

**BEFORE THE HEARING COMMISSIONERS APPOINTED BY ENVIRONMENT  
CANTERBURY**

**IN THE MATTER** of the Resource Management Act 1991  
(**RMA** or **the Act**)

**AND**

**IN THE MATTER** of Proposed Plan Change 7 to the  
Canterbury Land and Water Regional  
Plan

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**STATEMENT OF EVIDENCE OF DAMIEN FARRELLY (GAP) FOR  
HORTICULTURE NEW ZEALAND**

**17 JULY 2020**

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**ATKINS | HOLM | MAJUREY**

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## INTRODUCTION

### Qualifications and experience

1. My full name is Damien John Farrelly.
2. I am the New Zealand Good Agricultural Practice (**NZGAP**) Manager at Horticulture New Zealand (**HortNZ**) and have three and a half years of experience in the development and implementation of Good Agricultural Practice (**GAP**) standards in New Zealand horticulture.
3. I have primary responsibility for development, acceptance, and implementation of the NZGAP Environment Management System (**EMS**) add-on which provides growers with a pathway to demonstrate compliance with regional council requirements for independently audited Farm Environment Plans (**FEPs**).
4. I have previously worked as the Quality Systems Manager for NZGAP where I developed extensive knowledge in relevant regional and central government policy, FEPs, environmental compliance and quality systems for Environment, Food Safety, and Social Practice.
5. My experience, as relevant to the Canterbury region, is that I developed the resource and recommendation of NZGAP for Environment Canterbury (**ECan**) Plan Change 5 and Proposed Plan Change 7 to the Canterbury Land and Water Regional Plan (**PC7**).
6. I have a Bachelor of Engineering and PhD in Biosystems Engineering, where I specialised in environmental science and the biological mitigation of carbon dioxide emissions from point sources.

### Code of Conduct

7. I have been provided with a copy of the Code of Conduct for Expert Witnesses contained in the Environment Court's Practice Note dated 1 December 2014. I have read and agree to comply with that Code. This evidence is within my area of expertise, except where I state that I am relying upon the specified evidence of another person. I have not omitted to consider material facts known to me that might alter or detract from the opinions that I express.

8. While I am an employee of HortNZ I have been employed as an expert in my field. I am not an advocate for the positions adopted by HortNZ, rather I support those positions from my position as an expert.
9. I confirm that the issues addressed in this brief of evidence are within my area of expertise.

### **SCOPE OF EVIDENCE**

10. This evidence is to support the submission by HortNZ that requirements for FEPs in Schedule 7 should align with the framework and content of the Good Farm Principles and the industry agreed good management practices.
11. This evidence describes key elements of the assurance framework which GAP schemes, independent audits and certified growers operate within.
12. This evidence demonstrates that ECan can have confidence in the consenting pathway proposed by HortNZ due to the recognition of the NZGAP EMS add-on and the best practice approach that is adopted.
13. This evidence sets out how GAP standards have been implemented and the recognition of the NZGAP EMS add-on in the Canterbury region, and New Zealand generally.

### **IMPLEMENTATION OF GAP STANDARDS**

#### **GAP schemes**

14. GAP schemes provide assurance for the safe and sustainable production and supply of fruit and vegetables in New Zealand.
15. GAP schemes are independently audited self-management assurance schemes which provide a pathway for members to demonstrate compliance with regulatory and market requirements via independent audit of recognised standards, as shown in the figure attached at **Appendix 1**.
16. GAP schemes are already recognised by New Zealand regulators as meeting equivalent compliance outcomes (see section on MPI recognition of GAP schemes).
17. Growers who meet GAP standards are able to demonstrate that required practices are in place for the production of New Zealand fresh produce to meet local and international

regulatory and market requirements – so customers can buy with confidence.

18. GAP standards in New Zealand horticulture are benchmarked to internationally recognised standards including GLOBALG.A.P. Integrated Farm Assurance (**IFA**).
19. GAP standards are benchmarked to market, regulatory and industry standards, and are supported by guidelines and codes of practice which are underpinned by regulatory and industry funded research.
20. GAP schemes provide an outcomes-focused and risk-based integrated quality management systems approach.

