Submission

17 July 2023

TO THE

Ministry for the Environment & Ministry for Primary Industries

ON THE

Stock Exclusion Regulations 2020

BY

Beef + Lamb New Zealand Limited, Federated Farmers of New Zealand, and Deer Industry New Zealand

To: Ministry for the Environment

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Submission

A. Executive Summary

Beef + Lamb New Zealand (B+LNZ), Federated Farmers of New Zealand, and Deer Industry New Zealand (DINZ) welcome the opportunity to make a joint submission on the Resource Management (Stock Exclusion) Regulations 2020. We acknowledge the Government's efforts to resolve some of the concerns previously highlighted by submitters and believe the consultation materials are a positive step in the right direction.

B+LNZ, Federated Farmers, and DINZ believe that stock exclusion requirements should be flexible enough for farmers to adapt and innovate to meet the multiple demands on their businesses, and also allow Regional Councils to fulfil unique catchment values. Therefore, it is positive to see that the government has listened to some of the sector's concerns and proposed a variety of options that aim to be more workable for farmers individual farming systems, rather than a national one-size-fits-all tool. In particular, it has long been our position that the low slope map be removed and replaced with a more effective general rule designed to accommodate regional difference.

We are broadly supportive of the proposed options relating to non-intensively grazed beef cattle and deer. However, we have some concerns about the complexity, implementation, and monitoring of some of the proposed options and suggest further guidance and detail about what these will involve is required.

Our initial analysis of the options indicates that Freshwater Farm Plans (FW-FPs), either as an exception or alternative, could be the best option to manage exclusion of beef cattle and deer from waterbodies. However, there are still significant details to work through to fully understand what the proposals would mean for farmers. It is imperative that these details are worked through with the industry. As such, B+LNZ, Federated Farmers, and DINZ request to work with Government to help develop this detail to ensure that changes to the regulations are outcomes driven, practical, fair, and workable for farmers.

B. Introduction

Beef + Lamb New Zealand (B+LNZ), Federated Farmers, and Deer Industry New Zealand (DINZ) welcome the opportunity to provide feedback on the proposed changes to the low slope map incorporated by reference in the Resource Management (Stock Exclusion) Regulations 2020. We acknowledge the Government's efforts to resolve some of the concerns previously highlighted by submitters.

B+LNZ is an industry-good body mandated to represent sheep and beef farmers, funded under the Commodity Levies Act through a levy paid by producers on all cattle and sheep slaughtered in New Zealand. B+LNZ represents around 9,000 farming businesses, providing around 35,000 jobs across New Zealand. The sector is a significant contributor to New Zealand's economic wellbeing. Export revenue from New Zealand's red meat industry for the year ending 30 June 2023 are projected to be $11.9 billion[1]. Yet, we have continually made eco-efficiency gains in how red meat is produced. Collectively sheep and beef farmers have maintained meat production, while decreasing the total number of animals farmed and their environmental footprint. B+LNZ's vision is 'Sustainable and profitable farmers, thriving rural communities, valued by New Zealanders'.

Federated Farmers of New Zealand is a membership organisation, which is mandated by its members to advocate on their behalf and ensure representation of their views. Federated Farmers does not collect a compulsory levy under the commodities levy act and is funded from voluntary membership.
Federated Farmers represents rural and farming businesses throughout New Zealand. We have a long and proud history of representing the needs and interests of New Zealand's farmers.
Federated Farmers aims to empower farmers to excel in farming. Our key strategic outcomes include provision for an economic and social environment within which:

- Our members may operate their business in a fair and flexible commercial environment;
- Our members' families and their staff have access to services essential to the needs of a vibrant rural community; and
- Our members adopt responsible management and sustainable food production practices.

DINZ is a levy funded industry-good body established by the Deer Industry New Zealand Regulations (2004) under the Primary Products Marketing Act 1953 to promote and assist the development of the New Zealand deer industry. Its vision statement is 'A strong, stable, profitable industry for all participants.' DINZ's levy payers are producers and processors of venison and velvet. There are roughly 1,200 deer farmers and 7 venison processing plants with approximately one million animals on farms. The deer industry is the youngest pastoral-based industry in New Zealand with the first deer farm licence issued in 1970 but provides complementary land use, diversified markets and additional revenue to other pastoral farming industries.

