



PROACTIVE RELEASE COVERSHEET

Minister	Hon Andrew Hoggard Hon Todd McClay	Portfolio	Associate Environment Minister of Agriculture
Name of package	Signalling improvements to freshwater farm plans	Date to be published	15/07/2023

List of documents that have been proactively released		
Date	Title	Author
18 March 2024	Cabinet paper: Signalling improvements to freshwater farm plans	Ministry for the Environment
2 April 2024	CBC-24-MIN-0014 - Cabinet Business Committee Minute of Decision	Cabinet Office
<p>Information redacted YES</p> <p>Any information redacted in this document is redacted in accordance with the Ministry for the Environment's policy on proactive release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.</p> <p>Summary of reasons for redaction</p> <p>Some information has been withheld from <i>Cabinet paper: Signalling improvements to freshwater farm plans</i> under Section 9(2)(f)(iv) of the Official Information Act to maintain the confidentiality of advice tendered by Ministers of the Crown and officials.</p>		

[© Crown Copyright, Creative Commons Attribution 4.0 International \(CC BY 4.0\)](#)

Policy and Privacy

In-Confidence

Office of the Associate Minister for the Environment

CBC – Cabinet Business Committee

Signalling improvements to freshwater farm plans

Proposal

- 1 This paper outlines the Minister of Agriculture's and my intentions to improve the existing freshwater farm plan (FW-FP) system, our priority focus areas, and forward work programme. I also seek approval to announce these intentions to provide farmers, industry, and councils certainty about the Government's next steps.

Relation to Government priorities

- 2 The National-Act Coalition agreement signalled the Government's intention to 'improve farm environment plans so they are more cost-effective and pragmatic for farmers'. The National Party Manifesto also stated that 'National will consider whether a risk-based approach for FW-FPs is practical and whether the current deadline is achievable.'

Background

- 3 Part 9A of the Resource Management Act 1991 (RMA) established FW-FPs as a regulatory tool that supports farmers and growers to identify, manage, and reduce on-farm risks to freshwater, in a way that is tailored to their individual conditions, operating system, and catchment needs. More information about how farm plans work at Appendix 1.
- 4 FW-FP regulations (under Part 9A) came into force on 1 August 2023 and are being phased in region-by-region. So far, they have been applied in Southland and Waikato (from 1 August 2023), Otago and West Coast (from 1 February 2024). They will go live in Horizons (from 1 April 2024). This will bring the total number of farm enterprises operating under the FW-FP regulations to approximately 20,424. Currently, no freshwater farm plans have been submitted to councils in these regions.
- 5 Future regional roll-out decisions are currently set to be informed by the availability of local FW-FP planning capacity and the status of council freshwater planning processes.

Analysis

- 6 FW-FPs were developed out of a recognition that traditional RMA instruments (i.e. consents and council rule-making) are not flexible enough to address individual farm circumstances. Industry has also advocated for more reliance on FW-FPs and less on hard rules in the RMA to manage freshwater risks.
- 7 I see FW-FPs as a key tool in managing freshwater risks moving forward. However, stakeholders have raised concerns with the current system. We are hearing from the sector that costs of the current FW-FP system are too high, and that its process

requirements are overly complex. Industry stakeholders are also seeking for the FW-FP system to become more risk-based.

- 8 I also have concerns that the current system does not provide enough recognition of existing industry efforts. It also does not enable catchment and other community groups to exercise a leadership role in the development and implementation of improved freshwater management outcomes.
- 9 The Minister of Agriculture and I therefore consider that improvements to the current FW-FP system are needed to address these significant issues.

