

ANNUAL REPORT 2024



mia

Meat Industry Association

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Chair and CEO Foreword

The red meat sector continues to be tested on all fronts. Despite signs of recovery in 2023, the outlook has taken a downturn.

A complex geopolitical environment and adverse events across the globe continue to impact supply chains with exporters facing increased costs, combined with the evolving demands of our trading partners.

As a trading nation, we need to be aware of these disruptions and adapt our approach. This is where the red meat industry shines, showing resilience in the face of adversity by overcoming obstacles and making the most of the opportunities presented to us.

We are facing increased competition in key markets, and the changing spending habits of consumers are impacting on bottom lines as cost-of-living pressures bite. This is an issue for every industry worldwide and while it creates challenges, it also creates opportunity for growth. By proactively engaging with key stakeholders, regulators, trading partners and industry, and embracing innovation, we can overcome challenges and create better outcomes for all.

Restrictive immigration rules continue to pose challenges and we are working closely with the government to minimise these obstacles while still supporting a robust immigration system.

Despite these challenges we have many reasons to celebrate and this was evident at the 2024 Red Meat Sector Conference. With a wide array of speakers from across the supply chain, it was an informative and productive conference. We are looking forward to celebrating MIA's 40-year anniversary at the 2025 conference in Christchurch.

As a sector, we continue to show our resilience and remain laser focused on our strategic priorities and goals. We take these challenges in our stride and stay focused on the end goal: a sustainable and high-value industry that thrives in dynamic domestic and international ecosystems.

This report provides more detail on how we are doing this and how, four years on since the Red Meat Strategy was released, we have measured up against our goals this year:

1. Greater profitability, sustainability, and resilience
2. Increased value for our customers and consumers
3. Greater social and economic benefits for all
4. Enhanced integrity, trust, and reputation of the sector

Trade barriers

While last year's export revenue decreased by seven percent, increasing market access is a key focus for MIA, and underpins the MIA Strategy and all that we do.

Uncertainty remains around the post-COVID normal and this, combined with other challenges outlined in this report, is resulting in fluctuations in our key markets. For example, soft demand in China, which is still experiencing post-COVID recovery pains, is being propped up by growth in the United States driven by adverse drought affecting domestic supply. We can expect to see fluctuations like this through 2024/25.

Despite a trending decline, China remains a strategically important market for the red meat sector and in the second half of 2023 we led two delegations to China, a senior-level delegation and a technical delegation. These delegations were able to reconnect with key counterparts in market, reaffirm our sector's commitment to the China market, support the industry's market access goals and provide company technical and compliance managers with a first-hand experience of the China market.

These were the first delegations since 2019 and coincided with the annual China International Import Expo, a hugely important event that we will be at again this year to launch our Red Meat Country of Origin Taste Pure Nature campaign.

This campaign highlights the importance of the China market to our sector and aims to address the fierce competition we are facing from other trading nations for that market. Feedback indicates that there is work to do to differentiate the New Zealand product from our competitors. That is exactly the intent that will drive this campaign.

Climate change and adverse weather events

Last year, climate change policies such as the Emission Trading Scheme and methane targets were top of mind. While these topics have moved on considerably, they continue to be at the forefront of our discussions.

The impact of climate change is presenting challenges on multiple fronts, with increasingly adverse weather events impacting not only supply from sheep and beef farmers in New Zealand, but also our meat processors and exporters.

We are pleased the Government has made the decision to keep agriculture out of the Emissions Trading Scheme and we applaud the pragmatic decision to remove the processor backstop. This was very much a punitive stick approach with the potential to tax the industry as a whole, rather than rewarding farmers for the significant steps many are already taking to reduce greenhouse gas emissions.

New Zealand's livestock farmers are already among the most sustainable in the world. We need to double down on this significant head start in the fight against climate change by collectively investing in mitigation technologies and reducing the red tape that prevents their use in New Zealand. The newly formed Pastoral Sector Group is committed to working together to constructively tackle on-farm greenhouse gas reduction.

People and innovation

Resourcing is one of our biggest assets and a key focus for MIA. Without the right resources, we would not be able to maximise our trading opportunities.

MIA works hard to position the red meat processing industry so that all processors can capture the benefits of incorporating emerging technology and evidence backed nutrition credentials into their businesses, raising the overall profitability and reputation of the sector.

The Tomorrow's Futures project seeks to position the red meat processing industry so that all processors can capture the benefits of incorporating emerging technology and evidence-backed nutrition credentials into their businesses, raising the overall profitability and reputation of the sector. We are working closely with MPI on a business case to support investment in emerging technology and nutrition-based developments to support the Red Meat Sector Strategy's goals.

We are a world leader in producing nutritious, safe, and quality food and our people are at the heart of this success. We must continue to recruit ambitious and highly skilled people to grow.

This year we awarded nine new agri students with MIA scholarships. They are pursuing qualifications such as mechanical engineering, environmental management, commerce, global management, marketing, and agribusiness. Since the fund was established in 2017, we have supported over 70 students, with over half of them choosing to remain within the sector for their first job.

Also this year, we celebrated the 10-year anniversary of 'Agribusiness in Schools'. This programme is a great example of what can be achieved when industry and government work together to make an impact. We now have over 120 schools delivering sector knowledge and building the foundational skills of 4,000 school students, many of whom may be future leaders of the food and fibre sector.

This is important as sourcing suitable labour remains a key challenge for our sector.

While immigration settings help ensure a steady flow of labour to offset the local shortfall, more needs to be done to ensure that we are seen as an attractive employment option locally. By rewarding our high-performing and committed workforce with personalised training and providing opportunities for professional growth, we reap the benefits.

By promoting our sector as a vocation of choice, we open wide-ranging opportunities for people to be part of the New Zealand food story on a global stage.

Relationships are key

Relationships are crucial to our ongoing success as a sector, and we operate in a complex and challenging environment. Coming together for the benefit of our sector is something we do very well and is something MIA will continue to focus on.

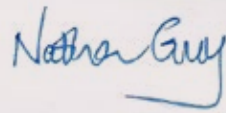
MIA and Beef + Lamb New Zealand Ltd have many shared areas of interest and by working together we will achieve better outcomes. We thank the Beef + Lamb New Zealand Board for their ongoing collaboration to ensure that the sector continues to thrive – from the farmer to the consumer, and everyone in between.

Last year, together we launched the Red Meat Sector Manifesto; a comprehensive package of proposed policy changes aimed at growing export revenues and increasing jobs.


We also jointly released the “Putting Meat on the Bone” Briefing to Incoming Ministers. This was a call to the incoming Government to put agriculture and the production and export of beef and lamb at the heart of a new economic strategy.

The Government is a key relationship for MIA and crucial to addressing trade barriers and other obstacles our sector faces. This Government is a huge supporter, as was demonstrated at the Red Meat Sector Conference in July. They understand that with the right policy settings, our sector can thrive and contribute significantly to their goal of doubling export value over the next 10 years.

We look forward to the next year of partnership with the Government, our members and other key stakeholders for the benefit of the sector.



Nathan Guy
MIA Independent Chair

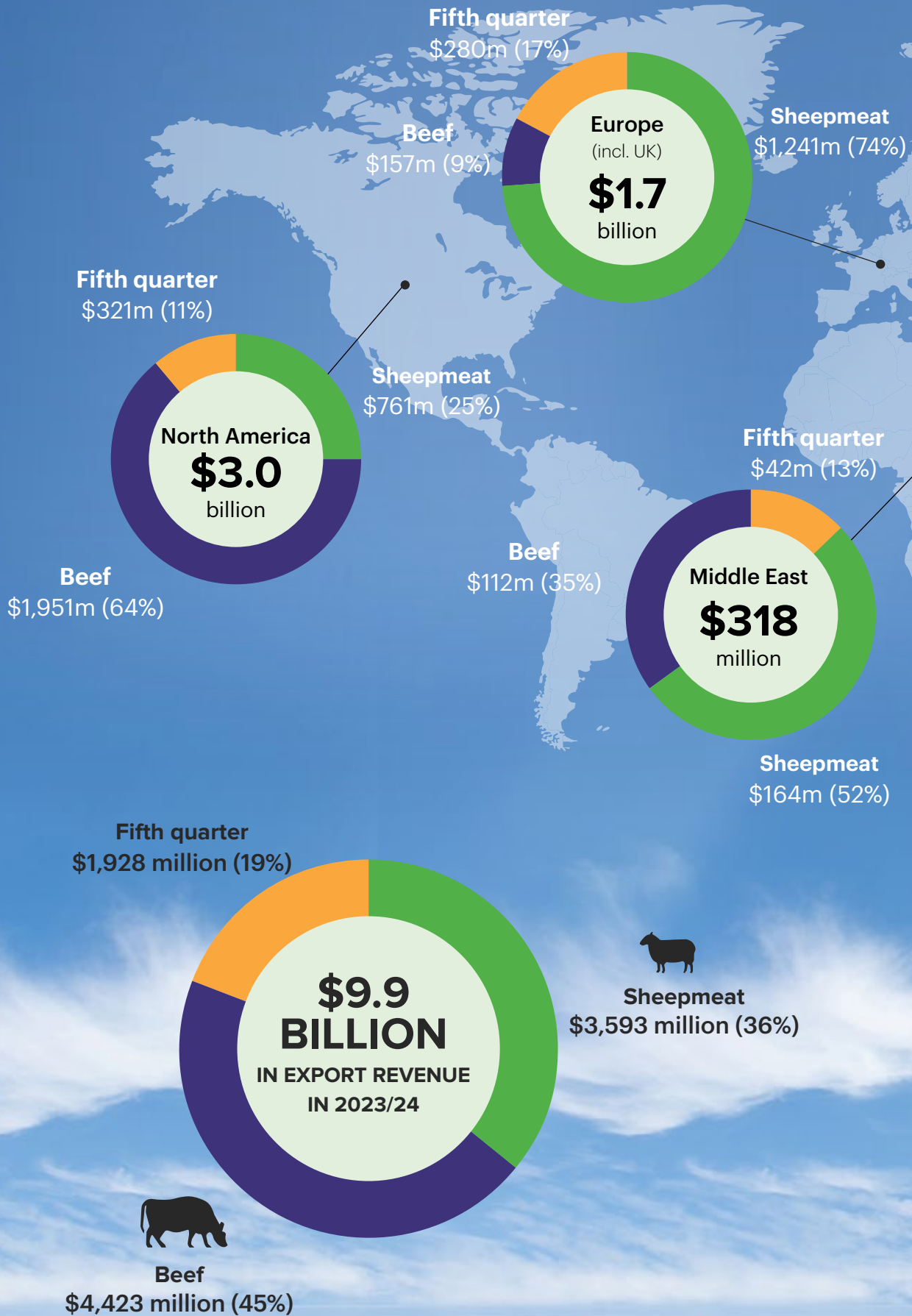


Sirma Karapeeva
MIA Chief Executive

By promoting our sector as a vocation of choice, we open wide-ranging opportunities for people to be part of the New Zealand food story on a global stage.

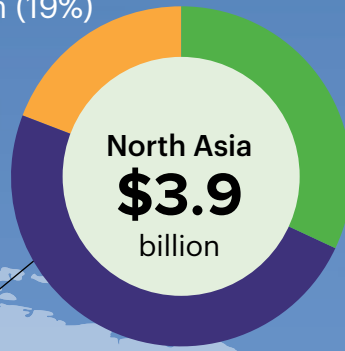


TRADE OVERVIEW





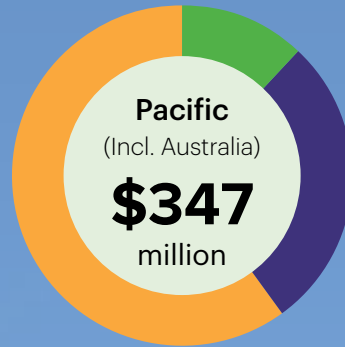
Fifth quarter
\$754m (19%)



Sheepmeat
\$1,247m (32%)

Beef
\$1,929m (49%)

Sheepmeat
\$42m (12%)

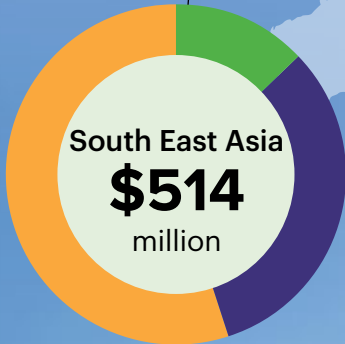


Beef
\$98m (28%)

Fifth quarter
\$207m (60%)

Pacific
(Incl. Australia)
\$347
million

Sheepmeat
\$66m (13%)



Beef
\$164m (32%)

Fifth quarter
\$284m (55%)

South East Asia
\$514
million

Beef
\$12m (10%)



Sheepmeat
\$72m (58%)

Fifth quarter
\$40m (32%)

Other markets
\$124
million



Trade overview

In 2023/24¹, red meat exports were worth \$9.9 billion, down by seven percent from the previous year.

This was largely due to difficult conditions in China during the year, with weak economic conditions affecting consumer spending and increased supplies from other exporters dampening prices.

While China remained the largest market for the year with exports worth \$2.86 billion, this was 32 percent down on last year.

In contrast, consumers in the US continued to buy meat despite concerns about inflation and cost of living, with retail prices of meat reaching record or near-record prices in mid-2024.

This meant that New Zealand's exports to the US increased by 16 percent to \$2.66 billion for the year, with growth in both beef and sheepmeat exports.

The contrasting conditions in these two markets meant that China's share of overall exports dropped from 39 percent last year to 29 percent in 2023/24, while the US share increased from 21 percent to 27 percent.

The sector's ability to shift exports between these two markets during the year highlights the importance of having good access to markets that allows New Zealand meat exporters to be agile and respond to changes in demand.

In 2024 other key markets showed signs of recovery as some of the cost pressures started to ease. This was most notable in the sector's third and fourth largest markets for the year, Japan and the UK.

Economic recovery, including a rebound in tourism, helped the sector's exports to Japan increase by 13 percent to \$490 million for the year.

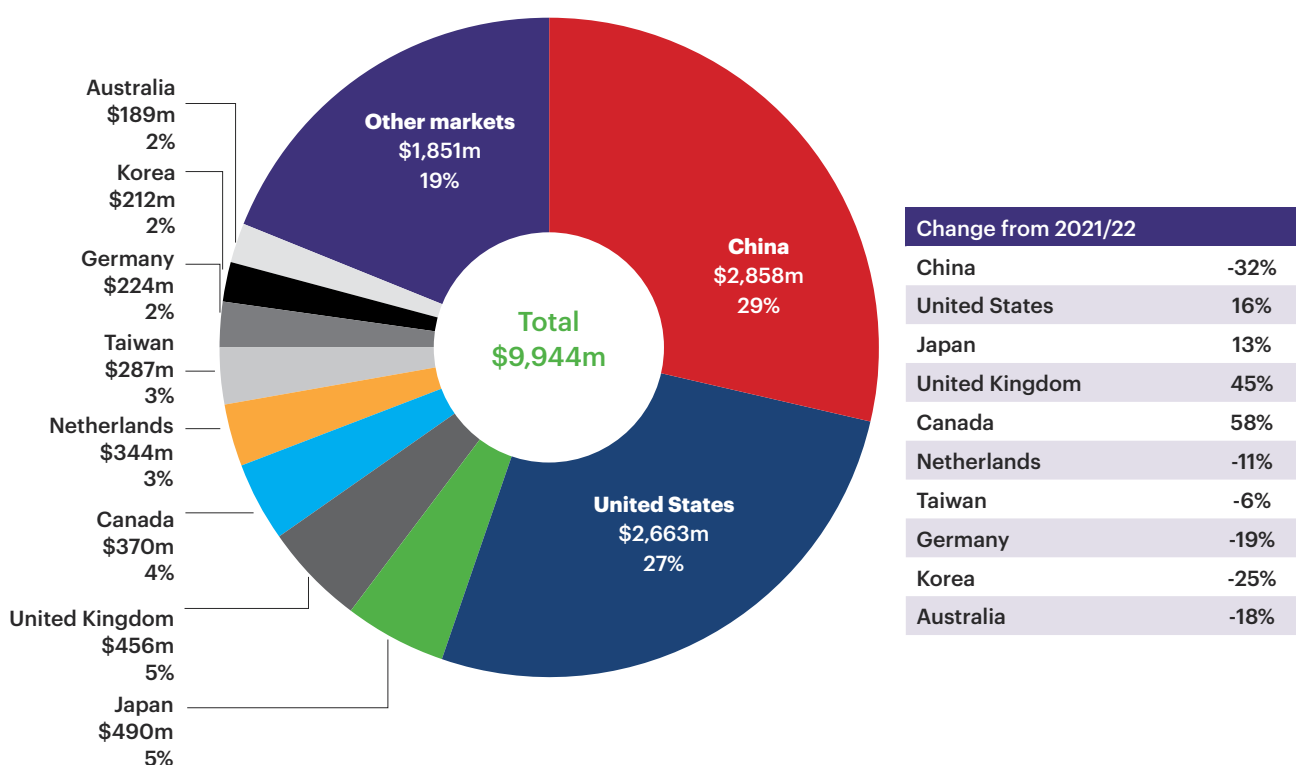
¹Unless otherwise stated, all statistics are for the 12-month period ended 30 June 2024.

