



Submission on: Proposed National Policy Statement for Indigenous Biodiversity (NPS-IB)

To: Biodiversity Team
Ministry for the Environment
PO Box 10 362
WELLINGTON 6143

By email: indigenusbiodiversity@mfe.govt.nz

Name: Amuri Irrigation Company Limited
Address: PO Box 194
CULVERDEN 7345
Attention: Andrew Barton
Phone: 022 318 5488
E-mail: andrew@amuriirrigation.co.nz

Signature: Andrew Barton, Chief Executive Officer
Date: 14th of March 2020

INTRODUCTION

1. Amuri Irrigation Company Limited (AIC) irrigates over 28,000 hectares in the Amuri Basin taking water from the Waiau and Hurunui Rivers. AIC is a community-based company which operates three irrigation schemes, known as the Waiau, Balmoral and Waiareka Schemes (hereafter referred to collectively as the 'Amuri Scheme'), within the Hurunui and Waiau catchments. The Amuri Scheme was designed and constructed in the 1970s and 1980s and supplies irrigation water (typically via border dyke allocations) to the Company's shareholders. Currently, over 99 percent of shareholders use spray irrigation as a result of an estimated \$100 million investment by farmers across the scheme in converting border dyke land to spray irrigation. The AIC irrigated command area is made up of a mix of pastoral, cropping and arable farms.
2. The Waiau Scheme takes eleven cubic metres per second ('cumecs') of water from the Waiau River at the Leslie Hills bridge. The abstracted water is used to irrigate approximately 20,000 hectares of land. The Waiau Scheme delivers irrigation water (via an open race canal) to Mouse Point, where the water is distributed to shareholders via a recently upgraded pipe network. Approximately half of the Waiau Scheme is situated within the catchment of the Hurunui River.
3. The Balmoral Scheme takes approximately five cumecs from the Hurunui River, downstream of its confluence with the Mandamus River. The abstracted water is used for the irrigation of approximately 8,000 hectares of land. This Scheme has a main canal running around the contour of the foothill that supplies a pipe network and a pond.
4. The Waiareka Scheme takes 450 litres per second from the Waiau River, downstream of Waiau township, for irrigation of 420 hectares of land via a pipe network.
5. AIC established an Environmental Collective in early 2013 and membership extends beyond shareholders to most larger irrigating farms within the Amuri, Hawarden and Hanmer Springs areas. Farm Environment Plans are in place for 84,731 hectares of farmland.
6. All farms that are part of the Amuri Collective must have a Farm Environment Plan in place within six months of joining the Collective and the plan must be independently audited within three years of joining. The Collective's Environmental Management Strategy (EMS) specifies the required content of Farm Environment Plans, which all members must have, and Good Management Practice standards for farm management.
7. This regulatory function is further testament to the company's commitment to environmental sustainability. AIC recognises the importance of freshwater to New Zealand's environmental, economic, social and cultural wellbeing. Amuri takes its environmental responsibilities very seriously and has invested significantly in order to drive efficiency in the use of resources and best practice by the Company and its farmer shareholders. Amuri has a significant interest in any measures to improve water quality and on-farm practices.
8. AIC is a unique irrigation scheme, being located within an inland basin. All the properties on the fringe of the scheme irrigate their flat and rolling land but own much greater areas of extensive hill and high-country. There is more hill and high-country land owned by our shareholders than irrigated land, with quite different biodiversity values.

9. As such, the AIC has been, and continues to be, involved with both Central Government policy and regional plan and policy changes which seek to improve water quality and on-farm practices, including lodging submissions to national, regional and district plan and policy documents.

10. Our involvement in plan and policy changes to on-farm practices to date, demonstrates our continued support for ongoing improvements to be made. However, the rate of change and timeframes applied to implementation cannot be rushed and need to be appropriate, so as to ensure that adverse social and economic effects do not significantly outweigh any potential environmental benefits. We consider that a one-size fits all approach cannot be undertaken to resolve a decline in indigenous biodiversity, rather that the best science must be used to inform the policy that is ultimately implemented to cater to specific environments and complex catchments.

