From:	Victoria Lamb
To:	Mailroom Mailbox
Subject:	FW: B+LNZ Submission, Plan Change 5
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From: Victoria Lamb Sent: Friday, 11 March 2016 5:01 p.m. To: 'mailroom@ecan.govt.nz' Subject: B+LNZ Submission, Plan Change 5

Dear ECan,

Please find attached Beef + Lamb New Zealand's submission on Plan Change 5.

Kind regards

Victoria Lamb

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By farmers. For farmers

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TO Environment Canterbury

ON

Plan Change 5 to the Canterbury Land and Water Regional Plan

BY Beef + Lamb New Zealand Ltd

Submission

1. Introduction

- 1.1 Beef + Lamb New Zealand Ltd (B+LNZ) welcomes the opportunity to make a submission on the Proposed Variation 4 of the Canterbury Land and Water Regional Plan
- 1.2 B+LNZ is an industry-good body funded under the Commodity Levies Act through a levy paid by producers on all cattle and sheep slaughtered in New Zealand. Its mission is to deliver innovative tools and services to support informed decision making and continuous improvement in market access, product positioning and farming systems.
- 1.3 B+LNZ is actively engaged in environmental issues that affect the pastoral production sector.

2. General Submission

B+LNZ supports in part and opposes in part Plan Change 5 to the Canterbury Land and Water Regional Plan.

3. Grandparenting

ECan's assertion in the s32 report and in public meetings that the introduction of GMP has addressed the unfairness and windfalls of grandparenting is patently incorrect. All that has been done is that all farms are grandparented at GMP – so property N loss will potentially be a little lower for all farms, whether high or low leaching, but high leaching farms still get to keep a high rate of N loss, and low leaching farms have to go still lower to allow the high leaching activities to be able to continue to do so.

It is noted that in the policy discussions with industry, the issue of allocation methodologies was explicitly excluded from discussions, and so the policy discussion focussed on the revised Rules 5.43A to 5.59A. It is however considered that such a discussion is valid through the submission and hearing processes.

As noted by the Hinds (PC2) Hearing Commissioners:

- [297] Business viability or profitability depend in part on private choices made for a business enterprise. In the case of a farming business, those choices may include for example, amounts committed for purchase of land; amounts borrowed for development such as irrigation infrastructure; and amounts of periodic charges for servicing loans. If the amounts are so great that the profitability or viability of the business is put at risk by working within constraints on the activity to avoid adverse effects on the environment, that may call in question whether the amounts committed for land purchase and for borrowings were excessive, and whether the business model was unrealistic. But the risk does not justify discarding constraints to safeguard the life-supporting capacity of ecosystems; or to sustain the potential of natural resources to meet future needs; or to preserve the natural character of wetlands, rivers and their margins; or to provide for the relationship of Maori with their ancestral lands, waters and other taonga.
- [298] As mentioned above, the extent of the constraints for environmental values on business activity, and the timing of them, are to be assessed by references to their benefits and costs involved. But the very fact that a proposed constraint may place at risk the viability or profitability of a private business does not itself justify lifting the constraint.
- [299] So we do not accept submissions that nitrogen loss reduction constraints in Variation/Plan Change 2 should be omitted on the ground that compliance with them would render farming businesses unviable or unprofitable.

Following this reasoning through there would seem to be no grounds for grandparenting which favours those currently leaching at high levels that are not able to be sustained by the environment, simply because their business viability or profitability is dependent on being able to continue an unsustainable practice, to the detriment of the life-supporting capacity of ecosystems, in a way that restricts the very necessary flexibility of land use that is needed to sustain the wider economy for the benefit of the whole community. That wider economic benefit is a matter to be considered is required under the RMA, and upheld in the decision of the Hearing Commissioners in Hinds PC2 decision

Grandparenting picks winners at the expense of the environment and flexible and adaptive land use. It creates windfall gains and wealth for those that have contributed most to the degradation of water quality, and rewarded them with a saleable asset. The rapid market shifts in dairy milk solids value being experienced at the moment is an example of how picking winners according to any current economic conditions or market values can be detrimental to the community as a whole. In this case we can expect to see farmers engaged in high N loss activities gain windfall profits from the sale of land allocated a high N loss rate derived from a baseline developed during peak milk solids prices, and pocketing the profits. Meanwhile those engaged in lower leaching land use activities that are currently receiving improved market returns are restricted to an N loss rate derived when returns were lower and cannot develop to increase production without buying land with a high N loss baseline – in effect having to buy N loss allocation from those engaged in higher discharge activities who pocket the profit. How is that good planning, fair or equitable?

