

PROJECT GREEN TRUST NEWSLETTER JUNE 2004

INTRODUCTION

Yes! We are still here and achievements are progressing steadily.

The purpose of this newsletter is to inform attendees at the Summit Conference last November of our progress and future plans and to give those that have expressed an interest in our programme an idea of what is being developed.

A lot has happened, so we will try and take you through in a natural progression.

PROJECT GREEN CHARITABLE TRUST

In December 2003 the Project Green Trust was established. The Trust is a charitable trust. Following is a summary of the trust structure:

The Constitution of the Trust is structured in such a way that fee paying members have, subject to the terms of the Trust Deed, certain powers, including the power to elect trustees.

At all times the objects of the Trust, and the performance of its duties have to comply with the charitable tax laws of New Zealand.

The objects of the Trust are (in general terms) to promote, foster and advance good practice by farmers and related service industries enhancing:

- Food safety, animal welfare, and sustainable resources,
- Formulating, publishing and upholding management protocols that effect Project Green practices.
- Promoting the merits of, education in, and development of, Project Green practices.

There are three types of membership:

1. Ordinary membership that (upon payment of the fee) carries the right to attend, speak and vote at general meetings of the Trust. Ordinary membership is only open to farmers compliant with Project Green practices, or persons (in the opinion of the Trustees) who have demonstrated experience or qualification in Project Green practices.

2. Associate membership that (upon payment of the fee) carries the right to attend general meetings, but has no power to vote. Associate members may only speak at such meetings with the Chairman's leave. Associate membership is open to those (principally farmers) who are supportive of, but not necessarily compliant with, Green Project practices.

3. Honorary members who are elected to such position by a majority of Ordinary members.

Membership fees are set by the Trustees from time to time.

The four initial trustees of the Trust are Rod Pearce, Kris August, Bill Ritchie and John Stewart. The Deed provides for a maximum of seven (7), and a minimum of three (3), trustees.

The trustees have the effective day to day control of the Trust and its activities, subject to accountability at annual general meetings.

NZ FARMSURE LTD (NZFS)

The decision to develop a new name for the programme has initiated the development of NZ FarmSure Ltd to be the operational arm of the Trust. It was decided to separate the trust from the implementation of the programme to allow it to focus on the protection of the intellectual property, securing funding and overseeing the development of NZ FarmSure.

The sustainable programme will now be promoted under this new banner.

A Business Plan has been written for both the Trust and NZ FarmSure. The following extracts from the plan should explain to you where we are headed.

BUSINESS OBJECTIVES

- To ensure that the standards developed by the farmer working groups and associated representatives are nationally recognised by industry bodies as being for industry good and promote sound practice.
- To enable farmers to implement the standards at a minimal entry point and to show progressive compliance over time.
- To protect the intellectual property as developed by the working groups via the formation of the Project Green Trust.
- For the Trust to implement an operational arm known as NZ FarmSure Limited.
- For the Trust to ensure that farmer representation within the governance of NZ FarmSure Limited is maintained.
- For the Trust to source funds from industry bodies within New Zealand to enable the plans to be implemented so as to assist with the initial development of a workable programme for the New Zealand farmer.
- To manage via FarmSure the contracts required to see the successful implementation of base entry level and progress over time as deemed appropriate by the Trust.
- To develop the acceptance principles of FarmSure as a national standard of voluntary participation via the recognised leading industry bodies such as: The Meat Industry Association, The Ministry of Agriculture, Federated Farmers, The Sustainable Farming Fund, Meat and Wool New Zealand, The Monitor Farm Programme.
- To promote the content and nature of the standards internationally with the potential outcome of a market advantage.
- To develop a structure for farmers to be members/shareholders of FarmSure via the implementation and successful show of progressive compliance over time.

SPECIFIC OUTCOMES REQUIRED

The specific outcomes of this business plan are as follows.

- To secure funding for the next two years to see the successful development and implementation of the standards on the New Zealand farmers property.
- To secure industry buy in through proactive promotion of the developed standards.
- For the Trust to manage via FarmSure the working contracts with those bodies required to see the successful implementation of the standards at the farm gate level.
- For FarmSure to establish and manage contacts with:
 - AgResearch
 - NZ Vets
 - Regional Councils
 - Fertiliser Companies
- To develop an operational business structure and governance board for FarmSure

The Trust will provide a minimum of 2 directors to the board, which will include the positions of Chairman and Chief Executive currently Bill Ritchie and Kris August, Rod Pearce and Michael Sewell, a partner in Sewell & Wilson (Chartered Accountants) who have been appointed to provide Secretary/Treasurer and accountancy support to the Trust and NZ FarmSure Ltd are also directors.