NARRATIVE SUBMISSION

11. AIC **supports** the submission of Jamie McFadden of the Rural Advocacy Network.

Set policy direction in National Policy Statement

12. The NPS-IB acknowledges that New Zealand's indigenous biodiversity is unique, and that our native plants and animals are in decline due to human actions. It confirms that we must do more to keep and protect our treasured species.
13. We support the intent behind the NPS-IB but believe that the NPS-IB should protect and enhance indigenous biodiversity within existing pastoral based landscapes without precluding existing use and future sensible development.
14. The NPS-IB is intended to apply to private land and restrict activities and development in some identified areas. We support the intent behind but advise caution when introducing blanket restrictions or protection onto private land. This must be carefully managed to prevent biodiversity becoming a liability rather than an asset.

Identification of Significant Natural Areas (SNAs), taonga and habitats of highly mobile species

15. The proposed NPS-IB requires all land to be surveyed to identify where there is significant vegetation and habitats of indigenous fauna. There is also provision for inclusion of buffer zones around these areas. It is unclear how widely this definition will be applied.
16. To be beneficial this process needs to be robust and undertaken in a way that engages with landowners and communities to build understanding and knowledge. For this process to create value, it is important that sufficient time and resource is afforded to Councils to complete this considerable task. To be worthwhile, this process needs to be completed by suitably qualified advisors in partnership with landowners. Analysis and mapping on a desktop basis, would not bring desirable outcomes.
17. Getting the criteria for SNAs set at the right level is absolutely critical to the success or failure of the process. Setting it too broadly, there is a real risk that all or most indigenous biodiversity will be captured (i.e. the presence of a single native bush or tussock grassland should not be regarded as significant, but rather further contributing factors would need to exist). But in that scenario, repercussions will be extensive, and many farming operations may be unable to continue operating as viable units.
18. Any regulation should be shaped to sustainably manage and protect significant biodiversity values, while non-regulatory methods should be used to encourage the on-the-ground gains for biodiversity, through advice, support, partnerships and incentives. Costs of any regulatory proposals must not be underestimated, and a balance must be struck between necessary interventions and actions and enabling the continuation of primary production.

Application to wetlands and waterways

19. We support the protection and enhancement of natural wetlands. However, the formulation of rules should not lead to perverse outcomes, particularly in relation to promoting the construction of wetlands as a method of improving water quality (which AIC shareholders are currently implementing) but then disincentivising this through costly and complex resource consenting regimes created by the requirements of biodiversity enhancement.
20. For example, the NPS-FM requires councils identify and map inland *natural* wetlands, whereas the provisions of the NPS-IB around restoration and enhancement apply to all wetlands and former wetlands. Care needs to be taken when regulations are crafted so that the sought outcomes and processes to achieve them are complementary.
21. The NPS-IB refers only to terrestrial habitats and biodiversity but intends to include the restoration of wetlands, recognising that wetlands are often parts of, or next to, other areas that are significant indigenous vegetation or significant habitat for indigenous fauna.
22. The NPS-IB also refers to former wetlands, however it is unclear how far the policy will go to restoring former wetlands. There are significant areas of drained wetlands now in productive farmland. These are former wetlands and if drainage infrastructure was removed, these areas may be able to sustain wetland plant species in the future. The NPS-IB creates significant uncertainty for farmers with former wetlands.
23. Some productive irrigated farms have areas of land that could be classified as former wetlands and were drained some time ago. The cost of a Council requiring this land to be converted back to a wetland to the farm owner will be very significant. There needs to be some caution and caveats on the requirements of Councils regarding restoration of former wetlands.
24. It appears the consultation refers only to terrestrial habitats and biodiversity and is not intended to include provisions relating to water quality and quantity because these have been addressed in the NPS-FM. The NPS-IB, however, is intended to address effects on freshwater biodiversity. This lack of clarity in the consultation documentation is unhelpful.

