

**SUBMISSION BY CENTRAL OTAGO WINEGROWERS
ASSOCIATION**

**FRESHWATER PLANNING INSTRUMENT PARTS OF THE
PROPOSED REGIONAL POLICY STATEMENT FOR OTAGO 2021**

28 November 2022

To: Otago Regional Council

Submitter Details

Name	Central Otago Winegrowers Association (COWA)
Address for Service	Gallaway Cook Allan Lawyers, Dunedin Attention: Phil Page / Simon Peirce PO Box 143 Dunedin 9054 phil.page@gallawaycookallan.co.nz simon.peirce@gallawaycookallan.co.nz

1. Introduction

- 1.1 This is a submission on the Freshwater Planning Instrument Parts of the Proposed Otago Regional Policy Statement June 2021 (**PORPS**)
- 1.2 COWA could not gain an advantage in trade competition through this submission.
- 1.3 COWA wishes to be heard in support of this submission.

2. About COWA

- 2.1 COWA has the mission is to connect, enrich and promote Central Otago to strengthen its members, community, and environment for generations to come. COWA connect the local wine industry and community to create unity and build a culture of inclusion, collaboration, diversity, mutual respect and understanding amongst our members. COWA seeks to enrich its members, wine producers, environment and community through proactive best practice, education and knowledge sharing, and supporting ingenuity and expertise. Finally, COWA promote Central Otago to elevate the reputation, awareness and desirability of our wines, region and brand by sharing our stories and experiences with the world.
- 2.2 COWA's mission statement has driven its involvement in the PORPS to ensure that appropriate recognition is afforded to viticulture in Otago and to provide for its long-term success.
- 2.3 Viticulture in Otago is well-established in Otago, mostly concentrated in the Central Otago sub-region. Most grapes (approx. 81%) are Pinot Noir, which has garnered

Central Otago the reputation of being the most Pinot Noir focussed region in the world. As a consequence, Central Otago is renowned for a style of Pinot Noir that is fruit expressive, complex and structured. This international recognition attracts a premium for Central Otago winegrowers and has put Central Otago on the global stage for wine production.

- 2.4 COWA's mission seeks to maintain that international reputation which can so easily be taken away by a planning framework that inhibits water abstraction and use.

3. Water Quantity

- 3.1 The ability to take and use water is critical to operating in Central Otago.
- 3.2 Central Otago is characterised by a semi-continental climate with the key growing period between October and April, followed by a relatively short period of harvesting. Temperatures fluctuate significantly through the seasons, with the diurnal temperature range is from 35°C by day to -10°C at night.
- 3.3 Although rain is evenly spread across the year, there is both an insufficient volume throughout the growing season coupled with high evapotranspiration which leads to low soil moisture. For that reason, there are very few vineyards that do not rely on water abstraction and most vineyards (regardless of size) rely on water to provide for the viability of their vineyards.
- 3.4 The application of water to a grape vine is very efficient in viticulture. Data on soil and vine moisture is regularly collected and monitored and water is applied via micro irrigation using some form of dripper that delivers the water directly to the grape vine. The Sustainable Winegrowing New Zealand (**SWNZ**)¹ system that over 97% of vineyards are farmed to requires this, as well as collection of data on rainfall and irrigation amounts. This data is reported, analysed, and presented back to farmers on an anonymised basis to allow comparative analysis.
- 3.5 Inadequate water availability is detrimental to a growing season. Lack of water over consecutive seasons is expected to not only result in the loss of a crop for a season but can result in the permanent loss of vines. As a consequence, producers can suffer

¹ SWNZ is an industry wide certification programme led by New Zealand winegrowers since its inception in 1995

no production for many years and high capital costs associated with the establishment of new vines.

