



AGRIBUSINESS

# Field Notes

Weekly news update from the KPMG Agribusiness network



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Agenda 2019**

17 June 2020 – This week's headlines



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## The Fenwick Forum - Aotearoa Circle

The Aotearoa Circle is a voluntary initiative of public and private-sector leaders. The group has a vision for the country, in which the guardianship of New Zealand's natural resources is central to both its competitive advantage, and its economic survival.

In May, the Aotearoa Circle announced plans for an ambitious event to be hosted just six weeks later in June - the 'Fenwick Forum'. The goal of the event is to ensure that New Zealand's COVID-19 economic recovery opportunities benefit natural capital and deliver sustainable prosperity.

In addition to identifying the most impactful investments and policies to support this sustainable prosperity, the forum also sought clear collaborative actions from business and government for the next 12-24 months. The Forum chose three impact areas of focus, Transport, Energy and Food.

The KPMG New Zealand team supported this event as an opportunity to align thought leadership and action. Ian Proudfoot (Global head

of Agribusiness), Charles Ehrhart (Sustainable Value Director), Lucie Greenwood (Sustainable Value manager) and Jack Keeys (Agri-food Analyst) facilitated the Food group workshops, connecting with sustainability and business leaders from around New Zealand.

The original key topic areas for the food group included regenerative agriculture, agri-technology, integrated landscapes, and a national food strategy. These were discussed and prioritised, in addition to the incorporation of several new topics contributed by the event attendees.

Two facilitated workshops were hosted. The first on June 5<sup>th</sup>, brought together over 25 sustainability managers and leaders from across the sector to identify and prioritise action areas. The outcomes of this session were used as a platform for a facilitated workshop on the 11<sup>th</sup> June where another 25 executives and national leaders refined the opportunities and articulated actions to move forward.

With the workshops completed, the Fenwick Forum and contributors will develop and deliver a report for Partners and participants, including Government and all political parties, which articulates these proposed actions. This includes

defining a pathway and action plan for the next immediate steps, alongside commitments from the private sector. The report will be used as a basis for outlining the proposed actions over the next two years, while also proposing responsibilities to each of the private and public sector in collaborations to achieve those defined outcomes.

The report is due to be published by Friday the 19<sup>th</sup> June.

For more information, you can visit the Aotearoa Circle's website here:

<https://www.theaotearoacircle.nz/>

## **Agri-Food Team**

KPMG Auckland



## **Agribusiness Education**

[Course aims to up orchard skills](#) [09 June, Richard Rennie, Farmers Weekly] Prime Minister Jacinda Ardern has announced a \$200,000 training package which is aimed at attracting and upskilling staff to help alleviate a winter pruning shortage in the kiwifruit sector. The programme offers job seekers a one-day introduction and basic skills course to see if they are suited to it, before the opportunity to participate in a two-week Qualifications Authority training course. There is a shortage of around 1200 pruners for the winter season for kiwifruit. Kiwifruit Growers labour co-ordinator Gavin Stagg said the shortage is of skills rather than staff, hence the training emphasis. Usually pruner's take a full season to get up to speed skill-wise, and the job offers the potential to earn more than \$1500 a week for skilled workers.

[Displaced tourism worker returns to study for agriculture job](#) [10 June, Jo McKenzie-McLean, Stuff NZ] Ex-Tour Guide James Pollock reports that he is planning to retrain to work in the primary industry after losing his job in Queenstown, as he does not want to wait for the tourism industry to kick start again. Mr Pollock visited the Southern Institute of Technology redeployment expo last week and has signed up for a Government-funded agriculture course which has been provided as part of the trades and apprenticeship training package for Covid-19. Rural Contractors New Zealand President David Kean has reported that the sector has been struggling to attract New Zealanders into agriculture in recent years and welcomes the training package which will attract talented workers. Southern Institute of Technology Chief Executive Penny Simmonds stated the initiative was a collaborative effort to help those who have lost their livelihoods due to Covid-19. Upskilling and retraining will allow citizens to re-enter work as soon as possible. Other Queenstown workers have taken up

conservation jobs in the region to help control wildling pines.