Proposed Rules 5.43A to 5.59A present a holding pattern that will endure until the sub-regional processes are completed. However the timelines for these are of such length that significant numbers of properties will be constrained in their development and contribution to the economy, as a result of grandparenting.

An alternative approach is proposed that would see nutrient loads in a catchment or land management unit remain at baseline GMP levels but that starts the move to a more rational and sustainable approach to nitrogen allocation in the future. One that encourages the flexibility of land use to allow a responsive economy that can adjust and adapt quickly in a changing world economy.

It also provides a sustainable and enduring approach to the management of water quality that safeguards the life-supporting capacity of ecosystems in a way that will not need to be changed every time market economics changes.

This approach is one based on the natural capital of the land, the combination of its lifesupporting capacity and the environmental services the land supplies – such as flood mitigation and nutrient attenuation. This is not a new concept and has been adopted in two other regions within New Zealand, with the support of the Environment Court and a Board of Enquiry.

It recognises that different soils have differing capacities to hold and attenuate nutrients, hold or drain water and susceptibility to erosion. By focusing on the natural capital of the differing soil types and their capacity to be productive and mitigate impacts including those from nutrient application, addition of water or other land use activities, land use is optimised and can rapidly adapt to the most economic use, even as uses change over time, and will not need to re-address planning issues every time the market changes.

Tools and approaches already exist that can develop optimised land use across a range of differing objectives such as reducing N loss to water, reducing sediment from run-off and enhanced water capture. An example of this can be found in the paper

Herzig A, Ausseil A-GE, Diamond JR. 2013 Spatial Optimisation of Ecosystem Services. Landcare Research.

Rather than simply locking down current use at GMP, there is an opportunity for ECan to show leadership and innovation and develop a set of policies and rules that will see the development of an enduring approach to the issue of protecting water quality and enabling flexible and responsive land use.

Decision sought

That all rules 5.43A to 5.59A are withdrawn.

Develop a collaborative approach and adopt a natural capital approach to the allocation of nitrogen discharge limits

In the event that this approach is not adopted, specific decisions on PC5 are requested below.

Definitions

Audit: Means an assessment of the performance of a farming activity against the objectives and targets of a Farm Environment Plan, and includes identifying any remedial actions to be carried out to achieve the objectives and targets of the Farm Environment Plan and an overall grading based on the assessment of the property.

Reason

A Farm Environment Plan should be about demonstrating how the Good Management Practices (GMPs) adopted by ECan in Plan Change 4 are being implemented on farm i.e. the degree to which management on each individual farm meets the expectations of good management practice for that activity. It needs to be made clear that a Farm Environment Plan (FEP) is specific to that property and so will the degree to which to which different practices are adapted or adopted for that particular farm to reduce discharge to the environment from that farm.

The proposed definition is instead focused on objectives and targets and remedial actions to meet those. As a consequence the audit loses the focus on achieving GMP described in the s32 report as the preferred approach.

s.32 report. Page 4-3

"FEPs are intended to assist the adoption of GMP. They can be tailored to suit local conditions and to meet the specific needs of the farming operation. The minimum requirements for a FEP are set out in Schedule 7 of the CLWRP. Each FEP must describe the targets and measures that will be used, including the use of the "good management practices" (Part B (5), Schedule 7) to achieve a set of specified farm management objectives."

It is quite clear from this that the intention is that each FEP will be different for each farm, and the objectives and targets will also be different and appropriate to each situation. The definition focuses only on 'remedial actions' and does not recognise or acknowledge achievements of existing management practice or innovation including the previous adoption of GMP. The concern is that audits will become solely a compliance tool that compensates for the lack of certainty desired by compliance officials.

Outcome sought

Amend the definition of "Audit' as set out below, or some similar amendment

Audit: Means an assessment of the performance of a farming activity against in achieving the industry agreed Good Management Practices, the farm specific objectives and targets of a Farm Environment Plan, and includes identifying any remedial actions to be carried out to achieve the objectives and targets of the Farm Environment Plan and an overall grading based on the assessment of the property.

Certified Farm Environment Plan Auditor: "(b) is a member of an International Standards Organisation accredited audit programme that has been approved by the Chief Executive..."

Reason

ISO accredited audit programmes do not necessarily require that the auditors have any knowledge of farming systems in New Zealand, rather they focus on ensuring particular actions such as data recording have or have not been undertaken. As a result the actions need to be very specific and prescriptive, an approach that does not fit with the achievement of the GMPs as they are risk based and require an

assessment of how well a risk has been assessed and appropriate management of that risk in order to achieve the GMP outcome.

This definition needs to be amended to include a requirement for a suitable level of farm risk assessment specific to New Zealand and in particular the range of farming systems and environments experienced in Canterbury.

