



World Hereford Conference

Nick Beeby

MEAT & WOOL
NEW ZEALAND



Introduction

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Overview of M&WNZ and the NZMB
Importance of Agriculture in New Zealand
New Zealand Agricultural Trade
The Food Miles Debate
Conclusions

M&WNZ and the NZMB

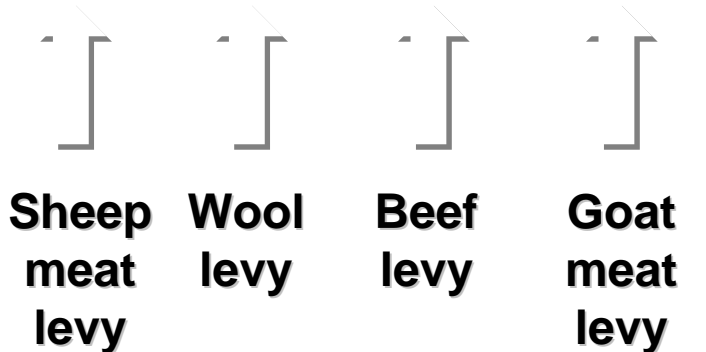


Meat & Wool New Zealand Board
6 farmer-elected directors
2 industry-elected directors
1 independent

Meat Board
6 farmer-elected directors
2 industry-elected directors
1 independent
2 Ministerial appointees

New industry-good body

Meat Board
Quota & reserves management



Administration of the EU sheepmeat and beef and US beef quota

Meat & Wool New Zealand



- M&WNZ started operations on 1 July 2004. It is:
 - An industry good organisation
 - Funded by levies mandated under the Commodity Levies Act.
 - 70% of farmers voted in favour
- Core activities:
 - Research, Development and Information Transfer
 - Trade Policy
 - Market Development
 - Skills and Education
 - Economic Services

Farmer Protest - Brussels

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Farmer Protest - New Zealand

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NZ Sheep & Beef Industry

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Main Features:

- Driven by world prices as the majority of production is exported
- Sheep are dual purpose for meat and wool
- Sheep and cattle graze pasture year round
- Prime stock are finished on pasture



Trade Overview

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Of total New Zealand export receipts

- 50% are from the Agricultural sector
- 40% are from the NZ Pastoral sector
- 65% are from the NZ Primary sector

NZ exports beef and sheepmeat to over 100 countries:

- 6% of World Sheepmeat Production
- 55% of World Sheepmeat Trade
- 75% of World Lamb Meat Trade
- 1% of World Beef Production
- 8% of World Beef Trade



Export Dominance 2005-06

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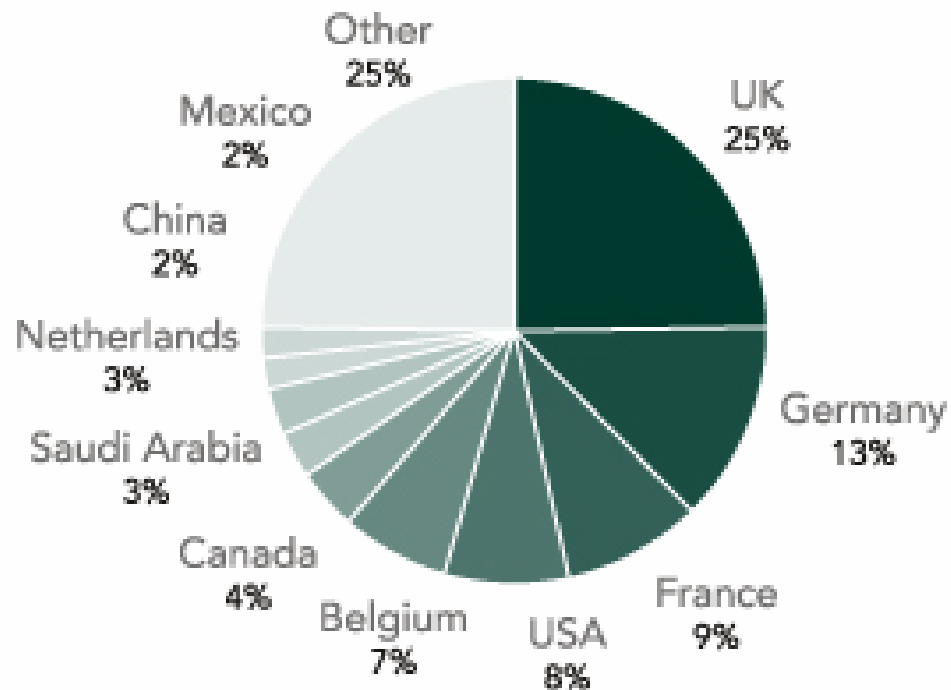
	% Exported	\$m exports
• Wool	89%	689
• Lamb*	91%	2,246
• Mutton*	89%	319
• Beef and Veal*	82%	2,232
• Dairy	95%	6,421
• Deer [\$269m] + Other	96%	<u>546</u>
• Pastoral Sector		\$12,453