## Research & Development

[Indian-American soil scientist Dr Rattan Lal wins World Food Prize — ‘Nobel’ of agriculture.](#) [12 June, Samyak Pandey, The Print] Soil Scientist Dr Rattan Lal has been named as the recipient for this year’s World Food Prize for developing and mainstreaming a soil-centric approach to increasing food production that conserves natural resources and mitigates climate change. Dr Lal’s contribution to soil conservation has increased the global food supply, by helping small farmers to improve their soil’s health and therefore yields. US Secretary of State Mike Pompeo reports that Dr Lal’s work will help all small farmers through improved management, less soil degradation and the recycling of nutrients. When receiving the award Dr Lal stated that it is crucial that hunger is eliminated, and that the food consumed by humans is healthy.



## Arable

[Grain deal gets over the line](#) [15 June, Annette Scott, Farmers Weekly] The arable sector has signed their biosecurity partnership, which has come as a relief to industry members. Federated Farmers, the Foundation for Arable Research, the Flour Millers Association, the Grain and Seed Trade Association and United Wheat Growers have spent years in discussion and the members have formed the Seed and Grain Readiness and Response. The group will work with the Government to protect the industry from new weed, pest and disease incursions and have stated that they will help to ensure better outcomes for the industry.

[ADM, LDC and Cargill among ‘big six’ to kickstart new collaboration with soy farmers in Brazil](#) [15 June, Flora Southey, Food Navigator] Solidaridad has partnered with ‘the big six’ soy traders to help engage grower in Brazil’s Cerrado in order to expand and improve soy production through efficient and sustainable land use. ADM, Bunge, Cargill, COFCO Internaional, Glencore Agriculture and Louis Dreyfus Company have formed the Soft Commodities Forum. The partnership will directly engage stakeholders with farmers in the region to teach farmers how to sustainably use their land. The collaboration is concentrating on the Cerrado Biome, which covers 20 percent of Brazil and produces 50 percent of soy grown in the country. The project will start off by interviewing 80 farmers in the region to assess their needs.



## Agribusiness

[Proposed NZ organic farming legislation ‘from the dark ages’](#) [13

June, Bonnie Flaws. Stuff NZ] The Organic Products Bill has proposed one standard for organic certification which would be controlled by the Ministry for Primary Industries (MPI). There were two current industry certifiers, Biogro and Assure Quality. Organics Aotearoa New Zealand Chairman Chris Morrison states that the proposed legislation as it stands will do little to foster New Zealand’s domestic organic market, and that the costs of meeting regulations is likely to drive smaller growers out. Biogro NZ Chief Executive reports that the proposed bill will double the bureaucracy and costs for organic producers. Organic Grape Grower Andrew Johns states that New Zealand should keep up with global markets and quickly match international standards. MPI declined to comment while the primary production select committee was considering the bill.

[Moonshots for Better Food](#) [15 June, FoodShot Global] Investment platform FoodShot Global are accepting applications for their annual funding round, which aims to provide individuals,

companies and organisations that have innovative ideas to help make the food system more sustainable, healthy and equitable. FoodShot Global is a consortium made up of a range of venture funds, universities, organisations, banks, NGOs and foundations. This year, they are looking for projects that assess the innovation priorities of soil carbon measurement, microbiome functionality, rapid adoption of regenerative practices. There are two different award types, one is a cash prize and the other offers capital financing.



## Horticulture

### [SunGold licences come gold plated](#)

[11 June, Richard Rennie, Farmers

Weekly] Zespri Growers and Alliances Officer Dave Courtney reports that the values that have been paid this year for SunGold kiwifruit licenses reflects the optimism amongst growers. The variety's average license costs are up at \$400,000 a hectare this year, which is an increase of 37 percent off last year's figures. The annual offering of SunGold licenses is 700 hectares, and bids totalled 1600 hectares. SunGold has the highest fruit licensing values, with Envy apples being the next closest at around \$100,000 per hectare. Zespri's license income accounts for 6 percent of company revenue each year. For the first time, there were bidders seeking the purchase of over 20 hectares. Last season SunGold fruit averaged \$11.86 a tray or \$160,000/ha average return before costs. This year's tender round was also the first time the Zespri red variety was made available for commercial orchardists, which was also oversubscribed, despite Zespri being open about the fruit's shortcomings which include a shorter shelf life and lower yields.

