Essential Fresh Water Proposal
Joint submission by
AWHINA GROUP

TO: Hon David Parker 29 October 2019
Consultation.freshwater@mfe.govt.nz

FROM: Awhina Management Limited on behalf of
Awhina Group Members, Drystock

Contact: Mangakino 3492
Phone: Email: Awhina Group

This submission is made on behalf of 28 members of Awhina Group.
Members collectively own over 120,000ha of land that includes 70,000ha effective, dairy and
drystock, plus another 16,000ha in forestry. There are 34 drystock farms and 31 dairy farms.

Awhina is a group of Maori agribusinesses who have over 30 years history of working together as a
collective. The group includes the following 28 Māori entities and agribusinesses:

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<th>AWHINA GROUP MEMBERS</th>
<th>LOCATION</th>
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<td>Ngati Kahungunu Ki Heretaunga</td>
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Total Awhina Group stock includes:
- 30,000 dairy cows producing 10 million kilograms of milk solids;
- 505,000 sheep and beef cattle stock units (180,000 beef and 325,000 Sheep) – producing 1,000,000kg of wool and 3.6 million kilograms of lamb each year.

Awhina Group members also run several other enterprises and activities including geothermal power interests, large glasshouse developments, tourism operations, international marketing relationships and more.

**Awhina Management Limited**

Awhina Management Limited (AML) is the executive body of Awhina Group that is expected to put thought into action, implement strategy and manage direction from the group.

**TE MANA o TE WAI**

Te Mana o Te Wai is of great value and should be included in the final National Policy Statement for Freshwater Management. Councils, communities and tangata whenua must come together to discuss values held for freshwater bodies in our rohe and set freshwater objectives and limits.

However, to support Te Mana O Te Wai structure, an independent national body would be of value to ensure iwi and hapū expectations around water allocation and fresh water is implemented. There is a need for experience and capability to work with Māori on environmental issues and oversee freshwater management implementation.

**RESPONSE TO PROPOSALS**

As kaitiaki of our lands, we support the overall goal of the proposals to ensure that freshwater systems are healthy and safe for people to swim in and gather food from.

**We support** the objective of having healthy freshwater. We support clear, science based environmental bottom lines that protect human and ecological health and frameworks that empower farmers and communities to work together to achieve these. We support the need to address issues such as sediment, e-coli and winter grazing.

However, we oppose the proposed frameworks, rules, and standards which will lock in current levels of discharge into our waterways and lock-in existing land uses. This approach effectively rewards high intensity, high discharging systems (particularly high N leaching systems), while penalising low intensity, low input, and low discharge systems that work within the physical environment of the farm.

Constraining low intensity farm systems will limit their capability to achieve the goals of the proposal or meet the additional costs of compliance. This would significantly disadvantage responsible farmers and proactive custodians of the land who have already sought out and achieved environmental innovations.

This blanket approach to “holding the line” will put low input systems under significant financial strain. Many farmers will be unable to afford the costs of mitigating the specific issues relating to their farming systems. This could make the businesses unsustainable with a significant loss of rural jobs, threatening our rural communities that are tight-knit and particularly vulnerable – especially when young families leave.

We support a fair approach where each farmer is expected to do their bit in proportion to their impacts, in an effective and workable manner. We request that the government re-think its
approach to restrictions on land-use change and to the grandparenting provisions in the freshwater module and hill country cropping. We request that there is recognition of low N leaching farms and some flexibility provided for them.

**Impacts and implementation**

While we accept that sheep and beef farms need to address their contribution to water quality issues, such as for overland flows like sediment and E.coli, the mitigations that a farmer undertakes should be in direct proportion to their contribution to the issues, rather than a broad brush approach taken across all farms within a catchment.

We are extremely concerned about the potential impacts of these proposals on our 34 drystock farms, especially in light of the modelling by Local Government New Zealand which highlighted 68 percent of sheep and beef farms could be unviable under these proposals.

We are very concerned that Ministers and officials do not believe these proposals will impact sheep and beef farmers. Independent empirical evidence from Local Government New Zealand clearly shows that our farms will bear a disproportionate share of the cost, despite being low input, low intensity, and low discharge systems.

**Nitrogen, phosphorus, and sediment attributes**

We support clear, science based environmental bottom lines that protect human and ecological health, and frameworks that empower farmers, whanau and communities to work together to achieve these.