Exports to the UK recovered from low levels last year to reach \$456 million in 2023/24, an increase of 45 percent from the previous year. This comprised improvements from the previous year for sheepmeat and beef exports benefitting from the implementation of the NZ-UK FTA.

The sector's next largest market for the year was Canada with exports of \$370 million, an increase of 58 percent from the previous year. This was a result of an increase in both beef and sheepmeat exports during the year. Demand in this market is being driven by domestic supply constraints.

While there was a recovery in some markets, conditions in others remained difficult. In Europe, exports to the Netherlands were down 11 percent to \$344 million, and exports to Germany were down 19 percent to \$224 million. Overall exports to the EU for 2023/24 were down 10 percent to \$1.18 billion.

In North Asia, exports to Taiwan were down six percent to \$287 million and exports to Korea were down 25 percent to \$212 million.



Source: Compiled by MIA from Statistics New Zealand overseas merchandise trade data.



Beef

Beef was the sector's major export again in 2023/24, totaling 511,736 tonnes worth \$4.42 billion. While the volume was up by three percent from last year the value was down by four percent, largely due to weak demand in China.

The major theme for beef exports during the year was strong US demand counterbalancing the drop in demand in China.

Following a significant widespread drought in the US which saw high levels of domestic beef production, the US beef herd dropped to 28.2 million head at the beginning of 2024, the lowest it has been since 1951.

As the drought eases and farmers begin to rebuild, domestic supply is tightening even as consumer demand remains strong. Consequently, this has led to a growth in imports.

In 2023/24, New Zealand exported 187,470 tonnes of beef to the US worth \$1.74 billion, an increase of 26 percent and 30 percent respectively on last year.

New Zealand is not the only country that has benefited from this demand in the US, with Australian exports also increasing by 90 percent to more than 300,000 tonnes in 2023/24.

Brazil has also increased its exports to the US during the year, even though it has much more limited access than New Zealand or Australia. Brazil is one of the countries that can supply beef to the US as part of an "Other Countries" quota of 65,000 tonnes.

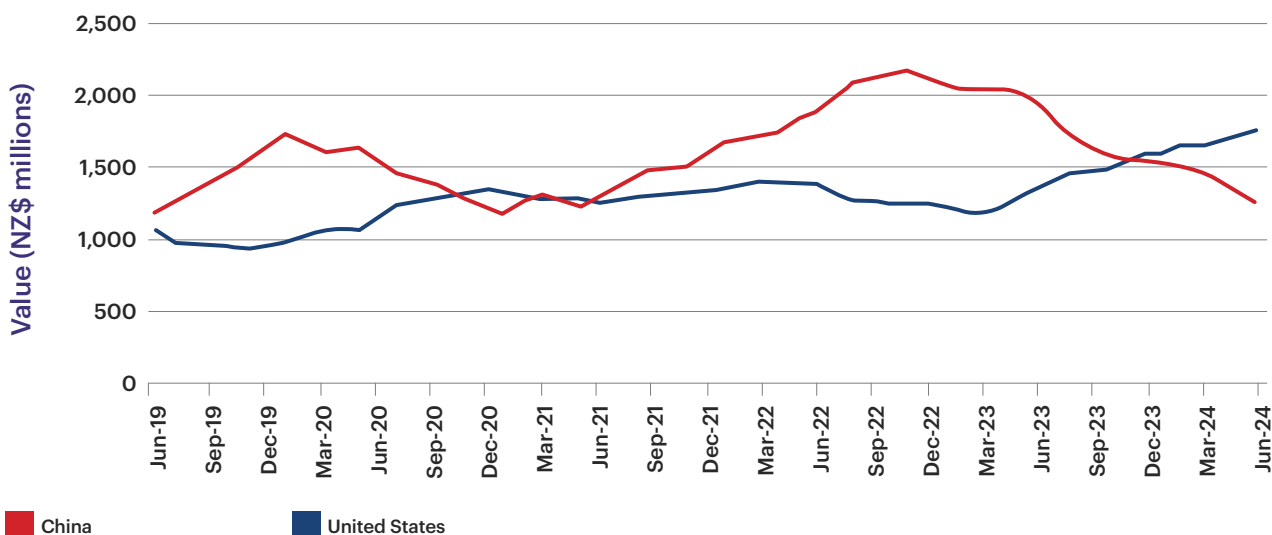
This quota was largely filled by the end of February but, due to the demand in the US, Brazil has continued to ship beef out-of-quota (with a 26.4 percent tariff). In contrast, New Zealand has a 213,402 tonne annual WTO quota, with an in-quota tariff rate of US\$4.4c/kg, which provides a significant advantage compared to Brazil and other South American exporters such as Argentina and Uruguay, which have much smaller individual quotas of only 20,000 tonnes each.

With the growth in US demand, New Zealand has used 47 percent of its annual US beef quota in the first six months of 2024, an increase of 19 percent from the same period in 2023. Australia has a much larger combined WTO and FTA annual quota of 448,214 tonnes, and with the increase in Australian exports to the US, Australia's quota usage increased by nearly 90 percent over the same period.

While China was New Zealand's largest market last year, weak consumer demand combined with large imports from South America, particularly Brazil and Argentina, meant that the volume of New Zealand exports dropped by 20 percent to 178,459 tonnes and the value of exports dropped by 35 percent to \$1.27 billion in 2023/24.

The chart below illustrates how New Zealand beef exporters have responded to changes in demand in New Zealand's two largest markets, particularly over the last 12 months.

NZ beef exports to the US and China - rolling annual value 2019-2024



The shift in demand between New Zealand’s two major markets is seen in the Free on Board (FoB) value of beef exports. The FoB value to the US was up three percent in 2023/24 to \$9.29/kg, while the FoB value of exports to China dropped by 19 percent to \$7.12/kg.

Exports to New Zealand’s third largest beef market, Japan, started to recover in the later part of 2023/24. Exports for the year increased 38 percent by volume to 34,999 tonnes and 27 percent by value to \$328 million.

Beef to the UK

The entry into force of the NZ-UK FTA at the beginning of June 2023 saw an immediate increase in beef exports to the UK. In 2023/2024, New Zealand exported 3,881 tonnes of beef to the UK worth \$48 million, making it the ninth largest market by volume and eight largest by value for the year.

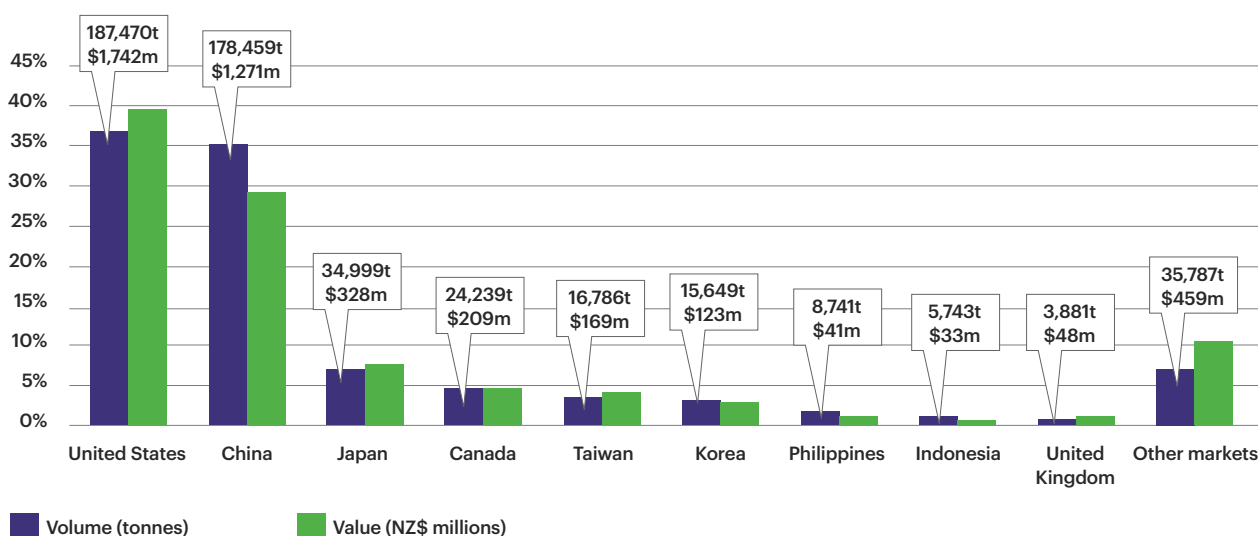
This was an increase of 174 percent by volume and 238 percent by value from last year, highlighting the value of the improved access for beef under the FTA. While New Zealand has grown its beef exports to the UK, they are still only around 0.5 percent of British beef production, and an even smaller percentage of British beef consumption.

Under the NZ-UK FTA, New Zealand has annual beef quota of 14,980 tonnes in 2024. This increases steadily until 2033, when New Zealand will have quota-free access. A safeguard measure may be applied for the following five years if annual export volumes exceed a certain level, but New Zealand’s beef exports to the UK will be fully liberalised from 1 Jan 2038.

Exports to Canada also increased significantly in 2023/24, up 115 percent by volume to 24,239 tonnes and 106 percent by value to \$209 million, making it the fourth largest market for the year. Like the US, parts of Canada have experienced significant drought which saw herd liquidation, and a subsequent increase in demand for imports as the drought has eased and re-stocking has begun.

Beef exports to most markets were positive apart from China and Korea. Beef exports to Korea in 2023/24 declined due to subdued consumer demand reflecting inflation and cost-of-living pressures. New Zealand’s beef exports were down 25 percent for the year by volume to 15,649 tonnes and 30 percent by value to \$123 million.

Major beef markets in 2023/24





Sheepmeat

The overall volume of sheepmeat exports was up three percent for the year to 389,509 tonnes but the value was down nine percent to \$3.59 billion, largely because of the weak China market.

Despite the volume and value of exports declining, China was the sector's largest sheepmeat market once again in 2023/24. The volume of sheepmeat exports was down 14 percent to 187,970 tonnes; there was an even larger drop in the value, which was down 33 percent to \$1.05 billion.

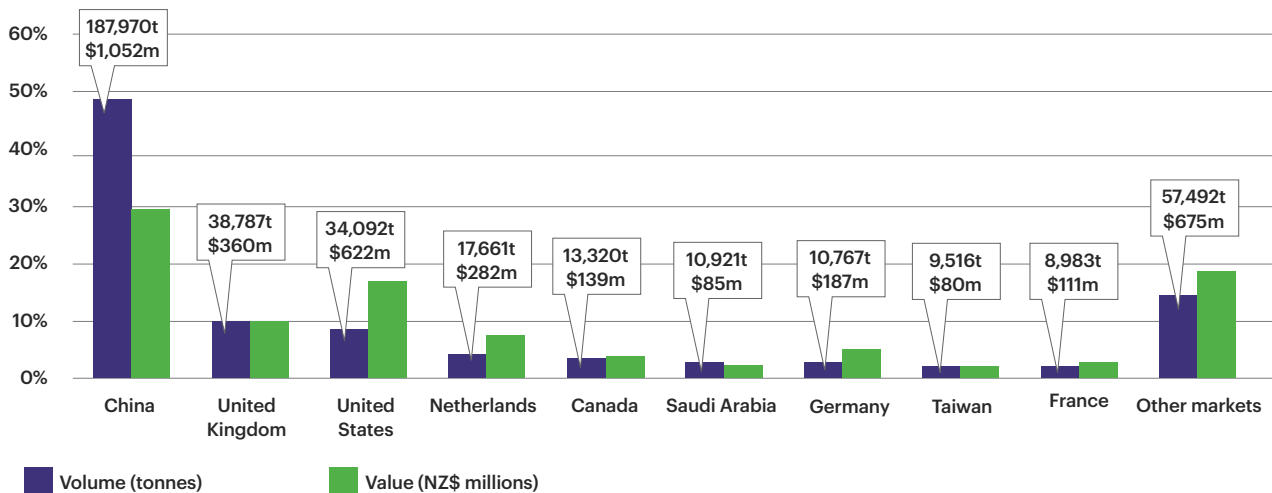
The decline is due to a range of factors. As well as weak economic conditions impacting consumer demand, Australian sheepmeat exports to China increased substantially in the later part of 2023 following a period of flock rebuilding. Australian exports have been more subdued in 2024, but overall Australian exports to China in 2023/24 were up by six percent compared to the previous year.

In addition, some reports indicate an increase in China's domestic sheepmeat production during the year due to higher levels of commercial investment following good prices in recent years.

The substantial drop in the value of exports to China, where the FoB value was down 22 percent to \$5.59/kg for the year, was only partly offset by growth in exports to the US and UK.

The sustained demand for meat in the US also saw sheepmeat exports increasing 41 percent by volume to 34,092 tonnes and 22 percent by value to \$622 million. Although the average FoB value of exports to the US dropped from the record levels of last year, they were still worth \$18.24/kg, more than three times the average value of exports to China.

Major sheepmeat markets in 2023/24



Exports to the UK recovered from the low levels of 2022/23, with the volume up 52 percent to 38,787 tonnes and the value up 37 percent to \$360 million. This was helped by a reduction of the high levels of food inflation that peaked at 19.2 percent in March 2023, the highest annual rate seen for over 45 years.

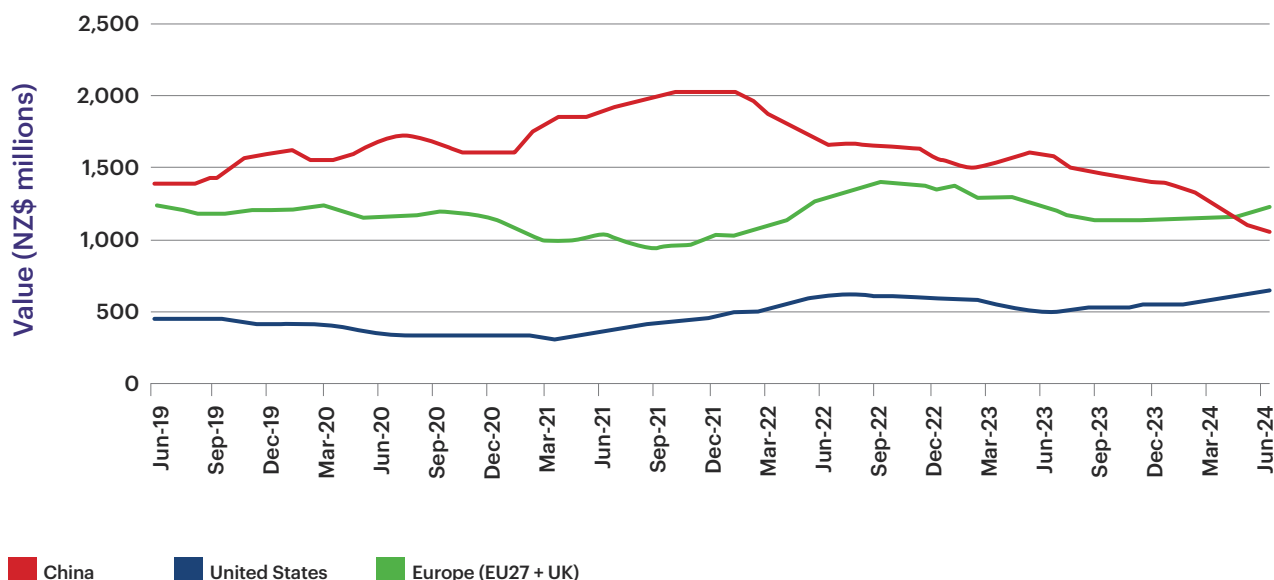
While exports to the UK increased, exports to the EU were more subdued. Export volumes increased by two percent to 56,949 tonnes, while the value decreased by 10 percent to \$852 million. Exports to the major markets of Netherlands, Germany and France were all down over the full year.

However, there was some recovery in exports to these markets in the last quarter of 2023/24, and combined with the recovery in exports to the UK and growth in exports to the US, this has helped to offset the decline in the value of sheepmeat exports to China over the last six months, as illustrated below.

Like its neighbour to the south, Canada also saw strong demand for sheepmeat as well as beef. The volume of sheepmeat exports grew by 38 percent to 13,320 tonnes and the value increased by 22 percent to \$139 million in 2023/24. This growth is likely due to factors similar to the growth in beef exports.

