



AGRIBUSINESS

FIELD NOTES

Weekly news update from the KPMG Agribusiness network

31 August 2016

Organisations referenced in this week's Field Notes include:

a2 Milk Company	Irish Farmers Association
ABP Food Group	Kidman & Co
Antara Ag	Kim Crawford
Auckland Airport	Kiwi Muslim Directory
Bayer	Lincoln University
Bayleys	Massey University
Biolumic	Ministry for Primary Industries
China's Certification and Accreditation Administration	Misty Cove Wines
Colorado State University	Monsanto
Comvita	New Zealand King Salmon
Constellation Brands New Zealand	Pinnacle Midland Health Network
David Jones	Precision Agriculture Association of New Zealand
Direct Capital	Scion Research
Environment Canterbury	Seeka Kiwifruit Industries
Environment Protection Authority	Smart Feed Solutions
European Union	Spring Cheep Milk Co
Federation of the Islamic Associations of NZ	Synlait
Fonterra Co-operative Group	Taranaki Regional Council
FoodProfiler	Tourism New Zealand
Forest & Bird	UK Wine and Spirits Trade Association
Global Dairy Trade	University of Sydney
GoodYarn	Waikato Medical Research Trust
Hawke's Bay Regional Council	Yealands Estate Wines

This week's headlines

Viticulture	NZ wine exporters urged to act post-Brexit [26 August/ Radio NZ Rural]
Aquaculture	Salmon set to make share market return [30 August/ NZ Herald]
Dairy	Synlait grows on infant formula [25 August/ Rural News]
Sheep Dairy	Sheep Milk Industry Set To Grow Through New Partnership [25 August/ MPI Media Release]
Farmers and producers	Rural mental health scheme shares top award [26 August/ Rural News]

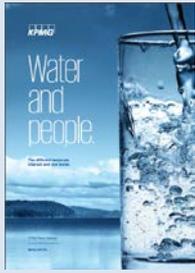


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HOT OFF THE PRESS:
**KPMG AGRIBUSINESS
AGENDA 2016 VOLUME 1**



New KPMG New Zealand Thought Leadership: KPMG Water and People

**Crossing countries, continents and oceans to highlight the global water crisis**

One bamboo bicycle, 395 days, 25,000 kilometres and one goal to raise awareness of the global water crisis has led an altruistic cyclist to New Zealand for the final leg of his world cycle.

Theo Rohfritsch will set off from Auckland for Invercargill on Thursday, where he will end his 14-month bike ride – an ambitious journey that has seen him travel through 21 countries from France to New Zealand to raise awareness of the global water crisis.

One third of the world's population (2.3 billion people) do not have access to adequate water sanitation, and more than 650 million people do not have access to safe drinking water. The water crisis is the number one global risk based on impact to society, according to the World Economic Forum.

Theo, who holds a Master of Science in Sustainability and is interested in the effects of climate change, embraced the challenge of the KPMG-sponsored initiative Cycle for Water.

The 24-year-old Frenchman hopes that his 1,600km cycle through New Zealand will raise awareness of the importance of clean water and inspire Kiwis to take action.

"Water is something many of us take for granted, yet clean, safe drinking water is key to healthy lifestyles. I can't wait to share this message with a generation of young Kiwis on my journey through your beautiful country in my quest for change to be made to help combat the global water crisis."

Theo will visit New Zealand's key communities and some of KPMG's partner schools, including Edmund Hillary School in Papakura, before making his final pedal to Invercargill on 6 October.

Since setting off from his homeland on 27 July 2015, Theo has raised awareness of the importance of clean water for sustainable development and raised funds for Hoat Rain Harvester and Ground Water Filter to support schools in Thailand.

Theo's arrival in New Zealand coincides with the release of a special KPMG report, 'KPMG Water and People' – which looks at the importance of water in New Zealand from an economic, cultural, community and environmental perspective.

"We're committed to building and supporting prosperous communities and so we developed a report examining our water and people in New Zealand, timed with the final leg of the Cycle for Water initiative," says Ross Buckley, Executive Chairman, KPMG New Zealand.

"Water not only makes a huge contribution to our economic success; it also plays a critical role in ensuring the health and well-being of all New Zealanders."