[1] Situation and Outlook for Primary Industries, June 2023. Ministry for Primary Industries

The sheep, beef, and deer industries are diverse, adaptable, and very resilient. An important part of our roles as industry bodies is investing in building capability and capacity to support a vibrant, resilient, and profitable agricultural sector based around thriving communities; A particular emphasis is placed on supporting farmers' ethos of environmental stewardship and prioritising sustainable farming systems. Protecting and enhancing New Zealand's natural capital and economic opportunities through a holistic approach to environmental management is fundamental to the sustainability of the red meat sector and to New Zealand's wellbeing for current and future generations.

B+LNZ, Federated Farmers, and DINZ support the intent of the proposed changes to the s360 stock exclusion regulations to prioritise exclusion of stock where exclusion provides an efficient and effective method to prevent the direct deposition of pathogens, and damage to the bed or banks of waterbodies.

It is important to note that changes proposed by this consultation are not in relation to high intensity farming. As such the farming systems that are likely to fall into any exception or FW-FP alternative regime are already largely non-intensive by nature. Additionally, Regional Councils already have obligations and tools under the wider Essential Freshwater package that will contribute to water quality outcomes, such as FW-FPs and Freshwater plans under the National Policy Statement for Freshwater Management (NPS-FM). If achieving freshwater outcomes requires more stringent measures that those in any stock exclusion requirements, Regional Councils can implement stronger requirements through other mechanisms.

It is positive to see that the Government has listened to some of the sector's concerns. In addition to concerns raised in their own prior submissions, B+LNZ and DINZ support points previously raised by Federated Farmers, specifically that the use of low slope land as a proxy for identifying intensively farmed land is inherently flawed as it assumes that land with a slope between 0-5 degrees will have a high stocking rate and that this will result in adverse environmental effects. The consultation material considers removing or creating exceptions to the low slope map. This is a positive step forward and reflects the low impact nature of most non-intensively grazed beef cattle and deer farming systems, regardless of slope.

B+LNZ, Federated Farmers, and DINZ have engaged with our farmers in forming our response to this consultation. Engagement has included a farmer survey (of which results are shared throughout this submission), individual farmer conversations and targeted discussions with groups of farmers. Farmer feedback, alongside policy analysis, has strongly informed the views and positions put forward in this submission. We have also encouraged farmers to provide their own individual submissions on the consultation, including providing specific examples from their farms.

We received 342 responses to our joint farmer survey, with approximately 33% of respondents preferring the farming intensity (SU/ha) option and approximately 47% preferring some form of FW-FP option. 18% did not have a preferred option. This relatively even split between the options highlights that this is a complex issue that requires further discussions with the sector to ensure practical, fair and workable regulations.

Key themes that arose from the survey results were:

1. Impracticality of fencing; both in terms of costs, and risk of damage from floods.
2. There is consensus in the farming community that there needs to be some control over stock in waterbodies, farmers just want simple and fair options to manage this.
3. Lack of confidence in regulatory direction overall.
4. The low slope map is inaccurate.

Interdependencies with other regulations need to be considered, particularly in relation to FW-FP regulations. Issues to consider included the timing of requirements under both sets of regulation and matters currently under consideration in the FW-FP space such as any future change to thresholds for requiring a FW-FP, and proposed equivalence pathways for industry assurance plans.

There is a key opportunity going forward for industry to work collectively with officials to develop chosen options and work through associated issues and interdependencies, to make sure that changes will both achieve outcomes and be workable on the ground.

C. General Submission

In line with the above, we have identified some key issues with the current regulations. These issues are expanded on throughout our answers to the discussion document questions below. A summary of our analysis of the three options proposed in the discussion document is also attached as Appendix 1.

