



AGRIBUSINESS

# Field Notes

Weekly news update from the KPMG Agribusiness network



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KPMG Agri-business  
Agenda 2019**

**23 January 2020** – This week's headlines



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**Welcome to KPMG's Field Notes holiday edition. This issue will feature stories on both sides of the New Year. It will first wrap up key features from the end of 2019, before launching into the latest news from 2020. The new decade brings a range of news from around the globe.**



## Closing off the year:

[British farmers lay out detailed plans to be carbon neutral a full 10 years before the government's deadline](#) [10 September, Carla Passino, Country Life] The UK National Farmers Union have announced ambitious plans to achieve net-zero emissions by 2040, which is ten years before the current Government target. NFU President Minette Batters reported that competitors such as New Zealand and Ireland have set the precedent and that they must make moves to move and exceed what has already been done. Three main points were outline in their report including reducing emissions whilst using smarter agriculture to simultaneously produce more and reducing agriculture's current reliance on fossil fuels. The NFU have suggested a range of things that can be done to lock carbon in the soil such as planting larger hedgerows. Mrs Batters reported that their goal can only be achieved if all stakeholders make an effort.

[Historic moment as the Precision Agriculture Association of NZ \(PAANZ\) sign the resolution to join the Agritech New Zealand initiative](#) [01 December, Peter Wren-Hilton, Agritech New Zealand] Members of PAANZ unanimously voted to join the Agritech New Zealand Initiative at the

beginning of December. This brings two of New Zealand's key agritech ecosystem organisations together which will help to scale the sector internationally as well as "develop new strategies to accelerate the adoption of critical tech on New Zealand farms and orchards".

[Meat plants are likely to close](#) [12 December, Farmers Weekly] Tim Ritchie, Chief Executive of the Meat Industry Association has reported that the Government's freshwater proposals places some meat processing plants in jeopardy due to "excessively tight" quality limits. Mr Ritchie stated that the limits will result in substantial cost to the meat processing sector, and will have limited benefit to the environment at the same time. The meat industry is New Zealand's largest manufacturing sector, employing 25,000 people, many of whom are from rural communities. The MIA call for the proposals to be based off of science, as they do not believe that many processors will be able to meet the proposed DRP limit.

[NZ eco-innovation finalists announced](#) [20 December, Callaghan Innovation: Press Release, Scoop Independent News] Callaghan Innovation have announced the ten finalists of their C-Prize challenge to receive \$10,000 each to support their project along with business mentoring over the next six months. The challenge aims to find and help create businesses surrounding new technologies that can tackle complex global problems. This year's focus was on three areas, including cleaning up our waterways, reducing or reversing human impacts on climate and smarter use of finite resources. There were 140 entries across the country and the finalists include insulation made from clothing off-cuts, mushroom-derived construction material, a robotic farming system, an AI-powered recycling bin and a game turning locals into citizen scientists. A grand prize winner will be announced in June, receiving \$100,000 cash plus Callaghan Innovation services, support and connections to help the winner progress their concept through to commercialisation.

[Rain challenges cherry and berry growers, but surviving fruit high quality](#) [21 December, Alice Angeloni, Stuff NZ] More than 100 millimetres of rain fell in Marlborough during December which has posed a challenge to summer fruit farmers. The surviving fruit is of high quality, however is in limited quantities so customers have been advised to get in early. Cherries have been particularly affected by the rain, with proportions of crops splitting due to the wet.

[Horticultural investment an appealing pastoral option](#) [22 December, The Country] Strong demand is continuing for horticultural crops. Increasing pressure on land prices and limited land availability is resulting in the exploration of opportunities in areas not normally associated with horticulture. The Waikato region now has 4 percent of the country's kiwifruit crops, two thirds of this being green and a third in SunGold. Zespri SunGold is more adaptable than expected and has a high fruiting capability. Kiwifruit crops offer a high-value, low nutrient footprint option to farmers. Waikato kiwifruit crops, usually sit with a 10 to 15 percent lower value than premium Bay of Plenty values.

