

**IN THE MATTER** of the Resource Management Act  
1991

**AND**

**IN THE MATTER** of the Proposed Canterbury Land  
and Water Regional Plan

**SUPPLEMENTARY STATEMENT OF EVIDENCE OF JAMES GREGORY RYAN  
RELATING TO THE SUSTAINABLE DAIRY WATER ACCORD  
FOR THE GROUP 1 HEARINGS**

**1. INTRODUCTION**

- 1.1 In my statement of evidence for the Group 1 hearing, I refer to the development of a new Sustainable Dairying: Water Accord. Furthermore, in paragraph 7.5 of Mr Cullen's evidence he indicated that a short supplementary statement of evidence would be provided when the new Accord was released. The Sustainable Dairy Water Accord (the "new Accord") was released for discussion with farmers on 20 February 2013. It is expected that the new Accord will be confirmed and formally released in final form by 1 August 2013.
- 1.2 As DairyNZ was instrumental in the new Accord's development, and it applies across the dairy industry, I have provided this supplementary statement explaining it in more detail. A copy of the new Accord is **attached** to this statement of evidence as Appendix 1.
- 1.3 The new Accord supersedes the former Dairying and Clean Streams Accord ("CSA") in a number of important ways. Overall, the new Accord is considerably more ambitious than the CSA and, critically, contains far more detail about the programmes and initiatives of the wider dairy sector that will support the meeting of the Accord's on-farm commitments by individual farmers.

1.4 The Accord includes sections on:

- (a) Riparian management;
- (b) Nutrient management;
- (c) Effluent management;
- (d) Water management; and
- (e) Conversions.

1.5 While many of the commitments in the first three of these sections appear similar to those of the CSA, there are a number of important differences.

- (a) First, all dairy companies have committed to the new Accord. The CSA was a Fonterra initiative only and therefore only committed Fonterra suppliers. This is significant in Canterbury where three different dairy companies source milk supply.
- (b) In 2017 the land that is “caught” by the Accord will expand from just the milking platform (the property on which cows are milked), as applied under the CSA, to dairy grazing land owned or leased by the same person who owns the milking platform.

## **2. RIPARIAN MANAGEMENT**

2.1 Stock are to be excluded from 100% of the length of waterways on dairy farms by 2017 (as well as lakes, significant wetlands and springs). This is an improvement on the CSA, which only ever committed to a 90% exclusion target and never committed to excluding stock from springs – something I understand is particularly important in the Canterbury Region. Moreover, the new Accord makes clear that exclusion must be by way of a permanent fence (unless a natural barrier exists). Temporary fences were deemed adequate under the CSA. Consistent with the CSA, the waterways subject to this commitment are those wider than 1 metre and deeper than 30cms and permanently flowing.

2.2 Riparian management plans will be required for 50% dairy farms by June 2017 and 100% of dairy farms (including grazing land from June 2017) by 2020.

These plans will include riparian planting commitments tailored to individual properties. The CSA made no commitment to riparian planting.

- 2.3 All points on any waterway (i.e. not just waterways of a width greater than 1 metre) where stock regularly cross must be bridged or culverted by June 2018. The CSA set a target of 90% by 2012. The significant difference with the new Accord is that it now defines “regular stock crossing” as a point where cattle cross for milking and return after milking more than once per month. The CSA did not define the term “regular stock crossing”. However, Fonterra has previously applied a standard of more than two “there and back” crossings per week.

### **3. NUTRIENT MANAGEMENT**

- 3.1 All dairy companies will collect data from farmers to model nitrogen loss and nitrogen conversion efficiency from farms. Information on where a farm sits in terms of its nitrogen loss performance relative to other farms will be provided back to farmers. This will be phased in with data collected from 85% of farms by June 2014 and 100% of farms by June 2015. In catchments that a regional plan has identified as unable to take more nutrients (i.e. as “fully allocated”) dairy companies commit to reducing the average per hectare nitrogen and/or phosphorous loss. Further, the industry will publicly report the average nutrient loss per hectare (by region and/or catchment).
- 3.2 The CSA required farmers to have systems in place to manage nutrient inputs and outputs. That was interpreted to mean that farmers had to have nutrient budgets. There was no commitment to information disclosure, or to reducing nitrogen losses when and where that was needed, as now included in the new Accord.

### **4. EFFLUENT MANAGEMENT**

- 4.1 Dairy companies have committed to helping farmers to comply with effluent rules and consents by providing a risk assessment check on every one of their supplier farms at least once every three years. Farms identified as being at risk of non-compliance will be subject to annual checks and a management plan put in place to remedy the non-compliance risk. Rates of compliance/non-

compliance will be publicly reported. In addition the new Accord contains DairyNZ commitments to a broad programme aimed at implementing training and accreditation systems for those designing and operating effluent management systems. This is designed to lift the level of professionalism and performance in effluent management.

- 4.2 The CSA committed to 100% on-farm compliance with effluent rules/consents but no commitments were made regarding how the industry was going to ensure that level of compliance was attained.
- 4.3 In short, while the CSA committed to all dairy effluent discharges complying with rules and consents, this Accord refocuses the role of dairy companies and the wider sector to providing the tools and support so that 365 day per year compliance is possible and much more likely.

## **5. WATER MANAGEMENT**

- 5.1 Dairy companies have committed to:
  - (a) Introducing programmes to ensure farmers are aware of and comply with regulation controlling water takes; and
  - (b) Requiring at least 85% of supplier farms to install water meters by 2020. This will include farms that have takes below the 5 litres per second rate of take threshold set by the Resource Management (Measurement and Reporting of Water Takes) Regulations 2010).
- 5.2 Irrigation NZ has committed to a broad programme aimed at developing and implementing training and accreditation systems for those designing, installing and operating irrigations systems.

### **Conversions**

- 5.3 Dairy companies commit to ensuring that, before milk collection commences, new dairy farms must comply with stock exclusion and stock crossings obligations; they must have an effluent management system capable of 365 days compliance and have a nutrient management plan in place. They must also have applied for all necessary consents from the regional council. From June 2015 they must also all have a riparian management plan in place.

Dairy companies will monitor and report their pre-supply procedures and audit results ensuring 100% requirement with these obligations.

- 5.4 The CSA did not address conversions.

## **6. MONITORING, REPORTING AND AUDITING**

- 6.1 To ensure integrity and public confidence in the results of industry monitoring and reporting against the new Accord, a specific governance and reporting structure has been agreed. The Dairy Environment Leadership Group (DELG) - a multi-stakeholder group comprising industry representatives along with local and central government, iwi and the environmental sector will oversee the Accord's implementation.
- 6.2 DairyNZ and the Dairy Companies Association of NZ (DCANZ) will collate information annually on performance for consideration by DELG. That report will be audited by an independent third party. The audit will review information collection systems and practices as well as sampling on-farm performance to verify the accuracy of reporting.
- 6.3 This is expected to significantly increase the effort the dairy sector invests in Accord implementation.

## **APPENDIX 1**

### **Copy of the new Accord**