Core issues with current stock exclusion regulations:

1. Firstly, regulations 14 and 15 are difficult to apply in practice for extensively grazed, low intensity farms, in terms of both stock exclusion and stock crossings.

   For example, a large river run farm that has very low stocking rates grazing over an extensive area, sometimes on a mix of private, DoC, and LINZ land. The cost of fencing these systems is prohibitive, and generally they are in locations with high water quality despite generations of farming, due to the low intensity nature of the systems. Therefore, the potential environmental benefit from this mitigation is low while the cost is high.

2. Regulation 14(b) relating to stock crossings is challenging in situations where the cost of bridging or culverting to a standard that will not be repeatedly destroyed during flood events is unattainable for many farmers.

   One of our survey respondents noted “A bridge would cost me well over $100,000 to put in. On average I wouldn't cross the river more than 24 times a year but do cross more than 2 per month at certain times”.

   Another farmer, who runs a mixed beef and deer operation, has a situation where there are multiple waterways running into the farm, which is situated on a narrow coastal strip between the mountains and the sea. River flows are highly variable, and the cost of bridging and culverting to a standard of a 1 in 15-year flood capacity has been estimated to be close to one million dollars. Full compliance with the regulations (including fencing) takes this cost substantially higher. This is cost prohibitive to achieve.

3. Excluding stock from wetlands under regulations 16, 17 & 18 is unduly restrictive. There are challenges around the cost of fencing vs the benefits, and in some cases light stock grazing is a useful method of controlling weeds. This is expanded on further under consultation questions 10, 11, and 12 below.

4. Installing reticulated water troughs throughout extensive sheep, beef and deer farming systems is also extremely prohibitive in terms of costs (pipelines, water troughs, pumping infrastructure, access to electricity), maintenance (e.g. finding and fixing water leaks), reducing stock access to drinking water (distance to travel to find a water trough), and potential consenting and compliance costs of pumping surface or ground water to reticulate around the property.

5. In some cases, the low slope map incorrectly identifies land as low slope, when physically it is not. It has been our position that the low slope map be removed and

replaced with a more effective general rule designed to accommodate regional difference. There are a multitude of factors other than slope that can dictate how intensively farmed land can be, such as climate and rainfall, farming inputs, and soil type just to name a few.

Answers to the discussion document questions:

Defining lower intensity farming for the purpose of an exception

1. ***Q**. Do you consider stocking rate (ie, SU/ha) is an appropriate measure to define lower intensity farming or do you recommend a different approach? Why?*

   Stocking rate could be an appropriate proxy for defining lower intensity farming. We appreciate that an annualized stocking rate applied to the farm as a whole is a simple concept. This was reflected in our joint industry survey, with the proposed farming intensity option being preferred by approximately 33% of respondents.

   However, there are many nuances for individual farming systems that may make relying on a stocking rate threshold complicated for farmers to implement and difficult for Regional Councils to enforce. It is common for farms to have a range of different land types, and stocking rates within the farming operation.

   Additionally, there is a lot of variation in stocking rates between and within different regions which makes it challenging to set a 'low intensity' threshold that is nationally applicable.

   For example, one respondent that completed our survey noted that they have some intensive irrigated land, dry land, lucerne, a large wetland system, improved hill country, and unimproved hill country. They consider their farm as an integrated system and have varying stocking rates across the different land types that also vary throughout the year.

   There could be unintended consequences at the paddock scale which could lead to adverse effects on waterbodies. The current proposal specifies an annualized stocking rate applied to the farm as a whole. However, there could be instances where a paddock adjacent to a waterbody is stocked at a higher rate for a period of time, thus increasing the risk to water, but the annualized stocking rate for 'low intensity' across the farm as a whole could still be being adhered to. On the other hand (as recognised in the consultation discussion document) trying to be more granular creates significant complexity.