Outcomes sought

"(b) is a member of an International Standards Organisation accredited audit <u>farm risk assessment</u> programme that has been approved by the Chief Executive..." or similar effect.

Reason

that "2. Is a current member of a Professional Institute that requires members to subscribe to a Code of Ethics and has a procedure in place for dealing with complaints made against members; and" is amended to require the Professional Institute to be one relevant to Farm Environment Plan auditing, and not for example one relating to Real Estate, Medicine or Wine Judging.

Outcome sought

"2. Is a current member of a Professional Institute relevant to Farm Environment Plan auditing, that requires members to subscribe to a Code of Ethics and has a procedure in place for dealing with complaints made against members; and" or similar effect.

Reason

that "3. Demonstrates to Environment Canterbury proficiency in the auditing of Farm Environment Plans against the matters set out in Part C of Schedule 7." be amended to remove a tortology.

It is unclear how this section can operate as to be Certified an auditor must be proficient, but to carry out audits to demonstrate proficiency they must first have been Certified to allow them to carry out any audits. It is unreasonable to expect a farmer to allow an audit of a farm so that an un-Certified auditor can gain experience and show the necessary skills, if the audit is not then accepted by ECan because the auditor is not Certified.

Winter Grazing: means the grazing of cattle within the period of 1 May to 30 September, where the cattle are contained for break feeding of in-situ forage crops or supplementary feed that has been brought onto the property.

Reason

While the general intent of this definition may be apparent, this definition will be used for compliance purposes which means it fails as a definition as it is open to interpretation or unnecessarily restricts activities which may have minimal adverse impacts on water quality or that carry little risk.

The period 1 May to 30 September means winter is now considered to last 5 months, almost 50% of the year, regardless of the land and soil type, or climate, rainfall, farm system, stocking rate, or duration of grazing. What is appropriate on a soil with low levels of drainage may not be appropriate on highly leaky soils. What might be appropriate in a winter dry environment will not be the same as what is appropriate for a winter wet environment. Similarly, stocking density and duration are significant drivers of nutrient losses to water through leaching, both nitrogen and phosphorus. The impacts of a stocking rate and duration of grazing are also significant drivers of N and P loss through leaching when cattle are confined for winter feeding.

It is noted that the description of the months where grazing is considered to be 'winter grazing' is at variance with the period described in Rule 5.44A which describes a period of 1 May to 1 September, not 30 September. The 1 September date is considered more appropriate.

These matters are best managed through a requirement to achieve a particular environmental outcome such as "minimise nutrient and sediment loss to water arising from winter feeding of cattle", rather than directing all farm systems to apply a single practice, regardless of its appropriateness.

Clarification of '... contained for break feeding of.... supplementary feed that has been brought onto the property' is required. Supplementary feed brought on to the property can take many forms, some of which add significantly to the risk of nitrogen leaching in particular, and others which have negligible impacts on nutrient losses to water.

As currently worded, this would include such feeds as barley straw, hay or other low risk feeds needed for ensuring correct feeding of cattle, where these feeds have been brought in to a property. As currently worded this will include any quantity of such feed, from a couple of bales of hay from the next door neighbour to extensive use of PKE or grain.

It will also include any emergency feed brought in in times of drought or flooding, where the animals are necessarily contained, including for their safety and welfare. Where this occurs, it will require a resource consent to be obtained, for an activity which is not part of the normal operation of a farm.

Decision sought

Winter Grazing: means the grazing of cattle within the period of 1 May to <u>30 1</u> September, where the cattle are contained for break feeding of in-situ forage crops, or supplementary feed that has been brought onto the property <u>that supports production at a higher level than from feed grown only on the property</u>.

Policies

Policies should be amended to better reflect the approaches now being taken to manage nutrient loss such as the widespread adoption of the industry agreed Good Management Practices that according to the s32 report are now the principle method of management. All farming activities that have nutrient losses should be at Good Management Practice (GMP) as established through PC4, and references to 'good practice' should be removed as this creates confusion.

Decisions sought

Amend:

4.34 The loss of nutrients from any farming activity to water is minimised by:

(a) raising awareness of the nutrient losses from all land uses by requiring monitoring and record keeping of modelled nutrient loss;

(b) farming activities that have nutrient losses operating at $\frac{1}{9}$ Good Management $\frac{1}{9}$ Practice or better; and

(c) requiring the provision of information on modelled nutrient loss from farming activities operating at <u>Good Management Practice</u> to enable better decision-making.

4.36 Water quality outcomes are met by:

(a) all farming activities minimising nutrient losses through the implementation of \underline{gG} ood Management \underline{pP} ractice

(b) all <u>pP</u>ermitted farming <u>aA</u>ctivities <u>under the CLWRP</u>, on properties greater than 10 hectares preparing and implementing <u>Good Management Practice through preparation of</u> a Management Plan in accordance with Schedule 7A.

