



He Waka Eke Noa consultation hui



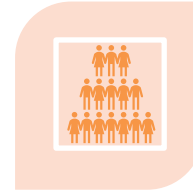
# Agenda

- **Overview of Māori agribusiness**
- **Overview of Te Aukaha approach**
- **Overview of HWEN**
  - **Partnership Framework**
  - **Emissions Trading Scheme & He Waka Eke Noa**
  - **Pricing Options:** Overview and Insights
  - **Sequestration:** Overview and Insights

# Overview of Māori Agribusiness



~27 million ha Total  
\*1.7 million ha Māori  
\*12 million ha Pastoral



27,137 Land titles  
2.3 million Interests



60% - Regional  
Distribution  
80% - LUC 6, 7, 8  
20% - LUC 1-5



Te Ture Whenua Māori  
Act 1993  
\*Competing principles  
\*Severe restrictions

# Overview of Te Aukaha Approach



Integration of Te Ao Māori



Te Tiriti o Waitangi



Climate Change Science



Equitable transition

## HE MAHERE TAIAO

Te Hau Ora o te Ao

Tiakina te taiao, Tiakina te Iwi.

Care for the environment, so it can sustain the people.

### Ngā Ritenga Taiao

Kaitiakitanga	Manaakitanga	Mana Tuku Iho	Mauri	Mana Whakahaere	Mana Motuhake
Active guardianship Long term focus For the coming generations Environment as a priority	Caring for whānau Socio-economic wellbeing Caring for the planet	Mana Atua Mana Tangata Mana Whenua Whakapapa	Everything is connected Everything has a life force Holistic thinking	Ngā Hapū me nga Iwi Collective approaches Partnerships	Hapū and Iwi Independence and inter-dependence

Tino Rangatiratanga  
Mātauranga Māori  
Tikanga

MĀORI

TE TIRITI  
Leadership Co-design

CROWN

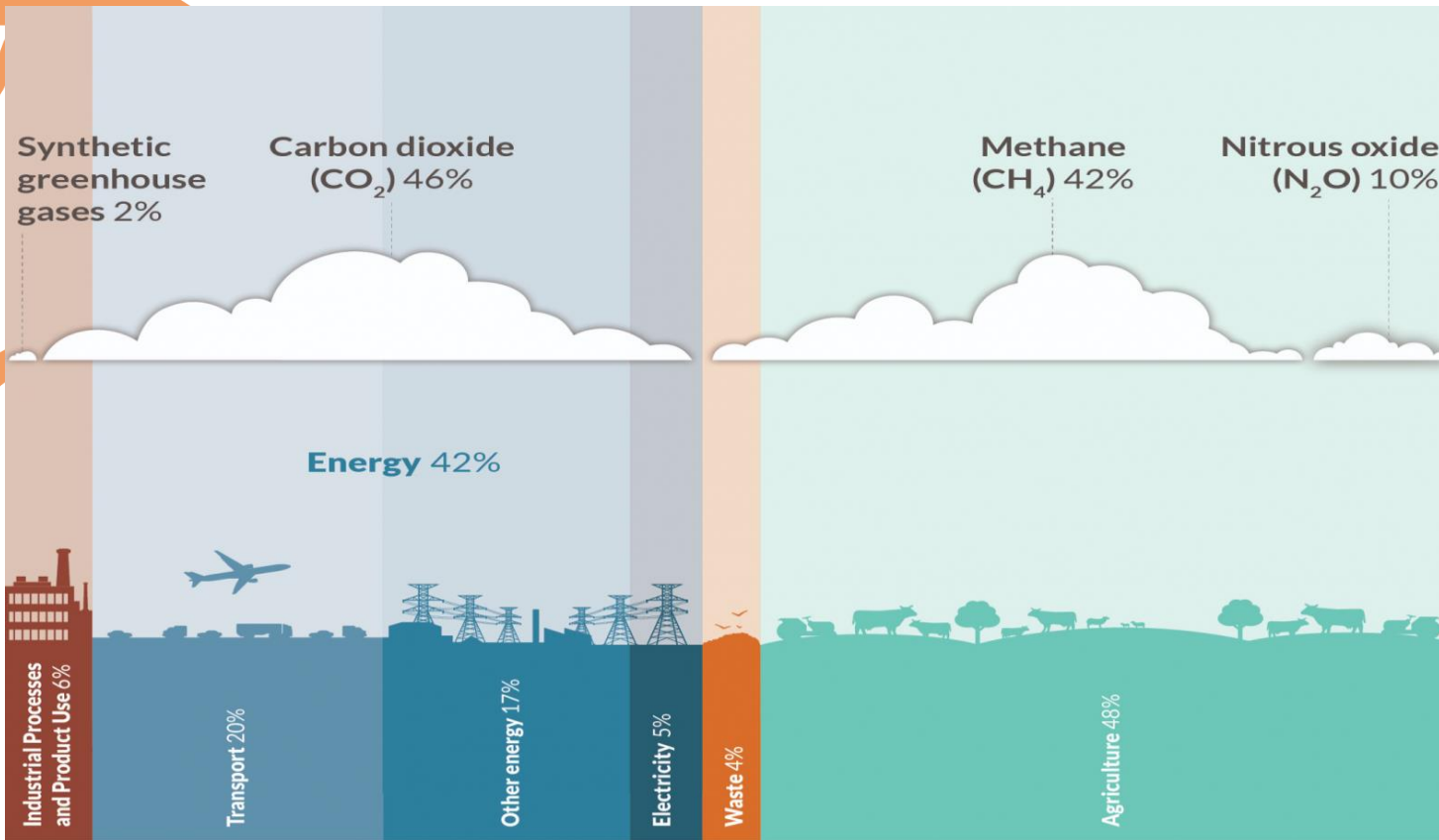
Partnership obligations  
Protection obligations  
International obligations