   An alternative to defining 'low intensity' is to define 'high intensity' farming. 'Intensively grazing' is already defined in the regulations. Farming deemed 'high intensity' could be required to exclude stock from waterbodies, whereas farming activities below that threshold could be managed through FW-FPs. This is a better way to structure the regulations and will likely make the rules more acceptable to many farmers as it structures them to impose stringent controls on activities that

create damage rather than imposing blanket requirements and exempt activities that cause limited damage.

If you do agree with basing the exception on stocking rate:

2. ***Q.*** *What do you think is the appropriate stocking rate threshold (in SU/ha) for the definition of lower intensity farming and how do you think it should be calculated (eg, 2 SU/ha, per year, over the whole farm)? Why?*

   We put this question to farmers and received a range of answers from 1 SU/ha to 55 SU/ha. The average was 9.3 SU/ha. The middle 50 percent of answers ranged from 5.5 – 11 SU/ha.

   Farm profitability is a key factor for farmers to consider when planning for future on-farm improvements. It cannot be overstated that for many farmers excluding beef cattle and deer from waterbodies is simply not a financially viable option. Unpublished research from the Otago region has found a range of impacts and effectiveness of environmental actions, such as fencing streams to exclude stock, on different farms profitability. For some farms fencing streams reduced profitability by 1%, while others became financially unviable.[2] This research can be provided to and discussed with the Ministry once published.

   For example, a survey respondent noted: “We run 1800 ha with a large amount of streams running through our property. There is no way we could achieve this or even contemplate it.”

3. ***Q.*** *Do you think there should be different stocking rate thresholds for beef cattle and deer, or one threshold for all stock types? Why?*

   B+LNZ, Federated Farmers, and DINZ can see the merit for having different stocking rate thresholds for beef cattle and deer, however it would create complexity with implementation.

   Survey respondents commonly noted that animal size and stock class could be useful when considering ‘intensity’ because larger, heavier animals have the potential to cause more environmental damage. However, defining different stocking rate thresholds for beef cattle and deer and further, different ages/weights creates significant complexity for farmers in practice, as well as regulators. Therefore, we do not recommend different stocking rate thresholds for beef cattle and deer.

4. ***Q.*** *Is there any other information that you think we should consider in relation to developing an exception for lower intensity farming?*

   There are a number of potential alternatives to stocking rate. Most survey respondents provided a variety of examples of potential alternatives to stocking rate.

[2] Otago’s Rural Businesses and Environmental Actions for Fresh Water. Unpublished. Otago Regional Council & Industry Advisory Group

Of the 116 farmers who preferred the low intensity farming exception option, only 34 of them thought that stocking rates alone were the best way to define 'low intensity farming'. This highlights that farming intensity is difficult to define and could be dependent on a range of other factors along with stocking rate. The most common alternative or additional measures put forward were:

- Soil type, climate (especially rainfall), and location.
- Management systems e.g. it's not how many animals you have, but how you manage them.
- Fertilizer use.
- Cropping area and percentage of farm in crop for winter grazing.
- Animal class e.g. sheep:cattle ratio, age/weight/animal size.

However, any intensity-based exception will need to be straightforward to monitor and comply with, therefore a simple approach is preferred.

Situations where an exception may not be appropriate.

5. ***Q.*** *Do you consider that there are any situations where an exception for lower intensity farming should not apply, and the map should continue to apply (eg, where specific sensitive water bodies are present)? If yes, what do you consider these to be and why? If no, why not?*

We do not think that there should be 'exceptions to an exception rule' as this would create undue confusion and there are existing tools available to manage this at a regional level.

Sensitive water bodies and exceptions around these could be appropriate to manage at regional level. Regional Councils are able to include more stringent rules for certain catchments or waterbodies in their Regional Plans or provide context through catchment context for Freshwater Farm Plans. We do not believe the low slope map should be used in these circumstances.
FW-FPs could also be a more effective tool for managing impacts on unique catchment values and sensitive waterbodies. Stock exclusion requirements in sensitive catchments could be tailored to individual farm circumstances and risk, in line with catchment and community values as identified through the Regional Council FMU framework.