One other notable market for the year was Saudi Arabia, where the volume of exports increased by 141 percent and the value increased by 124 percent to \$85 million. MIA understands there is a desire in Saudi Arabia to increase imports from reliable, high-quality suppliers such as New Zealand. This highlights the importance of the re-commencement of the FTA negotiations with the Gulf Cooperation Council (GCC).

NZ sheepmeat exports to the US, China and Europe – rolling annual value 2019-2024



The fifth quarter

The fifth quarter refers to all of the other parts of an animal that are not meat. These products range from bulk rendered products, such as tallow and meat and bone meal, through to edible offals and high-value ingredients such as blood products and glands for pharmaceutical use.

While the value of fifth quarter exports has grown in recent years, in 2023/24 this dropped by 13 percent to \$1.93 billion. Despite this overall drop, fifth-quarter exports still accounted for 19 percent of total export revenue for the year. Some categories saw growth in exports including offals, and blood products and glands.

Edible offal

Exports of edible offals such as kidneys, livers and hearts were worth \$357 million in 2023/24, an increase of four percent from last year. Exports to the two largest markets, China and Japan, were down by 12 percent to \$66 million and six percent to \$65 million respectively.

However, this was offset by increases in exports to other markets, most notably the US where exports were up 28 percent to \$46 million. There was also a significant increase in exports to Saudi Arabia, up 92 percent to \$28 million. While exports to the US were fairly evenly split between bovine and ovine offals, 85 percent of exports to Saudi Arabia were ovine offals, mostly livers.

Casings and tripe

This category comprises products from the stomach (tripe) and intestines (casings) of ruminant animals and exports were worth \$348 million in 2023/24, down 20 percent from last year.

China was the largest market again for the year, but the value of exports was down 22 percent to \$250 million. This was mainly due to a 36 percent drop in the value of casings exports to \$119 million. Exports of tripe only dropped by four percent to \$131 million, which was partly due to the increased access for tripe to China during the year (which is detailed in the market access section of the report).

Korea was the second largest market during the year and, unlike beef exports during the year, exports of casings and tripe increased by 36 percent to \$17 million. Italy was the third largest market with exports of \$15 million, up seven percent on last year.

Blood products and glands

Blood products and glands have a variety of uses including in vaccines, diagnostic kits, and laboratory media. This was the only fifth-quarter category with significant growth in exports during the year, up 118 percent to \$270 million.

While the top three markets, the US (\$72 million), China (\$66 million) and Australia (\$35 million), were unchanged the value of exports to these markets was down by 10 percent, nine percent and three percent respectively. However, this was offset by a significant increase in exports to the UK, up 88 percent to \$22 million, and to Denmark, up 34 percent to \$18 million.

There was also good growth in exports to India, which were up 53 percent to \$7 million. Pharmaceuticals have been identified as one of the main trade opportunities in the sector's India strategy (covered in the market access section of the report).

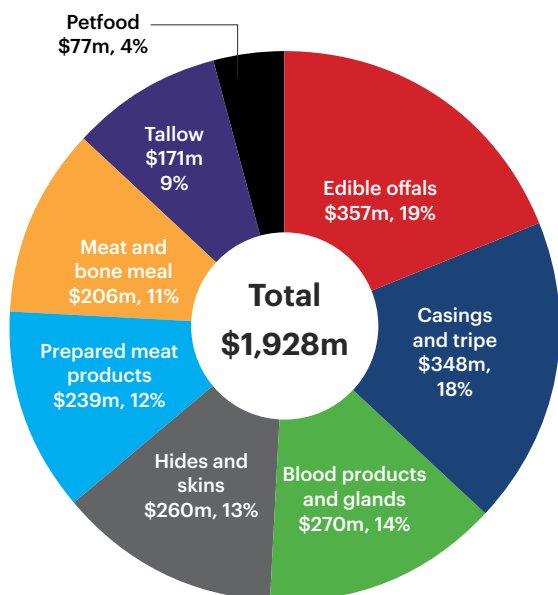
Hides and skins

Overall exports of hides and skins were worth \$260 million in 2023/24, down by 11 percent from last year, with beef hides making up 87 percent of these exports. The two largest markets, China and Italy, accounted for nearly three-quarters of exports during the year.

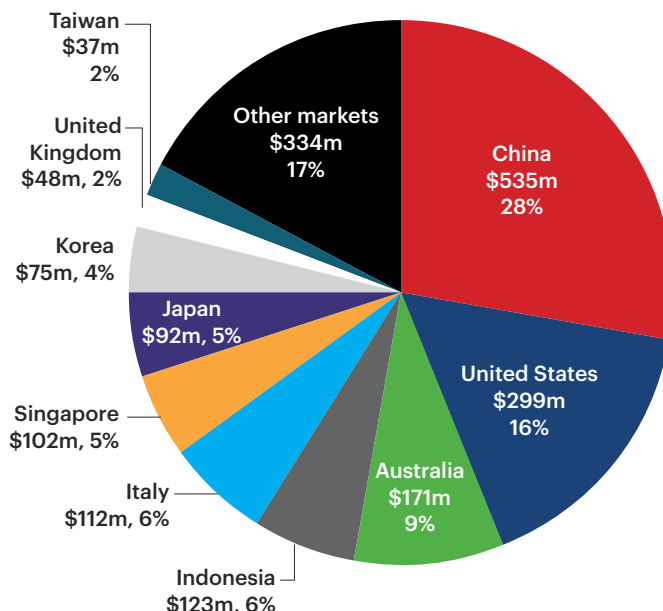
Bucking the trend of other exports to China, hides and skins exports grew by seven percent to \$101 million for the year, while exports to Italy dropped 21 percent to \$90 million. While exports to China are a mixture of sheep and beef hides, exports to Italy are nearly all beef hides. This trade will be impacted by the EU Deforestation-free supply chain Regulation (which is detailed in the market access section of the report).

Other important markets for hides and skins in 2023/24 were Australia (\$16 million) and Vietnam (\$13 million).

Fifth quarter exports by value in 2023/24



Top 10 markets for fifth quarter exports in 2023/24



Prepared meat products

This category covers meat that has undergone some form of processing before being exported, ranging from raw meat patties that have had ingredients added through to corned beef and other ready-to-eat products, such as cooked lamb shanks.

Exports were down six percent on last year to \$239 million, largely due to a decrease in exports to the two largest markets, Australia (down three percent to \$108 million) and the United States (down 14 percent to \$62 million). The third largest market was Korea, where exports increased by 31 percent to \$19 million.

Petfood

Exports of meat-based petfood were worth \$77 million in 2023/24, down 38 percent from last year. This was mainly due to a decline in exports to China (down 54 percent to \$35 million), and smaller declines to the US (down three percent to \$17 million) and Australia (down 14 percent to \$8 million). The one major market where there was some growth was Canada, where exports were up 88 percent to \$4 million.

Rendered products

Rendered products comprise meat and bone meal (MBM) and tallow. MBM is used mostly as a feed ingredient for non-ruminant animals and while tallow has a variety of uses, in recent years the bulk of New Zealand's tallow exports have been going into bio-fuel manufacturing.

MBM exports were down by 10 percent to \$206 million for the year. New Zealand's largest market is Indonesia, where bovine meal is primarily used as an ingredient in aquafeed. Exports to Indonesia were worth \$94 million, down nine percent from last year. Other major markets were the EU (\$28 million) and the US (\$20 million) where exports are mostly ovine meal for use as an ingredient in petfood.

Exports to these two markets were relatively unchanged in 2023/24, but there was a notable increase in MBM exports to Vietnam, up by more than 400 percent to \$17 million.

Overall tallow exports were worth \$171 million for the year, a decrease of 38 percent. Singapore and the US are the two major markets for tallow, where it is used for bio-fuel manufacturing and they account for more than 90 percent of trade. In the last couple of years exports have fluctuated between these two markets, due to factors like price and demand. In 2023/24, exports to Singapore increased by 117 percent to \$83 million, while exports to the US declined by 66 percent to \$73 million.

Outside of Singapore and the US, there were exports of \$4 million to the Philippines, \$3 million to Jordan, and \$2 million to Canada.



Advocacy

MIA's advocacy activity during the later part of 2023 was largely shaped by the General Election, with the emphasis on ensuring that decision-makers were well versed in the sector's key policy requests and its strategic importance to the economy.

To support this, MIA and Beef + Lamb New Zealand Ltd (B+LNZ Ltd) developed a briefing to incoming ministers (BIM), which built on the policy positions set out in the Red Meat Manifesto that was released at the beginning of 2023. The BIM was launched at an event at Parliament, just as the House rose for the election, and provided an opportunity to engage with politicians, officials and stakeholders. The event was a success, as judged by the high level of attendance and post-event engagement.

Following the formation of the new Government, MIA's political advocacy focus shifted towards relationship building with key ministers and their political advisors.

MIA has also been firming up its political engagement plan for the upcoming year, including a number of key policy areas that MIA will track closely:

- 1) **Biosecurity:** The incursion of pests and diseases into New Zealand is the biggest risk to the sector. The sector remains committed to partnering with the Government to ensure the Government Industry Agreement for Biosecurity Readiness and Response is robust, thorough and ready to action, and trade implications are minimised in the event of an incursion.
- 2) **Immigration:** Immigration is likely to remain a concern as the Government tries to balance policy objectives to increase immigration to boost economic activity, while trying to ease pressure on soft and hard public infrastructure by limiting people flows.

- 3) **Climate Change / Sustainability:** Any targets and policies must balance environmental goals with economic realities, ensuring that the agricultural sector remains viable and competitive and that the sector is able to continue to access markets.
- 4) **Non-Tariff Barriers (NTB):** Amid rising geopolitical tensions and ebbing interest in pursuing pro-trade policies among many countries, shifting focus to tackling NTBs will be key to advancing the sector's interests.
- 5) **Export Double by value by 2035 goal.**

Further details on these key policy areas are set out later in the report.

Membership survey

In late 2023, MIA undertook its inaugural membership survey. Overall, feedback from members suggested MIA is performing well, with members rating the organisation's performance at 71 percent on average and leadership being seen as a key strength.

While this was a pleasing result, the survey showed that there are areas that MIA needs to work on, including Partnering (specifically creating opportunities for different members to engage with each other through MIA) and increasing engagement with small and medium-sized members.

MIA has been considering how best to achieve improvement in these key areas and looks forward to engaging with its members on a solution that continues to deliver in the long term.



Red Meat Sector Conference

2024

Red Meat Sector Conference

The theme for this year's Red Meat Sector Conference was "From Our Pasture to Your Plate" with presentations on the key issues across the supply chain. While times continue to be tough on the farm, there was a sense of cautious optimism reflected in the presentations and many of the conversations throughout the conference.

The Government was well represented with addresses from MPI Director-General Ray Smith and Minister of State for Trade Hon. Nicola Grigg. We were also pleased to welcome Prime Minister Christopher Luxon and Minister of Finance Nicola Willis to the conference, and we look forward to continuing to work constructively with the Government to grow our sector with the right policy settings, to the benefit of all New Zealanders, and to support the Government's goal of doubling export value over the next ten years. All four acknowledged the sector has continued to successfully deal with a multitude of challenges, and its resilience has really shined through.

The Government plays a significant role in international growth opportunities and Minister Grigg pledged it 'will hustle to lift productivity and profitability, carry out more trade missions than ever before and put New Zealand back on the world stage.'

Trade experts talked about the many new regulations coming out of the EU but also about how we can take a 'multi-pronged approach' to addressing these. That

includes working with global partners and customers to raise awareness of challenges created by increasing costs and barriers and better telling our great story of sustainable farming.

New Zealand's Special Agricultural Trade Envoy Hamish Marr shared how, throughout all his global travels, he finds New Zealand farming commanding great respect for the excellence of our farming practices.

B+LNZ Ltd, the conference's partnership sponsors, put on a panel discussion with leading farmers discussing their personal perspectives on sustainability, intergenerational planning, and customer expectations in the evolving farming landscape. The theme of environmental stewardship and sustainability weaved itself throughout the panel discussion, as did planning for future generations.

Other topics included:

- Insights into the market outlook and supply chain resilience.
- Evolving customers | Tim McCreedy – NZ Story
- Emerging Technology and Climate Change | Wayne McNee – AgriZero NZ
- Nutrition and public health | Julia Sekula – Beef + Lamb New Zealand
- New Zealand's biosecurity system – a critical export enabler | Pete Thomson






The Red Meat Sector Strategy

An updated Red Meat Sector Strategy (RMSS) was launched in December 2020, refreshing our goals for a vibrant and profitable New Zealand sheep and beef sector that excels for our people, animals and the environment. The sector's 2025 strategic priorities are set under three pillars.

<p>1. Strategic Priority One: Market Position: continue to grow the recognition of, and value from, our New Zealand pasture-based farm systems and the sustainable nutrition they create, all backed by robust assurance systems and evidence.</p>	<p>2. Strategic Priority Two: Innovation: continue to invest, in partnership with the Government, in strategic projects to position the sector for the future. Investment in data and digital technology will be high priority.</p>	<p>3. Strategic Priority Three: Sustainability: continue to invest in improving our environmental footprint and communicating progress to our consumers and the public.</p>
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The following sections in the report highlight the range of work and initiatives that we have been progressing to deliver on the RMSS under these three strategic priorities. In 2025 the RMSS will be reviewed and updated to reflect changes in government, policy drivers and the international environment to ensure that the strategic priorities remain relevant for the next five years.

Growing sustainable value together

OUTCOMES	<p>Greater profitability, sustainability and resilience</p>	<p>Increased value for our customers and consumers</p>	<p>Greater social and economic benefits for Aotearoa</p>	<p>Enhanced integrity and reputation of the sector</p>
2030 GOALS	<p>Sustainably profitable Lift innovation, performance and productivity</p>	<p>Premium value Build a platform to create and capture value</p>	<p>Vibrant communities Provide economic growth and employment</p>	<p>Trusted guardians Guardianship of reputation, animals, water and land</p>
2025 PRIORITIES	 <p>Market position New market access Assurance Differentiation Product benefits and attributes</p>	 <p>Innovation Future processing plants Future farms Future products Data integration Traceability</p>	 <p>Sustainability People Reputation Environment Biosecurity Animal care</p>	



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CAUTION
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MARKET POSITION

Maintaining and improving market access

As the sector is highly export-focused, open and predictable access to a wide range of markets is vital. Market access is therefore an important focus for MIA to support the following goal of the RMSS:

“Creating new market access opportunities, improving access and removing barriers”

China

While the difficult economic conditions in China had an impact on trade during 2023/24, it remains the sector's largest market and also the world's largest meat importer. Maintaining and improving access to China continued to be a high priority for MIA during the year, covering both regulatory requirements and relationship building.

CIFER and GACC audits

As last year's annual report noted, China Customs (GACC) has introduced an online registration platform for all food exporters to China, the China Import Food Enterprise Registration (CIFER) system.

While the focus last year was primarily for all China-listed premises to renew their listing in CIFER, during 2023/24 activity moved to modification of these listings where China-listed premises were able to update information and to seek to add new products to their listing.

As anticipated, the modification process has provided an avenue for premises to expand their listings for China, and by June 2024 GACC had approved around 25 new product applications, mostly for chilled meat and frozen tripe. This was an important result as these were the first significant updates to the China meat listings for a number of years.

As part of the CIFER modification process, GACC undertook remote audits throughout the year of premises seeking to expand their registrations. GACC also undertook an in-person systems audit in April, the first such visit for a number of years and was welcomed by the processing industry to demonstrate how the New Zealand food safety and biosecurity systems continue to meet the expectations of China's authorities and consumers. Overall, the audits have been positive, and allowed the GACC auditors to see the robustness of the New Zealand regulatory system in person and open up new export opportunities for the processing industry.

Both the CIFER registrations and audits required significant time and resource to plan for and manage. MIA would once again like to acknowledge the significant work of MPI in this area to help ensure trade continuity and facilitate new market access opportunities for the sector.

Visits and co-operation work

Over the last year, as China opened its borders post-pandemic, MIA coordinated and participated in a number of visits in-market:

- A technical delegation to the China International Meat Expo and Conference, which provided an opportunity to engage face-to-face with our counterpart, the China Meat Association (CMA) as well as Chinese and New Zealand government representatives, and Chinese meat businesses and retailers.
- A senior delegation led by the MIA Chair to the China International Import Exhibition (CIIE), which is the seminal event for the Chinese Government showcasing trade opportunities in China. This was the first time MIA had led a senior delegation to China post-Covid, and the first to attend CIIE.
- Participation in the New Zealand-China Council in-market visit to build on the report *Tasting the Future: China's Sustainable Protein Outlook*, and get an on-the-ground perspective on sustainability practices and policy in the food supply chain in China.

