



Submission

20 February 2026

TO THE

Environment Select Committee

ON THE

**Planning Bill
Natural Environment Bill**

BY

Beef + Lamb New Zealand Ltd

SUBMISSION ON

To: Environment Select Committee

Email: En.Legislation@parliament.govt.nz

Name of submitter: Beef + Lamb New Zealand

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Address for service

Name	Position	Phone Number	Email Address
Dr Paul Le Miere	Head of Environment Policy	027 617 1796	Paul.LeMiere@beeflambnz.com
Rowena Hume	General Manager - Policy & Communications	027 224 4535	Rowena.Hume@beeflambnz.com

Please note:

- B+LNZ requests the opportunity to present and discuss this feedback with the Environment Select Committee as part of the consultation process.
- This submission covers both the Planning Bill and the Natural Environment Bill.

Submission

1. Executive Summary

1. Beef + Lamb New Zealand (**B+LNZ**), welcomes the opportunity to provide feedback on the Planning Bill (**PB**) and the Natural Environment Bill (**NEB**) as part of the Government's Resource Management Act (**RMA**) reforms.
2. B+LNZ supports the Government's desire to reform the RMA. The existing system is expensive, complex and becoming mired in litigation.
3. B+LNZ agrees with the Government's principles and goals for replacement of the RMA which include enabling primary sector growth and development, reducing the need for consents, making more activities permitted and less litigation.
4. Unfortunately, the way the proposed legislation is currently written does not match the Government's intent and farmers could be worse off. Significant changes are needed.
5. The following is a summary of B+LNZ's key areas of concern. There is strong alignment across the agricultural sector about these issues.
6. ***There are a number of areas where the wording in the Natural Environment Bill does not align with the Government's intent and significant changes are required throughout the Bill:***
 - a. The language is more stringent around setting and managing limits and would likely see the need for more consents, not less;
 - b. The Government intended to create a system where non-regulatory actions are prioritised first to achieve outcomes, then Freshwater Farm Plans (**FW-FPs**), then regulatory action but this is not clearly given effect to in the legalisation;
 - c. There are more onerous requirements for permitted activities;
 - d. The lack of appropriate guardrails on the exercise of Ministerial and council powers in many areas and the lack of requirement to consider the costs and benefits could result in significant economic impacts;
 - e. There are significant issues with the role of, and amount of detail required for, FW-FPs, and farmers would also need a consent/permit as well as a FW-FP in many cases;
 - f. The NEB introduces a number of ambiguous new words and concepts that will likely lead to more litigation, not less.
7. ***There are things the Government intended to introduce that B+LNZ has concerns about:***
 - a. B+LNZ does not support the introduction of market-based allocation or levies for resource use, and this needs to be removed.

- b. B+LNZ has questions about the use of spatial plans in the rural and farming context and how regulatory relief will work in practice that require clarification in the Bill.
8. ***Other things that need fixing in the RMA reform:***
- a. The NEB brings across the single-minded numeric approach to limit setting which has led to aspirational and unachievable targets and national bottom lines. B+LNZ proposes an alternative approach that is focused on achieving the environmental outcomes with appropriate guardrails to direct the setting of environmental limits.
 - b. Current issues with the approach to stock drinking water have been brought across from the RMA, which has seen increases in stock drinking water be prohibited in recent plan changes. This needs to be changed to focus on the direct effects of takes that have a more than minor effect.
9. B+LNZ's submission includes detailed proposed text solutions for these issues. It is important to note that multiple changes are often required across the Bill(s) to give effect to one change. While B+LNZ has attempted to identify consequential amendments, even where these have not been expressly mentioned, B+LNZ seeks any consequential changes needed to implement the change sought.
10. It is also important to note that the volume of documents and tight consultation timeframes have severely impacted B+LNZ's ability to propose alternative text. Given the draft legislation is 750 pages long, we are conscious a proposed change may have unintended consequences in other parts of the Bill(s) and reserve the right to change a view on a proposed change if further information comes to light.
11. Due to the short consultation timeframe, B+LNZ's submission mainly focuses on the NEB. B+LNZ has also been collaborating with other agricultural industry organisations (such as DairyNZ, Federated Farmers, Foundation for Arable Research, and IrrigationNZ) in an effort to share the load.
12. To achieve greatest efficiency and representation for our sectors, different primary industry bodies have focused on different aspects of the NEB. There is strong alignment in many of the proposed text changes between DairyNZ and B+LNZ.
13. B+LNZ's submission may not refer to some issues raised by other primary sector organisation, but that does not mean that B+LNZ does not also share their concerns. For example, there are inconsistencies around how long-lived infrastructure investment is treated in the two Bills that could negatively affect future investment in water storage – these issues are covered in detail in the IrrigationNZ and DairyNZ submissions. Questions about how Indigenous Biodiversity will be treated within limits is another example addressed by Federated Farmers. Another example, is that the regulatory relief regime would not apply to pastoral leases as a person is only eligible under a relief framework if they own the land. These issues are addressed in the Federated Farmers submission and the Hill Country Accord submission.

14. B+LNZ's submission includes the following sections:
 - a. Section 1: Executive Summary
 - b. Section 2: Introduction: Farmer Engagement, Sheep and Beef Farming, and Issues with the Previous RMA;
 - c. Section 3: Key areas of concern and proposed solutions;
 - d. Section 4: Table of relief sought;
 - e. Section 5: Farm case studies;
 - f. Section 6: Economic Contribution of the Sheep & Beef sector.

2. Introduction

2.1 About Us

15. B+LNZ is an industry-good body, 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 economy. Export revenue from New Zealand's red meat industry is expected to be \$13.2 billion in the year to 30 June 2026¹. This economic contribution is underpinned by ongoing improvements in environmental performance, including reductions in livestock numbers, while maintaining production levels.
16. The sheep and beef sector is diverse, adaptable, and very resilient. B+LNZ's vision is 'thriving sheep and beef farmers, now and into the future'. An important part of B+LNZ's role is investing in building capability and capacity to support a vibrant, resilient, and profitable sector. A particular emphasis is placed on building farmers' ethos of environmental stewardship and prioritising sustainable farming systems.

2.2 Farmer Engagement

17. In recognition of the importance of the RMA reform to the sheep and beef sector, B+LNZ has undertaken as much farmer engagement as was possible during the submission period. Notwithstanding the short timeframes, the interest and engagement B+LNZ has experienced has been significant. This reflects the wide-ranging impact, and the importance of, the resource management framework for sheep and beef farmers and their daily farming activities.
18. While B+LNZ is not able to convey every individual farmer's perspective or concern, in this submission we have attempted to convey the key concerns both farmers and the sector have with the Bills and to propose alternative wording to address those concerns.
19. B+LNZ's engagement included and as of 19 February engagement numbers included:
 - a. A survey to understand farmer concerns and test B+LNZ's positions (101 responses were received).
 - b. A podcast to explain the key aspects of the reform (downloaded around 500 times).
 - c. Two webinars to explain the reform and answer any questions (240 registered attendees with 125 attending and over 150 views across the B+LNZ website and YouTube).
 - d. A factsheet on how to write a submission (downloaded 110 times).
 - e. A podcast on how to write a submission (downloaded 300 times).
 - f. Weekly email updates (in B+LNZ's e diary communication) and a range of information on our website.

¹ <https://www.mpi.govt.nz/dmsdocument/70984-Situation-and-Outlook-for-Primary-Industries-SOPI-December-2025>

- g. Engagement with B+LNZ's Farmer Environment Reference Group to develop and test more detailed policy positions.
20. In total, B+LNZ has engaged with well over 1,500 people (this includes farmers, rural professionals, and public sector stakeholders).
 21. A common, and understandable, response we have heard from many farmers is that they were unable to submit personally due to the length and complexity of the consultation document (750 pages); summer period being an exceptionally busy time of the year for farming; and the impact of the January storms. But that does not mean this is not a very important piece of legislation for them and therefore greater weight should be applied to the B+LNZ and other industry submissions that have been done on their behalf.

2.3 Sheep and beef farming, rural communities and economic contribution

22. The RMA is the most important piece of legislation for farmers. To understand the importance of natural resource management to farming, and the potential implications, it is necessary to understand farming and the environment within which it operates.

a. *Sheep and beef farming*

23. New Zealand's sheep and beef farms are inherently diverse and adaptive. Our predominantly grass-based systems are shaped by New Zealand's varied climate, soils, water, and topography; as well as varied farm systems (stock types, stock mixes, infrastructure and management practices).
24. Our farmers operate in an environment that is far from stable: international markets shift, weather patterns fluctuate, technology evolves, and consumer preferences change. This constant need to adapt has underpinned the sector's resilience, global competitiveness and environmental stewardship. This naturally leads to annual and seasonal variation in on-farm decisions such as stock numbers and type, feed inputs, fertiliser use, irrigation, and cultivated areas, for example.
25. Constantly changing variables results in uncertainty around yearly profit. Within the last 5 years average on farm profits, before tax, has ranged from as low as \$30,000 to as high as \$130,000². This significant variation means farms must be able to navigate their environmental spend both in good and bad years.
26. Regulatory settings must therefore be flexible, practical and supported by realistic timeframes. Overly rigid legislative obligations or expectations set beyond what farms can achieve in variable conditions reduce a farmer's ability to respond to shocks or invest in long term improvements.

² Beef + Lamb New Zealand (2025), Farm Profit 2024-2025, Economic Services Insights

b. Rural communities

27. Sheep and beef farm businesses are deeply interconnected with their communities. Thriving communities with access to rural schools, healthcare services, sports clubs, and rural support businesses such as contractors, farm supplies, and vets, just to name a few, are integral not only to successful pastoral farming but also to the vibrancy of local communities and quality of life.
28. By acknowledging the sector's diversity and adaptability, and by creating a system that works with farming realities rather than against them, we hope that the new system will support resilient farm businesses and rural communities while delivering the environmental outcomes all New Zealander's value.

c. Economic contribution

29. New Zealand's sheep and beef sector plays a vital role in the country's economy. It is New Zealand's second largest export sector, largest manufacturing employer and supports 90,000 jobs across the country. Māori Agribusiness is a large and growing part of the sheep and beef sector. In 2024, there was a total of 651,800 hectares of land on Māori farms, representing 5 percent of total New Zealand farmland. This includes 1.2 million sheep (5% of national total) and 194,500 beef cattle (5.3% of national total)³. Nearly 80 percent of Māori land is on Land Use Capability Classes (LUC) 6 – 8⁴.
30. The current RMA and its increasing complexity and the uncertainty it has created has been a handbrake on further development and growth of the sector.
31. Successful reform of the RMA is critical to supporting the Government's goal of doubling the value of the nation's exports by 2034. More information on the importance of the Sheep and Beef sector and some of the key statistics on the sector is shown in Section 6.

2.4 Farming within a regulatory context

32. This section sets out some of B+LNZ' key experiences with the resource management framework in recent times and some of the key issues B+LNZ considers need to be fixed through this reform.

a. Policy settings have repeatedly reshaped farming systems and landscapes:

33. Over the past three decades, since the adoption of the RMA, farming has moved from being lightly regulated to one of the most heavily regulated sectors in New Zealand. More recently, the experiences under the RMA have been increasingly lengthy and costly planning processes, impracticable or unworkable rules, and regulatory frameworks that are difficult to implement and/or add unnecessary cost to everyday activities.

³ Statistics New Zealand (2024) Tatauranga umanga Māori – Statistics on Māori businesses.

⁴ Statistics New Zealand (2021) Land fragmentation.

34. Notwithstanding these challenges, there has been significant progress with environmental awareness, stewardship and voluntary implementation of mitigations. Many of the improvements are being delivered through non-regulatory initiatives such as catchment groups, funding for riparian fencing and planting, and industry programmes (such as the farm assurance programme).

b. Inefficient Plan Change Processes:

35. B+LNZ strongly supports the Government's intent to reform the RMA and to create a more streamlined, efficient, less litigious processes. B+LNZ is very concerned that plan changes under the RMA have become lengthy, time consuming and unnecessarily litigious.

36. For example, Waikato PC1 was notified in 2016, Horizons PC2 was notified in 2018, and Hawkes Bay PC9 was notified in 2020. All of these plans are still in processes before the Courts. That has left farmers in those regions without certainty and in limbo for (in the case of PC1) the last decade. Farmer feedback is that they are unable to plan and invest, and this is potentially also delaying the implementation of environmental mitigations.

37. There has also been significant variation across the country in the limits set and rules developed by Regional Councils. This variation still happened in the draft regional plans that started to come out following introduction of the National Policy Statement for Freshwater Management 2020 (**NPS-FM**) despite its desire to standardise. It is not cost effective, or viable, to argue the same/similar issues up and down the country. It is also not achieving environmental outcomes. B+LNZ therefore sees the RMA reform as an opportunity not only to reduce the cost of these planning processes, but to also avoid parts of them altogether through greater use of national instruments and streamlined processes.

c. Constantly Changing Legislation:

38. B+LNZ sees RMA reform as an opportunity to do a stocktake of where things are at, learn from past experiences, and create an enduring and stable legislative and regulatory environment so farmers can get on with farming and implementing environmental mitigations.

39. Despite the RMA being the overarching Act to manage the environment there have been frequent changes to the Act and to secondary legislation over the last decade. This has hindered farmer confidence - with the uncertainty about what the regulations will say in six months' time significantly impacting on decision-making, development and/or implementation of environmental mitigations.

40. For example, the NPS-FM has been updated and replaced in 2011, 2014, 2017 and 2020, with another replacement expected this year. It has frequently been the case that a regional plan change is notified under one NPS-FM only for the national policy statement to be replaced one or more times before the regional plan is operative (let alone before on farm actions to progress achievement of the plan change objectives are implemented).