(bb) farming activities with the potential for more significant nutrient losses, managing their nitrogen loss in accordance with <u>agreed Good Management Practices and</u> the Good Management Practices Loss Rates and being subject to resource consent and being subject to a resource consent process; and ...

4.37 This policy requires the preparation of a Farm Environment Plan, which contrary to the s32 report does not determine the appropriate objectives and targets appropriate for that property to achieve

GMP, rather the objectives and targets are now predetermined by ECan, regardless of their appropriateness. FEPs must be customised to meet the specific requirements of the particular farm, reflecting the most appropriate ways of meeting or exceeding GMP and improved water quality, determining the objectives and targets appropriate and how these are to be met.

The current wording is contrary to the explanation contained in the s32 report, and fails to achieve the stated intention of ECan for the management of water quality through the principle means of FEPs and uptake of the GMPs specific to a property. The approach now included in PC5 and in particular the dictating of objectives and targets fails this test. This will be addressed later in this submission in comment on Schedule 7.

Decision sought

Amend as indicated:

4.37 ...

(b) including on any resource consent granted for the farming activity, conditions that:

(i) require the application of Good Management Practice across the whole property

(ii) limit the nitrogen loss....

(c) requiring the adoption of Good Management Practice through a Farm Management Plan as part of an application for resource consent to use land for a farming activity, and requiring that Farm Management Plan to: ...

(ii) provide an explanation of how these on-farm actions will ensure progress towards the attainment of the objectives and targets for the property in support of GMP. in Schedule 7 of this plan.

4.38 (c)(iii) provide an explanation of how these on-farm actions will ensure progress towards the attainment of the objectives and targets for the property in support of GMP. in Schedule 7 of this plan.

4.39 (d)(ii) provide an explanation of how these on-farm actions will ensure progress towards the attainment of the objectives and targets for the property in support of GMP. in Schedule 7 of this plan.

4.38C Where a policy or condition in a rule requires <u>the application of Good Management Practices</u> and compliance with a Baseline GMP Loss Rate, compliance with that loss rate shall not be required prior to 30 June 2020.

4.38D Where a policy or rule requires a farming activity to be managed in accordance with the <u>Good</u> <u>Management Practices and the</u> Good Management Practices Loss Rate, compliance with that loss rate shall not be required prior to:

Phosphorus Loss

ECan has introduced *de novo*, planning maps for High Runoff Risk Phosphorus Zones, to manage P loss through runoff. These are new to the CLWRP and have not been debated or submitted on, or included as part of discussions with stakeholders, working groups or land users involved in the preparation of PC5. Advice from ECan officers is that these have been developed through a desk exercise based purely on the S-map series and its indications of erosion potential. As a result large areas of land have additional management constraints and obligations imposed, regardless of whether an issue actually exists on the ground.

This is totally unacceptable and fails to meet the standards and rigour expected when imposing obligations on land users. These maps must be withdrawn until accurate maps are available, that have been ground trothed.

It is also difficult to understand why only one form of P loss risk has been addressed.

Phosphorus (P) loss to water occurs not only from P bound to sediment lost by overland flow, it is also leached directly to groundwater, in a similar fashion to nitrogen.

This risk has been clearly identified for the Selwyn-Waihora catchment and recognised in Plan Change 1 following the submission of a then draft paper on the subject. As a result P leaching risk zones were included in the Plan Change and associated maps.

As P leaching loss risk occurs throughout Canterbury, to ensure that this risk is also managed, the P loss risk maps should be amended to also identify P leaching loss risk zones, so that FEPs can identify critical source areas and actively manage this risk to water quality.

Decision sought

The withdrawal of the Planning Maps High Runoff Risk Phosphorus Zones until an accurate and ground-truthed set of maps is prepared and verified;

The inclusion of areas of high risk for the loss of phosphorus to water through leaching on the set of maps;

Renaming of the Planning Maps to 'High Risk Phosphorus Zones' to reflect all potential risk pathways for phosphorus loss.

Emphasis on GMP

The s32 report gives emphasis to the use of FEPs implementing GMP as the primary tool for improving water quality from land used for farming. This needs to translate into policies and rules.

Concern is held that the FEP is being turned into a default set of compliance conditions, rather than the flexible and adaptive tool that will help manage risks to water that are specific to a particular farming activity or property. Consent conditions should remain transparently placed in the resource consent and not hidden in FEPs under the guise of objectives, targets or audit questions.

