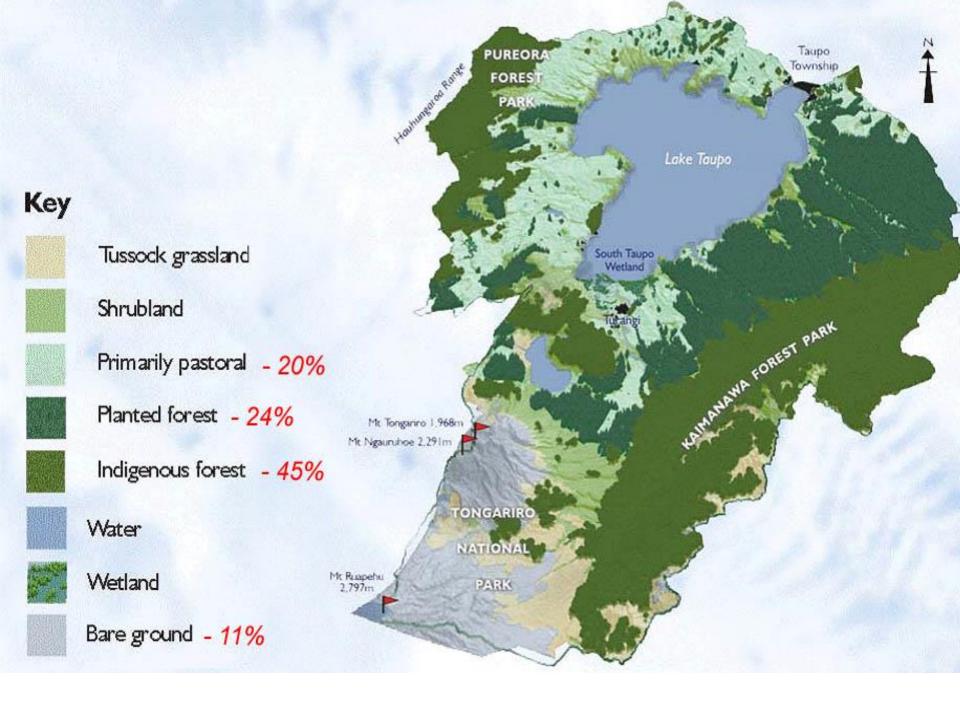
# Land Management & Opportunities in the Lake Rotorua Catchment

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Taupo Beef

#### Outline

- The context in which I farm
- A brief look at the current NZ farming business model and the interface with emissions capping
- Taupo Beef and some thoughts on Rotorua's Agricultural/Food Opportunities





### The history of the N cap: a farmer's perspective

- We became aware of the issue in 2000
- Incorporated Society formed Taupo Lake Care (TLC) to represent farmer interests in negotiations with Environment Waikato
- Negotiated to balance Lake protection with economic viability
- Advocate for and participate in research
- Represented the majority of catchment farmers and Maori incorporations - 105 farms

#### Nitrogen Leached

- Tussock, Native Forest -
- Plantation Forest
- Sheep Beef and Deer Farms
- Dairy Farms

- 3kgs/ha
- 3kgs/ha
- 17kgs/ha
- 45kgs+/ha
- Farming emits 93% of the manageable Nitrogen entering the Lake
- 4 Dairy farms -101 extensive sheep, beef and deer farms

#### A Nitrogen Cap – The realities

- Is a cap on stock urine
- Essentially a cap on stocking rate/production
- A production cap is an income cap under existing commodity regimes
- To remove 20% of manageable N we have covenanted 35,000ha for 999 years

#### Consented farmers

- Applying for a consent that limits our production in perpetuity-significant implications for farming business models and property values
- Capped at my 2004 stocking levels –my costs have increased by 48% since then

#### Grow the market



#### What is Taupo Beef?

- Certified by WRC under a catchment plan
- Grass fed
- No Antibiotics
- No growth hormones
- Predominantly Charolaise/Angus cross
- Aged for four weeks

#### TAUPO BEEF – The Results

- Consumers have paid a significant premium
- Demand exceeds our ability to supply
- Out standing feedback for Chefs
- Need to build a business model that returns a premium to farmers

#### Community Involvement

- Lakes Water Quality Society
- Hotels and Motels
- Restaurants and Cafe`
- Retail Butchers
- Destination Great Lake Taupo
- District and Regional Councils
- Individual consumers

### Farming under a nutrient cap: The farmer's challenge

- We can farm under emissions caps
- Will livestock numbers and classes need to be capped to do so?
- Do we accept a consequent cap on income or are we willing to invest to redefine the NZ Agricultural Business model and the food value chain?

### Food and water quality: The consumer's challenge

- Do you actively seek out food that is produced in a manner that protects water quality?
- Do you know where to source such food?
- What premium are you prepared to pay for that food?
- Is this the real test of how much you value the water quality of Lake Rotorua?
- Eating is the final agricultural act!

#### Thoughts...

 We cannot continue to sell cheap food and legislate for catchment nutrient caps and biodiversity protection

How do we establish brand premiums that pay for these environmental goals and ensure farm and community profitability?

#### Thoughts...

Food production has a significant impact on Lake Rotorua. The food industry starts and finishes where?

Is the farmer, the food retailer, the restaurant or the consumer responsible for Lake Rotorua's water quality?

## Which sections of Rotorua's community are willing take responsibility for the Lakes water quality?

