

# Submission

## Draft National Policy Statement for Indigenous Biodiversity

### Introduction

Fonterra supports protecting and restoring our environment for future generations, and we recognise that some of our industry’s land use activities have contributed to the degrading state of New Zealand’s indigenous biodiversity.

Our Co-operative is proudly owned by around 10,000 New Zealand farmers and their families, and as such we take a long-term view of both our industry and our country. A healthy environment is the foundation for both a strong economy and a sustainable dairy industry, and healthy freshwater ecosystems are essential to the long-term wellbeing of the communities where we live, work and farm.

Our approach to on-farm sustainability *The Cooperative Difference*, makes it easier for farmers to know what is expected, and recognises those farmers who are taking steps to produce high-quality milk in a more sustainable way.

Our team of Sustainable Dairy Advisors provide industry-leading advice and work hand-in-hand with farmers to develop a tailored Farm Environment Plan (FEP) which provides farmers with an action plan to improve the environmental footprint of their farm. All Fonterra farmers will have a comprehensive FEP by 2025. These FEPs will help support our farmers to achieve good farming practices across five key aspects of farm systems including Land, Waterways, Nutrients, Irrigation and Effluent.

We are also working hard to reduce the environmental impact of our 30 manufacturing sites across New Zealand. Some of our manufacturing activities are supported by irrigation farmland as part of their wastewater treatment systems. All of these farms have riparian planting and management plans, including the retirement of land where appropriate, as we are committed to demonstrating leadership and best practice in riparian and wetland management.

We know our industry must continue evolving to remain economically and environmentally sustainable. The unique attributes of New Zealand’s environment must be protected and regenerated, so we support action being taken to help improve both farming and manufacturing practices.

### Response to proposals

We welcome the opportunity to submit on the draft National Policy Statement for Indigenous Biodiversity (NPS-IB). The discussion document provides an important opportunity to set a national direction so as to prevent further loss of our unique indigenous flora and fauna, and their supporting ecosystems.

#### Draft National Policy Statement for Indigenous Biodiversity comments table

Reference	Issue	Response
1.5(2)(a) p.6	Geographic application	<p>Fonterra supports the application of this NPS to include wetlands; recognising that these ecosystems are particularly vulnerable and have been reduced in extent more than any other ecosystem type.</p> <p>Specific recognition of the need to enable the active management of constructed wetlands, that are a part of a consented water treatment system, would be useful for certainty.</p> <p>We suggest the addition of a specific exemption clause at 3.9(4) as below:</p>

		3.9(4)(e) constructed wetlands that have been established for the purpose of further treating a consented discharge of stormwater and/or wastewater.
1.5(3) p.7	Temporal application	Fonterra supports the timeframes for regional policy statement (RPS) and regional plan (RP) changes.
1.7(1) p.7	Fundamental concepts	Fonterra supports the underpinning concept of Hutia Te Rito as it closely aligns with the founding principle of our on-farm programme, Tiaki, that we are all stewards of the land.
2.1 p.15	Objectives	<p>Fonterra supports the proposed objectives and acknowledge the framework reflects the intrinsically linked nature of the intended outcomes.</p> <p><b>Objective 1</b></p> <p>We note that the relationship between Objective 1 (to maintain indigenous biodiversity) and Objective 5 (to restore indigenous biodiversity and enhance the ecological integrity of ecosystems) may require clarification to avoid a tension between the two. Not giving primacy to any one objective is consistent with the explanation of Hutia Te Rito – set out as the “fundamental concept”.</p> <p><b>Objective 4</b></p> <p>We support Objective 4 (to improve the integrated management of indigenous biodiversity), particularly across local authority boundaries (Policy 4: to improve the integrated management of indigenous biodiversity within and between administrative boundaries).</p> <p>A consistent approach to the identification, maintenance and protection of indigenous biodiversity provides resource users with a clear direction on what is appropriate, and where, and what is required when using, subdividing and/or developing the land resource. It is also more efficient from a cost and time perspective than a fragmented local-authority-by-local-authority approach.</p>
2.2 p.15, 16	Policies	<p><b>Policy 3</b></p> <p>We recognise and agree with the need to ensure all environmental regulations consider the additional risks associated with climate change, however this policy, and the implementation provisions at 3.5 (a) and (b) would benefit from further explanation and clarification.</p> <p>The direction that a council “must promote the resilience of indigenous biodiversity to climate change”, without clear guidance on the expected outcome, is likely to lead to inconsistent application and repeated litigation.</p> <p><b>Policy 10</b></p> <p>While we support the policy recognition of the need to provide for existing activities that have already modified vegetation and habitats, the use of the qualifier ‘appropriate’ without any explanation of that term, is problematic.</p> <p>It is our view that this policy should consider any lawful existing activity.</p>
3.6, p.19	Implementation requirements	<p><b>Precautionary approach</b></p> <p>We agree that a precautionary approach toward proposed activities with potentially significant adverse effects on indigenous biodiversity is appropriate.</p>