MIA also hosted red meat processors and importers led by one of MIA's cooperation partners, the China Chamber of Commerce of import and export of Foodstuffs, Native Produce and Animal By-products (CFNA). The CFNA Vice President led the delegation, which travelled to New Zealand to further understand the red meat supply chain as well as make connections with businesses.



In addition, the meat hygiene cooperation programme between MPI and China's Ministry of Agriculture and Rural Affairs (MARA) regained some momentum with the Terms of Reference (ToR) now at a stage where they have been agreed to and can be signed by the heads of those agencies. A suitable opportunity will be confirmed for this to occur in the latter half of 2024.

Once the ToR is signed, the Meat Hygiene Experts Group (MHEG) will oversee and deliver the work programme covering activities in two overarching areas: microbiological, zoonotic disease and chemical residue monitoring, and meat inspection training. MIA is the industry partner, alongside the CMA and both have representation on MHEG.

United States

While difficult economic conditions had an impact on consumer spending in many markets during the year, US consumers continued to buy meat which helped to offset the weaker demand in China.

For beef, New Zealand has very good access to the US compared to the major South American exporters. Protecting this access was a significant area of work for MIA during the year with a particular focus on continuously improving Shiga toxin-producing *E. coli* (STEC) management practices through enhanced good/best hygienic practices. US authorities consider some serotypes of STEC to be an adulterant in raw beef products and therefore implement strict criteria surrounding STEC

management in beef, something which New Zealand takes very seriously to ensure it can continue to service this very important market.

While New Zealand is fortunate that STEC prevalence in beef is low, the processing industry continues to focus efforts on ensuring this continues. To that effect, MIA leads an industry-driven STEC management programme which looks to continuously improve STEC management practices in adult beef focusing on best hygienic preventative practices, new technologies and antimicrobial interventions where appropriate.

In parallel, MIA led a joint senior industry-MPI technical delegation to the US in April 2024 to meet with US industry counterparts and US authorities and gain first-hand knowledge of the current state of play for STEC management in the US. Lessons gained from this trip will help to support the processing industry's STEC management work programme and ensure New Zealand continues to meet the US regulatory and customer expectations.

The MIA CEO also visited the US in November 2023 for market familiarisation, including attending the Meat Importers Council of America annual conference, and to undertake advocacy work in relation to concerns being raised by the US sheepmeat industry about the level of imports from New Zealand and Australia.



India Engagement

The new coalition Government has taken a renewed focus on the opportunities that India offers as a trading partner. The Government's strategy is to establish a broad-based relationship across a range of areas, including trade. With a young population, expanding middle-class, and more confident economy, India's opportunities are abundant.

Red Meat Sector India Strategy

In light of this, MIA led the development of a strategy that aims to create a deeper understanding of the market's challenges and opportunities, and to guide our positioning with the Government as it progresses its work in this area. Our key messages are that:

- The Government's focus must be on long-term economic benefit, not short-term political expediency – the outcome of the EU FTA for the red meat sector shows the high cost of getting things wrong.
- The greatest gains in trade will be through mutually beneficial long-term relationships – a cooperation base to build towards a comprehensive FTA.
- Cooperation opportunities across the supply chain will unlock progress towards an FTA, but also address non-tariff barriers.
- Engagement in India must be at all levels – Federal, State, and non-state – to smooth the flow of trade (by addressing tariffs and non-tariff barriers) and build broad relationships.
- New Zealand needs to demonstrate how it is complementary to India's economic strategy – rather than try to fight against it.
- Complementarity means the main trade opportunities are in pharmaceuticals, sheepmeat, and hides and skins – but emerging opportunities can be seen in areas like tallow and pet food.

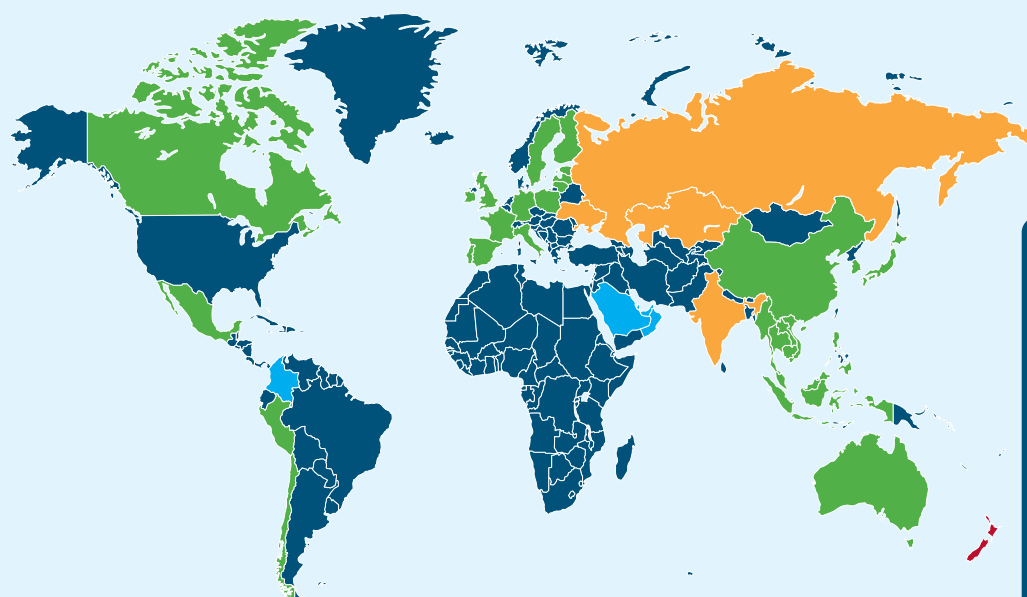
Next steps for red meat sector

1. **Identify opportunities for New Zealand red meat sector exports to India by state and by product** – this could either be red meat sector specific or be part of a wider New Zealand study.
2. **Identify trade barriers at State and Federal levels** – whether this is tariff, infrastructure, demand, or bureaucracy
3. **Create priority list for red meat sector interests in India** – this should combine market opportunity, trade barriers, future growth projections
4. **Identify opportunities for cooperation** – led by Government, or by industry, or a combination of both.
5. **Continue engagement** – collaboration needs face-to-face interaction through hosting of bilateral visits, as well as trade delegations and ongoing government and business events.
6. **Review progress** – progress needs to be reviewed to see what is and is not working.

Other engagement

During the year, MIA's Trade and Policy Manager was part of a India-New Zealand Business Council delegation that visited New Delhi. The delegation met with India trade officials, New Zealand representatives, and businesses interested in building closer relationships with New Zealand. Insights from the visit informed the development of the sector's India strategy. This built on an earlier visit by the MIA CEO, and demonstrates the sector's commitment to growing our understanding of the Indian market.

FTAs and new access



- Completed FTAs
- Under negotiation/negotiations re-started
- Negotiations started, but not currently active

FTA coverage

With the entry-into-force of the NZ-EU FTA during the year, 64 percent of the sector’s trade is now covered by FTAs.

This network of FTAs provided the sector with around \$564 million in tariff cost savings during 2023/24.

UK

As highlighted in the trade overview, the NZ-UK FTA has provided significant benefit for New Zealand’s beef exports to the UK.

However, there are some FTA implementation issues that have taken time to resolve, particularly in relation to tariff-rate quota usage for exports to Northern Ireland. During the year, MIA, B+LNZ Ltd and the New Zealand Meat Board (NZMB) continued to work with New Zealand officials to resolve these issues.

In mid-2024, the UK and EU ratified a new set of arrangements to ensure those trading into Northern Ireland can fully benefit from the UK’s FTA quotas. Under the new arrangements, New Zealand beef and lamb exporters to Northern Ireland will be able to use the UK FTA quotas by accessing “pots” specific to Northern Ireland.

Implementation of these “pots” is being worked through with MFAT, MPI, and the NZMB, and new arrangements will be available from 30 September 2024.

EU

The NZ-EU FTA entered into force at the beginning of May 2024. Similar to the UK FTA, the most significant aspect of the NZ-EU FTA for the sector is new access for beef, although this access is significantly lower than under the NZ-UK FTA.

As the FTA has only recently entered into force it is difficult to properly assess its impact on exports yet, but in the first two months of the FTA New Zealand exported 1,232 tonnes of beef to the EU worth \$25 million.

UAE Comprehensive Economic Partnership Agreement

The sector welcomed the start of trade negotiations between New Zealand and the United Arab Emirates (UAE) in May 2024.

The UAE is an important market for the sector, with exports worth \$49 million in 2023/24. In particular, it is a major market for high-value chilled beef, which accounted for 65 percent of these exports.

While the UAE has relatively modest five percent tariffs for some products, a high-quality and comprehensive agreement would further open opportunities to increase trade between the two countries. Particularly, if it also includes mechanisms to formally recognise New Zealand systems including our Halal regulatory framework.

GCC FTA

The sector welcomed the restart of trade negotiations between New Zealand and the Gulf Cooperation Council. The GCC is a market with a lot of opportunity for the sector, and in 2023/24 New Zealand exported \$258 million worth of product to the GCC.

While tariffs to the GCC are fairly modest for some products, MIA has advocated for a high-quality and comprehensive agreement on goods to further open up opportunities in that market.

Indo-Pacific Economic Framework for Prosperity (IPEF)

The Indo-Pacific Economic Framework for Prosperity (IPEF) was substantively concluded in November. The Supply Chain, Climate, and Tax and Anti-corruption pillars are finalised, but the Trade pillar is yet to be completed. The completed pillars will now go through the domestic ratification processes in each of the parties.

While there was little substance in the agreement for the sector, IPEF's Trade pillar has the potential to remove some minor but frustrating trade impediments with the US in the SPS and Customs provisions. It is unlikely that work to finalise the Trade pillar will be progressed in the coming year given the US election and a reluctance to engage in trade policy. The finalised pillars, however, do provide a framework to tackle supply chain issues that were exposed during the Covid pandemic, and that remain a concern for the sector in the current geopolitical climate.

Other market access work

While a significant amount of MIA market access work during the year was in the markets outlined above, other markets also had their challenges during the year. Much of this involved working with the Government to address non-tariff barriers (NTBs) that the sector faces.

The Sense Partners analysis undertaken last year found that the cost of NTBs on the red meat sector is around \$1.5 billion annually. Addressing NTBs can therefore have a significant impact on fully realising market potential and

increase the value of the sector's exports, in line with the Government's goal of doubling the value of exports over the next 10 years.

EU Deforestation-free supply chains Regulation (EUDR)

From 30 December 2024, the EU Deforestation-free supply chain Regulation (EUDR) will begin to be enforced.

The EUDR requires all those who are placing certain products on the EU market to undertake due diligence that these are sourced from deforestation-free supply chains, as well as being compliant with the laws of the country of origin. The products within the scope of the EUDR are palm oil, soy, wood, cattle, cocoa, coffee, rubber, and their derived products (e.g. beef, leather, furniture, chocolate etc). The EUDR applies to domestically produced and imported products.

Only products that are deforestation-free and covered by a due diligence statement will be allowed on the EU market, or exported from the EU market. The scope of land use is after 31 December 2020 (i.e. deforestation occurred after this date).

In 2023/24, New Zealand exported \$105 million of beef and \$100 million of beef hides and leather to the EU. This trade will be affected by the EUDR come 30 December 2024. As 90 percent of New Zealand's beef hide and leather exports go to Italy, the sector is also working with Italian stakeholders to jointly advocate for a solution that will not impede this trade, including calling for a delay to implementation, and exemptions from low-risk sources.

MIA (alongside B+LNZ Ltd and MPI) has been monitoring developments as well as advocating for New Zealand's position as a low-risk source for beef, hides and leather. The EUDR is a clear barrier to trade with a key market for the sector. Information from the EU on how to comply with the EUDR has not been forthcoming, particularly in terms of readiness of the IT system, the benchmarking exercise (to put countries into risk categories), the nature of evidence required, and implementing regulations for the EUDR (which is a standard practice of all EU legislation).

Along with MIA members, work is underway to find a sector-wide solution to compliance with the EUDR. This is a complex and at times muddled regulation that is a sign of things to come in the sustainability-trade nexus. Increasingly, MIA is seeing more of these types of policies being developed in key markets, often developed with no flexibility for how New Zealand's production systems work.

South East Asia

South East Asia is a region where there is potential for growth and where New Zealand already has a network of FTAs. In 2023/24, the sector’s exports to the region were worth \$514 million. There is open and predictable access to some markets in the region, for example Singapore, but in other markets NTBs are significantly restricting trade.

Malaysia and Indonesia are good examples. Despite having multiple FTAs in place, a growing number of NTBs and unclear requirements make these markets increasingly difficult and costly to deal with. For instance, currently there are only seven plants listed for export to Malaysia. Both are markets with a lot of potential for growth – with young populations, increasing wealth, and more demand for high-quality proteins.

MIA is therefore very supportive of the work undertaken by MPI during the year to address NTBs in these markets and get greater recognition of New Zealand systems, in particular the New Zealand Halal regulatory framework.

With New Zealand’s network of FTAs, South East Asia is a region where there is opportunity to further grow trade as part of the Government’s Export Double goal, and MIA is currently undertaking work to assess opportunities in two markets in the region where there is potential for growth, Thailand and Vietnam.

Halal market access

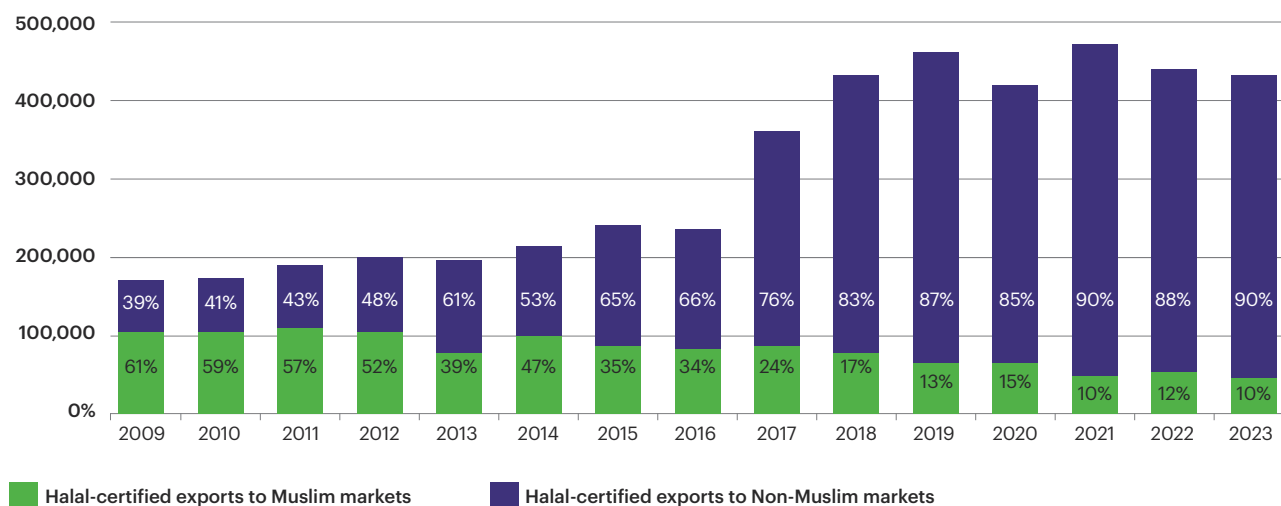
An important component of the sector’s business model is Halal processing, which allows companies to supply cuts from every carcass to both Muslim and non-Muslim consumers around the world. In 2023/24, Halal-certified exports made up 37 percent of total red meat exports and were worth approximately \$3 billion.

Historically, the majority of Halal-certified exports were sent to Muslim markets where certification is a market access requirement. However, in recent years there has been shift in demand and around 90 percent of Halal-certified exports now go to customers in non-Muslim markets, as demonstrated in the chart below.

While New Zealand has a Halal regulatory framework, there is no international standard for Halal processing and trade. In addition, there is a growing tendency for overseas Halal authorities to require the New Zealand Accredited Halal Organisations (AHOs) to be accredited to their own standards, or their own variation of international accreditation standards such as ISO 17065. While many of the Halal authorities’ standards are very similar, the AHOs are still required to undergo costly and time-consuming accreditations for each individual market.

MIA is therefore very supportive of the work of MPI during the year to progress government-to-government recognition of the New Zealand system in markets like Indonesia and Malaysia. MIA also appreciates the efforts of the New Zealand AHOs to maintain their accreditations in all the key markets and the work that they do to explain the New Zealand system to authorities in these markets.

NZ exports of Halal-certified red meat to Muslim and non-Muslim markets
(for years ended 30 September)



Compiled by MIA from MIA & NZMB data

Differentiation

Food Safety Science Research

The New Zealand Food Safety Science and Research Centre (NZFSSRC) is a virtual Centre of Excellence for Food Safety research in New Zealand. MIA has been a member of the Centre since 2015 and both MIA and its members have access to co-funding for research projects, and a seat on the NZFSSRC Industry Advisory Group. Alongside acting as a focal point for research coordination, the Centre is held in high regard for its scientific credibility and integrity, and has provided a platform for effective communication, networking and relationship building across the food sector.