Restricting land use in identified areas (SNAs, wetlands, former wetlands)

25. The proposed NPS-IB is intended to apply to new activities to ensure that significant biodiversity values are maintained, while allowing for existing uses of land. Whilst it mentions that existing activities including pastoral farming will be provided for, it notes that there may be some instances where existing land uses will need to be managed.
26. p.17 states that: *"The proposed NPSIB would mostly be used in relation to new activitiesThe intent of the NPSIB is to ensure that significant biodiversity values are maintained, while allowing for existing uses of land and certain activities."*
27. But, part C.4, p49: *Providing for existing activities including pastoral farming,* appears to be inconsistent with the earlier part of the document where it states: *'....there may be some instances where the adverse effects of existing uses of land (not already covered by sections 10 and 20A of the RMA) may need to be managed to maintain indigenous biodiversity.'*
28. The conflict within the document is not helpful. There are existing uses of land that will be in previously wet areas of farmland that have been drained for many years. The use of the term "former wetland" creates significant uncertainty and provides too much discretion to Regional Councils.

Management of SNAs, wetlands and habitats to mobile species

29. It is unclear what maintaining indigenous biodiversity involves, and where the expectations for landowners starts and ends and whether maintaining extends to stock exclusion (possibly including wild animals) and fencing. This term has a range of potential interpretations such as: not damaging, protecting, actively managing, enhancing or restoring.
30. The NPS-IB also covers the habitat of highly mobile species who may not be permanently located in a particular habitat. There needs to be clarity on what would be required of landowners to protect these habitats.

Restorative targets for indigenous vegetation cover for rural land

31. The NPSIB sets targets for councils to meet 10% vegetation cover for rural and urban land. This may include restoration of degraded areas (in a biodiversity sense) or former wetlands.
32. There needs to be further guidance on how the restorative targets are to be met. There is a significant range in quality of biodiversity and 10% of land area is a very coarse metric for determining whether biodiversity values in a region or district have been improved. The economic implications for removing highly productive irrigated land to meet restorative targets could have significant impacts on the local community.
33. The success of the NPS-IB will rely on the Government's commitment to the partnerships, support and other key measures recommended in the Biodiversity Collaborative Group's report *'Complementary and Supporting Measures for Indigenous Biodiversity.'*
34. The implementation of the NPS-IB across the country will ultimately define the success or failure of its objectives. Quality, succinct and clear guidance is needed alongside the NPS-IB, to clarify those matters that are currently ambiguous or raising more questions than answers.
35. AIC supports the submission of Federated Farmers of New Zealand in relation to the provision of Complementary and Supporting Measures for Indigenous Biodiversity and their requirements, which they define as:
 - a) Firstly, to ensure there is sufficient knowledge, information, advice and support available to assist landowners, and to ensure sufficient monitoring and reporting to gauge success or otherwise of initiatives; and
 - b) Secondly, to ensure adequate funding and resources are available to councils, community organisations and landowners who require it.
 - c) Thirdly, to recognise and enable landowner efforts.

Biodiversity as a public good

36. A property that has a SNA must be able to view that SNA as an asset. Currently, there is significant risk under the NPS-IB that the SNA becomes a liability for the farmer. The NPSIB must not penalise a farmer who owns a property with biodiversity values. The SNA is a public good, and the funding of the protection and enhancement of SNAs should be publicly funded.

