The breakdown of the fiscal shares that apply under the Operational Agreement

1. **A total response fiscal cap of $30,000,000 over the ten years of the Operational Agreement.**

   This means that if the costs of a response reach the $30,000,000 trigger point, the parties —EPFNZ, PIANZ, and MPI —will discuss the next steps and whether further costs are incurred. Response is the actions taken in response to an outbreak.

2. **Response cost shares of 60% Government / 40% Industry for Highly Pathogenic Avian Influenza and its strains, including H7N6 and H5N1.**

   The minimum government contribution under GIA is 50%, but parties have negotiated a higher rate for these diseases, with the Government contributing 60% and the industry (PIANZ and EPFNZ) contributing 40%.

3. **Response cost shares of 55% Government / 45% Industry for Newcastle Disease and IBDV.**

   The split here is 55/45% for the other two major poultry diseases, which have a less significant impact than HPAI, but still recognise the implications for poultry flocks**.**

4. **Inter-industry shares of 62.5% for PIANZ and 37.5% for EPF**

   This breakdown of the industry share of costs recognises two key issues: firstly, the difference in size between the poultry sectors, and secondly, the high-risk profile of the layer hen free range sector.

5. **The costs of the Hillgrove response will be subject to the 60/40 split.**

   MPI and industry have agreed that the cost of the Hillgrove response will be dealt with under the 60% / 40% shares.

6. **Readiness activities (i.e. the actions taken to prepare for an outbreak)**

   The costs here do not have a fiscal cap, but where agreed in advance by all parties, there is a cost share of 55% Government / 45% industry.