The KPMG report also makes reference to the country's recent water crisis – the Hawke's Bay contamination issue which highlighted to New Zealanders how crucial water sanitation is.

"We believe that this will be of interest to New Zealanders at this time when the importance of protecting our water is at the forefront of our minds following this water contamination issue," says Buckley.

"'KPMG Water and People' examines the impact our growing population will have on our natural water resources and makes a call to consolidate water management. We are fortunate to have a plentiful supply of water, and while we are not immune from water challenges, it is beholden to us to respect and value our 'liquid gold'," adds Buckley.

The report also looks at the importance of embracing Maori values as a foundation and source of real understanding for the journey ahead, and the impact of natural disaster, such as drought has on our local economy and environment.

Lord Michael Hastings, Global Head of Citizenship, KPMG International, a world leader in diversity and empowering societal change, has contributed to the report and is in New Zealand from the UK to support Theo as he embarks on his final journey.

"Theo's endurance and determination in finishing this physical effort in New Zealand and changing how we think about and use water is humbling; both in his energy and passion at the outcomes.

"If there's one message to be taken from Cycle for Water is that we need to change our relationship with this essential commodity; we need to value water as a source of life and growth, and manage it with respect," says Lord Hastings.

To access KPMG Water and People please click the following link:

<https://home.kpmg.com/nz/en/home/insights/2016/08/kpmg-water-and-people.html>

Horticulture

Seeka posts 92 per cent lift in 6-month profit [26 August/ Business Day: NZ Herald] Seeka Kiwifruit Industries has posted a net profit after tax of \$7.1 million for the six months to 30 June, a 92 percent increase on the same period in the previous year. Seeka Chief Executive, Michael Franks said the company was looking at expanding in Australia but would not go into details. Mr Franks added that the result was pleasing and came following a fourth year of consecutive double digit growth. The company announced a dividend of 10 cents per share, up from 9 cents per share in the same period in the previous year.

Viticulture

New Zealand first as Marlborough wine company swaps bottle for can [25 August/ Business Day] Misty Cove Wines Founder, Andrew Bailey said his company was the first in New Zealand to locally produce wine in aluminium cans, a concept that was all about portability. Mr Bailey explained that there was a lining inside the can so it did not have any oxygen issues. Mr Bailey said there was a perception that since the wine is in a can it must be of poorer quality, but in fact the wine was exceptional. Mr Bailey added that wine in a can had been imported into New Zealand before but had never been produced here, perhaps due to an overseas patent on the idea which required Misty Cove Wines to pay a royalty.

NZ wine exporters urged to act post-Brexit [26 August/ Radio NZ Rural] United Kingdom Wine and Spirits Trade Association Chief Executive, Miles Beale said the New Zealand wine industry must be ready to take full advantage of the United Kingdom leaving the European Union. Mr Beale explained that the United Kingdom's plans to leave the European Union would open up opportunities for New Zealand as the country started to create trade deals of its own. Mr Beale added that there had been consistent growth in the value and volume of New Zealand wine being exported to the United Kingdom. Mr Beale noted that New Zealand wine had a strong reputation for quality at good value.

So much room to grow [27 August/ Rural News] Constellation Brands New Zealand President and Managing Director, Simon Towns said that while the United States market for New Zealand wines was undergoing unprecedented growth, there was room for much more. Mr Towns added that New Zealand wines made up 2 percent of the United States market, but in the last year it had grown by 14 percent in value and 11 percent in volume. Mr Towns said the United States was a far more attractive export destination for New Zealand wine exporters compared with other countries around the world. Mr Towns explained that there was so much potential for growth in the United States that Kim Crawford was not actively trying to expand outside of the United States, New Zealand, Australia and Canada. Mr Towns noted that the majority of growth was in Sauvignon Blanc wines right now.

Yealand's Crossroads winery and vineyards put on the market [27 August/ Business Day] Yealands Estate Wines is selling its Hawke's Bay Crossroads operations, including the winery and three vineyards, and moving its production to Marlborough. The winery was capable of processing more than 700 tonnes of grapes a year. The Crossroads brand, business and existing stock in bottles, barrels and tanks would not be part of the sale. The company's existing grape growing contracts with Hawke's Bay producers would continue, but the grapes would be transported to Marlborough. Bayleys Hawke's Bay Viticulture Manager, Glyn Rees-Jones said the company preferred to sell it as one unit, but would be open to selling the blocks individually.

