SUBMISSION ON PROPOSED OTAGO REGIONAL POLICY STATEMENT 2021

то:	Otago Regional Council	
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BY ONLINE SUBMISSION:	"Your Say" upload link	
SUBMISSION TO:	Proposed Otago Regional Policy Statement 2021	
NAME OF SUBMITTER:	Ballance Agri-Nutrients Limited	
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This is a submission by Ballance Agri-Nutrients Limited¹ on Proposed Otago Regional Policy Statement 2021².

Ballance cannot gain a trade competition advantage through this submission.

This submission is divided into two parts as follows:

Part A: Introduces Ballance, its activities and shareholders; and

Part B: Sets out the specific submissions and relief sought by Ballance.

Ballance seeks the relief set out in this submission, including such other additional, alternative or consequential relief as may be necessary to give effect to the changes sought.

Ballance wishes to be heard in support of this submission.

Signed for and on behalf of Ballance by

Dominic Adams Environmental Manager 3rd of September 2021

¹ Hereafter referred to as 'Ballance'

² Hereafter referred to as 'pRPS'

Part A: Ballance Agri-Nutrients Limited

Ballance Agri-Nutrients Limited is a farmer-owned co-operative with over 19,000 shareholders and approximately 800 staff throughout New Zealand. We own and operate super-phosphate manufacturing plants located in Tauranga and Invercargill, as well as New Zealand's only ammoniaurea manufacturing plant located at Kapuni, South Taranaki. The Company also owns and operates the agricultural aviation company 'Super Air' and 'SealesWinslow' (a high-performance compound feed manufacturer). Ballance owns and operates two Service Centres which supply fertiliser to farms in Otago. In addition to manufacturing and sales Ballance provides farm sustainability services including nutrient management advice. We place a strong emphasis on delivering value to our shareholders and on the use of the best science to inform sustainable nutrient management.

Reinforcing this, Ballance has extensive interest in the development of tools to manage nutrient losses on farms. Ballance, with Ag Research, has undertaken extensive research into 'MitAgator' which is a GIS-based water quality decision support tool that links with OVERSEER® to refine the latter models output. The use of management tools such as MitAgator, provides greater insight into the spatial variability of nutrient (as well as sediment and microbial) loss within a farm landscape and allows users to identify critical source areas (or 'hot spots') for nitrogen, phosphorus, sediment strategies to these critical source areas help to provide more cost-effective environmental management solutions for farmers, while ensuring that effective water quality outcomes can be achieved in timeframes that recognise the socio-economic impacts of changing farm management practices.

In light of these matters, Ballance has a direct interest in the pRPS.

Ballance supports the intent of the pRPS which includes an overall aim to protect and restore water quality in rivers, lakes and aquifers within the Otago Region in line with the requirements of the National Policy Statement on Freshwater Management (NPS-FM) 2020. Ballance recognises that improving the quality of freshwater for human and animal consumption, as well as recreation, is a priority for New Zealand and we also recognize that farmers support this - with a large number of them, whom we are involved with, already implementing measures and planning further mitigations to reduce nutrient and contaminant losses from their farms.

Part B of this submission addresses the proposed policies, rules and definitions that are relevant to the interests of Ballance.

Part B: Reasons for Submission and Decisions Sought by Ballance Agri-Nutrients Limited