[Constant innovation boosts organic winery](#) [24 December, The Country] Organic winery Greystone have made sure they are ahead of sector innovations which has helped them to win awards. A wireless modem along with extra Wi-Fi points have allowed the winery to use a cloud-based system. General Manager Nick Gill reports that being connected has played a crucial role in the winery making connections globally and helping to drive wine sales. Digital marketing is a key component of their business, especially in helping to maintain customer and supplier relationships. Mr Gill emphasises the importance of staying relevant in today's global competitive markets.

[Closer Economic Partnership with Singapore coming](#) [30 December, New Zealand Government, Scoop Independent News] An updated agreement with Singapore will come into effect on the 01 January 2020 which is

expected to offer New Zealand companies more business opportunities with our largest South East Asia partner, The Closer Economic Partnership will now allow New Zealand visitors to visit the city-state for three months without a visa and companies with offices over there will be able to send employees to work for up to eight years. On top of this, customs clearance will be streamlined for exports to Singapore and include new arrangements that simplify cross border requirements for primary products.

[Health-conscious millennials driving growth of organic 'bio wines'](#) [31 December, NZ Herald] Industry experts have revealed that the rapid growth in organic, sustainable and vegan suitable wines has been caused by health-conscious millennials. Traditional New Zealand wine demand has been plateauing and as a result, more needs to be done to foster millennials demand. Liquor retail chain The Trusts West Auckland has revealed that over the past 12 months, there has been a 45 percent increase in sales of naturally produced or organic wines, and that globally this category has been rising even faster. Currently one in 20 wine bottles sold by the Trust chain fits into one of the above categories and that a range of niche wines and subcategories are emerging to cater for the new market demand. The company has called for more to be done at an industry level to better define the terminology and certifications used in describing the emerging niche markets, giving customers a credible and consistent point of reference for product choices.



## Starting the new decade:

[NSW farmer forced to shoot his cattle that were burned by bushfires](#) [02 January, New Zealand Herald] Steve Shipton, Australian Cattle Farmer has made international headlines after being forced to shoot his cattle during the bushfire crisis. Mr Shipton lost a tenth of his herd to the fire despite putting them in a place where he thought they would be safe. A vet has since

assessed the remainder of the herd, deciding which could survive and which ones needed to be euthanised. The particular fire resulted in the death of 4 people out of a town of 1050.

[Impossible Foods is making a new fake meat: Pork](#) [08 January, NZ Herald] Impossible Burger have announced that they will be launching two plant-based products which are based on pork. This comes as the pork industry is having a crisis due to the spread of the African swine fever across parts of Eastern Europe and Asia. More than a quarter of the total number of pigs globally have been slaughtered as a result of the spread of the disease, leaving a major shortage in pork product supplies. Impossible Foods also revealed that it is working on replacements for fish, chicken, cheese and milk, with its primary motivation being to decrease meat's impact on the environment.

[Green plans on boil at Synlait](#) [09 January, Tim Fulton, Farmers Weekly] Synlait's Dunsandel plant has recently installed its own electrode boiler, being the first large-scale plant of its type to be installed in the country. The process heat and steam from the six-megawatt plant powers Synlait's advanced dairy liquids facility and is used to pasteurise and sterilise milk, clean production lines and equipment and help create product packaging. The company aims to halve its current greenhouse emissions by 2028 and this boiler will help to achieve this. The company is also running an environmental improvement programme Whakapuawai which surrounds restoring and regenerating native ecosystems, waterways and wetlands. This programme will result in the landscaping at planting of 15 hectares of grazing land around the Dunsandel plant which will grow in time to include a wetland, walking tracks, exercise zones and meeting areas.

[Meat blip no crisis](#) [10 January, Nigel Stirling, Farmers Weekly] Prices for sheep meat remain at historically high levels, despite slipping just before Christmas due to cuts to schedule prices and the revaluation lower of inventories. Anzco

Sales and Marketing General Manager Rick Walker expected prices to dip after the last ship carrying meat for consumption in Chinese New Year sailed in the middle of December however they have remained relatively strong. China's demand for sheep meat and beef have soared after the devastation of their pig population due to the African swine fever.

