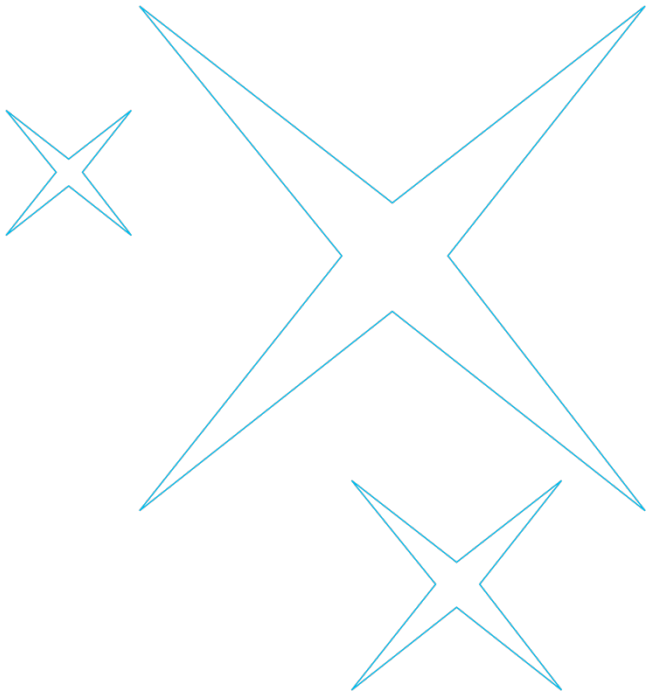
June 2025

Aotearoa New Zealand Sustainable Finance Taxonomy technical screening criteria

Draft for first public consultation



Acknowledgements

The NZ Taxonomy has been developed through a robust and credible process that was established in alignment with leading international efforts in designing local taxonomies. This process has included the involvement of a diverse range of expertise, strong governance, regulatory oversight, transparency and safeguards against undue political or industry interference.

We sincerely thank everyone who has given time and consideration to the development of the first draft of the NZ Taxonomy.

Two working groups have developed this draft of the NZ Taxonomy:

1. Technical Advisory Group (TAG) – this sector-specific group has provided technical inputs to develop the substantial contribution criteria for the Agricultural and Forestry sectors, as well as the activity specific DNSH for these sectors.
2. Technical Experts Group (TEG) – this group is overseeing the development of the entire NZ Taxonomy and have focused on usability, interoperability and ensuring the NZ Taxonomy delivers on its intended purpose.

TEG members

TEG co-Chairs

1. Andy Reisinger, Independent Climate Change Expert
2. Pip Best, Partner – Climate Change & Sustainability Services, EY Oceania

TEG members

3. Adam Coxhead, Head of Sustainable Finance, Bank of New Zealand
4. Caroline Poujol, Director – Sustainable Finance (NZ), ANZ
5. David Hall, Policy Director, Toha Network
6. David Woods, Independent
7. Feng Hu, International Specialist, United Nations Environment Programme Finance Initiative (UNEP FI); Founder and Director, silkroad.earth
8. Fonteyn Moses-Te Kani, Pou Tiaki – Director Māori Strategy & Indigenous Inclusion, Westpac New Zealand
9. Greg Munford, Senior Investment Strategist – Sustainable Investment, New Zealand Superannuation Fund
10. James Paterson, Head of Sustainable Finance, ASB
11. Jeremie Madamour, Principal Advisor – Climate Change & Sustainability Reporting, External Reporting Board (XRB)
12. Joanna Silver, Head of Sustainable Finance, Westpac New Zealand
13. Jono Broome, Associate Director – Client Advisory APAC, Morningstar Sustainalytics
14. Jorge Waayman, Manager – ESG Research, Harbour Asset Management
15. Julia Langley, Managing Director – Switzerland & New Zealand, Green Wave Advisory
16. June McCabe, Independent Director; Pou Tahua Representative, National Iwi Chairs Forum (NICF)

17. Sean Fullan, Resilience & Recovery Manager, Insurance Council of New Zealand (ICNZ)
18. Stefan Gray, Manager – Strategic Climate Initiatives, Reserve Bank of New Zealand (RBNZ)

Agriculture/Forestry TAG members

1. Charles Taituha, Māori Strategy & Relationship Lead, Beef + Lamb New Zealand
2. Dan Coup, Chief Executive, QEII National Trust
3. Elizabeth Rose Heeg, Chief Executive, New Zealand Forest Owners Association (NZFOA); Chief Executive, Forest Growers Levy Trust
4. Gavin Marshall, Sustainability Manager, Rabobank New Zealand
5. Glenn Moir, Owner and Director, Forest Management Group; Chair, Canterbury West Coast Wood Council (CWCWC); Director, Forever Forests
6. Graeme Doole, Science Group Manager – Ethical Agriculture, AgResearch
7. Jacqui Aimers, Trustee, Tāne's Tree Trust
8. Jeff Ilott, Executive Director, New Zealand Timber Industry Federation (NZTIF); Chief Executive, New Zealand Timber Preservation Council
9. Kevin Ihaka, Managing Director, Forest Protection Services Trust, FPS Geospatial, FPS Forestry
10. Klaeri Schelhowe, Founder and Managing Director, Scheddebrock
11. Lee Matheson, Principal Consultant and Managing Director, Perrin Ag Consultants
12. Manu Caddie, Co-Founder and Managing Director, Matawai Bio; Founder and Managing Director, IO Ltd; Managing Director, Hikurangi Bioactives LP; Managing Trustee, Kānuka Charitable Trust
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17. Scott Burnett, Regional Conservation Manager and Climate & Forestry Advocacy Lead, Forest & Bird
18. Simon Love, Head of Sustainability Assurance, AsureQuality
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20. Terina Williams, Senior Investment Strategist – Sustainable Investment, New Zealand Superannuation Fund
21. Turi McFarlane, Head of Rural Sustainability, ASB

The following experts also provided significant input into the substantial contribution criteria for climate change mitigation in perennial and non-perennial crops:

22. Michelle Sands, General Manager – Strategy & Policy, Horticulture New Zealand
23. Edwin Massey, General Manager – Sustainability, New Zealand Winegrowers

Additionally, throughout the process there has been input from and engagement with a wide range of stakeholders, including government officials, research organisations, industry bodies, real economy participants, iwi and Māori organisations, and environmental NGOs.

We also acknowledge and thank these stakeholder organisations for their input to the draft criteria or for participating in group sessions and one-on-one meetings, providing general feedback or topic-specific insights and technical inputs.

To support this work, CSF engaged the **Climate Bonds Initiative** (CBI) as the technical partners for the NZ Taxonomy development. The Climate Bonds Initiative is an international organisation working to mobilise global capital for climate action. The mission is to help drive down the cost of capital for large-scale climate and infrastructure projects and to support governments seeking increased access to capital markets to meet climate and GHG emission reduction goals. CBI have contributed to the development of almost every sustainable finance taxonomy globally, including to the EU, Singapore, Brazil and Australian taxonomies. We thank them for their expertise and guidance.

The Centre for Sustainable Finance: Toitū Tahua (CSF) provides coordination and secretariat functions for the development of the NZ Taxonomy.

CSF is an independently governed charitable trust, established in 2021 by leading financial institutions and philanthropies to advance progress toward the recommendations of the Sustainable Finance Forum.

Ngā mihi nui.

Introduction

The Sustainable Finance Taxonomy (NZ Taxonomy) is a framework to support Aotearoa's long-term prosperity and resilience, through enabling market participants to direct and mobilise capital into environmentally sustainable activities.

The NZ Taxonomy is a classification system which labels economic activities which contribute to environmental objectives and defines the criteria those activities must meet to be considered aligned.

Work on the NZ Taxonomy in 2025, is focused on developing classifications and criteria for Agriculture and Forestry sector activities that contribute to the goals of climate change mitigation, adaptation and resilience.

NZ Taxonomy purpose and role

The purpose of the NZ Taxonomy is to enable market participants to mobilise and direct capital flows towards:

- Building a low-emissions, Paris-aligned future;
- Restoring nature; and
- Upholding the rights and interests of Indigenous Peoples of the land.

The NZ Taxonomy provides clear, credible and domestically relevant definitions and criteria to identify and classify environmentally sustainable activities. These enable investors and financial institutions to more easily identify environmentally sustainable investment opportunities, reducing friction. The NZ Taxonomy can also help businesses identify opportunities to access capital and establish standardised, transparent and credible performance criteria for sustainability claims.

The NZ Taxonomy is not a regulatory or compliance framework. It does not assess the wider sustainability credentials of an entity, nor risk associated with any investment. It does not create a mandatory list for investments, nor limit access to any other forms of finance.

The NZ Taxonomy is one tool that can be used to support Aotearoa New Zealand's transition to a lower emissions economy. The NZ Taxonomy is not meant to determine or prescribe the future economic mix, but to provide support for and stepping-stones on the transition to a Paris-aligned future.

Delivering on global and domestic targets to meet the Paris Agreement requires a broad range of activities to reduce overall emissions volumes. Underlying frameworks like the NZ Taxonomy can support this, alongside national policy, sector-specific emissions reduction plans, emissions pricing mechanisms and corporate efforts.

NZ Taxonomy development process and governance

Following initial scoping and stakeholder engagement led by the Centre for Sustainable Finance: Toitū Tahua (CSF) and the Ministry for the Environment (MfE), the Minister for Climate Change invited CSF to provide recommendations on key design considerations for the NZ Taxonomy.

In July 2024, CSF presented 18 recommendations – developed by an Independent Technical Advisory Group (ITAG) – to the Minister in a formal report. Building on these recommendations, the Minister directed work to begin on the NZ Taxonomy's climate change mitigation and adaptation & resilience (A&R) criteria, starting with the Agriculture and Forestry sectors, in November 2024.

CSF has convened, through an open-EOI process, a Technical Experts Group (TEG) and Technical Advisory Group (TAG) of experts to co-design the NZ Taxonomy criteria. CSF has engaged the Climate Bonds Initiative (CBI) as the technical partners for the development of the NZ Taxonomy. CBI has led the development of sustainable finance taxonomies globally, including in the EU, ASEAN, Brazil and Australia. CSF provides coordination and secretariat functions for the development of the NZ Taxonomy. Read more about governance and process to develop the NZ Taxonomy here.

NZ Taxonomy structure

NZ Taxonomy consists of four main components. Alignment with the NZ Taxonomy occurs when an activity satisfies the requirements of each component:

1. Determining eligible activities and classifying them as green or transition. This is based on the activity categories' overall compatibility with a low-emissions future. Review the definitions, classification methodology and the classification of Agricultural and Forestry activity categories here.
2. Substantial Contribution (SC) criteria – The activity being considered must demonstrate substantial contribution to an environmental objective (e.g. climate change mitigation or adaptation), going beyond business-as-usual practices. Read more about the development of these criteria here.
3. Do No Significant Harm (DNSH) criteria – The activity making this substantial contribution must not cause significant negative impacts on other environmental objectives. Read more about the development of these criteria here.
4. Minimum Social Safeguards (MSS) – Entities seeking NZ Taxonomy alignment must also meet minimum standards for social responsibility, including labour rights, governance and indigenous rights. Read more about the development of these criteria here.

Key design decisions

Global Taxonomy design conventions

It is important that the NZ Taxonomy is interoperable with established taxonomies, particularly with key trading partners. The NZ Taxonomy's design has benefited from the extensive review of benchmark taxonomies, including the EU, Australian and Singapore. Global conventions the NZ Taxonomy will be following include:

- **SC criteria apply to activities, not entities.** This allows the NZ Taxonomy to be granular, specific, and flexible, as well as interoperable. Read more here.
- **The boundaries of an activity are to the farm/forest gate.** This includes on farm/forest use of inputs produced upstream such as fertiliser or energy. The exception is 'enabling activities' for climate change mitigation or adaptation, which may take place beyond the farm/forest-gate such as staff training, or data storage. Read more here.

Ministerial Direction

Prior to commencing development of these criteria, the Minister of Climate Change agreed with several design recommendations and provided direction, which has underpinned the design of these criteria

- The six Environmental Objectives:
    - Climate change mitigation (prioritised for substantial contribution criteria development, available in this consultation)
    - Climate change adaptation (prioritised for substantial contribution criteria development, drafts will be consulted on in September 2025)
    - Sustainable use and protection of water resources and marine resources
    - Protection and restoration of biodiversity and ecosystem
    - Pollution prevention and control
    - Transition to a circular economy
- The inclusion of a separate **transition** category, to encourage substantial movements towards a 1.5-degree pathway for a defined and limited list of sectors/activities that are material and relevant to NZ, for activities within a pre-determined period of time and that have no low-carbon alternative.
- That the NZ Taxonomy be initially **voluntary**, with scope to become mandatory. In this context, mandatory would mean financial institutions report on NZ Taxonomy aligned lending and investments. It would not require all financing to be NZ Taxonomy aligned.
- Directed **strong trans-Tasman alignment** between the NZ and Australian taxonomies.

Read more here.

About this consultation

This consultation pertains to the draft methodological approaches and criteria for:

- Defining green and transition activity categories for the climate change mitigation objective. Note this methodological approach will be used for all sectors developed under this objective.
- SC criteria for the climate change mitigation goal in the Agricultural and Forestry sectors.
- Generic DNSH criteria for all sectors, across all environmental objectives.
- Activity-specific DNSH criteria, for the Agricultural and Forestry sectors.
- MSS for entities seeking NZ Taxonomy alignment from all sectors, under all environmental objectives.

There are also additional questions related to the next steps for the NZ Taxonomy development.

You may respond to any of the components, all or some combination of them

Submissions may be made through the online consultation form (here, or by emailing a document to taxonomy@sustainablefinance.nz. Submissions which answer the consultation questions will be prioritised. You can download the full set of questions here.

The consultation is open from June 16 – July 13.

Please contact taxonomy@sustainablefinance.nz for any questions or assistance.

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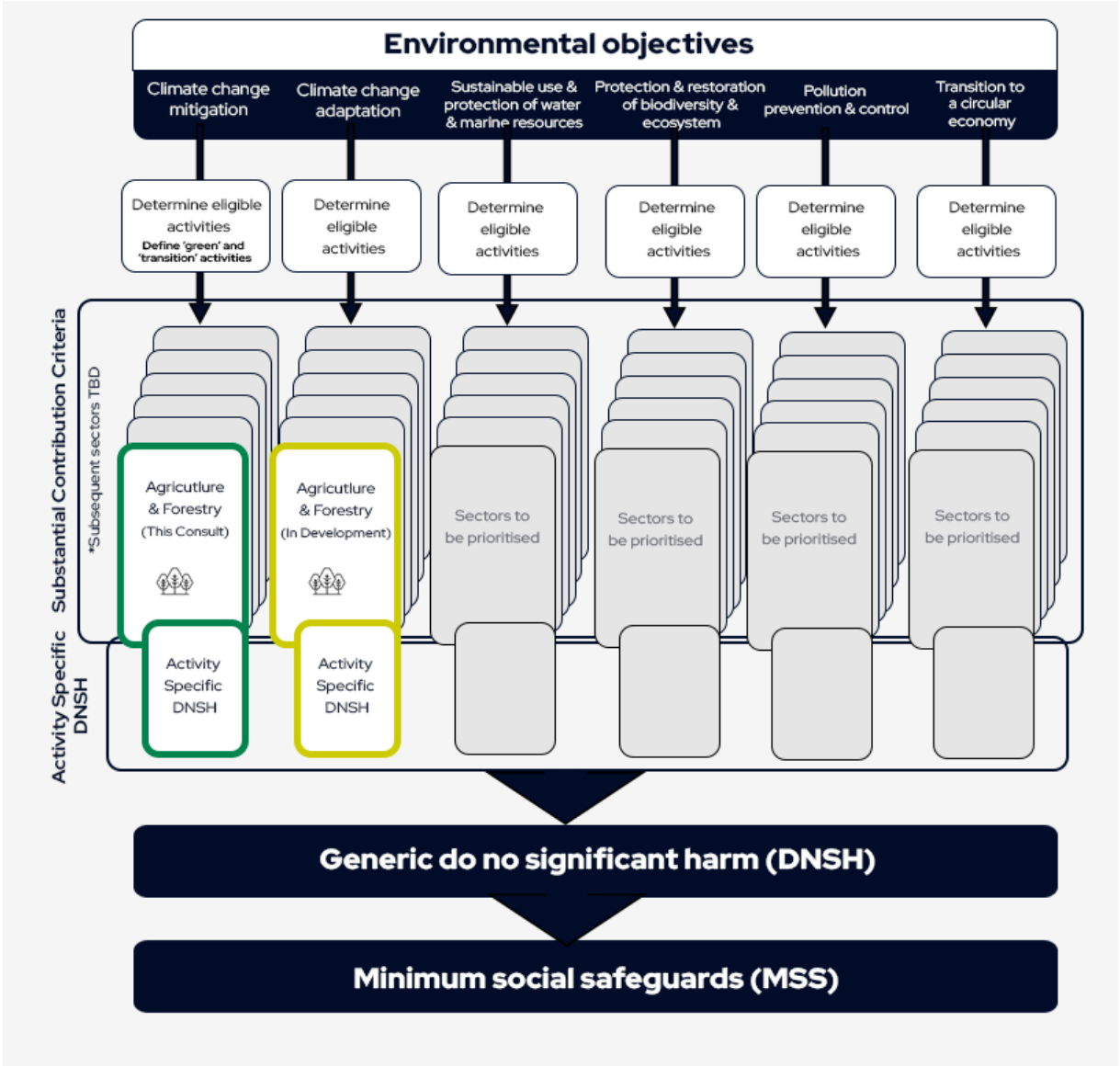
Structure of the NZ Taxonomy



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Substantial contribution criteria for climate change mitigation – Draft for public consult

Aotearoa New Zealand Sustainable Finance Taxonomy (NZ Taxonomy) – Agriculture and Forestry

Purpose of this document

This section presents the draft substantial contribution (SC) criteria for climate change mitigation as they apply to agriculture, forestry and other land use activities under the Aotearoa New Zealand Sustainable Finance Taxonomy (NZ Taxonomy). It is intended for review as part of a broader consultation package.