### [Zespri upbeat about 2021 as profit climbs 12%](#)

[11 June, Farmers Weekly] Zespri's net profit for the year ending 31 March 2020 rose 12 percent to \$200.8 million. Operating revenue was \$3.36 billion with fruit sales of \$3.14b. Zespri sold 164.4 million trays of New Zealand and

overseas-grown kiwifruit, a 2% decline on the year. Grower returns increased 8 percent to \$1.96 billion, and the board expects to pay a dividend of 94 cents per share. Chief Executive Dan Mathieson reports that despite Covid-19 difficulties, the company expects another good year resulting from the latest harvest. Zespri was named an essential service during the lockdown and Mr Mathieson reports that the industry has given an incredible response and has come together to ensure another successful season. Mr Mathieson states that risks to the outlook for the next year include economic uncertainties impacting on consumer purchasing power and potential supply chain disruption as well as changes to the normal flow of fruit trade.

### [T&G Fresh partners with leading US strawberry breeder](#)

[15 June, RNZ, The Country] T&G Fresh is partnering with US strawberry breeding company Plant Sciences Incorporated to improve its offering to New Zealand consumers. The deal will allow T&G Fresh to test, grow and market unique strawberry varieties, and the company aims to develop varieties that reduce growing costs and increase productivity as well as flavour, texture and shelf-life. T&G Fresh will work with New Zealand strawberry growers to trial and transition to the genetics.



## Food Innovation

### [New contest celebrates agripreneurs](#)

[12 June, Richard

Rennie, Farmers Weekly] Publisher of Farmers Weekly and Dairy Farmer GlobalHQ is sponsoring Blinc Innovation's inaugural awards which celebrate innovation and technology in the primary sector. The Celebrating Success Innovation Awards run by the Lincoln University's Blinc Innovation centre have three sections which are for on-farm innovation, off-farm consumer innovation and a creative innovation-future tech award for secondary school students. GlobalHQ Co-Owner Dean Williams reports that the Covid-19 pandemic has shaped the primary sector in New Zealand, so it

is a perfect time to showcase some of the new innovations to the country. The winner of the secondary school future tech award will receive fully-paid undergraduate study at Lincoln University.



## Environment & Emissions

[Lower methane cows... from a catalogue?](#) [10 June, Eloise Gibson, Stuff NZ] Farmers are now able to select lower-methane cows and ones that emit lower levels of nitrogen per litre of milk when selecting semen from Livestock Improvement Corporation's catalogue. Typical things that farmers usually look for is high milk production, and cows of the right size and attributes at an affordable price. LIC's Environment and Welfare Manager Tony Fransen reports that whilst they do not have direct genetic markers to look for, an animal's efficiency in converting its own food for people is a good proxy for the animal's climate impact per litre of milk. Mr Fransen reports that by breeding more efficient herds, farmers are able to reduce the number of cows on their farm and still get the same amount of milk. A small pilot trial looking for a link between the methane cows produce and their genetics is underway in the Waikato, run by LIC and another breeding and genetics company, CRV. The trial is funded by the New Zealand Agricultural Greenhouse Gas Research Centre (NZAGGRC) and if successful, will be followed by a larger trial next year.

[Research producing cleaner cows](#) [10 June, Gerald Piddock, Farmers Weekly] Livestock Improvement Corporation and CRV are using a Greenfeed machine to measure the methane emitted by bulls, in order to see whether there is a link between emissions and genetics. Research by Lincoln doctoral student Cameron Marshall shows dairy cows with low milk urea nitrogen breeding values (MUNBV) have 28 percent less urinary urea nitrogen loading per urine patch than cows with higher MUNBV. By

breeding from cows which have low MUNBV, farmers will be able to change the make-up of their herd over time. The low nitrogeno-emitting cows in the study were typical Kiwicross dairy cows. The cow that had the lowest MUNBV was also the most efficient producer of milksolids and higher protein levels.

[Hardy catch crops may reduce nitrate leaching by 40%](#) [11 June, DairyNews] Lincoln Agritech Field Researcher Dr Peter Carey is leading a three-year research programme funded by the Ministry for Primary Industries' Sustainable Farming Fund to apply the use of catch crops more widely in winter forage rotations. Catch crops such as oats may help to reduce nitrate leaching and can be grown in cool conditions. The study aims to apply Dr Carey's research to commercial farms in Canterbury and Southland, aiming to adapt their use to the different soils and climatic conditions presented in each region. The first year of the study has shown that the best results occur when the crops are sown as early as possible after grazing has been completed and are established using direct drilling methods. In Southland, researchers used a spader-drill, a relatively new piece of tillage technology, that enabled much earlier drilling than is usually possible.