37. The principle that should be adopted is that a healthy functioning SNA on private land, is a privately owned “public good” as the benefits of a SNA are shared by all and not just the landowner. So while it is legitimate to prevent a landowner from destroying, damaging or not protecting a SNA, the costs of managing, enhancing or restoring should be supported by public funding in the form of grants for capital expenditure or ongoing area payments for management and/or to offset production losses, as the benefits are shared by all. Likewise, any other farm support/development could be made conditional on some form of SNA management plan.
38. Expecting the landowner to bear significant costs has obvious perverse policy incentives, not least:
- a) It makes SNAs a burden and the more SNA you have the bigger the burden;
 - b) It creates an incentive to unrecord or eradicate these before the policy comes into effect;
 - c) The policy alienates those who it expects to be doing the protecting; and
 - d) The unfairness for those farmers that have protected SNAs on their land in the past now face a bigger burden than those who have destroyed or removed SNAs.
39. Biodiversity on private land should be considered as a public good and measures should be taken to acknowledge this such as:
- a) Provision for additional compensation should be developed in instances where land is rendered economically unfeasible for existing land use as a result of biodiversity regulation, beyond that provided for under section 85 of the RMA.
 - b) Funding for local authorities to identify, preserve and foster areas of biodiversity on private and public land, including the provision of advice to farmers and meeting costs associated with ecological assessments.
 - c) Ensuring sufficient monitoring and reporting of biodiversity outcomes to ensure appropriate tracking of success/failure of initiatives/progress.
 - d) Decision making tools to enable farmers to integrate biodiversity values effectively and efficiently into their farm decision making.
 - e) A contestable fund or funds to provide funding for costs associated with the preservation of indigenous biodiversity, including pest control and fencing, available to both individual and collective projects.
 - f) Direction to, and funding for, local and regional councils to develop and implement rates remissions policies for areas of biodiversity on private land.
 - g) Carbon credits for the greenhouse gas emission mitigation provided by areas of significant biodiversity.
 - h) Tax incentives for costs associated with biodiversity.
 - i) Sufficient funding for and acknowledgement of the importance of farmer facing information and extension programmes, for example the QEII Trust and the NZ Landcare Trust, and expansion of the funding streams available to these entities to investigate potential biodiversity projects and support landowners and the community in applying for funding.

40. AIC is particularly concerned with the impacts of introduced and pest species on the health of our indigenous species. There is a significant workload and resource required to manage pests within SNAs and pest management does not get sufficient attention within the NPS-IB..

Additional work and capacity to manage

41. AIC is concerned about the capacity and capability within the broader primary sector and local government to develop and audit the large number of plans that will be required across the country. The roll-out be targeted to at-risk catchments first, in order that the gains will be realised most quickly, where it is most needed.
42. If there are insufficient resources, capacity, and capability across councils (particularly within consenting teams) effective implementation will be hampered or prevented. Furthermore, the level of technical expertise required to undertake this work is significant.

Alignment with Essential Freshwater and other policies

43. AIC supports the limitation of the NPS-IB to terrestrial environments (i.e. not including coastal marine or freshwater ecosystems, except for a few exceptions like wetland restoration and Regional Biodiversity Strategies). However, we do reiterate the need to ensure that there are not conflicting provisions within the NPS-IB and the National Policy Statement for Freshwater Management (NPS-FM).
44. As stated in AIC's submission on the Essential Freshwater policy package, we urge the government to ensure that the objectives and policies within the NPS-IB do not come into conflict with other national-level policies, including the National Policy Statement for Freshwater Management and the National Policy Statement for Highly Productive Land.

Framework for implementation

45. The NPS-IB does not provide clarity over landowner responsibilities nor contain an estimate of costs/impact be made without a framework for determining responsibility of something that lies both in the public and private sphere. Also, much will depend on interpretation and implementation by Regional Councils and this will probably be completed by remote sensing. Previous experience of these methods in North Canterbury has led to considerable concerns and anxiety amongst the landowners the consultation document identifies as essential for the delivery of its objectives.

Conclusion

46. We believe that the NPS-IB should protect and enhance indigenous biodiversity within existing pastoral based landscapes without precluding existing use and future sensible development. We are not convinced that the NPS-IB as drafted will deliver this.
47. We would be happy to meet with the Ministry for the Environment and Government Officials to discuss and elaborate on the points raised within its submission, or respond to any questions, or queries the Ministry might have, regarding the same. Please do not hesitate to contact the undersigned to arrange such a meeting. Further, and as set out within this submission, AIC wishes to be involved with all (currently draft, proposed and future) freshwater reform and amendments to the same.

48. We appreciate the opportunity to provide feedback on this important proposal. Whatever the final outcomes of this process at the national level, implementation and delivery by farmers will be a crucial factor in the success or otherwise of the NPS-IB.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'A. Barton', with a long horizontal stroke extending to the left.

Andrew Barton, for and on behalf of the Amuri Company Limited

Phone: 022 318 5488

E-mail: andrew@amuriirrigation.co.nz