Decision sought

Amend as follows or to similar effect:

4.41B Attainment of the water quality outcomes for the region are enhanced through the implementation of \underline{gG} ood \underline{mM} anagement \underline{pP} ractice and by:

(a) the use of an audit grade as a measure of a farming activity's overall performance relative to the objectives, targets and actions in the Farm Environment Plan, and the Good Management Practices and the objectives, targets and actions in the Farm Environment Plan and the Good Management Practice Nitrogen Loss Rates;...

Note: (e) does not make sense and is presumably a type setting error and should be joined to (f).

4.41C. (a) any application....implement the <u>gG</u>ood mManagement <u>pP</u>ractices..

4. Rules

Rule 5.41A.b.(iii) the water permit is subject to conditions which requires the preparation and implementation of a plan to mitigate the effects of the loss of nutrients to water.

Given that irrigation is identified as one of the high risk activities, the plan to be prepared should be required to meet the same Good Management Practices as Management Plans prepared under Schedule 7A.

Decision sought

Insert 'in accordance with Schedule 7A' after '...implementation of a plan' to read:

Rule 5.41A.b.(iii) the water permit is subject to conditions which requires the preparation and implementation of a management plan in accordance with Schedule 7A to mitigate the effects of the loss of nutrients to water.

Rule 5.42A b. Where the conditions of Rules 5.43A to 5.59A specify a specific date by which a resource consent application is to be lodged, and the property is located in more than one Nutrient Allocation Zone, compliance with the earliest date is required.

Amend this rule to recognise that where very small areas of a larger property are in a zone with an earlier date for lodging a consent application, then the later date applying to the majority of the property be required.

Decision sought

Amend as follows or similar

5.42A b. Where the conditions of Rules 5.43A to 5.59A specify a specific date by which a resource consent application is to be lodged, and the property is located in more than one Nutrient Allocation Zone, compliance with the earliest date is required where more than 25 percent of the property is in the relevant zone. or words to this effect.

5. Red Zones

Given the sensitivity of Red Zones to nutrient losses, all farm activities should be applying the GMPs relevant for the property.

Decision sought

Amend as indicated or similar:

5.43A Within the Red Nutrient Allocation Zone, the use of land for a farming activity on a property 10 hectares or less in area is a permitted activity, and the relevant Good Management Practices are implemented.

Permitted Activity Trigger Values

The use of risk activities to determine a change of activity status from Permitted to Controlled has been the subject of considerable debate, in an effort to find a set of triggers that recognise high risk activities, while being set at a level that meets ECan's desired focus of consenting the top 20% of nitrogen leaching properties.

While the area of irrigation is appropriately set at 50ha, the area of winter grazing has been set at 20ha. It is this latter figure that needs to be amended, as it is estimated that it would in fact capture in the region of 80% of farms, not the 20% contributing most to the problem that ECan wishes to focus on.

It is submitted that the appropriate trigger value would be 50ha of winter grazing, reflecting the balance between risk and reality.

Further, where a farm activity exceeds the trigger value, and is required to continue in the assessment process within the Portal, a second trigger could be applied that sets a nitrogen loss number (kgN/ha/yr) above which a consent would be required. This will recognise that irrigation and winter grazing nitrogen losses will vary with a range of factors particularly soil type, stocking rate, mitigations already employed and management, and that some properties will have low N loss rates and do not need to be the focus of attention as their level of contribution to the problem is small.

This could reasonably be set at 10kgN/ha/yr for Lake and Red Zones, 15kgN/ha/yr for Orange Zones and 20kgN/ha/yr for Green and Blue zones, adjusted as Overseer revisions alter the calculation of nitrogen leaching to water.

It is recognised that the second trigger within ECan's Portal assessment will require an Overseer or equivalent nutrient budget, but can be regarded as the trade-off for not being required to obtain a resource consent. As with other permitted activities, nutrient budgets would only be required in the event of a significant change in farm management or system that would be likely to result in an increase in N loss leached.

Decision sought

5.44A Within the Red Nutrient Allocation Zone, the use of land for a farming activity on a property greater than 10 hectares in area is a permitted activity provided the following conditions are met:...

2 The area of the property authorised to be irrigated with water is less than 50 hectares and 10 percent of the property;

. . . .

4 The area of any property used for winter grazing within the period 1 May to 1 September does not exceed a total of 20 50 hectares and 10% of the property; and

And similarly to all subsequent Rules.

Accredited Farm Consultants

The requirement for Farm Environment Plans to be prepared or reviewed by an Accredited Farm Consultant is excessive and imposes a cost on all farmers that cannot be justified for controlled activities, as it does not reflect the level of risk to water quality presented by a farm. Nor does it reflect the need for those contributing most to the problem of degraded water quality being required to do most to remedy it. It should be remembered that not all farms in Canterbury involve irrigated, heavily fertilised, intensively stocked high producing pasture on free draining soils. Many are hill and high country, dryland, extensive with low stocking rates, and low nitrogen loss to water. This appears to be consistently overlooked.

