

## New Zealand's 'Clean Green Image' under threat

Government's expansion of industrial dairy increasing climate change

NEW ZEALAND – APRIL 2008

### Introduction

Greenpeace has revealed through the Government's own figures and through investigative photo and video documentation the true extent of the expansion of industrial dairy farming currently underway in New Zealand.

The large-scale deforestation and intensification of dairy farming, being driven by big business including the Government owned company, Landcorp, is risking economic damage by destroying New Zealand's clean, green image.



Landcorp is currently converting forests and forestry land into large-scale intensive dairy farms. Taupo, central North Island, New Zealand. © Greenpeace/Cowpland 4 April 2008.

New Zealand's agricultural sector is already responsible for nearly half of all domestic greenhouse gas emissions, and through the intensification, deforestation and expansion of the dairy sector this is set to soar, and it is Landcorp, New Zealand's largest farmer, leading the charge.

It is hypocritical for the New Zealand Government to talk about taking action on climate change both here at home and internationally, and yet exempt agriculture from taking any responsibility to reduce greenhouse gas emissions

for years to come and do nothing to prevent the rapid expansion and industrialisation of the dairy industry.

## **Target Climate Change**

Man-made climate change is real and happening fast. Experts say it's the single biggest threat civilisation has ever faced, and the first time a single issue has spanned people, species, countries and continents in this way.

The world's leading climate scientists agree that we have a window of 5-10 years to make big greenhouse gas reductions if we want to prevent dramatic and unpredictable changes to our climate.

Top climate scientists have also agreed that emission reductions of between 25 to 40 per cent are needed in developed countries like New Zealand by 2020 to prevent the worst climate impacts.

This is why Greenpeace is calling on all political parties to set a target of 30 per cent reductions by 2020 for New Zealand's greenhouse gas emissions. This would bring us into line with more progressive nations who have already committed to similar targets.

## **Government Policies**

To date the Labour-led Government and the Green Party have proposed a ten year ban on new fossil fuel electricity generation, and set a 90 per cent renewable energy target for 2025.

The Labour-led Government has also introduced an Emissions Trading Scheme (ETS) under which polluting sectors must, over time, cover the cost of their greenhouse gas emissions.

While these policies sound good in theory, a glaring gap in the ETS is the exemption of New Zealand's biggest greenhouse gas emitting sector for the next five years. Under the scheme, agriculture, the largest source of domestic emissions, is expanding, intensifying and yet remains unaccountable for its emissions until 2013.<sup>1</sup>

This leads to short-sighted climate damaging investment decisions such as cutting down forests to convert the land to dairy farms.

Even when the sector eventually is brought into the ETS, the government will subsidise the sector by covering the cost of up to 90 per cent of its greenhouse gas emissions until 2025.

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<sup>1</sup> For a more thorough examination of the flaws in the emissions trading scheme, see [www.greenpeace.org.nz/ets-report](http://www.greenpeace.org.nz/ets-report)

This severely undermines the effectiveness of a scheme that's designed to encourage a rapid transition to cleaner technologies and practices. It also enables the sector to undermine its own future for short-term profits.

Just as state-owned enterprise Solid Energy is expanding the mining and export of coal, Landcorp, New Zealand's largest farmer, another company owned by the Government, is overseeing the conversion of land from forestry to intensive dairy. This illustrates the Government's inability to reconcile its clean green aspirations with real action on climate change.

The Government and other political parties can talk all they want about sustainability, carbon neutrality and world leadership on climate change, but if the expansion of high-polluting industries such as agriculture and coal is not curbed then we cannot argue we're doing our bit in this global challenge.



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### **Dairy expansion in New Zealand – the road to ruin?**

Agriculture generates the bulk of our export earnings and has a reputation not only for quality products, but also for being clean and green.

However, this image - along with the sector's economic sustainability - is under threat from weak Government policy.

New Zealand agriculture is in fact one of the industries most at risk from the effects of climate change in New Zealand. The drought of the late 1990's for example cost our economy \$1 billion, and according to the Ministry of Agriculture and Forestry, this years drought in the Waikato has cost the farming sector over \$1.24 billion while Fonterra estimates the cost to dairy farmers alone will be over \$500 million.

