IN THE MATTER of the Resource

Management Act 1991

(RMA)

AND

IN THE MATTER of the Proposed

Variation 5 to the Canterbury Land and Water Regional Plan

TO BE HEARD BY

Canterbury Regional

Council

Hearing Submission by Gregory Philip Sneath on Behalf of the Fertiliser Association of New Zealand

22 July 2016

Submitter ID: 51972

Qualifications and Experience

- 1. My full name is Gregory Philip Sneath. I graduated from University of Queensland, with a Bachelor of Agricultural Science, with Honours.
- I am currently employed as Executive Manager with The Fertiliser Association of New Zealand. I have been with The Fertiliser Association of New Zealand for over 10 years, and have certificates of completion for both the Intermediate and Advanced courses in Sustainable Nutrient Management in New Zealand Agriculture, at Massey University.
- 3. Representing the Fertiliser Industry I have engaged with Regional Council staff throughout New Zealand involved in the disciplines of policy, land management and science. I have participated in stakeholder workshops, advisory groups and industry consultations in relation to nutrient management and the development of Regional Plans, including engagement within the pan sector industry groups addressing the Proposed Canterbury Land and Water Regional Plan, Tukituki Proposal, Otago Regional Council Plan Change 6A, Southland Regional Council Land and Water Group, Greater Wellington Regional Plan Stakeholder groups, Horizons One Plan development and others. I have participated in the Reference Group for the Matrix of Good Management (MGM) Project.

Introduction

- 4. The Fertiliser Association of New Zealand ('FANZ' or 'the Association'), is a trade organisation representing the New Zealand manufacturers of superphosphate fertiliser. The Association has two 'member companies' Ballance Agri-Nutrients Ltd and Ravensdown Fertiliser Co-operative Ltd. Both these companies are farmer co-operatives with some 45,000 farmer shareholders. Between them these companies supply over 98% of all fertiliser used in New Zealand.
- 5. The member companies have invested significantly in systems and capability to reliably estimate and document nutrient cycling on farms, with the purpose of providing sound advice and recommendations for nutrient management to support viable economic production and environmental responsibility. The systems and procedures used are applied in the same way nationally, but recommendations are specific to farmer goals, industry targets and regional council regulation. National and, in particular, regional consistency in the approach and framework for nutrient management are highly desirable.
- 6. The Fertiliser Association takes a particular interest in regional policy statements and regional plans in terms of supporting provisions that enable the sustainable management of natural and physical resources, and seeking that any regulation of land use activities that may use fertilisers is appropriate and necessary.

Preamble relating to the use and application of the Farm Portal

- 7. It is important to recognise that the nitrogen loss value derived by the Farm Portal is not intended to provide for environmental targets or limits. It is designed to provide an estimate of the current farm scale nitrogen loss to be expected from a specific farm system when implementing good management practices without the need for any capital investment in farm system change. It is also intended to represent GMP N loss when operating responsibly with good practices under its baseline land use.
- 8. The Farm Portal is intended to provide for catchment accounting estimates and an estimate of responsible nitrogen loss values for existing farms. As described on the MGM Project web site (http://ecan.govt.nz/get-involved/mgmproject/Pages/intromgmproject.aspx), the information developed from the MGM Project is intended to inform the development of policy, and explore policy options to balance environmental, social, economic and cultural outcomes against community expectations of water quality.
- 9. There have been a wide range of views expressed on the Farm Portal, including several submitters with sufficient concern to seek the Farm Portal be removed from Plan Change 5 entirely, relying instead on nutrient budget results from audited good management practice to define the N loss values for a range of 'typical farm systems' when farming responsibly.
- 10. The Fertiliser Industry also has significant concerns about the modelling rules used to produce the fertiliser proxy for the Farm Portal. However, throughout its development, and with its intended application in the proposed Plan Change 5, there has remained good will to support the development of the on-going MGM project and resultant Farm Portal, recognising the intended benefits. Regrettably, the fertiliser proxy is not considered to be sufficiently robust.
- 11. The Fertiliser Industry had contributed to developing an alternative fertiliser proxy rule for application in the Farm Portal. The alternative, based on nitrogen surplus, while also not perfect, is considered to be more workable for the Farm Portal than the current fertiliser proxy.
- 12. In addition, some farming systems cannot be addressed through the Farm Portal and so for these farms, and where the Farm Portal result is shown to be inadequate, an alternative pathway is required.