Asking for Regional Councils (or others) to map all exceptions at a national level is highly problematic and creates an immense workload for Regional Councils. We believe this can be done more efficiently at the regional level through existing processes such as implementing the NPS-FM and FW-FPs.

If you do agree that there are situations where an exception may not be appropriate:

6. ***Q.*** *Do you have any views on how those specific situations should be identified?*

See question 5 above.

Compliance, monitoring and enforcement by regional councils

7. ***Q.*** *Is there information that is readily available to farmers and councils to support the implementation of an exception based on stocking rates? How is/should this information be used or shared by farmers and councils?*

We are concerned about the level of administrative burden that may be placed upon farmers in reporting and suggest any change would require the provision of information on request, not through any periodic mandatory reporting.

Farmers generally hold sufficient information (such as thorough annual stock reconciliations) to identify an annualised stocking rate. However, our understanding is that providing such information cannot currently be required through regulations under section 360.

There may need to be a change in parent legislation to allow Regional Councils to ask farmers to provide information about stocking rates. The current 360 regulations may be difficult for Regional Councils to confirm and enforce a breach if detected.

Using certified freshwater farm plans

8. ***Q.*** *Do you consider that certified freshwater farm plans should be used as the basis for an exception, or an alternative, to the map and associated requirements to exclude stock? Why/why not?*

Using FW-FPs to manage stock exclusion could be an effective tool that provides farmers with flexibility and achieves environmental outcomes. Our initial analysis of the options indicates that FW-FPs either as an exception or alternative could be the best option to manage exclusion of beef cattle and deer from waterbodies. However, there are still significant details lacking from the proposals for what this would entail for farmers. It is imperative that these details are worked through with the industry and options for working together with officials are suggested.
The proposed option to remove the low slope map and its requirements completely seems to be the simplest of the options proposed and enable farmers to simplify multiple regulations into one place. For example, some farmers may be able to complete one FW-FP which provides for compliance with Freshwater Farm Plan regulations, Stock Exclusion regulations and the intensive winter grazing regulations in the National Environmental Standard for Freshwater.

FW-FPs could enable farmers to adapt and innovate their stock exclusion implementation as technology progresses, while meeting the multiple demands on their businesses. As, mentioned above, the use of FW-FPs in the context of stock exclusion will also allow Regional Councils to fulfil unique catchment values, as well as allowing farmers to utilise farm specific management approaches, therefore achieving targeted and meaningful environmental outcomes.

The consultation material lacks detail on how FW-FPs could be used as an alternative to the low slope map and its implementation, however we see

opportunities to create an alternative option that provides more choice and flexibility than simply removing the low slope map.

We propose a potential option that is a hybrid between the intensity exception and a FW-FP. Under this hybrid option there would be an intensity exception whereby the low slope map/regulations 14, 15, 16, 17 & 18 do not apply, and for those above the intensity exception stocking rate, there are two pathways; one - comply with the regulations for exclusion including crossings, or, two - address stock exclusion requirements through a FW-FP.

A hybrid option, while slightly more complex, would provide a clear intensity threshold that would apply to all properties regardless of FW-FP thresholds and give farmers above the stocking rate exception trigger a choice as to which pathway they comply through. This would provide maximum flexibility and cover most risks.

Results from our farmer survey show that 47% of respondents preferred some form of FW-FP option (compared to 33% preferring the stocking rate intensity option). This was split with approximately 34% preferring the FW-FP as a complete replacement to the low slope map, and 12% preferring the option of FW-FPs as an alternative pathway. Given the relatively close split of our survey results between the farming intensity option and FW-FPs, the FW-FP as an alternative pathway as we have proposed above could strike a balance if comprehensively worked through with the industry.

The most common reasons for preferring FW-FPs to manage exclusion of beef cattle and deer over the current low slope map were:

- FW-FPs are tailored to individual farm circumstances and risks, and region/catchment characteristics. (Stock exclusion can be managed at the farm level.)
- One farm plan that incorporates all aspects of that farm.
- Bring all regulation into one place.
- More meaningful outcomes for the environment.