What are SC criteria?

The SC criteria define the thresholds and requirements that an economic activity or measure must meet to be considered as making a substantial contribution to an environmental objective — in this case, climate change mitigation. These criteria are grounded in robust technical and scientific evidence and are designed to ensure that activities go beyond business-as-usual and meaningfully advance emissions reduction towards alignment with the Paris agreement.

The criteria may take the form of performance thresholds (e.g., emissions reduction percentages), or, where appropriate and justified by evidence, the use of eligible practices as proxies in areas where data availability limits the establishment of quantified metrics.

Why are these criteria important?

The SC criteria are a critical component in determining whether an economic activity is aligned with the NZ Taxonomy. They are the only part of the framework specifically designed to drive positive outcomes for one of the Taxonomy's environmental objectives.

How to use this document?

NZ Taxonomy alignment is assessed through a four-step process:

- Activity eligibility and categorisation: The activity must fall within an overall category deemed eligible for inclusion under the green or transition classifications of the Taxonomy.

- SC: The activity must demonstrate a substantial contribution to at least one environmental objective – in this case, climate change mitigation.
- Do no significant harm (DNSH): The activity must not significantly harm any of the other environmental objectives, as assessed against the generic and activity-specific DNSH criteria.
- Minimum social safeguards (MSS): The entity undertaking the activity must comply with the requirements set out under each of the MSS pillars.

All four conditions must be satisfied for an activity to be deemed NZ Taxonomy-aligned.

All SC criteria contain details about:

1. **Process requirements** – these detail the processes and performance metrics that must be met for this activity to be NZ Taxonomy aligned
2. **Eligible practices** – these detail the applicable practices that a proponent may seek NZ Taxonomy aligned finance for. These practices will make substantial contribution to the Environmental Objective. Supporting practices – which enable the eligible practices may also be included.
3. **Monitoring** – these detail monitoring requirements for performance
4. In some instances, **additional criteria or exclusions/restrictions** may also be detailed

This document is intended to support technical review and targeted feedback from stakeholders and sector experts. It should be read in conjunction with the following accompanying consultation materials, which provide essential context and explain the methodology underpinning the broader Taxonomy framework:

- Introduction– which outline the overarching purpose and structure of the NZ Taxonomy, as well as key decisions which have shaped the direction and design here.
- Methodology for classification of activity categories as green or transition here.
- DNSH framework – sets out environmental safeguards at the activity level here.
- MSS framework – defines minimum social and governance standards at the entity level here.

Green versus transition activity categories at a glance

Activities for which SC criteria have been developed are determined eligible and classified as green or transition based on the methodological approach established here. **Green activities are noted in the criteria below, all other activities are considered transition.** Both green and transition activities are NZ Taxonomy aligned.

Types	Activities	Green?	Transition?
Agriculture	Whole-of-farm activity	Yes	Proposed
	Livestock grazing and animal production (including ruminant and monogastric)		Yes
	Perennial and non-perennial crops (including horticulture)		Yes
	Support measures for Agriculture		Yes
Forestry	Afforestation and reforestation	Yes	Yes
	Rehabilitation	Yes	Yes
	Forest management	Yes	Yes
	Conservation forestry	Yes	Yes
	Support measures for Forestry		Yes
Other land management, restoration and conservation	Conservation of natural ecosystems	Yes	Yes
	Protection, restoration and creation of other ecosystems	Yes	Yes
	Support measures for natural ecosystems		Yes

Agriculture substantial contribution criteria for climate change mitigation

Note to proponents

Within agriculture, proponents can use either:

- A0 whole farm transition activity and incorporate measures from A1 to A3 (no limit on measures to be incorporated to the plan); or
- one or multiple transition measures and/or agriculture support measures from A1 to A3. Any relevant process requirements outlined in the decarbonisation measures (e.g., management plans) can be incorporated into a single Farm Environment Plan (FEP).

A0. Whole farm activity (green activity)

Under the whole farm transition activity, farms with a low emissions system that meet a threshold can be categorised as Green under the NZ Taxonomy.

Green: The farm activity will be green under the Taxonomy if the emissions are at or below 1 tonne of carbon dioxide equivalent per hectare per year.

Proposed transition whole of farm activity: The TEG/TAG have proposed the development of a transition whole of farm activity, for proponents making substantial progress in emissions reduction. In order to develop this activity further input is being sought via the consultation on the approach, targets, measurement and appropriate guidance for this activity. Please refer to the consultation questionnaire to provide input on these.

Process and requirements

A. The land on which the activity is being applied must not have been subject to the conversion of a forest or natural ecosystem since 31 December 2020 (see land conversion definitions).

B. Grazing or farming must not be undertaken on land with high carbon stock, specifically land that currently has any one the following statuses (or had such a status in the base year of 2008):

   a. Wetland: Land that includes permanently or intermittently wet areas, shallow water, and land-water margins that support a natural ecosystem of plants and animals that are adapted to wet conditions.

   b. Land of continuously natural forest areas spanning more than one hectare with trees higher than 5 metres and a canopy cover of more than 10 percent, or trees able to reach these thresholds in situ, to ensure resilience and biodiversity outcomes.

   c. Drained peatland: Unless measures are undertaken to re-wet this land alongside the cultivation and harvesting of raw material.

C. A clearly defined baseline for activity-level emissions and carbon sinks must be established, or, if unavailable, a detailed plan for baseline establishment must be provided. The baseline must identify key emissions sources and sinks across the entire activity, following an assessment based on either the GHG Protocol Agricultural Guidance, MPI's Farm Emissions Methodology or calculators that align to the GHG Protocol.

D. Develop, implement, and maintain a Farm Environment Plan (FEP) or recognised industry assurance report tailored to the needs of the livestock or farming activity that details the farm's strategy to:

   a. Reduce emissions.

   b. Increase or maintain (in the case of saturation) sequestration.

E. The FEP or recognised industry assurance report must:

   a. Describe the farm's biophysical environment and production system including information on land use change.

   b. Detail the nutrient management plan, including soil type and its needs, pasture requirements, historical fertiliser applications and rotations and seasonal conditions and forecasts.

   c. Measure the farm's emissions baseline, i.e., its average annual performance in terms of GHG emissions and carbon sequestration (using an appropriate and approved system for farm level accounting).

   d. Identify the management practices that ensure the compliance with the minimum requirement criteria related to conversion of native forest and high-carbon stock land.

Eligible practices

A. Eligible practices can include both existing and new practices on the farm.

B. Any combination of practices outlined in the activities or measures from the agriculture, forestry and other land use taxonomy are permitted.

Monitoring

A. The farm must keep a yearly record of its emissions, including:

   a. Information on the deployment of management practices.

   b. Information on GHG emissions and removals, that is:

      i. Based on best available data; and/or

      ii. Demonstrates its activities contribute substantially to climate change mitigation by deploying all of the essential management practices, except those that are clearly not applicable to the farm.

A1. Livestock grazing and animal production

A1.1 Nutrient management

Efficient nitrogen use in livestock systems to minimise nitrous oxide emissions is achieved through substituting fossil-fuel derived fertiliser with low-emission fertilisers, the application of Enhanced Efficiency Fertilisers (EEFs), and/or by optimising fertilisation techniques.

Process and requirements

The measure must comprise all the following:

A. Develop, implement and maintain a nutrient management plan tailored to the needs of the livestock activity. The plan should align with the guidance and monitoring approach outlined in relevant Industry Assurance Plans (see Industry Assurance Schemes). For industries without guidance for an Industry Assurance Plan, the nutrient management plan should, at a minimum, include soil type and its needs, pasture or fodder crop requirements, historical fertiliser applications and rotations, seasonal conditions and forecasts, and incorporate one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the nutrient management plan, with certification through an Industry Assurance Plan or verification by a qualified expert (e.g., Certified Nutrient Management Advisor or agronomist) with evidence of one of the following:

   a. Within three years, at least 80% of all fertilisers used must be low-emission fertilisers.

   b. Measurable reduction of N2O emissions relative to its baseline of at least 1.5% per year (measured following GHG Protocol Agricultural Guidance).

C. Fertiliser application must comply with the following:

a. When EEFs exempt from ACVM registration are used, they must comply with the Agricultural Compounds and Veterinary Medicines (ACVM) Exempt and Prohibited Substances Regulations 2011 and/or subsequent updates and amendments, as well as Notices regarding exempt fertilisers, plant biostimulants, and soil conditioners.

b. Use of EEFs which have claims that mean they are registered under the ACVM Act 1997 must comply with the conditions of registration. Shelf-life is considered as part of the ACVM registration process.

Eligible practices

Eligible practices that support sustainable nutrient management, which may include both existing and new practices on farm, along with their associated costs, include:

A. Purchasing EEFs that meet the specified criteria mentioned above. Common types of EEFs include fertilisers coated with nitrification inhibitors, urease inhibitors, polymer-coated , sulphur-coated or slow-release fertilisers and controlled-release fertilisers.

B. Using manure or slurry to substitute for or to reduce use of mineral N fertiliser. For on-farm manure application demonstration of a plan for optimised timing, placement and inhibitors in order to reduce N emissions without sacrificing yield.

C. Use of nitrification inhibitors to slow down the conversion of urea to ammonia.

D. Using nitrogen-fixing microorganisms (either naturally occurring or introduced, including in legumes) that demonstrably reduce reliance on synthetic fertilisers and are additional to normal farm practices.

Supporting practices

E. Engaging and/or conducting agronomic services and soil testing to determine the appropriate application of fertilisers based on soil and pasture/livestock needs.

F. Implementing Variable Rate Technology (VRT) and techniques, for fertilisation, irrigation, and other relevant applications, enabling precise application of inputs to different areas of the field based on their specific needs. This includes costs related to purchasing, installing, upgrading, or maintaining relevant equipment and infrastructure, as well as acquiring data solutions.

G. Installing or optimising irrigation systems and micro-sprinklers to improve controlled fertiliser application and prevent waterlogging.

A1.2 Livestock management

Implement or maintain sustainable ruminant livestock management practices to reduce methane production.

Process and requirements

The measure must comprise all the following:

A. Develop, implement, and maintain a Farm Environment Plan (FEP) tailored to the needs of the livestock activity. The plan must include livestock and pasture requirements, as relevant, and incorporate one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the Farm Environment Plan (FEP) with verification by a qualified expert (e.g., livestock consultant, livestock nutritionist, agronomist, etc.) with evidence of the following:

    a. Measurable reduction of CH4 emissions relative to a baseline of at least 2% per year (measured following GHG Protocol Agricultural Guidance).

C. Livestock operations must meet feed predominantly through grazing or forage crops.

D. Listed interventions in the FEP must align to approved interventions and listed efficacy rates in MPI's Farm Emissions Method.

Eligible practices

Eligible practices, which may include both existing and new practices on farm, along with their associated costs, include:

A. Use of livestock selectively bred for lower methane genetic traits.

B. Improving fertility rates.

C. Increase of animal performance combined with stocking rates to increase efficiency.

D. Incorporating silvopastoral or agroforestry practices within the livestock production system (refer to taxonomy-aligned decarbonisation measure A1.4 Silvopastoral for criteria).

E. Using feed supplements or additives that reduce methane emissions (refer to taxonomy-aligned decarbonisation measure A1.5 Methane reduction in livestock for criteria).

F. Proper management of manure and other waste products (refer to taxonomy-aligned decarbonisation measure A1.6 Manure management for criteria).

Supporting practices

G. Installing equipment and infrastructure, such as physical or virtual fences, to manage livestock movement and promote better land use through optimised grazing patterns and stocking rates. This includes the costs of purchasing, installing, upgrading, or maintaining relevant equipment and infrastructure and any ongoing subscription expenses.

H. Implementing data monitoring and record-keeping systems to track and analyse performance metrics such as liveweight gain, calving rates, and weaning rates, with the aim of ultimately reducing emissions per unit of livestock production and supporting climate change mitigation efforts.

I. Implementation and ongoing running of animal monitoring and traceability tools and equipment, including collars, harnesses and ear tags, for the purpose of monitoring animal movements, health and reproduction data.

J. Engaging professional services and procuring treatments that are non-harmful and endorsed by a livestock health specialist to enhance herd health management and contribute to climate change mitigation efforts.

K. Engaging consulting and advisory services to improve livestock management practices that support emissions reduction.

A1.3 Application of biochar to agriculture lands

The TEG/TAG acknowledge that these measures are not common practise in New Zealand, however their inclusion is important to ensure the usability of the NZ Taxonomy for local investors investing overseas.

Application of biochar to agricultural soils to sequester carbon to increase soil carbon, enhance soil health, and increase farm productivity.

Process and requirements

The measure must comprise all the following:

A. Develop, implement, and maintain a soil management plan tailored to the needs of the livestock activity. The plan must include soil type and its needs, pasture requirements, biochar suitability and application rate, and incorporate one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the soil management plan, with verification by a qualified expert (e.g., agronomist, agricultural consultant, etc.) being a recommended approach.

C. To meet the requirements of this measure, the applied biochar must comply with one of the following eligibility criteria.

Criteria

A. The biochar must only be produced using agricultural and/or forestry residues and waste as feedstock, such as leftover plant materials, animal manure, biosolids (that meet relevant state/territory and federal requirements), fallen wood, branches, bark, sawdust, and similar organic materials; or

B. For biochar derived from dedicated crops and purpose-grown biomass feedstocks, the purchased biochar and/or its feedstocks are certified by a relevant third-party certification body'. 'Relevant certifications include:

   a. World Biochar Certificate (WBC).

   b. International Sustainability & Carbon Certification (ISCC) system.

   c. Roundtable on Sustainable Biomaterials (RSB).

d. Forest Stewardship Council (FSC).

e. Programme for the Endorsement of Forest Certification (PEFC).

Exclusions and restrictions

A. The biochar must not be generated from sewage, sludge, industrial waste, or landfill waste.

Eligible practices

Eligible practices that support biochar application, which may include both existing and new practices on farm, along with their associated costs, include:

A. Purchasing biochar that meets the specified eligibility criteria outlined above.

B. Acquiring equipment for on-farm biochar production, such as a pyrolysis unit, including the costs of purchasing, installing, upgrading, or maintaining relevant equipment and infrastructure*

Supporting practices

C. Engaging and/or conducting agronomic services and soil testing to determine the appropriate biochar type, application rate, and estimate the potential increase in soil carbon following application.

D. Utilising equipment to support biochar application, such as spreaders, composters, mixers, sprayers, biochar applicators, storage, and irrigation equipment.

* Biochar production equipment must fall within the top 25% of energy efficiency rates for equipment available in-country.