Key Matters

- 13. FANZ considers that key criteria for planning provisions, regionally and nationally are:
 - Simplicity for understanding and implementation
 - Capability to deliver
 - Realistic timeframes with priority areas for delivery

- 14. In relation to the Farm Portal and Plan Change 5 provisions, FANZ believes there are three key issues to be considered above and beyond all other planning details.
- 15. **Firstly**, the proposed Farm Portal system for determining Good Management Practice (GMP) nitrogen loss limits is supported in principle, but in practice the current proposed algorithms and modelling for the fertiliser proxy rule are considered to be flawed. As presented in the evidence of Dr. Alister Metherill, for Ravensdown, the proposed Farm Portal will result in unacceptable variability in GMP N loss values. This will inevitably result in some very good farm systems operating at a satisfactory level, with compliant audited good management practices, still being unable to meet the GMP N loss value determined by the Farm Portal. Further evidence of this is shown by Ms Eva Harris, for Barrhill Chertsey Irrigation. Although the sample size is still small for comprehensively audited farms which also have generated Farm Portal GMP N loss values, a significant proportion of these "A" grade audited farm systems are unable to meet the Farm Portal GMP N loss for their property. Grade "A" audited farms, are farms where there is a high level of confidence that all GMP are implemented to the required standard.
- 16. By definition, the intended purpose of the Farm Portal is to represent nitrogen loss for farms operating at GMP, and so this evidence of, a significant proportion of Grade "A" audited farms being unable to meet Farm Portal GMP N loss, signals a significant failure in the Farm Portal.
- 17. Dr Metherill's evidence indicates the current fertiliser proxy rule for establishing GMP N loss is likely to have a significant impact, even on low N loss farm systems, for example sheep and beef farms with low pasture production (less than 10500 kg DM /ha/yr) where the Portal will require nil fertiliser as GMP, not because fertiliser is inappropriate, but simply due to the flawed assumptions in the portal modelling rules for GMP fertiliser.
- 18. FANZ is very concerned that application of the current fertiliser proxy in the Plan Change will not deliver the intended GMP measures but will likely result in significant economic and social hardship.
- 19. **Secondly,** where farm systems are not able to utilise the proposed Farm Portal, or when the modelling rules used in the portal are shown to be inadequate, an alternative pathway must be provided to establish GMP loss values. This will apply to farms which are not currently modelled by OVERSEER®, and to farms which have complex systems which make it difficult to register inputs in the Farm Portal system.
- 20. The alternative pathway with guidance should be available where it is established the Farm Portal result is inadequate.
- 21. **Thirdly,** where the GMP N Loss value cannot be met due to flawed modelling assumptions, or uncertainties in the modelling assumptions for the portal, the

- consequences may still be managed appropriately where there is discretion to be applied in resource consents.
- 22. Regrettably, under the current proposed Plan Change 5, for some zones, where the GMP N loss value cannot be met, prohibited activity status applies and there is no opportunity for any discretion. Based on the evidence referred to above, FANZ is concerned this will inevitably result in prohibited activity for many farming systems, simply as a result of the variability in the Farm Portal modelling outcomes, not because of any inadequacies in their farming practices or environmental risk.
- 23. As presented in the primary submission, FANZ contends that the use of a decision support tool, without the opportunity for discretion or judgement to make decisions on prohibited activity is an entirely inappropriate application of the tool. This is particularly so in circumstances where the catchment scale uncertainty is very large and the farm scale N loss exceedence is marginal.
- 24. FANZ considers that when using the modelled outcomes to decide 'Prohibited activity' without discretion, and where there is only mild exceedence of a farm Good Management Practice value, the risk of significant social and economic impacts is very high and likelihood of significant environmental gain very low.
- 25. FANZ considers this cannot be defended based on the purpose of the RMA, to manage the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being.

Additional Matters

- 26. Due to the expert knowledge required, the Fertiliser Association supports the requirement for Certified Nutrient Management Advisers to complete nutrient budgets for regional council compliance. The qualifications of a Certified Nutrient Management Adviser are those set forth by the Nutrient Management Advisers Certification Programme Ltd.
- 27. The qualifications for producing nutrient budgets and farm system N loss currently set out under Proposed Plan Change 5 apply to an 'Accredited Farm Consultant' who must be a 'Certified Dairy Farm System Consultant' who is required to have generalist knowledge across all aspects of the dairy farm system. They may or may not be a 'Certified Nutrient Management Adviser'. Alternatively the Plan provides for a 'Certified Farm Environment Plan Auditor'.
- 28. Neither the 'Certified Dairy Farm System Consultant' nor the 'Certified Farm Environment Plan Auditor' are sufficient to meet the industry standards to

- demonstrate currency, as well as competence, in nutrient management advice and using OVERSEER Nutrient Budgets.
- 29. FANZ considers as a minimum for nutrient management advice and application of OVERSEER Nutrient Budgets for compliance purposes, the adviser should have certification to demonstrate competency and currency as is provided by the Certified Nutrient Management Adviser Programme.
- 30. There are now over 130 Certified Nutrient Management Advisers nationally, one-quarter of which are outside the fertiliser industry member companies.