[Bootcamp dairy farmer's gym with a difference](#) [11 January, The Country] Dairy Farmer Kane Brisco has a bootcamp gym on his farm in South Taranaki to help increase fitness and overall wellbeing of his members. Mr Brisco gets a range of people at his sessions, in both age and fitness abilities. Mr Brisco sees physical and mental fitness as being intertwined and currently around 20 people turn up to each of his sessions, which use free weights and sandbags, and also incorporate fence posts and hay bales.

[Kiwi carpets are going places](#) [13 January, Annette Scott, Farmers Weekly] Innovative yarn systems of Carrfields Primary Wool (CPWool) are showcasing New Zealand wool, and are landing them in places on planes, offices, shops and homes globally. Carrfields Primary Wool (CPWool) and NZ Yarn Chief Executive Colin McKenzie reported that the global marketing efforts of CPWool mean that sheep in the closest paddock could be producing wool that is destined for some very high places around the world. The yarn systems produce the unique characteristics of New Zealand wool that is sought after by designers and customers globally. It is used by Emirates, KPMG, Tom Ford showrooms and has been placed in historic houses.

[Freshwater proposals could cost sheep and beef farmers millions](#) [13 January, Esther Taunton, Stuff NZ] Research by BakerAg has shown that the cost of meeting proposed freshwater standards could actually lie between \$2.4-\$3.4 million in a decade compared to the Government's estimate of \$148,500 for the same time. As a result Beef + Lamb New Zealand have asked the Government to

reconsider its proposals, which would be particularly hard hitting on hill country farms due to fencing and alternative stock water supply challenges. They have outlined a range of points they would like to be considered, including amending land-use change restrictions.

[Canyon Brewing buzzing over bee initiative](#) [13 January, Press Release: Canyon Brewing, Scoop Independent News] Canyon Brewing is sponsoring three beehives near Queenstown at Arthurs Point in a bid to help save the bees and grow educational awareness surrounding their importance. The hives are part of the Bee the Change Initiative, founded by Neal McAloon which has five hives in total. These hives are placed in public spaces and will soon have educational signage to help teach people how they can help bees survive and thrive. Once the honey is harvested, it will be sold at a highly discounted rate back to the companies which are taking part in the initiative.

[\\$8.00/kg milk price just 'a matter of time' - ASB's Nathan Penny](#) [13 January, Jamie Gray, The Country] ASB Senior Rural Economist Nathan Penny reports that it is merely a matter of time until the New Zealand milk price hits \$8.00 per kg of milk solids. Fonterra Co-operative Group's current milk price forecast is for between \$7.00 to \$7.60 a kg. DairyNZ's current break even estimate is \$5.95/kg. Mr Penny reports that if New Zealand farmers are able to incorporate environmental costs well into their budgets then this will be a large advantage for them. Increased environmental constraints are happening globally.

[Forestry investment far from straight forward venture](#) [13 January, Scott Mason, Otago Daily Times] Keen investors are eyeing up the forestry industry due to climate change and expectations around the potential changes to rules pertaining to trading carbon credits, plus the Government's Billion Tree Programme and associated incentives. In this article Scott Mason underlines the specifics of the taxation of trees.

[Iwi catch the horticulture wave](#) [13 January, Hugh Stringleman, Farmers Weekly] Rakau Ora has started planting a 20 hectare avocado orchard near Kaitaia despite a debate continuing over the sustainability of irrigation to keep that new development and many others in the region productive and alive. Further planting of 40ha is planned over the next two years and 200ha in total in a decade, Ngai Takoto Chief Executive Rangitane Marsden stated. Rakau Ora Board Member Murray Jamieson stated that avocados have the potential to boost Kaitaia's economy, employment and education levels. Environmental Court hearings will be held soon. Many locals are in objection due to the widespread land use change and use of water.

[Central Otago orchard owner concerned about minimum wage hikes](#) [14 January, Jacob McSweeney, The Country] A Central Otago Orchard Owner with up to 200 workers each picking season has spoken against minimum wage increases, stating that instead, reducing the income tax of these earners would help them more and do less harm to small businesses. The minimum wage is rising to \$18.90 in April, working towards the Government's goal of a \$20 minimum wage by 2021. Tax Specialist and Managing Partner at Findex in Dunedin, Scott Mason has reported that he has a lot of sympathy for business owners struggling with the increasing cost of wages and agrees that it could lead to employers simply not hiring new staff.