Specific Provisions	Support / Oppose / Amend	Reasons for Submission	Relief Sought
 LF-WAI-O1 - Te Mana o te Wai "The mauri of Otago's water bodies and their health and wellbeing is protected, and restored where it is degraded, and the management of land and water recognises and reflects that: (1) water is the foundation and source of all life - na te wai ko te hauora o ngā mea katoa, (2) there is an integral kinship relationship between water and Kāi Tahu whānui, and this relationship endures through time, connecting past, present and future, (3) each water body has a unique whakapapa and characteristics, (4) water and land have a connectedness that supports and perpetuates life, and (5) Kāi Tahu exercise rakatirataka, manaakitaka and their kaitiakitaka duty of care and attention over wai and all the life it supports." 	Support	BAN recognises that Te Mana o te Wai is a central concept for freshwater management. This concept is strengthened and clarified through the NPS FM, by providing direction on how Te Mana o te Wai should be applied when managing freshwater. As such, BAN considers that this objective is consistent with the already established direction that is provided within the NPS FM, with particular regard to how Councils must give effect to Te Mana o te Wai.	Retain LF-WAI-O1 - Te Mana o te Wai, as notified.
LF-WAI-P1 - Prioritisation "In all management of fresh water in Otago, prioritise: (1) first, the health and well-being of water bodies and freshwater ecosystems, te hauora o te wai and te hauora o te taiao, and the exercise of mana whenua to uphold these, ³ (2) second, the health and well-being needs of people, te hauora o te tangata; interacting with water through ingestion (such as drinking water and consuming harvested resources) and immersive activities (such as harvesting resources and bathing), and (3) third, the ability of people and communities to provide for their social, economic, and cultural wellbeing, now and in the future."	Support	This policy is consistent with the already established direction and hierarchy of Te Mana o te Wai that is provided within the National Policy Statement for Freshwater Management 2020 (' the NPS FM '). While BAN questions the basis for this hierarchy, it accepts that the hierarchy is enshrined within an operative planning instruction that sits above the proposed Otago Regional Policy Statement (' the pRPS'), and thus that the pRPS needs to give effect to the hierarchy in a regional context. It follows, therefore, that BAN supports the proposed policy, noting that it provides clarity with respect to how both the Otago Regional Council and the community are intended to approach freshwater. This, in the Company's opinion, is appropriate and necessary to promote resource use.	Retain LF-WAI-P1 - Prioritisation, as notified.
LF-WAI-P2 - Mana whakahaere Recognise and give practical effect to Kāi Tahu rakatirataka in respect of fresh water by: (1) facilitating partnership with, and the active involvement of, mana whenua in freshwater management and decision-making processes, (2) sustaining the environmental, social, cultural and economic relationships of Kāi Tahu with water bodies (3) providing for a range of customary uses, including mahika kai, specific to each water body, and (4) incorporating mātauraka into decision making, management and monitoring processes.	Support	BAN supports the intent of this policy. It is acknowledged that LF-WAI-P2 supports the intent of LF-WAI-P1 bullet point 1, and gives clear direction as to how Kāi Tahu rakatirataka should be considered in resource management. This, in the Company's opinion, is appropriate.	Retail LF-WAI-P2 - Mana whakahaere, as notified.
LF-WAI-P3 - Integrated management/ki uta ki tai "Manage the use of fresh water and land in accordance with tikaka and kawa, using an integrated approach that: (1) recognises and sustains the connections and interactions between water bodies (large and small, surface and ground, fresh and coastal, permanently flowing, intermittent and ephemeral), (2) sustains and, wherever possible, restores the connections and interactions between land and water, from the mountains to the sea,	Amend	BAN generally supports the intent of this policy. The Company considers a minor amendment necessary to bullet point 4 of this requirement, so that it is clear that enhancement of the health and well-being of fresh water and coastal water is required only where water is degraded to the point that it cannot achieve the applicable water quality standards, or where enhancement is specifically agreed by the community. This is consistent with Policy 5 of the NPS FM which requires that <i>"Freshwater is managed through a National Objectives Framework to ensure that the health and well-being of</i>	Amend LF-WAI-P3 - Integrated management/ki uta ki tai, as follows: Manage the use of fresh water and land in accordance with tikaka and kawa, using an integrated approach that: (1) recognises and sustains the connections and interactions between water bodies (large and small, surface and ground, fresh and coastal, permanently flowing, intermittent and ephemeral),

³ In matters of mana, the associated spiritual and cultural responsibilities connect natural resources and mana whenua in a kinship relationship that is reciprocal and stems from the time of creation.