Agriculture is also facing a looming crisis arising from the massive intensification and industrialisation of farming methods on the back of unsustainably high commodity prices. Nowhere is this truer than within the dairy sector and its massive ongoing expansion.

This expansion and intensification of the dairy sector is having a huge impact on New Zealand's greenhouse gas emissions. Agriculture already accounts for almost half of New Zealand's total emissions. One third of these emissions come from nitrous oxide gas (from livestock urine, manure and artificial fertiliser use) and two-thirds come from methane gas (primarily from livestock burping – the “fart tax” was a misnomer).

Agricultural emissions have increased by 15 per cent since 1990. The dairy sector is responsible for this entire increase. There has been a 58 per cent rise in dairy cow numbers from 3.39 million to 5.28 million over the period.<sup>2</sup>

But worse is to come with a massive expansion of the dairy sector and wholesale conversion of land across New Zealand into industrial dairy farming.

Government figures project that the number of dairy cows in New Zealand will increase dramatically by up to a further 21 per cent by 2010, to 6.4 million dairy cows.<sup>3</sup> We can expect a corresponding increase in greenhouse gas emissions.

A large amount of the land conversion to dairy is occurring on forestry land, with the land converted to dairy pasture and its associated infrastructure such as milking sheds and irrigation facilities.



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Dairy conversion of forestry land functions as a ‘double whammy’ on the climate, as it destroys forests and replaces them with dairy farming which is one of the most greenhouse gas intensive forms of land use.

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<sup>2</sup> MFE, Appendix A. Agriculture Emissions Projections provided by Ministry of Agriculture and Forestry, September 2007; Statistics New Zealand, 2007, Dairy Cattle Number in New Zealand as at 30 June, from 1971.

<sup>3</sup> MFE, Appendix A. Agriculture Emissions Projections provided by Ministry of Agriculture and Forestry, September 2007

According to the Ministry of Agriculture and Forestry (MAF) some 455,000 hectares of forestry land is at risk of being deforested and converted into pastoral use – the majority for dairying.<sup>4</sup> This is equivalent to 910,000 rugby fields or over seven times the size of Lake Taupo.

The national forestry plantation estate is currently 1.8 million hectares. This means that over 25 per cent of the nation's plantation is at risk of being deforested to convert into mainly industrial dairy farming without Government intervention.

### **Smarter farming for the future.**

Greenpeace is in no way anti-farming. Far from it. We want New Zealand to be farming into the future by passing on truly sustainable, healthy farms to the next generations.

This is unlikely to occur, however, if we continue down the road of recklessly deforesting, expanding, and intensifying farming at great environmental cost, simultaneously increasing the risk of economic damage by destroying New Zealand's clean and green image.



Deforestation for the expansion of the dairy industry was recently completed on this barren, drought stricken land in Canterbury in New Zealand's South Island. Large amounts of scarce water resources will be used to convert this land into 'green' pasture. © Greenpeace/Jackson. 6 February 2008.

The intensification of dairy will also increase pressure on scarce water resources, increase the use of fertilisers and chemical inputs onto land and increase the level of pollution that dairying already contributes to New Zealand's fragile waterways and lakes.

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<sup>4</sup> MAF, Area of forest 'at risk' from deforestation, August 2006, <http://www.maf.govt.nz/climatechange/forestry/ets/area-at-risk/page-04.htm>

What we need to do instead is halt this intensive dairy expansion until we are in a position to farm more sustainably, and more widely deploy the improved farming practices that a growing number of New Zealand farmers are already using to significant economic and environmental benefit.

Also essential for the climate and New Zealand's clean green image is that the agriculture sector is held accountable for its emissions. It must be brought in under the Government's emissions trading scheme in the next two years (as opposed to 2013 as currently stipulated). Other sectors are included under the scheme before 2013; it is non-sensical to exclude New Zealand's highest source of greenhouse gas pollution. Bringing agriculture into the scheme within the next two years will provide the incentives needed to improve practices and reduce emissions.