[Kiwi firefighters face bites, strains, diseases in animal rescues](#) [14 January, Melissa Nightingale] Fire and Emergency NZ (Fenz) staff were called out to 846 animal rescue incidents across New Zealand during 2018 and 2019 which spanned a number of species including cats, dogs, penguins, donkeys and whales. This often puts staff at risk of contracting bites, strains and diseases, with a dozen injuries and illnesses experienced during the same time period. The worst was suffered by a worker helping during the Pigeon Valley fires in Nelson, where a worker caught leptospirosis otherwise known as

the “dairy-farm fever” which is a potentially fatal disease.

[New climate change curriculum: Lessons on Greta Thunberg and dealing with 'scepticism'](#) [14 January, Zane Small, Newshub] The Ministry of Education have released a new resource for students in years 7-10 which includes eight topics on climate change. Teachers have also been given a wellbeing guide to help them deliver climate change content without damaging the hauora of students. With the resource, students are taught about how to “respectfully disagree” with someone who is “yet to be convinced” about climate change. It includes content surrounding Greta Thunberg and her achievements, along with information that explains New Zealand’s commitments to mitigating the effects of climate change and how the students themselves can make meaningful differences in their own lives.

[Commercial operators snapped by MPI for fishy business](#) [14 January, Nikki Preston, NZ Herald] The Ministry for Primary Industries has alleged that a group of commercial fishers have been under-reporting their catches and have caught more than 20 tonnes of fish illegally in the last 12 months, selling it onto an Auckland fish supply business. In December, 45 fishery officers along with police executed searches at five locations including three residential properties across the Auckland and Waikato regions, finding 800 kilograms of undocumented grey mullet and kahawai as well as 230 kilograms of undocumented snapper. \$25,000 in cash was seized, along with phones, computers, six commercial fishing vessels and a refrigerated truck. Inquiries are ongoing.

[China boosts Zespri’s protection](#) [14 January, Richard Rennie, Farmers Weekly] Zespri International has been granted key trademark protection status by the Chinese authorities. This protection gives the company strengthened legal and administrative powers which are given to key businesses such as Ferrero Rocher and Disney and demonstrates Zespri’s high profile.

Zespri is currently fighting against the illegal plantings of an estimated 2000 hectares of SunGold kiwifruit in China. The Chinese move marks tighter controls around counterfeited and trademark infringers.

[Kiwifruit price hits a record \\$8.30 a kg in December](#) [15 January, Bonnie Flaws, Stuff NZ] Statistics New Zealand have reported that domestic kiwifruit prices hit a record high in December, with an average price of \$8.30 a kilogram across the month. This compares with \$4.20 a kilogram on average during December 2018. However growers have been minimally impacted by this, as 97 percent of the fruit grown within New Zealand is exported. It has been reported that this increase in price was probably due to a limited supply. There was an overall increase of 2 per cent in fruit and vegetable prices last month, mainly due to potato prices rising 18 percent to \$2.10/kg, along with apples up 16 percent to \$3.80/kg and onions up 9 percent to \$2.40/kg.

[MyMilk spreads to North Island](#) [15 January, Hugh Stringleman, Farmers Weekly] The MyMilk supply share scheme has been extended by Fonterra Co-operative Group into the North Island for the 2021 season in order to attract new suppliers. The scheme has run for five years so far and currently has 145 South Island suppliers. Participants can supply milk to Fonterra for up to five seasons on annual renewals without share requirements but must be first-time dairy farm owners who meet eligibility criteria. The scheme will also be extended to help existing Fonterra farm owners to purchase another Fonterra farm. MyMilk can be signed up to at any point in the season, and suppliers have 5c/kg a season deducted from the farmgate milk price which goes into buying Fonterra Shareholder Fund units.