[Pamu pioneers fertigation](#) [11 June, Tony Berry, Farmers Weekly] Pamu Farms has achieved a biennial nitrogen reduction of around 36 percent on its Waimakariri dairy farm whilst maintaining pasture growth and milk production by using fertigation. Pamu is working with Lincoln University, Irrigation New Zealand, Ballance Agri-Nutrients, Fertigation Systems and Molloy Agriculture to see if fertigation improves yield and nitrogen efficiency, and whether it results in lower environmental losses than solid nitrogen. Research lead Steven Brenegar reports that now the trial is at the end of its second year, a clearer picture of what seasonal nitrogen efficiency could look like is beginning to emerge. Other benefits of the fertigation trial included increase timeliness of applications and the reduction of contractor traffic on the farm. Mr Brenegar

reports that whilst the results are looking promising, they need to continue trialling the method on various farms to see if it is achievable across the country.

[Greenpeace pushed nitrogen cap](#) [12 June, Richard Rennie, Farmers Weekly] Environment Minister David Parker has confirmed that submissions from Greenpeace played a key role in the Government's decision to include a cap on nitrogen fertiliser in the latest Action for Freshwater package. 4,000 submissions were received by the Ministry for the Environment relating to nitrogen losses, with 3,460 of these prepared by Greenpeace supporting a nitrogen discharge cap in combination with a nitrogen fertiliser cap and the phasing out of all synthetic fertiliser by 2025. The remaining submissions included 153 pro-forma submissions prepared by Beef + Lamb NZ opposing a nitrogen fertiliser cap. Greenpeace Fertiliser Campaign Leader Gen Toop welcomed the decision despite the group campaigning for a significantly lower level than the announced 190kg/ha/year. Freshwater Ecologist Professor Russell Death has described the 190kg limit as a Band Aid solution that will have little effect, given it is cattle urine not fertiliser driving much of the nitrate increase. Mr Parker reported that regional councils have the potential to set more stringent rules than the Government's.

[Fed Farmers boss welcomes environmentalists to Southland](#) [14 June, Louisa Steyl, Stuff NZ] Federated Farmers Southland President Geoffrey Young had a meeting with environmentalists on the weekend to show them the improvements that have been made to winter grazing conditions in the region. Mr Young reported that it was a worthwhile day, and that they had a robust discussion. The activists were impressed and satisfied with the progress made on the farms that they visited. There has been increased attention on winter grazing methods since last year, when some farms were exposed as mis-treating their animals. Since then, there has been significant progress made in the area, with help from the

Ministry for Primary Industries, and a taskforce that has worked closely with Federated Farmers, DairyNZ and beef + Lamb NZ to rectify the issues. Environmentalist Angus Robson stated that he definitely saw an improvement of farming practices at the weekend from what he saw last year, and that focus on the problem has increased the awareness of farmers.



## Viticulture

[Winemaker commits to using 100 per cent renewable energy](#) [10

June, Maia Hart, Stuff NZ] Pernod Ricard Winemakers have partnered with Meridian Energy, to become 100 percent renewable energy certified. It is not currently possible to use complete renewable energy in New Zealand, so the project allows Pernod Ricard to purchase certification to match their electricity consumption with Meridian's renewable energy generation. Currently in New Zealand, renewable energy is combined into a wholesale pool with energy that has been generated from non-renewable sources. Pernod Ricard has a sustainability and responsibility plan which they have aligned with the United Nation's Sustainable Development Goals which includes goals such as zero waste to landfill and a vineyard wetlands restoration. Pernod Ricard have 100 percent of their grapes sourced from certified sustainable vineyards. Sustainability Manager Tracey Marshall states that it is satisfying to see the company make small but steady steps towards becoming more sustainable.



## Trade & Exports

[Red meat sector beefs up criticism of EU trade offer](#) [12 June, Esther

Taunton, Stuff NZ] Trade Minister David Parker as well as Beef and Lamb NZ and the Meat Industry Association have reported their disappointment with details of a leaked market offer from the European Union. The leaked

information shows that the EU's offer to New Zealand would maintain small quotas with in-quota tariffs. Beef and Lamb NZ Chief Executive Sam McIvor reported that New Zealand's current beef market access to the EU is severely constrained by a tariff rate quota of 1300 tonnes with an in-quota tariff of 20 per cent, and exports outside the quota are subject to tariffs of 12.8 per cent of the value and between €171 (approx. NZ\$292) and €312 (approx. NZ\$534) per 100 kilograms which can add up to a 50 percent tariff. Meat Industry Association Chief Executive Sirma Karapeeva states that the small quota and high tariffs results in it being difficult for New Zealand exporters to build a stable trade relationship with the EU.