3.7, p.19	Implementation requirements	<p><b>Social, economic and cultural wellbeing</b></p> <p>Fonterra supports the explicit recognition of the wellbeing of the wider community in the Draft NPS (both in the Objectives and the Implementation sections).</p> <p>While the need to better protect indigenous biodiversity is clear, we believe regulation must be balanced and practical if behaviour change on private land is to occur successfully.</p> <p>Including the provision of 3.7(e) that requires the recognition of “the importance of respecting and fostering the contribution of landowners as stewards and kaitiaki”, shows an inclusive and collaborative approach to implementation is intended. This will ensure landowners engage with the intent of the proposed NPS in a positive way.</p> <p>Fonterra can actively support the understanding and implementation of the proposed regulation through our Farm Environment Plan (FEP) programme. We would look to introduce an indigenous biodiversity module in to each farm plan once the NPS-IB implementation detail is confirmed. An example Fonterra FEP is attached to this submission as Appendix One.</p>
3.8, p.19	Implementation requirements	<p><b>Identifying significant natural areas</b></p> <p>In the Draft NPS-IB the responsibility for identifying and classifying SNAs sits with the territorial authorities. We believe the expertise in interpreting and applying the SNA criteria is more likely to currently exist within regional councils, however some district councils have already been applying some consideration of effects on SNAs in resource use decisions.</p> <p>A collaborative exercise, led by each regional council to improve consistency of outcome, would be the most efficient way to exercise this function. The identification will take considerable resource and proper funding of this work will be critical.</p>
3.9, p. 21	Implementation requirements	<p><b>Managing adverse effects on SNAs</b></p> <p>Fonterra supports the differentiated management of adverse effects based on the classification of SNAs in to “high” and “medium”.</p> <p>We agree that “avoiding” the listed significant effects in high classification SNAs is appropriate and that the exceptions to that avoid test (as set out for medium classification SNAs), are consistent with the broader objectives proposed (particularly Objectives 3 and 6).</p> <p>We support applying an effects management hierarchy to other effects and believe the inclusion of the “compensation” concept alongside offsetting is a sensible addition.</p> <p>Clause (4)(d) that provides for use and development within an SNA where the vegetation or habitat was established for a particular purpose, is supported.</p>
3.12, p. 23	Implementation requirements	<p><b>Existing activities in SNAs</b></p> <p>The addition of the information note setting out that Sections 10 and 20A of the Act apply despite anything in the NPS–IB, provides useful clarification for land users and regulatory authorities.</p>
3.15, p. 25	Implementation requirements	<p><b>Highly-mobile fauna</b></p> <p>Fonterra supports the proposed requirement for councils to survey and record highly-mobile fauna areas, and to provide information</p>

		<p>to communities about best practice management of species and habitat.</p> <p>This approach will ensure that those directly supporting land users (for example the Fonterra Sustainable Dairy Advisors delivering Farm Environment Plans) will have access to the best information available.</p> <p>With this information, the biodiversity actions in every FEP can be optimised to protect SNA values and, where relevant, to consider habitat benefits for highly mobile fauna.</p>
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