9. ***Q.*** *Is there any other information that you think we should consider?*

It was clear from our survey results that the effects of Cyclone Gabrielle and the increasing threat of flooding is at the forefront of farmers minds. Many respondents noted throughout the survey that fencing floodable waterways, river flats, and flood plains is not cost effective with the risks of flooding washing out this infrastructure.

One respondent noted that “Cyclone Gabrielle destroyed already established riparian fencing, there will be other ways to limit stock exposure to waterways without necessitating fencing costs.”
Furthermore, another respondent noted “Is it possible to fence waterbodies, or is flood frequency an issue?... I do think that time and technology will be a solution for this but we need halter/e-shepherd to become commercially viable for sheep and beef farmers. This will remove the need for fencing in flood prone areas while still being able to graze where beneficial”.

These examples highlight the opportunity that FW-FPs have in enabling farmers to adapt and innovate to respond to the threat of climate change and build resilience in their infrastructure.

There are several interdependencies with the FW-FP alternatives, and the FW-FP regulations that need to be considered.

Firstly, there are timing issues between the relevant stock exclusion date of 01 July 2025 and the implementation of FW-FPs, some of which will not be in place by that date. Therefore, it will take longer for all farmers to have certainty about on-farm requirements under a FW-FP option, as all farmers will not need a FW-FP at the same time (and before the current exclusion date of 01 July 2025). However, most farmers will have a FW-FP by that time and given that changes will not apply to any high intensity farming practices, risks are lower. It will likely only be small number of farms that will not have FW-FPs in place by 01 July 2025.

To ensure fairness to all farmers if a hybrid option as proposed above was introduced, it is suggested that a clause would need to be inserted removing the 01 July 2025 date and instead requiring stock exclusion as per the regulations, or under a FW-FP at the time in which FW-FPs are rolled out in each region, potentially with a sunset clause to cover those properties that will not require a FW-FP.

Further, the current stock exclusion requirements do not have any farm size thresholds. The FW-FP regulations apply to pastoral farms over 20ha, meaning that small properties with stock would be exempt under this proposed change. It is noted that under separate discussions in relation to FW-FP regulations there is potential consideration of a change in thresholds. Any changes to the FW-FP requirement thresholds would have implications for the number of farms that may not be directly assessed for stock exclusion requirements under this proposed option.

The risk from small properties is generally low as they tend to be lifestyle block, non-commercial properties, and the risk from extensively grazed properties is likewise low. However, there is a risk that a moderately stocked small block would not be subject to exclusion requirements through this option. As discussed earlier, Regional Councils can impose more stringent requirements, so could require all stock to be excluded for special or specific waterbodies and/or catchments, which could include properties of any size.

Further, the hybrid option proposed would still require properties over an intensity threshold to address stock exclusion via one of two pathways. An opt-in option under the FW-FP regulations may be needed so that farmers under any threshold for requiring a FW-FP could choose that option if it was preferred to full exclusion.

For example, an option to consider is a standalone stock exclusion FW-FP module that could be inserted into a FW-FP as an alternative approach. This module could enable those that are not required to have a FW-FP to choose to use the FW-FP approach.

With a holistic approach to the relevant legislation and available processes, overall risk is considered low.

The use of FW-FPs will allow for innovation including technological advancements. Innovation could be hugely important in proving future management solutions and should be encouraged, rather than limited in the regulatory framework.

Stock exclusion for natural wetlands

10. ***Q.*** *Do you consider that an exception for lower intensity farming systems, or the alternative approach using certified freshwater farm plans, should apply more broadly to natural wetlands? Why/why not?*

Yes, we agree that wetlands need to be considered under this consultation.

Native ecosystems are a delicate balance that have evolved over time. Many wetlands include introduced pasture and pest plant species alongside native biodiversity. This mix of species has added complexity because it tips the ecosystem balance, and they out compete native plant species. These introduced species are aggressive in the way they grow, especially in the spring when they enter into a reproductive growth state. Livestock grazing is a fundamental tool for removing the competitive species to enhance and encourage the population of native plant species.

