IN THE MATTER	of the Resource Management Act 1991
AND	
IN THE MATTER	of the hearing of submissions on Proposed Change 5 (Kaituna River) to the Bay of Plenty Regional Policy Statement
BETWEEN:	FEDERATED FARMERS OF NEW ZEALAND
	Submitter/FS No. 13/FS07
AND:	BAY OF PLENTY REGIONAL COUNCIL

HEARING STATEMENT FOR JESSE MACKAYLA BRENNAN ON BEHALF OF FEDERATED FARMERS OF NEW ZEALAND

21 September 2022



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Introduction

- My name is Jesse Mackayla Brennan. I am employed as a Senior Policy Advisor (Regional) by Federated Farmers of New Zealand (FFNZ). I have a Masters degree in Environmental Management and I am a member of the New Zealand Planning Institute.
- I have worked for FFNZ since March 2022. Prior to starting at FFNZ, I worked in a private practice consultancy as a Planner and Senior Planner.
 I have five years' experience in resource management related fields.
- 3. This hearing statement is not intended to be expert evidence. This statement is instead made from the perspective of my policy role at FFNZ, in support of the FFNZ submission and further submission.
- 4. Having reviewed the staff recommendation reports,¹ this hearing statement focuses on those matters in FFNZ's submission that are most important to it. This hearing statement is structured into three sections:
 - A brief background to FFNZ, and its interest in Proposed Change 5 (Kaituna River) to the Bay of Plenty Regional Policy Statement (Change 5);
 - b. Evidence to support the adoption of the terminology "good management practice"; and
 - c. FFNZ's concerns about enabling development opportunities for iwi and hapū in the Kaituna River catchment.

Background

- 5. FFNZ is a not for profit, member funded organisation. It has a long and proud history of representing the needs and interests of New Zealand farmers, involved in a range of rural businesses (including dairy, sheep, beef, deer, goats, horses, arable cropping and horticulture).
- FFNZ is a pan sector organisation that works with farmers to promote good environmental outcomes whilst also ensuring practical and workable solutions. FFNZ submits on every regional policy statement and plan

¹ The Overview Report on Submission, Staff Recommendations Report, Redline Amendment Version 5.0 of Proposed Change 5 and the Section 32AA evaluation report.

change that relates to farming, and has a particular interest in changes to the policy and regulatory settings for managing freshwater.

- 7. Freshwater is the lifeblood of all farming and growing activities. Farming and growing activities rely on water takes for everything from animal drinking needs, to irrigation, to milk cooling and dairy shed washdown (with water playing vital animal welfare, food safety, hygiene or farm security/reliability roles). These activities also rely on the assimilative capacity of water with diffuse discharges of nitrogen (N), phosphorus (P), sediment and E Coli, for example, being assimilated by water. In saying this, farmers and growers also recognise that freshwater is a finite resource and there are limits on its use.
- 8. FFNZ acknowledges that freshwater has great significance for tangata whenua, and that the Kaituna River, in particular, is a taonga for mana whenua. FFNZ also acknowledges Te Maru o Kaituna River Authority and the special status of the Kaituna River Document, which Change 5 seeks to implement.
- 9. Finally, FFNZ acknowledges the important process Council is currently going through to implement the National Policy Statement for Freshwater Management 2020 (NPSFM). This includes determining, in consultation with communities and tangata whenua, how Te Mana o te Wai applies to freshwater in the Bay of Plenty. FFNZ is engaging in consultation processes with Council on this and other implementation aspects of the NPSFM.
- FFNZ understands that Change 5 is not intended to implement the NPSFM but the intention is to ensure that it aligns with the NPSFM and is consistent with its requirements.²

Adoption of Good Management Practice

11. The Council recommends changing the provisions in Change 5 that currently refer to "best management practice" (**BMP**) so that the reference is instead to "good management practice" (**GMP**) (Objectives 44 and

² FFNZ acknowledges and supports the proposed amendments to the note to reader section (as explained at paragraph 7.2, page 55 of the Overview Report on Submissions).

Policy KR 5B).³ Federated Farmers sought this change in its submission and supports the analysis in the Council's recommendations report and section 32AA assessment.

12. As identified in the Council's section 32AA assessment, the intention is not to "downgrade outcomes"⁴ but is instead to ensure the expectations of farming activities are clear and consistent, as well as reasonable and practicable. FFNZ considers that requiring the adoption of GMP is the appropriate "minimum expectation" for all farming activities in the catchment and will enhance the environmental wellbeing and mauri of the Kaituna River.