[MPI: Quarterly forestry exports update](#) [15 January, Ministry for Primary Industries, Wood Week] Forestry exports for the year ending June 2019 reached \$6.9 billion, with over half this value being created from log exports alone due

to record export volumes as well as prices. Log export prices for A grade logs dropped sharply into July but have since recovered and are expected to continue rising to \$155-\$165 m3 by the middle of 2020. China's construction market remains active and there is no sign of decreased demand, however it is important to note that 75 percent of New Zealand's exports are sent to China, meaning that any change in demand could heavily impact the market.

[Marketing gone wrong: 15 South Korean influencers breached health foods ad rules](#) [15 January, Tingman Koe, Food Navigator] South Korea's Ministry of Food and Drug Safety (MFDS) has reported that 15 Youtubers and Instagrammers breached health foods advertising rules. The MFDS listed their identities along with the types of products involved and the types of offence. False and exaggerated advertisements were the most common issue along with photo shopped before and after photos. Lack of clinical evidence when advertising products was another concern of the ministry.

[Functional porridge: Malaysian firm targets major halal markets with bird's nest product](#) [15 January, Guan Yu Lim, Food Navigator] Malaysian firm Vesbo is hoping to target major halal markets with its functional instant porridge containing bird's nest and collagen. The porridge is suitable for all ages, from six months to the elderly. The company believes that the certification will result in high market demand for their products in both the West and Middle East.

[Logging makes forest fires worse, experts say amid Australian bushfire disaster](#) [16 January, 1 News] Scientists have claimed that the fires in Australia burned at a higher intensity within heavily-logged forests, and that the forestry industry is dramatically adding to the overall fire risk. This directly contradicts calls from the forestry industry that national parks should be selected to partake in logging practices, and experts have countered this by explaining that it would make areas more fire-prone. The NSW

South Coast has been particularly hard hit with 160,000 hectares south of Eden being burnt by the Border blaze and this is one of the most heavily logged areas in Australia. Logging replaces older trees with young ones that are growing closer together and which dry out the soil. The forests grow back more fire-prone and remain that way until they become mature which can take 100 years or longer.

[Group aims to boost sheep milk](#) [16 January, Annette Scott, Farmers Weekly] David Waghorn, Founding Member of the Canterbury Dairy Sheep Association reports that the association will drive opportunities for local sheep milking farmers, through helping set standards for the industry. There has been success for the industry up North but so far a mixed result has occurred down South. Sheep milk is a naturally A2 type milk and is often consumed by those who struggle to digest cow's milk. With the help of Primary Growth Partnership funding, Lincoln-based Food South is researching market development. NZ dairy sheep usually produce around two-litres of milk a day and can have a 120-180 day lactation period.

[Primary Sector Council's starry-eyed vision](#) [16 January, Nigel Malthus, Rural News] The Primary Sector Council's vision for the future of the country's primary industries centres on the concept of Taiao, emphasising respect and harmony with nature. The vision aims to give direction for decision making in the sector and help make judgements for both strategy and investment. Agriculture Minister Damien O'Connor welcomes the vision which aligns with what New Zealand's global customers want from their food such as transparency and increased sustainability. The final report and recommendations from the council are expected in March, before these will be put into place.

[Primary sector no more](#) [16 January, Rural News] The Primary Sector Council believe that the primary industries should no longer be referred to as "the primary sector" as this often brings up images of a volume over value



commodity production. The Council believe that the sector needs to be reframed, and that the title of "agriculture food and fibre sector of Aotearoa" will help to achieve this. They believe that high-value food and fibres is the way of the future.

[Government moves into halal accreditation](#) [16 January, Sudesh Kissan, Rural News] State-owned AsureQuality is moving into halal audit and accreditation after purchasing an 80 percent stake in New Zealand Islamic Development Trust (NZIDT Ltd.) late last year. The other 20 percent is held by Taoufik Elidrissi, Chief Executive and existing shareholder. NZIDT Ltd. is the country's top provider of halal audit and certification services to New Zealand food exporters. These services allow exporters to make halal claims on their products as well as gain market access for exports to Muslim communities globally. \$3.5 billion worth of halal products were exported from New Zealand in 2018. NZIDT will continue to operate as a stand-alone business, which is managed and run by practicing Muslims.

