



Understanding the synthetic nitrogen fertiliser cap

A quick guide to implementing the cap on dairy farms

This is a summary of the nitrogen cap regulations that came into effect on 1 July 2021. For more detail, read the guidance on the [Ministry for the Environment website](#).

What is the cap and when does it apply?

From 1 July 2021, applying synthetic nitrogen fertiliser to grazed land is limited to 190 kilograms of nitrogen per hectare per year (kgN/ha/yr).

You can apply more than this to your annual forage crops, but only if the average across your combined pasture, forage crops and other pastoral use land does not exceed 190 kgN/ha/yr.

Talk to your regional council, farm advisor, or industry body for further details that might apply to your unique situation.

Key points

- You need to plan your annual use of synthetic nitrogen fertiliser to stay within the cap.
- Regional council permission is required to exceed the cap.
- From July 2022, you must provide a report to your regional council detailing your use of synthetic nitrogen fertiliser in the past year. You may already provide some of this information through an industry assurance programme with your dairy company but will need to make sure that it meets the nitrogen cap requirements.
- The cap only covers synthetic nitrogen applied to vegetation that will be grazed. This includes crops that are temporarily grazed before being harvested (eg, some silage, hay, cut-and-carry forage, horticulture and forestry). But if it is not grazed, its synthetic nitrogen is not capped.
- The cap does not apply to fertilisers whose nitrogen is from biological sources (plants and animals), such as compost, dairy effluent, or chicken manure.

What is synthetic nitrogen fertiliser?

Synthetic nitrogen fertiliser is any solid or liquid substance that is more than five per cent nitrogen by dry weight and is applied to land as a source of nitrogen nutrition for plants. Examples include manufactured urea, diammonium phosphate and sulphate of ammonia.

When doesn't the cap apply?

The cap does not apply on land that is not grazed between fertiliser spreading and harvest. This includes ungrazed arable cropping, silage, hay, cut-and-carry forage, horticulture, and forestry land.

Composts, soil treatments and other fertilisers derived from plant or animal sources are also excluded, including minimally processed pellets, chicken manure, and dairy effluent.

What steps do I need to take?

- Decide who will ensure that your dairy farm complies with the nitrogen cap
- Work out the areas of the farm that the cap applies to
- Calculate how much synthetic nitrogen fertiliser you will use over the next 12 months
- Reduce this if it will exceed the cap, or apply for a non-complying activity consent
- Starting in July 2022, send your regional council a yearly report on your synthetic nitrogen use.

What must I report to the council?

You might already record some of the required information as part of your supply agreement with your dairy company, but you might need to report it in a different format with extra calculations.

Your regional council, farm advisor or industry body can clarify what is needed, but it will include:

- receipts or other documentation of your purchases of synthetic nitrogen fertiliser
- the percentage of nitrogen each fertiliser contains
- records of when the fertilisers were spread on the land block containing your dairy platform
- how many kgN/ha/yr went onto forage crops, all the pastoral land, and all the ungrazed land.

Reporting templates will be available from your dairy company, fertiliser providers or regional council, to help make the process as efficient as possible.

What are my options if I am over-cap?

If your nutrient budget shows that you will exceed 190 kgN/ha/yr, you must either reduce your use or apply for a non-complying activity consent from your regional council. You have two options:

- consent for up to five years if you can provide an expert report satisfying the council that the nitrogen losses will be no more than if 190 kgN/ha/yr were spread using good practices
- consent until 1 July 2023, if you can show how you will reduce to the nitrogen cap limit by then.

Your regional council can provide more details on applying for a non-complying activity consent.