Main Hearing Submission

Farm Portal

Original Submission:

- 31. FANZ initially sought to:
 - Amend the Farm Portal so that in the interim a work around is provided. However over the long-term, more satisfactory and robust modelling rules are sought for determining GMP N loss values.
- 32. FANZ also sought an alternative process as not all farm systems can be satisfactorily represented in the Farm Portal.
- 33. That is, FANZ has expressed serious concerns about the fertiliser proxy rules used in the Farm Portal and recommended an alternative rule be developed. The industry has subsequently developed an alternative fertiliser rule based on the farm nitrogen surplus, as per Dr Metherill's Hearing evidence. This alternative rule in its final form was not available for the original submission and so has not been fully addressed in the Officer's report.

Officer Report response:

34. At risk of oversimplifying the Officer Report response to many complex and varied considerations, I note that in relation to the Farm Portal the Officer Report comments:

[Paragraph 6.94]

"In the absence of an alternative that provides for fair and equitable generation of GMP Loss Rates, delaying the application of the Farm Portal and subsequently delaying awareness and compliance with nitrogen loss rates associated with GMP, would significantly reduce the effectiveness of PC5 in achieving the CLWRP objectives."

35. However, specifically in relation to an alternative rule based on nitrogen surplus as

discussed in Appendix E of the Officer Report:

[Paragraph 6.111]

"Given that the proposed alternative fertiliser proxy does not result in a substantial change to overall nutrient discharges, if the alternative fertiliser proxy addresses the concerns of the submitters, it would be open to the Hearing Panel to adopt this alternative proxy. However, I note that there do not appear to be submissions giving specific wording for the change to Schedule 28."

Comment:

- 36. I have sympathy with the argument presented in the Officer Report that in the absence of alternatives presented during the submission process, there is no option but to proceed as best as can practically be achieved. However, with regard to delaying the implementation reducing the effectiveness of PC5, I can only present the opposite view that by proceeding with the current fertiliser proxy, PC 5 will be ineffective, and damaging due to the highly variable GMP N loss values likely to arise from the Farm Portal, as demonstrated in the evidence of Dr Metherill and Eva Harris.
- 37. FANZ is concerned that if well run farms which meet grade "A" audit requirements are unable to comply with the GMP N Loss values of the Proposed Farm Portal, the current rule outcomes will result in very significant social and economic cost, and achieve what may be marginal environmental benefit.
- 38. This very significant cost will arise due to some farms being prohibited activity and others being denied resource consent for no reason other than a large variance in Farm Portal outputs, as demonstrated in the evidence of Eva Harris and Dr. Metherill.
- 39. This provides reason enough to delay implementation sufficiently to further develop and implement an alternative fertiliser proxy rule, as supported in Paragraph 6.111 of the Officer Report.

- 40. FANZ seeks that if the Farm Portal is retained and applied as intended, then the current fertiliser proxy rule is to be rejected and utilise instead the alternative fertiliser proxy rule based on nitrogen surplus, as presented in Dr Metherill's evidence.
- 41. An alternative to the Farm Portal is still required for those farm systems which cannot be appropriately represented by the Farm Portal, or for which the Farm Portal is shown to be inadequate.

Schedule 28 - fertiliser proxy rules

Original Submission

42. FANZ sought to amend Schedule 28 to develop a 'work around' for the fertiliser modelling rule, or alternative pathway.

Officer Report response:

43. The Officer Report response, as noted in paragraph 36 above, and in paragraph 6.113 of the Officer Report, comments that no specific alternative has been presented for Schedule 28. Discussion comments [Paragraph 6.115], state that the Farm Portal is central to the success of Plan Change 5 and delay, removal or fundamental changes to the Farm Portal are not accepted by the Officer Report.

Comment:

- 44. FANZ notes the substantial commitment to developing the Farm Portal and recognises its value in efficiently registering and recording farm system data. However, as currently proposed, FANZ considers the fertiliser proxy rules mean that the Farm Portal is fundamentally flawed and unworkable, as discussed above.
- 45. It the Farm Portal is to be retained, a revised fertiliser proxy rule based on farm surplus is considered to provide an improvement on the proposed fertiliser proxy.

