



Agenda

**Notice is hereby given of
a Lower Waitaki South Coastal Canterbury Zone
Committee Meeting**

Wednesday 12 December 2018

Commencing at 1.00pm

At the
Waihao Forks Hotel
Stoney Creek Road
Waimate

www.waimatedc.govt.nz

Notice is hereby given that a meeting of the Lower Waitaki South Coastal Canterbury Zone Committee will be held in the Waihao Forks Hotel, 4 Stoney Creek Road, Waimate on Wednesday 12 December 2018, commencing at 1.00pm.

Committee Membership

Kate White	Chairperson
Suzanne Eddington	Waihao Runanga Rep
Jakki Guilford	Councillor
Sandra Hampstead-Tipene	Arowhenua Runanga Rep
Andrew Hayes	Community Rep
Jeremy Holding	Councillor
Barney Hoskins	Community Rep
Daniel Isbister	Community Rep
Mark Kingsbury	Deputy Chairperson
Bruce Murphy	Community Rep
Brent Packman	Community Rep
Ranui Ryan	Moeraki Runanga Rep
Peter Scott	Environment Canterbury Councillor

Quorum – no less than five members

Order Of Business

Opening	5
1 Apologies	5
2 Visitors	5
3 Declarations of Interest	5
Minutes	7
4 Confirmation of Minutes.....	7
4.1 Minutes of the Lower Waitaki South Coastal Canterbury Zone Committee Meeting held on 21 November 2018.....	7
Reports	15
5 General Business.....	15
5.1 Facilitator's Update - December 2018	15
5.2 Waitaki Irrigators Update.....	18
5.3 Agr-O-Ecological Overview	20
Meeting Closures	27

Lower Waitaki SCC Zone Committee Meeting
December 12th 2018, at 1:00pm
Waihao Forks Hotel, Stony Creek Rd, Waimate

	12:00	Zone Committee lunch and Regional Roundup		
	Time	Agenda Item / Title	Who	Paper/Verbal
1	1:00pm	Standing items 1 Welcome, Karakia and Introductions 2 Apologies 3 Register of Interests 4 Confirmation of Previous Minutes 5 Matters Arising 6 Correspondence	Kate White	Verbal
2	1:20pm	Te Reo words for this month: • Kia tina! TINA! <i>So that it has certainty</i> • Haumī e, Hui ē! <i>And is maintained</i> • TĀIKI E! <i>So that it is secure</i>	Suzanne Eddington Sandra Hampstead-Tipene Ranui Ryan	Verbal
3	1:30pm	Facilitator's Update Attached papers: • Local Authorities (Members' Interests) Act	Dave Moore	Paper
4	1:40pm	Update on Waitaki Irrigators Collective and Local Governance Conference (30 mins)	Elizabeth Soal	Paper
5	2:10pm	AgrO-Ecological Project overview: Impact Investment in the Waihao Wainono Catchment (20 minutes)	Geoff Burke Managing Director	Paper - Project WW T 18-November-25
6	2.40pm	PC3 Update	Anna Morrow	Verbal
7	2:55pm	General Business	Kate White	
8	3:15pm	Close meeting & Karakia		

OPENING

1 APOLOGIES

Cr Jeremy Holding

2 VISITORS

3 DECLARATIONS OF INTEREST

Representative's Name and Interest	
Suzanne Eddington	
Cr Jakki Guilford	Waimate District Councillor
Sandra Hampstead-Tipene	
Andrew Hayes	Director/Farmer Million Springs Ltd Director/Chairman Haka Valley Irrigation Ltd Chairman Waitaki Independent Irrigators Inc. Director Waitaki Irrigators Collective Vice Chair Haka Valley Water Scheme
Cr Jeremy Holding	Waitaki District Councillor
Barney Hoskins	Nil
Daniel Isbister	Farmer - McKirdy Ventures Ltd Shareholder – Fonterra Shareholder – Lower Waitaki Irrigation Company Councillor – Central South Island Fish and Game Steering Committee – North Otago Sustainable Land Management
Mark Kingsbury	Dairy Farmer Director – Lower Waitaki Irrigation Company
Bruce Murphy	Farmer Director – Murphy Farms Ltd Trustee – Waimate Vet Trust Shareholder – Fonterra Shareholder Councillor – LIC Member – Otaio Water Users Group Director – Hunter Downs Irrigation
Brent Packman	
Ranui Ryan	Self Employed Researcher Member of Te Rūnanga o Moeraki Member of Te Rūnanga o Arowhenua Member of Te Rūnanga o Waihao