Any requirement for accreditation or certification must be careful to balance the actual risks to be managed against avoiding over regulation that restricts unreasonably the supply of services. For example, there are many experts who are fully able to provide advice on farm environment plans e.g. AgResearch science staff, industry extension staff, without the need to have been 'accredited'. Accreditation should be one option, others being a tertiary qualification in agricultural science, soil science or related fields at bachelors level or above, or industry extension experience, and there are no doubt others. This need not be overly prescriptive, as the important issue is whether the FEP delivers on the adoption of Good Management Practices on farm.

Many farmers are more than capable of preparing a farm appropriate FEP, having obtained agricultural or related qualifications across a broad range of topics relevant to farming, not just fertiliser. Farmers are likely to be the best informed about the issues and appropriate management of their farm – familiar with the soils, climate, stock, management.

Preparing an FEP that implements GMP and identifies and addresses the water quality issues of concern for a property, that meets the requirements of Schedule 7 should be sufficient.

It should be remembered that not all farms are the same, and cannot be managed in a cookie-cutter approach in the development of an FEP that will be successful in improving water quality and managing risk.

Since FEPs are required to be submitted with any consent application, ECan is able to satisfy itself that the plan meets the standard required through review as part of the consenting process.

This should be a matter for control and not a condition for a Controlled Activity.

The preparation of nutrient budgets by suitably trained persons is already a matter for control and does not need to be included as a condition.

Decision sought

Delete 5.44B 3. The Farm Environment Plan and nutrient budget submitted with the application for resource consent has been prepared or reviewed by an Accredited Farm Consultant.

And insert as matters for control

10. The quality of the Farm Environment Plan submitted with the application for resource consent, to meet the requirements of Schedule 7.

6. Rules 5.44B – 5.59A and Schedule 7.

A Farm Environment Plan should be about demonstrating how the Good Management Practices (GMPs) adopted by ECan are being implemented on farm, in a way specific to the circumstances of the farm, with objectives and targets determined according to the situation.

This is what the s.32 report identifies as ECan's amended approach and aim for PC5 as can be seen on page 4-3.

"FEPs are intended to assist the adoption of GMP. They can be tailored to suit local conditions and to meet the specific needs of the farming operation. The minimum requirements for a FEP are set out in Schedule 7 of the CLWRP. Each FEP must describe the targets and measures that will be used, including the use of the "good management practices" (Part B (5), Schedule 7) to achieve a set of specified farm management objectives."

It is quite clear from this that the intention is that each FEP will be different for each farm, and the objectives and targets will also be different and appropriate to each situation.

The s32 report then appears to be confused in that it identifies the Industry Articulated Good Management Practices but then starts to refer to targets and measures that will be used, including good management practices to achieve farm management objectives.

So FEP are to enable to adoption of GMPs through objectives and targets that are to use 'good management practices' to achieve objectives.

What this appears to show is that ECan have recognised that GMP – the basic starting point for improving water quality is best achieved through the use of farm specific FEPs, with objectives and targets forming part of the FEP that will enable auditing to demonstrate the GMPs are being applied effectively.

However, we have 'good management practices' being introduced – and specified in Schedule 7 quite prescriptively. It is not clear how the two forms of good management practice relate to each other as they seem to have different and conflicting meanings.

It would seem then that ECan have most commendably moved to the adoption of GMP through the FEPs as the preferred approach, as recommended by industry. However, what now seems to be occurring is a degree of nervousness about having something as imprecise as a farm specific FEP with its own objectives and targets. It would appear that the need for certainty in a compliance sense has overcome the good intentions and moved back towards the safety of prescriptive direction as to what the objectives and targets must be in all farm plans regardless of their applicability to the farm in question.

Further, draft audit documents that have been developed in advance of Schedule 7 being adopted lead into very specific criteria that indicate a very narrow view of a farm system, and in effect transfer consent conditions into the audit process used for FEPs. It is not acceptable to have requirements that are rules or consent conditions included under the guise of audit questions. Schedule 7 requires a list of all consents held, which will have appropriate conditions relating to the consent. These should not be repeated or relocated to the FEP.

7. Schedule 7

Definitions.

Management Area - means the list of topics as set out below.

Calling these items 'management areas' and then having to define them as 'topics' is likely to confuse. Given that the subject of attention is land, describing something as an 'area' suggests that it is an area of land.