There are cases where low intensity stock access to wetlands is a useful management tool such as for pest plant grazing. Some Regional Councils (such as the West Coast Regional Council) already have differential stock access rules for wetlands based on wetland significance and it is considered that a more nuanced approach than blanket exclusion is appropriate.

The use of FW-FPs as a tool for managing stock exclusion from natural wetlands, or a hybrid approach, may be able to balance pest control and wetland protection and assess appropriate stock access. For example, pest plant control via grazing within wetlands should be considered on a case-by-case basis depending on how sensitive and/or important (culturally, and ecologically) the wetland is. Some wetlands are also dry for large parts of the year, and more closely resemble pasture and grazing at certain times is appropriate.

The deer industry has just completed a six-year research project (undertaken by AgResearch Ltd) on water quality in hill and high-country farms. Full analysis is yet to be completed however preliminary results indicate that existing farming practices on those properties are having minimal or negligible impact on water quality. Further, in this study, lower intensity farm systems where the deer were only in the wetland blocks/paddocks for limited time periods, followed by removing deer for a period, wetlands appeared to recover very well. The study also identified that wetlands are extremely variable in their location, topography, slope, vegetation cover and very dynamic. As such, we believe that it will be challenging to suitably define wetland boundaries and that given their dynamic nature and area change observed during the study period that physical fence-based exclusion may be difficult to implement and enforce compliance with.

11. ***Q.*** *Are there any situations where any exception, or the alternative approach using certified freshwater farm plans, should not apply? If yes, what do you consider these situations to be and why? How can they be identified?*

As discussed under Question 5, the use of FW-FPs will enable Regional Councils to impose stricter rules as appropriate for sensitive catchments and significant wetlands. In some cases, it may not be appropriate to give any stock type access to a particular wetland. These circumstances should be identified by the Regional Council, and through the FW-FP process.

12. ***Q.*** *Is there any other information that you think we should we consider in relation to wetlands within lower intensity farming systems?*

It should be noted that B+LNZ, Federated Farmers, and DINZ do not support using two different pathways for managing exclusion of beef cattle and deer from natural wetlands and rivers and lakes. Many farmers will have both wetlands and rivers on their property, often in the same paddock, so different exclusion pathways for each creates unnecessary complication.

<u>Definition of a permanent fence</u>

13. ***Q.*** *Do you consider the definition of a permanent fence is too prescriptive, and that other fence types should be included? Why/why not?*

We understand that the definition of a permanent fence, is relevant for existing fences that are within the three-metre setback, and therefore do not need to be moved.

In addition to the potential fence types mentioned in the discussion document, approximately 73% of survey respondents agreed that the current definition of a permanent fence is too prescriptive. The inclusion of steel waratahs and single electric wires was commonly sought.

An example is “1 electric wire is sufficient in keeping cattle contained. Adding an additional wire just increases the chances of the fence being damaged or destroyed by a flood. It also increases the chance of long grass shorting out the bottom wire and the whole fence becoming ineffective.”

As discussed above, the risk of flood waters washing out fences is of great concern for many farmers. Nearly 20% of survey respondents mentioned flooding as a concern when answering the questions related to the definition of a permanent fence and/or crossing requirements.

Land above 10 degrees captured by the map

14. ***Q.*** *Do you agree that any amendment to the stock exclusion regulations should clarify that the map and associated requirements to exclude stock do not apply on slopes that are greater than 10 degrees? Why/why not?*

    B+LNZ, Federated farmers, and DINZ strongly agree that amendments should clarify that the stock exclusion regulations do not apply for slopes greater than 10 degrees, even if they are incorrectly identified on the low slope map.

Other issues

15. ***Q.*** *Are you aware of any other issues with the stock exclusion regulations that should be addressed? And if so, why?*

    The term ‘highly mobile bed’ needs defining. Without a definition farmers cannot have any certainty as to whether they can meet the stock exclusion exception as per regulation 7(a) in instances where bridging/culverting is not feasible.