Relief Sought:

- 46. A revised fertiliser proxy rule, based on farm surplus is required to provide an improvement on the proposed fertiliser proxy in Schedule 28.
- 47. Amend the fertiliser proxy rule in Schedule 28, as recommended in the evidence of Dr Metherill.

An Alternative to the Farm Portal

Original Submission

48. As discussed above, FANZ sought an alternative pathway for farm systems which are not able to use the Farm Portal to develop a GMP N loss number.

For example, the submission point on Rule 5.45A was as follows:

Amend Rule 5.45A condition (2) to provide for an alternate pathway for farm systems which cannot use the Farm Portal to generate a GMP N loss value or a Baseline GMP N loss value.

Under matters for discretion, include provision to consider demonstration of meeting Good Management Practice.

Officer Report response:

49. Once more at risk of oversimplifying the Officer Report response, the following comments are noted:

[Paragraph 6.153]

"Submissions seeking introduction of an alternative have generally suggested that the alternative loss rate would be based on the farm property undertaking GMP, as assessed by an appropriately qualified person, or through a resource consent process. A criterion to assess the alternative loss rate is generally not included in submissions. Therefore, it is assumed that the appropriateness of an alternative loss rate is a matter for discretion through the resource consent process."

[Paragraph 6.154]

"In the absence of a specific criteria and process for how an alternative nitrogen loss rate may be determined I consider the alternative loss rate to be an area of considerable uncertainty. Due to this uncertainty, the alternative loss rate would not be suitable as an entry condition to a rule, or as a part of the definition, as compliance with the alternative loss rate cannot readily be determined. Also, at a conceptual level, applying the alternative loss rate as a matter of discretion reduces certainty that all farming activities will be subject to consistent GMP requirements, and raises questions of equity between different applicants."

Comment:

- 50. I have sympathy with the argument presented in the Officer Report regarding the need for a GMP measure, however, FANZ is concerned the Farm Portal as currently proposed does not provide a valid measure of GMP N loss.
- 51. The underlying premise for development of the MGM, and subsequently, the Farm Portal and its proxies is that:

Farm systems, as a minimum requirement, must be operating at Good Management Practice (GMP).

52. GMP is most clearly demonstrated by auditing farm practices. The N Loss for farms operating at GMP must, in the absence of direct measurement, be estimated by modelling by subject matter experts. Subject matter experts may be a qualified researcher if using APSIM type models or, if using OVERSEER Nutrient Budgets, Certified Nutrient Management Advisers following OVERSEER Best Practice Data Input Standards.

- 53. A dataset of N Loss from audited farms operating at GMP will provide a range of typical N loss for those farms systems. These can be grouped to provide typical N loss for similar production systems with similar soil and climate characteristics.
- 54. A comparison of farm systems with similar production, soil and climate characteristic is the basis of Matrix of Good Management (MGM) N loss values. Actual farm data from audited, certified Grade "A" farm systems provide this information.
- 55. For those farms not able to be addressed by the Farm Portal (a minority situation), or where the Farm Portal is inadequate, the reported GMP N loss from similar audited "A" grade farms could provide a bona fide estimate of GMP N loss.
- 56. Farms with comparable farm systems, soil and climate but with N loss significantly greater than the typical range of GMP N losses demonstrated under audited assessments, would fail to comply.
- 57. Given the highly variable nature of farm systems, clear guidance documents on such an assessment process will be required.
- 58. Further comment in the Officer Report dismisses achieving the Plan's objectives and policies by any means other than by using the Farm Portal.

[Paragraph 6.158]

"In my opinion, the inclusion of an 'alternative consenting pathway' would not achieve the direction set out within the RPS objectives and policies, particularly those of Chapter 7. In particular, the direction set out in Objective 7.2.4(3) requires that fresh water is sustainably managed in an integrated way. This is supported by Policy 7.3.9 which requires integrated solutions to the management of fresh water by developing and implementing comprehensive management plans. The 'alternative consenting pathway' concept is contrary to this direction, as the concept of the 'alternative consenting pathway' would appear to allow individual consents to be applied for, which would allow a GMP Loss Rate above that provided within the Farm Portal. This individual limit setting would undermine the idea that the GMP Loss Rate within the Farm Portal sets a limit for the catchment that ensures that the objectives and policies of the CLWRP and the NPSFM are achieved. This is exacerbated by the permitted activity status, or relatively 'low level' activity status suggested in many submissions. This leads to the prospect that assessments will be undertaken on an individual farm basis without considering the wider catchment context. As such, there is a risk that this 'alternative consenting pathway' will not adequately consider the cumulative adverse effects rural land use intensification will have on water quality, and return to a situation of managing cumulative water quality 'consent by consent'. "

[Paragraph 6.159]

"In my opinion, an alternative regime that would enable the resource consenting of discharges at a greater rate than the Baseline GMP Loss Rate. The cumulative effect would be to enable an increase in nitrogen loss in over-allocated catchments. Incorporating GMP into the CLWRP is a fundamental component of operative Policy 4.11, and the overall direction of Objective 18 of the CLWRP."