[Lucrative spur for NZ cherry exports](#) [16 January, Farmers Weekly] This year's cherry crop is expected to be smaller than usual due to wet weather and cold temperatures during growing time. However strong prices and better weather recently has meant that the remaining fruit is of a high quality according to Summerfruit New Zealand Chairman Tim Jones. This is key, as Chinese New Year is coming up, and New Zealand cherries receive a large premium. Exporters are paying US\$18 (approx. NZD\$27.30) to US\$28 (approx.\$42.50) a kilogram for NZ cherries. New Zealand's main competitor in cherry exports is Chile, which often have a high volume of cherries but at a lower quality meaning that New Zealand's cherries have an advantage. Chile expects to export 180,000 tonnes to China this season. NZ's total cherry exports were about 4935 tonnes last season.

[Aussie export venture planned](#) [16 January, Neal Wallace, Farmers Weekly] Mauro Balzarini, the Former Chief Executive of Australia's largest live export company Wellard is planning to re-enter the livestock shipping trade with newly designed liquefied natural gas-powered ships under the business NextSeaWall. These ships will carry 11,000 cattle and will enhance ventilation for the cattle, provide natural light and air as well as minimise overcrowding. Mr Balzarini now lives in Queenstown but has announced that his primary focus will be on Australia due to the review of livestock exporting rules by the New Zealand Government.

[Roquette 'significantly increases' pea protein supply deal with Beyond Meat](#) [16 January, Flora Southey, Food Navigator] Roquette has announced that it has extended its current pea protein supply agreement with Beyond Meat for another three years, with the quantity supplied being significantly higher than what was supplied during 2019. Specific terms have not been disclosed. Beyond Meat champions pea protein isolate as its main ingredient in its current products. Roquette itself is also looking to scale its supply.

[Keeping your farm protected](#) [17 January, Nita Harding, Rural News] Nita Harding Technical Policy Advisor for DairyNZ reports that biosecurity is not only about border control at ports and airports but also concerns farm fences and gates. Once pests, weeds and diseases are in the country it becomes so much easier for these to be transferred between farms. Mrs Harding gives tips to farmers including thinking of one's farm as an island, encouraging them to adopt a "clean on, clean off policy", remembering traceability is key and to consider biosecurity during grazing by telling your grazier your expectations.

[Take stewardship of glass recycling](#) [17 January, Tessa Nicholson, New Zealand Winegrower] Alice Rule, owner and winemaker at 3Sixty2 Wines is encouraging both the Government and the New Zealand wine industry to take



ownership of their glass recycling. The circular economy of glass is important as glass is infinitely recyclable without losing its quality. With funding from the Glass Packaging Forum (GPF) and AGMARDT, Mrs Rule is researching the circularity of glass in the New Zealand wine industry and the unintended consequences a container return scheme could have to the New Zealand wine industry. There is currently a 62 percent recovery rate for glass in New Zealand and the GPF is working towards an 82 percent recovery rate by 2024. The break in the circularity of glass packaging in New Zealand is imported glass, the capacity constraints in the supply chain and the limitations created by customer demand.

[Meat prices squeeze domestic suppliers](#) [17 January, Neal Wallace, Farmers Weekly] The correction of global meat prices has meant that Alliance has scaled back its minimum price contracts and this has resulted in a Dunedin meat small goods manufacturer Fishers Meat closing its doors. Livestock and Shareholder Services Manager Danny Hailes reports that the lamb contracts were scaled back due to the fact that they were oversubscribed and international meat prices have eased. Alliance's minimum price lamb contract is set at \$8.10/kg. Last week the South Island schedule was about \$7.70/kg, according to AgriHQ analysts. Scaling back contracted volumes is not unusual.

[On-farm sale tops record](#) [17 January, Annette Scott, Farmers Weekly] High Peak Station recently ran its 25<sup>th</sup> on-farm lamb sale, and they have reported that it was even better than last year's record. The station, one of four in the Rakaia Gorge lamb sales run on Thursday, sold the best of its Suffolk-Perendale lambs at \$141-\$161, up \$20 a head on last year's record. Hazlett Livestock Auctioneer Ed Marfell reported that the prices across all four stations reflected the well-bred high country lambs well-known for their high-end genetics and their shifting ability as well as mentioning that a few of the buyers are repeat buyers. Across the four stations,

15,600 lambs were sold which were all destined for Canterbury cropping farms.

