

REPORT TO HURUNUI WAI AU ZONE COMMITTEE FARM ENVIRONMENT PLAN AUDITING RESULTS 2018/19

BACKGROUND

The AIC Environmental Collective currently holds 170 Farm Environment Plans (FEPs) covering about 85,000ha of farmed land in the Amuri, Hawarden and Hanmer Springs area. Almost all larger irrigating farms in the catchment are members of the AIC Environmental Collective, either as AIC shareholders or independent members.

The AIC Environmental Collective was established by the Amuri Irrigation Company (AIC) in early 2013 approved to help deliver better water quality in exchange for a delay in the implementation of new minimum river flow limits on the Hurunui and Waiau Rivers

The Collective has an Environmental Management Strategy (EMS) approved by the Canterbury Regional Council (ECan) which meets its requirements for an Audited Self-management environmental scheme¹. The Collective's EMS was first approved in 2014 and has been updated to meet new requirements and procedures. The latest version was approved in December 2018. The EMS specifies the:

- Required content of FEPs
- Good Management Practice (GMP) standards that members need to meet covering six different farm management areas:
 - Nutrient Management
 - Irrigation Management
 - Collected Animal Effluent Management
 - Waterway and Riparian Management
 - Soil Management
 - Management of Hot-Spots, such as silage stacks and ofal pits
- The governance and management procedures of the Collective
- The required process and standards for independent auditing of FEPs by ECan approved FEP Auditors.

Farmers are assessed by a 'best practise' standard defined by our own industry known as Good Management Practice (GMP). A farm's level of GMP is assessed through the auditing of its Farm Environment Plan (FEP). Even if you receive an "A" grade, you are required to continually improve as GMP develops and standards change.

Each farm audited receives a detailed FEP Audit report listing required actions and a timeframe for implementation and an overall grading ranging from A to D:

- **A Grade:** All management areas meet GMP standards or better. Repeat audit within 4 years.

- **B Grade:** Some areas are in need of further action, but the farm is on-track to achieve objectives within an agreed timeframe. Repeat audit within 2 years.
- **C Grade:** Some areas are in need of further action and these not on track to be meet within an agreed timeframe. Repeat audit within 1 year.
- **D Grade:** At least one area is in need of urgent attention. Repeat audit within 6 months.

All farms must have a FEP in place within six months of joining the Collective which must be audited for the first time within three years of joining. The timing of repeat audits depends on the grade received.

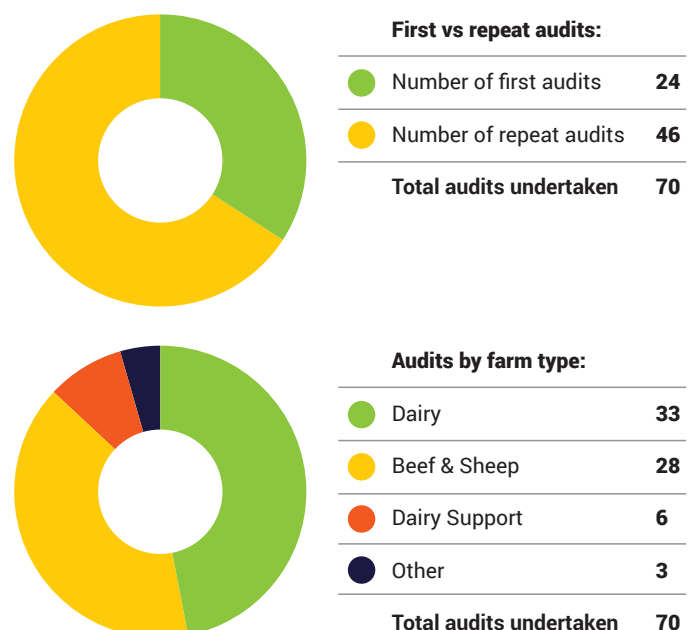
The Collective has been auditing FEPs since 2015 and recently concluded its fourth consecutive round of auditing. A total of 276 FEP Audits have been undertaken over this period.

AUDITING RESULTS FOR 2018/19

70 audits were completed by a team of five ECan approved auditors between 13th November 2018 and 4th April 2019. All audits were completed with fit for purpose Overseer nutrient budget for the 2017/18 season.

There was a mix of first and repeat audits undertaken across a range of farm types, see Graph 1 below.

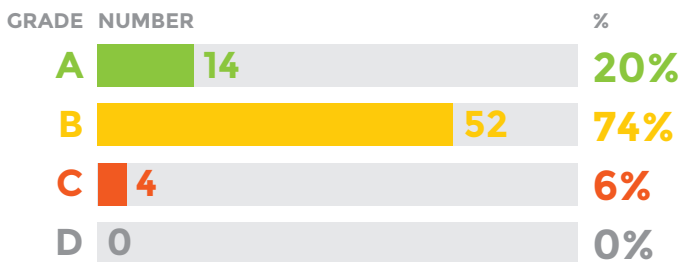
Graph 1 Completed Audits 2018/19



¹ The AIC Environmental Collective EMS is available on the AIC Website.

The distribution of audit grades for the 2018/19 round is shown in Graph 2 below.

Graph 2 Distribution of audit grade



There has been a steady improvement in performance and currently 97% of all farms in the Collective are either A or B grade, compared to 73% in 2015/16 and a steady decline in the number of farms at either D or C grade, from 26% in 2015/16 to only 6% C grade and zero D grades in 2018/19 see Table 1 below.

The 2019/20 round of FEP auditing is now being planned and will include about 90 audits. This means all farms will have been audited at least once³ and the majority of farms will have had at least two FEP Audits.

Table 1 Distribution of Audit Grade by Campaign

	2015-16		2016-17		2017-18		2018-19	
	No	%	No	%	No	%	No	%
A	5	10%	7	14%	19	18%	14	20%
B	31	63%	29	57%	69	65%	52	74%
C	10	20%	13	25%	17	16%	4	6%
D	3	6%	2	4%	1	1%	0	0%
TOTAL	49		51		106		70	

THE AIC ENVIRONMENTAL COLLECTIVE MEMBERSHIP

Total membership	176
AIC Shareholder Members	143
Non-shareholder Independent Members	33
Total FEPs on File	170
Area (ha) covered by shareholder FEPs	56,424
Area (ha) covered by Independents FEPs	29,263
Total area (ha) covered by Collective managed FEPs	85,687

³ Some independent irrigating farms and new AIC shareholders did not join the Collective until 2017/18, meaning these farms must be audited by 2021 at the latest.