From January 2025, the funding and membership model for the Centre will change as its current contract with the Ministry of Business, Innovation and Employment (MBIE) comes to an end. Going forward, co-funding for the Centre will be provided by MPI and Massey University. Industry participation will be through a tiered membership model, that provides a range of core services and then optional service levels depending on the membership tier. MIA intends to continue its relationship with the Centre and has committed to its ongoing membership in the Centre.

A core function of the Centre is managing the Emerging Risk Identification System (ERIS), which provides intelligence to the New Zealand food industry on emerging food safety risks. The system has been running since 2021 and is providing regular feedback to ERIS members regarding emerging or recurring food safety related risks across all sectors. ERIS is complementary to and operates alongside horizon scanning systems run by New Zealand Food Safety (NZFS) and Food Standards Australia and New Zealand (FSANZ).

The ERIS process begins with food safety risks being triaged by experts to identify issues of relevance for food producers in New Zealand. For issues that are considered relevant, confidential briefing notes that provide a preliminary assessment of risk are prepared for the industry-based ERIS funders action group to review and decide on next steps. To date, ERIS has identified over 440 emerging risks, with only 125 of these considered potentially significant for New Zealand, and 21 requiring follow-up actions. In identifying these potential risks, the system has provided a focal point for industry to discuss emerging issues from a pan-sector perspective, increasing the depth of discussion about issues and widening the scientific knowledge base amongst the participants.

The original ERIS trial was extended until June 2024, and plans are in place to make ERIS a part of core services provided by the NZFSSRC. Updates from the ERIS are available to members on the MIA website.

Nutritional Science - Pasture Raised Advantage

The Pasture Raised Advantage (PRA) is a \$2 million research programme exploring the health and nutritional benefits of New Zealand pasture-raised beef and lamb compared to grain-finished beef and plant-based alternatives, when eaten as part of a balanced diet. The aim of the research was to provide robust scientific data about the benefits of including pasture-raised meat in the diet and provide a counterpoint to data in the scientific literature focused on grain-raised production systems. The research team included experts from the University of Auckland, AgResearch, Massey University, Riddet Institute and the University of Otago.

The research was made up of four unique stages, including both laboratory-based studies and human clinical trials. A range of outcomes has been gathered from the study, but they all have a common theme. Pasture-raised or grass-fed red meat is highly nutritious and can be included as part of a balanced healthy diet that will be good for you.

Publication of results from the trial is ongoing. The next paper to be published will focus on well-being and explores the relationship between diet and psychological and physiological measures, such as mood and anxiety. This work was jointly funded by MIA Innovation Ltd and B+LNZ Ltd, with support from High-Value Nutrition National Science Challenge, and MBIE.

Further information is available on the [MIA](#) and [BLNZ Inc](#) websites.



High-Value Nutrition – He Rourou Whai Painga

Complementing the work of the PRA programme is industry involvement in He Rourou Whai Painga (HRWP). HRWP is a nationwide dietary intervention study, funded by the High-Value Nutrition (HVN) National Science Challenge, and led by researchers at the University of Otago, to explore the effects of eating a whole diet that includes predominantly high-quality New Zealand food and beverage products on the health and well-being of participants.

The aim of the study was to investigate if this diet improves metabolic, cardiovascular, and well-being profiles in people at risk of cardiometabolic disease and their families. Approximately 200 at risk participants and their families were enrolled and supplied with high-quality New Zealand foods that encouraged a ‘Mediterranean’

diet, high in fruit and vegetables, oils and nuts, a moderate amount of dairy, seafood and small servings of red meat. New Zealand meat processors were amongst over 40 food and beverage companies that supported the study, through the supply of over one tonne of red meat.

MIA was pleased to see red meat included in the dietary pattern, as we know data collected on New Zealand grass-fed red meat suggests that it is possible to include red meat at recommended daily levels and maintain a balanced diet, with the potential to have a positive influence on health.

With the feeding trial completed, researchers are now focused on collating and interpreting the data and the publication of results, which is anticipated in 2025.



Country of Origin – Taste Pure Nature – a new approach

Taste Pure Nature, New Zealand's country of origin beef and lamb marketing programme, will move into new phase and will transition from Beef + Lamb New Zealand Ltd (B+LNZ Ltd) to MIA.

The aim of B+LNZ Ltd establishing the Taste Pure Nature market development programme in 2019 was to provide a strong foundation that meat processing and exporting companies could build on as part of their international marketing efforts. The Taste Pure Nature programme has successfully proven the value of our farmers' story, and the impact that can be generated through targeted investment in international markets.

B+LNZ Ltd and MIA have agreed that the time is right for companies to take the lead role in designing, governing and funding ongoing activity in this space. The programme will now be company and market driven and will focus on driving awareness of and preference for New Zealand grass-fed beef and lamb specifically in China. Importantly, this programme will play a key role in ensuring our relevancy against the increasingly fierce competition in the China market.

MIA will take on the leadership role of Taste Pure Nature on behalf of processing and exporting companies. B+LNZ Ltd and MIA will each contribute \$2 million to the programme over three years. MIA is in discussions with the Government about potential support for the programme to help unlock greater value for our brand, the New Zealand red meat sector as a whole and meet the Government's Export Double by value goal. The tailored programme will aim to capture greater market value for farmers, companies and the wider red meat sector.



INNOVATION

Innovation is one of the pillars of MIA's work programme. We believe that science and technology have the power to unlock value for consumers, grow our reputation as providers of safe foods and improve the sustainability and profitability of the work we do. The meat processing industry has a consistent record of investment in science and technology, and this collaborative investment has produced many innovative approaches and methods to maintain the sector's competitive edge in global markets.

Research and development (R&D) has added value in many areas of processing, including product safety and integrity, the development of new products, increasing automation and processing efficiencies and improving compliance and animal welfare. The programmes of work are supported with funding and in-kind contributions from industry, and are often undertaken in partnership with Government, increasing the reach of our investment beyond that which is achievable by individual processors.

MIA Innovation Limited

MIA Innovation Limited is the research arm of MIA. The wholly owned subsidiary was established in 2015 to oversee the MIA's 50:50 research partnership with MBIE.

The Meat Industry Research and Innovation Fund (MIRIF), was a coordinated programme of investment in collaborative R&D to drive sector growth and invested \$8.4 million in research and development over an eight-year period from 2015. MIRIF ended on 30 June 2023, having supported a number of successful projects, including the Pasture Raised Advantage (PRA).

The next portfolio of innovation for MIA is the Tomorrow Programme, which has been designed to underpin achievement of goals in the 2020 Red Meat Sector Strategy and builds on and incorporates learnings from the MIRIF.

The Tomorrow Programme is a seven-year investment plan that seeks to position the processing industry so that all processors can capture the benefits of incorporating new red meat science and emerging technologies into their businesses, raising the overall position of the sector, while providing a platform from which individual companies can customise and build technology solutions upon.

The plan was approved by industry in 2022 and while some parts, such as food safety initiatives, are underway, MIA is currently securing funding for the major initiatives in the plan around emerging technology and nutrition and hopes to begin that work in early 2025.

Strategic Initiative Fund

In October 2023, MIA formally established the Strategic Initiative Fund, providing a major shift in how processing industry funds innovation and priority projects going forward.

The new fund replaces the Industry Initiative Fund (IIF), a longstanding reserve collected on behalf of the processing industry by MPI, via a per-carcass levy as part of the cost recovery process. The IIF was jointly administered by MIA and MPI and its use was restricted to supporting initiatives related to the Animal Products Act, specifically for market access and food safety. With the widening scope of priorities for R&D across the MIA work

programme, the IIF was no longer fit for purpose. It was agreed with MIA members, and the support of MPI, that a new fund should be developed.

The Strategic Initiative Fund is now collected and wholly administered by MIA. The change, while cost-neutral to processors, has been a significant advancement for achieving processing industry goals. It places control over investments back into the hands of processors and importantly, allows funding to be used for a much wider range of activities than the IIF. This scope and flexibility mean that the processing industry has funds to invest in a range of strategic projects that benefit the whole sector, from market and trade to sustainability and the environment, to innovation initiatives. The change comes at an opportune time and thanks are due to MPI for supporting this important transition.

Research and Development Workshop

In late March, the MIA and AgResearch held the annual Red Meat Research and Development Workshop in Palmerston North. This event, a highlight on the annual calendar, focuses on enhancing our nutritional understanding of red meat and leveraging innovation and technology to boost productivity and profitability in the sector.

The workshop attracted 98 delegates and featured international speakers, including Aarti Tobin from CSIRO in Australia, Rod Polkinghorne from the University of Melbourne, and John Marten from Meat and Livestock Australia. The event emphasised the critical role of science, research, and innovation in maintaining our competitive edge globally. MIA remains committed to investing in scientific and technical capabilities.



SUSTAINABILITY



People

Workforce development

In October 2023, MIA launched the Workforce Development Plan (WDP) a high-level framework, developed in response to the emerging demographic, social, and technological shifts that are shaping our operating environment. A sample of case studies, captured through personal narratives of employees in the sector, highlight a broad range of Attracting, Training and Retaining strategies in the meat processing industry. The WDP is a framework that ensures alignment and progress towards the RMSS 2030 goal to become “sustainably profitable by lifting innovation, performance and productivity”.

The individual case studies are a vehicle to share good practice within the processing industry, and to celebrate the diversity and vibrancy of roles across the industry with a wider audience. Collectively they highlight some of the great people we have working on processing plants and illustrate the long-running commitment from

the processing industry to improving performance and productivity through investment into people.

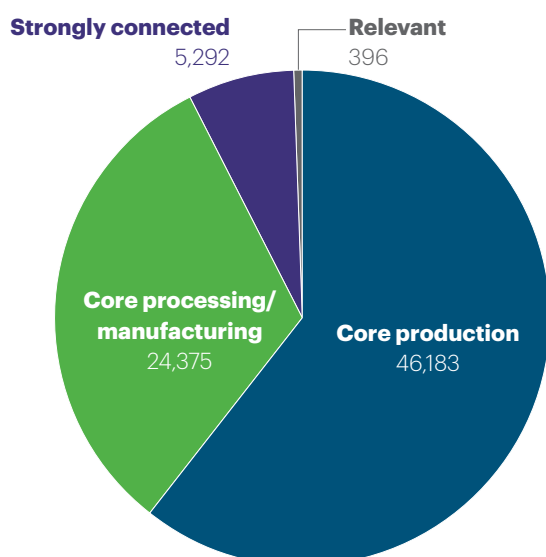
Case studies of people and WD initiatives across the processing industry will be featured on the MIA [Meat your Career](#) website to better represent the opportunities and help positively position the processing industry in the minds of prospective job seekers.



Knowledge

To understand and articulate workforce needs and trends, MIA has been working with the MPI as it compiles comprehensive information about the sector’s workforce trends. The [Workforce insights website](#) is fast becoming the go-to source of information about New Zealand’s food and fibre sector workforce.

How many work in red meat and wool?



Data for year ended 31 March 2022

- **22,475 roles** in Meat Processing.
- The Workforce grew by **392 jobs** between 2021 and 2022 year.
- **94 percent of workers** in the industry are New Zealand residents, 6 percent are migrant workers holding a visa.
- **An Ethnically diverse workforce**, representative of New Zealand-wide population demographics.
- Women represent **32.7 percent of the workforce**.
- Forecasts show a **2.1 percent reduction** for Slaughterer roles between 2024-2027.

Looking back over the past 20 years, this baseline workforce count has been very stable with an average one per cent growth rate annually. The challenge is that the processing industry’s productivity growth rate has been slow to increase. The processing industry is focused on addressing this through a variety of means, including innovation and research that would enable wider adoption of automation technology and ensuring workers have the necessary skills for tomorrow’s jobs.

Attraction

In March 2023, Food and Fibre Youth Network delivered their insights on key drivers for career choice for Millennial and Gen Z generations in New Zealand, identifying three common factors: variety in day-to-day tasks, good career opportunities, and passion for agriculture. The findings highlight that while 82 percent of participants had received development opportunities at work, respondents had a desire for more tailored offerings such as: peer-to-peer learning, greater exposure to different parts of the food systems, and technical upskilling in areas of growing importance.

In order to attract the next generation of New Zealanders, MIA is continuing its funding support (\$60,000) for Agribusiness in Schools programme that recently celebrated its 10-year anniversary. Since its inception, the network has grown to 120 New Zealand schools, and at least 49,000 senior students have been exposed to or have been offered the opportunity to study aspects of the Agribusiness curriculum.

Through the MIA Scholarship programme (discussed below), we are also starting to see diversity in the next generation of leaders coming through.

Red meat sector forecasting

In 2023/24, MPI and NZIER together presented the processing industry with a set of workforce forecasts into 2032. Some key highlights were that:

- meat processing will continue to grow in future, and remain a major contributor to the New Zealand economy;
- to meet the growing demand, doubling export values by 2035, boosting capability and capacity in the workforce, coupled with efficiency gains from innovations and technologies, could significantly increase the pace of meat processors' contribution to GDP growth; and

- workforce skills are a key enabler of the ability to adopt technologies and innovations.

These forecasts can be used to help the processing industry advocate for the Government to develop policy measures that support capital investment, provide mechanisms for better coordination of labour supply and stimulate the development of in-demand skills, thus stimulating productivity gains in meat processing.

Training

In 2023/2024, industry representatives, in collaboration with Hanga Aro Rau, Manufacturing, Logistics and Engineering Workforce Development Council, have been actively contributing to the review of the:

- New Zealand Certificate in Meat and Meat Product Manufacturing (Level 3), and
- New Zealand Certificate in Meat and Meat Product Manufacturing (Level 4)

The outcomes of this qualification review help to ensure that meat processing apprentices will have relevant skills and knowledge well into the future.

Primary ITO work-based learning has seen an increasing uptake of training, with 2,404 enrolments in training across the sector in the 2023 calendar year compared to 1,860 enrolments in the previous year. However, there are significant risks on the horizon for the ongoing delivery of work-based training with the Government's recent release of a proposal to redesign vocational education and ongoing pressures on government funding. The key challenge of the proposal will be determining a more equitable and transparent business model for work-based training, and how training functions are delivered by the various agencies such as the Workforce Development Council, Industry Training Boards, polytechnics and providers.



2024 Rendering workshop

MIA coordinates a Renderers Group that represents all producers and exporters of rendered products. In early August, 35 delegates from across the New Zealand rendering community along with presenters and sponsors gathered at AgResearch Ruakura for the annual Rendering workshop.

The workshop consisted of a combination of presentations, site visits and group discussions to foster learning and knowledge sharing of a range of topics, including:

- Raw materials
- Cooking and raw material size reduction equipment
- Factors affecting validated time and temperature
- Conditions affecting MBM quality
- Effect of yield on profitability
- Energy recovery
- Tallow production
- Mechanical separation
- Environmental controls
- Principles of HACCP
- Market requirements
- Hygienic rendering
- Steam maintenance and control
- Odour control

The workshop included a visit to the new Waitoa Natural Proteins plant and the AFFCO Horotiu plant. As in previous years, the delegates competed for an innovation award, and this year's winner was Hayden McCracken from Taylor Preston Ltd. The workshop concluded with a workshop dinner sponsored by Rendertech attended by 70 delegates, sponsors and industry representatives including representatives from the Australian rendering industry.



MIA Scholarship Programme

The MIA Scholarship programme is a highlight for MIA, with a growing community of Tertiary level students having received support from this initiative as they begin their careers in agriculture and the red meat sector.

The programme was established in 2017 by MIA with a grant from the Food Industry Training Trust but has been funded directly by processors since 2022. This year's cohort of 18 students includes seven post-graduates and 11 undergraduates studying law, commerce, agribusiness, mechanical engineering, agriscience, environmental management and food technology. The group also includes one PhD student jointly funded by MIA and the NZFSSRC, studying food safety science.

Scholars receive a package of benefits that includes both financial support and a mentoring programme. The mentoring programme is highly valued by the scholars and thought to be one of the reasons for the programme's continued success. Mentoring assists scholars into processing industry employment, provides one-on-one support for individuals and gathers the group together for industry events and workshops at least twice in the academic year. Via mentoring, students engage with executives and influencers in the processing industry and often, through these encounters, students are finding inspiration and new career opportunities that encourage them to stay in the sector.

Since its inception in 2017-18, 58 students have passed through the MIA scholarship programme, supporting study for 44 undergraduates and 16 postgraduates, with two students receiving scholarships for both undergraduate and postgraduate study.