[New face for meat body](#) [17 January, Farmers Weekly] Sirma Karapeeva has been named as the Meat Industry Associations new Chief Executive to succeed Tim Ritchie who is retiring after 12 years in the role. Mrs Karapeeva is currently in the Trade and Economic Manager for the association and has held a variety of roles in the public sector beforehand. Chairman John Loughlin has reported that she has a strong network of relationships with vital industry members which will aid her in her role. Mrs Karapeeva stated that she is excited for the new opportunity to advance the interests of the red meat sector.

[Trade deal worries exporters](#) [17 January, Gerald Piddock, Farmers Weekly] The Meat Industry Association and Dairy Companies Association have spoken surrounding their concerns towards the new multi-billion-dollar Unites States-China trade deal and the effects it will have on New Zealand agricultural exports. The phase one deal will see an extra USD\$32 billion (approx. NZD\$48.5 billion) of agricultural products sent to China by the end of 2021. The impact on our dairy exports is not clear due to the fact that not all dairy provisions have been made public. Meat Industry Association Chief Executive Tim Ritchie reports that the association is taking a wait-and-see approach. One of the most significant developments is that China will lift its ban on importing red meat products that have been treated with growth hormones if it comes under set residue limits, however this may give New Zealand a market advantage as it does not use hormones.

[T&G Global buys domestic Freshmax business for \\$30m](#) [17 January, Rebecca Howard, The Country] T&G Global have agreed to purchase the domestic New Zealand branch of Freshmax Group's business for \$30 million. This occurred on the same day the business announced that profit would more than half due to restructuring costs, revised holiday pay entitlements, and new

lease accounting standards. The deal is subject to certain conditions as well as Commerce Commission approval.

[Disease likely to curb pork import — report](#) [17 January, Rural News] The outbreak of African swine fever in Europe and Asia has worsened in recent months which is expected to continue to create opportunity for red meat producers in New Zealand. Over half of the world's supply of pork has been wiped out by the disease which has increased both domestic and export prices for New Zealand beef and lamb due to an increase in demand for substitute meats. Beef exports rose in value by 64 percent over the year, with lamb exports increasing by 47 percent. It is expected to help farmers and processors to expand their global market share. The spread of the disease is expected to continue in 2020, with at least 11 countries in Asia reporting outbreaks along with many countries across Eastern Europe.

[United Kingdom to embark on 'agricultural revolution' in break from EU farm subsidies](#) [17 January, Erik Stokstad, Science Magazine] After the UK leaves the European Union at the end of January, it will no longer be under the rule of Europe's farm subsidy policies. This week, the British government proposed radical changes to £3 billion (approx. NZD\$6 billion) a year in agricultural spending that will focus the money on benefits to climate, ecosystems, and the public which has been called an agricultural revolution. It will result in farmers given subsidies for producing "public goods", which includes sequestering carbon in trees or soil, enhancing habitat with pollinator-friendly flowers, and improving public access to the countryside.

[Climate lessons not good enough](#) [17 January, Gerald Piddock, Farmers Weekly] DairyNZ, Federated Farmers and Beef + Lamb NZ have criticised the climate change teaching guidelines designed by the Education Ministry as they state that the guidelines have taken farming's impact out of context. The resource suggests to students aged seven to 10 that they should have

a meatless day once a week to help mitigate the effects of climate change and also state that red meat and dairy production create significantly more greenhouse gas emissions and also use more water than what is used in the production of chicken meat, fruit, vegetables and cereals. Federated Farmers Climate Change Spokesman Andrew Hoggard reports that this view is simplistic and undermines New Zealand's interests as a major exporter of food as it tells children to only buy local food to help the economy and reduce emissions. DairyNZ Chief Executive Dr Tim Mackle stated that the whole story is not explained as the country produces a lot of food for its size, which often gets shipped overseas, increasing our emissions.

