

**IN THE MATTER of the Resource Management Act 1991**

**AND**

**IN THE MATTER of an appeal pursuant to clause 14 of the First Schedule of the Act**

**BETWEEN CNI IWI LAND MANAGEMENT LIMITED**  
**Appellant**

**AND BAY OF PLENTY REGIONAL COUNCIL**  
**Respondent**

---

**NOTICE OF PERSON'S WISH TO BE PARTY TO PROCEEDINGS**  
Section 274 Resource Management Act

---

To: The Registrar  
Environment Court  
PO Box 7147  
Auckland 1141

Federated Farmers of New Zealand Inc ("Federated Farmers") wishes to be a party to the following proceedings:

**CNI Iwi Land Management Limited v Bay of Plenty Regional Council**  
**ENV-2017-AKL-000148**

Federated Farmers made a submission about the subject matter of the proceedings.

Federated Farmers is not a trade competitor for the purposes of section 308C or 308CA of the Resource Management Act 1991.

Federated Farmers is interested in all of the proceedings.

**Federated Farmers is interested in all of the issues raised by the Appellant and this includes an interest in the following issues:**

1. Federated Farmers represents farmers in the Lake Rotorua catchment.
2. The Appellant appeals the allocation approach used in Plan Change 10 to the Bay of Plenty Regional Water and Land Plan ("PC10"). Federated Famers has appealed the whole of the decision on PC10, including the allocation approach.
3. The Appellant says that it is committed to achieving the objectives in the Bay of Plenty Regional Policy Statement ("RPS") and supports the limit of 435t/N/yr by 2032 contained in Policy WL 3B. While Federated Farmers acknowledges the need to give effect to the RPS, it considers that this can be achieved without the need to adopt rules at this stage which allocate the 2032 target to a property level. It also considers that PC10 does not give effect to the RPS.
4. Federated Farmers instead supports the alternative proposal put forward in its submission and appeal that includes achieving the 2022 catchment reduction target, allowing the science to be reviewed and enabling the National Policy Statement for Freshwater Management ("NPS-FM") to be given effect to. All without the need to allocate nitrogen to a property level.
5. Federated Farmers is concerned that an alternative allocation regime (such as natural capital) is unlikely to address the Appellant's concerns (and it would not address Federated Farmers' concerns). However, such assessments are difficult without details around methodology and implications for each property in the catchment as well as the economic, social and cultural implications for the community.
6. Federated Farmers considers that it is premature to allocate nitrogen prior to the completion of a robust science review, a potential review of the incentives funding framework and in the absence of a community process (where the values, objectives, limits and targets can be considered).
7. Federated Farmers supports a regime for the management of natural resources that is effects based, supported by robust science and other evidence, and founded on a sound community process.

8. Central to the appeal are the Appellant's concerns about the allocation regime and restrictions in PC10 on the development of its Treaty Settlement Lands. Notwithstanding its view that it is premature to allocate nitrogen, Federated Farmers acknowledges the nine principles in Policy WL 5B of the RPS, which include iwi land ownership, existing land use and existing on farm capital investment.
9. Federated Farmers considers that its proposal provides a more appropriate means (or framework) for addressing the concerns of owners of Treaty Settlement Lands. This includes:
  - a. In the interim (roughly the period to 2022) its proposal involves maintaining a downward trajectory in nitrogen reductions (through measures such as the Rule 11 benchmark and adoption of good management practices).
  - b. During this time there is some provision for development through matters such as the adoption of a "whole" farm approach (as opposed to "effective area"), recognition of offsets and mitigations outside of Overseer and facilitation of whole of community engagement, innovations and solutions.
  - c. In the medium to longer term, the concerns raised by the owners of Treaty Settlement Lands would be addressed in the context of the findings of a robust science review, the outcome of a potential review of the incentives funding framework and the implementation of the NPS-FM through a robust consultation and collaboration process with the community (where values, objectives, limits and any allocation regime can be properly considered).
10. Federated Farmers acknowledges that PC10 provides greater nitrogen allocation to those who have already invested in and developed their land, compared with underdeveloped or undeveloped land. However, it does not consider that this is a reason to further reduce the allocation to existing farmers in an effort to provide greater allocation for underdeveloped or undeveloped land. Federated Farmers does not consider that such changes to PC10 would achieve a robust planning framework or achieve sustainable management.