- 59. FANZ considers that the Officer Report comments are predicated on an assurance that the Farm Portal GMP N loss numbers are accurate and beyond dispute.
- 60. The intention of the MGM, and the Farm Portal is to require farms to operate within the nitrogen loss limit which can be reasonably expected for a farm operating at GMP.
- 61. FANZ disagrees with the Officer Report comments given above, that this assessment can only be provided by the Farm Portal and by no other means.
- 62. Where the Farm Portal is shown to be inadequate, an alternative pathway for demonstrating GMP N loss is required.
- 63. An alternative pathway for the relatively few farms which are not able to readily enter data into the Farm Portal, could be provided for simply by assessment based on comparison of data reported for the typical range of N loss values for audited farms demonstrated to be operating under GMP with a robust Nutrient Budget N loss calculation. Farms with similar production, soils and climate would form the basis of this assessment.
- 64. This assessment is after all the precise intention of the MGM process.

- 65. To provide for an alternate pathway for farm systems which cannot use the Farm Portal to generate a GMP N loss value or a Baseline GMP N loss value, or where the Farm Portal is shown to be inadequate in generating the GMP N loss values.
- 66. For the relatively few farms affected by the Farm Portal this alternative pathway could simply be the comparison of the typical range of N loss reported by audited farm systems, compliant with GMP and of similar production soil and climate characteristics, as is consistent with the principle of MGM.

Amend Prohibited Activity status

Original Submission:

- 67. FANZ notes Policy 4-37 (a) requires as a blanket provision, avoiding the granting of resource consent allowing N loss greater than the "Baseline GMP Loss rate" in Lake Zone or Red Nutrient Allocation Zones, and where GMP Loss rate is less than Baseline GMP.
- 68. FANZ sought to amend the blanket provision of "avoid" to instead give direction to seek additional scrutiny with decisions following clear decision guidelines and protocols for assessment of any resource consent application seeking to exceed Baseline GMP Loss Rate, or exceed GMP Loss Rate.
- 69. For example, FANZ opposed Rule 5.48 A which requires "prohibited" activity within the Red Nutrient Allocation Zone, for the use of land for a farming activity on a property greater than 10 hectares in area that does not comply with condition 2 of Rule 5.45A, or the use of land for a farming activity as part of a farming enterprise that does not comply with condition 2 of Rule 5.46A.
- 70. FANZ seeks Discretionary activity instead of Prohibited activity, where GMP N loss or Baseline N loss rates are exceeded.
- 71. This discretion is sought due to the uncertainty/variance which applies to the Farm Portal modelling rules, OVERSEER Nutrient Budget farm-scale modelling and Catchment Scale modelling, and the disproportionate consequences if prohibited activity applies to a marginal exceedence in farm-scale estimates relative to the Farm Portal estimate and catchment estimates.

Officer Report response:

72. The Officer Report acknowledges the FANZ submission on Prohibited activity.

[Paragraph 6.145]

FANZ suggests the consequences of not meeting the Baseline GMP Loss Rate or GMP Loss Rate must be addressed through restricted discretionary or discretionary consents in preference to prohibited activities, so that all farm management factors can be considered appropriately.

73. It is noted the Officer Report continues to comment on the role of the Nitrogen Baseline in providing a common environmental performance and reduce nitrogen losses in the over allocated zones.

[Paragraph 6.152]

The Baseline GMP Loss Rate is intended to have a similar role to the Nitrogen Baseline in that it is included as a limit in the CLWRP. In Red and Lake NAZs it is used to limit nitrogen discharges from farming activities. In addition, the Nitrogen Baseline plays an important role in providing a starting point from

which intensification can occur in Green and Blue NAZs. The Baseline GMP Loss Rate in PC5 builds on the Nitrogen Baseline concept to introduce a common environmental performance standard for all farming activities (irrespective of their actual environmental performance during the baseline period) and remove any perceived inequities associated with the application of the nitrogen loss rate. Also, the Baseline GMP Loss Rate provides an opportunity to reduce catchment nitrogen losses in over allocated Red NAZs.