This included Organics Aotearoa NZ who support the bill but report that in its current form has multiple flaws, such as a untried control method which would be controlled by MPI. Wairarapa Organic Dairy Farmers Peter and Robert Bargh report that the new set of regulations will only add costs to producers and state that there is currently a robust level of certification. Several submissions mentioned that they have a number of regulatory costs already. New Zealand Winegrowers offered qualified support for the bill, however, with Senior Executive Jeffrey Clarke reporting that whilst 70 of New Zealand's 700 winemakers are organic, their criteria for being so is not consistent, so a nationwide standard would help.



## Farming Systems

### [Winter grazing campaign launched](#)

[10 June, Farmers Weekly] Beef and

Lamb NZ have launched a winter grazing campaign to help ensure animals are well-fed, in good health and farmers look after the environment. North Island General Manager Matt Ward reports that simple practices such as grazing from the top of a slope, back-fencing and using portable water troughs have the ability to prevent pugging and nutrient run-off. The campaign urges farmers to have contingency plans in case there is prolonged bad weather. There has been strong interest in workshops and seminars which outline best practice management, which shows the willingness of New Zealand farmers to embrace new techniques and practices.

### [Proposed Organics Product Bill faces major](#)

[opposition from industries](#) [12 June, Erik

Frykberg, The Country] The Organics Product Bill proposal has resulted in major opposition from industries. The bill is aimed at providing certainty to producers and increase consumer confidence when they are buying organic goods. The proposal has the Ministry for Primary Industries playing a large part in controlling the certification. Majority of the submissions opposed the bill.



## Wool

### [Wool prices surprise](#) [12 June,

Annette Scott, Farmers Weekly] Wool

prices exceeded expectation at the Christchurch wool sale last week. The first of the new season's mid-micron wool was on sale and had strong demand. Crossbred lambs' wool sold up to \$3.34 per kilogram clean. Mid-micron fleece was up 5 to 8 percent with 25-28 micron fetching \$9.40 to \$7.05 and 29-30 micron, also increasing and selling at \$5.52 and \$5.02 respectively. The pass-in rate was 18%. The next Christchurch sale is on 25 June.

### [Tough road ahead for wool: Report](#) [15 June,

Sally Rae, The Country] ANZ's latest Agri Focus report states that the costs incurred in shearing crossbred sheep are starting to impact on the chance of profitability of sheep farming. Strong wool prices are at the lowest level recorded this decade, whilst shearing costs have been increasing and the trend is expected to continue. Returns are low, and the report stated that this is unlikely to improve until existing stocks have been cleared. Demand for coarse wool remains tied to carpet production, which has a challenging outlook as economic conditions after Covid-19 look uncertain. The report mentioned that improved demand will be driven by

environmentally sustainable consumers eventually, but when this will happen is uncertain.



## Agri-Tech

[Spikey tackles thorny problem](#) [11 June, Samantha Tennent, Farmers

Weekly] Pastoral Robotics is developing and testing a tool to help New Zealand farmers to reduce nitrate leaching, to help them save money in the long-term and help them become more sustainable. Nitrate leaching causes issue for dairy farmers and the company have created spikey, which has a series of spiked discs run along the soil's surface to seek urine patches through electrical conductivity. It then treats the patches with a liquid solution, which slows the conversion of nitrate and keeps it in ammonium form for much longer, promoting microbial growth. The pasture uses more of the available nitrogen and this leaves less of it to leach into waterways. Trials have shown Spikey can increase drymatter by 15 percent and reduce nitrate leaching by 30 percent. Spikey can be attached to tractors, and has the ability to be fitted with a fertiliser spreader which can apply urea prills, granules or blended fertilisers. In November the firm was awarded the energy, environment and sustainability prize by the Institute of Mechanical Engineering in London.

[Farmers can now measure emissions](#) [12 June, DairyNews] Farmax have released new software which provides greenhouse gas emissions measurement and scenario planning programme for the whole farm. Farmers are able to use the software to look at a variety of farm input scenarios which show how production, profitability and the farm's environmental footprint is affected by changes. The software is expected to help New Zealand's agricultural sector reach its commitment of every farm having an annual total greenhouse gas emissions number by the end of 2022. Farmax have worked with DairyNZ and AgResearch scientists to create the software and enable farmers to

meet the target. Chief Executive Gavin McEwen reports that no other available greenhouse gas emission calculators available quantify the financial impact of farm system changes. A survey completed last year for the Ministry for Primary Industries showed that only around 2% of farmers with livestock have an indication of the total greenhouse gas emissions coming from their farm and only 1% have an indication of the per-animal emissions.