GMP vs BMP

- 13. In the past, the terms GMP and BMP have commonly been used interchangeably and have meant different things to different people. However, over the past 10 years there has been a significant level of work by the farming industry to clarify what is meant by these terms and to clarify when it is appropriate to use one or the other term. This includes the Industry Agreed Good Management Practices Relating to Water Quality dated 2015 (that was agreed for use in the Canterbury Regional Plan)⁵ and the Good Farming Practice Action Plan For Water Quality dated 2018 (that was agreed by a range of industry groups, stakeholders and government for use at a national and regional level).⁶
- 14. There has also been increasing use of the term GMP in regional plans to set the minimum expectations for farming activities (particularly in the context of NPSFM obligations to maintain or improve water quality).
- 15. There is now a general understanding that GMPs are a suite of actions that, where applicable to a particular farm, industry would expect all farmers to be doing. They are reasonable and practicable actions that will achieve a general improvement in water quality. There is no specified list of practices because GMP needs to be applied and tailored to a particular farm system by considering what exists on farm (biophysical

 $^{^{\}rm 3}$ Paragraphs 6.132 to 6.141, (pages 24 and 25 of the Overview Report on Submissions).

⁴ Section 32AA report, paragraph 2a, page 5.

⁵ <u>https://www.ecan.govt.nz/your-region/farmers-hub/gmp/</u>

⁶ https://www.irrigationnz.co.nz/Attachment?Action=Download&Attachment_id=467

characteristics like topography, climate and soils) and the characteristics of the farm system itself including infrastructure, machinery and management skills.

16. Accordingly, the 2015 and 2018 documents referred to above do not specify a list of practices like traditional minimum standards would. Instead they focus on principles for key farm practice areas – the whole farm, nutrients, waterways, land and soil, effluent, water and irrigation. The principles include matters such as ensuring equipment is calibrated and meets industry codes of conduct, managing the amount and timing of fertiliser inputs to match plant requirements and minimise the risk of losses, and locating and managing tracks, gateways, troughs etc to minimise risks of runoff to water.

Stand-off pad example

17. Consideration of a stand-off pad is one way to illustrate the application of GMP, and the difference from BMP.



Figure 1: Example of a stand-off pad used to hold a dairy herd during winter

18. A stand-off pad is an area for cows to stand and lie down (cows need to lie down for a total of around 8 hours per day). Stand-off pads are typically

lined, drained and fenced areas where effluent is collected (they are normally located near a dairy shed effluent system so the same infrastructure can be used). The surface tends to be sand, sawdust or wood chip to encourage cows to lie down. They are not a place to feed animals (feed pads are used for that purpose) but they are typically located next to a feeding area (to help with herd management).

- 19. Stand-off pads are a significant investment (the initial capital cost is around \$100,000 and then there are ongoing maintenance costs of around \$100 per cow over winter). They also require changes to the farm's grazing/feeding practices and a significant ongoing time investment (someone needs to regularly move stock from the stand-off pad to grazed pasture or a feed pad).
- 20. The benefits of a stand-off pad include less pugging of paddocks, better management of nutrients and improved pasture management by extending rotation. However, installing a stand-off pad would not be GMP because it is not reasonable or practicable. Instead, efficient use of a stand-off (to minimise runoff of nutrients, sediment and E coli during wet periods) if it already exists would be considered GMP.
- 21. Installing a stand-off pad is not considered GMP because it would not be reasonable to expect all farms to commit to the significant capital, maintenance and time investment needed to establish and operate a stand-off pad. It would also not be practicable for all farmers to install a stand-off pad (issues of practicality will likely depend on the rotational grazing system, feeding infrastructure and effluent storage facilities, stock size/age/breed, farm management practices, staff and skills etc).

Best management practice

- 22. Installing a stand-off pad is an example of BMP. This term is now generally understood to refer to practices that are more aspirational, without consideration of what is reasonable and practicable.
- 23. A farmer may consider installing a stand-off pad if they are located in a catchment where a specific water quality limit has been set, such as the nitrogen limits and allocations in the Lake Rotorua catchment. However, even in Rotorua, there is no expectation that all farmers will install a stand-

off pad. Instead, it is a mitigation that would likely be considered by dairy farmers (with more intensive systems and who are required to make greater reductions under PC10) and it might be planned for 2032 (to provide time to save for the capital investment).