### **Auditing and certification process**

21. GAP certified growers operate in an assurance framework which requires independent audits by Joint Accreditation System of Australia and New Zealand (**JAS-ANZ**) accredited certification bodies, and growers must continuously meet requirements of GAP standards to maintain certification.
22. Certified growers are required to provide a significant amount of evidence of their practices during the audit process (including records, certificates, documentation and observations) to demonstrate that they are implementing standards as required.
23. The credibility and trust in the system and in the horticulture sector is underpinned by the benchmarking and acceptance of its standards by regulators and markets, and the demonstration of implementation via robust independent audit of members.
24. The GAP audit identifies any issues in an FEP as well as robustness of relevant components (e.g. nutrient management plan).
25. Any issues identified during a GAP audit must be resolved within a certain time period (e.g. 28 days), otherwise certification can be suspended or cancelled. Critical issues must be resolved immediately to maintain certification, and serious issues can be escalated to the relevant regulatory body if required.

## Environmental Management System add-on

26. NZGAP has developed an EMS add-on which provides growers with a system and pathway to demonstrate that they are operating at Good Management Practice by developing and implementing a FEP as required by regional councils across New Zealand.
27. The core focus areas of the EMS are soil management, nutrient management, irrigation and water management, and waterbody and biodiversity management. These are outlined in FEP requirements of land and water regional plans, the RMA, the National Policy Statement for Freshwater Management and the National Environmental Standard for Freshwater Management.
28. The EMS add-on is developed for New Zealand horticulture growing systems. It empowers growers to systemise complex environmental issues by mitigating identified risks with appropriate control measures outlined in industry and council developed guidelines and codes of practice (e.g. HortNZ Code of Practice for Nutrient Management,<sup>1</sup> Soil Erosion and Sediment Control Guideline,<sup>2</sup> Industry-agreed Good Management Practices relating to water quality<sup>3</sup>).
29. The EMS add-on, industry guidelines and codes of practice are periodically updated with new information and mitigations based on the latest relevant environmental research.
30. The EMS add-on and its associated guidelines adopt a risk-based approach to environmental management and implementation of Good Management Practice (**GMP**). Not all GMPs are appropriate for all situations and all land uses, for example: cultivation for fruit trees versus cultivation for vegetables; flat land versus hills; waterways on-farm versus no waterways.

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<sup>1</sup> Horticulture New Zealand: <https://www.hortnz.co.nz/our-work/natural-resources/?Sort=Good%20Management%20Practice>.

<sup>2</sup> Horticulture New Zealand: <https://www.hortnz.co.nz/our-work/natural-resources/?Sort=Good%20Management%20Practice>.

<sup>3</sup> Environment Canterbury: <https://www.ecan.govt.nz/your-region/farmers-hub/gmp/what-are-industry-agreed-good-management-practices/>.

## REGULATORY RECOGNITION OF GAP

### Ministry of Primary Industry

31. In the context of the Food Act 2014 (**Food Act**), MPI has approved the GAP assurance framework, standards, people, and processes so that growers can demonstrate compliance with that Act in an effective way via their GAP audit and existing food safety system.
32. MPI has recognised GAP auditors as Food Act verifiers for the audit of growers (which is the equivalent of an FEP auditor).
33. MPI has not prescribed the audit manual and processes that GAP auditors must follow. Instead MPI has accepted the existing robust GAP framework, systems, rules and processes, while providing guidance on the role of Food Act Verifiers.
34. MPI have recognised the JAS-ANZ assurance framework under which GAP certification bodies and their auditors operate, and this is equivalent to the assurance framework under which local councils and their directly employed verifiers operate. GAP schemes therefore operate in parallel to local councils, and report directly to MPI. In other words GAP schemes do not operate on a council by council basis but rather at a higher level picking up on both central government and local government regulatory requirements.
35. There is a consistent assurance framework and audit process operating across all regions in New Zealand, and GAP certification bodies have attained the same level of recognition by MPI as they have had at the local level in a number of regions (**Appendix 2**).