41. Further, changes to legislation or regulation have often been considered in isolation without understanding the cumulative impact on farms. Environmental domains such climate change, freshwater and biodiversity are all regulated under individual national and regional instruments where interrelationships and interaction between them are often ignored or misunderstood.
42. The proposals B+LNZ makes in this submission are aimed at setting up an enduring framework that is practical and fit for purpose and that will work for the environment and for farmers.

d. The RMA reform provides an opportunity to take a different approach:

43. B+LNZ sees the RMA reform as a significant opportunity to avoid repeating the mistakes made in the past when it comes to management and regulation of farming.
44. B+LNZ acknowledges sheep and beef farming can impact freshwater quality, and contaminants need to be appropriately managed. Key issues for a sheep and beef farm are diffuse discharges of sediment, E. coli, phosphorus and to a much lesser extent nitrogen (although, at an individual farm scale they are not necessarily all important, or the effects of each might be greater or lesser).
45. These losses, however, can be challenging to manage and regulate due to their diffuse and cumulative (when combined with discharges from other land uses) nature, difficulties in measuring and monitoring them at the farm scale, natural and background losses and processes, attenuation and the time lag of showing trends in receiving waterbodies.
46. The current single-minded numeric approach to limit setting has been brought across from the RMA and flexibility to set aspirational limits. B+LNZ's submission sets out recommendations to take a better approach to limit setting that includes an outcomes-based approach (rather than numeric) and recommendations that should guide the setting of more realistic and achievable limits (such as upfront analysis of the economic impacts of the limits). This is to address issues that have arisen under the previous framework where unachievable bottom lines have been set by the Government (such as the sediment and E. coli bottom lines under the NPS-FM) or unachievable aspirational limits been set by Regional Councils.
47. We understand the intent of the NEB is to take a more progressive approach to improvements, with longer timeframes for adjustments and a focus on non-regulatory measures before regulatory measures are taken. B+LNZ supports this intent, but as outlined in our submission the text of the legislation does not meet that intent. The NEB would see more stringent/punitive measures having to be taken by a Regional Council, particularly if a limit is breached.
48. B+LNZ's experience is that, overwhelmingly, farmers learn from those they trust, and this tends to be other farmers. They like to see practical examples working on the ground and feel confident that they can implement change. Farmer participation in supported group learning environments such as workshops, discussion groups or local catchment community groups makes a big difference in farming practice change and support for new management approaches.

49. Under the RMA, planning regimes have often directed Ministry for the Environment and Regional Councils to take prescriptive, rules-based approaches which focus on input controls and minimum standards. These approaches have faced significant implementation challenges due to poor community buy in, a lack of adequate knowledge on where the contaminant is coming from and in what quantities, applying a non-tailored region or nationwide framework rather than a focus on the specific issues within a catchment, an emphasis on rigid standards (which are not workable when applied on farm), and overlooking the role of non-regulatory actions such as education, catchment groups, industry programmes, etc.
50. A new approach to managing farming is needed. This includes focusing on farm plans and community driven catchment plans developed with trusted advisors, and taking a proportionate and risk-based approach to identifying mitigations and timeframes for implementing them (and, as discussed below, focusing on actions to improve health and ecosystem outcomes with realistic water quality limits based on existing land use patterns).
51. We understand that this is the intent of the NEB, but as mentioned above this is not what the effect is in practice.

3. Key areas of concern and proposed solutions:

52. This section summarises B+LNZ's key areas of concern and provides a high-level description of the proposed solutions. Some of the issues are not straight forward to fix and will require multiple changes across the NEB (and potentially the PB as well). B+LNZ's proposed solutions should be considered as a package.
53. This section is only intended to be a summary of the major issues. A more comprehensive range of concerns and proposed solutions are explained in the table in Section 4.

3.1 Goals

54. B+LNZ understands Government wants to enable use and development of natural resources (including primary sector growth and development) while safeguarding the natural environment and human health. B+LNZ is concerned that the way this is reflected in the goals in clause 11 of the NEB will mean that the status of environmental limits is essentially elevated above use and development (particularly for existing farming activities) without appropriate consideration of economic and social implications.
55. ***B+LNZ's position is to propose changes to the goals, including to ensure that use and development of natural resources is a standalone goal. This is necessary to reflect the policy intent that there is to be no inherent hierarchy within the goals, and to recognise the importance of food production.***

3.2 Environmental Limits

56. B+LNZ supports the intention to enable use and development of natural resources (including primary sector growth and development) within reasonable and achievable environmental limits. B+LNZ's primary concern with the NEB is that the ability to deliver on this and other objectives for the RMA reform hinges on how and what environmental limits are set (and that will not be known until there is national direction and natural environment plans are drafted).

a. Methodology to set environmental limits

57. Without seeing the methodology for setting limits for human health and ecosystem health (which is to be set by national direction, refer clauses 49 and 51), and based on limits previously set under the NPS-FM 2020, B+LNZ is concerned that numeric, aspirational and unrealistic limits could still be set. If that was the case, the proposed NEB regime would likely be more restrictive and have more significant economic and social impacts for farming than the RMA – which cuts across the Government's goals to double export value and support rural communities.
58. How environmental limits are defined is critical to the success of the NEB: they need to strike the right balance by considering the actual state of the environment, ecosystem based outcomes, community aspirations, and the economy.

59. The NEB indicates that the Government will provide Regional Councils with a methodology for setting limits. It is unclear how prescriptive this will be, but B+LNZ wants to avoid the pitfalls of the NPS-FM 2020 where unrealistic and unachievable numeric national bottom lines were set for sediment and E. coli.
60. Independent analysis undertaken by an environmental expert found significant issues in the way the suspended fine sediment and E. coli attribute frameworks were formulated and in the achievability of these targets (even in natural state catchments, such as national parks).
61. For sediment it was found that 20 percent of the waterways coming out of catchments in their natural state (for example national parks) would not meet the suspended fine sediment national bottom lines and up to 38 percent of rivers could not meet the national bottom lines even if agriculture was removed from all developed catchments and they were reverted back to their natural state.
62. Even if over 40% of sheep and beef farmland was retired (at a cost of about \$4 billion a year), 13,000 km of fencing (\$1.5 billion) and an estimated 8% of remaining farmland planted in poles then the suspended fine sediment national bottom lines would still not be achieved across more than 50 percent of the catchments nationally that are currently non-compliant with the national bottom lines⁵.
63. B+LNZ wants to avoid a situation where numeric limits are set without catchment context and with an expectation that the environment should be in a natural or pre-human state. Limits must be feasible and achievable, and consider the social and economic costs, to motivate and encourage uptake of better environmental practices.
64. We also have questions on what quantitative limits on biodiversity would look like and how they would be set, especially at a regional level. The same issues for water cover the other domains such as biodiversity as well.
65. ***B+LNZ's position is that the RMA reform provides an opportunity to fix these issues and take an outcomes-based approach to limit setting. Further changes are proposed below to amend the definition of environment limits to contemplate qualitative/narrative limits, and to ensure appropriate guardrails to guide the way in which limits are set.***

b. Proposed guidance and guardrails when setting limits

66. Clauses 51 to 57 aim to provide some guidance for setting limits. B+LNZ is concerned that these clauses lack appropriate guardrails to protect against Regional Councils going beyond the proposed methodology and setting their own unrealistic and unachievable aspirational limits.

⁵ Torlesse Environmental (2024) Technical assessment of the impacts of the NPS-FM 2020 national bottom lines on sheep and beef farms.

67. For example, there is no express requirement to take into account the extent to which an existing catchment has been modified when considering the existing capacity of the environment and nothing to stop limits being set based on natural, unmodified states.
68. The Whangamarino catchment in Waikato Plan Change 1 (**PC1**) is an example of a highly modified catchment (both in terms of farming and other land uses, and in terms of the hydrology being modified with flood protection and land drainage schemes, and a weir to artificially raise the water level in the wetland). Those factors were **not** taken into account when setting the interim and 80-year targets in PC1.
69. Achievement of the 80-year nitrogen and phosphorus targets will require reductions of around 60% of each of nutrient. The Scenario Builder tool shows that very significant land use change will be required to achieve these targets, and most of the catchment will effectively need to be retired to native bush⁶:
- a. Dairy land use reduces from 32% to 10% of the catchment.
 - b. Sheep and beef land use reduces from 49% to 10% of the catchment.
 - c. All cropping and all forestry are removed entirely.
 - d. Native vegetation increases from 6% to 75% of the catchment of the catchment.
70. This would have a devastating impact on farming and the rural community.
71. Another issue with limit setting in the NEB is that it has introduced a number of new and ambiguous concepts that require qualitative and subjective assessments e.g. what is an “acceptable standard” (clause 53(1)(a))? Likewise, “life supporting capacity” is broadly defined meaning there could be a high standard set for what has to be “protected” or “safeguarded” (clause 54(2)(c)).
72. B+LNZ is also concerned that there is a lack of consideration of or weight given to the social and economic implications when setting limits (across all domains). For example:
- a. In setting ecosystem health limits, protecting the life supporting capacity of the natural environment appears to outweigh consideration of community aspirations and economic implications (refer clauses 54(2) and 55(1): aspirations of communities and the economy are “considered” whereas a decision maker must “be satisfied” that the life supporting capacity of the natural environment is protected).
 - b. Justification reports are only required if a regional council wants to set a limit that is less stringent than a national standard – a limit could be more stringent without consideration of community aspirations, economic and social impacts (refer clause 51(4)).
 - c. In the Whangamarino example above, the economic and social impacts of achieving the 80-year targets will be devastating for the local community as well as more widely. As at 2018,

⁶ <https://www.freshwater-scenario-builder.co.nz/waikato-rivers>

64,000ha of the catchment was used for farming and the Lake Waikare and Whangamarino catchment contributed \$83m directly (or approximate \$157m including indirect contributions) to the Waikato regional GDP. In terms of the community, within the catchment there are several small settlements and villages, the largest being Te Kauwhata (population of 1,473).⁷ Achieving the 80-year targets would be the death knell for these communities and economic activity.

73. This contrasts with the current RMA s 32 evaluation reports (which include, among other matters, an assessment of the benefits and costs of the environmental, economic, social and cultural effects) are required to be prepared by councils when developing plan changes to set limits under the national objectives framework contained in the NPS-FM, for example. This requirement has been removed in the NEB.
74. ***B+LNZ's position is that there ought to be guard rails to direct the setting of limits to stop the setting of aspirational but unrealistic/unachievable environmental limits, the achievement of which will result in significant social and economic impacts.***

c. Role of environmental limits

75. Environmental limits take a much more heightened and directive role within this reform as compared with the RMA. In clauses such as 32 and 67 if a limit is breached (e.g. for nitrogen or sediment) then activities (including existing farming) should not be allowed as a permitted activity, no matter how aspirational or unachievable the limit is.
76. Depending on how limits are set (and the methodology prescribed in national direction), B+LNZ's concern is that under the proposed NEB text there could be entire catchments or regions where all farming activities require a permit (resource consent), with the possibility that the permit may be declined i.e. existing farms could not continue. Those farms might be implementing mitigations to reduce their effects, but their discharges are so small (and/or the limits are so conservative) that cumulatively their efforts are not enough to bring the entire catchment back within environmental limits.
77. This contrasts with the present regime where amendments were made to s 70 of the RMA to expressly allow activities to be classified as permitted activities where catchments limits are breached (provided that the standards of the rule will require reductions in effects over 10 years).

Example: Waikato PC1

78. Taking Waikato PC1 as an example, many of the interim target attribute states are currently not met. The interim and long term attribute states were set through the interpretation of objectives and principles of Te Ture Whaimana (Vision & Strategy) with it being translated into attribute states which best represent estimates of water quality in 1863.

⁷ <https://www.waikatoregion.govt.nz/assets/WRC/Council/Policy-and-Plans/hazard-catchment-management/CMP-catchment-management-plans/lake-waikare-whangamarino-wetland/Pt1-catchment-overview.pdf> pages 29 to 46.

79. Water quality issues in the PC1 catchment are highly complex. The Waikato River is highly modified (with hydro dams) and the catchment is also highly modified (comprising urban centres, pastoral farming, forestry, multiple wastewater treatment plants, land drainage and flood protection schemes, and many factories). Therefore, the “environmental limits” do not necessarily reflect what should or should not be able to continue in the catchment.
80. Further, the Waikato River conveys the discharges from multiple wastewater treatment plants. These plants now receive the benefit of the Water Services (Wastewater Environmental Performance Standards) Regulations 2025 (Performance Standards). The Performance Standards allow certain discharges from wastewater treatment plants as permitted activities, and others as controlled activities (consents cannot be declined) provided they meet prescribed standards. There is no reference in the Performance Standards to the environmental limits set in the Waikato and these standards prevail over any inconsistency in a planning instrument.⁸
81. In the Waikato catchment, the effect of the Performance Standards will likely be that wastewater treatment plants will get 35 year consents to discharge to water, with standardised conditions, and other contributors of contaminants (primarily the primary sector) will need to do more than they otherwise would have been required to do in order for the catchment to meet environmental limits. B+LNZ’s concern is that this is inappropriate and inequitable.
82. Finally, if PC1 was determined under the NEB, it is very likely that it would have resulted in a more stringent regime for farming, with greater economic and social cost:
- a. Under the RMA, the rule framework in PC1 has been able to provide for 80% of sheep and beef, and 30% of dairy farms, as permitted activities (those farms do a Schedule D1 farm plan which contains standards to reduce diffuse discharges and satisfies s 70 of the RMA).
 - b. Under the current drafting of the NEB, it is unlikely that any farming could be classified as a permitted activity because the interim target attribute states are not met (clause 32(a)(ii) says an activity should be a permitted activity if there is sufficient provision for cumulative effects without breaching an environmental limit).
83. The implication is that, under the NEB, an additional 2,800 resource consents would be required for existing farming in the PC1 catchment. As noted by the Environment Court in its interim decision, that would “add cost, result in delays and introduce a significant administration burden with limited, if any, environmental benefit.”⁹ This seems to directly contradict the government’s intention of more permitted activities, fewer consents, more streamlined system and delivering environmental improvements.

d. Tools to manage environmental limits

84. The NEB carries forward existing tools (from the RMA, some of which have been modified) as well as introduces new tools to either prevent a limit from being breached or to reduce the effects of

⁸ For example, s 68 of the RMA.