- 24. The stand-off pad example also illustrates that a requirement for all farming activities to adopt BMP (being more aspirational and expensive mitigations) would be too blunt, inflexible and inefficient (from a cost, risk, benefit perspective) to have as the minimum standard that is to apply to all farms (which is what Objective 44 and Policy KR 5B essentially seek to do by setting the minimum expectations for activities in order to enhance the environmental wellbeing and mauri of the Kaituna River).
- 25. FFNZ also agrees with the staff recommendations report that amending Change 5 to refer to GMP is consistent with reducing nutrient losses "as far as is reasonably practicable" (existing RPS Policy WL 6B) and "as far as is reasonable, practical and affordable" (explanation to Policy WL 6B).⁷ It is also consistent with the goal of "improved land management practices" in Objective 6 of the Kaituna River Document.

Other regional plans

- 26. The adoption of GMP (rather than BMP) to achieve improvement in farming activities and water quality is consistent with other regional policy statements or regional plans.
- 27. As identified in the staff recommendation report, PC10 requires farming activities to adopt GMP to manage phosphorus loss. It is also expected that farming activities will, at a minimum, adopt GMP to achieve and maintain managed reduction targets, and nitrogen discharge allocations.⁸
- 28. PC10 defines GMP as:

The evolving suite of practical measures or methods that could be put in placed at a land user, sector, community or industry level to assist in achieving community agreed outcomes (in this case for water quality).

⁷ Paragraph 6.135 and 6.136 (page 24 of the Overview Report on Submissions).

⁸ Policies LR P2 and LR P8.

- 29. While GMP is defined in PC10, FFNZ agrees with the staff recommendation that it is not appropriate to define GMP (or BMP) in Change 5.⁹ FFNZ considers that such an approach would not appropriate (or necessary) for the RPS (particularly in the context of a change to one narrow aspect of the RPS and without consideration of wider implications for other aspects of the RPS or regional plan). FFNZ also agrees that GMP evolves over time so it is not appropriate to develop a list of practices or standards.
- 30. PC10 is not the only recent example of a regional plan that has adopted GMP as the minimum expectation of farming, and to require improvement in farming activities and water quality. Other recent examples include plan changes in the Horizons, Greater Wellington and Waikato Regions.
- 31. Horizons Regional Council's Plan Change 2 (which makes changes to the RPS and regional plan) makes a distinction between GMP and BMP. The minimum requirement is that all intensive farming land uses must implement GMP.¹⁰ Intensive farming land uses need to achieve the cumulative nitrogen leaching maximums or a 20%/75th percentile reduction (dairy) or 35% reduction in N loss (commercial vegetables). The expectation is that where GMPs are not sufficient to achieve this, BMPs will be adopted to further reduce nitrogen loss.¹¹
- 32. Greater Wellington Regional Council's Proposed Natural Resources Plan requires rural land use activities to minimise their effects by regulatory and non-regulatory methods that promote, as a minimum, the use of GMP.¹²
- 33. Waikato Regional Council's Plan Change 1 requires the achievement of short term numeric water quality targets (20% of the journey towards long term targets)¹³ and a general improvement in farming practice to reduce diffuse discharges of N, P, sediment and E coli.¹⁴ While the plan change does not specifically direct the adoption of GMP, moderate and high intensity farming activities are required to prepare a farm plan in accordance with Schedule D2 which is based on GMP. The principles in

⁹ Paragraph 6.133 (page 24 of the Overview Report on Submissions).

¹⁰ RPS Policy 5-8(d).

¹¹ Rule 14-1, matter of control (b).

¹² Policy 26.

¹³ Objective 2.

¹⁴ Policy 1.

Part D of Schedule D2 are those from the 2018 Good Farming Practice Action Plan for Water Quality referred to above.

Development opportunities in the Kaituna River catchment

- 34. Objective 8 of the Kaituna River Document requires Te Maru o Kaituna, in collaboration with iwi and the wider community, to enable environmental, economic, social, educational and cultural aspirations for the restoration, protection and enhancement of the Kaituna River. Desired outcome (b) is economic and development opportunities for iwi and hapū which respect the cultural associations they have with the Kaituna River.
- 35. Change 5 seeks to implement this objective through:
 - a. Objective 46 (Te Maru o Kaituna to collaborate with iwi and the wider community to enable environmental, economic, social, educational and cultural aspirations for the restoration, protection and enhancement of the Kaituna River).
 - b. Policy KR 7B (enable economic development opportunities for iwi and hapū in the Kaituna River).
 - c. Policy KR 9B (recognising kaitiakitanga in the Kaituna River involves sustainable use, development and protection).