### Environment Canterbury

36. The previous Chief Executive of Canterbury Regional Council, Bill Bayfield, announced the recognition of then NZGAP scheme in April 2019 under Plan Change 5 of the Land and Water Regional Plan. The Certificate for this is attached at **Appendix 3**.
37. On 18 December 2019, Mr Bayfield also approved the NZGAP FEP template as meeting the requirements for Farm Environment Plans in Schedule 7 of Plan Change 7 of the Land and Water Regional Plan.

38. Council have recognised the NZGAP auditors, the independent auditors employed by AsureQuality and SGS NZ Ltd, as FEP auditors.
39. NZGAP and the EMS add-on is now recognised as a pathway for growers to demonstrate compliance with Canterbury's requirements for an independently audited FEP.
40. NZGAP and Synlait Lead with Pride are the only programmes which have been approved as by the Council as ISO accredited audit programmes.<sup>4</sup>
41. The approval of the EMS add-on in Canterbury empowers growers to demonstrate that they are operating at GMP to minimise their environmental impact.

### **Case study and trial**

42. Once recognised by the Council, the EMS add-on had to be ready for implementation. I was involved in an FEP case study in the Canterbury region which illustrated how the EMS add-on would be implemented and how it helps growers achieve the best practice approach to commercial vegetable production.
43. The full details of the case study are set out in **Appendix 4**. The case study demonstrates how the grower has progressed through the EMS process: from starting out with a risk assessment; understanding effectiveness of current practices; identifying additional practices required and areas to improve; and demonstrating they meet the requirements via an independent audit.
44. NZGAP developed and helped implement a pathway for the grower to achieve best industry standard. The Council can be confident that the process works, and that growers who undertake the NZGAP process will be achieving best industry practices and standards.
45. In short, by undertaking and meeting the EMS add-on, growers will:
  - (a) Meet industry guidelines and codes of practice; and

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<sup>4</sup> ISO is the International Organisation of Standardisation that brings together experts to share knowledge and develop voluntary, consensus-based, market relevant International Standards that support innovation and provide solutions to global challenges <https://www.iso.org/about-us.html>.



- (b) Achieve good management practice to the standard required by PC7.

## **FARM ENVIRONMENT PLANS**

46. In HortNZ's submission it sought a number of changes to the FEP provisions, I support the amendment in the definition from 'commercial growing operation' to 'commercial growing activity' for the reasons set out in the submission.
47. I support a new requirement within the default content of a FEP for a 'commercial vegetable rotation management plan', that details the crops grown and all the land within the rotation, as suggested in the evidence of Mr Keenan for Potatoes New Zealand.
48. I do not support the requirement for a nutrient budget for a commercial vegetable growing activity. It should be removed from the minimum content of a FEP.
49. I do not support the current format of additional sub-regional requirements, which is increasing complexity, duplication and confusion to the format, content, objectives and targets for FEPs in various locations.
50. I recommend a rewrite of the FEP content which is in alignment with content and structure of the Good Farming Practice Action Plan for Water Quality 2018, and Industry Agreed Good Management Practices.
51. I recommend the adoption of a tabular format for sub-regional requirements to reduce the complexity and duplication of management areas, objectives and targets.
52. I recommend the collation of cultural values into one 'Cultural Management Area' with sub-sections for Mahinga kai, Rock Art, and Mātaitai.
53. In Part C of schedule 7, I recommend the addition of an option for the use of ISO accredited programme standards and methods to be used by certified FEP auditors. This is in line with the intent of the recognition of ISO accredited programmes, so should be reflected in the regional plan.

## **CONCLUSION**

54. NZGAP has been recognised by MPI (for Food Act compliance) and the EMS add-on has been recognised by the Council as meeting requirements for an independently