Apiculture

Comvita confident it will weather new Chinese rules [25 August/ NZ Herald] Comvita Chief Executive, Scott Coulter said the company was confident its business would not be disrupted by Chinese regulator changes facing honey producers. Mr Coulter was referring to China's Certification and Accreditation Administration's new requirement that wineries and honey producers register before exporting products to the country. Mr Coulter added that the new regulations would raise the bar in terms of manufacturing standards and that was healthy for the industry. Mr Coulter noted that the company was pushing to diversify its export revenue by expanding sales outside Asia into markets such as the United States and Europe.

Funding to research giant willow aphid brings relief to South Canterbury's beekeepers [26 August/ Business Day: NZ Farmer] Scientists at the Scion Research centre in Rotorua have won a Ministry for Primary Industries Sustainable Farming Fund grant of \$445,000 to study the giant willow aphid. The giant willow aphid was having a detrimental effect on the country's beekeeping industry by affecting the ability of the willow tree to flower. Pleasant Point Beekeeper, Paul Bartrum said the giant willow aphid had been in New Zealand for three years and was another example of how poor New Zealand's biosecurity was. Scion Scientist, Stephanie Sopow said a biological control in the form of a parasitic wasp was being considered. Ms Sopow added that it would take around three years to develop the control, test it and have it approved by the Environment Protection Authority and the Ministry for Primary Industries.

Fishing

Whitebait season in full swing [29 August/ NZ Herald] Whitebaiters are trying their luck along streams and rivers with the new season now open until the end of November. Whitebait was the only fish species in New Zealand allowed to be sold by recreational fishers, as they did not need to meet standard food safety requirements or have a registered risk management programme certificate. Freshwater Scientist and Whitebait Expert, Robert McDowall said managers of fisheries did not have any idea of how much fish was caught. Mr McDowall added that there had never been any ability to relate catches to populations or to estimate the impact of fishing on stocks.

Aquaculture

Golden Bay's Wainui Bay residents and spat farmers at odds over plan change [24 August/ Business Day: NZ Farmer] The Wainui Bay Spat Catching Group is looking for certainty around the future of their industry and have asked for a plan change to ensure mussel spat catching and holding could continue in Wainui Bay once the current plan period ended in 2024. Representatives from the Wainui Bay Spat Catching Group said keeping the bay as a primary spat catching area was crucial to the viability of the New Zealand aquaculture industry. Wainui currently provided between 20 and 25 percent of the New Zealand's Greenshell Mussel spat.

Salmon set to make share market return [30 August/ NZ Herald] New Zealand King Salmon has announced plans to raise up to \$200 million through an initial public offer and listing on the NZX and ASX by late October. Proceeds from the offer would be used to repay debt, fund future investment and working capital, and to enable its second biggest investor and other shareholder to exit all or part of their holdings. New Zealand King Salmon Chief Executive, Grant Rosewarne said the initial public offering was a way for Direct Capital to realise their investment and to support the company going forward.

Dairy

Synlait grows on infant formula [25 August/ Rural News] Synlait has reported an increase in canning volumes from 4,300 tonnes in the 2015 financial year to 16,000 tonnes in the 2016 financial year. Synlait Managing Director, John Penno said canned infant formula volumes have grown steadily since the commissioning of a packaging plant in 2015. Mr Penno added that these value added products generated stronger margins than commodity products, improving the company's product mix and increasing the gross profit per tonne figure from \$593 per tonne in the 2015 financial year to \$880 per tonne in the 2016 financial year.