A1.4 Silvopastoral

Establishment or maintenance of silvopastoral systems that promote the intentional integration of woody perennials with animal production.

Process and requirements

The measure must comprise all the following:

A. Develop, implement, and maintain a Farm Environment Plan (FEP) tailored to the needs of the livestock activity. The plan must consider the interactions between the livestock activity, woody perennials, and the broader landscape, including factors such as soil condition, climate, water availability and pest management. It must also incorporate one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the FEP, with verification by a qualified expert (e.g., agronomist, agricultural consultant, etc.) being a recommended approach.

C. The measure must comply with the following criteria:
    a. Intentional integration of woody perennials alongside animal production to deliver both economic and ecological benefits, including carbon sequestration.
    b. Utilise the same land for various agricultural purposes.
    c. Planted trees for this measure must have the potential to grow to a minimum height of 2 metres and achieve a canopy cover of at least 10 percent* of the planted area.

Eligible practices

Eligible silvopastoral practices that support the measure, which may include both existing and new practices on farm, along with their associated costs, include:

A. Integrating, maintaining, restoring, and/or expanding woody perennials within agricultural landscapes. These planted areas can take various forms, such as windbreaks, riparian buffers, block or strip plantings for shelterbelts, among others.
B. Selecting and planting appropriate seedling stock of woody perennial species.
C. Incorporating the use of agronomic services for planning, baselining and monitoring.
D. Installing establishment infrastructure to set up and support the successful establishment of agroforestry practices during the early stages of development, including protection and irrigation systems for the planted area.
E. Installing other types of infrastructure to protect and enhance established planted areas, such as fencing materials.
F. Procuring ground-work services or equipment hire for site preparation or fencing installation.
G. Engaging or conducting labour services for planting, maintenance, and ongoing protection of agroforestry practices, including pest management.
H. Implementing and engaging auditing and certification services, such as the Forest Stewardship Council (FSC) or the Program for the Endorsement of Forest Certification (PEFC), for a Sustainable Forest Management System (SFMS).

A1.5 Methane reduction in livestock

Methane reduction technology, supplements or feed additives are administered to ruminant animals to directly reduce methane production.

Process and requirements

The measure must comprise all the following:

A. Develop, implement, and maintain a feed management plan tailored to the needs of the livestock activity. The plan should outline the feed supplements or additives to be utilised,

including their dosage, compatibility with nutritional balance, mixing and rationing methods, along with one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the feed management plan, with certification through Industry Assurance Plan or verification by a qualified expert or (e.g., livestock nutritionist, etc.) with:
    a. Evidence of at least 10% methane reduction in animals that receive the treatment.
    b. Administered to at least 20% of the herd initially, with 80% of the herd receiving the intervention within five years.

C. Feed supplements and additives must meet one of the following eligibility criteria:
    a. Feed supplements and additives that are not excluded by the Agricultural Compounds and Veterinary Medicines (ACVM) and meet applicable requirements, hold a valid registration, and deliver a methane reduction efficacy of at least 10% demonstrated in peer-reviewed publications and relevant and applicable to the farm system.
    b. Feed supplements and additives that are exempt from requiring approval and registration with the ACVM and have a documented minimum effective inclusion level (MEIL). Including:
        i. Feed material already recognised in New Zealand as not requiring ACVM approval and documented as capable of achieving MEIL at low doses (e.g.<0.5% daily diet).
        ii. Other MEIL documented supplements and additives in any embodiment that their application is documented as non-harmful to animals and humans and achieve methane reduction efficacy of at least 10% as outlined in peer-reviewed publications and have been endorsed by a livestock nutritionist.

Eligible practices

Eligible practices that support the use of feed supplements and additives to reduce methane emissions, which may include both existing and new practices on farm, along with their associated costs, include:

A. Purchasing feed supplements or additives that meet the specified eligibility criteria outlined above.

Supporting practices

B. Utilising advisory services for the selection, dosing, mixing, rationing, and compliance aspects of the use of methane inhibitors, including consulting with a livestock nutritionist when necessary.

C. Acquiring equipment for the storage, mixing, and rationing of feed supplements and additives.

D. Conducting monitoring and evaluation activities related to the use of feed supplements and additives, including assessments of emissions reduction, herd health, weight gain, and overall productivity.

A1.6 Manure management

Minimise methane and nitrous oxide emissions by implementing or maintaining sustainable manure management practices in livestock operations.

Process and requirements

The measure must comprise all the following:

A. Develop, implement, and maintain a Farm Environment Plan (FEP) tailored to the needs of the livestock activity. The plan must incorporate one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the FEP, with verification by a qualified expert (e.g., livestock consultant, agricultural consultant, etc.) being a recommended approach.

Eligible practices

Eligible practices that support sustainable manure management, which may include both existing and new practices on farm, along with their associated costs*, include:

A. Emissions capture and conversion:
    a. Biogas production: Produce and subsequently flare biogas from organic effluent using anaerobic digestion in either a covered pond or anaerobic digester tank.
    b. Methane capture: Capture and destroy the methane component of biogas from the organic effluent through flaring or generating electricity.

B. Emissions avoidance:
    a. Pond treatment: Use of methane reducing treatments or additives to reduce emissions from effluent ponds or from subsequent effluent spreading.
    b. Volatile solids removal: Remove material containing volatile solids to reduce methane emissions (diversion of the material).
    c. Aerobic treatment: Treat the diverted material aerobically, resulting in significantly lower total methane and nitrous oxide emissions compared to anaerobic pond treatment (a post diversion treatment).

C. Biogas production for biomethane:
    a. Biogas production: Produce biogas from organic effluent using anaerobic digestion in either a covered pond or anaerobic digester tank.

    b. Biogas upgrading: Send the produced biogas to a biogas upgrading system to produce biomethane.

D. Biomethane production off-farm**:
    a. Delivery of manure to off-farm biogas facility.
    b. Biogas reception: Receive biogas for processing.
    c. Biogas upgrading system: Utilise a biogas upgrading system to produce biomethane.

E. Biochar production**:
    a. Biochar pyrolysis: Producing on-farm biochar via pyrolysis.

** Associated costs include expenses for purchasing, installing, upgrading, or maintaining relevant equipment and infrastructure, including capital expenditures (CapEx), removal, treatment and other operational costs.*

*** When the NZ Taxonomy for the Energy sector is developed D and E will be moved from agriculture to energy.*

A1.7 Renewable energy production and storage for on-site use

Renewable energy use, production, and storage solutions for on-site applications.

Process and requirements

The measure must comprise the following, as applicable:

A. Solar and wind energy-related infrastructure installed in New Zealand must comply with relevant New Zealand Standards and/or are purchased from a Sustainable Energy Association of New Zealand (SEANZ) Authorised Provider.
B. Rechargeable storage systems must be compatible with renewable energy sources.
C. Farm Environment Plan (FEP) or Energy Plan to outline the baseline energy usage with verification by a qualified expert with evidence of either of the following:
    a. Projected increase energy efficiency for at least 25% within two years; or
    b. To shift to 100% renewable energy within three years.

Eligible practices

Eligible practices that support the integration of renewable energy for on-site applications, which may include both existing and new practices on the farm/asset, along with their associated costs, include:

A. Installing renewable energy generation systems, including solar PV technologies (e.g. ground-mounted or rooftop), wind and hydro energy technologies. This includes the costs of purchasing, installing, upgrading, or maintaining relevant equipment and infrastructure.

B. Installing rechargeable storage batteries compatible with renewable sources, installed behind the meter.

C. Purchasing, manufacturing, and/or using biofuels to power on-farm machinery and vehicles.

A1.8 Electric and energy efficient farm vehicles and equipment

Purchase or leasing of electric, energy-efficient, and renewable energy-compatible vehicles and equipment for on-site use.

Eligible practices

Eligible practices, which may include both existing and new practices on the farm/asset, along with their associated costs, include:

A. Replacing existing fossil fuel fleet and/or equipment with one or more of the following:

   a. Electric vehicles.

   b. Eligible energy efficient tractors, headers and harvesters*.

B. Hiring and/or contracting the use of the above fleet and/or equipment for on-site use is eligible.

C. Modifying or retrofitting existing equipment and vehicles for biofuel use.

Note

* Eligible energy efficient tractors, headers and harvesters are:

A. Purchase, lease or contracting use of new tractors, headers and other self-propelled machinery, which may include reconfiguration of existing equipment, that meets one of the following:

   a. at least 20% less energy consumed per unit of output compared to the current vehicle or equipment on the farm; or

   b. an overall energy saving of at least 20% compared to the current vehicle or equipment on the farm; or

   c. publicly available information confirming its class leading energy efficiency characteristics.

B. Purchase, lease or contracting use of new hydrogen fuel cell tractors, headers and other self-propelled machinery, which may include reconfiguration of existing equipment.

C. Purchase, lease or contracting use of drones to reduce the use of helicopters, motorbikes and horses.

D. Purchase, lease or contracting use of a new agricultural trailed vehicle, that meets one of the following:

a. at least 10% less energy consumed per unit of area (i.e., L/ha); or

b. is designed for no or zero-tillage planting and seeding.

A1.9 Establishment and monitoring to support carbon offset generation

Establishment, management and reporting expenditures required to generate carbon offsets to participate in voluntary offset schemes.

Eligible practices

Eligible practices that support activities to allow participation in carbon offset schemes that align with the GHG protocol land sector and removals guidance, along with their associated costs, include:

A. Site development: Expenses associated with preparing the site for creating carbon credits.

B. Initial investment: Upfront financial commitments required for the successful establishment and implementation of the project.

C. Planning and assessment: Costs related to project planning, environmental assessments and feasibility studies.

D. Measurement, reporting and verification expenses incurred for compliance audits, ongoing certification, and meeting reporting requirements.

A2. Perennial and non- perennial crops (including horticulture)

A2.1 Crop nutrient management

Efficient nitrogen use in cropping and horticulture systems to minimise nitrous oxide emissions is achieved through substituting fossil-fuel fertiliser with low-emission fertilisers, the application of Enhanced Efficiency Fertilisers (EEFs), and/or by optimising fertilisation techniques.

Process and requirements

The measure must comprise all the following:

A. Develop, implement and maintain a nutrient management plan tailored to the needs of the activity. The plan should align with the guidance and monitoring approach outlined in relevant Industry Assurance Plans (see industry Assurance Schemes). For industries without guidance for an Industry Assurance Plan, the nutrient management plan should, at a minimum, include soil type and its needs, crop requirements, historical fertiliser applications and rotations, seasonal conditions and forecasts, and incorporate one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the nutrient management plan, with certification through Industry Assurance Plan or verification by a qualified expert or (e.g. Certified Nutrient Management Advisor or agronomist) with evidence of the following:

   a. Within three years, at least 80% of all fertilisers used must be low-emissions fertilsers.
   b. Projected significant increase or maintenance of minimum 75% NUE (kg of yield/kg of N applied) within five years in line with optimum values of N application rates (should include temporal datasets on N inputs and yields); or
   c. Measurable reduction of N2O emissions relative to its baseline of at least 1.5% per year (measured following GHG Protocol Agricultural Guidance).

Fertiliser application must comply with the following:

C. When EEFs that are exempt from the requirement for ACVM registration are used, they must comply with the Agricultural Compounds and Veterinary Medicines (ACVM) Exempt and Prohibited Substances Regulations 2011 and Notices regarding exempt fertilisers, plant biostimulants, and soil conditioners.

D. Use of EEFs which have claims that mean they are registered under the ACVM Act 1997 must comply with the conditions of registration. Shelf-life is considered as part of the ACVM registration process.

Eligible practices

Eligible practices that support sustainable nutrient management, which may include both existing and new practices on farm, along with their associated costs, include:

A. Purchasing EEFs that meet the specified criteria mentioned above. Common types of EEFs include fertilisers coated with nitrification inhibitors, urease inhibitors, polymer-coated fertilisers, sulphur-coated fertilisers, slow-release fertilisers, and controlled-release fertilisers.

B. Using manure or slurry (aligned with regulations) to substitute for or to reduce use of mineral N fertiliser. For on-farm manure application demonstration of a plan for optimised timing, placement and inhibitors in order to reduce N emissions without sacrificing yield.

C. Using nitrogen-fixing microorganisms (either naturally occurring or introduced, including in legumes) that are demonstrated to reduce reliance on synthetic fertilisers and are additional to normal farm practices.

Supporting practices

D. Engaging and/or conducting agronomic services and soil testing to determine the appropriate application of fertilisers based on soil needs.

E. Implementing Variable Rate Technology (VRT) and techniques, for fertilisation, irrigation, and other relevant applications, enabling precise application of inputs to different areas of the field based on their specific needs. This includes costs related to purchasing, installing, upgrading, or maintaining relevant equipment and infrastructure, as well as acquiring data solutions.

F. Installing or optimising irrigation systems and/or micro-sprinklers to improve controlled fertiliser application and prevent waterlogging.

A2.2 Application of biochar to agriculture lands

Application of biochar to agricultural soils to sequester carbon to increase soil carbon, enhance soil health, and increase farm productivity.

Process and requirements

The measure must comprise all the following:

A. Develop, implement, and maintain a soil management plan tailored to the needs of the cropping activity. The plan must include soil type and its needs, crop requirements, biochar suitability and application rate, and incorporate one or more of the eligible practices listed below.
B. Demonstrate that the measure has been implemented in accordance with the soil management plan, with verification by a qualified expert (e.g. agronomist, agricultural consultant, etc.) being a recommended approach.
C. To meet the requirements of this measure, the applied biochar must comply with one of the following eligibility criteria.

Criteria

A. The biochar must only be produced using agricultural and/or forestry residues and waste as feedstock, such as leftover plant materials, animal manure, biosolids (that meet relevant state/territory and federal requirements), fallen wood, branches, bark, sawdust, and similar organic materials; or
B. For biochar derived from dedicated crops and purpose-grown biomass feedstocks, the purchased biochar and/or its feedstocks are certified by a relevant third-party certification body. Relevant certifications include:
    a. World Biochar Certificate (WBC).
    b. International Sustainability & Carbon Certification (ISCC) system.
    c. Roundtable on Sustainable Biomaterials (RSB).
    d. Forest Stewardship Council (FSC).
    e. Programme for the Endorsement of Forest Certification (PEFC).

Exclusions and restrictions

A. The biochar must not be generated from sewage, sludge, industrial waste, or landfill waste.

Eligible practices

Eligible practices that support biochar application, which may include both existing and new practices on farm, along with their associated costs, include:

A. Purchasing biochar that meets the specified eligibility criteria outlined above.
B. Acquiring equipment for on-farm biochar production, such as a pyrolysis unit, including the costs of purchasing, installing, upgrading, or maintaining relevant equipment and infrastructure.*

Supporting practices

C. Engaging and/or conducting agronomic services and soil testing to determine the appropriate biochar type, application rate, and estimate the potential increase in soil carbon following application.
D. Utilising equipment to support biochar application, such as spreaders, composters, mixers, sprayers, biochar applicators, storage, and irrigation equipment.

*Biochar production equipment must fall within the top 25% of energy efficiency rates for equipment available in-country.

A2.3 Improved rice management

The TEG/TAG acknowledge that these measures are not common practise in New Zealand, however their inclusion is important to ensure the usability of the NZ Taxonomy for local investors investing overseas.

Lower the emissions intensity of rice production through effective water management and residue straw management by implementing practices aimed at reducing days of flooding by at least 10 percent annually.

Process and requirements

The measure must comprise all the following:

A. Develop, implement, and maintain a rice production management plan tailored to the needs of the rice production activity. The plan must aim to reduce days of flooding by at least 10 percent annually by incorporating one or more of the eligible practices listed below.
B. Demonstrate that the measure has been implemented in accordance with the rice production management plan, with verification by a qualified expert (e.g., agronomist, agricultural consultant, etc.) being a recommended approach.

Eligible practices

Eligible practices that support the measure, which may include both existing and new practices on farm, along with their associated costs, include:

A. Shallow flooding: Utilising shallow water levels to optimise growth.
B. Direct-seeded rice: Planting rice directly in the field for improved establishment.

C. Short-duration, high-yielding varieties: Selecting rice varieties that mature quickly while maximising yield.

D. Midseason drying events: Allowing the field to dry midway through the growing season to enhance soil health and reduce water use.

E. Alternate wet and dry techniques: Alternating between wet and dry conditions to conserve water and improve rice quality.