- 3.6 Water use in viticulture is not simply a matter of turning on the tap and letting water run. There is a meticulous process to be followed to ensure that the appropriate amount of water is used to balance against the requirement of the vines themselves. While underwatering can lead to the loss of vines, overwatering can produce too much growth and result in poor quality grapes. A delicate balance must be struck which has, in turn, created an industry of well-disciplined water users who use only what is required for the best quality grapes.
- 3.7 Water use is also required for some methods of frost protection. This is not standard practice for all vineyards but those who do implement it do so through a sprinkler system during the early part of the season (around November). Other vineyards either rely on natural slope drainage or fans to mitigate the effects from frost.
- 3.8 Overall, 1,731 hectares of total planted vineyard area is irrigated (92%). Total water used in viticulture for irrigation in the 2021-22 season was just over 2.5 million cubic metres².

4. Water Quality

- 4.1 Water quality can be severely impacted by nutrient use in agricultural systems. Nutrient use in viticulture is controlled by SWNZ which requires members to complete annual certification which includes submissions and on-site audits conducted by an independent verification company. Water is one of the six focus areas (among Soil, Plant Protection, Waste, People and Climate Change). Additionally, certification requires members to submit a complete spray diary annually documenting all agrichemical used in a season.
- 4.2 Nitrogen leaching is observed as very low. This is a consequence of the low amount of application required (up to 5kg/ha) and drip line irrigation which prevents surface water

² This water is taken from different points across the whole Clutha River / Mata Au catchment, which has an area of 21,022 km² (the largest in New Zealand). The Clutha River / Mata Au has a mean annual flow of 575 m3 per second, of which 75 per cent is derived from the upper sub-catchments that feed Lake Hāwea, Lake Wanaka and Lake Wakatipu. <https://www.lawa.org.nz/explore-data/otago-region/river-quality/clutha-rivermata-au/> The mean annual flows of tributaries to the Clutha River / Mata Au from other sub-catchments is far less.

run-off. Most growers apply a lot less Nitrogen than 5kg/ha and only use enough to grow sufficient canopy.

- 4.3 Additionally, Central Otago has a higher proportion of organically managed vineyards than any other region in New Zealand at approximately 17%, with another 6% currently going through the 3-year conversion process. The shift to organically managed viticulture appears to be continuing and is encouraged by COWA.
- 4.4 For the above reasons, viticulture has a relatively low impact on land and water resources which COWA considers ought to be recognised in the PORPS as a sustainable agricultural land use.

5. Relief Sought

- 5.1 COWA seeks a decision of the Independent Freshwater Commission which recognises and provides for the unique properties of viticulture as a low impact user of water in Otago. The end-goal of this submission will be to create a bespoke Viticulture Chapter in the future Land and Water Regional Plan to be notified by end of 2023 which self-contains all matters relating to viticulture to a single area.
- 5.2 To facilitate that end goal, COWA seeks to amend the PORPS as set out at **Appendix 1**, including any such similar, other, or consequential relief which provide for the general outcome sought by this submission.



Simon Peirce
Counsel for Central Otago Winegrowers Association

Dated 28 November 2022

#	Provision	Support/Oppose	Reason for views	Relief Sought
SRMR – Significant resource management issues for the region				
1	SRMR–I5 – Freshwater demand exceeds capacity in some places <i>Impact Snapshot – Economic</i>	Support in part	COWA supports this impact statement on the basis that a reduction in the availability of freshwater can result in devastating economic effects for viticulture, including both the loss of a crop for a season or the loss of those vines.	Retain Impact Snapshot – Economic Or otherwise amend to give effect to the relief sought in this submission.
2	SRMR–I6 – Declining water quality has adverse effects on the environment, our communities, and the economy	Oppose in part	<p>COWA acknowledges that declining water quality is an issue for some areas and catchments and that improvement may be required. However, this can often be a consequence of poor land management practices from certain types of agriculture or industry.</p> <p>Viticulture, in comparison to other agriculture, has a very low impact on freshwater and soils. Industry guidelines and certification requirements ensure that water and fertiliser use is accounted for and only used so far as is required to achieve an optimal crop. As a result, nutrient leaching is very low to negligible for viticulture.</p>	<p>Amend SRMR-I6 – Context</p> <p><i>Water</i> quality affects a wide range of environmental health factors, human survival needs, and cultural, social, recreational, and economic uses. Some of the biggest impacts on <i>water</i> quality in Otago are considered to come from <u>poorly managed</u> agriculture and urbanisation, through diffuse <i>discharges</i> and point source <i>discharges</i>.</p>