The majority of students were from either Lincoln or Massey universities, 47 percent of students enrolled in business aligned degrees and 53 percent in technical/science aligned degrees.

Of the 40 alumni graduated from the programme, the first job for 83 percent of the graduates was in the agricultural sector, with 48 percent working directly for meat processors. In 2024, 70 percent are still working for the agricultural sector and 20 percent for meat processors.



In 2024 MIA has held two events for the students. The first in Christchurch was generously hosted by AgResearch Limited at their new building on the Lincoln campus. The focus for the day was investigating careers to do with science and shipping and logistics and was rounded out with tours of the AgResearch laboratories and the Port of Christchurch.

The second event was the 2024 Annual Red Meat Sector Conference held at Takina in Wellington, providing opportunity for engaging not only with each other but also with processing industry leaders and other sector experts across the two days of the event. A highlight of the Wellington event for the scholars was a hands-on cooking demonstration at The Development Kitchen, hosted by Michelin-trained chefs Dale Bowie and Shepard Elliot and learning more about how to work with and cook high quality New Zealand lamb.

Testimonials from both past and present students are available on the MIA website, highlighting the value of the scheme for supporting the introduction of talent into the processing industry.



Health and Safety

Health and Safety continues to be a critical whole-of-industry issue that must be dealt with in a well-coordinated and committed way.

There is a clear commitment that we need to work together with our partners and workers to lead a significant change to improve the wellbeing and safety of everyone working in the red meat processing industry so our people will thrive. To take this commitment forward, work is near completion on a “strategy on a page” setting out what we want to see improved, how success will be measured and what we will do to achieve that success. Sitting alongside this strategy, a public facing pledge is being developed to make our commitment known to all our stakeholders and hold us accountable.

At a more operational level, MIA facilitates a Health and Safety Forum, which includes company health and safety managers and representatives from MPI,ASUREQuality and the New Zealand Meat Workers Union.

The Forum meets twice per year with a key goal of lifting health and safety outcomes across the processing industry by sharing knowledge and experience across MIA members reflecting the non-competitive nature of health and safety as well as engaging with third parties to understand how other industries are engaging on health and safety.

The major projects for the year completed include;

- The development of a benchmarking tool allowing participant companies to benchmark their performance against the wider processing industry. It will also provide critical data to direct resources to where we can get the greatest improvement in health and safety outcomes for our workforce.

- Updating the MIA industry Health and Safety Guidelines to better reflect the technology and regulatory environment along with a changing demographics in our workforce to ensure that we can get more substantial engagement.
- Member companies working with MPI on developing PCBU agreements.
- Completion of training videos for cleaners.

During the year, MIA on behalf of members applied for a system capability development grant from ACC, for the Whakapai Mahi Kai Programme. Whakapai Mahi Kai is a comprehensive programme designed to address these health and safety challenges through worker engagement and continuous improvement principles.

The programme is built around four key pillars:

- **Akoranga Whai Mahi** (Learning from Work)
- **Whakaiti Mahi Whakahōre** (Modifying Labour and Human Factors)
- **Whakawanake Whare Mahi** (Workplace Design and Layout)
- **Whakapakari Kaimahi** (Workforce Capability Building)

MIA is expecting notification in October 2024 on whether or not this application has been successful.

Immigration

In 2022, MIA estimated that the sector had lost up to \$600 million during the previous year due to labour shortages. While processors have been able to employ some additional staff as the borders have re-opened, the sector's sustained labour shortage continues to hamper some of New Zealand's best-known companies from reaching their full potential. It also has knock-on implications for training and development opportunities for staff and innovation. Businesses need certainty and a stable business environment to effectively plan for the future and invest in growth.

The processing industry wants to partner with Government to ensure meat processors have predictable access to the workers they need to maintain production, and to grow value and maximise export revenue for New Zealand.

Immigration can play a part in addressing labour shortages. The Government announced changes to the Accredited Employer Work Visa (AEWV) in April. For AEWV visa holders in ANZSCO levels 4 and 5 roles these changes included reducing the term from five years to two plus one years, a minimum standard of English, at least three years' relevant work experience or a relevant qualification, a twelve-month period outside New Zealand after three years, and if the visa holder is unable to become a resident they can no longer support partner or dependent children visas. Many companies have been disadvantaged by workers who were promised, then denied in April, the opportunity to apply for a five-year visa.

These changes will considerably reduce the availability of migrant labour. There are many New Zealanders who would be unable to meet the minimum standard of English and the three years' work experience. The processing industry looks forward to providing robust feedback during the review of AEWV later in 2024.

Impact of changes to the Accredited Employer Work Visa

For one company, the removal of the five-year visa means that the 125 top skilled migrants the company brought in will be leaving New Zealand over a three-month period and cannot be replaced.

Another company will lose approximately 60 migrants from a total workforce of 170 people – migrants (including halal butchers) are one third of their workforce. 10 migrants arrived during October 2022 and the balance arrived from January 2023 onwards – it took 12 months to train them and now they will have to leave.

The shortage of domestic halal butchers has eased slightly for meat processors, due to the AEWV. In the last financial year, halal processing added approximately \$3 billion of value and halal-certified products made up 37 percent of exports by volume. The Government added halal butchers to the Green List in March 2023, which means that after two years working as a halal butcher, an application for residency can be made. The processing industry will continue to lobby for a specific visa for halal butchers, given their importance to the whole sector.

MIA continues to lobby the Government and make submissions on consultations, to ensure that the visa settings are suitable for the processing industry.

Industry Sector Agreement

The Government has confirmed that the sector agreement for a seven-month visa for 320 migrant workers for entry-level red meat and pork processing roles will be rolled over for the 2024/25 processing season, having been over-subscribed in 2022 and 2023. The Industry Sector Agreement does not apply to halal butchers. The wage threshold is 86 percent of the median wage, and migrants need to leave New Zealand for four months before they can be issued another visa that pays less than the median wage. The requirement for at least three years' relevant work experience or a relevant qualification will not apply (as a result of lobbying by MIA), but workers will need to have a minimum standard of English.

MIA designed and implemented the allocation system for the places, in conjunction with MBIE and MPI.

On 15 August 2024 the Government announced that a Specific Purpose Work Visa for seasonal workers would be available for application until 31 March 2025, for a nine-month duration paid at least \$29.66 per hour and requiring only four months of relevant work experience. A minimum standard of English is required.



GOOD STARTS, GREAT FINISHES

BEEF + LAMB
NEW ZEALAND

Proud partner



Reputation

Trust & Reputation Strategy

Since its launch in April 2023, the consumer campaign from Beef + Lamb New Zealand Inc (B+LNZ Inc) has proven to be a success. The “Good Things” TV commercial, featuring Beef + Lamb ambassador Stacey Waaka, has continued to air across all major video channels. Recent Kantar research shows positive results, with total recall of the ad at 55 percent, a 7 percent increase from the

previous period (November 2023). More than two-thirds of the surveyed audience agreed that the ad effectively conveys the messages “beef and lamb are a part of Kiwi life” and “beef and lamb are delicious”, confirming that the ad is resonating well with consumers.

Olympic Pride, Nationwide

In early 2024, B+LNZ Inc announced a partnership with The New Zealand Olympic Committee (NZOC). This collaboration built on our previous support for Kiwi Olympic greats and provided the opportunity to further embed our product as an essential part of high-performance nutrition as well as tap into that moment of national pride.

To support this partnership, a new TV commercial was produced featuring past and present Olympians. The ad, which aligned with the “Good Things” brand platform, ran with the message, “For a great finish, you need a good start.” It was prominently played during the Olympic Games. B+LNZ Inc also partnered with Sky TV as naming rights sponsors for the Breakfast Wrap, which aired each morning of the Olympic Games. This partnership significantly enhanced brand visibility. Additional initiatives included community events, a shared site at Fieldays, and engaging content with athletes.





National Lamb Day

National Lamb Day 2024 was moved to 15 February to commemorate the first frozen lamb shipment to the United Kingdom in 1882, and was a notable success.

Farmer organisation AgProud and B+LNZ Inc led the planning of activities with support from B+LNZ Ltd and MIA. The festivities kicked off with a parliamentary lamb BBQ hosted by Minister Todd McClay with over 40 Members of Parliament and Ministers attending, many wearing their National Lamb Day t-shirts. The Southern

Field Days, coinciding with National Lamb Day, helped amplify celebrations. AgProud organised a free lamb BBQ, drawing a crowd of attendees to enjoy some New Zealand lamb.

The event received extensive coverage and the positive reception showcased the campaign's effectiveness in celebrating New Zealand's rich food heritage and the lamb industry's success. Planning for building on the success of Lamb Day next year is underway.

Measures of Success: Consumption and Pride



Consumption overall remains stable across all New Zealanders, with weekly lamb consumption increasing (from 14% in Nov 23 to 24% in May 24) and mince consumption slightly increasing. Perceptions of value for money continue to improve.



Looking at the target audience of Main Shoppers, weekly consumption frequency has increased across beef, lamb and mince, as has consumption momentum.



Pride, which is measured out of seven, is sitting 4.8 and 4.9 for beef and sheep industries respectively, with an objective of being over 5.



ENVIRONMENT

Agriculture emissions

After many months of deliberation, the He Waka Eke Noa – Primary Sector Climate Action Partnership proposal to the then Government was not accepted, and the Government’s subsequent proposal was also not supported by HWEN. As a result, and due to the impending election, the Government announced plans to progress an Order-in-Council that would defer farm-level pricing for two years to 2027. The narrow scope of the Order-in-Council meant the processor-level “backstop” whereby processors would have to pay for their emissions through the ETS from 2025 remained. MIA made a submission supporting the deferral of farm-level pricing but opposing the processor-level obligations coming into effect by default.

In June 2024, the new coalition Government announced changes on the agriculture-related provisions to the Climate Change Response Act. These changes, due to go through Parliament before the end of the year, will keep agriculture out of the ETS, including removing the processor back-stop. In addition, the Government announced it would convene a Pastoral Sector Group to address agriculture emissions, and seek an independent review of the methane targets. MIA is a member of the Pastoral Sector Group along with Federated Farmers, B+LNZ Ltd, the Dairy Companies Association of New Zealand (DCANZ), DairyNZ, and Deer Industry New Zealand (DINZ).

Climate change targets

In April 2024, the Climate Change Commission began the process of developing its advice to Government on the 2050 targets, the fourth emissions budget, and on emissions from international shipping and aviation. MIA’s submissions to the Commission took a principle-based approach that highlighted what the Commission should take into account in its advice to Government. In particular, that regardless of what the 2050 targets are a

pathway must be developed to ensure that New Zealand is able to reach them. This includes increased investment in research and development of low-emissions technologies, and creating an enabling regulatory environment to enable the application of tools to mitigate and adapt to a low-emissions future. Any targets and policies must consider the impact on trade and market access, ensuring New Zealand’s agricultural products remain competitive internationally.

Sector decarbonisation

As part of the sector’s decarbonisation work, MIA and the Energy Efficiency and Conservation Authority (EECA) commissioned Deta Consulting to undertake a technology and innovation scan. The resulting report includes recommendations for decarbonisation, highlighting high-impact opportunities such as heat pumps, biogas utilisation, and alternative steam generation. Additionally, demand-side strategies play a crucial role, ensuring affordability in operational and capital expenditures. Representatives from MIA member companies participated in the research.

The technology scan forms a part of the sector decarbonisation pathway, which outlines ways in which companies could decarbonise their businesses. EECA, in association with MIA, has developed red meat specific information that can be found on its website. Another part of this work is a benchmarking project to enable the processing industry to understand their energy use and consumption. This will enable the processing industry to make changes in a cost-effective and efficient way as it progresses towards decarbonisation. The benchmarking will build on previous work (in 2001 and in 2010) that was commissioned by MIA and EECA.

Genetic modification

Part of the Government's policy agenda is to develop a regulatory framework specific to genetic technology to address some of the issues that have arisen with the current system. MBIE is leading this piece of work and MIA is a member of the Industry Focus Group with which MBIE is consulting. The Government is looking to introduce legislation into Parliament by the end of 2024.

MIA has also been working with a group of agriculture industry bodies on these issues to ensure that the Government has a clear agriculture perspective on the legislative and regulatory framework on GE/GMO technologies. The group is being coordinated by Federated Farmers, and includes MIA, B+LNZ Ltd, DairyNZ, Horticulture NZ, Forest Owners Association, DCANZ, Fonterra, and OSPRI.

The work also involves developing a set of principles to guide thinking. The purpose of the principles is to recognise the varying (and sometimes competing) interests within the agriculture sector. It is not to reach an all-of-sector view on gene technologies or regulation of these. At a high-level, the principles support a risk-based approach to gene technologies, taking into consideration any impact on market access and consumer responses.





Biosecurity

International Chief Veterinary Officers visit

In early 2024 Chief Veterinary Officers from New Zealand, Australia, Canada, the UK and the US met in New Zealand to engage in a series of bilateral and multilateral discussions on biosecurity, animal welfare, sustainability, and food safety – key factors that underpin our export success.

During their visit, delegates had the chance to observe New Zealand's production system through farm and plant tours, culminating in a dinner at Fife Lane in Tauranga, hosted by MIA. Chef Dale Bowie, founder of The Development Kitchen, showcased the unique qualities of New Zealand red meat that make it globally renowned. The event was supported by MIA staff and senior representatives from Greenlea Premier Meats.

Foot and Mouth Disease Preparedness

Foot and Mouth Disease (FMD) is caused by a virus that only infects cloven-hooved animals. While FMD has no significant health impacts on humans it causes significant production losses among infected animals. An outbreak of FMD would have a major impact on red meat sector and the wider economy because:

- It reduces agricultural productivity.
- It can be very painful for infected animals.
- All trade in animal products would be stopped, significantly impacting the New Zealand economy.
- It would severely impact meat exports for months or even years after the outbreak, as we would no longer be regarded as FMD-free by trading countries.

New Zealand is uniquely vulnerable to FMD due to a high reliance on exports of animal products. While the risk of an incursion is considered low, the impact would be severe. MPI estimates that an FMD incursion could

cost the economy \$16 billion over four to five years with significant impacts on regional economies, employment and agriculture-related services.

The work of the taskforce stood up by MPI in 2022 following an outbreak in Indonesia has been subsumed into business-as-usual activities. While progress was made on some key areas for preparedness and response, significant outstanding issues sector remain, including livestock standstill, compensation, and market access in the event of an incursion.

MIA is involved in two broad streams of work in this area, one with other GIA (Government-Industry Agreement for biosecurity) partners, and another on wider policy issues (as outlined above) with MPI (BiosecurityNZ). The former is focused on the FMD Operational Agreement (FMDOA), and the latter on progressing key issues that remain outstanding.

FMD Operational Agreement

Progress on the FMDOA has been slow. The original timeframe for signing a complete FMDOA was at the end of 2023, but this was not met due to a lack of Crown mandate for negotiations with industry partners, a delay in the economic analysis that underpins the cost-sharing and impact analysis, and key areas that could not be agreed to in the text.

In order to maintain momentum to at least resolve provisions in the FMDOA among industry partners, an MOU was agreed and signed by all partners to continue work with an aim to have completed negotiations by mid-2024 and a ratified agreement by December 2024. At the time of writing, MPI is still awaiting its negotiation mandate. Work continues among industry partners to come to an agreement on outstanding provisions.

Other FMD preparedness activities

Parallel to the negotiation of the FMDOA are wider policy issues that have a particular effect on the sector. MIA has been working with MPI to develop a common understanding of the issues, identifying key gaps in the policy and regulatory framework, and potential approaches to fill these.

For both stock standstill and compensation, solutions are likely to lie outside the Biosecurity Act, which is a framework legislation giving broad powers and guidance in any biosecurity response. Policy approaches need to be developed to address these, and MPI and MIA will be working on those in the coming months.

In addition, MIA has supported MPI's international efforts in relation to FMD and other foreign animal diseases, including providing input on updates to international standards of interest to the sector such as those adopted by the World Organisation for Animal Health (WOAH, previously known as the OIE). Another key focus area which has followed on from the MPI-FMD taskforce has been around minimising the trade impacts of a foreign animal disease incursion (including FMD) to reduce economic impacts for the primary industries and New Zealand as a whole. MIA greatly appreciates MPI's efforts in advocating for the sector's best interests in international fora and trying to ensure vital trade continuity for the sector, and looks forward to continuing to engage on these key work priority areas.

Part of MIA's own response strategy is to update its Biosecurity Response Plan to reflect developments in the National Biosecurity Response Strategy, and changes in personnel. The Plan outlines the roles and responsibilities of MIA staff and Council, including decision-making and communications hierarchies. MIA will be familiarising the plan with staff to ensure we are well prepared for any eventuality.

