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Green Value Chain:

Consumer attitudes towards quality and credence attributes of product

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## Executive Summary

New Zealand has a unique position in the global market for its agri-food exports. Farming systems are world class in producing high quality, safe and environmentally sustainable agri-food products. Processors and manufacturers are readily working to leverage additional value from raw materials into value-add goods, utilizing tangible product qualities and intangible assets of product and people in the form of technological and cultural IP.

Consumers base purchases on a decision-making framework influenced by functional value (price, quality), conditional value (available alternatives, discounts), social value (social/self image, social values) and emotional value (personal favouritism, brand loyalty, nostalgic factor). Products must find themselves containing authenticated quality and credence attributes which hit these value markers in order to gain consumer response. Better understanding of what product quality and credence attributes consumers desire is critical.

- Continual data collection a necessity to enable NZ agri-food producers and exports the best chance at maximising consumers willingness to purchase. Without up to date data from various markets on attitudes towards credence attributes, products may not be successful despite meeting functional and conditional values.

Authentication of attributes should be sought by global or locally recognised and reputable agents. By holding authenticated and verified quality and credence attributes consumers are willing to pay a premium on standard pricings for similar products. Natural variability of willingness to pay increased price and willingness to purchase based on credence or quality attribute is market specific.

- NZ should strive for globally recognised authenticators to be NZ companies or be NZ based. This aligns with the desire for NZ agri-food producers to operate under the highest standards of production in the world and attract off-shore brands for authenticating product to the NZ economy. The need for a NZ based globally recognised authenticator could either be offset or work in conjunction with a national provenance authentication marker. There has been lack of leadership from MPI and NZTE in implementing such a tool, leaving NZ agri-food exporters without a bonefide COO provenance marker, creating a fragmented marketing space for NZ product and has left the NZ brand open to counterfeiting, damaging the reputation of NZ agri-food producers.

The New Zealand Government is mechanising change to production systems and product procurement through public policy such as the National Policy Statement for Freshwater 2020 and Emissions Reduction Plan. Which is acting upon domestic environmental outcomes, however, is capturing the desires of consumer sentiment of agri-food credence qualities. The use of public policy as a gearing mechanism for private enterprise to leverage value from the market is a consequence of New Zealand's reputation as a world leader in environmentally sustainable and quality assured agri-food producers.

- There has been a lack of effective communication from processors and manufacturers on the attitude of consumers toward credence and quality attributes. This oversight may be affecting their relationship with producers and suppliers over system changes that are required due to change in public policy. This can be overcome by making data more visible to producers and suppliers to enable a better understanding between the relationship between market demands and auditing requirements from processors and public policy.

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## 1.0 Introduction

As the world looks to combat climate change and consumers demand more sustainably produced food options. New Zealand finds itself in a unique position on the global stage as the most carbon efficient producers of animal proteins [dairy and red meat] (Case & Ryan, 2020) (Mazzetto, et al. 2021) and arguably has the most holistic production farming systems in the world. NZ's agri-food production value chain has begun to move according to market and political signals which are asking for a higher environmental sustainability focus from processors/manufacturers. Alongside ambitious environmental targets set by the New Zealand Government to reach net zero Greenhouse Gas emissions by 2050 (excluding biogenic methane). Improvements in environmental practices range from on-farm reduction of GHG emissions to freshwater and land management capturing controlled use of nitrogen fertilisers to responsible disposal of plastics on farm.

Many key markets have established auditing schemes in place as a measure of quality assurance to its population (Tait P., et al. 2016). This coincides as some larger suppliers (customers) in export markets having begun setting independent sustainability policies of suppliers to ensure retail consumers are being offered environmental, ethical and socially responsible products. As a food exporter New Zealand needs to uphold and its reputation of producing high quality, nutritionally dense and environmentally sustainable foods beyond the foreseeable future.

## 2.0 Aims and Objectives

The purpose of this report is to investigate the state of play of NZ's primary industries value chain and identifying opportunities and challenges the sector may face to enabling a more complete green value chain. Through analysing driving forces of change for producers, processors/manufacturers and exporters to enable better understanding of consumer attitudes towards quality attributes of NZ agri-food products in export markets.

