown-owned land.

16 This is the total impact of mitigation technology in a given scenario, including any amount in the baseline.

Within the baseline, in the short term (out to 2030), it is assumed that major dairy processors meet their existing emissions intensity targets. However, there are several ways in which processors could meet these targets, which could result in different outcomes for New Zealand's gross agricultural emissions (as these targets are intensity based and cover a wider range of emissions than domestic agricultural emissions reporting, eg, transport and historical land-use accounting). A least-cost approach was taken in the baseline modelling, with the methane vaccine used as a proxy for mitigation action that processors could take to meet their targets.

By 2030, in the 2025 projection baseline, it is assumed that:

- 37 per cent of dairy cattle are vaccinated with a methane vaccine that reduces enteric methane emissions by 10 per cent
- 12 per cent of dairy farms are using EcoPond, which reduces methane emissions from effluent ponds by over 90 per cent
- a low level of adoption of other mitigation technologies occurs across dairy cattle, beef cattle and sheep.

Other drivers of changes in agricultural sector emissions in the baseline include a stronger commodity outlook in the near term, which has led to an increase in projected livestock numbers (particularly for dairy cattle) and increased projected productivity/average milk yield.

The additional projected mitigation (in the updated 2025 baseline, compared with the ERP2 baseline) is not sufficient to fully offset the increase in projected emissions associated with the increased expectations for agricultural livestock numbers and productivity.

Scenarios used for 2031 onwards for agriculture

The section Progress towards our third emissions budget and biogenic methane targets refers to the scenario-based approach used for 2031 onwards for agriculture. The scenarios look at different plausible efficacy improvement and adoption pathways for mitigation technology, and use a set of assumptions as a proxy for the impact of emissions reduction activities. These scenarios can be summarised as follows.

- **Scenario A:** Long-term technology efficacy is based on **current** technology development milestones, and adoption is based on **current** industry ambition (assuming little to no increase in ambition after 2030).
- **Scenario B:** Long-term technology development **progresses at a similar rate** to current technology development milestones, and incentives to adopt technologies **increase in a similar trajectory** to the current level of industry ambition.
- **Scenario C:** Long-term technology development **progresses at a greater rate** than current technology development milestones, and incentives to adopt technologies **increase at a greater rate** than the current trajectory of industry ambition.

These scenarios were developed to illustrate the potential uncertainty associated with the impact of agriculture mitigation technology on emissions in the long term. Some of the key drivers for the range outlined through the three scenarios are uncertainty in the pace of technological development, the ability to scale these technologies to significant commercial scales and the level of ambition of industry-led initiatives after 2030.