 (3) sustains and, wherever possible, restores the habitats of mahika kai and indigenous species, including taoka species associated with the water body, (4) manages the effects of the use and development of land to maintain or enhance the health and well-being of fresh water and coastal water, (5) encourages the coordination and sequencing of regional or urban growth to ensure it is sustainable, (6) has regard to foreseeable climate change risks, and (7) has regard to cumulative effects and the need to apply a precautionary approach where there is limited available information or uncertainty about potential adverse effects." 			 degraded water bodies and freshwater ecosystems is improved, and the health and well-being of all other water bodies and freshwater ecosystems is maintained and (if communities choose) improved." In terms of bullet point 7 of this policy, again, BAN seeks to ensure that the application of a precautionary approach does not result in over-regulation, or unnecessary restrictions on activities that may bring about potential adverse effects. BAN is of the opinion that the overuse / unnecessary use of the precautionary approach mechanism may lead to a higher burden on applicants to 'prove' the scale of potential effects, and this in turn can lead to unreasonable costs being borne by applicants and unnecessarily constrained activities. BAN considers that to assist in resolving its concerns in relation to this policy, specific reference to the ability to apply an adaptive management approach is necessary. Resource management tools (such as the adaptive management) are precautionary by their nature and ensure that the proposed use or development carries the risk, and not the environment. 	 (2) sustains and, wherever possible, restores the connections and interactions between land and water, from the mountains to the sea, (3) sustains and, wherever possible, restores the habitats of mahika kai and indigenous species, including taoka species associated with the water body, (4) manages the effects of the use and development of land to maintain or where degraded to the point that is cannot achieve the applicable water quality standards, enhance the health and well-being of fresh water and coastal water, (5) encourages the coordination and sequencing of regional or urban growth to ensure it is sustainable, (6) has regard to foreseeable climate change risks, and (7) has regard to cumulative effects and the need to apply a precautionary approach where there is limited available information or uncertainty about potential adverse effects, while noting that the application of the precautionary approach may include the adoption of adaptive management methods. 	
All pers persons applies LF-WAI must b water,	LF-WAI-P4 - Giving effect to Te Mana o te Wai All persons exercising functions and powers under this RPS and all persons who use, develop or protect resources to which this RPS applies must recognise that LF-WAI-O1, LF-WAI-P1, LF-WAI-P2 and LF-WAI-P3 are fundamental to upholding Te Mana o te Wai, and must be given effect to when making decisions affecting fresh water, including when interpreting and applying the provisions of the LF chapter.		Support	BAN supports this policy and acknowledges the importance of giving effect to Te Mana o te Wai. BAN accepts that it is only after the health of the water is sustained that water can be used for economic purposes, which BAN believe LF- WAI-O1, LF-WAI-P1, LF-WAI-P2 and LF-WAI-P3 seek to give effect to. This, in the Company's opinion, is appropriate.	Retain LF-WAI-P4 - Giving effect to Te Mana o te Wai, as notified.
Land ar are ma connect coastal	LF-VM-O7 - Integrated management Land and water management apply the ethic of ki uta ki tai and are managed as integrated natural resources, recognising the connections and interactions between fresh water, land and the coastal environment, and between surface water, groundwater and coastal water.		Amend	BAN supports this policy and acknowledges that land and water should be managed as integrated natural resources. This approach recognises the interconnected nature of natural and physical resources.BAN is, however, also of the opinion that integrated solutions must be recognised as a measure by which water quality may be improved. It may, for instance, not be practicable to reduce a discharge, but it may be practicable to achieve water quality improvements by the use of catchment improvement mechanisms. BAN is of the opinion that this needs to be recognised.	 Amend LF-VM-O7 - Integrated management, as follows: Land and water management apply the ethic of ki uta ki tai and are managed as integrated natural resources, recognising: a. the connections and interactions between fresh water, land and the coastal environment, and between surface water, groundwater and coastal water; and b. Integrated solutions are a key mechanism to achieve water quality improvements.
Otago's freshwa		ent Units (FMUs) and rohe managed through the following ohe which are shown on MAP1: Rohe Upper Lakes Dunstan Manuherekia Roxburgh Lower Clutha n/a n/a n/a n/a	Support	BAN considers that the proposed management of FMUs or rohe, as demonstrated on MAP1, is appropriate. In this regard, the Company is of the opinion that the division of the Clutha Mata-au FMU into rohe is practicable and will enable targeted solutions and consultation in decision making.	Retain LF-VM-P5, as notified.
Where (1) env within (2) if a	which the rohe is located,		Amend	BAN generally supports this policy. BAN considers that it is crucial to ensure that attribute states, limits and action plans are set in consultation with both Kāi Tahu and the community for both FMUs and for rohe. Those that may particularly be affected by the setting of environmental outcomes, attribute states and limits include those that have existing consented takes or discharge permits. The setting of any environmental	Amend LF-VM-P6 - Relationship between FMUs and rohe, as follows: Where rohe have been defined within FMUs: (1) environmental outcomes must be developed for the FMU within which the rohe is located,