New Zealand has a great diversity of unique ecosystems, which should be factored in when developing the goals of freshwater management. Freshwater attributes should provide for freshwater ecosystem health which reflects the characteristics of the waterbody in its catchment context, and account for natural variation and conditions such as erosion, nutrient levels, geology, geomorphology, and land type and cover. These attributes should be informed by the best available science, and where uncertainty exists, should be precautionary, both environmentally, and how they are applied and mandated by these proposals.

We broadly support setting instream limits for DIN, DRP, and sediment for ecosystem health. Clear numerical environmental bottom lines provide for business and community certainty in relation to the outcomes being sought and ensure equitable approaches across regions and catchments, but these also need to represent local conditions and community aspirations.

We oppose the five-year audit and measurement on the programme’s success for sediment reduction in all catchments. Improvements in water quality, including sediment levels, are related to the state and trends in the health of the freshwater system and the drivers of this health.

Sediment levels should be managed overtime if they are excessive to achieve the community’s aspirations for a desired level of ecosystem health, swimmability, or cultural values. They should be reduced where sediment levels exceed national bottom lines, or the current state is worse than what is indicated by the best available science. Numerical attribute states need to consider natural processes and be tailored to the specific freshwater body type in its catchment context.

**Restricting further intensification**

The proposals to restrict any land use change, regardless of existing levels of discharge, will effectively locking in current land uses. This is essentially a form of grandparenting which will reward high intensity, high discharge systems, while penalising low input, low discharge systems. High
intensity systems will be rewarded with the greatest flexibility and choice in how to adapt their farming systems, while low intensity systems will be given virtually none.

For example, the average nitrate leaching for a sheep and beef farm is 17kgN/ha/yr, while more intensive farming systems leaching can average 50kg/ha/yr or even significantly more. Under the current proposals, those leaching at the higher end of the scale while be allowed to remain at these extremely high rates while adjusting to the new regulations, while low input systems will be restricted ability to adapt to newly created costs of implementing the proposal.

Given the significant costs for low intensity systems to meet other regulatory proposals and the inability to change land use, due to being restricted to a very low base system, farmers would have no ability to adapt to the new extra costs created by in the proposal. As Local Government New Zealand modelling has shown, it will result in a significant number of sheep and beef farms becoming unviable due to an external imposition.

These grandparenting provisions put in place a de facto allocation system that will have long term impacts beyond those recognised by the Government’s analysis so far. These include changing land values based on the allocation of nitrate leaching, reducing the viability of extensive sheep and beef farming systems – as well as other low intensity systems. They will remove their ability to innovate and adapt their farming systems to match the natural capital of the land. Constraining these rural businesses would drive rural communities closer to or over tipping points to maintain social cohesion and support, as isolated communities drop below a critical mass.

These policies will not improve freshwater health, as nitrate leaching’s impact on freshwater health is determined by concentration. While hill country headwaters would be ecologically healthy, further downstream the same problems would persist with no meaningful improvement to freshwater health. Extensive farm businesses such as ours, would be decimated and rural communities would be isolated and socially impoverished.

Any changes to nitrate leaching must bear reality to an individual farm’s nitrate leaching intensity, with allowances made within the broader context of other proposed changes, so that low input farming systems can afford to achieve the goals of the proposal.

Farm plans
We support farmers having a tailored land and environment plan, but do not support this being used as a regulatory tool or sitting within national regulations.

Having a compulsory freshwater module in compulsory farm plans, with the associated support structures, will create expensive overheads for farmers which will distract and detract from on the ground environmental activities. Essentially, a tool that enables farmers to set and achieve to goals based on needs tailored to their farm business becomes an expensive process that emphasises on bureaucracy, losing focus on, and commitment to, achieving an intended environmental goal.

Freshwater module farm plans will grandparent emissions to historic levels, without regard to impact or contribution to the state of the freshwater system, then seek reductions from this state. This is inefficient and likely to be ineffective at addressing specific freshwater issues that relate to the farm.

