

## The regulation of inhibitors in agriculture

### Questions and Answers

**Q: What is an inhibitor in agriculture?**

A: Inhibitors are commonly considered to be compounds that restrict the production of agriculture greenhouse gas emissions and nutrient leaching. There isn't currently a regulatory definition – how to define inhibitor is a key question that we are seeking feedback on in this consultation.

**Q: Why are inhibitors important?**

A: Inhibitors are potentially important tools for farmers and other primary producers to improve their environmental sustainability, including reducing methane and nitrous oxide emissions and improving water quality.

**Q: How do they work?**

A: Inhibitors vary widely in how and what they inhibit. Depending on the way the inhibitor works, it may be applied indirectly or directly to animals, e.g. via animal feed, water and vaccines, or to plants or land. Examples are inhibitors applied to pasture to reduce nitrate leaching, and those added to animal feed to reduce methane emissions.

**Q: Are inhibitors currently being used in New Zealand?**

A: There is limited use, but we expect this to increase as farmers look for ways to reduce their greenhouse gas emissions and improve water quality.

**Q: Why is MPI consulting the public on the regulation of inhibitors used in agriculture?**

A: MPI considers these proposed changes are necessary to ensure the regulatory framework for inhibitor products is fit for purpose with regards any risks to food safety, animal and plant health, and trade.

Many New Zealand farmers are seeking ways to reduce their nutrient losses and greenhouse gas emissions. The new Zero Carbon Amendment Bill and the Essential Freshwater programme in particular have increased interest in the potential for inhibitors to help achieve those goals.

If they're not managed appropriately, use of inhibitors could potentially pose an unintended risk to food safety, animal and plant health, and trade. As well as making sure there are no negative impacts from using inhibitors, the primary sector wants assurance that products on the market that claim to be inhibitors are effective. Increasing the level of regulation would increase MPI's ability to manage compliance incidents (e.g. residue violations).

**Q: What options are proposed in the consultation document?**

MPI is seeking the public's views on three options for managing use of inhibitors in agriculture:

- Retain the status quo
- Industry takes more responsibility for managing inhibitors
- A regulatory option that would define inhibitors as agricultural compounds and therefore regulate them under the Agricultural Compounds and Veterinary Medicines Act 1997.

We also want to know if people think there are other options to consider.

**Q: How are inhibitors currently regulated?**

A: Most inhibitors are regulated under the Hazardous Substances & New Zealand Organisms Act 1996. This Act protects the environment and health and safety of people, however, it does not manage risks to trade from inhibitor residues, animal safety, dietary exposure or efficacy. These risks are covered to a

limited extent by the Agricultural Compounds and Veterinary Medicines (ACVM) Act 1997 and the Animal Products Act 1999. However, the environmental purpose of inhibitors is outside the definition of an 'agricultural compound' in the ACVM Act.

**Q: What outcome is MPI seeking from this consultation?**

A: We want to achieve sufficient regulatory oversight of inhibitors to ensure the primary sector has confidence they can be used safely and effectively to mitigate environmental sustainability and climate change issues – both now and in the future as their use potentially increases.

**Q: What benefits would potentially result from a regulatory change?**

A: The expected benefits include:

- Maintaining New Zealand's food safety reputation
- Increased user confidence that the inhibitor products they use are effective
- Improved ability to manage compliance incidents.
- If use of inhibitors is increased there is likely to be environmental mitigation benefits, including less production of agricultural emissions and less nitrate leaching.

**Q: Who is selling inhibitors in New Zealand?**

A: There are a limited number of inhibitors currently sold in New Zealand. There are also some under development. The composition of the inhibitor market in New Zealand is not well known. Larger agribusinesses and some small businesses may produce inhibitor products. These businesses are based in New Zealand and offshore.

**Q: Who would have to comply with new and/or increased regulatory oversight?**

A: Manufacturers, importers, sellers and users of inhibitor products in New Zealand would have to comply. If regulatory oversight is increased, there would likely be a transitional period for those who have to comply to allow them time to generate required data, update labels and marketing material, and manage stock in trade if necessary. Identifying an appropriate length for any transitional period is a question in the consultation document.

**Q: How would this impact businesses, including SMEs?**

A: Any increase in regulatory oversight will increase compliance costs, potentially affecting small and medium sized enterprises. The consultation process will assist us to better determine which and how many companies would be affected by any regulatory change, and explore ways in which the costs to business can be managed.

If inhibitors are brought in scope of the ACVM Act then those using the products are likely to have more confidence that the product is effective and safe.

**Q: When does the consultation open and close?**

A: It opened on 13 February 2020 and closes on 27 March 2020.