Cr Peter Scott	Environment Canterbury Councillor Orari Temuka Opihi Pareora Water Zone Committee member (temporary) Farmer – Dirragh Farm Ltd Ballance Shareholder Ravensdown Shareholder Silver Fern Farms Shareholder
Kate White	Shareholder in the Kurow and Duntroon Irrigation Company Ltd (KDIC)

MINUTES

4 CONFIRMATION OF MINUTES

4.1 MINUTES OF THE LOWER WAITAKI SOUTH COASTAL CANTERBURY ZONE COMMITTEE MEETING HELD ON 21 NOVEMBER 2018
--

Author: Karalyn Reid, Committee Secretary and PA to the Mayor

Authoriser: Karalyn Reid, Committee Secretary and PA to the Mayor

Attachments: 1. Minutes of the Lower Waitaki South Coastal Canterbury Zone Committee Meeting held on 21 November 2018

PURPOSE

The unconfirmed minutes of the Lower Waitaki South Coastal Canterbury Zone Committee meeting held on 21 November 2018 are presented for confirmation.

RECOMMENDATION

That the Minutes of the Lower Waitaki South Coastal Canterbury Zone Committee Meeting held on 21 November 2018 be received and the recommendations therein be adopted.
--



MINUTES

Lower Waitaki South Coastal Canterbury Zone Committee Meeting

21 November 2018

**MINUTES OF WAIMATE DISTRICT COUNCIL
LOWER WAITAKI SOUTH COASTAL CANTERBURY ZONE COMMITTEE MEETING
HELD AT THE WAMATE EVENT CENTRE, CNR PAUL & WILKIN STREETS, WAIMATE
ON WEDNESDAY 21 NOVEMBER 2018, COMMENCING AT 1.00PM**

PRESENT: Chair Kate White, Suzanne Eddington, Sandra Hampstead-Tipene, Andrew Hayes, Cr Jeremy Holding, Barney Hoskins, Daniel Isbister, Deputy Chairperson Mark Kingsbury, Bruce Murphy, Brent Packman,

APOLOGIES: Cr Jakki Guilford, Ranui Ryan, Cr Peter Scott

IN ATTENDANCE: Committee Secretary Karalyn Reid, Zone Manager Chris Eccleston; Zone Facilitator, Dave Moore

OPENING

The Chair Kate White welcomed members, introduced new member Jared Ross and asked Dave to read a karakia.

1 APOLOGIES

COMMITTEE RESOLUTION 2018/28

Moved: Cr Jeremy Holding

Seconded: Member Suzanne Eddington

That apologies from Cr Jakki Guilford, Ranui Ryan and Cr Peter Scott be received and accepted.

CARRIED

2 VISITORS

There were no visitors scheduled at this meeting.

3 REGISTER OF INTERESTS

There were no conflicts of interest raised at this meeting.

MINUTES

4 CONFIRMATION OF MINUTES

4.1 MINUTES OF THE LOWER WAITAKI SOUTH COASTAL CANTERBURY ZONE COMMITTEE MEETING HELD ON 19 SEPTEMBER 2018

COMMITTEE RESOLUTION 2018/29

Moved: Deputy Chairperson Mark Kingsbury

Seconded: Member Andrew Hayes

That the Minutes of the Lower Waitaki South Coastal Canterbury Zone Committee Meeting held on 19 September 2018 be received, and the recommendations therein be adopted, with the below amendment.

CARRIED

Amendment:

Bruce Murphy commented on water efficiency (water quality vs water quantity) and open races leaking into shallow aquifers. A discussion was held around open races against piped schemes.

**4.2 MINUTES OF THE LOWER WAITAKI SOUTH COASTAL CANTERBURY ZONE
COMMITTEE MEETING HELD ON 18 OCTOBER 2018**

COMMITTEE RESOLUTION 2018/30

Moved: Member Andrew Hayes

Seconded: Member Daniel Isbister

That the Minutes of the Lower Waitaki South Coastal Canterbury Zone Committee Meeting held on 18 October 2018 be received and the recommendations therein be adopted, with the below amendment.

CARRIED

Amendment:

Chair Kate White be corrected in the opening section.

Note:

It was disappointing there was not a quorum of the Upper Waitaki Zone Committee Members.