F. Off-season straw management: Properly managing straw during the off-season to benefit soil health.

Supporting practices

G. Engaging and/or conducting agronomic services and soil testing to establish baseline conditions, perform ongoing monitoring, determine soil and crop needs, and develop a rice production management plan.

H. Installing irrigation and drainage systems, including associated earthworks and pipe installation.

I. Incorporating precision agriculture technology, such as soil moisture sensors, weather stations and data analysis systems to improve crop management and resource efficiency.

A2.4 Agroforestry

Implement or maintain agroforestry by incorporating woody perennials, such as trees, shrubs or other vegetation, into crop production systems or on the broader land parcel.

Process and requirements

The measure must comprise all the following:

A. Develop, implement, and maintain a Farm Environment Plan (FEP) tailored to the needs of the cropping activity. The plan must consider the interactions between the cropping activity, woody perennials, and the broader landscape, including factors such as soil condition, climate, and water availability. It must also incorporate one or more of the eligible practices listed below.

B. Demonstrate that the measure has been implemented in accordance with the FEP, with verification by a qualified expert (e.g., agronomist, agricultural consultant, etc.) being a recommended approach.

C. The measure must comply with the following criteria:

   a. Intentional integration of woody perennials alongside crop production to deliver both economic and ecological benefits, including carbon sequestration.

   b. Utilise the same land for various agricultural purposes.

   c. Planted trees for this measure must have the potential to grow to a minimum height of 2 metres and achieve a canopy cover of at least 10 percent of the planted area.

Eligible practices

Eligible agroforestry practices that support the measure, which may include both existing and new practices on farm, along with their associated costs, include:

A. Integrating, maintaining, restoring, and/or expanding woody perennials within agricultural landscapes. These planted areas can take various forms, such as windbreaks, riparian buffers, block or strip plantings for shelterbelts, among others.

B. Selecting and planting appropriate seedling stock of woody perennial species.

Supporting practices

C. Agronomic services for planning, baselining and monitoring.

D. Installing establishment infrastructure to set up and support the successful establishment of agroforestry practices during the early stages of development, including protection and irrigation systems for the planted area.

E. Installing other types of infrastructure to protect and enhance established planted areas, such as fencing materials.

F. Procuring ground-work services or equipment hire for site preparation or fencing installation.

G. Engaging or conducting labour services for planting, maintenance, and ongoing protection of agroforestry practices.

H. Implementing and engaging auditing and certification services, such as the Forest Stewardship Council (FSC) or the Program for the Endorsement of Forest Certification (PEFC), for a Sustainable Forest Management System (SFMS).

A2.5 Renewable energy production and storage

See A1.7 for detail.

A2.6 Purchases of electric and energy efficient farm vehicles and equipment

See A1.8 for detail.

A2.7 Low emissions cold storage

The purchase and installation of cold storage equipment that meet the minimum energy performance and labelling requirements for commercial refrigeration equipment in the Energy Efficiency (Energy Using Products) Regulations.

A2.8 Management practices for generation of carbon credits

See A1.9 for detail.

A3. Support measures for agriculture

A3.1 Agriculture support measures

Eligible practices

Eligible practices, which may include both existing and new practices on farm, along with their associated costs, include:

A. Research and Development (R&D) of mitigation options: Conducting research and development of mitigation strategies and practices that align with activities and measures outlined in the Taxonomy, including the development of alternative methane inhibitors and lower-carbon protein sources.

B. On-farm testing of technologies at TRL levels 5, 6 or 7 to test the mitigation impact, practicality and commercial implications of near-ready technologies.

C. Training and capacity building: Engaging training and capacity-building services to support the adoption and implementation of emissions mitigation practices and the increase and/or maintenance of carbon stocks.

D. Measurement and monitoring technologies: Implementing technologies to measure and monitor mitigation initiatives and objectives, including GHG emissions, spatial positioning and guidance systems, harvest or yield monitors, and data connectivity solutions.

E. Mitigation of emissions through the prevention of post-harvest and post-production waste: Implementing technologies and practices designed to prevent, minimise, and reduce losses after harvest and production, including improved sorting, handling, storage and packaging to prevent damage, spoilage, or contamination of crop and livestock products.

A3.2 Precision agriculture support measures

The use of advanced technologies and data to optimise the management of agricultural activities, with the primary focus on reducing emissions while improving resource utilisation, enhancing efficiency, and promoting sustainability.

Eligible practices

Eligible precision agriculture practices that support sustainable land management practices, which may include both existing and new practices on farm, along with their associated costs, include:

A. Implementing data collection technologies to gather real-time data such as soil conditions, weather, crop health, and livestock performance.

B. Implementing Variable Rate (Application) Technology (VRT) to adjust the application of inputs like water, fertilisers, and pesticides, based on insights gathered from data analysis. This includes systems for precision irrigation, seeding, fertiliser and pesticide application, and harvesting.

C. Integrating automated systems to enhance precision and efficiency, such as automated monitoring and data analytics systems, mapping technologies, VRT, drones, tractors, and other farm machinery.

D. Implementing varied precision agriculture techniques, including weed and disease detection, targeted herbicide and pesticide application systems, drone-based monitoring, AI-driven technologies, controlled traffic farming, and precision biological pest control.

E. Purchasing, installing, upgrading, or maintaining relevant equipment, such as sensors, remote sensing devices, yield monitors, controllers, consoles, drones, unmanned aerial vehicles (UAV), meteorological forecasting, and more.

F. Setting up networking and connectivity services to support data transmission and integration.

G. Utilising data analysis and decision support systems to guide informed farm management decisions.

H. Using specialised tools, including GIS and GPS-based software for precision farming applications.

I. Covering ongoing costs, including software subscriptions and updates.

J. Providing staff training to ensure the effective use of precision technologies.

Forestry substantial contribution criteria for climate change mitigation

F1. Afforestation and reforestation

F1.1 Forest establishment (green activity)

Establish new forest growth or natural regeneration or re-establishment for new forest growth for at least 25 years on land that was either previously forested or has been grazed, cropped, or fallow for the past 5 years.

Process and requirements

For the activity to be classified as green, it must meet all of the following requirements:

A. The activity will be inconsistent with the taxonomy if the underlying activities result in the conversion of a forest or natural ecosystem (see land conversion definitions).

B. Have a clearly defined baseline for carbon sinks, or, if unavailable, a detailed plan for baseline establishment. The baseline must identify key carbon sinks across the entire activity, following an assessment based on the GHG Protocol or ETS estimation tables to estimate their value.

C. Develop, implement and maintain a comprehensive forest management plan tailored to the needs of the activity, considering relevant local risks, metrics, projected timelines, and the interactions between the planned forest and the broader landscape, including factors such as soil condition, biodiversity, climate, and water availability. The plan must outline and document the number of trees to be planted per hectare to achieve the desired forest cover and include one or more of the eligible practices listed below.

D. Quantitatively demonstrate an increase in carbon stocks (estimated) across the entire activity compared to the established baseline of at least 1 tonnes C per hectare per year, until they reach steady state (see Monitoring). The comparison should be made using a 5-year rolling average. Where the financing period is shorter than 5 years and historical data is not available, carbon estimations can be used. Where historical data exists and/or where the financing period is longer than 5 years, actual data should be used.

    a. Note: The activity will remain eligible if carbon stocks are temporarily reduced due to unforeseeable and unavoidable catastrophes, for example, drought, wildfires or other natural disasters.

E. Demonstrate credible compliance with requirements A to D. Proponents can demonstrate compliance by:

    a. Providing evidence that the permanent forest and/or all forest products harvested from the activity are certified under the Forest Stewardship Council (FSC) or the Program for the Endorsement of Forest Certification (PEFC); and/or

b. Obtaining third-party assurance or verification opinion of compliance with the requirements; and/or

c. Providing documentary evidence that substantiates compliance with requirements A to D.

Eligible practices

Eligible establishment and management practices that support classifying the activity as green, which may include both existing and new practices on the asset, along with their associated costs, include:

A. Securing and acquiring land for the establishment of the forest.

B. Implementing and conducting forestry establishment, planting, and managing activities to create the permanent forest, including sowing seed, exclusion of stock (in establishment phase), and pest, pathogen and weed management.

Supporting practices

C. Procuring the necessary equipment and resources for the ongoing maintenance and management of the forest.

D. Installing, upgrading, and maintaining warning systems or satellite monitoring for fire, illegal incursions, epidemics, invasive species, floods, and drought conditions.

E. Setting up and maintaining protection measures, including employing rangers, pest control, installing monitoring equipment, and conducting GIS analysis, satellite data collection, and data analysis.

F. Implementing and engaging auditing and certification services, such as FSC and PEFC, for a Sustainable Forest Management System (SFMS).

Monitoring

The calculation of changes in carbon stocks within the project area should consider:

A. Tree growth.

B. Natural decay.

C. Disturbance events, including changes due to drought, wildfires, decay, pest pathogen, weeds or other natural disasters.

D. Changes due to harvest.

E. Infield measurements via one or more of the following:

a. Field Measurement Approach (FMA) using the ETS guidance tables.

b. Biomass estimation using canopy cover from remote sensing technology.

F. Carbon dioxide equivalent net abatement must be calculated by subtracting activity emissions from activity removals.

G. Maintain ongoing monitoring of the decarbonisation measures outlined in the forest management plan.

* See land conversion definitions.

F1.2 Renewable energy production and storage

See A1.7 for detail.

F1.3 Electric and energy efficient forestry vehicles and equipment

See A1.8 for detail.

F1.4 Establishment and monitoring to support carbon offset generation

Establishment, management and reporting expenditures required to generate carbon offsets to participate in the ETS and voluntary offset schemes.

Eligible practices

Eligible practices that support activities to allow participation in carbon offset schemes that align with the GHG protocol, along with their associated costs, include:

A. Site development: Expenses associated with preparing the site for creating carbon credits.

B. Initial investment: Upfront financial commitments required for the successful establishment and implementation of the project.

C. Planning and assessment: Costs related to project planning, environmental assessments and feasibility studies.

D. Measurement, reporting and verification expenses incurred for compliance audits, ongoing certification, and meeting reporting requirements.

F2. Rehabilitation

F2.1 Restoration and rehabilitation of native forests (green activity)

Restoration and rehabilitation of degraded native forests, whether through natural or human-induced processes, with restoration aiming to return ecosystems to their original state, and rehabilitation focused on improving the ecosystem's health and functions.

Commercial clear fell timber harvesting is not permitted. However, conservation, and ecosystem management activities such as thinning, removing invasive species, and activities for habitat restoration (including the sale of any byproducts from these activities) are permitted.

Process and requirements

For the activity to be classified as green, it must meet all of the following requirements:

A. The activity will be inconsistent with the taxonomy if the underlying activities result in the conversion of a forest or natural ecosystem.

B. Have a clearly defined baseline for carbon sinks, or, if unavailable, a detailed plan for baseline establishment. The baseline must identify key carbon sinks across the entire activity, following an assessment based on the GHG Protocol or ETS estimation tables to estimate their value.

C. Develop, implement and maintain a comprehensive forest management plan tailored to the needs of the activity that considers relevant local risks, metrics and projected timelines. The plan must include one or more of the eligible practices listed below.

D. Quantitatively demonstrate an increase in carbon stocks of at least 0.4 tonne C per hectare per year (estimated) across the entire activity compared to the established baseline, until they reach steady state (i.e., the point at which the gains from photosynthesis balance from losses of respiration).The comparison should be made using a 5-year rolling average. Where the financing period is shorter than 5 years and historical data is not available, carbon estimations can be used. Where historical data exists and/or where the financing period is longer than 5 years, actual data should be used.

    a. Note: The activity will remain eligible if carbon stocks are temporarily reduced due to unforeseeable and unavoidable catastrophes, for example, drought, wildfires or other natural disasters.

E. Demonstrate credible compliance with requirements A to D. Proponents can demonstrate compliance by:

    a. Providing evidence that the forest is certified under the Forest Stewardship Council (FSC) or the Program for the Endorsement of Forest Certification (PEFC); and/or

    b. Obtaining third-party assurance or verification opinion of compliance with the requirements; and/or

    c. Providing documentary evidence that substantiates compliance with requirements A to D.

Eligible practices

Eligible management practices that support classifying the activity as green, which may include both existing and new practices on the asset, along with their associated costs, include:

A. Securing and acquiring land to protect, restore, and rehabilitate natural forests that provide a range of ecosystem services.

B. Securing and acquiring land to expand, restore, and rehabilitate existing areas and/or establish new habitats for diverse ecosystem services.

C. Implementing and conducting restoration and rehabilitation management activities, including those focused on restoring and rehabilitating habitats and species, improving biological connectivity, planting and eliminating pests, weeds and diseases.

Supporting practices

D. Procuring the necessary equipment and resources for the on-going maintenance and management of restoration and rehabilitation projects, including fencing for pest management.

E. Installing, upgrading, and maintaining warning systems or satellite monitoring for fire, illegal incursions, epidemics, invasive species, floods, and drought conditions.

F. Setting up and maintaining protection measures, including employing rangers, installing monitoring equipment, and conducting GIS analysis, satellite data collection, and data analysis.

Monitoring

The calculation of changes in carbon stocks within the project area should consider:

A. Tree growth.

B. Natural decay.

C. Disturbance events, including changes due to drought, wildfires or other natural disasters.

D. Changes due to conservation and ecosystem management activities.

E. Ongoing carbon stocks increase potential can be measured and reported using the Field Measurement Approach (FMA).

F. Maintain ongoing monitoring of the decarbonisation measures outlined in the management plan.

F2.2 Transition exotic plantation forest to indigenous ecosystems

Transition existing plantation forests to indigenous species forests while enabling conservation, and biodiversity values.

The forest must maintain a continuous canopy cover. Selective harvesting is permitted and a canopy cover of 30% must be maintained (see land conversion definitions).

Process and requirements

A. The activity will be inconsistent with the taxonomy if the underlying activities result in the conversion of a forest or natural ecosystem (see land conversion definitions).

B. The forest must:

   a. Maintain a constant canopy, promoting structural diversity and spatial variability.

b. Only harvest using selective or small coupe harvesting.

c. Facilitate the opportunity for the forest to regrow naturally over time.

d. Feature a variety of tree species that are appropriate for the region.

e. Have a clearly defined baseline for carbon sinks, or, if unavailable, a detailed plan for baseline establishment. The baseline must identify key carbon sinks across the entire activity, following an assessment based on either the GHG Protocol to estimate their value.

C. Develop, implement and maintain a comprehensive forest management plan tailored to the needs of the activity that considers relevant local risks, metrics and projected timelines. The plan must include one or more of the eligible practices listed below.

D. Quantitatively demonstrate an increase in carbon stocks of at least 0.4 tonne C per hectare per year (estimated) compared to the established baseline until they reach steady state (i.e., the point at which the gains from photosynthesis balance from losses of respiration). The comparison should be made using a 5-year rolling average. Where the financing period is shorter than 5 years and historical data is not available, carbon estimations can be used. Where historical data exists and/or where the financing period is longer than 5 years, actual data should be used.

a. Note: The activity will remain eligible if carbon stocks are temporarily reduced due to unforeseeable and unavoidable catastrophes, for example, drought, wildfires or other natural disasters.

E. Demonstrate credible compliance with requirements A to D. Proponents can demonstrate compliance by:

a. Obtaining third-party assurance or verification opinion of compliance with the requirements; and/or

b. Providing documentary evidence that substantiates compliance with requirements A to D.

Eligible practices

Eligible management practices, along with their associated costs, include:

A. Securing and acquiring land to implement transition forestry in order to provide a range of ecosystem services.

B. Purchase of native and locally appropriate tree species.

C. Costs associated with management to facilitate natural regeneration, including establishing seed islands.

D. Securing and acquiring land to expand, restore, and rehabilitate existing areas and/or establish new habitats for diverse ecosystem services.

E. Implementing and conducting restoration and rehabilitation management activities, including those focused on restoring and rehabilitating habitats and species, improving biological connectivity, and controlling pests and diseases.

Supporting practices

F. Procuring the necessary equipment and resources for the on-going maintenance and management of restoration and rehabilitation projects, including fencing.

G. Installing, upgrading, and maintaining warning systems or satellite monitoring for fire, illegal incursions, epidemics, invasive species, floods, and drought conditions.

H. Setting up and maintaining protection measures, including employing rangers, installing monitoring equipment, and conducting GIS analysis, satellite data collection, and data analysis.