74. And concludes:

[Paragraph 6.159]

In my opinion, an alternative regime that would enable the resource consenting of discharges at a greater rate than the Baseline GMP Loss Rate. The cumulative effect would be to enable an increase in nitrogen loss in overallocated catchments.

Incorporating GMP into the CLWRP is a fundamental component of operative Policy 4.11, and the overall direction of Objective 18 of the CLWRP.

[Paragraph 6.160]

In my opinion, even under a non-complying activity framework, it would be very difficult for there to be confidence that individual resource consent applications could be adequately assessed in terms of their cumulative effects and therefore there would be a significant potential for failure to maintain or improve water quality.

75. In relation to Policy 4.38 A, the Officer Report interprets that the nitrogen baseline is the primary mechanism to give effect to the NPSFM and RPS.

[Paragraph 6.169]

Policy 4.38A identifies some parameters for granting a resource consent to exceed the nitrogen baseline. There are a number of submissions on this policy, particularly from irrigation companies, and others, such as N Barton, who have developed land, under a permitted activity framework in a Green NAZ. In my opinion, the concepts behind Policy 4.38A are a continuation of the policy position within the CLWRP. The operative CLWRP sets out some significant constraints on the granting of consents to exceed the nitrogen baseline, particularly in Red and Lake Zones, this being a primary mechanism by which the NPSFM and RPS is given effect to.

Comment:

76. It is noted that one purpose of the MGM (and therefore Farm Portal) is: " to inform the development of policy, and explore policy options to balance

- environmental, social, economic and cultural outcomes against community expectations of water quality"
- 77. While, as the Officer Report notes, as shown above, the nitrogen baseline may be: "a primary mechanism by which the NPSFM and RPS is given effect to" the GMP N loss is not in itself a value which will necessarily provide for the water quality targets, it is value which provides for understanding the catchment load under GMP, places an hold on further farm scale N loss and informs exploration of policy options to achieve water quality targets/ limits.
- 78. These can be achieved without prohibited activity status applied to a mild exceedance of the Farm Portal N Loss value.
- 79. In the absence of an alternative, the Officer Report appears to accept the accuracy and validity of the Farm Portal for providing a robust and very strict threshold. It appears to accept the principle that even a mild exceedance in the Farm Portal GMP N loss will lead to an unacceptable impact on water quality and the social and economic consequence of prohibited activity is justified and acceptable.
- 80. FANZ disagrees on all counts.
- 81. The Farm Portal has been demonstrated to give highly variable GMP N loss values when related to GMP N loss from actual farm systems, as shown in the evidence of Eva Harris. The evidence shows that a significant proportion of farms operating at audited GMP will not be able to comply.
- 82. Given the broad brush stroke nature of estimates for N loss for farm systems and catchment scale nutrient flows, even with an amended Farm Portal fertiliser proxy based on nitrogen surplus, some discretion is required to apply rules appropriately.
- 83. An occasional mild exceedance at farm scale relative to the very large uncertainty in modelling at catchment scale is unlikely to give rise to significant increase in adverse effects.
- 84. That is not to say there should be free reign to exceed limits, but the occasional mild exceedance of a GMP N loss value at farm level requires some discretion in the application of activity status and resource consent.
- 85. FANZ has suggested discretion must be applied following clear guidance.
- 86. FANZ considers the social and economic consequences of prohibited activity status with no room for judgement or discretion cannot be justified when using broad brush stroke decision support tools.

Relief Sought:

87. FANZ maintains there is no place for Prohibited Activity status being decided by modelled N loss values, without discretion and judgement to be applied on case by case basis following clear guidelines.

88. Where prohibited activity currently applies as a result of exceedance of GMP N loss values or Baseline N loss, FANZ seeks it is amended to discretionary consent so that matters of control can be appropriately addressed.

New Definition: Certified Nutrient Management Adviser

Original Submission:

- 89. FANZ sought to retain the definition for an Accredited Farm Consultant, as this definition provides for a dairy farm systems approach, and brings together a whole farm consultancy package.
- 90. FANZ sought to introduce recognition for appropriately qualified advisers for nutrient management that is, being certified under the Nutrient Manager Adviser Certification Programme Ltd. (www.nmacertification.org.nz)
- 91. This is required because of the critical application of nutrient budgets and N loss calculations. Quality assurance therefore requires a programme specific to nutrient management, not general farm systems.