#	Provision	Support/Oppose	Reason for views	Relief Sought
LF-WAI – Te Mana o Te Wai				
3	LF-WAI-O1 - Te Mana o te Wai	Oppose in part	<p>It is understood that this objective has been included to give effect to the Objective of the NPSFM – that goal is supported.</p> <p>However, this provision is not an accurate reflection of the prioritisation matrix contained in the NPSFM which first prioritises the health and well-being of water bodies and freshwater ecosystems, then the health needs of people (including but not limited to drinking water) and thirdly the ability for people and communities to provide for their well-being now and into the future.</p> <p>It is considered that the term ‘mauri’ does not provide an objective measure to assess whether a water body is being protected, or restored where degraded.</p> <p>Additionally, restored is not a term used with respect to freshwater resources in the NPSFM (except in respect of natural wetlands). ‘Restored’ is an end- state term and does not direct how that is to be achieved.</p>	<p>Amend LF-WAI-O1 as follows</p> <p>The <u>health and wellbeing</u> mauri of Otago’s water bodies and their health and well-being is protected, and <u>improved</u> restored where it is degraded, and the management of land and water recognises and reflects that:</p>
4	LF–WAI–P1 – Prioritisation	Oppose in part	This policy does not accurately reflect the prioritisation matrix in the NPSFM Objective,	Amend LF-WAI-P1 to reflect the Objective of the NPSFM.

#	Provision	Support/Oppose	Reason for views	Relief Sought
			nor does it reflect any policies in the NPSFM.	
5	LF–WAI–PR1 – Principal reasons	Oppose in part	<p>The principal reason does not accurately reflect the fundamental concept of Te Mana o Te Wai as set out in the NPSFM which is a comprehensive approach that understands the intersectionality between the health of freshwater, people and the environment. Te Mana o Te Wai is about achieving balance between water, the environment and people.</p> <p>References to decision making frameworks in the policy should be excluded from this policy as it is not a function of Te Mana o Te Wai.</p>	<p>LF–WAI–PR1 – Principal reasons</p> <p>In accordance with the NPSFM, councils are required to implement a framework for managing <i>freshwater</i> that gives effect to <i>Te Mana o te Wai</i>. This places the mauri (life force) of the water at the forefront of decision making, recognising te hauora o te wai (the health of the water) is the first priority, and supports te hauora o te taiao (the health of the environment) and te hauora o te takata (the health of the people). It is only after the health of the water is sustained that water can be used for economic purposes. Giving effect to <i>Te Mana o te Wai</i> requires actively involving <i>takata whenua</i> in <i>freshwater</i> planning and management.</p>
LF-VM - Visions and Management				
6	LF–VM–O2 – Clutha Mata-au FMU vision	Oppose in part	<p>Viticulture in Otago are primarily located within Central Otago and the Clutha Mata-Au FMU. Viticulture is an important activity for supporting the social and economic wellbeing of people and communities in Central Otago and supports both agricultural, tourism, retail and hospitality industries. COWA consider that this activity should be specifically recognised as a vision for this FMU.</p>	<p>Amend LF-VM-02 Clutha Mata-Au FMU Vision to specifically recognise the importance of the provision of water to support viticulture in Otago, including through the additional sub-clause and amendments:</p> <p><u>(X) water is allocated to viticulture to support sustainable production and to provide for the social and economic wellbeing of people and communities.</u></p> <p>(7)(b)(ii) innovative and sustainable <i>land</i> and <i>water</i> management practices <u>are enabled to support viticulture and</u></p>