⁹ <https://www.waikatoregion.govt.nz/assets/WRC/InterimEnvironmentCourtDecisionPC1.pdf> at [204].

activities to manage a catchment back to a limit where it has already been breached. New tools include action plans, caps on resource use, and market allocation mechanisms. Existing tools include national direction, environmental limits, FW-FPs, permitted activities and permits (resource consents).

85. B+LNZ understands that the Government's intent is to create a framework that encourages the use of the non-regulatory tools first, then FW-FPs, before the more regulatory tools, but that has not been properly set up in the legislation and needs to be made clearer. The way the legislation is currently written would direct Regional Councils to use the regulatory tools first, particularly in overallocated catchments.
86. B+LNZ supports the Government's intent to encourage councils to prioritise non-regulatory interventions (e.g. action plans) before regulatory intervention, on the basis it is often the least cost interventions that have the greatest community buy in and therefore is has the greatest opportunity for success.
87. B+LNZ considers the provisions in the NEB which enable and set the parameters for these tools require careful review to ensure a clear and cohesive framework as well as to avoid unintended consequences.
88. ***B+LNZ's position is that the following changes are made:***
 - a. **It needs to be made clearer that diffuse contaminants should be managed at a catchment, not, farm scale. This means that resource caps should apply as catchment level limits rather than property level limits i.e. do not require the use of input or output controls like fertiliser N caps or Overseer N loss numbers (refer clause 62(1)).**
 - b. **Changes need to be made to the text to more clearly instruct Councils to step through the non-regulatory approaches first before the regulatory approaches. There should be a clearer cascade from least to most intervention. This includes a clear and logical pathway for the tools that should be used, including when it is appropriate to move from non-regulatory approaches (like action plans) to FW-FPs and then to more stringent (and expensive) regulatory approaches (such as minimum standards, input controls or resource consents).**
 - c. **The way any tools are carried forward from the RMA should avoid problems experienced under the RMA. This includes problems with the FW-FP regime (see below) and also problems with the permitted activity category (s 87A) which prevented permitted activity rules which relied on qualitative assessments. Another example is ensuring that any cumulative effects assessment is limited to permitted activities not yet established but which are likely to be established within the term of the consent application or lifetime of the proposed permitted activity rule.**
 - d. **Where the RMA was expressly amended to fix implementation issues with certain provisions, those should be carried forward to the NEB. This includes the amendments to**

ss 70 and 107, which ensured that permitted activity rules could be considered, and consents could be granted, in overallocated catchments.

3.3 Action Plans

89. The NEB introduces a new tool, called action plans, to manage resources to which limits apply. In principle, B+LNZ is very supportive of a tool which focuses on non-regulatory initiatives to support landowners and catchment groups to manage natural resources. However, B+LNZ is concerned that the purpose and role of action plans needs further consideration.
90. B+LNZ is concerned that, as currently drafted, action plans are a mix of (mostly) regulatory interventions and (some) non-regulatory methods (refer clause 63). B+LNZ is very concerned that action plans could determine caps on resource use (effectively “limits”), rules in regional plans, and/or change the way decisions are made on resource consents. Decisions like this should only be made after a robust evaluative and consultative process (as drafted the regional council is not required to undertake consultation during development of the action plan), and in accordance with processes and methodologies prescribed in the NEB or national direction.
91. ***B+LNZ’s position is that action plans be limited, by legislation, to non-regulatory methods (although they could also cross reference any existing requirements set by other regulation). Action plans could then play a really important role in collating and reviewing catchment information and initiatives, identifying any gaps or opportunities, developing strategies and coordinated approaches, and maintaining momentum in catchment level work.***
- a. Examples of successful non-regulatory interventions: Horizons, Hawkes Bay, Canterbury***
92. Horizons’ Sustainable Land Use Initiative (SLUI) is one example of non-regulatory interventions being successful and being prioritised over regulatory interventions. That programme has been running for 20 years, with the goal of reducing erosion rates to close to natural levels, building resilience in the rural sector and regional economy, protecting lowland communities from upstream hill country erosion and improving water quality.¹⁰ The programme has seen farms voluntarily adopt farm plans and implement actions to stabilise erosion prone land – see case study farm 1 in Section 4.
93. Another example is the proliferation in catchment collectives in the TANK catchments in the Hawke’s Bay. Farmers and the community are not waiting for regulatory intervention through Plan Change 9 (notified in 2020 and likely to be heard in the Environment Court later this year). Catchment groups are sourcing funding, establishing their own farm plan initiatives, undertaking water quality monitoring, trialling mitigations, and educating landowners.
94. The feedback B+LNZ has received from catchment groups has been that while they struggle to source funding and maintain momentum, they continue to see value in coordinated, catchment

¹⁰ <https://www.es.govt.nz/repository/libraries/id:26gi9ayo517q9stt81sd/hierarchy/about-us/presentations/nzarm-conference-2017/documents/poster-papers/Sustainable%20Land%20Use%20Initiative%20-%20Horizons%20Regional%20Council%20-William%20McKay.pdf>

level actions. Some of the value is that regional councils prefer to engage with groups rather than individuals, being a collective enables them to understand the catchment as a whole and it is an opportunity for a range of perspectives to be involved (from tangata whenua to urban and lifestyle properties, as well as farmers).

95. The Canterbury Water Management Zone Committees are another example of coordinated, non-regulatory actions. The Zone Committees brought together local knowledge, iwi partnership, and regional expertise to guide freshwater and land management in Canterbury.
96. The Zone Committees were tasked with developing actions and tactics to deliver on the 10 targets in the Canterbury Water Management Strategy (a non-regulatory document). The Zone Committees developed implementation plans which were then used to develop specific plan changes. Importantly, those plan changes then went through a statutory consultation process, with changes made to the plans before they became operative regulations (cf clause 63 where the action plan could contain or set rules).

3.4 Caps on Resource Use

97. In addition to action plans, caps on resource are proposed as a tool for managing resources to which limits apply (refer clause 60).
98. B+LNZ is concerned that, as currently worded, the NEB will require councils to set caps at both catchment and property scales, encourage an undue focus on numerical limits and attempting to account for every contaminant, and result in a regulatory regime which focuses on minimum standards and input controls. This would likely repeat issues experienced in regional plans in the past, such as the nitrogen allocation rules in Horizons One Plan, and create all kinds of implementation issues which mean that little progress is able to be made on improving water quality.
99. ***B+LNZ's position is that there are circumstances where applying a cap on a resource may be an appropriate and effective mechanism to manage use within an over-allocated catchment. However they should never apply at a property scale, they must be developed through a robust evaluative and consultative process, and they should only be considered where non-regulatory actions are not sufficient to manage a resource back to a cap (cf clause 60(3) where regional councils are required to give first preference to only using a cap on a resource).***
100. Any cap must be grounded in robust science and applied only to resources or contaminants that can be accurately measured, monitored and attributed. They also must balance the impact on the economy and communities whilst establishing what will the actual impact of the cap on environmental improvements be.

3.5 Freshwater Farm Plans (FW-FPs)

101. B+LNZ supports the use of FW-FPs as the primary or default tool for managing diffuse discharges from farming under the new regime. Regulation of farming is different from regulation of any other activity. Where improvement in farming practices is required to achieve water quality

outcomes, a tailored FW-FP which is both risk based and proportionate is the most efficient and effective mechanism for achieving improvement.

102. B+LNZ is concerned, however, that very little consideration appears to have been given to how FW-FPs, as a tool to improve water quality on farms, will operate in the context of environmental limits, caps on resources, actions plans and the new permitted activity and consenting regime. For example, in the current proposed legislation, FW-FPs are not the primary tool (instead, other things like input controls on the amount of fertiliser or output controls on the annual nitrogen discharge are specifically referenced). FW-FPs are also not currently referred to as an alternative to a requirement to obtain resource consent or an alternative to a requirement for the new, more onerous permitted activity standards e.g. registration, affected party approval, certificates etc.

103. ***B+LNZ's position is that farm plans need to be included in the cascade and its use clarified in other parts of the legislation.***

104. B+LNZ has significant concerns about the framework that has been set up under the NEB. The current proposals do not align with the Government's intent for FWFP to replace consents and to establish a simple, risk-based approach. The NEB has simply carried across the existing FW-FP provisions in the RMA and inserted them into Schedule 5. By doing this, the problems encountered with the existing FW-FP regime will continue under the NEB.

105. B+LNZ supports the Government's intent that a FWFP should replace (most) consents. However, as mentioned above there is nothing in the NEB that gives effect to this intent. The way the legislation is currently worded farmers will need to have either a certified and audited or audited farm plan and still have to get a permit (consent) and register permitted activities. ***B+LNZ proposes text is added to explicitly allow a FW-FP to replace the need to obtain consent or register as a permitted activity.***

106. B+LNZ supports the Government's intent to establish a system that is simple and based on risk, however, the legislation does not give effect to this intent. In particular the legislation does not differentiate adequately between risk and would currently require the preparation of a complex and expensive farm plan, regardless of the intensity or risk profile of the farm.

107. Currently the legislation requires **all** risks on the farm to be identified and all actions to mitigate those risks. There is no differentiation in how much needs to be covered in the plan, based on risk or relevance. For an extensive sheep and beef farm this sets up a very complex framework where they have to identify all risks, irrespective of the catchment context or material nature of their impact. ***B+LNZ proposes that FW-FPs should be limited to those activities and parts of the farms that create a material risk to the catchments freshwater quality. The preparation of an FW-FP should be undertaken as efficiently and cost effectively as possible.***

108. Currently in the legislation all farmers would need to do either a certified and audited or audited FW-FP. While B+LNZ supports the use of a FW-FP as an alternative to a consent, most sheep and beef farmers do not currently need a consent. The current proposed framework could see less compliance and complexity for farms undertaking high risk activities and place greater new

requirements on low-risk farms. ***B+LNZ proposes that low risk farmers may not have to do a FWFP, or that if an FWFP is required to be completed it is auditable – rather than audited.***

109. If a certified FW-FP is required, then the entire farm has to be certified under the current legislation. There are many large sheep and beef farms where only a small part of the farm is intensive, for example they may have a small amount of winter grazing and the rest is extensively grazed. When seeking a consent, farmers only need to set out how they will manage the risks from the high-risk activity on the relevant land, not how they will manage the entire farm. ***B+LNZ therefore proposes that only the high-risk parts of the farm need to be certified.***

110. The Government's intent is that farmers should only need to do one FW-FP which B+LNZ supports. The content of FW-FPs should also be standardised nationally, wherever possible and recognise existing plans that meet a similar standard. ***B+LNZ proposes the NEB include provisions that avoid re-litigation of FW-FP contents in every region through the development of each regional plan.***

111. There are a range of existing farm plans currently in force e.g. nutrient management plans required by regional plans in Rotorua and Canterbury, Tiaki farm plans, and FAP+ (Farm Assurance Programme Plus) plans. ***B+LNZ seek confirmation that existing farm plans can be used as the basis for a FW-FP with any additional matters covered by an addendum without the need to prepare and comply with two separate farm plans.***

112. B+LNZ cannot emphasise enough how important it is to get the FWFP regime right. Farmers want an enduring solution. They don't want to have to complete a national FWFP only to be told by the regional council that they also need a separate farm plan or consent/permit because the national FWFP regime is not fit for purpose for use in their region/catchment. Farmers want the opportunity to demonstrate that when they are empowered to understand the problems and take ownership of the solutions it is possible to achieve win/win – a profitable and fulfilling farm and environmental improvements.

3.6 Consenting framework

113. The NEB introduces a new permitted activity and consenting framework. We understand that the Government's intent under the proposed reforms is to reduce cost and bureaucracy, to require fewer consents and have more permitted activities. This has not been achieved in the text and significant changes are needed to give effect to the Government's intent.

- a. The requirements for permitted activities have significantly increased (refer clause 39). Presumably this is because it is intended that some activities which are currently consented will now be permitted and there still needs to be greater oversight of them than was possible under permitted activities as defined under the RMA.
- b. The number of consent categories has been reduced. Most concerning from B+LNZ's perspective is that the controlled activity category has been removed. Presumably, this is in an effort to reduce the number of consents. B+LNZ's concern is that removing this category

will not change the number of consents but it is very likely to significantly increase the cost, time and risk for activities which require consent.

114. While B+LNZ agrees in principle with the intent of enabling more activities as a permitted activity (and one of its FW-FP principles is that that tool should be enabled as an alternative to consent), B+LNZ has two major concerns with how the permitted activity consenting framework has been amended in the NEB.

a. First concern: increased obligations for permitted activities

115. B+LNZ is concerned the proposed NEB introduces additional and more onerous requirements for those undertaking permitted activities than they need to under the RMA. B+LNZ is concerned that the combination of these requirements has the potential to make a permitted activity a pseudo resource consent.

116. For example, currently under the RMA a farmer generally does not need to notify a council that they intend to undertake a permitted activity and have the council approve it before they carry out the activity. Sheep and beef farms carry out a range of individual activities such that, on any given sheep and beef farm, there are a range of (district and regional plan) permitted activity rules the farm will rely on. Examples include silage and offal pits, stock drinking and domestic water takes from a bore or stream, fertiliser application, burning rubbish, clearing vegetation for track maintenance, earthworks for creating and maintaining tracks, cultivation of crops, construction of farm buildings, noise standards for equipment and machinery. All of these permitted activities, and many more, are routine activities that are essential to farming. Section 4 shows two case study farms in the Horizons and Canterbury regions which demonstrate the number and range of permitted activities that these farms rely on for day-to-day farm activities.