Fonterra raises forecast payout [25 August/ Radio NZ Rural] Fonterra has increased its forecast payout to farmers for the current season by 50 cents from \$4.25 per kilogram of milk solids to \$4.75 per kilogram. When the payout for milk solids is combined with the forecast dividend of between 50 and 60 cents per share, the total payout to Fonterra's farmers is estimated at between \$5.25 and \$5.35 per kilogram of milk solids. Fonterra Chairman, John Wilson said milk production was reducing in most dairy producing regions globally due to low milk prices, bringing the world's milk supply and demand back into balance. Mr Wilson said that while prices had risen sharply, the high New Zealand dollar had offset some of those gains. Mr Wilson added that he expected the dairy market to remain volatile over the coming months. Westpac recently revised its milk price forecast up to \$5 per kilogram of milk solids, while BNZ lifted its estimate to \$5.30 per kilogram.

New trading platform set up [26 August/ NZ Herald] Global Dairy Trade has launched a platform that is designed to operate 24/7 and offer global sales of dairy products in smaller quantities than its fortnightly auctions. Global Dairy Trade Director, Eric Hansen said the organisation realised that there was an opportunity to provide a complimentary dairy trading platform that offered flexibility and the ability to deal in smaller quantities. Mr Hansen added that the market was constantly evolving and Global Dairy Trade needed to continue to lead the way in supporting the online trade of dairy products. Mr Hansen explained that trades on the platform depended on who had something to offer for sale and who was looking for a certain quantity of a specific product.

Science or Snake Oil: is A2 milk better for you than regular cow's milk? [27 August/ National Business Review] University of Sydney Research Fellow, Nicholas Fuller has looked at research on the effects of regular dairy milk on humans compared to milk produced by the a2 Milk Company. Regular dairy milk contained both A1 and A2 beta-casein proteins, while milk from the a2 Milk Company contained just A2 beta-casein proteins. Mr Fuller found that there was no evidence to suggest there was any benefit in having A2 milk over regular milk for people who do not experience any problems with milk consumption. Mr Fuller added that for people who were intolerant to milk, A2 milk may be suitable to prevent stomach upsets. Mr Fuller noted that lactose-free milk did not contain lactose either, and future studies should compare A2 milk to lactose-free milk.

Sheep dairy

Sheep Milk Industry Set To Grow Through New Partnership [25 August/ Ministry for Primary Industries Media Release] A new Primary Growth Partnership between the Ministry for Primary Industries and Spring Sheep Milk Co has been approved, boosting New Zealand's sheep milk industry. The Ministry for Primary Industries would invest \$12.56 million into the 'Sheep – Horizon Three' programme while Spring Sheep Milk Co would invest \$18.43 million. Spring Sheep Milk Co Chief Executive, Scottie Chapman said the programme represented a unique opportunity for New Zealand to build a high value sheep milk industry. Mr Chapman added that there was significant and growing international demand for sheep milk due to its nutritional value, flavour and digestibility. Mr Chapman explained that New Zealand would need up to 55 farms managed by farmers with specific sheep milking expertise in order for the programme to meet its target of \$700 million in revenue annually by 2030.

Sheep milk a growing option for land use [29 August/ Business Day: NZ Farmer] Bayleys Rural Consultant, Hayden McCallum said the Southland region offered significant opportunities for milking sheep, given its well established sheep sector and strong pastoral property base. The region was already home to Antara Ag, one of the country's largest dairy sheep operators. Mr McCallum added that it was still early days for the sheep dairy industry with a production base of about 33,000 milking sheep. Mr McCallum said sheep milking may provide a pathway to help boost farm returns for the next generation without the need for them to convert entire farms, as sheep farmers were seeking potential succession plans.

Environment and emissions

Forest & Bird contests ECan water compliance claim [26 August/ Business Day: NZ Farmer] Forest & Bird have challenged Environment Canterbury's claim that all farmers illegally taking Canterbury water were now compliant with the rules. Forest & Bird Spokeswoman, Megan Hubscher said Environment Canterbury had acknowledged that its claim was incorrect, and issued a new statement saying that it had issued 26 abatement notices and had not finished processing all the consent holders. Ms Hubscher said that it had been extremely frustrating to get the correct information out of Environment Canterbury. Ms Hubscher added that the confusion and misinformation coming out of the organisation raised questions about its transparency and good faith. Environment Canterbury Monitoring and Compliance Leader, Richard Purdon said no farmers were at the level of prosecution yet, but there were a couple that may have to be taken to court.

