

Policy Overview - August 2020

Essential Freshwater Policy Package

What is the focus of the policy?

Improving freshwater quality and management in New Zealand.

Why is this important?

Freshwater is an essential resource, and is critical to food production, human health, biodiversity, and recreation. The Our Freshwater 2020 report highlighted the challenge for water quality in New Zealand's farmed landscapes. Under pastoral land use, nitrogen and *E. coli* concentrations in waterways were many times higher than those under native land cover (11 and 18 times, respectively). In addition, in-stream concentrations of phosphorus were three times higher and turbidity (sediment load) was double. Despite many water quality trends showing improvement in recent years, the majority of rivers in farming areas are still classified as polluted.

Which sectors will this policy impact?



This policy will affect a range of sectors. Particular emphasis has been placed on high-input, intensively grazed livestock systems.

How will this policy drive change?

There are four policy documents under the Essential Freshwater package. These are listed below and will take effect from 3 September 2020:

- National Policy Statement for Freshwater Management (NPS-FM 2020)
- National Environmental Standards for Freshwater (NES-FW)
- Resource Management (Stock Exclusion) Regulations 2020
- Resource Management (Measurement and Reporting of Water Takes) Regulations 2010

This policy package is designed to strengthen existing freshwater policy and legislation in New Zealand.

What effects will this have on-farm?

Synthetic nitrogen fertiliser cap

Synthetic nitrogen includes any manufactured fertiliser product (solid or liquid) that is more than 5% nitrogen by weight and is applied to plant or soil for nutrition. Excludes dairy effluent, compost, animal or plant waste.

- A cap of 190 kg N/ha/yr averaged across grazed land on a farm (includes forage crops); **and**
- A cap of 190 kg N/ha/yr applied to any one hectare of pasture grazed by livestock (excludes forage crops)
- From 2021/22 season, dairy farms required to report nitrogen use by 31 July each year
- Consent required if nitrogen use exceeds 190 kg N/ha/yr

A paddock used for forage cropping may receive more than 190 kg N/ha/year, **but** this must be offset by lower applications to the grazed pastoral area on the farm.

A crop or paddock that is not used to graze livestock (e.g. maize grain/silage) is excluded from these restrictions.

Intensive winter grazing

Intensive winter grazing applies to any annual forage crop grazed by livestock at any time between 1 May and 30 September in any one year.

Areas used for intensive winter grazing from 2021 onwards must comply with the Certified Freshwater Farm Plan.

If no plan exists, the following conditions must be met for the cropped area:

- No greater than 50 ha or 10% of the property, whichever is greater
- Paddock must have a mean slope $\leq 10^\circ$
- Pugging covers $\leq 50\%$ of the area (>5 cm depth), **and** pugging is no deeper than 20 cm (excluding around fixed structures)
- All livestock kept ≥ 5 m away from rivers, lakes, wetlands and drains at all times
- Replanted as soon as practical, but no later than 1st October of same year
 - Exception: Otago/Southland 1st November of same year
- The area of winter grazing is no greater than the maximum extent used for winter grazing between 1 July 2014 and 30 June 2019

Areas that do not comply with all of the conditions above will need a resource consent by 31 October 2021.



Intensification and land use change

From 3 September 2020, converting more than 10 ha of land to a more intensive land use will require resource consent. These changes include converting from forestry to pastoral, pastoral to dairy or dairy support, or increasing the irrigated area in a dairy system.

To acquire resource consent, landowners must demonstrate that the environmental impacts attributed to the land use will not increase. These rules are in place until 2025, when it is expected they will be superseded at a regional level.

Stock exclusion

A series of stock exclusion rules will be phased in from 3 September 2020. These rules require a 3 m setback from the edge of a lake or river more than 1 m wide. Specifically:

- All dairy cattle, pigs, intensive beef and deer on all slopes from 2023
- All beef cattle and deer on low-slope land ($\leq 10^\circ$), and dairy support from 2025
- All cattle, deer and pigs excluded from currently mapped wetlands from 2023, and all other wetlands from 2025
- Does not apply to sheep

A fence that is already in place on 3 September 2020, meets the minimum standards, and excludes animals from a waterway can remain in place (even if it is less than 3 m from the edge of the waterway).

Wetland management

Disturbance of wetlands (i.e. earthworks, vegetation clearance) within 10 m of a natural wetland is only permitted for a selection of reasons (e.g. restoration, scientific research, and clearing debris).

Councils must be notified of these activities with at least 10 days' notice, and consent will be required in certain circumstances.

Feedlots and stock holding areas

Feedlot includes a stockholding area where cattle are kept for at least 80 days in any 6-month period, and are fed exclusively by hand or machine.

Feedlots will likely require resource consent, and will need to meet a series of minimum standards concerning permeability, effluent management, and proximity to waterbodies.

Stock holding areas include feed pads, winter pads, standoff pads, and loafing pads.

Stock holding areas are permitted so long as they are included in the Certified Freshwater Farm Plan, or meet the minimum standards. If not, a resource consent is required from winter 2021.

Measurement and Report of Water Takes

From 2023, irrigation consent holders who take 5-20 litres of water/second or more must:

- Measure their water use every 15 minutes
- Store their records
- Electronically submit their records to their council every day

Who is charged with implementation / who will pay?

Regional Councils will be responsible for implementing and monitoring the freshwater policy in their region.

Consenting requirements for on-farm activities have increased. Affected landowners that cannot farm within the rules above will need to apply for consents to perform these activities.

Some farm system changes could also result in significant costs for those farmers. For example, those needing to reduce the rate of applied nitrogen.

Does it impact on urban people too?

Yes, but changes in the urban environment will be implemented by councils, rather than landowners.

It is likely that water supply infrastructure in certain towns and cities will need to be upgraded due to new requirements in this policy. The costs to ratepayers may be significant.

I need some expert advice - who can I contact?

To talk through this document, consult your local **Balance Nutrient Specialist**.

For an in-depth discussion around the policy details, or for more information around what changes you will be required to make on your farm - consult your land/catchment management officer from your **Regional Council**, or one of our specialist **Farm Sustainability Services team members**.

Key policy milestones

3 September 2020

- Consent required for land use intensification
- Wetland management rules apply



1 May 2021

- Winter grazing restrictions apply, consent required



1 July 2021

- N fertiliser cap applies
- Stock holding restrictions apply (consent required)



2023

- Water use reporting required
- Stock exclusion rules apply (dairy, intensive beef, etc.)



2025

- Further stock exclusion rules apply (extensive beef, deer)