Detailing the relationship between public and private sectors with joint initiatives designed to enable value creation through better environmental practices and additional credence attributes. And, whether the current product offering versus the potential of a fully green value chain product offering is positively accepted by or has limitations on consumer purchase decision making and willingness to pay.

## 3.0 Method

A literature review and thematic analysis were the techniques used to develop this project. The literature review was based around a 2018 Lincoln University: Agribusiness and Economics Research Unit report which analyses international consumer attitudes to quality attributes of NZ made food products by Dalziel, Saunders, Tait, & Saunders (2018). Key concepts of the literature were profiling credence attributes, public and private sector initiatives and consumer attitude. Thematic analysis was used to identify visible trends to allow critiques and contrasts of literature reviewed and researched against expectations of reality and literature.

## 4.0 Literature Review

New Zealand as an agri-food exporter traditionally has used the value chain as a linear tool to see product sourced and delivered to consumers, similar to a generic supply chain (see figure 1.). However, in the last 20 years, it has increasingly become more versatile with value creation methods and innovations. This has seen companies increase product ranges and access new markets, which



This shift towards a value-add export economy sees value creation leveraging the use of technological and cultural IP, data and other intangible assets such as industry/customer experience (i.e. Fonterra's *Active Living* range and commercialisation of R&D IP) (Heath, et al. 2017), (Allee, 2008). When coupled with product attributes which contain credence qualities, consumer willingness to purchase a product based on particular attributes are met earning a higher probability of purchase and also potentially a higher price point (Tait, Driver, et al., 2020).

#### 4.1 Credence/quality attributes and consumer behaviour

Agri-food product offerings from New Zealand have a significant number of quality attributes that have historically allowed NZ produce in export markets to perform well in comparison to competitors in the same markets (Akhtar, et al. 2017). Due to these qualities and reputation of industry, this has largely positioned NZ agri-food exports at the high end of the market (PwC New Zealand, 2016). Quality attributes take physical forms (tangible e.g. nutritional), while credences are largely measurable intangible qualities (i.e. animal welfare/environmental outcomes). Cultural attributes which encompass moral standings of a societies 'way of life' view, but also cultural IP of indigenous people as it relates to procurement of product or marketing (Dalziel, et al. 2018). Findings from Dalziel, Saunders, Tait, & Saunders (2018) state that not all credences are equal, nor are attitudes towards credences the same in each market but more similar in culture than geographic location (Sreen, et al. 2018). These cultural agreements are not based on ethnic cultural identities but on value perceptions that are held by individuals and more largely society within each market. Perceptions of value towards credence qualities specifically relating to the survey by Guenther, et al. (2015) based on association factors of New Zealand (i.e open spaces, clean water/environment, quality products, food safety, etc). These attributes surveyed have relevance in other consumer behaviour framework models, including green perceived value (GPV). Whereby consumers are readily influenced by, functional value (price, quality), conditional value (available alternatives, discounts), social value (social/self image, social values) and emotional value (personal favouritism, brand loyalty, nostalgic factor) as proposed by Woo & Yeong (2019). Who concluded that each of these value factors positively influence a purchasers towards purchasing green products.

#### 4.2 Public sector initiatives

Work in the space to fully maximise NZ's agri-food potential and shift from a volume based export supplier to a value-add economy is already underway with cooperation from private enterprise and the public sector. Increasingly more direct strategic partnerships from the NZ Government with NZ food and fibre enterprises are arising to enhance capabilities of product procurement in an environmental sustainably fashion as part of the Emissions Reduction Plan (ERP) announced May 16, 2022. Part of the ERP, sees an investment of \$710Million across the primary sector<sup>1</sup> (Minister of Climate Change, 2022). This is aligned with the Governments net zero GHG target for 2050, but also aligns the strategies of various Govt agencies, namely; Ministry for Primary Industries, the Ministry of Business, Employment and Innovation (MBIE) [the proprietor of NZ's energy strategy], and the Ministry for the Environment (MFE). Strategies and initiatives via these agencies being designed to align and integrate desired outcomes from the public, private sector and society<sup>2</sup>. Throughout both the public and private sector, the kaupapa of tiaki and taiao have been drivers of the integration of Te Ao Māori into the primary sector, furthermore to everyday life of New Zealand society. The uptake of Te Ao Māori and the principle of tiaki, outlining the importance of