### Ngā Kaupapa Matua:

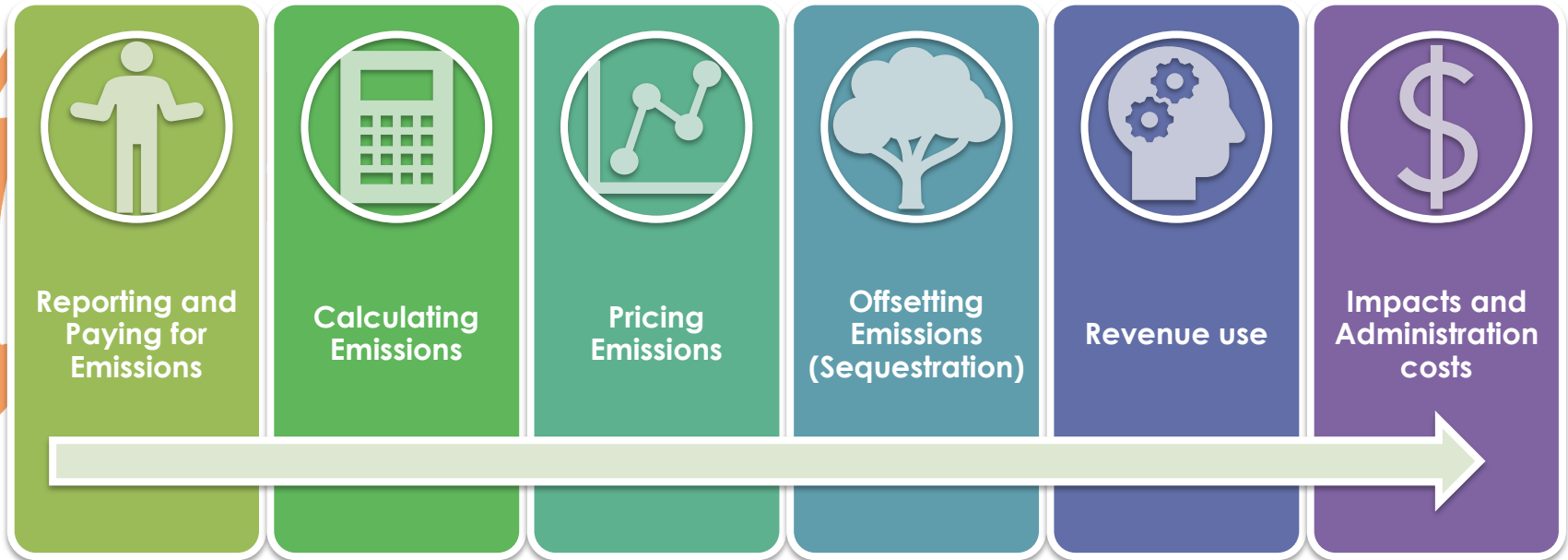
### Contributing workstreams?

Whenua Land	Moana Sea	Wai Fresh Water	Āhuarangi Climate	Kōhauhau Atmosphere	Ira Tangata People	Ngā Tini o Tane Flora & Fauna
Sustainable land use Good farming practices Bio diversity Water quality policy Weed control strategy Pest control strategy Waste management	Oceans policy Three waters reform Urban & Farm run-off Pollution Fisheries policies Bio-diversity	Te Mauri o te Wai Customary ownership Pollution Essential use Productive use Awa, roto, repo	Climate change Sea level rise GHG emissions Carbon Zero Climate Commission Extreme weather	Climate change Air quality GHG emissions Pollution Carbon Zero Climate Commission	Health of people Health of communities Land use change Economic opportunity Fairness and equity	Taonga species Bio diversity Animal health Weed control strategy Pest control strategy Restoration programs

# Emissions Trading Scheme (ETS) and He Waka Eke Noa (HWEN)



# He Waka Eke Noa Approach



# Pricing Pathways for Agricultural emissions

## Emissions Trading Scheme

## He Waka Eke Noa Pricing options

### (1) The Backstop

### (2) Farm-level Levy

### (3) Processor hybrid Levy

Who?

Processor Level

Farm level

*(Individual or collective)*

Processor level (*Levy*)

Farm level (*EMC*)

Calculated?

Tonnes product  
x Emissions factor

Central calculator  
*(simple/detailed)*

Tonnes product  
x Emissions factor

Priced?

Carbon price

Split gas levy rate

Split gas levy rate

Sequestration?

ETS eligible  
Separate from emissions (via ETS)

HWEN eligible  
Same as emissions system

HWEN eligible (*SMC*)

# Pricing Insights for Agricultural emissions

## Emissions Trading Scheme

### (1) The Backstop

More you produce, more you pay

No recognition of on-farm emissions reduction

Sequestration based on existing ETS regulations

## He Waka Eke Noa Pricing options

### (2) Farm-level Levy

Best incentive to respond

Low price = weak incentive to change

Strong price = makes sector(s) unviable

Administratively costly

### (3) Processor hybrid Levy

Economically efficient

Challenge for complex ownership structures

Challenge for complex ownership structures



# Sequestration eligibility

## Comparison between ETS/HWEN

Type of Vegetation	ETS	He Waka Eke Noa
Exotic forest	✓	✗
Perennial cropland	✗	✓
Small woodlots	✗	✓
Scattered trees	✗	✓
Riparian	✗	✓
Native forest pre-1990	✗	✓
Native forest post-1990	✓	✓



# Next steps

- Te Aukaha to circulate:
  - Consultation material
  - Submission template
- Recommendations and feedback
  - *teaukaha@foma.org.nz*
- He Patai?