REPORTS

5 GENERAL BUSINESS

5.1 STANDING ITEMS

To present the Standing Items below:

Outward Correspondence

- i. Letter to Steve Lowndes, Chair Environment Canterbury dated 12 November 2018. No reply to date.
- ii. Graham Clark, Chief Executive, Network Waitaki Ltd dated 1 November 2018

5.2 TE REO WORDS

Waihao – wai *meaning* water; hao *meaning* breed of eel. *Water of the hao eel*

Waimate – wai *meaning* water; mate *meaning* dead or descending. *River goes underground*

Wainono – wai *meaning* water; nono *meaning* creeping or seeping water

5.3 LOWER WAITAKI ZONE COMMITTEE FACILITATOR'S UPDATE - NOVEMBER 2018

Dave Moore provided the Committee with updates on the below:

- a. The Committee accepted the meeting dates for 2019 and agreed to continue meeting at the Waimate Event Centre. It was suggested first meeting to be held at the Marae, and a field trip to be arranged in March incorporating the Waihao Box, Waihaorunga. Another identified area to visit is Meyers Pass

- b. 'Reporting Back' section now live on ECan website
- c. Canterbury Southern Black-backed Gull/ Karoro strategy draft provided for the information of the Committee
- d. 'Check Clean Dry' Behaviour Change Campaign
- e. Omnibus Plan Change 2019 – update from Andrea Richardson
- f. BRIDGE (Braided Rivers) – update from Tania Harris
- g. Maps. The Chair asked for a map of the Zone, and the streams and creeks within the zone. ACTION POINT: DAVE

5.4 ZONE MANAGER'S REPORT

The PC5 is expected to return to ECan and become active by April. The Committee asked for an update on both PC3 and PC5 (one-page) to be sent out to members ACTION POINT: DAVE and a staff member from ECan to come to the December meeting to update the Committee on the planning process. ACTION POINT: DAVE

Implications from the Long Term Plan has allowed staff to be more focused on wilding pine and wallaby control.

Chris tabled an Immediate Steps Funding proposal from Kennedy for Otiake Springs Wetland Protection, which received support from the Committee. Signage is important. The Committee asked that Kennedy be invited to update the Committee on projects. ACTION POINT: DAVE

COMMITTEE RESOLUTION 2018/31

Moved: Member Andrew Hayes

Seconded: Member Bruce Murphy

That the Immediate Steps Funding 'Otiake Springs Wetland Protection' proposal be supported.

CARRIED

5.4 CWMS FIT FOR FUTURE

Dave gave the Committee an update on Fit for Future Project, outlined and asked for feedback on the draft 2025 and 2040 goals for the CWMS, the targets and the proposed work programme.

The following tables summarises the feedback:

Appendix 2 - Targets and Proposed Work Programmes		
Target	Proposed work programmes	Key actions needed Who needs to do more (and what is it)? Any gaps (for this zone)?
<i>Drinking water</i>	<p>Alignment of regional and district plans – identify areas in plans that are barriers to CWMS targets</p> <p>Drinking water standards – a programme to focus on private supplies; improvement programme for community supplies, including better compliance</p> <p>Comms/education – develop guidance documents aimed at consistent regional application; turn data and monitoring into information that the community can use</p> <p>Measuring and monitoring – develop a comprehensive groundwater monitoring programme</p> <p>Possible contaminants - develop a watchlist</p>	<p>Key actions needed</p> <p>Alignment –</p> <ul style="list-style-type: none"> water to stock, community and public health view, should be district councils – why should regional councils be involved where do private schemes fit in? affordability for councils <p>Comms –</p> <ul style="list-style-type: none"> community knowing where / how it can be accessed website does not work well better at getting the data out to the community – good, bad and ugly – and what is being done about it. Consistent messaging (Waitaki DC)
<i>Recreation and amenity</i>	<p>Measuring and monitoring – develop recreational base data (flow, quality, site) and model future trends in recreation; review science behind flow regimes and flow limits</p> <p>Protection – identify options and priorities by zone for protection and enhancement; review consents to ensure flows are met</p>	<p>Key actions needed</p> <ul style="list-style-type: none"> Less fishing in rivers and lakes, more in canals Didymo effect on jet boats Access Launching ramps Coordination of groups Tourism Cycle trail
Target	Proposed work programmes	Key actions needed Who needs to do more (and what is it)? Any gaps (for this zone)?
		<ul style="list-style-type: none"> Communications – provision of information and what is happening We already have the base data from various sources Groundwater monitoring first
<i>Ecosystem health and biodiversity</i> <i>Braided rivers</i>	<p>Comms/education – use social science to develop tools for behaviour change</p> <p>Funding – provide funding for landowners to make changes, including for land retirement</p> <p>Regulation – review flow regimes, including considering use of Cawthron methodology</p> <p>At risk ecosystems and restoration targets – identify the ecosystems at risk and critical source areas (including groundwater); identify restoration areas</p> <p>Measuring and monitoring – improve monitoring so success against goals can be measured</p>	<p>Key actions needed</p> <ul style="list-style-type: none"> Bring schools in Be specific about what funding can be used for Mahinga kai – within everything Urban affects together with rural <p>gaps</p> <ul style="list-style-type: none"> Where do bird island fit? How to maintain improvements already made Water quality monitoring - collecting the information together – integrated monitoring framework
<i>Environmental Limits</i>	<p>Measuring and monitoring – measure and review progress on meeting limits, and report to the community, sector groups, Ngai Tahu etc.</p> <p>Regulation and adaptation – review limits in plans and the on-ground actions being taken to meet limits to assess their effectiveness.</p>	<p>Key actions needed</p> <ul style="list-style-type: none"> How to get this to as many as people as possible Target audiences Has that worked??? Urban affects together with rural <p>Who needs to do more (and what is it)?</p> <ul style="list-style-type: none"> Industry - Urban populations
<i>Kaitiakitanga</i>	Marae – ensure marae drinking water quality and availability (led by <u>rūnanga</u>)	Key actions needed