The focus of an FEP is the delivery of Good Management Practice on farm, so the industry agreed Good Management Practices as set out through PC4 must be used to avoid confusion and to focus on the desired outcome – adoption of Good Management Practice. There have been a number of additions that have not been adopted through the development of the GMPs. This is inappropriate and goes

against the GMP development process and stated purpose. It is noted that the topics identified in this section of Schedule 7 do not include faecal bacteria as a specific GMP, objective or target.

Collected animal effluent is not the only source of faecal bacteria as not all farms are dairy farms, have feed pads, indoor wintering etc. This omission must be addressed.

If other aspects of management are introduced, e.g. increased water use measurement as a result of the NPS or government issued direction or guidance, these additions need to be clearly identified as such, and not dressed up as GMPs, which are quite specific in their source.

To reduce confusion amongst those who need to prepare an FEP, it is suggested that the language used is that common in other aspects of life – for example an 'objective' – which is usually described as needing to be SMART – specific, measureable, achievable, relevant and timely/timebound.

Decision sought

Delete current wording and replace as shown or to similar effect

Management Area - means the list of topics as set out below:

<u>Good Management Practices: means the aspects of Good Management Practice that must be</u> <u>addressed</u>, noting that other aspects relevant to a property may also be included.

- Farm Planning and records
- Cultivation and soil structure
- Ground cover
- Sediment, phosphorus and faecal bacteria
- Nutrient Management
- Irrigation and water use.

Management Objective Good Management Practice – means the overarching outcome sought in relation to each Management Area Good Management Practice as included through PC4

Target- <u>Objective</u> - means a measurable auditable statement that contributes to achievement of the Management Objective_Good Management Practice

Part B

2.(f) The location of any areas within or adjoining the property that are identified in a District Plan as 'significant indigenous biodiversity'.

While protection of biodiversity is absolutely a priority, identifying the presence of significant natural areas on adjoining properties seems something of a stretch when it comes to its water quality outcomes for many properties. This would seem to be relevant only where the management of the property under discussion has some role in water quality that will directly affect the significant natural areas of an adjoining property. It is hard to see why a large hill or high country run, should be required to identify in its FEP significant biodiversity in on part of an adjoining large hill or high country property that is in no way connected hydrologically. Unless this is meant to refer to adjoining as being on the boundary of the property and physically connected, in which case, this needs to be made clear.

Decision sought

Amend as shown or to the same effect.

2.(f) The location of any areas within <u>the property</u> or adjoining the property <u>and are hydrologically</u> <u>connected</u>, that are identified in a District Plan as 'significant indigenous biodiversity'.

2.(g.) Critical source areas

All critical source areas should be identified, not just those relating to phosphorus and sediment e.g. faecal bacteria such can occur from bird colonies or use of waterbodies, other contaminants of water.

Decision sought

Amend as shown or to the same effect.

2.(g) The location of any critical source areas, <u>including but not limited to</u> phosphorus for any part of the property within the Phosphorus Risk Zone, <u>sediment, faecal bacteria, nitrogen</u>.

2. (i) Public access routes or access used to maintain the rivers, streams or drains.

While access to maintain rivers, streams or drains by other parties can be considered relevant to water quality and the application of GMPs, it is difficult to see how or why public access routes on or through a property are relevant to GMPs or water quality. This appears to be an unrelated issue and falls more into the area of interest groups wanting access to or through private property for other purposes e.g. access to Crown estate for hunting or recreational purposes.

Decision sought

2. (i) Public access routes or a Access routes used to maintain the rivers, streams or drains.

5. A description of how each of the following objectives and targets for each Management Area will, where relevant, be met and the specific actions that will be undertaken to implement the Good Management Practices:

The plan shall include for each objective and target in section 5 above:

Detail commensurate with the scale of the environmental effects and risks

A description of the actions and Good Management Practices (and a timeframe within which those actions will be completed) that will be implemented to achieve the objectives and targets.

Reason

There seems to be some mis-understanding about what GMP is and how it can be applied. As identified elsewhere, FEPs are the vehicle to implement GMP on farm.

GMP Loss Rates use the modelling proxies included in Schedule 28. It is the GMPs that are applied there and have been incorporated into the CLWRP that must be used to measure compliance with GMP, and not some other set of objectives and targets which take precedence over the legal definition of GMP.

Section 5 fails to give primacy to the GMPs, and seems to interpret GMPs as specific actions that can be implemented or not - that can be defined and audited by a set of pass/fail criteria such as 'riparian margins must be 5 metres in width'.

The Good Management Practices incorporated into the CLWRP through Plan Change 4 are written very specifically as statements that are more akin to goals describing a future state to be achieved e.g. "Manage farming operations to minimise direct and indirect losses of sediment and nutrients to water, and maintain or enhance soil structure, where agronomically appropriate". They are not a specific action that can be implemented, measured specifically to generate a number or be ticked off, as an action.