Priorities for the FW-FP system moving forward

- 10 The development of an enduring and effective FW-FP system needs to prioritise:
 - 10.1 reducing regulatory burden by creating integration pathways for existing farm environment plan initiatives and industry assurance programmes,
 - 10.2 providing farmers with greater flexibility to find the right freshwater management solutions for their farm and catchment area,
 - 10.3 enabling catchment level solutions and empowering local communities to lead freshwater farm planning,
 - 10.4 reviewing FW-FP certification and audit requirements to reduce unnecessary cost,
 - 10.5 reducing duplication for farmers and growers.
- 11 I will be directing officials to explore what improvements can be made to the FW-FP system to achieve these priorities. I consider that having a nationally consistent FW-FP system is important to managing risks to freshwater. However, it is essential that FW-FPs fulfil their original objective of providing a practical tool that supports farmers and growers to reduce the impact of their farming operation on their local freshwater environment.
- 12 I see more recognition of existing industry processes, ensuring that the system is more risk-based, and simplifying and cutting costs from certification and audit requirements as key to this work.
- 13 In making these improvements, I will ensure that FW-FPs are underpinned by a quality assurance process that (while cost effective and pragmatic) delivers on local freshwater outcomes and supports New Zealand's reputation as a leader in sustainable farming. It will also be important that councils and communities retain confidence in the robustness of FW-FPs— otherwise they will not deliver as an effective alternative to rules and consents.
- 14 In the interim, I want to continue working with industry on recognising existing industry programmes in the FW-FP system. Accordingly, while wider improvements are developed, the Ministry for Primary Industries (MPI) and Ministry for the Environment (MfE) will prioritise work with industry organisations to provide a pathway for integrating existing industry programmes within the FW-FP system.

Providing the sector clarity by pausing the current system

- 15 FW-FP regulations currently apply to several regions. To provide certainty (and ensure that farm operators who are already subject to FW-FP requirements are not disadvantaged) I intend to explore pausing FW-FP requirements while improvements are being developed. It will be important to work closely with councils on this approach.
- 16 It will also be important to fully understand the impacts of this pause on the future demand for farm plan advisors. After engaging with councils (and further analysis of any impacts, which may require further engagement) I will return to Cabinet to seek a decision on whether current FW-FP implementation should be paused or slowed, and how to implement this decision. Indicative timeframes for returning to Cabinet for decisions on this work are set out in the work programme below.

Aligning freshwater farm plans changes with the Government’s broader freshwater management decisions

- 17 I am conscious that any decisions made about FW-FPs will impact (and should align with) the Government’s overall approach to freshwater management. (including decisions on stock exclusion and intensive winter grazing).
- 18 Minister McClay and I also intend to seek Cabinet approval on several proposals relating to stock exclusion and Intensive winter grazing. In considering pausing or improving the current FW-FP system, Minister McClay and I will ensure we avoid creating any significant regulatory gaps in how FW-FP interact with the Government’s decisions on stock exclusion and intensive winter grazing.

Suggested next steps

19 9(2)(f)(iv) [Redacted]

20 9(2)(f)(iv) [Redacted]

9(2)(f)(iv) [Redacted]

Consultation

- 21 This paper was jointly developed by MPI and MfE. Further consultation will be undertaken as work on improvements to FW-FPs progresses.

Communications

- 22 Councils, industry and farmers need clarity and certainty about our FW-FP intentions. I recommend that the Minister of Agriculture and I be jointly responsible for publicly communicating the Government's views on FW-FPs. To support this, we intend to put out a press release outlining our intentions and planned next steps for FW-FPs later in April 2024.

Proactive Release

- 23 I intend to release the Cabinet paper proactively, subject to redaction as appropriate under the Official Information Act 1982.

Recommendations

The Associate Minister for the Environment recommend that the Cabinet Business Committee:

- 1 note stakeholders have raised significant concerns with the current freshwater farm plan (FW-FP) system
- 2 note the Minister of Agriculture and I consider that improvements to the current FW-FP system are needed to address the significant issues raised by stakeholders
- 3 note I will be directing officials to explore what improvements should be made to the FW-FP system to:
 - a. reduce regulatory burden by creating integration pathways for existing farm environment plan initiatives and industry assurance programmes,
 - b. provide farmers with greater flexibility to find the right freshwater management solutions for their farm and catchment area,
 - c. enable catchment level solutions and empowering local communities to lead freshwater farm planning,
 - d. review FW-FP certification and audit requirements to reduce unnecessary cost,
 - e. reduce duplication for farmers and growers.
- 4 note that I consider that a nationally consistent FW-FP system is important for managing risks to freshwater
- 5 note that in making these improvements, it will be important that councils and communities retain confidence in the robustness of FW-FPs
- 6 note that, in the interim, I will continue to work with industry on recognising existing industry programmes in the FW-FP system
- 7 note I intend to explore pausing FW-FP requirements while improvements to the FW-FP system are being developed