stewardship and guardianship of our natural world, and taiao has a more practical implication for producers around the relationship of climate, water, the land and living ecosystems. Which not only has a holistic imperative on society but acknowledges the breadth and significance of the Māori worldview and influence on New Zealand's cultural and global reputation. It must be stated that an appropriate course of action must be taken with necessary iwi representatives and kaumātua to ensure any use of Te Ao Māori or Māori IP for any commercial means avoids cultural appropriation and is accurate in any depictions, e.g. Fonterra's legal action taken against for misuse of Kāpiti.

#### 4.3 Private sector initiatives

While the steering of strategic macro policy by Government can impact private enterprise (i.e. Dairy Industry Restructuring Act and the ERP). Business' rightly have autonomy to forge their own strategies in order to create strong performing, resilient businesses for its stakeholders. This has seen companies becoming more creative with product development and localising product lines to regional and cultural tastes and needs (i.e. Halal meats, Zespri RubyRed kiwifruit). Initiatives such as Te Hono, facilitated by food and fibre sector leaders and New Zealand Trade and Enterprise (NZTE), hold annual bootcamps where executives and leaders of NZ's food and fibre sector meet to discuss challenges in the current environment. Look forward to the future and to innovate ways for NZ food and fibre to create and capture more value for product (Te Hono, 2022). Other industry bodies that represent manufacturers and processors such as the Meat Industry Association, Dairy Companies Association of New Zealand and Horticulture NZ. These bodies represent processors on domestic and trade policy matters, with these bodies governed independently of its members.

Marketing acts as the most readily available tool for the private sector to leverage value on quality and credence attributes to achieve; differentiation in the market, recognition from consumers in tightly competitive spaces and also premium price points. In order to gain noticeable recognition and realise pricing potential in foreign markets, marketing claims made by NZ agri-food exporters must be auditable (e.g. nutritional content, environmental compliance, animal welfare standards, ethical working conditions). To prove to not only to suppliers but consumers that the reputation of producers and processors is trustworthy (Polonsky, et al. 2006). Companies such as Tesco in the UK who are importers of NZ agri-food products, have rigorous policies in place in relation to transparency of supply of product for its customers i.e. "zero deforestation beef, Tesco Supplier Environment Policy" (Tesco, 2021).

Auditing and accreditation schemes exist in numerous countries which are accessed by NZ agri-food exporters. Verification and acceptance of standards is required of any particular scheme to be shown within the labelling of the product (i.e. BioGro Organics, carbon labelling in the UK and Japan, FairTrade) (Tait P., et al. 2016<sup>a</sup>). Further accreditation from a third party can bolster credibility of credence claims but may also add additional credence attributes to product i.e. Toitū net carbonzero certification (Toitū Envirocare, 2022) all of which can influence a consumers attitude and willingness to purchase product (Vandenbergh, et, al. 2011).

## 5.0 Findings and Discussion

Transitioning New Zealand primary exports from volume based to a value-add economy has been an expressed desire from both the public and private sectors for a number of years. Rhetoric across the primary landscape state that the current production climate has never been as challenging, while this same environment simultaneously has never presented as many opportunities for the entirety of the value chain (Te Puna Whakaaronui, 2022). However, the free market operates on a supply and

demand basis, meaning because there are existing markets and products already accessed by NZ agri-food exporters does not guarantee future success of market and product performance as is status-quo.