A GMP framed in the way used in the approved GMPs cannot be used in the way described in section 5 above or elsewhere in PC5.

The GMPs are worded the way they are as they start from the principle of risk management - of identifying a risk to water quality and then managing that risk in the most appropriate fashion to achieve the outcome of improved water quality – as is recognised in the s32 report and outlined previously.

It was recognised that there are no universal actions that are appropriate in all circumstances, for all land uses, soils, climates, farming systems that might occur. Indeed one of the outcomes of the MGM project

was the recognition that there are almost as many different sets of circumstances as there are farms, in any one year.

For example, the Objective for Nutrient Management has been written by ECan officers as "To maximise nutrient use efficiency while minimising nutrient losses to water".

The relevant GMP is "Manage the amount and timing of fertiliser inputs, taking account of all sources of nutrients, to match plant requirements and minimise the risk of losses."

For a start the ECan has introduced a new factor which has been given primacy – that of maximising nutrient use efficiency. Nutrient use efficiency or NUE is a measure of how much nutrient, usually nitrogen when using Overseer, is contained in a unit of product leaving the farm. It is irrelevant when considering losses to water as a high NUE for nitrogen can be accompanied by a high N loss to water value. It is a measure appropriate to dairy systems but not relevant to water quality.

It is not a relevant indicator for sheep and beef farms, which may have very high values for NUE for nitrogen as result of producing meat rather than milk, yet leach very little as they are dry land hill country farms for example, have very low stocking rates and apply no nitrogen fertiliser at all.

Target 1 "Nitrogen losses from farming activities are at or below Good Management Practice Loss Rates for the property."

This target is superfluous in that the requirement to be at or below GMP Loss Rates for nitrogen is a Rule that must be complied with at the varying dates and times specified. It cannot therefore be a target in an FEP that is implementing GMP.

GMP can only be that incorporated in the CLWRP through Plan Change 4. No other definition is possible.

Target 2 for this objective includes sediment under nutrient management. Whilst phosphorus is primarily lost as a result of being bound to sediment particles, sediment loss in its own right is a significant contaminant of water quality and should be addressed in its own right. It is not addressed in the Objective of Soil Management which is where the GMPs include it and it logically fits.

Target 3 for this objective is "The amount and rate of fertiliser applied does not exceed the agronomic requirements of the crop."

This fails to meet the GMP as it refers only to fertiliser applied, and excludes all other sources of nutrients. Most important of these is the calculation that includes nutrients deposited by grazing animals and in particular the deposition of urine by cattle, which is one of the biggest causes of nitrogen leaching and a reflection of stocking rates. Given on-farm effluent disposal is now to land it also plays a big part of supplying nutrients in those farming systems. To not require these sources of nutrients along with any others is a significant deficiency.

Further, this target sets a new and absolute rule – that fertiliser applied does not exceed the agronomic requirements of the crop. This is a very different from manage the amount and timing of fertiliser to minimise losses to water.

It is not proposed to undertake the same analysis of the rest of the objectives and targets in Schedule 7 at this point, but this can be done if it adds value.

Schedule 7 must be withdrawn and rewritten to give effect to the GMPs, delivered through FEPs as set out by ECan in the s32 Report.

Industry is more than happy to assist in this, having been instrumental in the preparation of the GMPs and therefore best able to translate these in a way that will be effective and appropriate across all farming systems.

There appear to be errors in B 7, in that the phosphorus leaching zones identified in the Plan Change 1 decision are not included and should be.

Part C Farm Environment Audit Requirements must be amended to reflect the issues around GMPs and how they are applied and hence their achievement can be audited. Detailed Audit requirements must also be subject to planning and public scrutiny as they now form part of PC5, and must align with the application of GMP through an FEP.

Likewise Schedule 7A should be withdrawn and rewritten at it is confusing as it uses the terms 'Good Practices' – noting the capitalisation here, but goes on to describe a list of actions that must be undertaken.

The 'Good Practices' described are not appropriate for all farm systems and may be less than is required or more than is required to meet the GMPs applicable in Schedule 7.

Decision sought

Schedules 7 and 7A are withdrawn and a new Schedules 7 and 7A are prepared in consultation with the industries that developed the GMPs adopted by Plan Change 4 and now forming part of the CLWRP.

8. Conclusion

B+LNZ thanks ECan for the opportunity to comment on Plan Change 5.

B+LNZ would not gain an advantage in trade competition through this submission

B+LNZ wishes to be heard in support of this submission and is happy to discuss the issues raised in this submission.

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