Target	Proposed work programmes	Key actions needed Who needs to do more (and what is it)? Any gaps (for this zone)?
	<p>Measuring and monitoring- identify Mātauranga indicators</p> <p>Protection zones - develop actions plans for protection zones (led by Papatipu).</p> <p>Identify and use a generic process for actions towards goals (e.g. improved mahinga kai) with year by year action plans, lead agencies, funders, communications</p> <p>Align work programmes with existing Tuia/Ngāi Tahu programmes</p> <p>Comms/education – develop programme for community understanding of kaitiakitanga</p>	<ul style="list-style-type: none"> Talk to local rūnanga Mātauranga indicators to be accepted, and possibly to be integrated Rock art Springs <p>gaps</p> <ul style="list-style-type: none"> Access to customary rights Barriers to access Communication / education and what is happening
Irrigated land area and reliability	<p>Infrastructure- need to develop regional strategic storage to improve reliability.</p> <p>Innovation – innovation support and technology needed to allow exploration of new farm systems and alternative land use</p> <p>Comms/education – improve irrigation scheme collaboration; develop education programme for the public, schools etc</p> <p>Funding – need to explore new options for infrastructure</p> <p>Measuring and monitoring – improve data and information collection and analysis</p>	<p>Key actions needed</p> <ul style="list-style-type: none"> Everything in moderation Broaden the discussion to opportunities More schools to be able to access Enviro School programme Should this be a more general target around agriculture or land use. All farming needs to develop methods for improving infrastructure Is this the right forum to discuss funding??? <p>Who needs to do more (and what is it)?</p> <ul style="list-style-type: none"> Irrigation schemes / bodies integrated to community
Water use efficiency	<p>Innovation – increase use of new technology, such as automated control systems</p> <p>Benchmarking – allocation and efficiency measurement to drive better water use.</p> <p>Measuring and monitoring – develop better methods for collecting and analysing water use</p>	<p>Key actions needed</p> <ul style="list-style-type: none"> This needs to be across the whole spectrum ...and effect on environment
Target	Proposed work programmes	Key actions needed Who needs to do more (and what is it)? Any gaps (for this zone)?
	<p>efficiency data.</p> <p>Regulation - new allocation models are needed.</p>	<ul style="list-style-type: none"> Are we clear what “efficiency” means – does this include the maintenance of quality? Why are new allocation models needed?? Fairer, informed system <p>Who needs to do more (and what is it)?</p> <ul style="list-style-type: none"> Ecan to update the data – instantaneous take over allocation. What is coming out of the rivers? What is available? Feedback and results on what has changed <p>Any gaps (for this zone)?</p> <ul style="list-style-type: none"> Are there misunderstandings in this area – from the irrigation discussion
Energy security and efficiency	<p>Benchmarking – better measurement to allow benchmarking of energy efficiency</p> <p>Innovation – develop understanding of new technology</p>	<p>Key actions needed</p> <ul style="list-style-type: none"> Power companies to meet minimum flows Nationally, looking at other alternative energy sources <p>gaps</p> <ul style="list-style-type: none"> Alternative energy sources

GENERAL

WAIHAO BOX

Bruce Murphy updated the Committee that the Waihao Box was currently open and working well, with a 40m channel to the north and predominately river water existing. There is a build-up of tree material that needs to be removed from the south side and front (broken stumps). ECan river engineering to investigate. ACTION POINT - DAVE

Both braids of the Waihao are currently running. It has been noted a digger took out shingle for planting (against the bridge on north side against road) to protect the bridge embankment (most likely Transit).