Monitoring

The Forest Management Plan should outline:

A. Tree growth.

B. Canopy cover – demonstrating maintenance.

C. Tree species diversity.

D. Natural decay.

E. Disturbance events, including changes due to drought, wildfires or other natural disasters.

F. Ongoing carbon stocks increase potential can be measured and reported using the Field Measurement Approach (FMA).

F2.3 Renewable energy production and storage

See A1.7 for detail.

F2.4 Electric and energy efficient forestry vehicles and equipment

See A1.8 for detail.

F2.5 Establishment and monitoring to support carbon offset generation

See F1.4 for detail.

F3. Forest management

F3.1 Existing forest management (green activity)

Existing forests, either natural or plantation, are managed to maintain or increase above ground carbon stocks.

Process and requirements

For the activity to be classified as green, it must meet all of the following requirements:

A. The land on which the activity is being applied must not have been subject to the conversion of a forest or natural ecosystem, since 31 December 2020 (see land conversion definitions).

B. Have a clearly defined baseline for carbon sinks, or, if unavailable, a detailed plan for baseline establishment. The baseline must identify key carbon sinks across the entire activity, following an assessment based on the GHG Protocol or ETS estimation tables to estimate their value.

C. Develop, implement and maintain a comprehensive forest management plan tailored to the needs of the activity that considers relevant local risks, metrics and projected timelines. The plan must include one or more of the eligible practices from D to K listed below.

D. Quantitatively demonstrate an increase in carbon stocks (estimated) across the entire activity compared to the established baseline of at least 1 tonne C per hectare per year, until they reach steady state (see Monitoring). The comparison should be made using a 5-year rolling average. Where the financing period is shorter than 5 years and historical data is not available, carbon estimations can be used. Where historical data exists and/or where the financing period is longer than 5 years, actual data should be used.

    a. *Note: The activity will remain eligible if carbon stocks are temporarily reduced due to unforeseeable and unavoidable catastrophes, for example, drought, wildfires or other natural disasters.*

E. Demonstrate credible compliance with requirements A to D. Proponents can demonstrate compliance by:

    a. Providing evidence that the forest and/or all forest products harvested from the activity are certified under the Forest Stewardship Council (FSC) or the Program for the Endorsement of Forest Certification (PEFC); and/or

    b. Obtaining third-party assurance or verification opinion of compliance with the requirements; and/or

    c. Providing documentary evidence that substantiates compliance with requirements A to D.

Eligible practices

Eligible management practices that support classifying the activity as green, which may include both existing and new practices on the asset, along with their associated costs, include:

A. Securing and acquiring land for forest management purposes.

B. Procuring the necessary equipment and resources for the ongoing maintenance and management of the forest.

C. Implementing and conducting forestry planting, harvesting, and management activities.

D. Modify landscape structure to impede fire spread (e.g. establish networks of fire breaks; manage for a mix of stand ages and stocking densities; thin stands; create mosaics of controlled burns; select fire-tolerant species).

E. Promote fire-smart landscapes (e.g. by planting fire-resistant tree species as firebreaks).

F. Encourage the introduction and maintenance of mixed-species stands to increase resistance to pest invasion and resilience.

G. In forest stands, introduce and retain genotypes and varieties that are resistant and resilient to pest attack.

H. Adjust rotation lengths and cutting cycles to minimize the risk of storm-induced damage (e.g. landslides or runoff due to reduced vegetation cover).

I. Modify harvesting regimes to improve species and stand stability.

J. Maintain or increase species and structural diversity in ecosystems to promote resistance to storm damage and resilience following damage.

K. Select wind-resistant species and promote the development of multilayered canopies.

Supporting practices

L. Installing, upgrading, and maintaining warning systems or satellite monitoring for fire, illegal incursions, epidemics, invasive species, floods, and drought conditions.

M. Setting up and maintaining protection measures, including employing rangers, installing monitoring equipment, and conducting GIS analysis, satellite data collection, and data analysis.

N. Implementing and engaging auditing and certification services, such as FSC and PEFC, for a Sustainable Forest Management System (SFMS).

Monitoring

The calculation of changes in carbon stocks within the project area should consider:

A. Tree growth.

B. Natural decay.

C. Disturbance events, including changes due to drought, wildfires or other natural disasters.

D. Changes due to harvest.

E. Infield measurements via one or more of the following:

    a. Field inventory: measuring sufficient plots within each strata.

    b. Permanent sample plot assessment: establishing permanently marked plots with fixed locations.

F. Carbon dioxide equivalent net abatement must be calculated by subtracting activity emissions from activity removals.

G. Maintain ongoing monitoring of the decarbonisation measures outlined in the forest management plan.

F3.2 Onsite wood processing

Felling and processing of trees within the forest area where they are grown in order to prepare materials for transport and leave offcuts and lower-quality materials in the forest for humus.

Process and requirements

Develop, implement and maintain a comprehensive forest management plan tailored to the needs of the activity that considers relevant local risks, metrics and projected timelines. The plan must include one or more of the eligible practices listed below:

A. Develop, implement and maintain a comprehensive forest management plan that considers relevant local risks, metrics and projected timelines.

B. The plan must include projected emissions reductions from on-site harvesting.

Practices

A. Equipment costs: Purchase or lease of specialised machinery for onsite processing, such as feller bunchers or harvesters.

B. Labor costs: Skilled in operating the equipment and performing various tasks related to onsite processing.

Supporting practices

C. Professional services for planning, baselining and monitoring.

F3.3 Renewable energy production and storage

See A1.7 for detail.

F3.4 Electric and energy efficient forestry vehicles and equipment

See A1.8 for detail.

F3.5 Establishment and monitoring to support carbon offset generation

See F1.4 for detail.

F4. Conservation forestry

F4.1 Conservation forestry establishment and management (green activity)

Activities in non-commercial forests aimed at preserving one or more habitats or species. Conservation forestry assumes no change in existing land classification and takes place on land that meets the definition of Natural Forest (see natural forest definitions).

Commercial harvesting is not permitted. However, conservation, and ecosystem management activities such as removing invasive species, thinning to allow natives to grow, selective harvesting for cultural purposes and activities for habitat restoration (including the sale of any byproducts from these activities) is permitted.

Process and requirements

For the activity to be classified as green, it must meet all of the following requirements:

A. The land on which the activity is being applied must not have been subject to the conversion of a forest or natural ecosystem, since 31 December 2020 (see land conversion definitions).

B. Have a clearly defined baseline for carbon sinks, or, if unavailable, a detailed plan for baseline establishment. The baseline must identify key carbon sinks across the entire activity, following an assessment based on the GHG Protocol to estimate their value.

C. Develop, implement and maintain a comprehensive forest management plan tailored to the needs of the activity that considers relevant local risks, metrics and projected timelines. The plan must include one or more of the eligible practices listed below.

D. Quantitatively demonstrate an increase in carbon stocks (estimated) across the entire activity compared to the established baseline of at least 0.5 tonne C per hectare per year, until they reach steady state (see Monitoring). The comparison should be made using a 5-year rolling average. Where the financing period is shorter than 5 years and historical data is not available, carbon estimations can be used. Where historical data exists and/or where the financing period is longer than 5 years, actual data should be used.

    a. Note: The activity will remain eligible if carbon stocks are temporarily reduced due to unforeseeable and unavoidable catastrophes, for example, drought, wildfires or other natural disasters.

E. Demonstrate credible compliance with requirements A to D. Proponents can demonstrate compliance by:

    a. Providing evidence that the forest is certified under the Forest Stewardship Council (FSC) or the Program for the Endorsement of Forest Certification (PEFC); and/or

b. Obtaining third-party assurance or verification opinion of compliance with the requirements; and/or

c. Providing documentary evidence that substantiates compliance with requirements A to D.

Eligible practices

Eligible management practices that support classifying the activity as green, which may include both existing and new practices on the asset, along with their associated costs, include:

A. Securing and acquiring land for conservation forestry purposes.

B. Procuring the necessary equipment and resources for the on-going maintenance and management of restoration and rehabilitation projects, including fencing for pest management.

C. Implementing and conducting forestry conservation and management activities, including those focused on restoring and rehabilitating habitats and species, improving biological connectivity, and controlling pests and diseases.

Supporting practices

D. Installing, upgrading, and maintaining warning systems or satellite monitoring for fire, illegal incursions, epidemics, invasive species, floods, and drought conditions.

E. Setting up and maintaining protection measures, including employing rangers, installing monitoring equipment, and conducting GIS analysis, satellite data collection, and data analysis.

F. Implementing and engaging auditing and certification services, such as FSC and PEFC, for a Sustainable Forest Management System (SFMS).

Monitoring

The calculation of changes in carbon stocks within the project area should consider:

A. Tree growth.

B. Natural decay.

C. Disturbance events, including changes due to drought, wildfires or other natural disasters.

D. Changes due to harvest.

E. Infield measurements via one or more of the following:

a. Field Measurement Approach (FMA) using the ETS guidance tables.

b. Biomass estimation using canopy cover from remote sensing technology.

F. Carbon dioxide equivalent net abatement must be calculated by subtracting activity emissions from activity removals.

G. Maintain ongoing monitoring of the decarbonisation measures outlined in the forest management plan.

* Steady state is the point at which the gains from photosynthesis balance from losses of respiration.

F4.2 Renewable energy production and storage

See A1.7 for detail.

F4.3 Electric and energy efficient forestry vehicles and equipment

See A1.8 for detail.

F4.4 Management practices for generation of carbon credits

See A1.9 for detail.

F5. Support measures for forestry

Eligible practices

Eligible practices, which may include both existing and new practices on the asset, along with their associated costs, include:

A. Research and Development (R&D) of mitigation options: Conducting research and development of mitigation strategies and practices that align with activities and measures outlined in the Taxonomy.

B. Training and capacity building: Engaging training and capacity-building services to support the adoption and implementation of emissions mitigation practices and the increase and/or maintenance of carbon stocks.

C. Measurement and monitoring technologies: Implementing technologies to measure and monitor mitigation initiatives and objectives, including GHG emissions, spatial positioning and guidance systems, harvest or yield monitors, and data connectivity solutions.

Other Land Use substantial contribution criteria for climate change mitigation

O1. Ecosystem restoration, rehabilitation or creation

O1.1 Restoration, rehabilitation or creation of natural ecosystems (green activity)

Restoration and rehabilitation of degraded land or creation of natural ecosystems, including, but not limited to:

A. Mangroves and wetlands.

B. Peatlands.

C. And other naturally uncommon or vulnerable ecosystems identified by the NZ Department of Conservation.

With restoration aiming to return ecosystems to natural ecosystems status (see natural ecosystem definitions), and rehabilitation focused on improving the ecosystem's health and functions.

Process and requirements

For the activity to be classified as green, it must meet all of the following requirements:

A. The activity will be inconsistent with the taxonomy if the underlying activities result in the conversion of a forest or natural ecosystem (see land conversion definitions).

B. Have a clearly defined baseline for carbon sinks, or, if unavailable, a detailed plan for baseline establishment. The baseline must identify key carbon sinks across the entire activity, following an assessment based on the GHG Protocol to estimate their value.

C. Develop, implement and maintain a comprehensive management plan tailored to the needs of the activity that considers relevant local risks, metrics and projected timelines. The plan must include one or more of the eligible practices listed below.

D. Quantitatively demonstrate an increase in carbon stocks (estimated) across the entire activity compared to the established baseline of at least 0.4 tonne C per hectare per year, until they reach steady state* (see Monitoring). The comparison should be made using a 5-year rolling average. Where the financing period is shorter than 5 years and historical data is not available, carbon estimations can be used. Where historical data exists and/or where the financing period is longer than 5 years, actual data should be used.

   Note: The activity will remain eligible if carbon stocks are temporarily reduced due to unforeseeable and unavoidable catastrophes, for example, drought, wildfires or other natural disasters.

E. Demonstrate credible compliance with requirements A to D. Proponents can demonstrate compliance by:

a. Obtaining third-party assurance or verification opinion of compliance with the requirements; and/or

b. Providing documentary evidence that substantiates compliance with requirements A to D.

Eligible practices

Eligible management practices that support classifying the activity as green, which may include both existing and new practices on the asset, along with their associated costs, include:

A. Securing and acquiring land to protect, restore, and rehabilitate ecosystem areas that provide a range of ecosystem services.

B. Securing and acquiring land to expand, restore, and rehabilitate existing areas and/or establish new habitats for diverse ecosystem services.

C. Procuring the necessary equipment and resources for the on-going maintenance and management of restoration and rehabilitation projects, including fencing for pest management.

D. Implementing and conducting restoration and rehabilitation management activities, including those focused on restoring and rehabilitating habitats and species, improving biological connectivity, and eliminating pests and diseases.

E. Establishment of wetlands in ecologically suitable locations, including required earthworks, planting and management activities.

Supporting practices

F. Installing, upgrading, and maintaining warning systems or satellite monitoring for fire, illegal incursions, epidemics, invasive species, floods, and drought conditions.

G. Setting up and maintaining protection measures, including employing rangers, installing monitoring equipment, and conducting GIS analysis, satellite data collection, and data analysis.

Monitoring

A. Ongoing carbon stocks increased potential can be measured and reported using estimations aligned with the GHG protocol.

B. Maintain ongoing monitoring of the decarbonisation measures outlined in the management plan.

* Steady state is the point at which the gains from photosynthesis balance from losses of respiration.

O1.2 Transition exotic plantation forest to indigenous ecosystems

See F2.2 for detail.

O1.3 Renewable energy production and storage

See A1.7 for detail.

O1.4 Electric and energy efficient forestry vehicles and equipment

See A1.8 for detail.

O2. Ecosystem conservation

O2.1 Conservation of natural ecosystems (green activity)

Enhance or maintain carbon sinks through the conservation of natural ecosystems, including:

A. Mangroves and wetlands.
B. Peatlands.
C. Shrublands.

Process and requirements

For the activity to be classified as green, it must meet all of the following requirements:

A. The land on which the activity is being applied must not have been subject to the conversion of a forest or natural ecosystem, since 31 December 2020 (see land conversion definitions).
B. Have a clearly defined baseline for carbon sinks, or, if unavailable, a detailed plan for baseline establishment. The baseline must identify key carbon sinks across the entire activity, following an assessment based on the GHG Protocol to estimate their value.
C. Develop, implement and maintain a comprehensive management plan tailored to the needs of the activity that considers relevant local risks, metrics and projected timelines. The plan must include one or more of the eligible practices listed below.
D. Quantitatively demonstrate an increase in carbon stocks (estimated) across the entire activity compared to the established baseline of at least 0.4 tonne C per hectare per year, until they reach steady state (i.e., the point at which the gains from photosynthesis balance from losses of respiration). The comparison should be made using a 5-year rolling average. Where the financing period is shorter than 5 years and historical data is not available, carbon estimations can be used. Where historical data exists and/or where the financing period is longer than 5 years, actual data should be used.
    a. Note: The activity will remain eligible if carbon stocks are temporarily reduced due to unforeseeable and unavoidable catastrophes, for example, drought, wildfires or other natural disasters.

E. Demonstrate credible compliance with requirements A to D. Proponents can demonstrate compliance by:
    a. Obtaining third-party assurance or verification opinion of compliance with the requirements; and/or
    b. Providing documentary evidence that substantiates compliance with requirements A to D.

Eligible practices

Eligible management practices that support classifying the activity as green, which may include both existing and new practices on the asset, along with their associated costs, include:

A. Securing and acquiring land to protect and conserve ecosystem areas that provide a range of ecosystem services.
B. Securing and acquiring land to expand and restore existing areas and/or establish new habitats for diverse ecosystem services.
C. Procuring the necessary equipment and resources for the on-going maintenance and management of conservation projects.
D. Implementing and conducting conservation management activities, including those focused on preserving habitats and species, improving biological connectivity, and eliminating pests and diseases.

Supporting practices

E. Installing, upgrading, and maintaining warning systems or satellite monitoring for fire, illegal incursions, epidemics, invasive species, floods, and drought conditions.
F. Setting up and maintaining protection measures, including employing rangers, installing monitoring equipment, and conducting GIS analysis, satellite data collection, and data analysis.

Monitoring

A. Ongoing carbon stocks increase potential can be measured and reported using estimations aligned with the GHG protocol.
B. Maintain ongoing monitoring of the decarbonisation measures outlined in the management plan.

* Steady state is the point at which the gains from photosynthesis balance from losses of respiration.