Manaia farmer slapped with \$50,000 fine for effluent breach [28 August/ Business Day: NZ Farmer] South Taranaki Farmer, John Campbell Mead has been given a \$50,000 fine from the Environment Court for letting his effluent tank overflow for several months. Mr Thompson said he had ongoing problems with the pump's switch and had since capped the overflow and removed solid waste from his land. Judge, Craig Thompson said there was potential for human and animal health impacts like nitrate poisoning and gastro diseases. Taranaki Regional Council Resource Management Director, Fred McLay said Mr Mead's sentencing reflected the seriousness of his actions. Mr McLay added that case emphasised the need for resource users to be aware of and fulfil their obligations to the environment and the community.

Biosecurity

Sod-turning for new MPI centre [25 August/ Rural News] Construction on the Ministry for Primary Industries' new premises at Auckland Airport has been planned to start in February, with the move in date set for late 2017. The new Ministry for Primary Industries (MPI) centre would comprise of over 4,000 square metres of office space, significant storage and warehousing, and kennels for up to 80 dogs. The facility would enable MPI to consolidate much of its Auckland services under one roof, while retaining the convenience and benefits of an airport location. MPI Director General, Martyn Dunne said around 400 Auckland staff who were currently distributed across three sites would relocate into the new building. Mr Dunne added that the new facility would increase efficiencies for key customers and stakeholders. Auckland Airport General Manager, Mark Thomson said the airport was delighted to be able to accommodate one of its key stakeholders at its world class business park known as The Landing.

International

Bacteria engineered to make sugar from carbon dioxide and feed world [14 August/ The Jerusalem Post] Weizmann Institute Scientist, Niv Antonovsky and his team have engineered a bacteria to create sugar from carbon dioxide. The scientists reprogrammed an organism, E. coli, so that it would consume carbon dioxide and produce the sugars it required to build its body mass, rather than consume sugar and release carbon dioxide as it usually did. Although the E. Coli still currently released carbon dioxide back into the environment, the scientists believed that in the future they might be able to create microorganisms that soaked up carbon dioxide and converted it into stored energy.

Israeli venture hopes to revolutionize small dairy farms in Vietnam [15 August/ The Jerusalem Post] Smart Feed Solutions is an Israeli owned company hoping to revolutionise the dairy sector, firstly in Vietnam. Smart Feed Solutions Founder, Ronen Zexer said more than 60 percent of the dairy industry in the country was using technology equivalent to what was used back in the 1940s and 1950s. Mr Zexer said Smart Feed Solutions aimed to offer small household dairy farmers a balanced and nutritious cattle feed unavailable to herds today. Mr Zexer added that Smart Feed Solutions would also offer a set of services to cope with the region's most pressing issues, such as data management, fertility problems, somatic cell counts and general husbandry needs

Greenhouses turn Alaskans into farmers; Alaskan agriculture [24 August/ The Economist] Alaska is a state in which glaciers cover 300 times more acres than farms do, with only 5 percent of the food consumed being grown locally. However, a federal programme called the 'high tunnel' seeks to extend growing seasons and improve soil health through the construction of greenhouses. Residents of a small Alaskan town called Homer have put up more than 120 federally funded greenhouses already, a figure that meant it was leading the world in terms of greenhouses per person. The few millimetres of plastic separating crops in the high tunnels from the cold outdoors meant Alaskan farmers could grow crops including tomatoes, sweetcorn, eggplant, peaches, nectarines and kiwifruit. The greenhouses have boosted production by over 25 percent.

Monsanto and Bayer move closer to merger [24 August/ The Boston Globe] According to anonymous people familiar with the matter, negotiations between Bayer and Monsanto about the potential merger deal have progressed, with the two companies close to an agreement on the purchase price and termination fee. The people said the deal to create the world's largest producer of seeds and pesticides could be completed within the next two weeks. Representatives from Monsanto and Bayer declined to comment.