SLOPE CULTIVATION

Mark Kingsbury highlighted concerns of heavy rain, and that farmers should be encouraged to make buffer areas to help against soil erosion. More education is needed on slope cultivation, and what can happen in severe weather events on crops planted greater than 15% with no buffer zones.

Jared Ross commented Beef and Lamb/Dairy NZ have run autumn education farm workshops.

SHINGLE EXTRACTION

Suzanne Eddington commented on the shingle extraction currently underway at the Pareora riverbed and Makikihi riverbed and asked for rules and regulations are around shingle extraction, and how much can be taken. ACTION POINT - DAVE

John Benn DOC commented on Fit for Future – Merging Contaminants, suggesting Cadmium Phosphate fertilisers can have implications.

REFRESH

Mark Kingsbury and Andy Hayes have stood down.

Chair Kate White commented that few people on the Committee actually live in the Zone, and concerned there are not enough 'ears on the ground'. She went on to say Emily Anderson previously worked for ECan, lives on other side of Waitaki River, and could address a gap on Committee. The Committee agreed Emily has been involved in setting up catchment groups in St Andrews-Waimate area and is highly thought of farmers.

There was a discussion to look at the ability to co-opt members on to the Zone Committee.
ACTION POINT - DAVE

MEETING CLOSURE

There being no further business, the Chair closed the meeting at 3.40pm, and asked Dave to close with a karakia.

The minutes of this meeting are to be confirmed at the next Lower Waitaki South Coastal Canterbury Zone Committee Meeting.

.....
CHAIRPERSON

REPORTS

5 GENERAL BUSINESS

5.1 FACILITATOR'S UPDATE - DECEMBER 2018

Author: Karalyn Reid, Committee Secretary and PA to the Mayor
Authoriser: Karalyn Reid, Committee Secretary and PA to the Mayor
Attachments: 1. OAG Letter to Steve Lowndes - November 2018

HUI/MEETING: Lower Waitaki South Coastal Canterbury Zone Committee	
AGENDA ITEM NO: 3	KAUPAPA/SUBJECT Facilitators update
KAITUHI/AUTHOR Dave Moore, Zone Facilitator	WĀ/MEETING DATE 12 December 2018

PURPOSE

1. To update the Committee on actions from the previous meeting, relevant information and upcoming engagement opportunities.
 - a. **Local Authorities (Members' Interests) Act 1968 – Application for Declaration for Regional and Zone Management Committees:** For the Committee's information. Please refer to attached Letter from the Assistant Auditor General
 - b. **Request for Maps of the Zone for the Committee:** A request has been placed with the ECan GIS team to provide maps and these will be available in the New Year.
 - c. **Request for an update on Immediate Steps Projects:** Kennedy Lang will be scheduled to present to the committee early in 2019.
 - d. **Gravel Extraction:** Questions were raised about the rules for gravel extraction at the November Zone Committee meeting. Please visit <https://www.ecan.govt.nz/your-region/your-environment/river-and-drain-management/river-based-gravel-extraction/> to learn more about how gravel extraction is managed. Please note the section entitled South Canterbury gravel agreement.

RECOMMENDATION

That the Zone Committee receive the Facilitator's update – December 2018.



OFFICE OF THE AUDITOR-GENERAL
Te Mana Arotake

100 Molesworth Street, Thorndon 6011
PO Box 3928, Wellington 6140, New Zealand

Telephone: +64 4 917 1500
Email: info@oag.govt.nz
Website: www.oag.govt.nz

13 November 2018

Steve Lowndes
Chair
Environment Canterbury Regional Council
By email: Governance@ecan.govt.nz

Dear Mr Lowndes

LOCAL AUTHORITIES (MEMBERS' INTERESTS) ACT 1968 – APPLICATION FOR DECLARATION FOR REGIONAL AND ZONE MANAGEMENT COMMITTEES

I refer to your letter dated 23 October 2018.

In 2011 and 2013 the Auditor-General granted declarations in relation to the Canterbury Regional Water Management Committee and the ten Zone Water Management Committees. The declarations enabled all members of those committees to participate in all discussions and decisions relating to the development of implementation programmes to achieve the targets and goals set out in the Canterbury Water Management Strategy, despite any pecuniary interests that members may have in those matters.

Section 6(1) of the Local Authorities (Members' Interests) Act 1968 states that members of council committees must not participate in decisions in which they have a personal financial interest. Under section 6(4), we can declare that the rule in section 6(1) will not apply to a specified matter or class of matter if we are satisfied that its application would impede the transaction of business, or that it is in the interests of the electors or inhabitants of the area for it not to apply. We granted our previous declarations based on the knowledge that many committee members will have personal financial interests in a range of matters to be discussed by the committees. We concluded that, in the circumstances, both the tests for granting a declaration were met.