### 5.1 What do consumers care about?

Success in the market depends largely on consumer attitude towards a product and how influential information about a product may be to sway their purchase decision making. How a person feels about a particular product [regardless of what the company may think and market research forecasts], is the perception values of an individual which drives purchase decision making (Woo & Yeong, 2019). Values attained by consumers are ranked as to what and why is important in the purchase decision making process, based on situational environment (i.e. country, culture, socio-economic status and gender) (Aytekin & Büyükhaz, 2013) (Sreen, et al. 2018). Within reference to functional, conditional, social and emotional values, natural variability of interpretation and perception of quality and credence attributes are subject to each country/market. Results on perception of environmental condition of food production shown in *table 1* from Guenther, et al. (2015) is an example of this natural variability. Whereby product attributes as ranked by markets show that environmental condition is important to consumers in purchase decision making but more notably in developing markets versus developed markets (from a NZ agri-food lense).

**Table 3-1: Top 5 attributes in food and beverages by country**

Rank	China	India	Indonesia	Japan	UK
1	Quality	Quality	Quality	Price	Quality
2	Food safety	Food safety	Nutritional value	Quality	Nutritional value
3	Nutritional value	Nutritional value	Food safety	Food safety	Food safety
4	Environmental condition	Health enhancing foods	Health enhancing foods	Nutritional value	Price
5	Animal health	Environmental condition	Environmental condition	Environmental condition	Animal welfare

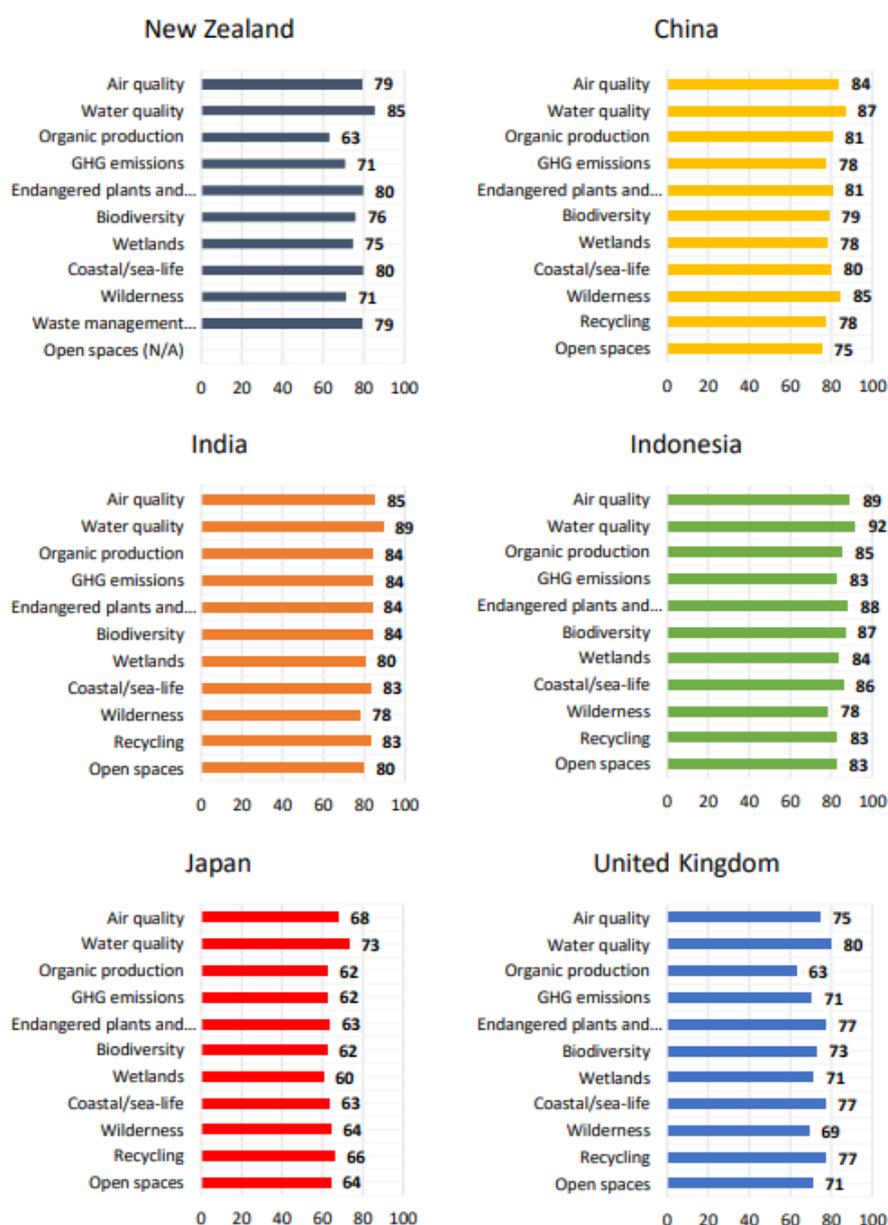
*Table 1:* Ranked product quality and credence attributes by country (Guenther, et al. 2015)