Biosecurity Business Pledge

In 2023, the Biosecurity Business Pledge reached a key milestone in its development as it transitioned into an independent legal entity and member-funded model. At its inaugural AGM on 13 December 2023, the Biosecurity Business Pledge Incorporated's legal status was formalised and MIA signed-on as a member and is part of the Members Reference Group.

The Biosecurity Business Pledge was launched in 2019, with the purpose of making biosecurity a core part of BAU activity for all New Zealand businesses regardless of whether they are in the primary sector or not. In joining the Pledge, companies commit to building awareness of biosecurity and proactively promoting good biosecurity in their operations and with their suppliers, customers and stakeholders.

Traceability

Traceability of livestock is essential for effective preparedness and response to outbreaks of exotic diseases. It also underpins the management of issues associated with residues and supports assurance related to produce provenance.

As it currently stands, traceability for sheep is enabled by consignment level Animal Status Declarations (ASDs), supplied as either paper forms that accompany animal movements or as electronic records entered into the MyOSPRI system.

Relative to paper ASDs, electronic ASDs (eASDs) provide the following benefits:

- Rapid and accurate tracing of sheep movements.
- More credible foundation to support claims of disease freedom following a major incursion.
- Efficiency savings for supply chain participants from not having to complete and manage a paper system.
- More flexibility in changing / customising the information sought from livestock vendors.

To improve the uptake of eASDs, MIA and B+LNZ Ltd have developed a joint position, which sets out that the two organisations support all movements of sheep and cattle, where ASDs are currently required, being accompanied by an electronic Animal Status Declaration (eASD) and for this to become a legal requirement no later than 01 July 2027.

If the position is agreed, B+LNZ Ltd and MIA propose discussing the position with MPI and OSPRI, with a view to adopting a collaborative approach to engage with OSPRI's other funders (DairyNZ and DINZ) and NZ Stock and Station Agents Association and Federated Farmers.



Animal Welfare

New Zealand takes animal welfare seriously and the New Zealand system for ensuring high animal welfare standards is well regarded internationally. MIA works closely with other primary sector organisations to ensure that we maintain this reputation.

MIA continues to play an active role in the Farm to Processor Animal Welfare Forum ensuring that issues of national importance are identified, prioritised and managed appropriately.

Our members continue to manage animal welfare, having trained animal welfare officers at plants allowing them to meet both their commercial commitments along with the regulatory requirements whilst maintaining the highest animal welfare standards.

Bobby calves

The processing industry has a goal of ensuring that the welfare of bobby calves is safeguarded during transportation and lairage prior to processing. 1.93 million bobby calves were processed in the 2023 season, with a calf mortality rate of just 0.05 percent.

While calf numbers were marginally up on the 2022 year, the increase was well below the expected increase given Fonterra's change to supply agreements effectively banning on-farm euthanasia of viable calves, as well as the banning of live animal exports by sea.

The mortality rate of 0.05 percent is the same as the 2022 year and was vastly improved over the 2008 year which was 0.68 percent.

Given the planning and additional cost that went into preparing for the potential increase in calf numbers there was a level of frustration from processors that the increase never eventuated.

The positive impact was that there were no material delays in getting calves processed and farmers were able to move calves off farm in a timely manner improving animal welfare outcomes.

Aiding this was a number of processors introducing electronic booking systems to ensure ease of booking, improved logistics and improved experience for suppliers.

As MPI Verification Services has identified calves getting wet during transport as an issue, considerable planning with transport operators went into managing this issue and it was pleasing to note that there were no material issues with wet calves.

Expectations for the 2024 season are of similar processing numbers and flow.



Ovis Management Limited

Ovis Management Ltd (OML), a non-profit, wholly owned subsidiary of the MIA, provides a low-cost program to help sheep farmers and dog owners in rural areas control *Cysticercus ovis*, also known as sheep measles.

Michelle Simpson is the OML project manager, and the board consists of Andrew Morrison (Chair), Sirma Karapeeva, Gregory McSkimming, George Tatham, Jason Griffin (Associate Director). After 16 years on the OML Board, Roger Barton stepped down as chair, and MIA would like to thank Roger for his long service to the sector. Andrew Morrison took up the position of Chairman and George Tatham, a Wairarapa farmer, also joined the OML Board as a Director.

The Associate Director role, held by Jason Griffin, ends in March 2025. We are currently interviewing for his replacement with the successful applicant starting the position at the AGM in September 2024.

The purpose of the Associate Director position is to provide leadership/governance experience to help develop future governors contribute to the farming sector. Even though they are not formally a director, the Associate Director is required to participate actively in all board discussions. The position is open for two years.

The current low levels of Ovis in New Zealand, less than 0.5 percent, reflect the commitment from sheep farmers to maintain on-farm control.

The OML strategy aims to generate a nationwide conversation amongst target groups, reiterating the importance of action on the part of farmers, the value of having a plan in place and the role that all dog owners should play.



This is accomplished through collaborating with the veterinary and rural sectors as well as meat companies. Regular visits to affected farms, field days and shows and both traditional and digital media enable customisation of messaging for different target groups. OML leverages off our partners and stakeholders.

One of the main objectives is to reinforce the idea that OML is a partner helping farmers combat sheep measles. It is imperative that all New Zealand farmers take appropriate measures to prevent sheep measles from having an impact on their farming business.

It is recommended that farmers and dog owners visit the OML website, make use of the resources offered and contact OML for support.

FINANCIAL REPORTS



Special Purpose Financial Statements
for the year ended 30 June 2024

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Directory

for the year ended 30 June 2024

Principal Business:	Trade Association representing New Zealand Meat Processors, Exporters and Marketers
Registered Office:	Wellington Chambers Level 5 154 Featherston Street Wellington
Incorporation Number:	217685
IRD Number:	26-974-542
Auditors:	KPMG 44 Bowen Street Wellington
Solicitors:	Burrowes & Company 24 Johnston Street Wellington
Bankers:	Bank of New Zealand 222 Lambton Quay Wellington
Business Location:	Wellington



Independent Auditor's Report

To the members of Meat Industry Association of New Zealand (inc) (**Incorporated Society and Group**)

Report on the audit of the Incorporated Society and Group special purpose financial statements

Opinion

In our opinion, the special purpose financial statements of Meat Industry Association of New Zealand (Inc) and its subsidiaries (Incorporated Society and Group) on pages 53 to 61:

- present fairly in all material respects the financial position as at 30 June 2024 and the financial performance for the year ended on that date in compliance with the Incorporated Society and Group's rules.

We have audited the accompanying special purpose financial statements which comprise:

- the balance sheet as at 30 June 2024;
- the statements of comprehensive income, changes in equity; and
- notes, including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) (**ISAs (NZ)**). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of Meat Industry Association of New Zealand (Inc) in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (**IESBA Code**), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the *Auditor's responsibilities for the audit of the Incorporated Society and Group special purpose financial statements* section of our report.

Our firm has provided tax compliance services to the Incorporated Society and Group. Subject to certain restrictions, partners and employees of our firm may also deal with the Incorporated Society and Group on normal terms within the ordinary course of trading activities of the business of the Incorporated Society and Group. These matters have not impaired our independence as auditor of the Incorporated Society and Group. The firm has no other relationship with, or interest in, the Incorporated Society and Group.



Emphasis of matter – Basis of Accounting

Without modifying our opinion, we draw attention to the accounting policies of the Incorporated Society and Group special purpose financial statements, which describes the basis of accounting. The Incorporated Society and Group special purpose financial statements are prepared to meet the requirements of the Incorporated Society's rules. As a result, the Incorporated Society and Group special purpose financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other information

The councillors, on behalf of the Incorporated Society and Group, are responsible for the other information. The other information comprises information included in the Annual Report, but does not include the Incorporated Society and Group special purpose financial statements and our auditor's report thereon.

Our opinion on the Incorporated Society and Group special purpose financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Incorporated Society and Group special purpose financial statements our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Incorporated Society and Group special purpose financial statements or our knowledge obtained in the audit or otherwise appears materially misstated.

If, based on the work we have performed, we conclude there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Use of this independent auditor's report

This independent auditor's report is made solely to the members. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees, accept or assume any responsibility and deny all liability to anyone other than the members for our audit work, this independent auditor's report, or any of the opinions we have formed.

Responsibilities of councillors for the Incorporated Society and Group special purpose financial statements

The councillors, on behalf of the Incorporated Society and Group, are responsible for:

- the preparation and presentation of the Incorporated Society and Group special purpose financial statements in accordance with the incorporated society's rules;
- implementing the necessary internal control to enable the preparation of a Incorporated Society and Group set of special purpose financial statements that is free from material misstatement, whether due to fraud or error;
- assessing the ability of the Incorporated Society and Group to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the Incorporated Society and Group special purpose financial statements

Our objective is:

- to obtain reasonable assurance about whether the financial statements as a whole free from material misstatement, whether due to fraud or error; and
- to issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but it is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Incorporated Society and Group special purpose financial statements.

A further description of our responsibilities for the audit of the Incorporated Society and Group special purpose financial statements is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/standards/assurance-standards/auditors-responsibilities/audit-report-7/>

This description forms part of our independent auditor's report.

For and on behalf of:

KPMG

Wellington

26 August 2024

Councillors' Report

for the year ended 30 June 2024

Introduction

The Councillors have pleasure in submitting the Annual Report of the Meat Industry Association of New Zealand (Inc) incorporating the special purpose financial statements and auditors report, for the year ended 30 June 2024.

On behalf of the Council these special purpose financial statements were approved for issue on 26th August 2024.



Councillor

26 August 2024



Councillor

26 August 2024

Statement of Comprehensive Income

for the year ended 30 June 2024

	Note	Group		Association	
		2024 \$	2023 \$	2024 \$	2023 \$
Operating revenue		6,167,529	3,664,339	5,688,496	2,458,290
Operating expenditure	1	(3,415,606)	(3,692,053)	(2,950,418)	(2,499,988)
Operating surplus/(deficit) before other income		2,751,923	(27,714)	2,738,078	(41,698)
Other Income/(expense)		100,597	491,793	100,597	480,793
Operating surplus/(deficit) before financing income		2,852,520	464,079	2,838,675	439,095
Financial income		99,274	31,235	86,522	23,208
Financial expenses		-	-	-	-
Net financing income		99,274	31,235	86,522	23,208
Operating surplus/(deficit) before tax		2,951,794	495,314	2,925,197	462,303
Income tax expense/(benefit)	2	-	-	-	-
Net surplus/(deficit) for the year		2,951,794	495,314	2,925,197	462,303
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		2,951,794	495,314	2,925,197	462,303

Statement of Changes in Equity

for the year ended 30 June 2024

	Group		Association	
	2024	2023	2024	2023
	\$	\$	\$	\$
Opening Balance	1,560,326	1,065,012	1,166,820	704,517
Total comprehensive income for the year	2,951,794	495,314	2,925,197	462,303
Closing Balance	4,512,120	1,560,326	4,092,017	1,166,820

Balance Sheet

as at 30 June 2024

	Note	Group		Association	
		2024	2023	2024	2023
		\$	\$	\$	\$
Equity					
Accumulated funds		4,512,120	1,560,326	4,092,017	1,166,820
Total equity		4,512,120	1,560,326	4,092,017	1,166,820
Represented by:					
Current assets					
Cash and cash equivalents	3	4,264,025	2,176,589	3,814,328	1,680,848
Trade and other receivables	4	1,889,653	1,189,687	1,845,442	1,144,524
Total current assets		6,153,678	3,366,276	5,659,770	2,825,372
Current liabilities					
Trade and other payables	5	1,115,714	1,326,926	1,021,116	1,329,413
Employee benefits	6	102,572	93,925	91,929	87,367
Income in advance		570,025	472,617	583,400	301,334
Total current liabilities		1,788,311	1,893,468	1,696,445	1,718,114
Working capital		4,365,367	1,472,808	3,963,325	1,107,258
Non current assets					
Property, plant and equipment	7	130,441	65,331	112,380	37,375
Intangibles (software)	8	16,312	22,187	16,312	22,187
Total non current assets		146,753	87,518	128,692	59,562
Non current liability					
Total non current liability		-	-	-	-
Net Assets		4,512,120	1,560,326	4,092,017	1,166,820

Notes to the Special Purpose Financial Statements

Statement of significant accounting policies

(i) Basis of reporting

The special purpose financial statements presented are for the reporting entity of the Meat Industry Association of New Zealand (Inc) and the consolidated financial statements of the group consisting of the following organisations; Meat Industry Association of New Zealand (Inc) (“Association”), MIA Holdings Limited, MIA Innovation Limited and Ovis Management Limited (collectively “the Group”).

The purpose of the Association is to act as a trade association formed for the benefit of New Zealand meat processors, exporters and marketers.

The special purpose financial statements of the Association and Group are for the year ended 30 June 2024. The financial statements were authorised for issue by the directors on the 26th August 2024.

(ii) Statement of compliance and basis of preparation

The special purpose financial statements have been prepared in accordance with the accounting policies outlined in (iii) below.

The special purpose financial statements are presented in New Zealand Dollars (NZD). The financial statements are prepared on the historical cost basis except for accounts receivable which are at cost less impairment.

The accounting policies set out below have been applied consistently to all periods presented in these special purpose financial statements.

(iii) Particular accounting policies

Principles of consolidation

The consolidated special purpose financial statements include the financial performance and position of Meat Industry Association of New Zealand (Inc) and its subsidiaries Ovis Management Limited and MIA Innovation Limited. The subsidiaries are accounted for using the purchase method. All inter-company balances and unrealised profit and losses on transactions between group entities are eliminated.

Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment losses.

Depreciation of property, plant and equipment is calculated on a straight-line basis over their useful lives. Gains and losses on disposal of assets are taken into account in determining the operating results for the year. The rates are as follows:

Furniture and fittings	8 - 20%
Leasehold improvements	8.4%
Motor Vehicles	21%
Computer systems	10 - 67%
Office equipment	17.5 - 36%

Intangible assets

Intangible assets are stated at cost less any accumulated amortisation.

Amortisation is recognised in the Income statement on a straight line basis over the estimated useful life of the intangible asset.

Computer software	36 - 40%
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Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Trade and other receivables

Accounts receivable are stated at cost less impairment losses.

Trade and other payables

Trade and other payables are stated at cost.

Goods and Services Tax

The special purpose financial statements are prepared so that all components are stated exclusive of Goods and Services Tax (GST), with the exception of receivables and payables, which include GST.

Taxation

The tax expense recognised in the Statement of Comprehensive Income is the estimated income tax payable in the current year, adjusted for any differences between the estimated and actual income tax payable in prior periods.

No account is taken of deferred income tax.

Revenue

- a Revenue represents amounts received and receivable from members including subscriptions and non-members for services provided during the year. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due. Subscriptions in advance are subscriptions invoiced in June, and included in Accounts Receivable, which relate to the following financial year and hence not included as revenue for the current financial year.

Revenue amounts received and receivable from MBIE, Industry Initiative Fund (collected by the MPI) and direct from industry partners is recognised in profit and loss on a systematic basis in the same periods as expenses are recognised with the balance recorded as income in advance.

- b Revenue from services is recognised in the accounting period in which the services are rendered by reference to the stage of completion of the service contract.
- c Net financing income comprises of interest received on call deposits is recognised in the Statement of Comprehensive Income.

Scholarships revenue and expense

MIA applies for grants from the Food Innovations Training Trust (the "Trust") to fund the MIA Scholarship programme and teaching agribusiness to students. These grants are recognised as revenue to the extent that the scholarships/teaching grants have been expensed in the period. MIA expects any remaining funds to be paid out in future periods or returned to the Trust and recognises a liability for this amount. The scholarships cover multiple years of study however future payments are contingent on scholars passing their current year of study.

Expenses

Expenses represents amounts paid and payable to suppliers for services received during the year.

Employee Benefits

Long Service leave

The Association's net obligation in respect of long service leave is the amount of future benefit that employees have earned in return for their service in the current and prior periods.