#	Provision	Support/Oppose	Reason for views	Relief Sought
				food production in the area and reduce discharges of nutrients and other <i>contaminants</i> to <i>water bodies</i> so that they are safe for human contact, and
LF-FW Freshwater				
7	LF-FW-O8 – Fresh water	Oppose in part	<p>COWA considers that the function of freshwater in supporting the health and wellbeing of people and communities should be highlighted in this objective. As notified, Objective 8 is the only objective directly addressing freshwater but does not currently reflect the management hierarchy set out in the NPSFM objective.</p> <p>As a result of the above, the objective should be amended to record that water abstraction is the method to provide for the health and wellbeing of people and communities.</p>	<p>Amend LF-FW-O8 – Fresh water as follows:</p> <p>In Otago's water bodies and their catchments:</p> <ol style="list-style-type: none"> 1) the health of the wai supports the health of the people and thriving mahika kai, 2) <u>Enable people and communities to provide for their social, economic, and cultural wellbeing through environmental outcomes, attribute states and limits,</u> 3) water flow is continuous throughout the whole system, 4) the interconnection of fresh water (including groundwater) and coastal waters is recognised, 5) native fish can migrate easily and as naturally as possible and taoka species and their habitats are protected, and 6) the significant and outstanding values of Otago's outstanding water bodies are identified and protected.
8	LF-FW-P7 – Fresh water	Oppose in part	Viticultural activities are subject to strict industry guidelines set by SWNZ which require auditing and monitoring of water abstraction. Winegrowers are further incentivised to use water efficiently because of the effect that overwatering can have on the quality of	<p>Amend LF-FW-P7 – Fresh water as follows:</p> <p>(6) <i>fresh water</i> is allocated within environmental limits and used efficiently.</p>

#	Provision	Support/Oppose	Reason for views	Relief Sought
			grapes. The viticulture industry is therefore already well equipped with land management practices to ensure that water is used efficiently and it is considered that this should be taken into account.	(7) <u>Freshwater is used efficiently taking in to account the nature of the waterbody that water is to be taken from and the land-use activity the water will be used for.</u>
9	LF–FW–M6 – Regional plans	Support in part, subject to amendments	<p>COWA has collaborated closely with the Regional Council to provide a better understanding of viticulture in Otago. It is considered that a bespoke viticulture chapter (or set of provisions) should be provided for in the Land and Water Regional Plan which is to be notified by 31 December 2023 which recognises that those activities can effectively be 'self-regulated' with respect to water use as a consequence of industry auditing and certification.</p> <p>It is acknowledged that this PORPS only addresses Freshwater Provisions. However, it is important that those provisions are enabling of viticulture activities, including water take and use.</p>	<p>Support LF–FW–M6(5) – Regional plans or amend to support water take and use for viticulture activities.</p> <p>As further relief, amend to provide a mechanism for consideration of Freshwater Farm Plans using Sustainable Winegrowing New Zealand data.</p>
10	LF–FW–PR3 – Principal reasons	Support in part, subject to amendments	COWA acknowledges the importance of water bodies to the regions and Kai Tahu beliefs and traditions. However, there is no explanation in the principal reasons which highlights the importance and value of freshwater to people and communities, particularly viticulture and other agriculture which has come to rely on	<p>Amend LF–FW–PR3 – Principal reasons as follows:</p> <p>Otago's <i>water bodies</i> are significant features of the region and play an important role in Kāi Tahu beliefs and traditions <u>and enable people and communities to provide for their social, economic, and cultural wellbeing.</u></p>

#	Provision	Support/Oppose	Reason for views	Relief Sought
			water as the backbone of those industries.	
11	LF-FW-AER	Oppose in part	LF-FW-AER is framed to reflect the provisions of LF-FW and may need to be amended to reflect any additional provisions or changes made as sought by this submission.	Consequential amendments to LF-FW-AER to give effect to the relief sought.