    As discussed earlier, there is scope for the Freshwater Farm Plans options being useful also as they can assess stock exclusion requirements on a case-by-case basis.

D. Conclusion

We are broadly supportive of the proposed options relating to non-intensively grazed beef cattle and deer. However, we have some concerns about the complexity, implementation, and monitoring of some of the proposed options. Further guidance and detail about what these will involve is required and we are offering to work with the government to develop these details to ensure practical implementation.

Our initial analysis of the options indicates that Freshwater Farm Plans (FW-FPs), either as an exception or alternative, could be the best option to manage exclusion of beef cattle and deer from waterbodies. However, there are still significant details lacking on for what this would entail. It is imperative that industry is involved in developing these details and we reiterate our request to be involved going forward to help ensure that changes to the regulations are outcomes driven, practical, fair, and workable for farmers.

Appendix 1: Discussion Summary

Proposed option	Issues resolved				Discussion summary
	Low intensity farm	Stock crossings	Wetlands	Map wrong	
Intensity exception	✓		✓		• An intensity exception could exempt low intensity stocking systems from exclusion (rivers, lakes and wetlands), and crossing requirements with certainty. • An intensity number is required (SU/ha). There are many differing views of where it should be as stocking rates vary between regions and catchments. • An annualized number over the whole farm (effective area) and across stock classes is a simple way to achieve this. While there may be higher 'paddock scale' stocking rates for periods, and differing stock classes, an annualized rate may be considered a reasonable proxy for intensity, however other considerations have also been suggested. • Where there are special circumstances that a low intensity exception should not apply, it is problematic and unnecessary to try and identify all of these situations at a national level. Where there are situations that stock should be excluded from a specific waterbody (including wetlands), or within a specific catchment, this can be appropriately regulated at the regional level, through regional rules that give effect to the NPS-FM (which can be stricter than national regulations), or FW-FPs considering catchment context. • There are compliance challenges, as the Stock Exclusion 360 mechanism does not allow Councils to require stocking rate numbers from farmers. Parent legislation may need to be amended to provide for this, however that is not insurmountable.
FWFP – remove low slope map	✓	✓	✓	✓	• This option is simple and resolves many issues in the least complex way. • Risks and mitigations can be assessed at farm level, considering catchment context. This allows for farm specific solutions. It does not mean that some stock exclusion will not be required. However, allows for targeted solutions in the context of specific farm circumstances and local water health outcomes. • Enables innovation and resilience to be built in the face of increasing flood risks and doesn't need to rely on fences to exclude stock.

					• It will take longer for all farmers to have certainty about on-farm requirements under this option, as all farmers will not need a FW-FP at the same time (and before the current exclusion date of 01 July 2025). However, most will, and given that changes will not apply to any high intensity farming, risks are already lower. It will likely only be a small number of farms that will not have FW-FPs in place by 01 July 2025. • The current stock exclusion requirements do not have any farm size thresholds. The FW-FP regulations apply to pastoral farms over 20ha, meaning that small properties with stock would be exempt under this proposed change. B+LNZ hold the position that every farm should not require a certified and audited FW-FP.
FWFP - alternative	✓	✓	✓	✓	• The FW-FP alternative outlined in the discussion document is not clear. We propose a potential option that is a hybrid between the intensity exception and a FW-FP. Under this hybrid option there would be an intensity exception whereby the low slope map/regulations 14, 15, 16, 17 & 18 do not apply, and for those above the intensity exception stocking rate, two pathways; comply with the regulations for exclusion including crossings **or** address stock exclusion requirements through a FW-FP. • However, a hybrid option is more complex than a straightforward replacement of the low slope map with FW-FPs. • There are also timing issues between the relevant stock exclusion date of 01 July 2025 and the implementation of FW-FPs, some of which will not be in place by that date. • There may need to be amendments to the FW-FP regulations or guidance, to allow an opt-in option for farmers to have a FW-FP even if the FW-FP thresholds do not apply. • Despite the complexities, this option would provide for greater coverage of the issues raised, and options available to farmers.