1 Operating expenditure

	Group		Association	
	2024 \$	2023 \$	2024 \$	2023 \$
Amortisation of Intangibles (software)	5,875	5,656	5,875	5,656
Audit remuneration	40,000	40,000	31,340	24,000
Other professional services	8,200	8,145	3,650	3,505
Contracts/consultants/projects	504,879	1,138,724	481,537	441,240
Depreciation	27,428	17,933	17,534	7,347
Director's fees - Chairman	80,000	73,333	80,000	73,333
Director's fees - Subsidiary's Chairman	21,000	20,000	-	-
Director's fees - Subsidiary	-	15,000	-	-
Personnel expenses	1,885,288	1,730,612	1,643,656	1,486,892
Rental & leasing costs	107,847	67,564	107,847	67,564
Other operating expenses	735,089	575,086	578,979	390,451
Total operating expenditure	3,415,606	3,692,053	2,950,418	2,499,988

2 Taxation

	Group		Association	
	2024 \$	2023 \$	2024 \$	2023 \$
Reconciliation of effective tax rate				
Operating surplus/(deficit) before tax	2,951,794	495,314	2,925,197	462,303
Income tax using Company tax rate	826,502	138,688	819,055	129,445
Non-assessable income/non-deductible expenses at company tax rate	(790,508)	(122,642)	(791,716)	(122,845)
Losses off set against subsidiary	-	-	1,533	4,388
Losses brought forward and utilised at Company tax rate	-	-	-	-
Tax @ 28%	35,994	16,046	28,872	10,987
Tax benefit of losses not recognised	(35,994)	(16,046)	(28,872)	(10,987)
Income tax expense/(benefit) per income statement	-	-	-	-

The Group has \$392,992 of tax losses to carry forward (2023: \$500,797). The availability of losses to carry forward is subject to the Association continuing to meet the requirements of the Income Tax Act, and agreement of tax losses by the Inland Revenue Department.

3 Cash and cash equivalents

	Group		Association	
	2024 \$	2023 \$	2024 \$	2023 \$
Bank balances	489,437	246,483	489,437	47,358
Call deposits	3,774,588	1,930,106	3,324,891	1,633,490
Balance as at 30 June	4,264,025	2,176,589	3,814,328	1,680,848

4 Trade and other receivables

	Group		Association	
	2024 \$	2023 \$	2024 \$	2023 \$
Trade Receivables	1,441,622	820,498	1,401,161	795,869
GST Receivable	-	18,202	-	-
Other Receivables and Prepayments	448,031	350,987	444,281	348,655
Balance as at 30 June	1,889,653	1,189,687	1,845,442	1,144,524
Impairment loss deducted/(recovered)	-	-	-	-

5 Trade and other payables

	Group		Association	
	2024 \$	2023 \$	2024 \$	2023 \$
Trade Payables	681,582	1,232,724	591,016	1,224,032
GST Payable	133,500	-	132,803	14,299
Halal Certification	252,358	46,119	252,358	46,119
PAYE Payable	48,274	48,083	44,939	44,963
Balance as at 30 June	1,115,714	1,326,926	1,021,116	1,329,413

In addition to the Scholarship funding liability of \$187,873 at 30 June 2024, MIA has committed \$100,000 for scholarships in future years for current scholars which is contingent on passing the current year of study.

6 Employee benefits

	Group		Association	
	2024 \$	2023 \$	2024 \$	2023 \$
Liability for Annual Leave	102,572	93,925	91,929	87,367
Liability for Retirement Leave	-	-	-	-
Balance as at 30 June	102,572	93,925	91,929	87,367

7 Property, plant and equipment

	Group		Association	
	2024 \$	2023 \$	2024 \$	2023 \$
Furniture and fittings				
At cost	76,314	23,971	76,314	23,971
Accumulated depreciation	(11,204)	(19,318)	(11,204)	(19,318)
	65,110	4,653	65,110	4,653
Current year depreciation	5,493	876	5,493	876
Leasehold improvements				
At cost	12,404	-	12,404	-
Accumulated depreciation	(134)	-	(134)	-
	12,270	-	12,270	-
Current year depreciation	134	-	134	-
Motor vehicles				
At cost	40,506	40,506	-	-
Accumulated depreciation	(24,101)	(15,595)	-	-
	16,405	24,911	-	-
Current year depreciation	8,506	8,506	-	-
Computer hardware				
At cost	40,199	40,199	27,503	27,503
Accumulated depreciation	(30,628)	(19,557)	(18,425)	(8,246)
	9,571	20,642	9,258	19,257
Current year depreciation	11,071	6,181	9,999	4,745
Office equipment				
At cost	96,471	88,763	30,132	22,424
Accumulated depreciation	(69,385)	(73,637)	(4,390)	(8,958)
	27,086	15,126	25,742	13,466
Current year depreciation	2,224	2,370	1,908	1,726
Total property, plant and equipment				
At cost	265,894	193,439	146,353	73,898
Accumulated depreciation	(135,452)	(128,107)	(33,973)	(36,522)
	130,442	65,332	112,380	37,376
Current year depreciation	27,428	17,933	17,534	7,347

There is no impairment loss recognised during the year (2023: nil)

8 Intangible Assets - Software

	Group		Association	
	2024 \$	2023 \$	2024 \$	2023 \$
At cost	60,730	60,730	53,735	53,735
Accumulated amortisation	(44,418)	(38,543)	(37,423)	(31,548)
	16,312	22,187	16,312	22,187
Current year amortisation	5,875	5,656	5,875	5,656

9 Investments in subsidiaries

Name of entity	Principal activity	% Interest held	
		2024	2023
MIA Holdings Limited	General Partner of Limited Partnerships undertaking applied industry research	100	100
MIA Innovation Limited	Research & development	100	100
Ovis Management Limited	Control of C. Ovis Cyst.	100	100

The companies are incorporated in New Zealand and have balance dates of 30 June.

10 Lease reinstatement provision

Under the termination of its sublease, the Association is required to reinstate the premises to the condition prevailing upon the commencement of the sublease.

11 Operating leases

Non-cancellable operating lease rentals are payable as follows:

	Group		Association	
	2024 \$	2023 \$	2024 \$	2023 \$
Operating leases				
Not later than one year	130,108	114,081	130,108	114,081
Later than one year and not later than five years	520,433	650,541	520,433	650,541
Later than five years	433,694	422,852	433,694	422,852
Total	1,084,235	1,187,474	1,084,235	1,187,474

12 Capital commitments

There are no capital commitments as at 30 June 2024 (2023: nil).

13 Contingent liabilities

There are no contingent liabilities outstanding as at 30 June 2024 (2023: nil).

14 Related party information

(i) Identity of related parties

The immediate parent entity is Meat Industry Association of New Zealand (Inc). All members of the group are considered to be related parties of Meat Industry Association of New Zealand (Inc). This includes the subsidiaries defined in note 10.

In presenting the special purpose financial statements of the group, the effect of transactions and balances between the subsidiaries and the parent entity have been eliminated.

The Association is a voting member of MIRINZ Food Technology and Research Incorporated ("MIRINZ"), over which the Association is deemed to have significant influence. The interest in MIRINZ is not equity accounted as the Association shall not be called upon for contributions nor is it eligible for any distributions.

MIA Innovation Limited pays service fees of \$56,250 (2023: \$56,250) to Meat Industry Association of New Zealand (Inc) for administration services provided. As at year end, the Association has recognised a receivable from MIA Innovation Limited for the amount of \$18,018 (2023: \$20,283). This relates to service fees and travel expenses paid by Meat Industry Association on MIA Innovation Limited's behalf.

During the year ended 30 June 2024, the Group received \$4,663,704 (2023: \$4,406,888) from companies related to the nine Council members which was included in operating revenue, the \$195,736 amount includes the Halal certification revenue which is offset by expenses within the Profit and Loss statement, and has recognised a receivable of \$410,968 (2023: \$409,633) from these companies. In addition, included within the Halal Certification payable, there is \$219,999 (2023: \$46,733) payable by the Group to the companies relating to the nine Council members.

(ii) Related party transactions

Ovis Management Limited pays service fees of \$22,726 (2023: \$21,200) to Meat Industry Association of New Zealand (Inc) for administration services provided. As at year end, the Association has recognised \$586 as receivable from Ovis Management Limited (2023: \$6,464). This relates to service fees and office expenses paid by Meat Industry Association on Ovis Management Limited's behalf.

(iii) Remuneration

Total remuneration is included in personnel expenses (see note 1).

The Chairman is paid an annual fee; (see note 1).

15 Subsequent events

There are no events subsequent to balance date that would materially effect these special purpose financial statements (2023: nil).

PEOPLE



MIA Council



Nathan Guy

Nathan was appointed as the Association's Independent Chair in June 2022 and formally took over the role at the Red Meat Sector Conference in August 2022. He served in Parliament for 15 years and was Minister for Primary Industries for five years. Nathan is also Independent Chair of Apiculture New Zealand.



Dan Boulton

Dan Boulton is the Chief Executive of Silver Fern Farms and has been a Council member since February 2024.



Peter Conley

Peter Conley is the Chief Executive of ANZCO Foods Limited and has been a Council member since April 2017. Peter has worked in various roles at ANZCO Foods since 1991.



Tony Egan

Tony is the Chief Executive of Greenlea Premier Meats Ltd and has been a Council member since December 2011.



Fred Hellaby

Fred is Chairman of Auckland Meat Processors Ltd, Managing Director of Wilson Hellaby Ltd and a Director of Mathias International Ltd. Fred has been a Council member since February 2009.



Gerard Hickey

Gerard is Managing Director of First Light Foods and joined the Council in September 2022.



Arron Hoyle

Arron is a Director of Kereru Foods. He has been a Council member since February 2021 until 1 May 2024.



Simon Limmer

Simon is the Chief Executive of Silver Fern Farms Ltd and was a Council member from April 2018 to December 2023.



Willem Sandberg

Willem is Managing Director of Ovation New Zealand and joined the Council in September 2022.



Nigel Stevens

Nigel is Chief Executive of AFFCO New Zealand Limited, part of Talley's Group Ltd group of food companies. Nigel has been an MIA Council member since February 2019.



Willie Wiese

Willie is Chief Executive of Alliance Group Ltd and joined the Council in February 2023.



Nicky Hyslop

Nicky is a Director of B+LNZ Ltd and joined the MIA Council as an observer in April 2023.

MIA Council Meetings

The MIA Council held five ordinary meetings in the year ended 30 June 2024 plus one special meeting to approve the 2022/23 accounts, in addition to the Annual General Meeting in September 2023.

* = Present	8 September 2023 Special meeting	14 September 2023	5 December 2023	12 February 2024	23 April 2024	19 June 2024
Nathan Guy	*	*	*	*	*	*
Dan Boulton	Apologies	Not on Council		*	*	*
Peter Conley	*	*	*		*	*
Tony Egan	Apologies	Proxy Aaron Craig	*	*	*	*
Fred Hellaby	Apologies	*	*	*	*	*
Gerard Hickey	*	*	*	*	*	Apologies
Aaron Hoyle	Apologies	*	*	*	*	*
Simon Limmer	Apologies	*	*	Not on Council		
Willem Sandberg	Apologies	*	*	*	*	*
Nigel Stevens	*	*	Apologies	*	*	*
Willie Wiese	Apologies	Apologies	*	Apologies	*	*
Nicky Hyslop	Apologies	*	*	*	*	*

Annual General Meeting

The Association's 39th Annual General Meeting (AGM) was held in Wellington on 14 September 2023. Proceedings saw the unanimous adoption of the 2022 AGM minutes and the 2023 Annual Report, and the changes to the MIA rules. The motion to reappoint KPMG as the Association's auditor for the year ending 30 June 2024, and the election and confirmation of the MIA Council for the 2023/2024 year were adopted.



Network

The Association is fortunate to be able to draw on considerable expertise within the membership, and there are a number of formal and informal groups that assist the Association on specific issues.

Directorships, Memberships and Trusteeships

American Chamber of Commerce in New Zealand Incorporated

Sirma Karapeeva – Director

Beef + Lamb New Zealand Limited / Meat and Wool Trust Limited / NZ Meat Board

Peter Conley – Director

Beef + Lamb New Zealand Inc

Chair: Fred Hellaby

Board: Sirma Karapeeva (MIA), Sam McIvor and Kate Acland (B+LNZ Ltd), Jason Trewern (Retail Meat NZ), Brigit Corson (Foodstuffs NZ), Nikhil Sawant (Woolworths NZ Ltd), Rick Walker (ANZCO Foods)

Food Innovations Training Trust

Nathan Guy, Sirma Karapeeva – Trustees. (Trust being wound up)

MIRINZ Food Technology and Research Incorporated

Tony Egan, Sirma Karapeeva – Members

Wholly owned subsidiary Ovis Management Limited

Board: Andrew Morrison (Chair), Sirma Karapeeva, Gregory McSkimming, George Tatham, Jason Griffin (Associate Director)

Staff: Michelle Simpson

Wholly owned subsidiary Meat Industry Association Innovation Limited

Chair: Nathan Guy

Board: Sirma Karapeeva

Staff: Kaylene Larking

Wholly owned subsidiary Meat Industry Association Holdings Limited

Board: William Falconer

Strategic Directions Group

Industry: Richard McColl (Co-Chair), Kellie Jamison, Sirma Karapeeva, Gary Lindsay, Gary MacLennan, Karsten Wishnowsky (until May 2024), Neil Smith, Alastair Bayliss (from May 2024)

MPI: Vincent Arbuckle (Co-Chair), Steve Ainsworth, Roger Cook, Allan Kinsella

Sub-Groups and Committees

Meat Industry Health and Safety Forum

Members: Cushla Beale (AsureQuality), Jason Farrow, Shane Fletcher, Krissy Hansen, Stacey Marsh, Richard McColl, Rachael Morris, Bruce Ramsey, Kass Saimoni, Ross Smith, Amanda Stephens (New Zealand Meatworkers' Union), Kurt Thomas

HR Leaders' Group

Members: Dane Gerrard (Chair), Matt Carter, Craig Coburn, Aaron Craig, Sirma Karapeeva, Stephanie Manning

Attendees: Richard Hellaby, Carolyn Thomson, Sian Williams

Renderers' Group

Amanda Bignell, Gordon Henderson, Dave King, Tom Macleod, Richard McColl, Jan Paton, Matthew Spence

Staff



Sirma Karapeeva
Chief Executive Officer



Jason Krupp
Manager Strategy & Advocacy (Until June 2024)



Ashlin Chand
Manager – Policy and Trade



Kaylene Larking
Partnership Manager



Leigh Coleman-Shaw
Manager Strategy & Advocacy
(From July 2024)



Richard McColl
Industrial Operations and
Innovations Manager



Matt Conway
Policy Analyst



Michael Pran
Accountant



Beverly Dixon
Executive Assistant
(January-April 2024)



Tatyana Protsenko
Industry Training and Workforce
Development Senior Advisor



Stephanie Fathers
Executive Assistant
(from April 2024)



Natasha Watzdorf
Specialist Advisor: Technical and
Regulatory

Christopher Guy
In-house Legal Counsel

Lisa Bain
Executive Assistant (until December
2023)

Members

Contact details for MIA Members and Affiliate Members can be found on the [MIA website](#).

Members	Affiliate members
Advance Marketing Limited	Abattoirs Association of NZ
AFFCO New Zealand Limited	AgResearch Limited
Alliance Group Limited	Alfa Laval New Zealand Limited
Ample Group Limited	Americold NZ Limited
ANZCO Foods Limited	Aon New Zealand
Ashburton Meat Processors Limited	AsureQuality Limited
Auckland Meat Processors Limited	AusPac Ingredients NZ limited
Bakels Edible Oils (NZ) Ltd	Beca Limited
Ballande NZ Ltd	Centreport Limited
Black Origin Meat Processors (Gore) Limited	CMA CGM Group Agencies (NZ) Ltd
Blue Sky Meats (N.Z.) Limited	CoolTranz 2014 Ltd
Columbia Exports Limited	Global Life Sciences Solutions New Zealand
Crusader Meats New Zealand Limited	G-Tech Separation Limited
Davmet (New Zealand) Limited	Haarslev Industries New Zealand
Fern Ridge Limited	Hapag-Lloyd (New Zealand) Limited
Firstlight Foods Limited	Intralox New Zealand
Garra International Limited	Kemin Industries (NZ) Ltd
GrainCorp Commodity Management (NZ) Limited	Liquistore (H B) Limited
Greenlea Premier Meats Limited	Maersk A/S
Harrier Exports Limited	MJI Universal Pte Ltd
Integrated Foods Limited	Moda Systems NZ Limited
Kereru Foods Limited	Oceanic Navigation Limited
Kintyre Meats Limited	Port of Napier Limited
Lean Meats Oamaru Limited	Port Otago Limited
Lowe Corporation Limited	PrimeXConnect
Mathias International Limited	Pyramid Trucking Limited
Ovation New Zealand Ltd	Rendertech Limited
Peak Commodities Limited	Rockwell Automation (N.Z.) Ltd
Prime Range Meats Limited	SCL Products Limited
Progressive Meats Limited	Scott Technology Limited
PVL Proteins Limited	Sealed Air (New Zealand)
SBT Marketing (2009) Limited	SHICO Limited
Silver Fern Farms Ltd	Suncorp New Zealand Services Limited
Standard Commodities NZ Limited	Wiley NZ Limited
Taylor Preston Limited	
Te Kuiti Meat Processors Limited	
UBP Limited	
Value Proteins Limited	
Waimarie Meats GP Limited	
Wallace Group Limited Partnership	
Wilbur Ellis (New Zealand) Ltd	
Wilmar Trading (Australia) Pty Ltd	



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