Officer Report response:

92. The Officer Report acknowledges the FANZ submission as follows;

[Paragraph 7.80]

Ravensdown and FANZ seek to introduce a new definition of "Certified Nutrient Management Advisor" and to require the nutrient budget is prepared by a Certified Nutrient Management Advisor.

[Paragraph 7.95]

Ravensdown and FANZ have sought a new definition and additional requirements in a range of rules, to recognise a new category of persons — Certified Nutrient Management Advisors. This is also briefly discussed in relation to FEPs in Section 8 of this Report. As concluded in that section, it is not clear what advantage is brought by an additional category of persons into the provisions, when the policy and definitions already require the use of the OVERSEER® Best Practice Input Standards, and being under a resource consent framework enables scrutiny of the adequacy of the application and supporting information.

Comment:

93. The integrity of OVERSEER Nutrient Budgets and nutrient management plans is critical to the calculated nutrient loss rates under this proposed plan change and

- almost all other plans addressing nutrient management requiring Regional Council compliance with farm nitrogen loss.
- 94. Certification and quality assurance for these processes have been demanded by industry groups, regional councils and environmental interest groups alike.
- 95. The qualifications for Certified Nutrient Management Advisers was introduced under the "Transforming the Dairy Value Chain Primary Growth Partnership" funded by DairyNZ and the Ministry for Primary Industries, with support of members of an Advisory Group established for the purpose. This Advisory Group which included regional councils, central government, primary industry groups, universities and Fish and Game endorsed and supported development of the programme.
- 96. The certification programme is administered by a Management Board comprising members of New Zealand Institute Primary Industry Managers, Dairy Industry and Fertiliser Industry. There is a separate Standard Setting Group, comprising university staff, dairy industry members and fertiliser industry members. The formal complaints process and on-going professional development are essential components of the programme. [www.nmacertification.org.nz]
- 97. Given the very significant implications of the farm specific OVERSEER Nutrient Budget N loss value in the proposed plan, it is disappointing in the extreme to see that there is no clear requirement for any assurance on competency and currency in the use and application of OVERSEER Nutrient Budgets and nutrient management advice.
- 98. Quality assurance in competency and currency is provided by the Certified Nutrient Management Adviser Programme, and is the reason it was developed.
- 99. The Officer Report implies that holding a Certificate in Advanced Nutrient Management is equivalent to being a Certified Nutrient Management. However this is far from the case.
- 100. In the first instance, the Certificate in Advanced Sustainable Nutrient Management in New Zealand Agriculture is but a step on the way to being a Certified Nutrient Management Adviser. Certification requires in addition, at least 2 years experience in the industry, a record of completing at least 5 nutrient management plans within 2 years, one of which is at least 1 within the previous 6 months, successfully completing a rigorous on-line assessment and 15 hours of continuing professional development each year, including compulsory modules.
- 101. While some Accredited Farm Consultants may also be Certified Nutrient Management Advisers and therefore demonstrate experience and qualifications in producing robust OVERSEER Nutrient Budgets and nutrient management advice,

- the qualifications are not equivalent. The farm consultant accreditation is not specific to the nutrient management expertise.
- 102. The Officer Report also implies that by following the "OVERSEER Best Practice Data Input Standards", quality assurance is provided for.
- 103. This is far from the case, as expert knowledge is required to understand and use OVERSEER Nutrient Budgets correctly. The OVERSEER Best Practice Data Input Standards were developed to help to further standardise the choices made by expert users.
- 104. The Standards expressly state:

"These Standards give expert users guidance for data inputs that consistently achieve the most meaningful results. They also identify data input requirements needed to meet the Sustainable Dairying: Water Accord obligations. They have not been developed to teach users how to operate OVERSEER, nor have they been designed as an auditing system."

105. The Officer Report [Paragraph 7.95], is very much mistaken in suggesting;

"no advantage is brought by an additional category of persons into the provisions, when the policy and definitions already require the use of the OVERSEER® Best Practice Input Standards, and being under a resource consent framework enables scrutiny of the adequacy of the application and supporting information"

- 106. OVERSEER Best Practice Data Input Standards do not enable someone inexperienced with OVERSEER to produce a robust nutrient budget. It does, however, assist expert users, such as Certified Nutrient Management Advisers to make more consistent decisions when entering data.
- 107. FANZ considers there is no substitute for certification in nutrient management advice. There are now over 130 Certified Nutrient Management Advisers nationally and approximately one-quarter are from outside the Fertiliser Industry.
- 108. FANZ is opposed to defaulting to the Accredited Farm Consultant qualification for critical nutrient budget outputs.