The 2013 declaration expired five years from 24 October 2013. You applied for a declaration covering another five years. In a letter dated 25 October 2018, I granted an interim declaration to allow time to consider your application for a five-year declaration.

In your letter, you advised that the committees continue to play an integral role in implementing the Canterbury Water Management Strategy. As foreshadowed in your 2013 correspondence, rolling memberships have been established to enable a third of each committee to be replaced or reappointed each year, and the terms of reference for the committees have been updated accordingly. You noted in your letter that the reasons for a declaration contained in your first application and our previous decisions still apply. These are:

- the Regional and Zone Committees have been deliberately appointed to allow for a balance of all main interest groups' views;
- the committee members represent a range of interest groups made up of conservation organisations, community, agricultural industry, councils, Ngāi Tahu and Rūnanga;
- the Regional and Zone Committees are working collaboratively towards a consensus to develop and implement work programmes to achieve the Canterbury Water Management Strategy and its targets and goals.

In view of the above, I am satisfied that the grounds for the 2013 declaration still apply, and grant the declaration requested. This declaration replaces my interim declaration dated 25 October 2018.

Declaration

I therefore make the following declaration (acting under delegated authority):

The Auditor-General declares, under section 6(4) of the Local Authorities (Members' Interests) Act 1968, that section 6(1) of the Act will not apply to prevent any members of the following committees from discussing or voting on matters related to the development of implementation programmes to achieve the targets and goals set out in the Canterbury Water Management Strategy:

- *Regional Water Management Committee;*
- *Kaikoura Zone Water Management Committee;*
- *Hurunui – Waiau Zone Water Management Committee;*
- *Waimakariri Zone Water Management Committee;*
- *Selwyn – Waihora Zone Water Management Committee;*
- *Christchurch – West Melton Zone Water Management Committee;*
- *Banks Peninsula Zone Water Management Committee;*
- *Ashburton Zone Water Management Committee;*
- *Orari – Opihi – Pareora Zone Water Management Committee;*
- *Lower Waitaki - South Coastal Canterbury Zone Water Management Committee; and*
- *Upper Waitaki Zone Water Management Committee.*

This declaration expires five years from the date of this letter.

I would be grateful if you could provide copies of this letter to relevant staff and to the members of the Committees.

Please do not hesitate to contact me if you need to discuss any aspect of this letter.


Yours sincerely



Melanie Webb
Assistant Auditor-General, Legal

5.2 WAITAKI IRRIGATORS UPDATE

Author: Karalyn Reid, Committee Secretary and PA to the Mayor
Authoriser: Karalyn Reid, Committee Secretary and PA to the Mayor
Attachments: Nil

HUI/MEETING: Lower Waitaki South Coastal Canterbury Zone Committee	
AGENDA ITEM NO: 4	KAUPAPA/SUBJECT Waitaki Irrigators Collective (WIC) 2018 Activity Update 
KAITUHI/AUTHOR Elizabeth Soal WIC Director of Strategy and Policy	WĀ/MEETING DATE 12 December 2018

PURPOSE

1. Elizabeth Soal, WIC's Director of Strategy and Policy, will provide a presentation to the Committee on the activities WIC has been undertaking in the last 12 months, including:
 - a. Flow and demand management with Meridian Energy and Environment Canterbury
 - b. Regional planning (both Canterbury and Otago)
 - c. Environment Canterbury representation review
 - d. Waitaki Water Programme
 - e. International Alliance for Water Stewardship
2. Elizabeth will also discuss her current PhD research work on water governance and her recent attendance at the International Geographical Union's Commission on the Geography of Governance annual conference in Lisbon, Portugal.

ABOUT THE WAITAKI IRRIGATORS COLLECTIVE

3. The Waitaki Irrigators Collective Limited (WIC) is comprised of the five irrigation schemes and individual irrigators that take water from Lake Waitaki, the lower Waitaki River or its tributaries or connected groundwater, and use that water to irrigate land downstream of the Waitaki Dam.
4. WIC was formed in 2010 in response to a number of common issues, which the schemes were facing at the time. It represents over 600 irrigators, with an irrigated area of approximately 80,000 hectares across North Otago and South Canterbury.
5. WIC seeks to gain surety of water for its members within an approach, which recognises the need for continuous improvement and environmental protection. WIC recognises the need to work with the community within which it operates, to promote and support social and economic development. WIC's role is neither technical nor operational (although it may facilitate operational or technical projects).