Representatives from AgResearch, NZ Vets and Regional Councils may be included with provision for other industry bodies who develop a vested interest to have a representative on the board.

AGRESEARCH

We are in the process of formalising a contract with AgResearch to develop a software programme to deliver the plans at on-farm level.

Initial drafts of the software look very positive, with a trial version to be tested by the middle of the year and the final version to be available by the end of the year.

Software development does take time, but we are very mindful not to lower any standards in order to speed up the process. We are confident that the package will enhance the development of the programme at farm level by being a very useful farm-planning tool.

AgResearch will also be providing us with suitably trained Field Officers to help in the introduction of the plans and software on farm, which includes:

- explaining the software
- assisting the farmer identify base information that is required to develop the plans,
- guidance with developing the plans and
- providing assistance with finding the necessary expertise required to complete and sign off on the plans.

(Initially seen as a starter pack and link between the Vets and Land Management Officers.)

Johanna Somermeijer from AgResearch has also been contracted to provide us with secretarial support in the form of updating promotional material, typing and mail out services and taking minutes at meetings.

REGIONAL COUNCILS

We met recently with several Regional Council reps, including one from the South Island to gauge their understanding of the programme and their potential input into the Land Management Plan.

Those we met with were very supportive of the programme and each saw themselves offering support at different levels depending on the resources available to them in the form of their own regional data and land management officers.

As we progress into each different region we will be meeting with and working carefully with each Regional Council to manage the process.

They are an important link in the success of the programme and we are keen to keep a good working relationship with them.

VETS

We have maintained contact with Trevor Cook (Manawatu Vet Services) through the development of the programme and specifically the Animal Management Plan.

Trevor is a member of the NZ Veterinarian Assoc and through this link has kept them up to speed with the development of FarmSure.

We will be endeavouring to meet with the board of this national body at their next meeting to present the programme to them.

From here we will be looking at forming individual contracts with Vets within the regions to assist in the AMP.

PROMOTION

We have developed a promotional brochure to be circulated to interested individuals and industry bodies, explaining the workings of the programme and it's positives.

This has been sent to the manager of the Monitor Farms and we await his feedback on the possibility of the plans being included on some of these properties. We see this as a good way of having the programme exposed to more farmers.

A copy of the brochure is included for your own information.

The opportunity to present our programme to other industry bodies such as, Federated Farmers, Meat and Wool NZ and the Meat Industry Assoc will be pursued to hopefully gain their support and backing where appropriate. This is seen as an important next step to coincide with the release of the software and development on farm to allow the whole programme to gain momentum.

WEBSITE

The current Project Green website will be updated to include the details of FarmSure and the appropriate contacts. We feel it is important to maintain the link between the two while the name change of the programme is introduced.

SUBSCRIPTIONS

Referring back to the start of the newsletter and the Trust structure, you will note that to be a member of the Trust requires payment of a subscription. The Trust does need members to operate effectively, as this membership allows you to attend, speak and vote at general meetings of the trust. Allowing you the opportunity to participate in the future direction of Project Green and receive regular updates of developments to the programme. We see a subscription as being a compulsory requirement with regard to having the programme implemented on your farm.

The subscription has been set at \$50 excluding GST and we would encourage you to return the subscription form and also update your contact information as we intend our future communications to be by e-mail wherever possible.

SUMMARY

We are confident we now have a suitable structure in place to progress the development of the programme and its implementation.

The co-ordination of all interested parties in delivering the plans on-farm through the release of the software is our next challenge. Those of you with part finished plans or who have expressed an interest in the plans will be approached first for the opportunity to complete them.

We intend on having a general meeting of the Trust in 2005, and are considering some regional meetings of the initial farmer groups to introduce the software when it is released.

The Trustees would be happy to discuss any issues raised through the newsletter or any other questions or suggestions you may have. So feel free to contact any one of us, you will find our contact details on the marketing brochure.

In the meantime you can rest assured that Project Green is still very much alive and well and steadily progressing to becoming a practical sustainable farm programme which the industry as a whole will support.

Regards

The Project Green Trustees