New Zealand's reputation as an agri-food exporter largely plays into the attributes as reported by *table 1*. Consumers from all surveyed countries still perceive functional value attributes as the most important factor influencing purchasing decisions of food. With attributes such as quality, food safety and nutritional value more readily auditable physical attributes. There is complexity as to what environmental condition is defined as and what each market deems to be most important when it comes to environmental associations and sustainable practices.

Guenther, et al. (2015) however, have a number of associative factors to encapsulate environmental condition (see figure 3.). Similarly to the results given in *table 1*, China, India and Indonesia strongly

responded to the importance of environmental condition in the production and supply of food. Although India and Indonesia are not significant importers of NZ agri-food products at this point in time. Attitudes of consumers from China, India and Indonesia should be readily noted by NZ agri-food exporters, with these three countries being the three most populous countries in Asia, and account for 39% of the global population. Results from *figure 3* show the most important environmental factor of food production across all countries to be water quality (84 averaged). While GHG emissions ranked comparatively low with an averaged score of 74.8, the lowest ranked being wilderness 74.1

Figure: Importance of factors in relation to environmental condition in food and beverage production and supply – international comparison



Source: Guenther et al. 2015

Figure 3: Importance of factors in relation to environmental condition in food and beverage production and supply – international comparison (Tait, et al. 2020)

### 5.2 Accessing consumer willingness to pay

Consumer wants and needs are rapidly changing within the age of information, with access to information on a product readily available at the fingertips of the consumer. Access to quality information that can influence purchase decision making, emphasises the importance of authentication of product quality and credence attributes (Verbeke, 2005). Market research into consumer attitudes on quality, credence attributes and societal matters, may not necessarily paint an accurate picture of consumer willingness to pay for a product based on credence attributes alone (Tait, et al. 2020). Utilising authentication tools of product quality and credence claims gives consumers confidence in the trustworthiness of claims made by companies (Polonsky, et al. 2006). Perception of authentication tools is also captured by the natural variability of market individualism, with each population being influenced by information sourcing based on their situational environment, e.g. political landscape, state run media, corruption, ect. Consumers place trust in information sources which are established and accessible, notably; a countries own government, globally recognised authentication tools and classic consumer behavioural traits like brand loyalty (see figure 4) (Guenther, et al. 2015). With a lack of a national provenance scheme in New Zealand, it is ultimately up to exporting companies to develop their own brands authentication markers e.g. “Trusted Goodness – Fonterra”, Eating Quality System – Silver Fern Farms”. These self adjudicated

Figure 3-3: Importance of different certification types in relation to authentication

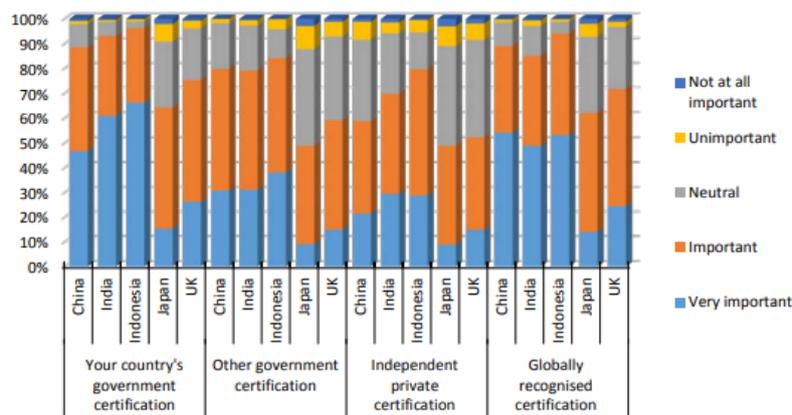


Figure 3-4: Importance of different certification types in relation to authentication