O2.2 Transition exotic plantation forest to indigenous ecosystems

See F2.2 for detail.

O2.3 Renewable energy production and storage

See A1.7 for detail.

O2.4 Electric and energy efficient forestry vehicles and equipment

See A1.8 for detail.

O2.5 Establishment and monitoring to support carbon offset generation

See F1.4 for detail.

O3. Support measures for other land management, restoration and conservation

See F5 for detail.

Land conversion definitions

The following definitions provide guidance for the exclusion of activities based on non-compliance with conversion, including deforestation and other ecosystems as referenced throughout the document.

Forest definition

Land spanning more than 1 hectare with trees higher than 2 metres and a canopy cover of more than 10 percent, or trees able to reach these thresholds in situ. It does not include land that is predominantly under agricultural or urban land use.

Explanatory notes:

- Forest is determined both by the presence of trees and the absence of other predominant land uses. The trees should be able to reach a minimum height of 2 metres in situ.
- Includes areas with young trees that have not yet reached but which are expected to reach a canopy cover of 10 percent and tree height of 2 metres. It also includes areas that are temporarily unstocked due to clear-cutting as part of a forest management practice or natural disasters, and which are expected to be regenerated within 5 years. Local conditions may, in exceptional cases, justify that a longer time frame is used.
- Includes forest roads, firebreaks and other small open areas; forest in national parks, nature reserves and other protected areas such as those of specific environmental, scientific, historical, cultural or spiritual interest.
- Includes windbreaks, shelterbelts and corridors of trees with an area of more than 1 hectares and width of more than 20 metres.
- Includes abandoned shifting cultivation land with a regeneration of trees that have, or are expected to reach, a canopy cover of 10 percent and tree height of 2 metres.
- Includes areas with mangroves in tidal zones (not required to meet 2-metre height requirement), regardless of whether this area is classified as land area or not.
- Includes areas outside the legally designated forest land which meet the definition of 'forest'.
- Excludes tree stands in agricultural production systems, such as fruit tree plantations, olive orchards and agroforestry systems when crops are grown under tree cover. Note: Some agroforestry systems such as the 'Taungya' system where crops are grown only during the first years of the forest rotation should be classified as forest.
- In exceptional circumstances local conditions (soil type, rainfall, elevation, slope) may exclude height requirements for native tree species.

Source: Adapted from FAO definitions.

Natural forest definition

Natural forests possess many or most of the characteristics of a forest native to the given site, including species composition, structure, and ecological function. Natural forests include:

- Primary forests that have not been subject to major human impacts in recent history.
- Regenerated (second-growth) forests that were subject to major impacts in the past (for instance by agriculture, livestock raising, tree plantations, or intensive logging), but where the main causes of impact have ceased or greatly diminished and the ecosystem has attained much of the species composition, structure, and ecological function of prior or other contemporary natural ecosystems.
- Managed natural forests where much of the ecosystem's composition, structure, and ecological function exist in the presence of activities such as:
    - Harvesting of timber or other forest products, including management to promote high-value species.
    - Low intensity, small-scale cultivation within the forest, such as less-intensive forms of swidden agriculture in a forest mosaic.
- Forests that have been partially degraded by anthropogenic or natural causes (e.g., harvesting, fire, climate change, invasive species, or others) but where the land has not been converted to another use and where degradation does not result in the sustained reduction of tree cover below the thresholds that define a forest or sustained loss of other main elements of ecosystem composition, structure, and ecological function.

Source: Accountability Framework definitions.

Deforestation definition

The conversion of forest to other land use independently of whether human-induced or not.

NZ Taxonomy cut-off date for deforestation and conversion is 31 December 2020. Cut-off date is the date after which deforestation or conversion renders a given area or production unit non-compliant with the NZ Taxonomy.

Explanatory notes

- Includes permanent reduction of the tree canopy cover below the minimum 30 percent threshold.
- It includes areas of forest converted to agriculture, pasture, water reservoirs, mining and urban areas.
- The term specifically excludes areas where the trees have been removed as a result of harvesting or logging, and where the forest is expected to regenerate naturally or with the aid of silvicultural measures.
- The term also includes areas where, for example, the impact of disturbance, over-utilisation or changing environmental conditions affects the forest to an extent that it cannot sustain a canopy cover above the 30 percent threshold.

Source: Adapted from FAO definitions.

Natural ecosystem definition

Natural ecosystems are composed of native species and occur largely as a result of natural processes, with minimal human alteration. This includes primary forests, native grasslands, wetlands, and other areas that retain their natural structure, composition, and ecological processes.

Source: Accountability Framework definitions.

Conversion definition

Loss of a natural ecosystem (or man-made wetland) as a result of its replacement with agriculture or another land use, or due to a profound and sustained change in a natural ecosystem's species composition, structure, or function.

NZ Taxonomy cut-off date for deforestation and conversion is 31 December 2020. Cut-off date is the date after which deforestation or conversion renders a given area or production unit non-compliant with the NZ Taxonomy.

Explanatory Notes

- Deforestation is a form of conversion (conversion of natural forests).
- A change of land use that results in a loss of natural ecosystems (mature or regenerating) is a form of conversion.
- Conversion includes severe and sustained degradation or the introduction of management practices that result in a profound and sustained change in the ecosystem's species composition, structure, or function.
- Change to natural ecosystems that meets this definition is considered to be conversion regardless of whether or not it is legal.

Source: Adapted from Accountability Framework definitions.

Do no significant harm criteria

Aotearoa New Zealand Sustainable Finance Taxonomy (NZ Taxonomy)

Purpose of this document

This document presents the draft do no significant harm (DNSH) criteria under the Aotearoa New Zealand Sustainable Finance Taxonomy (NZ Taxonomy). It also includes guidance to help proponents demonstrate alignment with the generic DNSH requirements. It is intended for review as part of a broader consultation package.

What are DNSH criteria?

The DNSH criteria ensures an economic activity that makes a substantial contribution (SC) to one of the NZ Taxonomy's environmental objectives – such as climate change mitigation – does not cause significant harm to any of the NZ Taxonomy's other environmental objectives.

They function as a risk management tool, ensuring activities aligned with the NZ Taxonomy do not create unintended or adverse environmental consequences. While SC criteria aim to achieve positive environmental outcomes, DNSH criteria are not intended to deliver net-positive impacts — their role is to prevent harm.

Future development of SC criteria for other environmental objectives will provide the mechanism for positive progress in those areas.

The NZ Taxonomy adopts a dual approach, consistent with international best practice (e.g., EU, Australia):

- Generic DNSH criteria: Applied across all Taxonomy environmental objectives and sectors. These criteria are prepared related to each of the other environmental objectives.
- Activity-specific DNSH criteria: Tailored for individual activities and their material impacts.

This approach ensures the criteria remains both practical to implement and effective at managing specific risks across different sectors/economic activities.

Why are these criteria important?

The DNSH criteria are a core safeguard within the NZ Taxonomy. They ensure that activities classified as green or transition do not cause significant harm to the Taxonomy's other environmental objectives.

How have these criteria been developed?

Please refer to the DNSH/MSS approach paper, here, for more information about the approach and design of these criteria.

How to use this document?

Taxonomy alignment is assessed through a four-step process:

- Activity eligibility and categorisation: The activity must fall within an overall category deemed eligible for inclusion under the green or transition classifications of the Taxonomy.
- SC: The activity must demonstrate a substantial contribution to at least one environmental objective – in this case, climate change mitigation.
- DNSH: The activity must not significantly harm any of the other environmental objectives, as assessed against the generic and activity-specific DNSH criteria.
- Minimum social safeguards (MSS): The entity undertaking the activity must comply with the requirements set out under each of the core MSS pillars.

All four conditions must be satisfied for an activity to be deemed Taxonomy-aligned.

This document is intended to support technical review and targeted feedback from stakeholders and sector experts. It should be read in conjunction with the following accompanying consultation materials, which provide essential context and explain the methodology underpinning the broader Taxonomy framework:

- Introduction– which outline the overarching purpose and structure of the NZ Taxonomy, as well as key decisions which have shaped the direction and design here.
- Methodology for classification of activity categories as green or transition here.
- DNSH framework – sets out environmental safeguards at the activity level here.
- MSS framework – defines minimum social and governance standards at the entity level here.

Generic DNSH criteria

Note: Generic DNSH criteria will be developed for the climate change mitigation objective in the development of the adaptation and resilience criteria, as it is the subject of the current substantial contribution criteria.

Climate change adaptation and resilience (A&R)

Draft criteria	Description
1. Significant climate and natural hazard-related physical risks are identified, assessed, managed and monitored.	Material climate and climate hazard-related physical risks to the activity, if any, are identified and resilience or adaptation solutions are implemented to avoid or mitigate potential adverse impacts.
1.1	For new or materially expanded activities, and where the activity may be materially impacted by one or more climate hazards (Annex 1), a physical climate risk assessment (CRA) is conducted. The CRA may have the following characteristics: • For existing activities, the implementation of physical and non-physical adaptation efforts may be phased and executed over the life of the project. • For new activities, implementation of identified adaptation risks must be met at the time of design and construction with an ongoing review of adaptation requirements.
1.2	The CRA has the following characteristics: • Considers current weather variability and future climate change, including uncertainty; • Is based on robust analysis of available climate data and projections across at least two relevant potential future scenarios; and • Is consistent with the expected lifetime of the activity as far as practicable.
2. System-level adaptation and resilience is not adversely affected.	The activity and any adaptation efforts identified to manage the potential impacts of material physical risks to the activity safeguard against maladaptation and do not adversely affect wider system-level adaptation and resilience.
2.1	The activity and any adaptation efforts identified do not impede local, sectoral, regional and/or national adaptation strategies and plans. Consideration has been given to the viability of 'Green', 'Blue' or Nature-based Solutions over 'grey' measures to address adaptation.

Protection and restoration of biodiversity and ecosystem

Draft criteria	Description
1. Biodiversity and ecosystem-related risks and impacts are identified, assessed, managed and monitored.	Material biodiversity and ecosystem-related risks and potential impacts associated with the activity are identified, assessed, managed and monitored to eliminate or mitigate the negative effects of the activity on biodiversity and ecosystems.
1.1	For new or materially expanded activities an Assessment of Environmental Effects (AEE) or Environmental Impact Assessment (EIA) is conducted. • The AEE or EIA covers the identification of material biodiversity and ecosystem-related risks and impacts posed by the activity, inclusive of cultural values and details identified impacts, measures to avoid, mitigate or manage those risks and impacts. • For sites or operations located in or near to biodiversity-sensitive areas outside of New Zealand (including UNESCO Natural and Mixed World Heritage sites and Key Biodiversity Areas), an appropriate assessment has been conducted in line with international standards (for example, IFC Performance Standard 6: Biodiversity Conservation and the Sustainable Management of Living Natural Resources).
1.2	A management or action plan is in place that outlines appropriate mitigation measures, compensation, monitoring, reporting and verification measures are implemented. The management or action plan adheres to the mitigation hierarchy and complies with applicable laws or relevant international standards (Annex IV).

Sustainable use and protection of water resources and marine resources

Draft criteria	Description
1. Water-related risks are identified, assessed, managed and monitored.	Significant water quality and consumption risks associated with the activity are identified, assessed, managed and monitored to avoid and/or mitigate adverse effects of the activity on water quantity, water quality and/or aquatic ecosystems, including groundwater, wetlands and/or riparian areas.

1.1	For new or materially expanded activities, an Assessment of Environmental Effects (AEE) or Environmental Impact Assessment (EIA) is conducted.
	• The AEE or EIA identifies any significant water-related risks and potential impacts posed by the activity, inclusive of cultural values of the waterways.
	• The AEE or EIA details identified impacts, measures to avoid, mitigate or manage those risks and impacts, including measures to:
	  ○ Minimise management of the water stress caused by the activity.
	  ○ Avoid significant harm to water quality and aquatic ecosystems, including upstream, downstream, at a catchment-level and in riparian zones.

1.2	Where required, a water license, permit or equivalent water entitlement is issued in accordance with applicable laws, and water usage and conservation requirements and standards are complied with.

Pollution prevention and control

Draft criteria	Description
1. Significant pollution-related risks are identified, assessed, managed and monitored.	Significant pollution risks associated with the activity are identified, assessed, managed and monitored to avoid the activity leading to the manufacture, distribution, use or emission of harmful substances, noise, light, heat, waste or any other air, water, or soil pollution beyond levels permitted by applicable laws and regulations or outlined in relevant international standards listed in Annex VI.
1.1	For new or materially expanded activities an Assessment of Environmental Effects (AEE) or Environmental Impact Assessment (EIA) is conducted and: • Includes an assessment of pollution-related risks and potential impacts posed by the activity. • Details the risks, potential impacts posed by the activity, and measures to avoid, mitigate or manage those risks and impacts.
1.2	All necessary measures outlined in the AEE or EIA are implemented in compliance with applicable laws and regulations or equivalent international standards as listed in Annex II to: • Avoid, minimise, manage and monitor pollution-related risks associated with the activity; • Ensure the proper treatment and disposal of any hazardous waste from the activity; and • Where relevant and practicable, safely remediate or manage any contamination, including legacy contamination, associated with the activity.

Transition to a circular economy

Draft criteria	Description
1. Significant risks related to the unsustainable use of materials are identified, assessed, managed and monitored.	The activity does not contribute significantly to the unsustainable production and consumption of materials or other natural resources; lead to significant inefficiencies in the use of materials or other natural resources; or result in significant increases in the generation, incineration or disposal of waste.
1.1	The following actions are implemented to enable the sustainable and efficient production and consumption of materials or other natural resources where relevant and practicable: • New installations and products are designed and manufactured to be durable, repairable, reusable and/or recyclable to the maximum extent possible based on applicable industry standards; • A waste management plan is established to support the avoidance, recycling, reuse, and recovery of materials over the lifecycle of the activity; • Product stewardship initiatives or extended producer responsibility accredited schemes are used where available; and • Retirement and dismantlement plan for plants and infrastructure related to the activity are developed based on current knowledge with provision for updating at end of life.

Generic DNSH guidance

Annex I: Climate-related physical risks

The list of climate-related hazards in this table is non-exhaustive and constitutes only an indicative list of the most globally widespread hazards that, where material to the activity, should be taken into account at a minimum in a physical climate risk assessment. Proponents should be informed by hazards and risks identified in the latest relevant IPCC assessment and national adaptation and resilience frameworks.

Hazards of particular relevance to New Zealand include storm, hail, flood, erosion, and sea level rise.

<table>
<tr><th>Types</th><th>Temperature related</th><th>Wind related</th><th>Water related</th><th>Solid mass related</th></tr>
<tr><td rowspan="6">Chronic</td><td>Changes in temperature (air, freshwater, marine water) including extremes</td><td rowspan="6">Changing wind patterns</td><td>Changing precipitation patterns and types (rain, hail, snow/ice)</td><td>Coastal erosion, inundation and recession</td></tr>
<tr><td>Heat stress</td><td>Precipitation or hydrological variability</td><td>Soil degradation</td></tr>
<tr><td>Temperature variability</td><td>Ocean acidification</td><td>Soil erosion</td></tr>
<tr><td rowspan="3">Permafrost thawing</td><td>Saline intrusion</td><td rowspan="3">Solifluction</td></tr>
<tr><td>Sea level rise</td></tr>
<tr><td>Water stress</td></tr>
<tr><td rowspan="2">Active</td><td>Heatwave</td><td>Cyclone, hurricane, typhoon</td><td>Drought and changes in aridity</td><td rowspan="2"></td></tr>
<tr><td>Cold wave/frost</td><td>Storm (including extratropical, convective, blizzards, dust and sandstorms)</td><td>Heavy precipitation (storm, rain, hail, snow/ice)
Storm surges (due to cyclones and non-cyclone East Coast lows)</td></tr>
</table>

	Bushfire, grassfire, wildfire	Tornado	Flood (coastal, estuarine, fluvial, pluvial, ground water)	
			Glacial lake outburst	

Annex II: Screening for environmental impact assessments

The following should be used to screen whether an environmental impact assessment (EIA) is required for a particular activity in New Zealand or another jurisdiction.