117. B+LNZ is concerned that clause 39 has the potential to significantly increase the cost and complexity of carrying out these regular activities. It is difficult to see how the new obligations will apply to these activities, for example:

- a. Fertiliser application (case study farm 1 and 2) - if there was a requirement to register the activity (clause 39(1)(a)) before spreading fertiliser (clause 202(2)), and a requirement for the council to determine and notify the farmer within 10 working days about whether the permitted activity rule will be met (clause 202(3)):
 - i. Would the farmer have to do this every time they applied fertiliser?
 - ii. The timing of fertiliser application depends on a range of factors (weather, availability of a truck or plane to apply it, other farm work, staff), how would the farmer know sufficiently in advance to apply for approval?
 - iii. This is a lot of cost and expense just to apply fertiliser, and the effects can more efficiently be managed by standards or industry guidelines such as soil temperature, calibration of machinery, setbacks from waterways and neighbouring properties; or managed through a FW-FP.

- b. Silage pits (case study farm 2) – if there was a requirement in a permitted activity rule about silage pits which had to relate to a matter in clause 169:
 - i. What would that requirement be that is not already met by the current standards that apply to silage pits?
 - ii. The only matters in clause 169 that seem to be vaguely relevant relate to planting trees or vegetation.
 - iii. This does not appear to be appropriate for a permitted activity standard for silage pits where the relevant standards are matters such as permeability of the surface and setbacks from waterways and neighbouring dwellings.
- c. Burning rubbish and vegetation (case study farm 1 and 2) – if this was subject to a requirement to obtain written approval from persons who may be affected (clause 39(2)(b)(i)):
 - i. this would mean that a farmer would not know in advance whether or not their activity is permitted.
 - ii. Whether or not someone will be affected may depend on which way the wind is blowing – it is literally impossible to guarantee the wind will not change direction during any burn.
 - iii. In terms of obtaining affected party approval, what is offensive or objectionable for one person will differ for another, even though the smoke or odour is objectively not offensive (which would be enough under the RMA to satisfy a permitted activity standard).
 - iv. What does it mean if the neighbour does not give approval – does that mean any resource consent application would need to proceed to a hearing? Would it be declined?
 - v. This seems expensive and time consuming for an everyday activity which can be managed through standards.

118. B+LNZ's position is to seek amendments to clause 39 so that, for existing permitted activities, the existing approach can continue i.e. they are permitted if they meet standards set out in the rule and do not need to be registered or have to obtain affected party approval.

119. The additional requirements in the NEB for permitted activities should instead be optional (as presently drafted registration or a matter in clause 169 are mandatory) so that they are only required to be applied for activities which previously required resource consent but under the new regime are to be enabled as permitted activities. Examples could be water takes for irrigation which need to be subject to low flow shut down periods and, in which circumstances, notification of the activity to council is necessary as is compliance with water metering standards.

b. Second concern: removal of controlled activities

120. While B+LNZ supports the intention of enabling more permitted activities and having fewer consents, we still consider that controlled activity consents have an important role to play in the

new system. B+LNZ sees controlled activities as critical for ensuring the new regime is streamlined, reduces costs and provides certainty to resource users.

121. Controlled activities are activities for which the council retains discretion over the consent conditions but the application for consent cannot be declined. These two aspects are particularly important for existing farming activities.
122. In the context of increasing regulation of farming activities, the fact that controlled consents cannot be declined recognises farms are existing activities (not proposed developments) that were lawfully established before the regulations came into force.
123. A controlled consent for a particular period of time also provides considerably more certainty for the farmer than being permitted, which could change.
124. Controlled activities provide the ability to tailor consent conditions to the particular farm in a way that can sometimes be more workable and certain than a permitted activity rule. This was why controlled activities were adopted in Waikato Regional Council's Variation 5 (Taupō) – the benchmarking and nitrogen management plan processes in that plan required a reasonably high level of expert involvement, a consistent approach and a permitted activity would have resulted in a complex and uncertain rule. (Although B+LNZ notes that allowing qualitative judgments in farm plans as permitted activities would help to address some of the issues encountered in Variation 5 and mean that more farms could have been classified as permitted activities).
125. Compared with other categories of consent, controlled activity consent applications are non-notified, simple to prepare and can be prepared by a lay person without the need for experts. Likewise, they take less time for councils to process. This is illustrated by Waikato Regional Council's Variation 6 (water allocation) where the controlled activity pathway provided an efficient process for 3,500 applications for water takes for dairy shed wash down.
126. If controlled consents are removed, then farmers would have to get a (restricted or full) discretionary consent which is a lot more expensive as well as significantly uncertain – the consent application might be notified (increasing cost and risk of consent being declined or additional consent conditions being imposed) and the consent might not be granted.
127. ***B+LNZ's position is therefore that controlled consents are reinstated.***

3.7 Market mechanisms and resource rentals

128. In respect of freshwater, B+LNZ does not support the enabling of market mechanisms or resource rentals. While these tools might not be “turned on” until national direction, B+LNZ is so concerned about the potential implications of such tools that it considers the primary legislation should not even provide this option.
129. B+LNZ's concerns apply to both water takes and water quality. While water takes might have less barriers to trading, B+LNZ is concerned that even that will be fraught given the small markets, incentives for water hoarding and practical issues in terms of water from one sub-catchment not

being able to be transferred to another or for many water take and water use decisions needing to be made in an integrated way (given the strong connections between water quantity and quality).

130. ***B+LNZ's position is that market mechanisms and resource rentals are removed from the NEB.***

3.8 Stock drinking water

131. The drafting on stock drinking water in the NEB has essentially been bought forward from the RMA (14(3)(b)). Significant issues with the current wording of s 14(3)(b) have arisen in some regions for existing farmers for whom sufficient and reliable water for stock drinking is a fundamental animal welfare issue.

132. ***B+LNZ's position is that amendments are needed to clause 20 to limit the effects that are able to be taken into account when considering stock drinking water takes. Importantly, it should only be more than minor adverse effects on freshwater flows and levels, rather than any adverse effect on any natural resource.***

4. Table of relief sought

The table below sets out the specific changes that B+LNZ seeks to the NEB and the reasons for those changes. B+LNZ has been working collaboratively with other primary industry groups and, wherever possible, it has attempted to align with the specific changes sought with what other parties are seeking.

However, this has been very challenging within the short timeframes available for drafting a submission, the structural interplay between the Bills, and the reliance of provisions in the NEB on secondary legislation such as national direction and national standards, which we are yet to see. Accordingly, alternative drafting put forward in this submission should be read with these constraints in mind and differences in wording compared to other industry groups might not be reflective of differences in opinion, just different drafting approaches to address the same concern.

In an effort to share the load, different primary industry bodies have focused on different aspects of the NEB. Accordingly, a lack of emphasis on one aspect, or brevity in reasoning for a particular clause, should not be interpreted as indicative of the importance of the issue to B+LNZ.

B+LNZ has collaborated particularly closely with DairyNZ to try to seek as much alignment on specific wording as possible.

B+LNZ will continue to collaborate with primary industry bodies to provide as much assistance as possible to the Select Committee at the hearing.

Natural Environment Bill		
Provision	Change sought	Reasoning
Part 2		
Subpart 1 – Core provisions		
11 - Goals	<p>11 - Goals All persons exercising or performing functions, duties, or powers under this Act must seek to achieve the following goals subject to sections 12 and 69:</p> <p>(a) to enable the use and development of natural resources within environmental limits:</p> <p>(b) to protect safeguard the life-supporting capacity of air, water, soil, and ecosystems:</p>	<p>(a) “Within environmental limits” is already covered by the matters listed in (b) to (d) and is therefore unnecessary. It also creates a hierarchy whereas our understanding is that there is no intended hierarchy in the matters listed in clause 11.</p> <p>Further, none of the other matters have a similar qualification e.g. the matters in (b) to (d) do not say “while enabling use and development.”</p>

	<p>(c) to protect human health from harm caused by the discharge of contaminants:</p> <p><u>(d) to recognise and provide for the use and development of natural resources for food production:</u></p> <p>(e) to achieve no net loss in indigenous biodiversity <u>at a national scale:</u></p> <p>(f) to manage the effects of natural hazard associated with the use or protection of natural resources through proportionate and risk-based planning:</p> <p>(g) to provide for Māori interests through—</p> <ul style="list-style-type: none"> i. Māori participation in the development of national instruments, spatial planning, and natural environment plans; and ii. the identification and protection of sites of significance to Māori (including, wāhi tapu, water bodies, or sites in or on the coastal marine area); and iii. enabling the development and protection of identified Māori land. 	<p>Having a clear goal about enabling the use and development of natural resources is important to recognise the significant role existing primary production plays in the economy and resource management system. Further, this is the only goal that existing farming can rely on in decision making under the NEB. Contrast that with s 5 of the RMA which referred to use and development as well as enabling people and communities to provide for their social, economic and cultural wellbeing.</p> <p>(b) The Bill uses “safeguard” in clause 11(b). This is the only time the direction is to “<i>safeguard</i> the life supporting capacity of the natural environment.” All other references in the NEB are to “<i>protect</i> the life supporting capacity of the natural environment” e.g. definition of “ecosystem health limit”, clause 46(b), clause 54(2)(c).</p> <p>It is very important to ensure that the words used are consistent to avoid unnecessary uncertainty and potential litigation.</p> <p>B+LNZ considers that the term “protect” is clearer in meaning and interpretation than “safeguard”. “Protect” indicates no going backwards whereas “safeguard” may be interpreted to require positive action to improve. “Protect” is also consistent with the verb used in clause 11(c) and all other references in the NEB to “life supporting capacity.”</p> <p>(d) B+LNZ considers that food production needs recognition in the goals. A key emphasis of the reform is on enabling primary production. B+LNZ has had specific farmer feedback expressing concern that primary production has not been reflected in the goals, and the economic/social aspects of primary production could be argued to be less important than the RMA (because s 5</p>
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		<p>referred to economic and social wellbeing and s 7(b) referred to efficient use and development of natural and physical resources).</p> <p>(e) Clarification of the scale of “no net loss of indigenous biodiversity” is required. B+LNZ seeks amendments to ensure this subclause does not mean that any loss of indigenous biodiversity at the farm/property scale is unacceptable.</p>
<p>13 - Procedural principles</p>	<p>13 - Procedural principles</p> <p><u>(1)</u> A person exercising or performing functions, powers or duties under this Act must take all practicable steps to—</p> <ul style="list-style-type: none"> (a) ensure all documents are succinct and use plain language that can be readily understood by the public: (b) act in a timely, <u>consistent</u>, and cost-effective manner: (c) <u>if no time limit is prescribed for exercising or performing a function, power or duty under this Act, the person responsible for the action or decision must take that action or make that decision as promptly as is reasonable in the circumstances;</u> (d) (c) act proportionately to the scale and significance of the <u>risk to the environment and the functions, powers and duties being exercised or performed matter</u>: (e) (d) ensure they have <u>adequate enough</u> information to understand the implications of their <u>recommendation or</u> decision (if any), after considering— <ul style="list-style-type: none"> i. the cost and feasibility of obtaining the information; and ii. the scale and significance of the matter to which the decision relates: (e) <u>(f)</u> act in an enabling manner (for example, by being solutions-focussed) that is consistent with the principles in paragraphs (a) to (d) and section 12: (f) <u>(g)</u> avoid unnecessary repetition in key instruments. 	<p>B+LNZ notes the reasoning in the DairyNZ submission (who propose the same changes) and says further that it supports the idea of having principles to ensure procedures under the Bill are timely, cost effective and proportionate. B+LNZ considers that there needs to be some “teeth” or consequences for when decision makers do not follow these principles.</p>

	<p><u>(2) A person may apply to the Planning Tribunal for a declaration where the principles in subsection (1)(b)-(f) have not been complied with.</u></p> <p><u>(3) Where a person applies for a declaration under subsection (2), the process under clause 22A of Schedule 10 of this Act will apply with all necessary modifications.</u></p> <p><u>(4) A local authority must report on any declarations issued by the Planning Tribunal under subsection (2) to the chief executive on a quarterly basis.</u></p> <p><i>[Drafting note: consequential changes are required to cl 22A Sch 10. To confirm wording following discussion of (2)-(4) above.]</i></p>	
<p>13A - Decision-making principles – new provision sought</p>	<p>13A - Decision-making principles</p> <p><u>(1) All persons empowered to make recommendations or decisions under this Act must—</u></p> <ul style="list-style-type: none"> a) <u>act in an enabling manner in accordance with subsections (b)-(e) and sections 11-13;</u> b) <u>manage adverse effects including cumulative effects of using and developing the environment in accordance with the goals in section 11;</u> c) <u>have regard to any measures proposed to avoid, remedy, mitigate, offset or compensate adverse effects of a proposal;</u> d) <u>have regard to the positive effects of using and developing the natural environment to achieve the goals in section 11;</u> e) <u>have regard to the negative effects of restricting the use and development of the natural environment;</u> f) <u>grant applications for resource consent unless the consent authority can be satisfied there are adequate reasons not to do so and that conditions of consent could be imposed to ensure adverse effects are acceptable;</u> 	<p>B+LNZ consider that having principles to guide decision making would help to streamline decision making as well as ensure consistent, efficient and proportionate decisions.</p> <p>These principles align with those proposed by DairyNZ in its submission except that B+LNZ considers that B+LNZ considers that sub-clause (1)(f) should also require consent authorities to be satisfied that conditions could not be imposed to ensure adverse effects are acceptable. This will provide for a situation where an activity, without controls, may not be acceptable but it would be acceptable with conditions to avoid, minimise, remedy, offset or compensate effects.</p>