Milk inquiry escalates to 'forensic'; Agriculture - ACCC to demand answers [26 August/ The Sydney Morning Herald] Australia Agriculture Minister, Barnaby Joyce said a more powerful and thorough investigation into the country's struggling dairy industry has begun. Mr Joyce added that the investigation would be led by the Australian Competition and Consumer Commission and would focus on Murray Goulburn, the co-operative which triggered the crisis after lowering the price of milk it paid its farmers. Mr Joyce said Australia's dairy farmers deserved fair returns from co-operatives as well as transparency in milk price arrangements and supply contracts. The investigation would begin in November and take up to a year to complete.

Beef levy fall-off threatens IFA funding; Leading cattle dealers have opted out of levy which part funds the farmers' group [27 August/ The Irish Times] The Irish Farmers Association may face a substantial reduction in income as several beef processors have reported a large decrease in levy contributions after the organisation's recent pay scandal. Farmers accounting for up to 50 percent of beef supplied to major processors have opted out of paying the Irish Farmers Association levy which partially funds the organisation. ABP Food Group, a European food processor, stopped their automatic collection of the levy from farmers, leading to growing concern within the Irish Farmers Association that other processors may follow their lead.

David Jones to reinvent ready to eat food in Australia [29 August/ The Sydney Morning Herald] David Jones Chief Executive, John Dixon said there was demand for high quality, ready to eat food in Australia but the existing supermarket chains were not meeting it. David Jones would invest about AUD 100 million into building an Australian food business over the next three years, with forecast losses until 2019. Mr Dixon said it would be an investment that delivered a world class food product including fine dining and restaurant quality take home meals. David Jones would launch the revamped food operation at its Bondi Junction store in Sydney in the middle of next year. The department store's profit increased by 21 percent to \$168 million in the 12 months to 26 June.

FoodProfiler: The NPD app that tracks the 'what, when and why' of consumer food choices [29 August/ Food Navigator] A new method of tracing consumer eating habits has been introduced with the launch of a Dutch app, FoodProfiler. The app collected data from users in the Netherlands, such as how often a specific food was eaten, how much was consumed, what time of the day it was consumed, and the motives behind the meal. The app's developers at Wageningen University said the information collected could be used by food businesses to fine tune product development, by governments to improve food policies on health and sustainability, and by individual consumers who wanted to know more about their diet and the impact of their food choices. The researchers said the app's strength lay in its long term measurements and the large number of consumers involved.

Bidding hot up for huge Australian Kidman farm as Gina Rinehart steps in [29 August/ Business Day: NZ Farmer] Australia's richest woman, Gina Rinehart is looking to make a bid with Chinese companies for Kidman & Co, one of the country's largest farm owners. Kidman had a beef herd estimated at 185,000 cattle, with pastoral leases totalling 101,000 square kilometres. The Australian Federal Government recently rejected bids from Chinese companies, but interest in acquiring Kidman remained intense.

Farmers and producers

Rural heart problems may be treated by GP [24 August/ Radio NZ Rural] Pinnacle Midland Health Network is starting a trial to see whether rural people with chest pain could be better assessed by their local GP rather than being automatically rushed to hospital. The 18 month trial would start in November and be carried out in rural Waikato. Pinnacle Midland Health Network Research Leader, Tim Normal said they were hoping to find a better way of treating patients at their own GP clinic instead of unnecessarily contributing to overcrowding emergency departments. Mr Normal added that the programme was not suggesting patients with active chest pain make an appointment with their GP rather than going to the hospital. Mr Normal noted that some patients were at a very low risk and only being sent to hospital because there was no other choice Mr Normal said he was confident the trial would be a success and believed the assessment model had real potential. Funding for the trial came from the Heart Foundation, the Waikato Medical Research Trust, and Pinnacle Midland Health Network.

Rural mental health scheme shares top award [26 August/ Rural News] Primary Industries Minister, Nathan Guy has congratulated the GoodYarn rural mental health initiative for winning an international award. GoodYarn was developed as part of a Primary Industries Growth Partnership programme and was named joint Best Mental Health Promotion/Illness Prevention scheme at the Australia and New Zealand at The Mental Health Services Conference. Mr Guy explained that GoodYarn was a workshop which helped rural professionals and farmers understand mental health and wellness, giving them practical advice on how to stay healthy, and recognise and respond to stress in others. Mr Guy said the programme had helped over 800 farmers and professionals since it was established earlier this year.