 (a) set target attribute states that are no less stringent than the parent FMU environmental outcomes if the same attributes are adopted in both the rohe and the FMU, and (b) may include additional attributes and target attribute states provided that any additional environmental outcomes give effect to the environmental outcomes for the FMU, (3) limits and action plans to achieve environmental outcomes may be developed for the FMU or the rohe or a combination of both, (4) any limit or action plan developed to apply within a rohe: (a) prevails over any limit or action plan developed for the FMU for the same attribute, unless explicitly stated to the contrary, and (b) must be no less stringent than any limit set for the parent FMU for the same attribute, and (c) must not conflict with any limit set for the underlying FMU for attributes that are not the same, and (5) the term "no less stringent" in this policy applies to attribute states (if applicable). 		outcomes, attribute states and limits also present risks to potential future land use changes, or intensification. BAN considers an amendment to bullet point 2 of this policy is necessary, so that any target attribute states and any additional environmental outcomes set for rohe are undertaken in consultation with Kāi Tahu and the community. An amendment to bullet point 3 is also required to ensure that any limits and action plans to achieve environmental outcomes developed for the FMU or rohe (or combination) occur in consultation with those that may be impacted. Without this involvement, it seems improbable that the limits or action plans will be embraced and supported. Without support, it seems improbable that the outcomes sought by this Policy will be achieved.	 (2) if additional environmental outcomes are included for rohe, those environmental outcomes: (a) set target attribute states in consultation with Kāi Tahu and the community that are no less stringent than the parent FMU environmental outcomes if the same attributes are adopted in both the rohe and the FMU, and (b) may include additional attributes and target attribute states provided that any additional environmental outcomes give effect to the environmental outcomes for the FMU, (3) limits and action plans to achieve environmental outcomes may be developed for the FMU or the rohe or a combination of both, in consultation with Kāi Tahu and the community (4) any limit or action plan developed to apply within a rohe: (a) prevails over any limit or action plan developed for the FMU for the same attribute, unless explicitly stated to the contrary, and (b) must be no less stringent than any limit set for the parent FMU for the same attribute, and (c) must not conflict with any limit set for the underlying FMU for attributes that are not the same, and (5) the term "no less stringent" in this policy applies to attribute states (numeric and narrative) and any other metrics and timeframes (if applicable).
LF-FW-08 - Fresh water "In Otago's water bodies and their catchments: (1) the health of the wai supports the health of the people and thriving mahika kai, (2) water flow is continuous throughout the whole system, (3) the interconnection of fresh water (including groundwater) and coastal waters is recognised, (4) native fish can migrate easily and as naturally as possible and taoka species and their habitats are protected, and (5) the significant and outstanding values of Otago's outstanding water bodies are identified and protected."	Support	 BAN supports the intent of this objective. It is acknowledged that the health of wai supports (in turn) the health of people. BAN considers that this objective is consistent with the already established direction that is provided within the NPS FM, with particular regard to the following policies: Policy 8, which requires that 'the significant values of outstanding water bodies are protected' and; Policy 9, which requires that 'the habitats of indigenous freshwater species are protected. 	Retain LF-FW-O8 - Fresh water, as notified.