	<p>g) <u>prioritise the use of non-regulatory methods over regulatory methods.</u></p> <p>(2) <u>A person may apply to the Planning Tribunal for a declaration where the principles in subsection (1) have not been complied with.</u></p> <p>(3) <u>Where a person applies for a declaration under (2), the process under clause 22A of Schedule 10 of the Planning Act will apply with all necessary modifications.</u></p> <p>(4) <u>A local authority must report on any declarations made under (2) to the chief executive on a quarterly basis.</u></p> <p><i>Consequential changes are required in Sch 10 of the Planning Act including a new clause 22A (but the drafting of a new clause 22A is not included in this submission)</i></p>	
<p>14 - Considering effects of activities</p>	<p>14 - Considering effects of activities</p> <p>A person exercising or performing a function, duty, or power under this Act who is considering the effects of an activity on a person, people, or a natural resource,—</p> <p>a) must give particular consideration to effects such as the following, as far as each is applicable:</p> <p>i) the positive effect of enabling activities under this Act:</p> <p><u>(ia) the adverse effects of restricting lawfully established activities either directly or indirectly:</u></p> <p>ii) the effects on natural resources including air, water (freshwater, geothermal and coastal), land and soils, and indigenous biodiversity:</p> <p>iii) the effects of natural hazards associated with the use or protection of natural resources:</p>	<p>Clause (a)(ia)</p> <p>B+LNZ considers that it is very important that the effects on existing, lawfully established activities are considered (sub-clause (ia)). The effects of proposals on existing use compared with development are very different and B+LNZ is particularly concerned to ensure that new development is not enabled at the expense of existing farming i.e. existing farms have to de-intensify or change land use to create headroom for a new factory or other infrastructure.</p> <p>Even where development is not being considered, it is crucial that the impacts of a proposal (whether it is deciding what environmental limits to set, identifying land uses for spatial planning, or deciding the most appropriate activity category for an activity) on existing activities is a factor that is taken into consideration.</p>

	<p>iv)</p> <p>b) must not consider effects regulated under the Planning Act 2025 <u>or any other enactment:</u></p> <p><u>(c) must not consider the end use effects of an activity.</u></p> <p>(c) may consider any other effect of the activity, subject to paragraph (b).</p>	<p>If there is no express requirement to consider existing activities, there is a real risk that important economic and social impacts of proposals will not be taken into account.</p> <p>Clauses (b) and (c)</p> <p>B+LNZ considers that to achieve the government’s intention of narrowing the scope of the new system, it is important that the list of effects is narrow and focused. It considers the effects of the activity, for example the effect of the activity of taking water, should be considered and not the end use effects of an activity e.g. that water is being taken for a water bottling plant which will result in 1.4 billion bottles of water.</p> <p>For these reasons, it is proposing the amendments in sub-clauses (b) and (c).</p>
<p>15 - Considering adverse effects of activities</p>	<p>15 Considering adverse effects of activities</p> <p>(1) A person exercising or performing functions, powers, or duties under this Act who is considering the effects of an activity—</p> <p>(a) must consider how—</p> <p>(i) adverse effects are to be avoided, minimised, or remedied, where practicable; or</p> <p>(ii) adverse effects are to be offset or compensated, where appropriate.</p> <p>(b) must not consider a less than minor adverse effect unless the cumulative effect of 2 or more such effects create effects that are more greater than less than minor.</p>	<p>(1)(a) B+LNZ says that there should not be a hierarchy in the ways in which effects are to be managed i.e. a resource user should be able to choose whether to avoid, minimise, remedy, offset or compensate (unless a national instrument specifies otherwise).</p> <p>(1)(b) B+LNZ has concerns about how “greater than less than minor” will be interpreted and defined, and that this could result in considerable litigation. To achieve the intention of streamlining and narrowing the scope of the new regime, B+LNZ says that the focus should be on “more than minor” effects.</p> <p>B+LNZ also has concerns about how cumulative effects will be interpreted, particularly if there are more permitted activities under the new regime and an activity which does not exist, but could exist as of right, is required to be considered when assessing cumulative effects.</p>

<p>(2) A national instrument may specify—</p> <p>(a) how, and in what order, adverse effects are to be avoided, minimised, or remedied, offset, or compensated; and</p> <p>(b) when it is practicable for adverse effects to be avoided, minimised, or remedied; and</p> <p>(c) when it is appropriate for adverse effects to be offset or compensated; and</p> <p>(d) where specific effects are managed under this Act and under the Planning Act 2025.</p> <p>(3) If no national instrument is in force to guide or direct the use of offsetting and compensation, the management of adverse effects through offsetting and compensation: must not be undertaken except in the context of determining an application for a permit.</p> <p>(a) must not be guided or directed by provisions of a natural environment plan; and</p> <p>(b) may be provided for in the context of determining an application for a permit but only if the offset or compensation has been proposed or agreed to by an applicant.</p> <p>(4) The order in which an approach to managing effects appears in this section does not assign an order of importance to how effects are managed.</p> <p>(5) In this section, a less than minor adverse effect means an adverse effect that, after any mitigation required by a condition of any applicable rule or permit, is acceptable and reasonable in the</p>	<p>To address this concern B+LNZ has proposed an amendment to the definition of cumulative effect (see next row in this table) and to sub-clause (5).</p> <p>(2) B+LNZ agrees that it would be helpful if national instruments could provide direction about the certain circumstances which require activities to avoid, minimise, remedy, offset or compensate effects in a certain order or way. However, B+LNZ does not support clauses (b) and (c) because they create a hierarchy and because they are not needed in light of the amendments made to clause (1).</p> <p>(3) The wording of this clause was very unclear. B+LNZ considers that the existing legal position under the RMA should be carried forward but also refined to avoid arguments in every regional plan i.e. unless national direction requires it, there is no obligation to offset or compensate, a regional plan cannot require it, but an applicant can voluntarily offer to offset or compensate effects.</p> <p>(5) B+LNZ is very concerned about the uncertainty created by the introduction of the new terms “slight or barely noticeable.” These should be deleted and the focus should be on more than minor adverse effects. This would be consistent with the intention of narrowing the scope of the system.</p> <p>It is also important that whether an effect is “minor” is considered after any mitigation required by a permitted activity rule or required by a condition of any permit (resource consent). That would assist to avoid arguments about whether effects need to be considered and reduce the assessment of environmental effects required for any permit (consent) applications.</p>
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	receiving environment with any change being slight or barely noticeable.	
3 – Interpretation	<p>effect—</p> <p>(a) includes, irrespective of the scale, intensity, duration, or frequency,—</p> <ul style="list-style-type: none"> (i) any positive or adverse effect; and (ii) any temporary or permanent effect; and (iii) any past, present, or future effect; and (iv) any cumulative effect that arises over time or in combination with other effects, <u>or as otherwise defined by a national instrument</u>; and <p>(b) also includes—</p> <ul style="list-style-type: none"> (i) any potential effect of high probability; and (ii) any potential effect of low probability but that has a high potential impact 	<p>B+LNZ acknowledges the need to take into account cumulative effects but is concerned about how this will be applied in the context of diffuse discharges. This could have significant implications for setting environmental limits or assessing any breaches, enabling permitted activity rules for farming, and the granting of consent for existing activities.</p> <p>Cumulative effects, and how to account for them, are a significant issue for farming activities. The effects of diffuse discharges from an individual sheep and beef farm might be less than minor (and so small there are few, if any, options to reduce them further), but when combined with point source discharges from a factory in the catchment, or discharges from all of the other land uses from unavoidable natural events such as streambank erosion or slips into streams, the cumulative effect is that an environmental limit is breached.</p> <p>One of the issues in assessing cumulative effects is which activities should be taken into account. The existing case law is that non-fanciful activities that could establish as of right should be taken into account. With greater use of permitted activities, and national direction potentially allowing major development as permitted standards e.g. wastewater treatment plants, B+LNZ is very concerned that a range of effects from activities which could establish as permitted activities (but which do not currently exist) could be taken into account. This would be a significant issue for assessing whether environmental limits are breached (a limit might be breached on paper but not in practice) and for assessing whether to allow existing activities (like farming) as a permitted</p>

		<p>activity, or where consent is already required, whether to grant consent.</p> <p>B+LNZ is very concerned about the potential arguments in every region about how cumulative effects should be defined and accounted for.</p> <p>The assessment of, and accounting for, cumulative effects will likely be contaminant, catchment, activity or region specific. Therefore, B+LNZ considers that it is a matter that would be best addressed through national direction. This would allow national direction to specify what activities should be taken into account when assessing cumulative effects for the purpose of freshwater quality management, for example.</p> <p>While national direction could direct this without a reference in the definition of cumulative effect, B+LNZ considers this amendment is necessary to ensure sight is not lost of the issue.</p>
<p>Part 2 Subpart 2 – Duties and restrictions</p>		
<p>20 - Restrictions relating to water Subclause (4)</p>	<p>.....</p> <p>4) A person is not prohibited by subsection (3) from taking, using, damming, or diverting any water, heat, or energy—</p> <p>a) if the taking, using, damming, or diverting is expressly allowed by—</p> <p>i) a national rule; or</p> <p>ii) a rule in a plan and any rule in a proposed plan that has legal effect; or</p> <p>iii) a water services standard; or</p> <p>iv) a permit; or</p> <p>(b) in the case of fresh water, if both of the following apply:</p>	<p>Being able to take water for stock drinking is extremely important for farmers. It is an important animal welfare issue – animals die if they do not have enough drinking water. Farmers need certainty that their stock are able to drink as much as they need to sustain themselves.</p> <p>Clause 20(4)(b) as currently drafted in the proposed Bill retains similar drafting as s 14(3)(b) of the RMA (except that the adverse effect is now by reference to “any natural resource” rather than the “environment”). This drafting has created issues in some catchments, and has the potential to become a greater issue moving forward (depending on how environmental limits are set).</p>

	<p>i) the water, heat, or energy is required to be taken or used for an individual’s reasonable domestic needs or the reasonable needs of a person’s animals for drinking water:</p> <p>ii) the taking or use does not, or is not likely to, have a <u>more than minor</u> adverse effect on any natural resource <u>freshwater flows or levels</u>; or</p>	<p>Takes for stock drinking water are small compared with other water takes e.g. for irrigation. A requirement to consider adverse effects on natural resources, without qualification, will likely to result in arguments about:</p> <ul style="list-style-type: none"> • How cumulative effects are to be assessed and quantified. (Given the volume of stock drinking water takes, this seems disproportionate to the issue and not consistent with simplifying and streamlining the system). • Attempts to control diffuse discharges through controlling stock drinking water takes. (It would be more appropriate to address concerns about identification through tools such as land use controls). <p>In the TANK catchments in the Hawke’s Bay, the proposal is that new takes for stock drinking water are prohibited. This would likely create implementation issues e.g. what is a “new” take – moving an existing take from the same stream to a different property? As well as have potentially creating significant animal welfare issues, and social and economic effects.</p> <p>Section 4 includes a case study of when a farmer may require additional or changes to their stock drinking water takes alongside a case study of the TANK regional plan change.</p> <p>Amending clause (b)(ii) to focus on more than minor adverse effects is consistent with the intention to narrow the scope of the system.</p> <p>Amending clause (b)(ii) to focus on “freshwater flows or levels” as opposed to “natural resources” would also focus on the direct</p>
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		effects of the water take activity (i.e. is so much water taken that a stream runs dry) and avoid arguments about which natural resources, and which effects need to be taken into account.
Part 2 Subpart 3 – Key instruments		
32 - Principles for classifying activities	<p>32 Principles for classifying activities</p> <p>When exercising or performing a function, power, or duty under this Act, a person must be guided by the following principles:</p> <p>(a) an activity should be classified as a permitted activity <u>wherever possible while giving effect to the goals in section 11, national instruments or regional spatial plans (as required by section 12) including in the following circumstances if–</u></p> <p>(i) either–</p> <p>(A) the activity is acceptable <u>has (or is likely to have) effects that are minor or less than minor, is</u> anticipated, or achieves the desired level of, anticipated, or achieves the desired level of use, development, or protection of the natural environment; or</p> <p>(B) any adverse effects of the activity on the natural environment are well understood and can be managed <u>by other methods including national regulation, freshwater farm plans or non-regulatory methods (or some combination of those methods)</u>; and</p>	<p>To achieve the objective of simplifying processes, with fewer consents and more permitted activities, as well the objectives of streamlining and cutting costs, B+LNZ considers that clause 32 is one of the critical sections to get right.</p> <p>In summary, the proposed changes seek to:</p> <ul style="list-style-type: none"> • Give primacy to activities being classified as permitted. • Ensure that where catchments have already breached an environmental limit, activities may still be classified as permitted or, where consent is considered appropriate, may be classified as controlled or restricted discretionary i.e. address the previous issues with ss 70 and 107 of the RMA. • Retain the current controlled activity classification to provide a cost effective consenting option for activities which will require consent under the new regime. <p>Clause (a) – permitted activities</p> <p>(a) To achieve the intent of the reform, wherever possible, activities should be classified as permitted.</p> <p>(a)(i) Assessing whether the effects of an activity are “acceptable” is a subjective assessment. Given the narrower focus of the new</p>