Jurisdiction	Approach	Screening requirements
New Zealand (or OECD country)	Under New Zealand legislation, an AEE is required for applications for resource consent under the Resource Management Act 1991 (RMA). An EIA is the internationally recognised term for an AEE noting that EIA's often have more prescriptive process requirements. For all activities located in New Zealand and other OECD countries, whether an AEE or EIA is required should be determined in accordance with the applicable laws of the relevant jurisdiction(s) in force at the time the activity is undertaken.	Resource Management Act 1991 (RMA) As relevant in the relevant OECD country
International (non-OECD)	If the activity is not located in New Zealand or another OECD country, an EIA must be conducted if that activity would require an AEE in NZ. The EIA should be conducted in line with the international standards set out in Annex III.	

Annex III: Environmental impact assessments – international standards and guidelines

The below table provides a list of internationally recognised standards and guidelines that should be used to conduct environmental impact assessments for activities located outside of New Zealand and other OECD countries.

Organisation	Name	Description	Link
United Nations Environment Programme (UNEP)	Guidelines for conducting integrated environmental assessments	• Provide guidance for a wide range of different types of Integrated Environmental Assessments.	UNEP guidelines for conducting EIA
International Financial Corporation (IFC)	Performance standard 1: Assessment and management of environmental and social risks and impacts	• Applies to business activities with environmental and/or social risks and/or impacts. • Key objectives are to identify and evaluate environmental and social risks and impacts to the project and to adopt a mitigation hierarchy to anticipate and avoid, or where avoidance is not possible, minimize, and, where residual impacts remain, compensate/offset for risks and impacts to workers, affected communities, and the environment.	Performance standards of environmental and social sustainability
IFC	Environmental, health and safety (EHS) guidelines	• Set of recommendations designed to help businesses and projects manage environmental and health risks effectively. • Include strategies for reducing pollution, conserving resources and minimising environmental impact; recommendations for specific industries; and performance indicators.	Environmental management systems – requirements with guidance for use

International Association for Impact Assessment (IAIA)	Impact assessments including environmental impact assessment (EIA), social impact assessment (SIA)	• Guidance documents and best practice principles for Environmental Impact Assessment (EIA) • Guidance resources on how impact assessment systems can integrate do no significant harm	Principles of environmental impact assessement best practice Climate change and impact assessment action plan

Annex IV: Biodiversity and ecosystem management planning – international standards and guidelines

The below table provides a list of internationally recognised standards that should be used in biodiversity and ecosystem management for activities located outside of New Zealand and other OECD countries.

Organisation	Name	Description	Link
IFC	Performance standard 6: Biodiversity conservation and sustainable management of living natural resources	• The requirements set out in this Performance Standard have been guided by the Convention on Biological Diversity and its applicability is established during the environmental and social risks and impacts identification process.	Performance standards of environmental and social sustainability
Global Reporting Initiative (GRI)	GRI 304: Biodiversity	• Provides specific indicators for reporting on biodiversity impacts and management.	Topic standard for biodiversity

Annex V: Water management planning – international standards and guidelines

The below table provides a list of internationally recognised standards that should be used in water management planning for activities located outside of New Zealand and other OECD countries.

Organisation	Name	Description	Link
IFC	Performance standard 3: Resource efficiency and pollution prevention	• Addresses water resource management, including requirements for minimising water use and managing wastewater to protect water quality.	Performance standard 3
United Nations Environment Programme (UNEP)	Water quality monitoring and assessment of groundwater – technical guidance	• Describes key features of groundwater that govern its quantity, availability and chemical quality.	Water quality monitoring and assessment of groundwater – technical guidance
	Quality assurance for freshwater quality monitoring – technical guidance	• Provides an introduction to the key concepts and approaches that can be used in quality assurance and quality control.	Quality assurance for freshwater quality monitoring – technical guidance
	Introduction to freshwater quality monitoring and assessment – technical guidance	• Explains the hydrological and ecological functioning of water bodies when planning a sampling and analysis programme.	Introduction to freshwater quality monitoring and assessment – technical guidance
International Organization for Standardization (ISO)	ISO 14046: 2014 (water footprint)	• Offers guidelines for assessing and reporting the water footprint of products,	ISO 14046: 2014 – environmental

		processes, and organisations, including impacts on water quality.	management – water footprint
	ISO 5667 series (water quality – sampling)	• Provides guidelines for the sampling of water to ensure accurate and reliable water quality data.	ISO 5667 – 1: 2023 – water quality – sampling
GRI	GRI 303: Water and Effluents	• Includes indicators and reporting requirements related to water use, wastewater and effluents, relevant for entities to disclose their water management practices.	Topic standard for water and effluents

Annex VI: Pollution prevention and control – national and international standards and guidelines

Pollution types	International conventions, standards, and guidance	Alignment with NZ laws, regulations, and guidance
Various	IFC general EHS guidelines	Resource Management Act (RMA) 1991
	International convention for the prevention of pollution from ships (MARPOL)	Maritime Transport Act 1994
Air	World Health Organization (WHO) air quality guidelines (AQGs) and estimated reference levels (RLs)	National environmental standards for air quality (NES-AQ)
	GRI standards on emissions (GRI 305 – includes air pollutants like nitrogen oxides, sulphur oxides and particulate matter) and effluents and waste (GRI 306)	Zero Carbon Act 2019

Water	ISO water quality standards	Essential freshwater package 2020
	WHO water quality guidelines, standards and health	National policy statement for freshwater management (NPS-FM)
Soil	ISO soil quality standards	
Noise	WHO guidance on environmental noise	
Chemicals/waste	Basel convention on the Control of Transboundary Movements of Hazardous Wastes and their disposal	Hazardous Substances and New Organisms Act 1996 (HSNO Act)
	Stockholm convention on persistent organic pollutants	EPA hazardous substances notices
	The minamata convention on mercury	
	The Montreal protocol on substances that deplete the ozone Layer (including the kigali amendments)	
	Rotterdam convention on the prior informed consent (PIC) Procedure for certain hazardous chemicals and pesticides in international trade	
	Global framework on chemicals – previously known as strategic approach to international chemicals management (SAICM)	
	ISO 11014: 2009(en) safety data sheet for chemical products	

Specific DNSH criteria for Agriculture

A1. Livestock grazing and animal production

See section A1

Objective	Criteria

Climate change adaptation and resilience	• Apply generic criteria.
	• A Farm Environment Plan (FEP) that includes adaptation and resilience risks created by the activity and actions to minimise these risks, including:
	  ○ Identify erosion that might be created by the activity
	  ○ Identify potential for increased soil moisture deficit
	  ○ Shading required for animal welfare

Protection and restoration of biodiversity and ecosystem	• Apply generic criteria. • A Farm Environment Plan (FEP) that includes activity risks to ecosystems, biodiversity and soil health and actions to minimise these risks. The Farm Environment Plan (FEP) should identify measures to avoid, mitigate or manage risks and impacts to ecosystems, soil health and indigenous biodiversity, including: ○ Identifying remnant indigenous biodiversity areas and detailing the approach to protection.
Sustainable use and protection of water resources and marine resources	• Apply generic criteria. • A certified Freshwater Farm Plan that includes activity risks and efforts to avoid and/or mitigate adverse effects of the activity on water quantity, water quality and/or aquatic ecosystems, including groundwater, wetlands and/or riparian areas, including:

	○ Implementing riparian buffers and sediment traps. ○ A process is in place to avoid, mitigate and manage material risks and potential impacts associated with the activity that may lead to negative impacts to sensitive waterways, to eliminate or mitigate land-based run-off, such as nutrient, effluent, soil and chemical run-off. • A process to avoid, mitigate and manage material risks and potential impacts associated with the activity that may lead to negative impacts to sensitive waterways, to eliminate or mitigate land-based run-off, such as nutrient, animal waste, effluent, soil and chemical run-off.
Pollution prevention and control	• Apply generic criteria. • A Farm Environment Plan (FEP) that includes: ○ Processes that seek effective collection, storage, and treatment of animal waste and other effluent to prevent contamination of surrounding environments. ○ The activity has processes in place for the responsible storage, handling and disposal of antibiotics and other veterinary pharmaceuticals.
Transition to a circular economy	• Apply generic criteria.
Animal welfare	• Animal welfare is managed in accordance with applicable laws or relevant national or international standards, including developing and maintaining (as applicable) an Animal Welfare Plan, necessary documentation of animal care practices and/or the acquisition of relevant voluntary third-party certifications. • Activities related to animal husbandry practices are conducted in accordance with applicable laws or relevant national or international standards and guidelines, and codes of practice including developing and maintaining (as applicable) an Animal Welfare Plan, necessary documentation of animal care practices and/or the acquisition of relevant voluntary third-party certifications. • The activity follows responsible use of antibiotics in animal rearing, adhering to applicable laws, relevant national or international standards, guidelines, and codes of practice to prevent overuse

	and misuse. This includes a process for implementing protocols for antibiotic administration and the monitoring of antimicrobial resistance, such as utilising alternatives to antibiotics when appropriate. • Activities that involve animal rearing and handling are conducted in accordance with applicable laws or relevant national or international standards, guidelines, and codes of practice, including adherence to available guidelines for transportation of livestock and preparation of livestock for transport.

A2. Perennial and non-perennial crops

See section A2

Objective	Criteria
Climate change adaptation and resilience	• Apply generic criteria. • A Farm Environment Plan (FEP) that includes adaptation and resilience risks created by the activity and actions to minimise these risks, including: ○ Identify erosion that might be created by the activity ○ Identify irrigation requirements ○ Shading required for animal welfare
Protection and restoration of biodiversity and ecosystem	• Apply generic criteria. • A Farm Environment Plan (FEP) that includes activity risks to ecosystems, biodiversity and soil health. At a minimum, this must include efforts to mitigate and manage risks and impacts to ecosystems, soil health and biodiversity, including:

	○ Identifying remnant indigenous biodiversity areas and establishing an approach to their protection.
Sustainable use and protection of water resources and marine resources	• Apply generic criteria. • A Farm Environment Plan (FEP) that includes activity risks and efforts to avoid and/or mitigate adverse effects of the activity on water quantity, water quality and/or aquatic ecosystems, including groundwater, wetlands and/or riparian areas, including: ○ Implementing riparian buffers and sediment traps. ○ A process is in place to avoid, mitigate and manage material risks and potential impacts associated with the activity that may lead to negative impacts to sensitive waterways, to eliminate or mitigate land-based run-off, such as nutrient, effluent, soil and chemical run-off. • A process to avoid, mitigate and manage material risks and potential impacts associated with the activity that may lead to negative impacts to sensitive waterways, to eliminate or mitigate land-based run-off, such as nutrient, soil and chemical run-off.
Pollution prevention and control	• Apply generic criteria.
Transition to a circular economy	• Apply generic criteria.

Specific DNSH criteria for Forestry

Objective	Criteria

Climate change adaptation and resilience	• Apply generic criteria.
	• Forest management plan prepared by an independent expert or in-house expert with ecological and/or forestry accredited professional, that includes:
	  ○ A risk assessment of erosion susceptibility and potential affected values is undertaken using the MPI NES-PF erosion susceptibility classification and fish spawning indicator tool to determine potential erosion risk.
	  ○ Afforestation in high and very high erosion risk areas with species with the intention for clear felling, or that pose a significant risk of collapse because they are shallow-rooting like Pinus radiata, is not permitted under the taxonomy.
	  ○ High and very high erosion risk areas must have plans in place to address erosion risks.
	  ○ Pest control measures that avoid causing significant negative impacts on the environment, biodiversity, human health and ecosystem services.
	  ○ Adaptation plan for both heavy rainfall and drought conditions

Protection and restoration of biodiversity and ecosystem	• Apply generic criteria. • Forest management plan prepared by an independent expert or in-house expert with ecological and/or forestry accredited professional, that includes: ○ At least 10% of the area of the management unit is identified, mapped, and managed as conservation areas network. Management would include protection of threatened species and management of invasive species to an extent that improves or at least does not allow the current long term survival of natural ecosystems or threatened species to deteriorate in the long term.

	○ Strategies and actions that maintain and/or enhance areas identified as having high conservation values (HCV 1-6). ○ Roading/landings construction and water controls must demonstrate compliance with best practice standards in the New Zealand Forest Road Engineering Manual. ○ Strategies and actions to manage the spread of invasive species, including: ■ Approach to controlling wilding on the project site and neighbouring properties/areas. ■ Approach to controlling pest animals and invasive plants and pathogens within the property.
Sustainable use and protection of water resources and marine resources	• Apply generic criteria. • Forest management plan prepared by an independent expert or in-house expert with ecological and/or forestry accredited professional, that includes: ○ A risk assessment and actions to avoid negative impacts on water ecosystems, water quality and quantity and mitigate and remedy those that occur, including: ■ Riparian zones of a minimum of 10 metres each side of the water body are identified and documented on all water bodies that have permanent water when forested. ● Afforestation is prohibited within a minimum 10m riparian management zone (RMZ) from identified water bodies ● In addition to the 10 metres riparian zone, slope, soil stability and future harvest disturbance should be assessed when considering if 10m is a sufficient riparian zone to protect water quality.
Pollution prevention and control	• Apply generic criteria.

Transition to a circular economy	• Apply generic criteria.

Minimum social safeguards framework

Aotearoa New Zealand Sustainable Finance Taxonomy (NZ Taxonomy)

Purpose of this document

This document presents the draft minimum social safeguards (MSS) criteria, along with supporting guidance for how proponents can demonstrate compliance with MSS under the Aotearoa New Zealand Sustainable Finance Taxonomy (NZ Taxonomy). It is intended for review as part of a broader consultation package.

What are MSS criteria?

The MSS criteria ensure that economic activities making a substantial contribution to one of the Taxonomy's environmental objectives — such as climate change mitigation — do not result in adverse social outcomes. They do so by requiring the entities undertaking these activities to meet minimum social and/or responsible business conduct standards.

Like the do no significant harm (DNSH) criteria, the MSS function as a safeguard — they are not designed to deliver net-positive social outcomes, but to prevent harm. Opportunities to support positive social change may be addressed in future through the development of substantial contribution (SC) criteria for social objectives.

Why are these criteria important?

The MSS criteria are essential to Taxonomy alignment. They help ensure that activities are not considered green or transition when the performing entity creates negative social impacts. This ensures the Taxonomy promotes truly sustainable activities that respect both environmental and social standards.

How have these criteria been developed?

Please refer to the DNSH/MSS Methodology paper for more information about the approach and design of these criteria.

How to use this document?

Taxonomy alignment is assessed through a four-step process:

- Activity eligibility and categorisation: The activity must fall within an overall category deemed eligible for inclusion under the green or transition classifications of the Taxonomy.
- SC: The activity must demonstrate a substantial contribution to at least one environmental objective – in this case, climate change mitigation.
- DNSH: The activity must not significantly harm any of the other environmental objectives, as assessed against the generic and activity-specific DNSH criteria.
- **MSS: The entity undertaking the activity must comply with the requirements set out under each of the core MSS pillars.**
- All four conditions must be satisfied for an activity to be deemed Taxonomy-aligned.

This document is intended to support technical review and targeted feedback from stakeholders and sector experts. It should be read in conjunction with the following accompanying consultation materials, which provide essential context and explain the methodology underpinning the broader Taxonomy framework:

- Introduction– which outline the overarching purpose and structure of the NZ Taxonomy, as well as key decisions which have shaped the direction and design here.
- Methodology for classification of activity categories as green or transition here.
- DNSH framework – sets out environmental safeguards at the activity level here.
- MSS framework – defines minimum social and governance standards at the entity level here.

MSS pillars and core topics

Social pillars	Core topics
Corporate governance	Good corporate governance; taxation; anti-corruption and bribery; fair competition; consumer protection; community engagement; anti money laundering
Human rights	Employment; labour and working conditions; occupational health and safety; modern slavery; procurement practices; gender equality; non-discrimination; equal opportunity
Iwi/Māori rights and cultural heritage	Iwi/Māori rights; cultural heritage; data sovereignty

MSS criteria

Note: There is a proposal open to consultation that would allow smaller organisations to undertake a streamlined version of the MSS criteria.

Corporate governance

1. The entity demonstrates a commitment to implementing high quality corporate governance, including for environmental and social matters.
2. The board and/or management is qualified and adequately structured to oversee the entity's strategy, management and performance.
3. The entity's internal controls, systems and training are sufficient to support a culture of acting ethically and in compliance with relevant laws and regulations, including those related to anti-bribery and corruption; fair competition and taxation; money laundering; and consumer protection.
4. The entity has policies and mechanisms in place to enable effective stakeholder engagement. This includes engagement with potentially affected people in relation to potential and actual impacts to iwi/Māori rights and cultural heritage, as discussed further below.
5. The entity discloses whether the entity, its board or management, including the board or management of any subsidiaries, has been convicted of corruption or bribery, breach of competition law, tax evasion, money laundering or tax avoidance.