 "LF-FW-O9 - Natural wetlands Otago's natural wetlands are protected or restored so that: (1) mahika kai and other mana whenua values are sustained and enhanced now and for future generations, (2) there is no decrease in the range and diversity of indigenous ecosystem types and habitats in natural wetlands, (3) there is no reduction in their ecosystem health, hydrological functioning, amenity values, extent or water quality, and if degraded they are improved, and (4) their flood attenuation capacity is maintained." 	Support	BAN supports this objective. BAN considers that this objective is consistent with the already established direction that is provided within the NPS FM, with particular regard to Policy 6 which requires that "There is no further loss of extent of natural inland wetlands, their values are protected, and their restoration is promoted". This, in the Company's opinion, is appropriate, as it is important that the pRPS has direct and transparent links to the NPS FM. We note that the definition of 'natural wetland' has the same meaning as in clause 3.21 of the National Policy Statement for Freshwater Management 2020. It is also noted that the Ministry for the Environment will be releasing a final version of guidance on the definition of a natural wetland in the coming weeks. BAN seeks that the definition is aligned with this guidance once released.	Retain LF-FW-09 - Natural wetlands, as notified. BAN Seeks that the definition of natural wetland is aligned with the Ministry for the Environment final version of guidance on the definition of a natural wetland, once released.
 LF-FW-P7 - Fresh water "Environmental outcomes, attribute states (including target attribute states) and limits ensure that: (1) the health and well-being of water bodies is maintained or, if degraded, improved, (2) the habitats of indigenous species associated with water bodies are protected, including by providing for fish passage, (3) specified rivers and lakes are suitable for primary contact within the following timeframes: (a) by 2030, 90% of rivers and 98% of lakes, and (b) by 2040, 95% of rivers and 100% of lakes, and (4) mahika kai and drinking water are safe for human consumption, (5) existing over-allocation is phased out and future over-allocation is avoided, and 	Amend	BAN generally supports this policy. BAN considers that it is crucial to ensure that environmental outcomes, attribute states and limits are set in consultation with both Kāi Tahu and the community - in particular, those that may be particularly affected by the setting of environmental outcomes, attribute states and limits, such as those that have existing consented takes or discharge permits. This will enable both Kāi Tahu and the community to not only shape how the environmental outcomes, attribute states and limits are set, but also to have buy in.	Amend LF-FW-P7 - Fresh water, as follows: "Environmental outcomes, attribute states (including target attribute states) and limits <u>are set in consultation</u> with Kāi Tahu and the community to ensure that: (1) the health and well-being of water bodies is maintained or, if degraded, improved, (2) the habitats of indigenous species associated with water bodies are protected, including by providing for fish passage, (3) specified rivers and lakes are suitable for primary contact within the following timeframes: (a) by 2030, 90% of rivers and 98% of lakes, and (b) by 2040, 95% of rivers and 100% of lakes, and