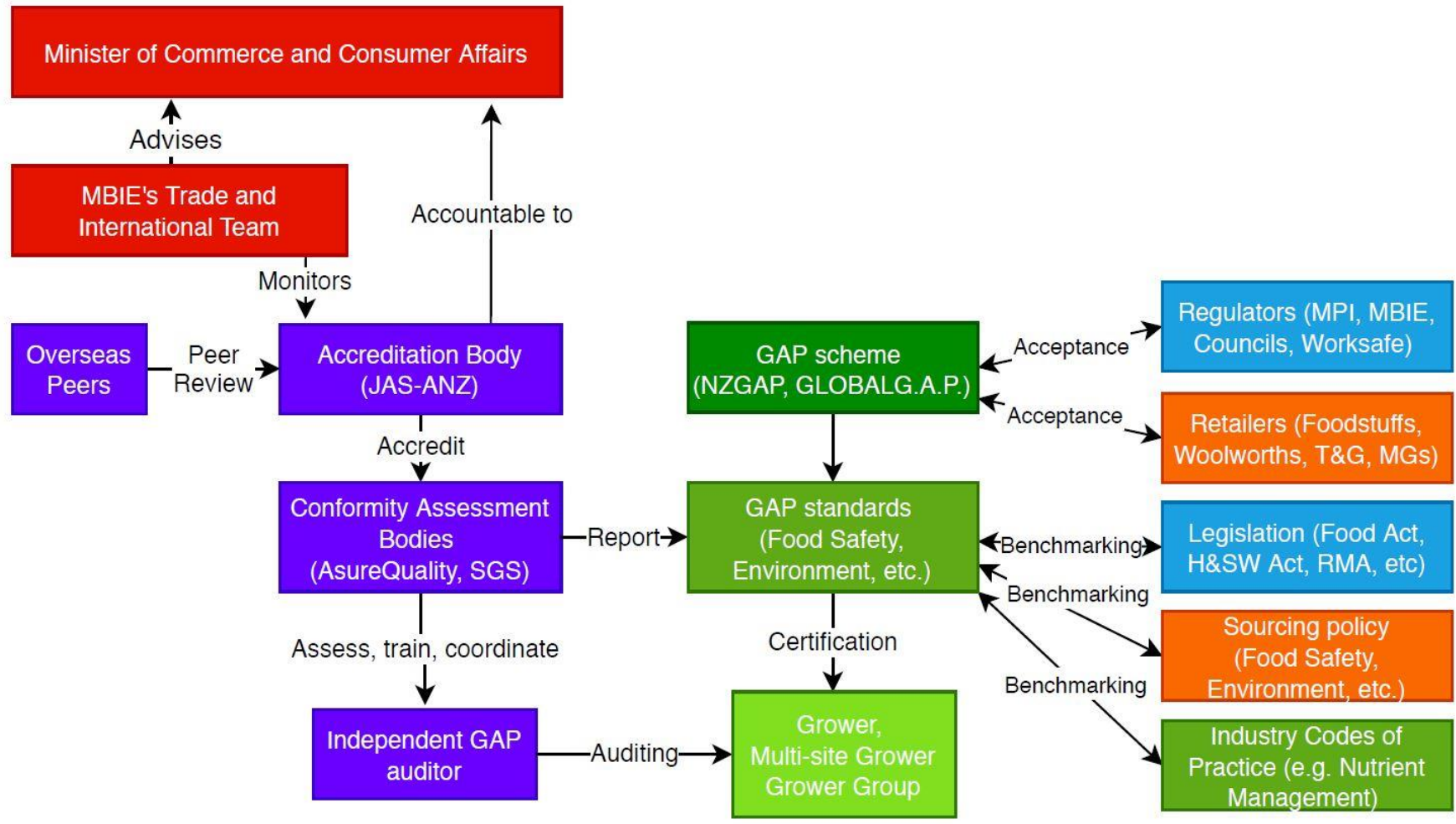
audited FEP. The EMS add-on is already being implemented in the Canterbury region via PC7. The case study shows how the NZGAP process works and helps growers achieve best industry practice.

55. In my opinion, the Council can have confidence that the NZGAP process works and that growers will meet the required standards. While some changes are required to make the PC7 requirements workable, NZGAP, as implemented in the Canterbury region, already meets the standards set out in PC7.
56. I support the consenting pathway that HortNZ has proposed in its submissions and evidence.