Objective 46

36. FFNZ's submission sought the addition of the words "primary industry groups" to Objective 46 so that Te Maru o Kaituna is to collaborate with iwi, the wider community and primary industry. This is important to FFNZ given the prominence of farming activities in the catchment and the range of potential opportunities to provide for environmental, economic, social, educational and cultural aspirations including jobs on farms, riparian planting and wetland restoration programmes,¹⁵ catchment groups and other initiatives.

¹⁵ Such as the Jobs for Nature scheme administered by government agencies like the Department of Conservation.

37. The staff recommendation is that the words "primary industry groups" are added to Objective 46.

Policy KR 7B

- 38. FFNZ's submission sought the deletion of Policy KR 7B on the basis that economic development opportunities for iwi and hapū ought to be considered at a national level and not through amendments to a RPS. The staff recommendation is that Policy KR 7B is not amended because it seeks to recognise and provide for desired outcome b of Objective 8 of the Kaituna River Document.
- 39. At the time its submission was drafted, FFNZ's concern was largely with the title of the policy which seeks to enable "economic development opportunities for iwi and hapū in the Kaituna River" without any qualification. FFNZ's concern was what this might mean when it comes to setting attribute states, phasing out overallocation, setting limits on resource use and implementing other aspects of the NPSFM. In particular, FFNZ's concern is what this might mean for the achievement of water quality improvements and whether this would mean that existing farming activities might need to reduce water takes or diffuse discharges of contaminants to achieve environmental outcomes and then reduce them even further to provide for economic development opportunities for iwi and hapū (something which FFNZ considers ought to be considered at a national level).
- 40. However, FFNZ's concerns are somewhat allayed by the wording of the policy, which says that the development opportunities are in the context of cultural associations and subject to restoring, protecting or enhancing the wellbeing of the Kaituna River (which is also the clear direction in Objective 8). This is further reinforced by the explanation of the policy, particularly with the focus on employment and eco-tourism opportunities in response to pressures on freshwater resources.
- 41. FFNZ considers that the title of the policy could be amended to provide greater clarity that it is not *any* economic development opportunity that is enabled but it is instead *certain* opportunities that meet the requirements of the policy i.e. they need to "respect and promote greater understanding

of cultural associations" and "restore, protect or enhance the river's wellbeing." This could be achieved through wording such as:

Policy KR 7B: Enabling <u>certain</u>economic development opportunities for iwi and hapū in the Kaituna River

Or, alternatively: Policy KR 7B: Enabling <u>sustainable</u>economic development opportunities for iwi and hapū in the Kaituna River

42. FFNZ considers that such clarification would be particularly helpful given that there are several references in Change 5 to just the policy title e.g. Page 10 (alongside Objective 46) and page 15.

Policy KR 9B

- 43. FFNZ sought the deletion of the words "sustainable use and development of land" from Policy KR 9B. FFNZ's concern was that the use and development of land could exceed the exercise of guardianship or kaitiakitanga.
- 44. The staff recommendation report recommends that no change is made to Policy KR 9B.¹⁶ The reasons include that the NPSFM defines kaitiakitanga to include the sustainable use of freshwater for the benefit of present and future generations and the Kaituna River Document defines kaitiakitanga as including a balance between the use and protection of natural resources.
- 45. As with Policy KR 7B, at the time the submission was drafted FFNZ's primary concern was about how a policy that refers to use and development of resources might be interpreted through the implementation of the NPSFM and what it might mean for existing land uses and the achievement of water quality outcomes.
- 46. At the time, FFNZ also mistakenly focused on the wording in an earlier draft of Change 5 (that was consulted on before notification) that did not include the word "sustainable."
- 47. In the notified version (and Redline Amendment Version 5.0), the title of Policy KR 9B and the wording of the policy both qualify use and development with the word "sustainable." This is further reinforced by the

¹⁶ Paragraph 6.259 of the Overview Report on Submissions.

explanation of the policy, which says that the aim is to protect the mauri of the river whilst also enabling sustainable use and development.

48. On this basis, FFNZ does not seek further amendment to Policy KR 9B.

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J Brennan

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