For example, for an extensive farming operation in a catchment where sediment is an issue, it would be effective and efficient to focus action on erosion control and mitigation rather than diluting resources across all four potential contaminants.
The cost of compliance or the level of on farm action should be proportional to the environmental impact of the farm on freshwater health, and the freshwater module farm plan approach fails to take account of this. As an alternative, I would like to see the Government provide additional support for industry-led farm assurance schemes or their Land and Environment Plans and activities to support catchment initiatives.

**Immediate action to reduce nitrogen loss**

We support option one for a nitrogen cap and high discharging land uses be required to reduce to this cap. *However, the actual threshold should be proportionate to the level of overallocation of nitrogen. High intensity systems that have high nitrate leaching rates are required to make more of a reduction while low intensity systems are given flexibility within the cap to offset increased costs. We also support an exemption for hill country pastoral farms.*

*We oppose option two*, as the proposed cap on total nitrogen applied in fertiliser per hectare per year would lock in land uses and is unlikely to achieve improvements in reductions in nitrate leaching. Essentially, removing any subtlety for appropriate applications and use that are suitable and relevant to farming systems and their environment.

*We oppose option three*, which would grandparent all current land uses while requiring mandatory freshwater modules in farm plans for the listed catchments without setting specified reductions based on the proportional contribution of any farming activity.

**Excluding stock from waterways**

*We support* the focus on freshwater bodies that are permanently flowing and greater than 1m wide on low sloping land that is of a 5 degree slope or under, and the use of a stocking intensity threshold as a proxy for nitrate leaching when applying these requirements to land above 5 degrees slope.

*We oppose requirements to fence extensively farmed animals out of waterbodies, particularly on hill country properties where fencing is prohibitively expensive due to the terrain, length of fencing required, and significant maintenance costs due to extreme weather conditions.*

*We also oppose* the blanket 5m setback and the requirement to move existing fences due to the significant loss of productive land on our farms, and the sizeable costs of moving all fences to comply.

For more extensive farming systems like sheep and beef farms on more diverse landscapes, the risk to freshwater health is from the overland flow of contaminants into a waterbody, not livestock directly being in the waterbody due to the lower stocking rates. In these situations, fences would do nothing to stop overland flows. In these circumstances, the identification and management of critical source areas and overland flow are a more efficient and effective way to manage the risk, rather than blanket fencing and blanket riparian setback distances.

A blanket requirement to fence may be easy to measure but has significant potential to divert resources away from activities that would achieve a greater environmental benefit (e.g., erosion control).

**Controlling intensive winter grazing**

*We support* the establishment of standards based on Industry Good Management Practice Principles, such as the application of ‘strategic grazing principles’. 
However, **we oppose** the inequitable treatment of low slope and other land in relation to winter grazing on forage crops that permits winter grazing on forage crops for low slope land but requires a consent for land which is above 10 or 15 degrees in slope. Environmental risks associated with winter grazing on forage crops relate to the intensity of the operation, the soils it occurs on, the way the activity is being undertaken and the proximity to a receiving freshwater body. Slope alone is too simplistic.

In relation to land above 10 or 15 degrees slope, the risk to the environment is not greater than on flat land, and should be able to be managed through a permitted activity consent – e.g. the risk to the environment of winter grazing on forage crops could be less than if the activity is undertaken on flat land which flow pathways such as on gravels, or where it drains through the soil.

**We also oppose** the pugging standard in the permitting activity rule for winter grazing on forage crops, as the standard would effectively render most winter grazing activities non-compliant regardless of the actual impact on soil health or loss, or animal welfare.

**We oppose grandparenting standards** such as “no greater than 2013/14 to 2018/19 years” through consent, as the additional and significant costs required to get resource consent will lock in existing land uses and not allow for the flexibility required in farming systems to meet the other additional costs from these policies.

**Feedlots and stock holding areas**

*We support the definition of feedlots*, and in general the identification and management of activities which can pose a higher environmental risk when not adequately managed.

*We oppose* the definitions of Sacrifice Paddocks and Other Stock Holding areas. The current definitions also capture other farming systems which they should not have been intended to capture.

**CONCLUSION**

As a group of Maori landowners and Māori farming entities, we are committed to improved water quality outcomes for our communities and for the future of our mokpuna. We encourage you to work with Māori farmers and all farmers towards a successful implementation of policy based on science, fairness, due consideration and feedback.

Yours sincerely,

AWHINA GROUP

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*Personal details removed*