IN CONFIDENCE

- 8 note Minister McClay and I will ensure we avoid creating any significant regulatory gaps in how FW-FP interact with the Government's decisions on stock exclusion and intensive winter grazing
- 9 note that I will return to Cabinet with more specific recommendations on improving the current FW-FP system, and how best to pause or slow the application of current regulations while improvements are developed
- 10 agree that the Minister of Agriculture and I be jointly responsible for publicly communicating the Government's views on FW-FPs
- 11 note that, if the above recommendation is agreed, the Minister of Agriculture and I intend to put out a press release outlining our intentions and planned next steps for FW-FPs later in April.

Authorised for lodgement

Hon Andrew Hoggard

Associate Minister for the Environment

Appendix 1: What is a freshwater farm plan?

Farm plans are an established tool used by industry and councils to help farmers and growers manage their farms in way that reduces environmental impacts.

A farm plan does this by helping farmers identify the environmental risks on their farm and plan practical on-farm actions they can take to manage those risks. A plan will typically include:

- the identification of on-farm areas of risk (like waterways and critical source areas).
- actions to manage those risks (such as plan to strategically fence/ exclude stock from waterways, or actions to manage intensive winter grazing).

The type of actions a freshwater farm plan contains will be tailored to the individual farm and consider the type and scale of the farm, operational practices, and local catchment.

A robust and trusted farm planning system can support regions to take a fit for purpose and risk-based approach to managing impacts on the environment.



Cabinet Business Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Signalling Improvements to Freshwater Farm Plans

Portfolio **Associate Environment**

On 2 April 2024, the Cabinet Business Committee:

- 1 **noted** that stakeholders have raised significant concerns with the current freshwater farm plan (FW-FP) system;
- 2 **noted** the Minister of Agriculture and the Associate Minister for the Environment (the Associate Minister) consider that improvements to the current FW-FP system are needed to address the significant issues raised by stakeholders;
- 3 **noted** that the Associate Minister will be directing officials to explore what improvements should be made to the FW-FP system to:
 - 3.1 reduce regulatory burden by creating integration pathways for existing farm environment plan initiatives and industry assurance programmes;
 - 3.2 provide farmers with greater flexibility to find the right freshwater management solutions for their farm and catchment area;
 - 3.3 enable catchment-level solutions and empowering local communities to lead freshwater farm planning;
 - 3.4 review FW-FP certification and audit requirements to reduce unnecessary cost;
 - 3.5 reduce duplication for farmers and growers;
- 4 **noted** that the Associate Minister considers that a nationally consistent FW-FP system is important for managing risks to freshwater;
- 5 **noted** that in making these improvements, it will be important that councils and communities retain confidence in the robustness of FW-FPs;
- 6 **noted** that, in the interim, the Associate Minister will continue to work with industry on recognising existing industry programmes in the FW-FP system;
- 7 **noted** that the Associate Minister intends to explore pausing FW-FP requirements while improvements to the FW-FP system are being developed;

- 8 **noted** that the Minister of Agriculture and the Associate Minister will ensure that they avoid creating any significant regulatory gaps in how FW-FP interact with the Government's decisions on stock exclusion and intensive winter grazing;
- 9 **noted** that the Associate Minister intends to return to the Cabinet Economic Policy Committee with more specific recommendations on improving the current FW-FP system, and how best to pause or slow the application of current regulations while improvements are developed;
- 10 **agreed** that the Minister of Agriculture and the Associate Minister be jointly responsible for publicly communicating the Government's views on FW-FPs;
- 11 **noted** that the Minister of Agriculture and the Associate Minister intend to put out a press release later in April 2024 outlining their intentions and planned next steps for FW-FPs.

Jenny Vickers
Committee Secretary

Present:

Rt Hon Christopher Luxon (Chair)
Hon David Seymour
Hon Nicola Willis
Hon Chris Bishop
Hon Brooke van Velden
Hon Shane Jones
Hon Dr Shane Reti
Hon Simeon Brown
Hon Erica Stanford
Hon Paul Goldsmith
Hon Judith Collins
Hon Todd McClay
Hon Andrew Hoggard

Officials present from:

Department of the Prime Minister and Cabinet