- 109. Introduce a new definition for appropriately qualified advisers for a Certified Nutrient Management Adviser – that is, being certified under the Nutrient Manager Adviser Certification Programme Ltd.
- 110. OVERSEER Nutrient Budget reports and nutrient loss calculations required for regulatory purposes should be developed by, or their development should be overseen by, a Certified Nutrient Management Adviser.

111. This is especially important as a robust OVERSEER nutrient budget report and Nitrogen loss calculation is critical to the success of the Plan, but is not necessarily provided for by the Accredited Farm Consultant certification.

Definition: Farm Environment Plan Auditor

Original Submission:

112. For the definition of Certified Farm Environment Plan Auditor, FANZ sought: Bullet one be amended to read simply either;

at least five years' professional experience in the management of pastoral, horticultural or arable farm systems: and

(a) holds a Certificate of Completion in Advanced Sustainable Nutrient Management in New Zealand from Massey University;

Or in the alternative, simply:

- (b) holds a tertiary qualification in agricultural science or demonstrated an equivalent level of knowledge and experience; and ...
- 113. The reason FANZ sought this amendment is that the Nutrient Management Course is a post-graduate qualification, and the inclusion of the term "OR" means that the only mandatory requirement is five years experience in managing farms and to hold a tertiary qualification in agriculture.

Officer Report response:

114. The Officer Report acknowledges the FANZ submission, [Paragraph 8.195], but appears to have misinterpreted the submission, and cites submission suggestions which were not part of FANZ submission on the Certified Farm Environment Plan Auditor.

Comment:

- 115. The Officer Report has misinterpreted comments on the definition of the Certified Farm Environment Plan Auditor.
- 116. The Officer Report is in error by interpreting this as follows:

[Paragraph 8.201]

I do not support the request by FANZ for Certified Farm Environment Plan Auditors to also be qualified Certified Nutrient Management Advisors under the Nutrient Management Adviser Certification Programme (NMACP)

- 117. FANZ instead seeks that the definition for Certified Farm Environment Plan Auditors to be very clear about the minimum requirement.
- 118. The definition currently requires;

"five years professional experience in management of pastoral, horticultural or arable farms" **and**

"holds a Certificate in Advanced Sustainable Nutrient Management", or

"holds a Certificate in Sustainable Nutrient Management" or

"holds a tertiary qualification in agriculture"

119. By virtue of the term "or" the definition defaults to:

"a minimum, five years experience as a farm manager and holds a tertiary qualification in agriculture."

- 120. In its submission, FANZ commented that only the Advanced Sustainable Nutrient Management Course requires the demonstration of the use of OVERSEER to develop a nutrient management plan. If this is seen as a requirement for a Certified Farm Environment Plan Auditor, then this Advanced Sustainable Nutrient Management course should be the minimum requirement.
- 121. The current definition lists the Advanced Sustainable Nutrient Management course and its prerequisites as equivalent options, and this is not logical.
- 122. None of these definitions for a Certified Farm Environment Plan Auditor is sufficient to meet the requirements of a Certified Nutrient Management Adviser, under the Certified Nutrient Management Adviser Programme.

- 123. Amend the definition of Certified Farm Environment Plan Auditor under bullet 1. as follows:
 - 1. at least 5 years' professional experience in the management of pastoral, horticultural or arable farm systems: and
 - (a) holds a Certificate of Completion in Advanced Sustainable Nutrient Management in New Zealand from Massey University
 - (b) holds a Certificate of Completion in Sustainable Nutrient Management in New Zealand Agriculture from Massey University; or
 - (c) holds a tertiary qualification in agricultural science or demonstrated an equivalent level of knowledge and experience; and ..

- 124. Or in the alternative, if the current minimum requirement is to be retained:
 - 1. at least 5 years' professional experience in the management of pastoral, horticultural or arable farm systems: and
 - (a) holds a Certificate of Completion in Advanced Sustainable Nutrient

 Management in New Zealand from Massey University
 - (b) holds a Certificate of Completion in Sustainable Nutrient Management in New Zealand Agriculture from Massey University; or
 - (c) holds a tertiary qualification in agricultural science or demonstrated an equivalent level of knowledge and experience; and ..

Concluding Statement

125. Thank you for the opportunity to present this Hearing submission before the Hearing Panel for Proposed Variation 5 of the Canterbury Land and Water Regional Plan.

End

Greg Sneath

Executive Manager

S. Sneath.

The Fertiliser Association of New Zealand

22 July 2016