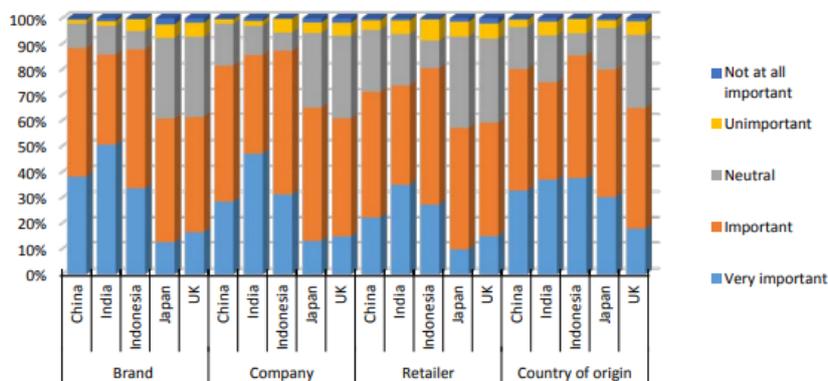


Figure 4: Importance of certification types in relation to authentication (Guenther, et al. 2015)

systems must be then independently verified by third party authenticaters or industry regulators. The current system of product quality and credence authentication may be restricting the full realisation of premium pricing and consumer willingness to purchase due to failure of widespread use of globally trusted verification tools, and a fragmented approach to country of origin (COO) provenance across the primary sector. The New Zealand Story which is the current acting marketing body of the ‘NZ brand’ is failing to provide a clear and strong marker for NZ agri-food product, in place of a provenance authentication scheme. The NZ Story’s scope is too broad capturing all that New Zealand has to offer, failing to capture the nuances of the NZ agri-food landscape which could be seen as a weakened authentication and marketing tool for NZ agri-food. Fragmentation of NZ product marketing in foreign markets could be limited with strong definitions of newer credence attributes such as ‘regenerative agriculture’ being formally administered by the governing body MPI. Applied in conjunction with a stronger centralised COO provenance authentication scheme issued by the Ministry for Primary Industries and NZTE, this would bolster any additional authentication tools used by NZ agri-food exporters to extract value from the market.

The interconnecting nature of consumer attitude toward attributes of product and a consumers willingness to pay have an imbalance of power with credence attributes. Perceived desired products such as organic products as stated by Wee, et al., (2014) and Guenther, et al. (2015), does not meet functional value criteria like price, influencing the purchase decision making. This applies in many respects to environment credences, as to what the market deems to be significantly important and are willing to purchase at a premium price. Versus other product quality attributes such as, food safety or nutritional density (health benefits)(see figure 5). NZ agri-foods positioning in the market may be more forgiving of a consumers willingness to pay as targeted consumers often have more flexibility with purchase options. It is unclear, however, whether or not positive perceptions of quality and credence attributes act in a compounding fashion in regard to willingness to pay based on pricing. Superior product attributes across the spectrum does influence purchase decision making with consumers inherently wanting to make the best decision possible, but can only make the best decision available to them. (Kong, et al. 2014) (Hameed, et al. 2021).