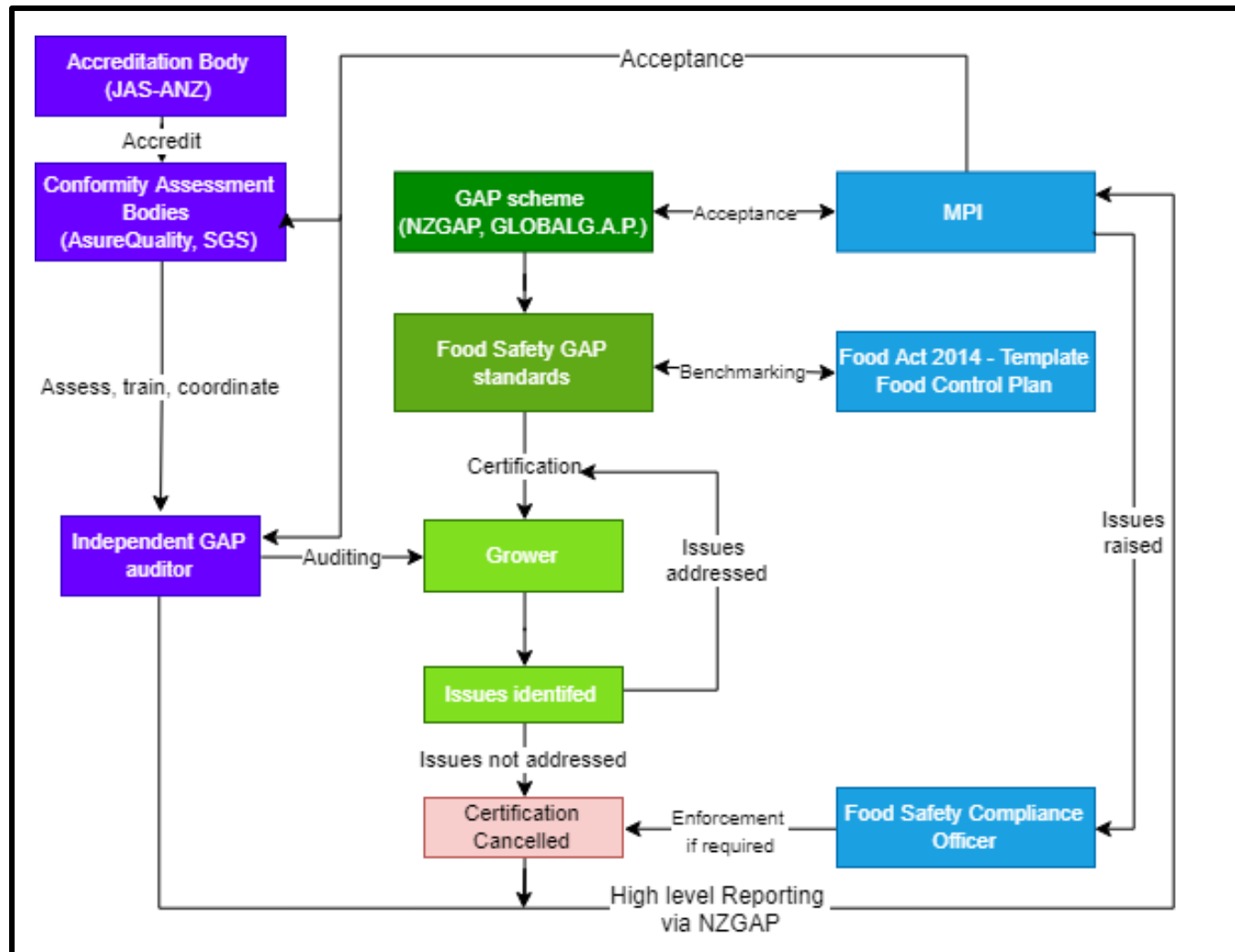
**Damien Farrelly**

17 July 2020

APPENDIX 1: NEW ZEALAND CONFORMANCE INFRASTRUCTURE FOR GAP CERTIFICATION



## APPENDIX 2: MPI RECOGNITION OF GAP SCHEMES ASSURANCE FRAMEWORK AND PROCESSES



APPENDIX 3: ISO ACCREDITED AUDIT APPROVAL CERTIFICATE FOR NZGAP



**ISO ACCREDITED AUDIT  
PROGRAMME APPROVAL**

**NZGAP**

is approved as an ISO Accredited Audit Programme  
under the Canterbury Land & Water Regional Plan