	<p>(ii) there is sufficient allocation for any anticipated cumulative effect without breaching an environmental limit: <u>or</u></p> <p><u>(iii) there is insufficient allocation for the anticipated cumulative effect without breaching an environmental limit but standards can be imposed on the permitted activity that the council is satisfied will, by themselves or in combination with any other provisions in the plan:</u></p> <p><u>(A) contribute to a reduction of an existing breach of an environmental limit; or</u></p> <p><u>(B) avoid a future breach of an environmental limit if the limit is not already breached.</u></p> <p><u>(ba) an activity should be classified as a controlled activity if –</u></p> <p><u>(i) the activity is acceptable, anticipated, or achieves the desired level of use, development or protection of the natural environment, but 1 or more of the activity's effects require addressing by 1 or more conditions that are not listed for permitted activities;</u></p> <p><u>(ii) effects of the activity on the natural environment can be appropriately managed through national standards or permit conditions:</u></p>	<p>regime, B+LNZ considers that permitted activities should instead be classified as those with minor or less than minor effects (and refer also the submission on clause 15 above).</p> <p>(a)(i)(B) As explained in section 3, B+LNZ considers that FWFPs need to be enabled as an alternative to resource consent, and that non-regulatory methods need to be considered before regulatory. As currently drafted, the NEB will result in many activities requiring consent depending on how stringent environmental limits are (amendments to clause 32 are proposed to address this issue) and there is no clause enabling FWFPs as an alternative to consent (this is one of the intentions of B+LNZ's redraft of sub-clause (a)(i)(B)).</p> <p>(a)(ii) It is important to recognise that it is not just the permitted activity rule that manages effects. There will be standards in national instruments, farm plans and non-regulatory methods (and refer also to the submission on action plans below).</p> <p>(a)(iii) It is critical that the recent amendment to s 70 (to allow activities to be classified as permitted activities where there were certain limits were breached provided there is a trajectory to improvement) is carried forward.</p> <p>As currently drafted, whether an activity can be permitted will depend on how and what environmental limits are set. B+LNZ is concerned that if aspirational environmental limits are set, that could result in many catchments or entire regions being in breach of one or more environmental limits. That could mean that all activities would require consent. That would be a more onerous outcome than under the RMA and would also have significant social and economic impacts.</p>
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	<p><u>(iii) any risk of breaching an environmental limit can be appropriately managed through national standards or permit conditions:</u></p> <p><u>(iv) conditions can be imposed on the controlled activity that the council is satisfied will, by themselves or in combination with any other provisions in the plan:</u></p> <p><u>(A) contribute to a reduction of an existing breach of an environmental limit; or</u></p> <p><u>(B) avoid a future breach of an environmental limit if the limit is not already breached.</u></p> <p>(b) an activity should be classified as a restricted discretionary activity if—</p> <p>(i) the activity is acceptable, anticipated, or achieves the desired level of use, development, or protection of the natural environment, but 1 or more the activity’s effects require specific assessment; and</p> <p>(ii) effects of the activity on the natural environment can be appropriately managed through national standards or permit conditions:</p> <p>(iii) any risk of breaching an environmental limit can be appropriately managed through national standards or permit conditions:</p>	<p>B+LNZ considers that permitted activities can be appropriate where environmental limits are breached provided standards can be imposed which will contribute to a reduction in effects. This might be in contribution with other regulatory or non-regulatory methods.</p> <p>Examples of how this could be achieved in practice include:</p> <ul style="list-style-type: none"> • Freshwater quality: a permitted activity rule requiring a freshwater farm plan. • Air quality: a permitted activity rule specifying standards to be met e.g. no discharge of objectionable odour, no adverse effects on human health, not significantly impair visibility beyond the property boundary, not cause accelerated corrosion or deterioration of structures beyond the property boundary. <p>Clause (ba) – controlled activities</p> <p>Article I. Controlled activities play currently play an important role in the resource management regime. Controlled activities have, for example, played a significant role in the recent Water Services (Wastewater Environmental Performance Standards) Regulations 2025.</p> <p>Notwithstanding B+LNZ’s support for a regime which relies on permitted activities, with fewer resource consents, B+LNZ considers that controlled activities will continue to be an important category and should be retained.</p> <p>B+LNZ understands that the intention is that activities which are currently classified as controlled should be able to become permitted activities under the new regime. While B+LNZ supports this approach, it is concerned that there are likely to be some activities which are unable to meet permitted activity standards.</p>
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	<p><u>(iv) conditions can be imposed on the restricted discretionary activity that the council is satisfied will, by themselves or in combination with any other provisions in the plan:</u></p> <p><u>(A) contribute to a reduction of an existing breach of an environmental limit; or</u></p> <p><u>(B) avoid a future breach of an environmental limit if the limit is not already breached.</u></p> <p>(c) an activity should be classified as discretionary activity if—</p> <ul style="list-style-type: none"> i. the nature and type of activity requires an assessment of all the effects of the activity on natural resources; or ii. the adverse effects of the activity are unknown or uncertain; or iii. the activity is inconsistent with the regional spatial plan; or iv. the activity is not anticipated and may be inappropriate: <p>(d) an activity should be classified as a prohibited activity if it will have an unacceptably high level of adverse effects on the natural environment that cannot be managed by permit conditions.</p>	<p>It would not be cost effective for these activities to be classified as restricted discretionary activities.</p> <p>Controlled activities are particularly important for existing, lawfully established activities. The fact that consent cannot be declined recognises that such an outcome would not be appropriate for an existing activity (the social and economic impacts would be huge). However, being able to tailor consent conditions to the particular activity could result in win/win outcomes.</p> <p>There may be situations where it is not possible to contemplate all of the specific effects or appropriate mitigations for an activity in permitted activity standards. There may be situations where a catchment is particularly sensitive that greater control over the actions and their timing, to address effects of an activity, is needed.</p> <p>While B+LNZ’s concern lies in the context of freshwater management and farming, it is foreseeable that controlled activities could equally be important for other activities. For example, it could be that infrastructure projects cannot meet a permitted activity standard in national direction, but they can propose a tailored solution through a controlled consent condition. This ensures that any hearing is not about whether or not the project should proceed – but simply what one or more conditions should be.</p> <p>(ba)(iv) and (d)(iv) – conditions to reduce or avoid breach of environmental limit</p> <p>The changes to clauses (ba)(iv) and (d)(iv) effectively carry across the amendments that were made to s 107 of the RMA.</p>
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<p>33 - Consequences of permitted, restricted discretionary, or restricted discretionary activity classification.</p>	<p>Insert a new Cl 33 (2A) as follows:</p> <p><u>(2A) If the activity is classified as a controlled activity, —</u></p> <p><u>(a) the activity requires a natural resource permit; and</u></p> <p><u>(b) the regional council must not notify (either public or targeted notification) and must grant a natural resource permit subject to section 164;</u></p> <p><u>(c) the regional council’s power to impose conditions is restricted to the matters over which control is reserved in a natural environment plan, proposed natural environment plan, or national rule; and</u></p> <p><u>(d) the activity must comply with any requirements, conditions and permissions, if any, specified in the permit, Act, regulations, plan or proposed plan.</u></p> <p><i>Consequential amendments are required to, for example, cls 155, 156, 165.</i></p>	<p>A new clause 33(2A) is needed to allow activities to be classified as controlled activities in the new regime. As a controlled activity consent cannot be declined but conditions can be imposed, with the rule setting out the matters to which conditions might relate.</p> <p>As explained in the row above, B+LNZ considers that controlled activities could play an important role in the new regime. While B+LNZ is particularly focused on the role they could play for existing farming activities that require a tailored solution that is unable to be addressed in a permitted activity, they are likely to be equally important for other activities e.g. infrastructure projects where the question is not if the activity should happen but how it should happen.</p> <p>Not only would controlled activities significantly reduce the cost and time of processing consents in the new regime, they would also provide considerable certainty – both that an existing activity can continue and also an activity would know in advance the matters over which council had control to impose conditions.</p>
<p>39 - Permitted activity rules</p>	<p>39 - Permitted Activity rules</p>	

	<p>(1A) A permitted activity rule may include one or more conditions designed to manage any adverse effect of the activity, which may include a condition described in section 169 (as if that section applied to permitted activities).</p> <p>(1) A permitted activity rule must—</p> <p>(a) require an activity to be registered if registration is required by a national instrument or a plan; or</p> <p>(b) relate to a matter described in section 169</p> <p>(2) A permitted activity rule referred to in subsection (1)(a) must provide that an activity is a permitted activity only if—</p> <p>(a) the activity is registered with the territorial authority (see section 202); and</p> <p>(b) the person carrying out the activity does 1 or more of the following:</p> <p>(i) obtains the written approval of all persons who may be directly affected by the activity;</p> <p>(ii) obtains a certificate from a qualified person that the activity complies, or would comply, with any specified requirement;</p> <p>(iii) pays a fee fixed in accordance with section 229;</p> <p>(iv) complies with any other requirement relating to a matter described in section 169.</p> <p>(3) A permitted activity rule referred to in subsection (1)(a) may specify requirements for the information that must be included in the notice required by section 202.</p>	<p>B+LNZ understands that clause 39 is intended to enable activities which currently require consent to be classified as permitted activities.</p> <p>B+LNZ’s concern with this clause is that it will make the requirements for existing permitted activities more onerous by requiring them to either be registered or have a standard which relates to a matters described in clause 169.</p> <p>For existing farming activities, the issues with this approach include:</p> <ul style="list-style-type: none"> • Each farm will rely on multiple permitted activities. • It is difficult to “register” before the activity commences (because may already have commenced or a farmer needs certainty to commence them without notice). • Having to wait 10 working days for the council to confirm whether or not the activity meets permitted activity standards would create considerable uncertainty and delay. • A requirement to obtain affected party approval, a certificate, pay a fee or another clause 169 matter would be a very onerous obligation on existing permitted activities as well as create significant uncertainty about whether an existing activity can continue or not. <p>The matters in clause 169 relate to conditions which <i>may</i> be imposed on resource consents. The bar has been raised for permitted activities in that if registration is not required then there <i>must</i> be a clause 169 standard.</p> <p>It is very difficult to see what aspects of clause 169 would be relevant. There are likely to be many activities where none of these matters are relevant.</p>
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	<p>(4) — An approval described in subsection (2)(b)(i) is valid for 3 years from the date it is given, unless withdrawn in writing by the person who gave it.</p> <p>(4) The time by which a person must register an activity described in (1) may be set in national standards and may include registering an activity after it has commenced.</p>	<p>A more appropriate approach would be for permitted activities to be required to impose conditions to manage the effects, which <i>could</i> relate to a matter in clause 169.</p> <p>Accordingly, B+LNZ has proposed amendments so that:</p> <ul style="list-style-type: none"> • Permitted activities must include conditions to manage effects. • Permitted activities can require registration, with national direction or a plan setting out where that “makes sense” and is appropriate. • Permitted activities should not be required to obtain affected party approval or any of the other matters in clause (2). • Where registration is required, that should expressly enable activities which have already commenced to register. An example is PC1 where all farming activities over 5ha are required to register with the council.
<p>Part 2 Subpart 4 – Environmental limits</p>		
<p>45 – Defined terms</p>	<p>action plan means a plan <u>prepared in accordance with a process specified in a national standard</u> containing measures to manage compliance with an environmental limit, including—</p> <ol style="list-style-type: none"> non-regulatory measures (such as work plans and partnership arrangements with tangata whenua and community groups); and, to the extent that these measures are insufficient, <u>recommended</u> regulatory measures (such as those described in section 63(1) <u>or the revision of limits</u>) <p><u>For the avoidance of doubt:</u></p>	<p>Action plans</p> <p>B+LNZ considers that action plans have the potential to play a useful role in the new regime. However, the value in them is that they are non-regulatory plans or programmes and they must not have the power to set regulation.</p> <p>B+LNZ considers that it is important that non-regulatory interventions are first demonstrated to be insufficient to achieve the desired outcomes before regulatory intervention is considered.</p>

	<ul style="list-style-type: none"> • <u>an action plan may describe the rules already in force under national instruments or under the natural environment plan.</u> • <u>any new regulatory measure recommended in an action plan does not have effect until incorporated in a natural environment plan in accordance with Schedule 3 of the Planning Act.</u> <p>the Minister must first establish a process to prepare an action plans before an action plan can be prepared or have effect.</p> <p>attribute means a measurable biophysical characteristic that can be used to assess <u>the state of a domain or part of a domain</u> the extent to which a particular value (for example, human health or ecosystem health) is provided for</p> <p><u>limit</u> means the minimum desired biophysical state of an attribute within a management unit</p> <p>freshwater means all freshwater ecosystems <u>water</u> except coastal water and geothermal water</p> <p>state attribute means an identified biophysical state of the natural environment</p> <p>stress attribute means an identified biophysical stress on the natural environment.</p>	<p>B+LNZ also considers that limit setting, rule making and consent decision making criteria need to be set through a consultation and evaluation process and should not be able to be set by regional councils in action plans.</p> <p>Accordingly, amendments are proposed to ensure that:</p> <ul style="list-style-type: none"> • Action plans are prepared in accordance with a process prescribed in a national standard. • Action plans do not contain regulatory measures. • To the extent that action plans recommend regulatory interventions, those are then required to be considered through a Schedule 3 consultation process. <p>Attribute states B+LNZ is very concerned about the focus on numeric and measurable attribute states. While B+LNZ foresees a role for some numeric attribute states, B+LNZ considers that the new regime ought have a greater focus on instream and other outcomes (as opposed to numeric stressor attribute states).</p> <p>Freshwater An amendment is also proposed to the definition of “freshwater” to adopt the same definition as is used in the RMA. This will ensure certainty as to the meaning of the term and avoid arguments about whether “freshwater ecosystems” means that the NEB has intended to expand the definition (particularly given that “ecosystem” is not defined under the NEB (nor was it defined in the RMA)).</p>
<p>48 - How environmental limits are expressed</p>	<p>48 – How environmental limits are expressed</p> <p>(1) A <u>human health</u> environmental limit must be expressed as:</p>	<p>B+LNZ notes the reasoning in the DairyNZ submission, particularly that it impossible to state ecosystem limits as the amount of harm or stress without first identifying the biophysical state. Further,</p>

	<p>(a) a biophysical state for a management unit</p> <p>(b) the amount of harm or stress to the natural environment permitted in a management unit</p> <p>(2) An ecosystem health environmental limit must be expressed as a biophysical state for a management unit and:</p> <p>(a) may must relate to an ecosystem health attribute; and</p> <p>(b) may be expressed either narratively or numerically; or</p> <p>(b) the amount of harm or stress to the natural environment permitted in a management unit</p>	<p>the approach for setting human health vs ecosystem health limits is different and the proposed amendments recognise this.</p> <p>B+LNZ refers to elsewhere in this submission where it seeks an approach in the new regime that focuses on outcomes rather than stressors, and moves away from an overly numeric approach. The amendments contemplate narrative or numeric limits and also links ecosystem health limits with attributes.</p>
<p>51 - How ecosystem health limits must be set in plans</p>	<p>51 - How ecosystem health limits must be set in plans</p> <p>1) A regional council must set ecosystem health limits in its natural environment plans.</p> <p>2) When setting an ecosystem health limit, a regional council—</p> <p>(a) must follow the methodology specified in national standards for setting the limit; and</p> <p>(b) if there is no methodology specified, may determine and follow its own methodology for setting the limit.</p> <p>3) A regional council must follow the process set out in Schedule 3 of the Planning Act 2025 to include ecosystem health limits in a proposed natural environment plan or plan change unless and to the extent that national standards provide otherwise.</p> <p>4) If a regional council proposes or an independent hearings panel recommends an ecosystem health limit that is less stringent than the minimum acceptable level specified in national standards</p>	<p>As explained above, a serious concern B+LNZ has is the setting of aspirational but unrealistic/unachievable environmental limits, the achievement of which will result in significant social and economic impacts. B+LNZ considers that there ought to be appropriate guard rails to guide the setting of limits, and has therefore made changes to clause 52 (given that this clause relates more to the plan making process as opposed to substance of limits).</p> <p>B+LNZ considers that sub-clause (4) needs to be deleted because a justification report ought to be required for any limit making decision i.e. not only when a limit is proposed to be less stringent than the minimum acceptable level specified in national standards (an amendment is proposed to clause 52(3) below to clarify this).</p>