11. Federated Farmers is concerned that the allocation under PC10 does not provide sufficient nitrogen for existing farmers to continue to operate their farming enterprises. Federated Farmers is very concerned that any allocation of the 435tN/yr target to a property level is likely to result in no land owner receiving sufficient allocation to be able to carry out their activity or use (and develop) their land as intended (or to its potential).
12. In respect of phosphorous, Federated Farmers considers that all nutrients (as well as the source, transport and sink pathways) ought to be considered as part of the development of sub-catchment action plans (and as part of the implementation of the NPS-FM) as anticipated by its alternative framework. Phosphorous loss and mitigations also ought to be the subject of robust science investigation and evidence. Accordingly, the planning considerations ought to be broader than simply managing on farm phosphorous as suggested by the Appellant. Federated Farmers is concerned about the potential effects (and unintended consequences) of adding further property level phosphorous restrictions into PC10.
13. In summary, Federated Farmers is in general agreement with the Appellant that PC10 will not promote sustainable management, is not consistent with the purposes and principles of the RMA, is not the most appropriate means of achieving the purpose of the RMA, does not give effect the RPS or NPS-FM and is not consistent with the Regional Water and Land Plan.
14. However, Federated Farmers does not agree that a natural capital approach would better achieve these principles or give effect to these documents (particularly in the absence of any details about methodology or any analysis of effects).

**In terms of the relief sought by CNI Iwi Land Management Limited, Federated Farmers conditionally supports the relief and conditionally opposes the relief because:**

15. Federated Farmers conditionally supports rejecting PC10 in its entirety because:
  - a. Federated Farmers is concerned that PC10 is a flawed and risky approach for attempting to achieve the Regional Water and Land Plan TLI objective. Federated Farmers is very concerned that PC10 will

impose irreversible land use changes on farmers as well as impose significant and unnecessary costs on farmers and the wider economy and community.

- b. Federated Farmers does not support the underlying concepts and methodologies upon which PC10 is based.
  - c. The concerns raised by all sectors of the community (including owners of Treaty Settlement Lands) need to be considered, evaluated and accommodated through a robust community consultation and collaboration process (in light of the most up to date and robust science, economic and other evidence).
  - d. Federated Farmers considers that substantial amendments to PC10 are required to achieve the water quality goals for least economic and social cost to the community.
16. However, Federated Farmers considers that there needs to be an alternative framework that will enable robust community engagement and decision making (founded on sound evidence). This is what its alternative framework aims to enable.
17. Federated Farmers does not support amending PC10 to adopt a natural capital based nutrient allocation regime and otherwise amending PC10 as proposed in paragraph 12(b) of the appeal for reasons including:
- a. Federated Farmers considers that it is premature to allocate nitrogen to a property level. It considers that its alternative framework (as explained in its notice of appeal and submission) provides a framework within which the science can be reviewed, incentives funding can be reviewed and a robust community process (where all members of the community consider water quality and quantity issues in an integrated and holistic way) is enabled through the implementation of the NPS-FM for the Rotorua lakes WMA.
  - b. Federated Farmers is concerned about the lack of detail or methodology about a natural capital approach. Without that detail it is not possible to assess such an approach. It is very concerned that adopting a natural capital approach for allocating nitrogen through

PC10 would be a very risky approach that is not well understood or supported by science. Federated Farmers is concerned that the effects are less well understood (or not possible to understand in the absence of detailed methodology) than the allocation methodology used in PC10 and it could result in worse environmental outcomes.

- c. Seeking the adoption of more stringent phosphorous obligations on properties, without properly understanding the science (including relationship between nitrogen and phosphorous, internal Lake load, and source, sink and transport pathways) is a risky approach that may result in adverse environmental, economic, social and cultural effects and is unlikely to achieve sustainable management.
  - d. In principle, Federated Farmers supports the exploration of a range of flexibility mechanisms (including trade and transfer) provided they are not premised on an allocation approach. However, it considers that opening up trading for properties that do not use Overseer and do not have an NDA (within the context of PC10 as is it currently worded) is unlikely to achieve sustainable management (and, for clarity, Federated Farmers has filed its own appeal because it considers that PC10 is unlikely to achieve sustainable management). The trading proposed by the Appellant may also have unintended consequences and adverse effects (particularly as the implications for water quality are poorly understood).
  - e. There is no (or insufficient) evidence that it would achieve sustainable management, be consistent with Part 2 of the RMA, give effect to the RPS or give effect to the NPS-FM.
  - f. And for the other reasons set out in this notice.
18. It is noted that Federated Farmers' opposition is with the methodology proposed for addressing the Appellant's concerns, as opposed to the validity of the concerns themselves. Federated Farmers considers that the concerns ought to be addressed in a transparent way through a robust community process (as anticipated by implementation of the NPS-FM).

Federated Farmers agrees to participate in mediation or other alternative dispute resolution of the proceedings.



\_\_\_\_\_  
Signature of person wishing to be a party

Date: 17 October 2017

Address for service of person wishing to be a party:

Address: PO Box 447, Hamilton 3240

Telephone: 07 858 0815

Fax/email: nedwards@fedfarm.org.nz

Contact person: Nikki Edwards