Certification valid from: 1 April 2019 to: 1 April 2022

Date 11 April 2019

Bill Bayfield  
Chief Executive 

## **APPENDIX 4: CASE STUDY – NZGAP EMS**

Trading name:	Trading Co <sup>5</sup>
Grower:	Grower <sup>3</sup>
Adviser:	FEP Adviser <sup>3</sup>
Auditor:	GAP Auditor <sup>3</sup>
Report prepared by:	Damien Farrelly – NZGAP

### **EMS Documents**

The EMS is comprised of a number of documents which together empower growers to implement environmentally sustainable growing practices:

1. NZGAP EMS add-on checklist (v1.3 Jan 2019) – i.e. Farm Environment Plan (FEP) compliance checklist
2. NZGAP EMS add-on Implementation Guideline (v1.3 Jan 2019)
3. NZGAP EMS add-on Farm Environment Plan Templates (v1.1 Oct 2018)
4. NZGAP Environment Management System Registration form (v3 Dec 2018)
5. NZGAP EMS add-on Regional Guide for Canterbury PC5 (v1.1 Jan 2019)

### **ECan Documents**

Plan Change 5 to the Canterbury Land and Water Regional Plan – Schedule 7 Farm Environment Plan

### **Horticulture Industry Guidelines and Codes of Practice**

The practices implemented as part of the EMS are based on scientific evidence and industry approved Guidelines and Codes of Practice:

1. HortNZ Code of Practice for Nutrient Management (v1.0 Aug 2014)
2. HortNZ Erosion and Sediment Control Guidelines (v1.1 June 2014)
3. Soil and Drainage Management Guide
4. Vegetable Washwater Discharge Code of Practice (Sept 2017)

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<sup>5</sup> Names and identities of the trading company and grower has been hidden for privacy reasons.

5. Industry-agreed Good Management Practices relating to water quality (Sept 2015)
6. Good Farming Practice – Action Plan for Water Quality (March 2018)

### Case Study Overview

Trading Co was audited as part of the NZGAP Environment Management System (EMS) add-on. This trial audit was used to finalise development of the EMS add-on before acceptance by ECan and roll out to all growers in Canterbury.

### FEP Development

The development of Trading Co's FEP and EMS was completed 14th-22nd January 2019 by the Directors of Trading Co, supported by the FEP adviser. They generated farm maps, completed the EMS templates (GMPs and Action plan), plus completed the EMS checklist self-assessment (FEP compliance checklist) to ensure that Trading Co was ready for the independent audit.

### Independent Audit

The EMS audit took place on 29th January at Trading Co's property. The audit took almost 3 hours to complete (2.5 hours for the desktop audit plus 0.5 hours for the farm walk). The Directors, FEP adviser, GAP auditor were present for the audit and Damien Farrelly dialled in.

### Independent Audit Outcomes

Trading Co had some Critical and Major non-compliances which will need to be closed out within 28 days to achieve compliance with the EMS add-on. Recommendations (**R**) are not required to be met. The audit actions required were:

EMS ref	Question	Level	Corrective Action Required
1.3	Has an Environmental Policy Statement been established and implemented?	R	To be prepared as add-on to Quality Statement
7.10	Has a current nutrient budget been prepared for the property, where required, using a tool approved by the local authority (e.g. OVERSEER, NCheck)?	C	NCheck report for current year to be developed and sent to auditor
7.12	Has a Nitrogen Loss Baseline been calculated for the property where required by the local authority?	C	NCheck report for baseline period (2009-2013) to be developed and sent to auditor

7.13	Does the current nutrient budget show compliance with the regulatory limits (e.g. local limit or resource consent limit)?	C	To be determined after current NCheck report and baseline NCheck report have been developed and sent to auditor
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### FEP actions required

There was just one action that needs to be planned and implemented over the coming year to enable Trading Co to achieve operation at Good Management Practice according to ECan and industry requirements. The required GMP action is:

EMS ref	GMP	Adviser comment	Action required	Date to be completed:
Template 6C Soil	Vegetated buffers / riparian margins / Hedges	Policy on 3m buffer is documented but not fully implemented. Visual indication that some buffers are sprayed off and not well maintained.	Implement documented plan for buffer strips. Maintain vegetated buffers and do not spray off.	July 2019