6. The shareholders of WIC are:
 - a. the Kurow-Duntroon Irrigation Company Limited (KDIC);
 - b. the North Otago Irrigation Company Limited (NOIC);
 - c. the Morven, Glenavy, Ikawai Irrigation Company Limited (MGI);
 - d. the Maerewhenua District Water Resource Company Limited (MDWRC);
 - e. the Lower Waitaki Irrigation Company Limited (LWIC); and
 - f. the Waitaki Independent Irrigators Incorporated Society (WIII, including Haka Valley Irrigation Limited).
7. These schemes and individuals use irrigation water for production across the primary sector, including the agriculture, horticulture, dairying and viticulture industries. Some of the schemes also provide water to other industries, town supplies and sports clubs. The vast majority of irrigators within the Collective have water permits administered by Environment Canterbury territory. LWIC and NOIC land-use is within the Otago region, the rest having land-use within Canterbury. Our schemes and individual members are spread across the Waitaki and Waimate Districts.

RECOMMENDATION

That the Zone Committee receives the Waitaki Irrigators Collective (WIC) 2018 Activity Update.

5.3 AGR-O-ECOLOGICAL OVERVIEW

Author: Karalyn Reid, Committee Secretary and PA to the Mayor
Authoriser: Karalyn Reid, Committee Secretary and PA to the Mayor
Attachments: 1. Project Development Impact Investment in the Waihao Catchment

HUI/MEETING: Lower Waitaki South Coastal Canterbury Zone Committee	
AGENDA ITEM NO: 5	KAUPAPA/SUBJECT AgrO-Ecological Overview
KAITUHI/AUTHOR Geoff Burke Managing Director, AgrO-Ecological	WĀ/MEETING DATE 12 December 2018

PURPOSE

Geoff Burk will provide an overview of AgrO-Ecological's Waihao Wainono catchment Impact investment project. See attached document: *Project Development: Impact Investment in the Waihao Wainono Catchment*.

RECOMMENDATION

That the Zone Committee receives the AgrO-Ecological Overview update.



Project Development:
Impact Investment in the
Waihao Wainono Catchment

- Creating an investment blueprint designed to mobilise private capital to address entrenched environmental challenges such as water quality, GHG emissions, and biodiversity.
- Developing the investment strategy, impact and financial goals, management and operational structures for transitioning to regenerative low impact, high value dairy farming/ food production systems as an investment ready initiative.
- Knowledgeable, active and experienced management team with robust operating model designed to deliver positive tangible outcomes.

Impact Investing

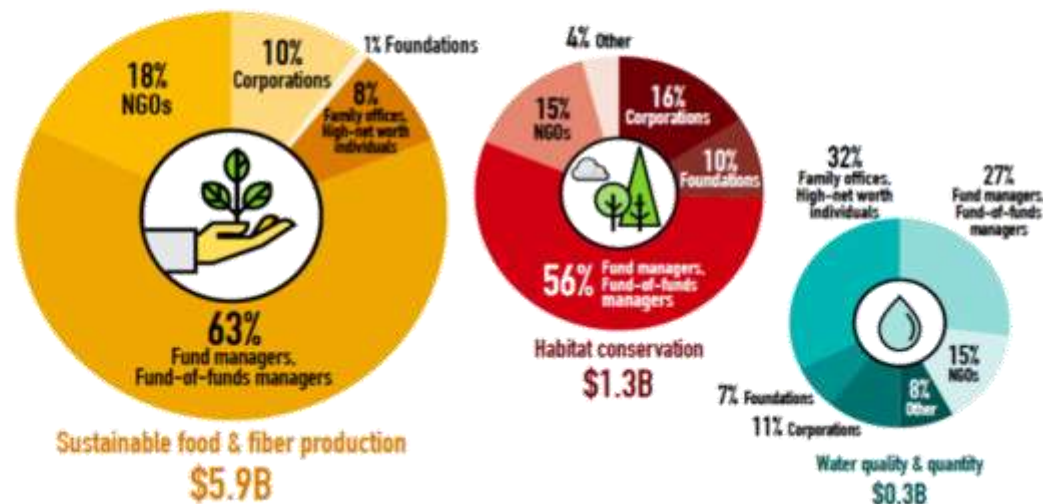
“Investments intended to create positive impact beyond financial returns”

definition by J.P. Morgan, the Global Impact Investing Network (GIIN) and the Rockefeller Foundation

- Globally, impact investment, (which refers to *investments made with the intention to generate a financial return while also delivering a positive impact on natural resources and ecosystems*) has been growing significantly in recent years.