[Kiwis not so sustainable when it comes to seafood - Ministry of Primary Industries survey](#) [18 January, Michael Neilson, The Country] A report released by the Ministry for Primary Industries has shown that New Zealanders rank sustainability factors as least important when purchasing seafood, especially when compared to price, quality and ease of preparation. Many are calling for consumers to seek alternatives, especially for tarakihi which currently has historically low stocks. Martin Bosley, a top New Zealand Chef has suggested that people become more adventurous with the types of seafood that they consume as well as asking questions about how their seafood has been caught, since certain methods are preferred as they can target specific species such as longline and pots.

[Salmon farm submissions not giving full picture, campaigner says](#) [19 January, Chloe Ranford, Radio NZ] Last year New Zealand King Salmon lodged a resource consent for New Zealand's first open-ocean farm and 56 submissions were submitted to the Marlborough District Council and uploaded to the council's website. However, Sea Shepherd Managing Director Michael Lawry has stated that his and several other submissions including Forest and Bird's along with the New Zealand Sport Fishing Council were not visible on the council website. Gina

Ferguson, Council Consents and Compliance Group Manager has reported that there is no requirement for the council to make submissions available to the public online, and that it will not affect the resource consent process. Of the missing submissions, nine supported the application, one was neutral and ten were against it. Sea Shepherd opposed the application because it feels that what is proposed could have significant adverse effects on the marine environment. Both the Ministry for Primary Industries and Te Ohu Kaimoana, which supported the application in part, said it had significant benefits, but not enough information had been provided. Hearings will take place between the 28 April and the 01 May.

campaign focused on research into ASEAN consumer trends, identifying seven food and beverage concepts to focus on. These include a baked cracker, a cookie with layered fillings and two types of plant-based drinks. Current consumer preferences include healthy indulgence, convenience and freshness.

#### [The ancient Maori healing system that is making waves](#) [19 January, Carmen Parahi, Stuff NZ]

Maramataka is a traditional Māori healing system, may be able to help improve health inequities for Māori. The system is partially funded by the Ministry of Health through its Healthy Families Initiative. Maramataka aligns daily activities with the natural world, moon, sun, stars and planets using cycles and phases and has traditionally been used for sourcing food and fresh water. Each Healthy Families site works with communities struggling with preventable chronic diseases and poverty by finding innovative long-term solutions to improve nutrition, increase physical activity, decrease smoking and reduce alcohol-related harm.

#### [Trump thanks farmers for backing him](#) [20

January, The Bull] US President Donald Trump thanked farmers for supporting him through the trade war with China despite suffering financially whilst he sorted out the details. President Trump has been promoting a new North American trade agreement and a separate one with China that he states will massively benefit farmers due to boosted export levels.

#### [Snack it Right: DuPont launches research-based ASEAN campaign based on seven concepts](#) [21

January, Pearly Neo, Food Navigator] DuPont's food and beverage arm has launched a snacking

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## Organisations referenced in this week's Field Notes include:

3Sixty2 Wines  
AgriHQ  
Agritech New Zealand  
Alliance  
Anzco  
ASB  
AsureQuality  
BakerAg  
Bayleys  
Bee the Change  
Beef + Lamb New Zealand  
Callaghan Innovation  
Canterbury Dairy Sheep Association  
Canyon Brewing  
Carrfields Primary Wool  
Commerce Commission  
Dairy Companies Association  
DairyNZ  
DuPont  
Emirates  
Federated Farmers  
Findex  
Fire and Emergency NZ (Fenz)  
Fishers Meat  
FMG  
Fonterra Co-operative Group  
Food South  
Forest & Bird  
Freshmax Group  
Greystone  
High Peak Station  
Impossible Foods  
Meat Industry Association  
Ministry for Primary Industries  
Ministry of Health  
National Farmers Union (UK)  
New Zealand Islamic Development Trust (NZIDT Ltd.)  
New Zealand King Salmon  
New Zealand Sport Fishing Council  
NZ Yarn  
Precision Agriculture Association of NZ (PAANZ)  
Primary Sector Council  
Rakau Ora  
Roquette  
Sea Shepherd  
Statistics NZ  
Summerfruit NZ  
Synlait Milk  
T&G Global  
Te Ohu Kaimoana  
The Trust West Auckland  
Vesbo  
Wellard  
Zespri International

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