	<p>made under section 54(3)(b) for that ecosystem health limit, the council or panel must prepare a justification report.</p>	
<p>52 - Criteria for decisions relating to environmental limits</p>	<p>52 - Criteria for decisions relating to environmental limits</p> <p><i>Decisions to which this section applies</i></p> <ol style="list-style-type: none"> 1) This section applies to the Minister before deciding to— <ol style="list-style-type: none"> a) set a human health limit: b) select an attribute for a human health limit or an ecosystem health limit: c) set a management unit for a domain or an attribute: d) specify a methodology for setting a management unit: e) specify a methodology for setting an ecosystem health limit: f) specify a methodology for selecting an attribute of an ecosystem health limit. 2) This section applies to a regional council before deciding to— <ol style="list-style-type: none"> a) set an ecosystem health limit: b) select an attribute for an ecosystem health limit if that attribute is not already set in national standards: c) set a management unit for a domain or attribute if that management unit is not already set in national standards. 3) <u>Any decisions to which subsections (1) and (2) relate must be supported by a justification report, and section 108 applies to decisions in subsection (1) as if references to regional council were references to the Minister.</u> <p><i>Decision-making criteria principles</i></p> <ol style="list-style-type: none"> 4) A decision maker must prioritise the most urgent and important matters and, for that purpose, must— <ol style="list-style-type: none"> a) consider— <ol style="list-style-type: none"> i) the extent, scale, and impacts of any environmental degradation; and 	<p>B+LNZ supports the reasoning in the DairyNZ submission, particularly the NEB must contemplate the making of qualitative/narrative limits as well as numeric ones.</p> <p>It is very important that decision making in respect of setting limits is supported by a justification report to ensure that appropriate limits are set.</p> <p>An important theme of B+LNZ’s submission is the need for appropriate guard rails. B+LNZ considers that by reframing the decision making “criteria” as “principles,” and reframing them as proposed will help address B+LNZ’s concerns.</p> <p>B+LNZ also seeks an outcome where non-regulatory approaches are prioritised, then freshwater farm plans and only if those approaches are not sufficient is additional regulatory intervention considered.</p>

	<p>ii) the trend, direction, and pace of the degradation; and iii) the difficulty in reversing the degradation if action is delayed; and b) decide the most appropriate response in light of that consideration.</p> <p>5) <u>When making decisions under section 52 in relation to ecosystem health limits, the following principles apply:</u></p> <ul style="list-style-type: none"> a. <u>An ecosystem limit may be:</u> <ul style="list-style-type: none"> i. <u>Qualitative (descriptive) or quantitative (numerical);</u> ii. <u>Set at different levels for different management units;</u> b. <u>Qualitative (descriptive) ecosystem limits should be preferred over quantitative (numerical) environment limits where there is scientific uncertainty regarding the level at which an ecosystem limit should be set to achieve the goals in section 11 and the objectives in national instruments.</u> c. <u>The progress in a management unit against an ecosystem limit must be able to be assessed.</u> d. <u>In relation to controls on farming activities to achieve environmental limits, prioritise the use of (i) then (ii) then (iii):</u> <ul style="list-style-type: none"> i. <u>non-regulatory methods specified in an action plan;</u> ii. <u>Freshwater farm plans;</u> iii. <u>Rules in a natural environment plan.</u> <p>(5)-(7) – retain as proposed.</p>	
<p>54 - Specifying methodologies for setting</p>	<p>54 - Specifying methodologies for setting ecosystem health limits</p>	<p>(2)(c) and 3(a) Sub-clause (2)(c) and 3(a) are important to reflect the key themes of B+LNZ’s submission, including:</p>

<p>ecosystem health limits</p>	<ol style="list-style-type: none"> 1) The Minister must make national standards that specify a methodology that regional councils must follow when setting an ecosystem health limit. 2) Before making the national standards, the Minister must, in addition to the requirements of section 52— <ol style="list-style-type: none"> a) consider the existing capacity of the natural environment to withstand or recover from pressure and disturbances in accordance section 57; and b) consider the impact of the proposed methodology in accordance with section 56; and c) be satisfied <u>consider that the what</u> methodology <u>would most appropriately</u> supports the purpose of the ecosystem health limits (to protect the life-supporting capacity of the national environment). 3) National standards— <ol style="list-style-type: none"> a) may specify whether an ecosystem health limit must be expressed only as a state attribute or a stress attribute; and b) may specify minimum acceptable levels for ecosystem health limits; but c) must not determine an ecosystem health limit itself. d) <u>may specify circumstances where it is not appropriate for an ecosystem health limit to be set or if it is set the timeframe over which it is to apply.</u> 4) However, a lack of scientific certainty is no reason to delay making the national standards or not to make the standards. 	<ul style="list-style-type: none"> • Insufficient weight is given to social and economic considerations (accordingly the change to (2)(c) better balances how life supporting capacity of the environment is weighed against economic and community aspirations). • A focus on numeric attribute states/limits without appropriate weight being given to qualitative/narrative ecosystem health outcomes. <p>3(d) B+LNZ proposes a new clause 3(d) to provide for situations where it might be appropriate for there to be no ecosystem health limit set for a particular catchment or particular attribute. This might be because the economic or social impacts of setting a limit are so significant that longer timeframes for achievement are necessary or because the setting of a limit is not necessary to achieve the desired ecosystem health outcomes.</p>
<p>55 – Developing ecosystem health limits</p>	<p>55 – Developing ecosystem health limits</p> <ol style="list-style-type: none"> (1) Before determining an ecosystem health limit, a regional council must, in addition to the requirements of section 52,— <ol style="list-style-type: none"> (a) consider the existing capacity of the natural environment to withstand or recover from pressure and disturbances in <u>accordance with section 57</u>; and 	<p>As above</p> <p>The reasons for deleting the reference to section 57 is set out below in the context of B+LNZ’s request to delete that provision.</p>

	<p>(b) consider the impact of the proposed limit in accordance with section 56; and</p> <p>(c) be satisfied consider what that the proposed limit <u>would most appropriately</u> achieves the purpose of ecosystem health limits.</p> <p>2) However, a lack of scientific certainty is no reason to delay making the standard or not to make the standard.</p>	
<p>56 - Assessing impact of proposed environmental limit or methodology</p>	<p>56 - Assessing impact of proposed environmental limit or methodology</p> <p>A consideration of the impact of a proposed environmental limit or methodology requires <u>the regional council to prepare a report under section 108 and include in that report</u> an assessment of—</p> <p><u>(aa) the existing land use and level of investment in that land use within the management unit:</u></p> <p>(a) the positive, adverse, actual, potential, and cumulative effects of the proposed limit or methodology on either of the following (as applicable):</p> <p>(i) on the life-supporting capacity of the natural environment:</p> <p>(ii) human health:</p> <p>(b) (iii) the needs or aspirations of communities for the economy, society, and the natural environment:</p> <p>(c) the magnitude and spatial extent of—</p> <p>(i) any over-allocation of national resources breach of <u>environmental limit</u>; and</p> <p>(ii) any natural resources likely to be available for allocation as a result of the proposed limit or methodology:</p> <p>(d) the implications of the proposed limit for the current and future use of natural resources, and the benefits associated with that use, <u>and the costs of the limits, for individuals and communities:</u></p> <p>(e) the efficacy and cost of available methods to manage effects within the proposed limit:</p>	<p>Consistent with the theme of this submission, it is important that a justification report is prepared to ensure social and economic costs are considered. It is also important that the impacts on existing land use and investment are properly considered and evaluated (limits should not be set in a vacuum, especially when catchments are modified and people and communities rely on existing land uses).</p> <p>Over allocation is not defined in the NEB and it will mean different things to different people – there could be a lot of litigation about what overallocation means and whether a catchment is overallocated. It could also lead to arguments about land uses or activities, whereas the focus should be on environmental limits with resource users then being able to decide how achieve them rather than having a “quota” for the number of certain activities or certain land uses.</p> <p>The focus of the NEB is instead on “breaches of environmental limits” and therefore B+LNZ considers that phrase should be used rather than “overallocation.”</p> <p>B+LNZ considers the words “and community aspirations” ought to be added to sub-clause (f) to ensure that the community’s views are taken into consideration when considering matters such as land use change or other alternative natural resource uses (this is</p>

	<p>(f) alternative ways of providing for natural resource use that are consistent with protecting or enhancing the natural environment, <u>and community aspirations</u>, including any alternative locations for natural resource use if the proposed limit allows for environmental degradation.</p>	<p>important, just as community aspirations are important in limit setting, clause 56(b)).</p>
<p>57 – Assessing existing capacity of the natural environment</p>	<p>57 – Assessing existing capacity of the natural environment</p> <p>A consideration of the existing capacity of the natural environment to withstand or recover from pressure and disturbances requires an assessment of—</p> <p>a) the state of the relevant attribute as at the date of the commencement of this section:</p> <p>b) the history of any previous relevant environmental limits and the level of protection they provided:</p> <p>c) the existing state of the natural environment (including ecosystems and their constituent parts), any trends showing a change in the state of the environment over time, and the natural and human causes of those states and trends:</p> <p>(a) any prediction of the likely future change in the natural environment that may reasonably occur—</p> <p>i. over the medium and long term; and</p> <p>ii. from natural and human causes:</p> <p>(b) the resilience of the natural environment to—</p> <p>i. pressures and disturbances (for example from the use of natural resources, climate change, severe weather, floods, droughts, or other perturbations); and</p> <p>ii. any potential for regime shifts or irreversible degradation:</p> <p>(c) important species, habitats, and ecosystems, especially those that are rare, threatened, or endangered.</p>	<p>B+LNZ seeks the deletion of clause 57. B+LNZ’s concern include that:</p> <ul style="list-style-type: none"> • Clause 57 is a long list of matters to take into account, but at the same time is not an exhaustive list of matters which might be relevant. • The list is arguably unbalanced because there is no direction to consider the extent of modification of the existing environment and therefore impact on ability to create additional capacity. • The list will arguably be used to argue that every existing environment is at or beyond capacity and therefore requires reduction. • Rather than setting a “guardrail” for limit setting, it opens the door to argue for more stringent limits e.g. arguments about water quality or climate change trends and forecasting where they will head, arguments about future development and other land use pressures which may or may not eventuate. <p>B+LNZ also considers that clause 57 is not necessary because clause 56 is broad enough to provide for consideration of all of the matters in clause 57 e.g. it allows for consideration of actual (clause 56(a)) or potential adverse effects of the limit and the extent to which a limit is already exceeded (clause 56(c)).</p>

<p>59 – Best obtainable information</p>	<p>57 – Best obtainable information</p> <p>(1) In this subpart, the best obtainable information means information <u>regarding the social, economic, cultural and environmental effects of a draft or final environmental limit</u> that the decision maker is satisfied—</p> <ul style="list-style-type: none"> (a) is as robust, transparent, and accessible as reasonably possible; and (b) is obtained from information that is available or can be reasonably obtained at the time; and (c) is obtained in a manner, <u>and to a level of detail</u>, that is proportionate to the effects of the decision. <p>2) When considering whether information is the best obtainable information, the decision maker must be guided by any criteria prescribed in regulations but is subject to section 52(5).</p>	<p>A consistent theme of B+LNZ’s submission is concerns about aspirational and unachievable environmental limits. B+LNZ considers that it is important that all costs and benefits or effects are considered and by spelling out that information about the social, economic, cultural and environmental effects of an environmental limit needing to be considered, B+LNZ hopes that this will ensure they are considered and provide another guard rail for appropriate limit setting.</p>
<p>60 Tools for managing resources to which limits apply</p>	<p>60 Tools for managing resources to which limits apply</p> <p>1) A regional council must manage every natural resource that is subject to an environmental limit.</p> <p>2) The tools for managing a natural resource that is subject to an environmental limit are as follows, and must be used by a regional council in accordance with this section and any requirements in national standards:</p> <ul style="list-style-type: none"> a) a cap on resource use: b) an action plan: c) both paragraphs (a) and (b). <p>3) A regional council must <u>give first preference to only using a cap on resource use unless not use a cap where—</u></p>	<p>One of the themes of B+LNZ’s submission is that non-regulatory approaches should be considered and demonstrated to not be sufficient first, before regulatory measures are considered. Therefore, B+LNZ does not agree that regional councils should give first preference to a cap on resource use.</p> <p>B+LNZ also considers that there are more situations where a cap on resource use is not feasible, including scientific uncertainty and an inability to measure whether a cap is achieved. Consistent with another theme of this submission, purely aspirational and unachievable environmental limits, including those with no means of understanding whether they are achieved or not, should be avoided.</p>