## Water

[Further \\$37.5m for Northland water storage](#) [11 June, Rural News] The

Government have announced a further \$37.5 million in funding to go into providing water security for Northland. A water storage site has been chosen in Ngawha, and construction is expected to begin in September, as long as Resource Management Act provisions are followed through with in time. Regional Economic Development Minister Shane Jones reports that the additional funding will be used to accelerate and expand the delivery of the water storage programme as part of the Government's Covid-19 response.

[Water storage needed outside of Northland too — IrrigationNZ](#) [12 June, Rural News]

IrrigationNZ have reported that they are pleased to see the Government focusing on Northland's water storage. However, they report that they would like to see this prioritisation extending to other regions such as the Hawke's Bay who need similar measures. They state that if replicated, shared benefits will be created for iwi, the environment, the community and farmers.



## Biosecurity

[Tag animals before they get on trucks](#) [12 June, Sudesh Kissun,

DairyNews] A new law is being introduced this week, to make it an offence to transport

untagged animals. The law is aiming to reduce the number of untagged animals being moved without any accountability, and transporters are backing the law. There are some exceptions. Animals that have an unsafe to tag (UTT) exemption as well as transport operators carrying a paper or eASD declaration from the farmer that the animals being moved are tagged and registered in NAIT. OSPRI is advising farmers to check that all animals are tagged and registered in NAIT and declare any unsafe to tag animals in NAIT and ensure the animals are clearly marked. The law is expected to strengthen New Zealand's biosecurity capability and will provide both benefits for both transporters and farmers.

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## Dairy

### [Coles buys direct from Oz farmers](#)

[12 June, Sudesh Kissun,

DairyNews] Australian supermarket chain Coles is buying raw milk directly from farmers in an effort to provide higher farmgate milk prices to struggling dairy farmers. South Australian Dairy Association (SADA) Chief Executive Andrew Curtis reports that farmers welcome any market participant in the industry who pays a fair price to farmers. Mr Curtis reports that Coles will be competing on the same footing as every other milk processor in the market. Under the new sourcing model, Coles offers a farmgate price directly to farmers, and pays dairy processors to process and bottle the milk under a toll processing agreement. The offer is available to dairy farmers in Southern and Western Australia.

### [Fonterra to create 100 new roles in South](#)

[Canterbury](#) [14 June, Samesh Mohanall, Stuff NZ] Fonterra Cooperative Group will create around 100 new jobs in South Canterbury in the next three months. Clandeboye and Studholme Operations Manager Steve McKnight reports that there will be 20 full-time and 80 part-time roles available in the lead-up to the 2020-21 peak season which begins in September. There will be a range of roles available, including on-farm

jobs, factory roles and in Farm Source stores. Fonterra have also announced that they will be paying their invoices to vendors earlier than usual to help with their Covid-19 recovery, ensuring that they are paid within 10 days from the receipt of the invoice. South Canterbury Chamber of Commerce Chief Executive Wendy Smith stated that the announcement of these new jobs will bring confidence to the district needed.

[Planta and animals aren't equals](#) [15 June, Tim Fulton, Farmers Weekly] International agri firm Lux Research have released a new report that states plant-based alternatives are not as nutritious as real dairy milk. Lead Analyst Thomas Hayes reports that the staple plant protein crops are soy, wheat and rice, with alternative crops including chickpeas, canola and oats. Jan Hales, the Founder of The Nutrition Bureau reports that many new plant-based alternatives do not represent what they started off as and are nutritionally inferior to animal products. Plant-based diets have a lack of scientific information to back them up, as it is often assumed that those on a plant-based diet are eating mainly unprocessed plants, close to their natural form. Often plant-based products need to have added flavour to them, resulting in additional ingredients such as sodium to boost flavour. Food manufacturers looking to offer a plant-based alternative to a core food should be considering nutritional equivalence. Lux Research notes that there will be more demand for animal protein as an increasing number of countries become richer, and that plant-based foods will become more mature and innovative.