Human rights

1. The entity has a public policy in place that outlines the entity's commitment to respect human rights in line with the expectations of the UN Guiding Principles on Business and Human Rights (UNGPs).
2. The entity has a human rights due diligence process or processes to identify, prevent, mitigate and account for how they address their actual and potential adverse human rights impacts through their operations and supply or value chains, that is appropriate to the entity's size, circumstances and operating context.
3. The entity has processes in place to enable the remediation of adverse human rights impacts in line with expectations of the UNGPs.

Iwi/Māori rights and responsibilities

1. The entity has processes in place to recognise the rights of iwi/Māori in line with te Tiriti o Waitangi (Treaty of Waitangi). The United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP) can be used to provide detailed guidance and a framework for interpreting and developing processes that align with te Tiriti o Waitangi.
2. The entity has processes in place for Free, Prior and Informed Consent, inline with the UNDRIP principles and local guidance where available.
3. The entity has processes in place to uphold the rights of Māori to control data about their people, culture, and resources.

Cultural heritage

1. The entity has processes in place to identify and manage historic and cultural heritage sites.

MSS guidance

Corporate governance

1. The entity demonstrates a commitment to implementing high quality corporate governance, including for environmental and social matters.

Indicators	Guidance	Alignment with existing standards and frameworks
The entity develops and applies good corporate governance principles and effective self-regulatory practices and management systems that foster a relationship of confidence and mutual trust between the entity and the societies in which it operates.	The entity publicly commits to respecting the OECD Guidelines and/or UNGPs.	OECD guidelines, chapter 2, general policies 6 and 7 UNGP 11, 12 UNGPRF A1 GRI 103-2

2. The entity's board and/or management is qualified and adequately structured to oversee the entity's strategy, management and performance.

Indicators	Guidance	Alignment with existing standards and frameworks
The entity has a board and/or management of effective composition and size with clearly delineated roles and responsibilities to adequately implement its corporate governance policies.	The entity has one or more documents setting out: A. the roles and responsibilities of its board and/or management, including in relation to the oversight of climate, environmental, and/or social issues that materially affect the entity; B. those matters expressly reserved to the board and those delegated to management; and C. its process for periodically evaluating the performance of its board and/or management. For listed entities, this document is a board charter or similar.	IFC corporate governance methodology UNGP 19 UNGPRF A2, A2.1 GRI 102-19, 102-20 NZX Corporate Governance Code

3. The entity's internal controls, systems and training are sufficient to ensure compliance with relevant laws and regulations, including those related to anti-bribery and corruption; fair competition and taxation; money laundering and consumer protection.

Indicators	Guidance	Alignment with existing standards and frameworks

The entity has developed and adopted adequate policies and procedures for preventing, detecting and addressing bribery and other forms of corruption.	The entity has an anti-bribery and corruption policy and procedures in place that are tailored and proportionate to the entity's size, operations and risk exposure and overseen by the entity's directors and/or management. The entity's anti-bribery and corruption policy can be a standalone policy or form part of its code of conduct. The policy acknowledges the serious criminal and civil penalties that may be incurred and the reputational damage that may be done if the entity is involved in bribery or corruption, and prohibits conduct that could amount to bribery or corruption. It also outlines appropriate controls around political donations and/or offering or accepting gifts; and requires breaches of the policy to be reported to the appropriate person or body within the entity. The entity's anti-bribery and corruption procedures enable it to prevent, track, investigate and respond to allegations or incidents relating to bribery and corruption, and may include risk assessment and due-diligence processes, whistleblowing mechanisms and investigative procedures, as well as regular communication and training. The entity's anti-bribery and corruption policy and procedures are periodically reviewed for effectiveness.	SASB topic: Business ethics & transparency (mining industry) EM-MM-510a.1 (description of the management system for prevention of corruption and bribery throughout the value chain). ESRS G2 28, 30 NZX Corporate Governance Code Organised Crime and Anti-corruption Legislation Bill (2014)
The entity has robust systems in place to ensure compliance with the letter and spirit of the tax law and regulations of the countries in which it operates.	The entity treats tax governance and tax compliance as important elements of its oversight and broader risk management systems. In particular, the board or senior management has tax risk management strategies and/or systems in place – including assurance processes where applicable – to ensure that the financial, regulatory and reputational risks associated with taxation are fully identified and evaluated.	OECD guidelines, chapter XI.1, XI.2 GRI 207-2 ESRS 2 31 (a)

The entity incorporates sustainability considerations into its guidelines/criteria for sourcing goods and services, to account for significant risks associated with environmental and social externalities created by suppliers through their operational activities.	The entity has a process for screening, selecting, monitoring, and engaging with suppliers on their environmental and social impacts that is proportionate to the entity's size, operations and risk exposure.	GRI 414 SASB: Labour conditions in the supply chain; raw materials sourcing
The entity regularly implements communication and training programs to raise awareness of, and support compliance with, anti-bribery, corruption and fair competition laws and policies among employees and persons or entities linked by a business relationship.	The entity delivers communication and training on anti-corruption, bribery and fair competition to its management and employees in a form and frequency that the entity deems necessary to build capacity. Training promotes employee awareness of the importance of compliance with all applicable laws and regulations and covers the entity's commitments and expectations for employees and other business relationships.	NZX Corporate Governance Code OECD guidelines, X.4 GRI 205 ESRS G3 40, 42 Organised Crime and Anti-corruption Legislation Bill (2014)
The entity protects consumer privacy by ensuring it collects and uses consumer data in a lawful manner and takes all reasonable measures to safeguard the personal data it collects, stores, processes and disseminates.	Where an entity collects or uses consumer data, the entity has a system for identifying and addressing data security risks, including regular risk assessments of its data security systems, and takes necessary actions to mitigate any identified risks. The entity also discloses any incidents of violation of customer protections that have been reported or confirmed, including the remedial action(s) taken.	OECD guidelines VIII.6 SASB topic: Data security GRI 418

4. The entity has policies and mechanisms in place to enable effective stakeholder engagement.

Indicators	Guidance	Alignment with existing standards and frameworks
The entity's board and/or management recognises that the entity is dependent on its social licence to operate and therefore relies on a range of stakeholders (including communities, consumers, suppliers, employees, governments, investors, regulators and suppliers) to operate and succeed.	The entity has clearly identified its key stakeholders and has a strategy or processes in place to engage with them and report material issues to the board and/or management.	NZX Corporate Governance Code
The entity's board or management ensures the entity provides stakeholders with access to an operational grievance mechanism(s) or mechanisms that allows them to raise and seek resolution or remedy for grievances that may occur in relation to the entity's operations or actions.	The entity has an operational grievance mechanism(s) in place for stakeholders to address complaints and provide appropriate resolutions. The grievance mechanism(s) is legitimate, accessible, predictable, equitable, transparent, rights-compatible and a source of continuous learning in line with the UNGPs. The mechanism addresses a range of grievances, including human rights issues and whistleblowing, while ensuring access to other judicial or nonjudicial mechanisms is not impeded. Refer to the Human Rights and iwi/Māori criteria and indicators for further guidance on grievance mechanisms concerning human rights issues and iwi/Māori peoples.	UNGP guiding principle 31 OECD guidelines, chapter VIII OECD/LEGAL/-356

5. The entity discloses whether the entity, its board or management, including the board or management of any subsidiaries, has been convicted of corruption or bribery, breach of competition law, tax evasion, money laundering or tax avoidance.

Indicators	Guidance	Alignment with existing standards and frameworks
The entity discloses, without prejudice to national laws and requirements, any misconduct related to bribery and other forms of corruption, and measures adopted to address cases of suspected bribery and other forms of corruption.	The entity discloses any confirmed incidents of bribery or corruption during the relevant reporting period, including sanctions or legal cases brought against the entity, its directors or employees and the remedial steps taken by the entity including any disciplinary action taken against offending directors or employees. The entity discloses all activities it undertakes in countries that rank among the 20 lowest on Transparency International's Corruption Perception Index.	OECD guidelines GRI 205 ESRS G2 41, 43
The entity discloses any instances in which it has been found guilty of tax evasion or tax avoidance through aggressive tax planning.	The entity discloses any instances where the entity, its directors or management are convicted of violating the tax laws of the countries in which they operate, and the remedial actions taken, including any disciplinary action taken against offending directors or employees in the last five years. The entity provides a description of the mechanisms it has in place to raise concerns about the entity's business conduct and integrity in relation to taxation.	OECD guidelines GRI 207-2 ESRS 2 7
The entity discloses, without prejudice to national laws and requirements, any misconduct related to anti-trust and fair competition, as well as the measures adopted to address such cases.	The entity discloses any confirmed violations of competition laws where the entity or its subsidiaries were named as a participant by a legal authority during the relevant reporting period. The disclosure includes information on legal proceedings and remedial actions implemented to prevent future breaches of anti-trust and fair competition laws and policies including any disciplinary action taken against offending directors or employees.	OECD guidelines GRI 206 SASB topic: Pricing integrity & transparency ESRS G2 45, G3 47

Human rights

Indicators	Guidance	Alignment with existing standards and frameworks
The entity publicly commits to respect all internationally recognised human rights, in line with the expectations outlined in the UNGPs.	The entity publicly commits to respecting all internationally recognised human rights as outlined by the UN Declaration on Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The entity also commits to aligning with the UNGPs. This commitment can be made in a standalone Human Rights Policy or integrated into other policy documents.	UNGP 11, 12, 16 OECD guidelines, chapter IV, commentary para 49 GRI 2 2021, disclosure 2-23 UNGC CoP G2 CHRB A1.1
The policy commitment is signed off at the most senior level of the entity.	The entity's highest governance body (e.g., Board) or most senior executive (i.e., the CEO) signs off on the policy commitment.	UNGP 16 OECD guidelines, chapter IV, commentary para 49 GRI 2 2021, disclosure 2-23 UNGC CoP G2 CHRB A.2.1
The policy commitment sets out expectations for workers, officers and directors and its business relationships.	The policy commitment clearly outlines expectations for workers, officers and directors and its business relationships (e.g., suppliers, joint venture partners, franchisees, customers) to respect human rights.	UNGP 16 OECD guidelines, chapter IV, commentary para 49 GRI 2 2021, disclosure 2-23 UNGC CoP HR2.1

2. The entity has a human rights due diligence process to identify, prevent, mitigate and account for how they address their actual and potential adverse human rights impacts through their operations and value chains, that is appropriate to the entity's size, circumstances and operating context.

Indicators	Guidance	Alignment with existing standards and frameworks
The entity identifies and assesses its actual and potential adverse human rights impacts across its operations and value chain.	The entity maintains detailed records of its operations, including location, activities, and interactions with iwi/Māori communities. Records specifically track the potential and actual impacts on iwi/Māori communities. Records include information about suppliers, their operations, and potential impacts on iwi/Māori communities. The entity reports on its impacts to relevant authorities, iwi/Māori communities, and stakeholders at regular intervals. Reports are clear, concise, and accessible to all relevant parties. Reports include feedback and input from iwi/Māori communities.	IFC performance standard 7 UNPG 20
The entity adheres to measures that monitor impacts of activity on iwi/Māori and maintains compliance standards to minimise risk.	The entity conducts regular assessments to identify and evaluate potential and actual impacts on iwi/Māori communities. Iwi/Māori communities are involved in the assessment process. Assessments lead to the development of mitigation plans to address negative impacts. The entity undergoes regular independent audits to assess compliance with the criteria. There are clear mechanisms for reporting non-compliance or concerns. The entity promptly addresses any identified non-compliance issues.	IFC performance standard 7

3. In ongoing consultation and collaboration with iwi/Māori, the entity shall seek to demonstrate effective stakeholder engagement in a structured and culturally appropriate manner to collaborate with iwi/Māori on mechanisms that are implemented to monitor and control business activity that impacts iwi/Māori.

Indicators	Guidance	Alignment with existing standards and frameworks
The entity embeds community engagement practices that develop and maintain ongoing relationships.	The entity maintains open and ongoing communication with iwi/Māori communities. The entity seeks input from iwi/Māori communities on its operations and decision making. The entity explores opportunities for benefit-sharing with iwi/Māori communities. The entity has embedded a culturally considered grievance mechanism. See Human Rights criteria.	IFC performance standard 7 IFC sustainability performance standards Te Tiriti o Waitangi (Treaty of Waitangi)
The entity embeds protocols that facilitate collaborative decision making with iwi/Māori on business activity that impacts them and their communities.	The entity involves iwi/Māori communities in decision-making processes related to relevant business activities. The entity strives to build consensus among iwi/Māori communities and other stakeholders. The entity respects the rights of iwi/Māori communities to self-determination and cultural integrity and incorporates free prior and informed consent processes into business practice. The entity and iwi/Māori communities develop joint monitoring mechanisms to track the impacts of business activities. Mechanisms are in place to identify and address potential negative impacts early on. The entity is prepared to take corrective actions if necessary to mitigate negative impacts.	Self-determination principle of UNDRIP IFC performance standard 7 IRMA 2.2 Regional iwi management plans (available through regional councils)

Iwi/Māori rights, and cultural heritage

Indicators	Guidance	Alignment with existing standards and frameworks
The entity consults and collaborates with iwi/Māori to identify cultural heritage sites, artifacts and landscapes within its operations and avoids impacts on cultural heritage sites. Measures are taken to preserve sites.	The entity has processes to work with local iwi/Māori and where available iwi management plans to identify cultural heritage sites, artifacts, and landscapes within its operations. Iwi/Māori communities are involved in the identification process to ensure cultural significance is accurately recognised. Traditional knowledge is used to inform the identification of cultural heritage sites. The entity seeks to avoid or minimise impacts on cultural heritage sites. Measures are implemented to preserve and conserve cultural heritage sites. Mitigation measures are monitored and evaluated to ensure their effectiveness.	IFC performance standard 1, 8 IRMA 3.7 cultural heritage Regional iwi management plans (available through regional councils) Cultural impact assessment guidance

Through ongoing consultation and collaboration, the entity incorporates traditional knowledge into management plans that protect cultural heritage.	The entity maintains ongoing consultation with iwi/Māori on cultural heritage management. The entity consults the National Heritage List to understand any sites of significance on the site. Traditional knowledge is incorporated into cultural heritage management plans. The entity maintains detailed records of cultural heritage both tangible and intangible activities. Access to cultural heritage sites is managed to protect their integrity. Iwi/Māori communities are involved in the management of cultural heritage matters relevant to them. The entity conducts regular monitoring to ensure compliance with cultural heritage management plans. Independent audits are conducted to assess compliance. Any non-compliance issues are addressed promptly.	New Zealand heritage list/rārangi kōrero
Data sovereignty.	The entity has processes in place to uphold iwi/Māori data sovereignty by ensuring that all data pertaining to indigenous cultural values and sites (where applicable) are the sole ownership of those that have provided it. The entity has processes to securely manage the data. The entity has processes in place to request access for any future uses of the data to the individual that provided it.	CARE principles (as a best practice guide)
Cultural Heritage	The entity has processes in place to identify and manage historic and cultural heritage sites. The entity seeks to avoid or minimise impacts on cultural heritage sites. Measures are implemented to preserve and conserver cultural heritage sites	New Zealand Heritage list/Rārangi Kōrero

	Mitigation measures are monitored and evaluated to ensure their effectiveness	

Appendices

Industry assurance schemes

Dairy

- Fonterra Farm Environment Plans
- Synlait's Lead with Pride

Red meat & wool (Sheep, beef and deer farmers)

- New Zealand Farm Assurance Programme (NZFAP) and NZFAP Plus, managed by managed by New Zealand Farm Assurance Incorporated (NZFAI)

Horticulture

- New Zealand Good Agricultural Practice (NZGAP)
- The GLOBAL G.A.P. Integrated Farm Assurance (IFA)

Viticulture

- Sustainable Winegrowing New Zealand (SWNZ)

Glossary

Farm Environment Plan (FEP): a tool to help identify the environmental risks on farms and make plans to manage and mitigate those risks. Plans are unique to each farm and consider the type of farming, operational practices and local environment.

The consultation is open from June 16 – July 13.

Please contact taxonomy@sustainablefinance.nz for any questions or assistance.