Animal welfare

Bobby calf improvements noted this season [25 August/ Ministry for Primary Industries Media Release] Ministry for Primary Industries Verification Services Director, Chris Kebbell said he had seen and heard of improvements in bobby calf welfare across the supply chain. Mr Kebbell added that a majority of people were following the rules, but a few people still needed to change their practices to ensure all regulations were met. Mr Kebbell said the key area which could be improved was ensuring calves were fit for transport. The other three regulations which were introduced for this season included a maximum transport duration of 12 hours, a prohibition on killing calves by blunt force, and a prohibition of transporting calves by sea across the Cook Strait.

Agribusiness strategy

New halal food guide chases multi-billion dollar Muslim tourist market [24 August/ NZ Herald] Tourism New Zealand has launched a halal food guide to chase the multi-billion dollar Muslim tourist market. Tourism New Zealand South and South East Asia Regional Manager, Steven Dixon said the organisation knew how important access to information about suitable dining options was to the overall experience of New Zealand's Muslim visitors. Mr Dixon added that the halal guide demonstrated Tourism New Zealand's commitment to further enhancing New Zealand's position as a visitor destination among this audience. The halal guide was backed by the Kiwi Muslim Directory and Federation of the Islamic Associations of New Zealand.

Agribusiness education

Lincoln review is creating uncertainty [29 August/ Farmers Weekly] Tertiary Education Union Organiser, Cindy Doull said morale had plummeted at Lincoln University's Telford division after news of what would be the third round of restructuring at Lincoln since 2013. Lincoln Vice Chancellor, Robin Pollard announced the Refreshing Lincoln project, saying that the university could no longer sustain low growth in the number of students and continued financial losses. All aspects of the business were to be reviewed, but the university would continue to specialise in educating students about land, the environment and associated social issues. Tertiary Education Commission funding for some agricultural, horticultural and viticulture courses could be contested from next year. The project could include the review of the ownership of 15 farms and small blocks of land the university owned in order to address a loss of \$7 million over the past five years.

Agri-tech

Biolumic's UV plant technology extends beyond crop growth to pest, disease resistance [29 August/ National Business Review] Biolumic, an agri-tech start-up company which increases crop yields by applying ultraviolet light to seeds, seedlings, and plants, has also begun treating them for resistance to pests and disease. Biolumic's business model was based on installing equipment onsite and charging a fee for every plant that was treated. Biolumic Chief Executive, Warren Bebb said the company had been able to show that customers would get a significant return with a payback of \$2 for every \$1 spent with Biolumic.

World award for precision farmer [29 August/ Farmers Weekly] Precision Agriculture Association of New Zealand Chairman, Craig Mackenzie has been identified as one of the world's most innovative farmers after coming home from the United States where he collected his 2016 Precision Ag Farmer of the Year Award. Mr Mackenzie was a key figure in the introduction of precision agriculture to New Zealand. The Methven farmer focused on using precision agriculture systems to maximise nutrient and irrigation efficiency, improving environmental and financial sustainability on farms. Mr Mackenzie said precision agriculture could be a very quick way to make significant progress in reducing agriculture's greenhouse gas emissions. Colorado State University College of Agriculture Sciences Assistant Dean, Raj Khosla said Mr Mackenzie's work in New Zealand and globally to advance precision agriculture was outstanding.

Water

Gastro bug outbreak a warning [29 August/ Farmers Weekly] Massey University Freshwater Ecologist, Russell Death said the groundwater contamination experienced in Havelock North was likely caused by the ruminant of some animal. Both the Government and the Hawke's Bay Regional Council have promised to make an inquiry into the incident. Mr Death said any inquiry should go beyond the incident and look at the broader impact of land use on water quality. Prime Minister, John Key said it was unlikely that any inquiry would include agricultural intensification's impact throughout New Zealand. Green Party Water Spokeswoman, Catherin Delahunty said the issue must be resolved before more irrigation schemes were started.

Field Notes

Weekly news update from the KPMG Agribusiness Network – 31 August 2016

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Field Notes presents a summary of some of the media comment on the Agribusiness sector in the last week. The views expressed do not necessarily represent the views of KPMG but are summaries of the articles published.

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