WTP for certified improvement in production standards above minimum standard for:	India	Indonesia	Japan	UK
<b>Fruit and Vegetables</b>				
Biodiversity	44%	22%	22%	18%
Environmental condition	25%	11%	5%	4%
Food safety	27%	23%	4%	5%
Health benefits	-	-	-	16%
Product quality	22%	18%	-	22%
Social responsibility	41%	23%	14%	13%
<b>Dairy products</b>				
Animal welfare	40%	29%	39%	21%
Environmental condition	18%	27%	7%	14%
Food safety	40%	27%	8%	6%
Health benefits	-	19%	-	-
Product quality	44%	31%	17%	14%
Social responsibility	52%	27%	-	6%
<b>Meat products</b>				
Animal welfare	36%	27%	24%	12%
Environmental condition	-	16%	9%	9%
Food safety	41%	25%	-	4%
Health benefits	19%	25%	-	6%
Product quality	33%	17%	13%	11%
Social responsibility	38%	18%	7%	9%

Median WTP reported. Blank cells where no WTP estimate provided indicate insignificant parameter in relevant model.

*Figure 5: Consumer willingness to pay for quality and credence attributes as a percentage of price (Tait et al. 2020)*

### 5.3 Public policy and the market

Policy often never receives outright acceptance from all members of society, with at least one portion feeling aggrieved due to a restriction of activity or required changes to the current system of operation. Generally, there are numerous reasons as to why an introduction of new policy is made or an amendment of existing policy, in relevance to food production and manufacturing in NZ. Most changes are based on improving environmental outcomes, working conditions, animal welfare and reputation. All these changes are made in effort to change production systems to operate in a manner which will capture additional value in the international market based on consumer attitudes and desires. The National Policy Statement for Freshwater 2020 is an example of legislation, which has domestic environmental outcomes at the core of its implementation. While acting on consumer attitudes of environmental condition as surveyed by Guenther, et al (2015). Relationships between legislated policy to maintain and improve environmental factors while burdensome in some respects by imposing activity restrictions, sees the opportunity cost of increased cost of production ultimately realised by cost of investment in increased export revenue (Beef+Lamb NZ, 2022) (Howden, 2021). Greenhouse gas emissions are recognised globally as the main targeted mechanism to combat anthropogenic climate change. This has resulted in global agreement and signatories to frameworks such as the Paris Agreement 2016, whereby countries and states agreed to limit as much as possible the impacts of climate warming through emission reduction targets set by individual signatory states. New Zealand has set targets of net zero GHG emissions excluding biogenic methane by 2050, with emissions budgeting and funding first being allocated by the ERP in May 2022. This front foot approach sees New Zealand being the first country in the world to budget and price GHG emissions across the productive sector including agriculture. This will enable global comparative advantage to NZ made product to environmentally conscious consumers, on top of current competitive advantage held by the primary industries, as the green value chain is fully mechanised (Howden, 2021).

## 6.0 Conclusions

Consumers are willing to purchase and pay a premium price for food products that are of proven high quality and contain authenticated quality and credence attributes. NZ agri-food exporters hold a strong market position through trusted national and brand reputations across multiple markets due to longstanding proven product quality and attributes like food safety, nutritional density and environmental outcomes. The lack of a national provenance and COO scheme, fragments the NZ agri-food marketing landscape potentially weakening exporter's ability to leverage true value. Innovation in NZ agri-foods has regimented schemes in place such as Te Hono enabling private sector insight and scope of market, driving continued relevancy of New Zealand product in competitive international markets.

There has been a lack of visible correlation and relationship between private sector rhetoric and public sector policy as to why production systems and product procurement need to improve sustainability outcomes. However, the New Zealand government is enabling policy settings that aim to bolster NZ's reputation on the world stage as a leader in climate action and environmental practices of food production systems. This approach long-term will benefit NZ agri-food producers as

consumers across the globe look to make the best purchasing decision available, seeking nutritional dense food as provided by NZ horticultural products and environmentally conscious animal proteins.

## 7.0 Recommendations

### **Continued data collection**

1. Surveys as completed by Guenther, et al. (2015) or similar should be conducted on an annual to biennial basis. Data collection of consumer attitude of NZ agri-foods and its product qualities and credences is critical for New Zealand primary exporters. Having up to date data enables companies to inform producers and government of market demands of production, enabling better physical product quality and quality attributes development resulting in maximised export earnings for the New Zealand economy.