## Alternative Proteins

[Upfield R&D chief: 'Our new Food Science Centre will transform the plant-based foods category'](#) [15 June, Flora Southey, Food Navigator] Margarine company Upfield is investing €50 million (approx. NZ\$87.3 million) in a new food science centre in the Netherlands. The centre will focus on enhancing

sustainability, health and taste in plant-based foods. The centre is expected to open before the end of 2021. The company has over 100 brands including Flora, Becel, Blue Band and vegan cheese brand Violife. One of the things the company is focusing on is sourcing sustainable palm oil, as they state it is a crucial ingredient due to its performance and nutritional profile.

seasonal work is being revealed and resulting in food suppliers accelerating the adoption of robots and automation technology. Agriculture is one of the fastest-growing markets for robotics and automation technology globally, as it aims to increase productivity whilst simultaneously lowering costs. More specialised autonomous systems are being developed such as robots that pick fruits, drones for crop spraying and other robots to prune, thin, mow and remove weeds. In the UK, a new consortium backed by food suppliers is being launched which will trial robotics on farms this season.



## Food Safety

[Concerns 'mislabelled' milk powder might taint NZ reputation](#) [15 June,

Susan Edmonds, Stuff NZ] Dairy Market Consultant Jane Li reports that milk powder products that are being made in New Zealand to general food standards, then exported to China and packaged in a way that misleadingly targets infants and children as an appropriate food. Standards for milk powder are different to that of general consumption, and infant formula manufacturing requires greater food safety monitoring and oversight. Mrs Li states that if this gets out of hand and something happens then it is not good for New Zealand's reputation, even though Chinese companies are making it happen. Lily Gao, Spokeswoman for Unipharm Healthy Manufacturing, which makes Tlamee one of the products of concern, reports the product is distinguishable from food intended for babies and small children. Head of Marketing at the University of Auckland Bodo Lang states that it could create scandal for New Zealand, as infant formula is so precious to the Chinese, and that the more obvious it is that the products are originally sourced from New Zealand, then the bigger the issue will be.



## International

[UK farmers turn to robots in seasonal worker shortage](#) [15 June,

T\_HQ] The effects of Brexit and Covid-19 are pushing British farmers to speed up the development of agricultural. The industry's reliance on low-cost foreign workers for

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

ADM  
AgResearch  
ANZ  
Ballance Agri-Nutrients  
Beef and Lamb NZ  
Bunge  
Cargill  
Chamber of Commerce  
COFCO International  
Coles  
CRV  
DairyNZ  
Farmax  
Federated Farmers  
Fertigation Systems  
Fonterra Cooperative Group  
FoodShot Global  
Glencore Agriculture  
GlobalHQ  
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Meat Industry Association  
Meridian Energy  
Ministry for the Environment  
Molloy Agriculture  
New Zealand Agricultural Greenhouse Gas  
Research Centre (NZAGGRC)  
New Zealand Winegrowers  
NZ Pork  
OsPRI  
Pamu Farms  
Pastoral Robotics  
Pernod Ricard Winemakers  
Plant Sciences Incorporated  
Qualifications Authority  
Rural Contractors New Zealand

Solidaridad  
South Australian Dairy Association  
Southern Institute of Technology  
T&G Fresh  
The Flour Millers Association  
The Foundation for Arable Research  
The Grain and Seed Trade Association  
The Nutrition Bureau  
Unipharm Healthy Manufacturing  
United Nation  
United Wheat Growers  
University of Auckland  
Upfield  
Uruuruwhenua Health  
Zespri

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## Contact Us

Auckland/Audit

**Ian Proudfoot**

09 367 5882

iproudfoot@kpmg.co.nz

Auckland/Agri-Food

**Jack Keeyes**

09 363 3502

jkeeyes@kpmg.co.nz

Auckland/Agri-Food

**Andrew Watene**

09 367 5969

awatene@kpmg.co.nz

Auckland/Deal Advisory

**Charles Widdicombe**

09 367 5949

cwiddicombe@kpmg.co.nz

Wellington/Management Consulting

**Justine Fitzmaurice**

04 816 4845

jfitzmaurice@kpmg.co.nz

Hamilton/Private Enterprise

**Hamish McDonald**

07 858 6519

hamishmcdonald@kpmg.co.nz

Consultant – South Island

**Genevieve Steven**

03 307 0761

gsteven@kpmg.co.nz

Farm Enterprise – South Island

**Brent Love**

03 683 1871

blove@kpmg.co.nz

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