NZ's Top 10 Sheepmeat Export Markets

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New Zealand's Top 10 Sheepmeat Export Markets

(Source: M&W/NZ Economic Service, % value, excludes offal, year ending 30 September 2007)

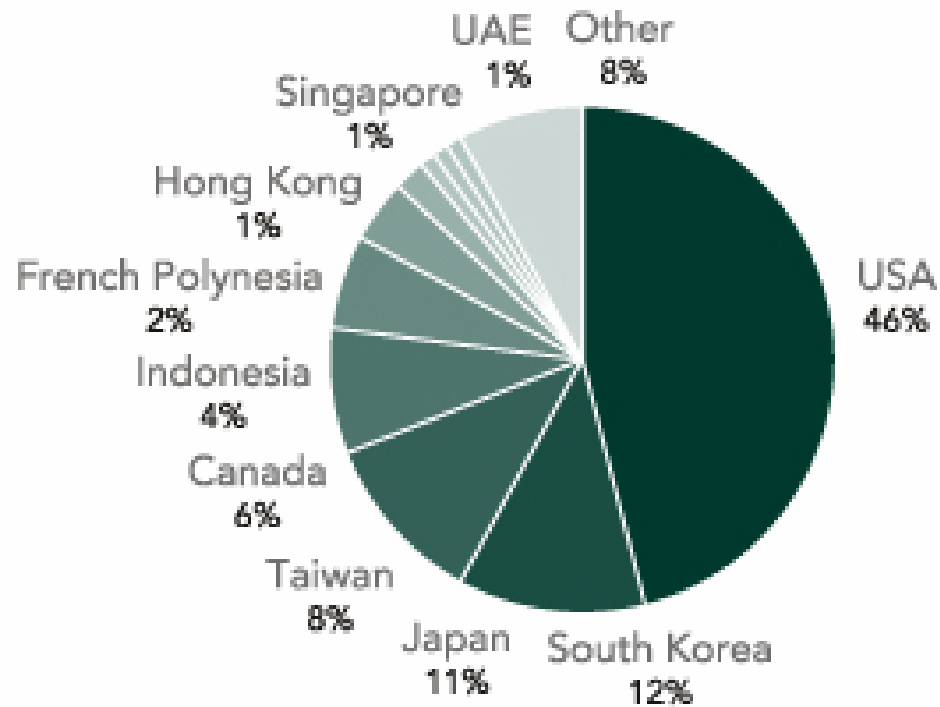


NZ's Top 10 Beef Export Markets



New Zealand's Top 10 Beef Export Markets

(Source: M&WNZ Economic Service, % value, excludes offal, year ending 30 September 2007)



Policy and the Market

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- The food miles debate
- Food miles is a term used to promote seasonal and regional food
- Every food produced has a carbon footprint and this is the only honest way to gauge the environmental impact of food production.
- Food miles are simply the distance the product has travelled to get to you.
- A carbon footprint is measure by the amount of CO₂, and the total energy used to get the product to the market.

Policy and the Market

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- Because of New Zealand's distance to the market we have been a natural target in the food miles debate.
- Perception that New Zealand airfreights our production into Europe. When in fact 99.75% of our food and beverage produce comes by sea.
- A Lincoln University study in New Zealand found NZ Lamb was 4 times more efficient at getting to the market than domestic UK production.
- Transporting the product only constituted 4% of the total energy used.
- Also in New Zealand's favour is the fact that between 60 and 70% of the electricity in New Zealand's is produced by hydropower.
- International trade is good, and the impact of policy set on food miles would decimate some developing countries.
- Not to mention the impact on some countries diets!

Policy and the Market

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- New Zealand is unique amongst the developed world with 48% of the countries greenhouse gas emissions coming from agriculture.
- By 2005, sheep and beef farmers had reduced GHG emissions by 9% on 1990 levels.
- However the considerable gains made over the past 15 years are not likely to be replicated with the current technology.
- So new strategies are needed.
- As an organisation that means investing in several different projects, one of which is the life cycle analysis of lamb.
- It is important that as NZ based suppliers are prepared with information on the carbon footprint, this will enable them to better understand the potential for reduction, achieve a comparative advantage, and where necessary to help fight arguments.

Almost the correct idea.....

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