Sustainable agriculture/land management is the fastest growing impact investment area

- US\$7.5 billion committed from 2009 to 2015 for investment for conservation outcomes.
- Catchment and wider landscape level interventions are preferred as a way to achieve scale and provide a pipeline of investable propositions over the long term.



AgrO-Ecological

Impact
Investing

The Concept

Drivers for Change

- There are significant drivers for change in land management transition in the Waihao Wainono Catchment, catalysed by the regulatory environment that seeks considerable improvement in water quality.
- We believe impact investment is an ideal approach to work alongside existing regulatory and non regulatory initiatives in the Catchment. We have excellent relationships with a broad range of investors and a strong understanding of the types of outcomes investors are seeking.

Impact Investment in the Waihao Wainono Catchment

- The main outcome of this work is to develop an **impact investment blueprint** that mobilises new sources of (private) capital to sit alongside regional council and not-for-profit investment to achieve specific environmental, social and economic impacts.
- We will collaborate with and support the ongoing work of ECan and other regional stakeholder organisations, including iwi, to ensure alignment of this work with strategic regional objectives.
- The project opportunity – **conversion of conventional dairy to regenerative, low input ,high value organic dairy**, will be fully developed through detailed due diligence into an investment-ready proposition.
- Develop alternatives (e.g. joint ventures) to land acquisition for properties that are not able to be bought or sold (e.g. iwi trust owned land) that still enables land use transformation.
- Wherever possible projects will seek to deliver '**additionality**' benefits beyond their core purpose – e.g. water quality mitigations will offer climate change resilience and biodiversity gains.

*The 'problem' is turned on its head to become an opportunity,
transforming a potential cost into a source of wealth creation.*

AgrO-Ecological

The Concept

The Approach

Learning and insights from previous impact investment/regenerative land transformation initiatives elsewhere will inform our approach.

Specific Objectives

- To develop the **impact goals** and the environmental performance related metrics that will guide the overall strategy and outcomes in the Waihao Wainono catchment and position the project as an impact investment ready proposition.
- To seek buy-in and secure interest from investors (NZ based and overseas), iwi, government and other interested parties to establish the Waihao Wainono project as **an exemplar** for investing in water quality and sustainable food production in New Zealand.
 - Engagement with potential investors will help outline the investor profile and determine interest (including expectations regarding financial returns, structure of investments and sectors of particular interest).
- To undertake investment analysis that will **deliver an investment ready offering** through determining the optimal funding structure and operating model designed to deliver the proposed land use changes, facilitate investment and deliver the targeted impact (environmental, social and economic).
 - Financial modelling
 - Due diligence
 - Investment documentation

AgrO-Ecological

The Approach

The Benefits

The Direct Benefits of the project include:

- Developing the case for investing in the region/catchment to the point where investment can be sought in order to undertake the land use changes and environmental mitigations identified.
- Alignment with and supportive of existing Wainono Restoration activity, accelerating the progress in improving water quality and other environmental metrics such as biodiversity.
- Designing and testing the investment parameters required for different stakeholders. These will be different for different groups, e.g. amongst other requirements, existing land owners will require certain land price levels to sell, while potential investors will need particular levels of (risk adjusted) return while ECan and Waimate District council will need comfort that the expected environmental impacts will be delivered .
- Developing a network of interested parties with knowledge of the investment opportunity and willingness to invest or support impact investment in the long term.
- Creating an appropriate operating model and governance structure conducive to future investment, both public and private.

The actual environmental, economic and social benefits, including return on investment, are expected to be derived in the long term, once investment commences.

AgrO-Ecological

The Benefits

Project perspective

The Waihao Wainono catchment Impact investment project is an initiative designed to deliver improved environmental performance, most notably water quality, through the mobilisation of private capital.

This capital is attracted by both the impact returns and financial returns.

There are a number of attributes that we like about the project;

1. Engagement and alignment with stakeholders (ECan, iwi, Waimate DC etc.)
2. Supportive of existing Wainono lagoon restoration initiatives (Wainono Lagoon Project)
3. Addressing 'wicked' problems through directly targeting the heart /source of the issue (Transition from intensive dairy to regenerative, low input, organic dairy)
4. Due diligence a pathway to high value/premium food production systems (Organic)
5. Creation of an investable proposition (Attracting and utilising private capital to drive environmental goals)

Environmental returns and investment returns

No trade off, no greenwash, no excuses

Creating, executing, delivering

AgrO-Ecological

Project Perspective

MEETING CLOSURES