(6) fresh water is allocated within environmental limits and used efficiently."			 (4) mahika kai and drinking water are safe for human consumption, (5) existing over-allocation is phased out and future over-allocation is avoided, and (6) fresh water is allocated within environmental limits and used efficiently."
LF-LS-P19 - Highly productive land "Maintain the availability and productive capacity of highly productive land by: (1) identifying highly productive land based on the following criteria: (a) the capability and versatility of the land to support primary production based on the Land Use Capability classification system, (b) the suitability of the climate for primary production, particularly crop production, and (c) the size and cohesiveness of the area of land for use for primary production, and (2) prioritising the use of highly productive land for primary production ahead of other land uses, and (3) managing urban development in rural areas, including rural lifestyle and rural residential areas, in accordance with UFD-P4, UFD-P7 and UFD-P8."	Amend	 BAN generally supports the intent of this policy, and the proposed identification process of highly productive land. BAN considers that the overall intent of this policy will give direct effect to the proposed National Policy Statement for Highly Productive Land. While the NPS-HPL is not yet in effect, we understand that the purpose of the NPS-HPL is to improve the way highly productive land is managed to: Recognise the full range of values and benefits associated with its use for primary production Maintain its availability for primary production for future generations Protect it from inappropriate subdivision, use, and development. With respect to bullet point (1)(c) of this policy, BAN questions why 'cohesiveness' is a relevant matter. Many primary production operations occur across multiple land parcels that are not necessarily 'cohesive' in terms of their location. BAN considers cohesiveness should not impact how land is classified in terms of being highly productive or not and seeks that this term be deleted. 	Amend LF-LS-P19 - Highly productive land, as follows: "Maintain the availability and productive capacity of highly productive land by: (1) identifying highly productive land based on the following criteria: (a) the capability and versatility of the land to support primary production based on the Land Use Capability classification system, (b) the suitability of the climate for primary production, particularly crop production, and (c) the size and cohesiveness of the area of land for use for primary production, and (2) prioritising the use of highly productive land for primary production ahead of other land uses, and (3) managing urban development in rural areas, in accordance with UFD-P4, UFD-P7 and UFD-P8."
LF-LS-P20 - Land use change Promote changes in land use or land management practices that improve: (1) the sustainability and efficiency of water use, (2) resilience to the impacts of climate change, or (3) the health and quality of soil.	Amend	BAN generally supports the intent of this policy. It is important to recognise that land use change and land management practices do not operate in isolation. BAN and its shareholders aim to employ best land management practices in order to use resources efficiently. BAN recommends that this policy is amended to widen the scope of improvement that will be promoted. In this regard, the Company is of the opinion that this Policy needs to include the management of diffuse discharges of sediment, or other contaminants to otherwise improve surface and/or groundwater quality.	Amend LF-LS-P20 - Land use change, as follows: Promote changes in land use or land management practices that improve: (1) the sustainability and efficiency of water use, (2) resilience to the impacts of climate change, or (3) the health and quality of soil. (4) the quality of surface/or groundwater through the management of diffuse discharges of sediment, or other <u>contaminants.</u>
LF-LS-P21 - Land use and fresh water "Achieve the improvement or maintenance of freshwater quantity or quality to meet environmental outcomes set for Freshwater Management Units and/or rohe by: (1) reducing direct and indirect discharges of contaminants to water from the use and development of land, and (2) managing land uses that may have adverse effects on the flow of water in surface water bodies or the recharge of groundwater."	Amend	 BAN generally supports this policy. It is noted however that BAN and its shareholders would not be able to operate without some form of discharge to water, whether directly or indirectly. BAN and its shareholders aim to employ best management practices to reduce direct and indirect discharge of contaminants to water from the use and development of land. BAN as a Company is continually looking at measures to reduce its environmental impact and help shareholders to do the same. Given this, the Company considers that, while recognising the need to minimise direct and indirect discharge of contaminants to water, existing authorised activities that are operating within the bounds of their resource consents, must be provided with some certainty that they will be able to continue to operate and develop as necessary. It is also acknowledged that this assurance will allow the community time to consider and develop alternative arrangements and implement further management practices to reduce direct and indirect discharges, as practicable. Our recommended use of the term 'practicable' is deliberate is it is both well understood and has been tested in in a number of Environment Court processes. As a consequence, it is more measurable and certain than alternative terms such as 'possible'. 	Amend LF-LS-P21 - Land use and fresh water, as follows: Achieve the improvement or maintenance of freshwater quantity or quality to meet environmental outcomes set for Freshwater Management Units and/or rohe by: (1) reducing direct and indirect discharges of contaminants to water from the use and development of land, where practicable, and (2) managing land uses that may have adverse effects on the flow of water in surface water bodies or the recharge of groundwater.