### **Effective communication**

2. Processors and manufacturers need to be more effective in their communication as to how extra value is obtained as a result of changes to on-farm operations. Presentations to farmer shareholders are often large macro strategies encompassing the operational parts of the business, with details either being skipped over or not mentioned. If processors readily took time to explain the intricacies of market dynamics and consumer attitudes that are the catalyst of auditing requirements and operational improvements (i.e. food safety, environmental practices) buy-in from farmers and producers into credence authentication schemes would be positively swayed.

### **Establishment of a national provenance authentication tool**

3. There has been a lack of leadership from MPI and NZTE in the creation of a national provenance authentication tool. In by doing so MPI and NZTE, would be creating a government backed COO authenticator for NZ agri-food exporters to use to capture value on the brand of New Zealand. Failure of this tool being available in the market currently has created a fragmented marketing space which often sees NZ companies telling differing or conflicting stories about the NZ agri-food landscape and competing against one another in the same market. Often detracting value to their businesses and the NZ economy. This is despite the availability of tools such as The New Zealand Story which is not fit for purpose.

### **Pan industry relationships**

4. Each industry which makes up the primary sector champions their produce and people well in respective markets, and rightly so. I believe that each industry is leaving additional value by not capturing niche markets in detailing the cross-industry relationships in product procurement (e.g. lamb reared on organic vineyards, apiarists collecting mānuka honey on beef farms, ect.). This is left up to individual companies to make this marketing decision, however, there is potential for industry groups to be formed and niche brands and product ranges to be created if correct procedures and frameworks are put in place.

### **Development of a globally renowned authenticator**

5. NZ based authenticators should be aspiring to become globally recognised and renowned auditors and authenticators of product quality and credence attributes. This aligns with the

desire for NZ primary producers to adhere and produce to the highest quality standards globally, attracting off-shore business for global product ranges authenticated by New Zealand companies. MPI, MFE and NZTE should be working with companies like BioGro and Toitū to establish strategic frameworks and funding to enable growth and visibility to enable these businesses to be first choice authenticator for any agri-food producer around the world.

## 8.0 Limitations

This research paper has limitations to its findings, the data set used for the basis of this paper is comparatively outdated. Guenther, et al (2015) which holds numerous data sets for Dalziel, et al. (2018) may hold outdated consumer attitudes and inaccurate calculations of consumer willingness to pay in market during the year 2022. This report does also not take into account differentiation of market access i.e. retail, food service, or wholesale, and what impact product channeling has on purchase decision making of product. This may be through scale of product being purchased and trade-offs being made by the purchaser to pursue commercial value over personal moral values.

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## Appendices

\*1 – over a four-year period released from the Climate Emergency Response Fund

### **\*2 - Government Policy and Strategies**

Strategies which influence NZ's food value chain most come from; which steers policy of emission budgets and as announced on May 16, 2022 the Emissions Reduction Plan. The ERP will be the main steering policy for NZ to reach net zero GHG at 2050.

New Zealand is also signatories of various international policies and frameworks working towards a unified global approach to mitigating climate change and environmental damage such as the United Nations Framework Convention on Climate Change and the Paris Climate Accord 2015.

### **MPI Strategy**

MPI have an outlaid vision of the ministry with four outcomes it wants to achieve; Prosperity, sustainability, protection and visible leadership ([MPI's strategy | NZ Government](#), 2022).

Under prosperity it expands into: *“High-value food and primary sectors build prosperity for more New Zealanders. Our priorities under prosperity are to focus our expertise and resources to support innovation, to partner with the food and primary sectors for their success, and to help New Zealand producers increase the value of their goods.”*

### **MBIE Strategy**

MBIE are in charge of energy policies that will be significant in New Zealand's transition to decarbonising the energy sector. Funding and initiatives from MBIE has been available to enable the private sector towards achieving energy alternatives, as well as the private sector taking measures to move towards installing renewable energy sources at processing facilities and lowering reliance on fossil fuel energy for product procurement (Ministry of Business, Innovation & Employment, 2017).