

**Board of Enquiry Hearing**  
**The Proposed National Policy Statement for Freshwater Management**

27 August 2009  
Tauranga

Chairman and members of the Board, my name is Nigel Sadler, I am the Environmental Manager of Ballance Agri-Nutrients Limited and with me is Warwick Catto, our Head of Agro-Sciences.

The aim of our presentation today is to relate the main points in our submission to our business operations, and then focus on the key components of the Proposed NPS that we believe to be crucial to the future management of freshwater resources in New Zealand.

As you will be aware from our original submission we are one of New Zealand's leading fertiliser specialists, and a 100-percent farmer owned co-operative. Through FertResearch we're also a partner in the Primary Sector Water Partnership, with our sales staff working to meet the targets set out to assist in the sustainable use of freshwater resources in the primary sector. Our business operates throughout New Zealand, with our frontline sales staff trained to provide fertiliser recommendations, and specifically trained through the Massey University course on Sustainable Nutrient Management to provide sustainable nutrient management advice.

In providing this advice, Overseer is used to produce Nutrient Budgets and to assist in the production of Nutrient Management Plans, both of which target on farm management options for nutrient use that assist with achieving a balance of long-term economic viability and environmental management for the farm.

Our land use management advice, training and experience, together with the use of current tools described above support the recommendations put forward in our submission.

I think it's important at this point to state that we favour policy that rewards innovation and efficiency, while recognising the importance of, and sustaining New Zealand's economy. In particular we support an NPS for Freshwater Management that directs the requirement for outcome, or effects based planning that achieves two things:

1. Provision of national consistency in the establishment of freshwater quality classifications and associated standards, and
2. An ability to enable catchment-based management.

### The Current Situation

Our primary concern with respect to the current Proposed NPS is the lack of certainty around the establishment of nationally consistent freshwater management classifications and associated standards or limits, classifications that encompass all values, including environmental, social, cultural and economic.

The Proposed NPS places some weight on the new term "Notable Values". We are uncomfortable with this term, as it does not include all social or economic value-based considerations. We are therefore worried that the current proposal to apply standards across all freshwater resources with particular regard to "Notable Values" is very uncertain.

Furthermore, we believe this uncertainty may further compound the currently significant variation between regions in the way freshwater classifications and associated standards are being, or have been applied. It is of course interesting to note that within some regions there are still no freshwater classifications and associated standards applied at all, as shown in the accompanying table.

New Zealand Regional Freshwater Classifications and Associated Standards			
Region	Classifications	Standards	Planning Document
Southland	Yes	Yes	Proposed Water Plan
Otago	No	No	Operative Water Plan
West Coast	No	No	Proposed Water Plan
Canterbury	Yes	Yes	Natural Resources Regional Plan: Proposed Variation 1
Marlborough (Unitary)	Yes	Yes	Wairau/Awatere Resource Management Plan
Nelson (Unitary)	Yes	Yes	Nelson Resource Management Plan: Appendix 28
Tasman (Unitary)	No	No	Tasman Resource Management Plan: Draft Part IV
Wellington	Yes	Yes	Regional Freshwater Plan
Manawatu - Wanganui	Yes	Yes	One Plan
Hawkes Bay	No	No	Regional Resource Management Plan
Taranaki	Yes	Yes	Regional Freshwater Plan
Gisborne (Unitary)	No	No	Combined Regional Land & District Plan
Bay of Plenty	Yes	Yes	Regional Water and Land Plan
Waikato	Yes	Yes	Regional Plan
Auckland	No	No	Proposed Regional Plan: Air, Land & Water
Northland	Yes	Yes	Regional Water and Soil Plan

We also have concern about how standards or guidelines should be applied, as we see them as two very different things as follows:

- A standard is a clear limit set within the receiving environment that assists with the management of effects.
- A guideline is a risk-based measure that provides an indication of the potential for adverse effects. In other words a guideline may be exceeded, but there may be no measurable adverse effect within the receiving environment.

Guidelines are sometimes being used or misinterpreted as standards when in fact they are not.

### The Way Forward?

We believe a combination of regulatory and non-regulatory measures are required to effectively manage New Zealand's freshwater resources in to the future.

Regulatory measures must be a time-weighted requirement to implement nationally consistent freshwater management classifications and associated standards. This would require the implementation of freshwater classifications where none currently exist, and amendment to current freshwater classifications if they were inconsistent with the requirements of the Proposed NPS.

Non-regulatory measures require a planning framework that provides for catchment-based management programmes that enable flexibility at the business or farm level without the restriction of over-prescriptive regulatory controls. Flexibility is essential for innovation and the uptake of new technologies.

I will expand on these points further.

We understand that the Proposed NPS is intended to set a direction for Regional Councils that would require them to establish a planning framework reflecting the level of certainty about freshwater resources, their values and the effects as a result of their allocation and use.

Without the certainty of consistently applied freshwater quality standards, or in other words the "peg in the ground", it is difficult for our sales staff and ultimately our customers, to utilise the tools and guidance necessary to realise any regional or catchment-based environmental gains.

While we recognise that the Proposed NPS sets out to implement national freshwater quality standards, we don't believe it sets out a time requirement for implementation of management classifications and associated standards, nor does it provide any direction as to which standards should be applied. Rather, the Proposed NPS only directs the requirement to implement a timetable, to implement standards.

If regional planning frameworks are to be directed through the Proposed NPS to achieve a level of certainty about freshwater resources for all users, then we believe a consistent national suite of standards must be applied relatively quickly – the regulatory approach.

We understand that Schedule 3, and sections 70 and 107 of the Resource Management Act already contains freshwater classifications and standards, of which the Proposed NPS should not be inconsistent. We believe the Proposed NPS could direct the implementation of

Schedule 3 and sections 70 and 107 classifications and standards across all freshwater resources either currently not classified, or inconsistently classified, within a specified timeframe. In effect, the Proposed NPS would direct the implementation of “default” standards for all freshwater resources in New Zealand within a relatively short space of time.

However, and very importantly, we recognise that such “default” classifications and associated standards may not be appropriate to all communities or catchments, with respect to any given set of values for the resource. We believe it would therefore be necessary for the NPS to enable communities with the ability to negotiate away from the “default” standard in some way – the non-regulatory approach.

We therefore suggest that the Proposed NPS encourages Regional and Territorial authorities to establish a planning framework that enables catchment-based management, with particular regard to highly valued and at-risk water bodies. Catchment-based management would include representation and interests from all facets of the community within a particular catchment. The NPS could provide direction as to how catchments should be assessed with particular regard to all environmental, social, cultural and economic values, thereby establishing freshwater management classifications, in a consistent manner throughout New Zealand. In the absence of such direction, or if deemed inappropriate within an NPS, classification assessments could be encompassed within an appropriate National Environmental Standard.

We believe this planning framework approach would provide a community mandate to implement an alternative and agreed management classification (and associated standards) for the ongoing management of the freshwater resource, particularly outstanding or at-risk freshwater resources.

Finally, we believe it is important to recognise that achieving environmental gains, not only with regard to freshwater management policy, but also with regard to climate change policy, should strive to involve the use of New Zealand’s limited expertise and resources most effectively by not unnecessarily duplicating requirements. Tools such as Overseer, Nutrient Budgets and Nutrient Management Plans, are the best and only tools available for achieving environmental gains in both freshwater and greenhouse gas emissions management on-farm.

Thank you for your time, and I would like to also say that in association with this Proposed NPS we also look forward to the development of a national strategy on freshwater management through the newly established Land and Water Forum.