	<ul style="list-style-type: none"> a) the council considers, in accordance with any criteria prescribed in regulations, that it is not effective or feasible to do so; or b) national standards direct otherwise <u>that a cap is not to be used.</u> <p>4) Without limiting subsection (3)(a), a regional council may consider that a cap on resource use is not feasible because:</p> <ul style="list-style-type: none"> <u>a) the resource is affected by a range of different causes;</u> <u>b) there is scientific uncertainty about the level of cap required to achieve the limit; or</u> <u>c) there is no practicable means to measure whether a cap is achieved.</u> 	
<p>61 – National standards may require action plan, cap on resource use, or both</p>	<p>61 - National standards may require action plan, cap on resource use, or both</p> <p>For the purpose of ensuring compliance with an environmental limit or remedying a breach of an environmental limit, national standards—</p> <ul style="list-style-type: none"> (a) may require a regional council to manage a natural resource use by preparing and implementing an action plan, a cap on resource use, or both; and (b) may specify— <ul style="list-style-type: none"> (i) the process for setting a cap on resource use, <u>which must include engagement of those persons likely to be affected by the action plan;</u> and (ii) how and when a cap on resource use must be set; and (c) may specify— <ul style="list-style-type: none"> (i) minimum requirements for the content of the action plan; and (ii) the process for developing the action plan; and (iii) how and when the action plan must be implemented and monitored. 	<p>B+LNZ considers that an important guard rail for the setting of caps on resource use is consultation or engagement with those persons affected by the action plan or cap on resource use. As set out above, the action plan should not contain regulatory measures such as a cap on resource use.</p>

<p>62 - Caps on resource use</p>	<p>62 - Caps on resource use</p> <p>1) A cap on resource use—</p> <ul style="list-style-type: none"> a) describes the maximum amount of resource use that can occur without breaching an environmental limit; and b) informs the maximum quantum of resource use that a regional council may allocate through plan rules and permits; and c) may be expressed in terms of— <ul style="list-style-type: none"> i) a land use (such as the extent of an activity): ii) an input (such as an amount of fertilizer that may be applied): iii) an output (such as the volume or rate of contaminant discharge, <u>for example, an annual nitrogen discharge cap</u>); and d) may apply to all or part of a management unit <u>but may not apply at the scale of an individual property or farm.</u> <p>2) A regional council must publish caps set on resource use on its internet site.</p> <p><u>3) When setting a cap, a regional council must assess the impact of the cap by following the process in section 56 in relation to environmental limits.</u></p>	<p>B+LNZ strongly opposes the setting of caps on resource at a property or individual farm level. This is because there is no robust, reliable or equitable tool which can be relied upon to allocate resources to properties or land parcels.</p> <p>B+LNZ is very concerned that setting resource caps at a property level could effectively grandparent low intensity (as well as other) farming operations and thereby remove flexibility to farm to the grass curve as well as prevent changes to the farm system (including stocking classes, land use, fertiliser application and brought in feed), adoption of new technologies, or stymie investment and confidence in the farming sector.</p> <p>B+LNZ does not support the example of “annual nitrogen discharge cap” because that implies a limit being set at a property or farm level. The example is also not necessary given the preceding words give the example of the volume or rate of contaminant discharge.</p> <p>More broadly, B+LNZ considers that in practice caps on resource use will/should play a very limited role in the new regime (given the difficulty in observing let alone measuring diffuse discharges of contaminants), and considers it critical that the setting of caps are considered through a robust process. For that reason a new sub-clause (3) is added to require the same process as setting environmental limits to be followed.</p>
<p>63 – General content of action plans</p>	<p>63 – General content of action plans</p> <p>(1) An action plan may set out matters relating to—</p> <p><u>(a) the establishment of non-regulatory measures including catchment groups, works and services, industry</u></p>	<p>In principle, B+LNZ considers that action plans have merit as a new tool under the NEB. However, this is only if they are non-regulatory (regulatory actions and consent decision making must either be determined through legislation or plan making through a Schedule 3 consultation process), and if non-regulatory action plans are prioritised over regulatory approaches i.e. councils have</p>

	<p><u>programmes, research and monitoring and financial support and incentives; and</u></p> <p>(b) <u>recommendations relating to regulatory measures including:</u></p> <ul style="list-style-type: none"> i. decision-making on applications for natural resource permits; and ii. the review of conditions of permits; and iii. the preparation of rules in a natural environment plan; and iv. caps on resource use; <u>and</u> v. <u>environmental limits</u> <p>(2) An action plan must—</p> <ul style="list-style-type: none"> (a) set out any other matters required by national standards; and (b) be consistent with national standards. <p>(3) A regional council may include in its action plan <u>a commitment to, or recommendation for,</u> any other intervention it considers would assist in achieving the purpose of the action plan, including interventions by other authorities, entities, or persons under other legislation.</p> <p>(4) When a natural environmental plan or any of its provisions becomes operative and relates to the subject matter of an action plan, the regional council must consider whether to update the action plan in order to reflect the natural environmental plan or provisions that have become operative.</p>	<p>to demonstrate that environmental outcomes will not be achieved through non-regulatory actions plans before they can consider regulatory interventions.</p> <p>Accordingly, clause 63 needs to be amended to clarify that action plans establish a range of non-regulatory measures and any regulatory measures are limited to recommendations on those measures (the development of the measures themselves would need to be through a Schedule 3 process).</p>
<p>64 - Considerations before action plans can include controls on land use or inputs</p>	<p>Considerations before action plans can <u>include recommend</u> controls on land use or inputs <u>or a cap on resource use</u></p> <p>1) This section applies if a regional council prepares an action plan for one of the following purposes:</p> <ul style="list-style-type: none"> a) to avoid breaching an environmental limit: b) to remedy a breach of an environmental limit. 	<p>Consistent with B+LNZ’s view on actions plans being non-regulatory documents, amendments are needed to this section to ensure that action plans “recommend” controls on land use and inputs, and caps on resources as opposed to being the regulatory document which sets these.</p> <p>These are the same changes as proposed by DairyNZ except that B+LNZ considers that the same considerations ought to expressly</p>

	<p>2) An action plan must not include recommend controls on land use or inputs <u>or caps on resource use</u> unless the regional council is satisfied that the following measures will not be sufficient to achieve the purpose of the action plan:</p> <ol style="list-style-type: none"> a) national standards: b) existing rules in a natural environment plan: c) freshwater farm plans: d) non-regulatory measures. <p>3) <u>In this section, controls on land use or inputs means rules in a natural environment plan that restrict or determine how land is used and what it can be used for (for example the type of forestry planting, construction or use of urban or built areas, or fertiliser application rates).</u></p>	<p>apply to caps on resource use as well as land use and input controls (this was implicit in DairyNZ’s drafting but B+LNZ considers this ought to be explicit).</p>
<p>65 – Requirements for actions plans to remedy breach of environmental limits</p>	<p>65 Requirements for action plans to remedy breach of environmental limits</p> <p>If the purpose of an action plan prepared by a regional council is to remedy a breach of an environmental limit,—</p> <ol style="list-style-type: none"> (a) the council must set a date by which compliance with the limit must be achieved (the target date); and (b) if the target date is more than 10 years after the commencement of the action plan,— <ol style="list-style-type: none"> (i) the plan must contain a series of interim limits at intervals of no more than 5 years; and (ii) each interim limit must state actions and outcomes to be achieved within a specified time frame; and (c) the target date and, if applicable, each interim limit and specified time frame must be credible, achievable, and avoid unnecessary delay. 	<p>B+LNZ considers that this clause needs to be deleted because it contemplates action plans having a regulatory role and setting limits. B+LNZ considers that action plans should be limited to non-regulatory action and recommending regulatory methods, as opposed to setting the regulatory methods (including limits).</p>
<p>66 - Avoiding a breach of an</p>	<p>66 Avoiding a breach of an environmental limit</p> <ol style="list-style-type: none"> 1) A regional council must <u>use best endeavours to</u> avoid breaching an environmental limit. 	<p>B+LNZ is concerned that a direction to “avoid breaching an environmental limit” could be interpreted as an absolute obligation and a very conservative approach could be adopted i.e.</p>

<p>environmental limit</p>	<p>2) A regional council must evaluate the likelihood of a limit being breached if—</p> <ol style="list-style-type: none"> a) there is sufficient evidence that the limit is likely to be breached in the medium to long term future; or b) there are activities authorised under this Act or other legislation that— <ol style="list-style-type: none"> i) are carried out within a management unit; and ii) <u>there is sufficient evidence that such activities</u> are likely to give rise to a breach of the limit. <p>3) If a regional council is satisfied that a breach of an environmental limit is likely to occur, the council must—</p> <ol style="list-style-type: none"> a) take action to avoid the breach by preparing an action plan or changing its natural environment plan; and b) take any other action the council considers necessary to avoid breaching the environmental limit, including— <ol style="list-style-type: none"> i) making or changing a cap on resource use; ii) preparing or changing a rule in a natural environment plan; iii) reviewing the conditions (specified in the plan) that apply to natural resource permits and making any necessary adjustments; iv) establishing a safety margin within environmental limits (to account for uncertainties, natural variability, errors, or unexpected events); v) widening that safety margin; vi) changing the way that natural resources are allocated. <p>4) In this section, sufficient evidence includes—</p> <ol style="list-style-type: none"> a) evidence of trends in the state of the natural environment over time; or b) forecasts informed by <u>credible</u> modelling or evaluation. 	<p>the implementation of measures to reduce effects from existing activities, and prohibit intensification or new activities, based on there being a risk that an environmental limit could be breached sometime in the future.</p> <p>B+LNZ is particularly concerned that in the context of water quality, there is significant uncertainty in the science (e.g. modelling, monitoring, mitigations, trends, lags etc) which make it difficult to assess whether a limit is at risk of being breached and predict how likely it is or when that will occur.</p> <p>This obligation would also apply to temporary or unexpected breaches which can be difficult to forecast or prepare for and for which taking actions to avoid could be disproportionate (if the breach is very short lived).</p> <p>This clause applies to all domains and environmental limits. B+LNZ has concerns that such an approach may not be possible or may have unintended consequences depending on the domain or specific limit e.g. what does this obligation mean in a situation where an unforeseeable, 1 in 100 year weather event which results in a temporary breach of a sediment limit but then the catchment returns to having ample headroom?</p> <p>Accordingly, B+LNZ has proposed words to soften sub-clause (1) so that it is not an absolute obligation on councils which results in a raft of activities being prohibited, for example.</p> <p>To provide further guardrails against overly conservative decision making, amendments have also been made to ensure:</p> <ul style="list-style-type: none"> • An evidence based approach when assessing which activities are likely to give rise to a breach (sub-clause (2)(b)(ii)).
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		<ul style="list-style-type: none"> • Deletion of “changing the way natural resources are allocated” (sub-clause 3(b)(vi). This will inevitably require land use change, which has significant economic and social implications. There is no specific “allocation” tool like this in the NEB. Arguably, changes in the way resources are allocated or land use can be achieved by preparing a natural environment plan or reviewing consent conditions. Accordingly, B+LNZ considers reference to allocation is not necessary or helpful. • Forecasting needs to be informed by credible or authoritative modelling, not modelling which is disputed among experts or scientifically uncertain (sub-clause 4(b)).
67 - Breach of environmental limits	67 - Breach of environmental limits <ol style="list-style-type: none"> 1) <u>If there is sufficient evidence that a breach of an environmental limit has occurred the breach</u> must be managed in accordance with the requirements of this subpart. 2) A regional council must publicly notify, in accordance with any requirements in national standards made under this subpart,— <ol style="list-style-type: none"> a) any breach of an environmental limit; and b) the cause and extent of the breach. 3) If an environmental limit is breached or is likely to be breached, a regional council must— <ol style="list-style-type: none"> a) prepare an action plan detailing how the council will manage natural resource use to remedy the breach; and b) review any relevant cap on resource use; and c) take any other action the council considers necessary to remedy the breach, including— <ol style="list-style-type: none"> i) setting a cap on resource use, if it has not been set; or ii) preparing or changing a rule in a natural environment plan; or 	<p>Consistent with the changes to clause 66 (avoiding breaches), B+LNZ considers that:</p> <ul style="list-style-type: none"> • Breaches of environmental limits must be informed by sufficient evidence. • Changing the way resources are allocated is not a tool referred to elsewhere nor is it necessary given the tools listed in sub-paragraph (3)(c) i.e. preparing or changing a rule in a natural environment plan and reviewing consent conditions. Nor is it appropriate for reasons explained above. <p>B+LNZ also seeks the deletion of the reference to “over-allocation” (sub-clause (4)) because this is not a term used in clause 67, instead the express focus is on breaches of limits.</p> <p>“Over-allocation” is only used two other times in the NEB. B+LNZ considers those other references also should be deleted (see submission on clauses 56 and 313). The focus of the regime is on environmental limits and breaches, the term “overallocation” is</p>

	<ul style="list-style-type: none"> iii) reviewing the conditions of a permit and making any necessary adjustments; or iv) changing the way that natural resources are allocated. <p>4) To avoid doubt, a regional council must comply with subsection (2) regardless of whether a breach of an environmental limit or an over-allocation is a result of the use of an infrastructure pathway established by national standards made under section 86</p>	<p>not defined and B+LNZ is concerned about the potential for litigation as well as arguments for irreversible land use change (which will have significant economic and social cost) if that term is used.</p>
<p>Part 2 Subpart 5 – National Instruments</p>		
<p>69 - Matters to consider when making national instruments</p>	<p>69 - Matters to consider when making national instruments</p> <ul style="list-style-type: none"> 1) This section applies to the Minister when making a national instrument. 2) The Minister must have regard to the following principles: <ul style="list-style-type: none"> a) achieving compatibility between the goals is to be preferred over achieving one goal at the expense of another; b) not all goals need to be achieved in all places at all times; c) any conflicts within the proposed national instrument should be resolved in that document as far as reasonably practicable. d) <u>the positive and adverse effects of the proposed national instrument must be considered.</u> 3) The Minister must consider all submissions received as a result of the process established under section 70. 4) The Minister’s consideration of any adverse effects <u>including on the natural environment, society and the economy</u>— <ul style="list-style-type: none"> a) must be appropriate to the nature of the proposed national instrument; and b) is subject to sections 14 and 15(1). 5) If the proposed national instrument contains new content, the Minister must consider all existing national instruments for the 	<p>B+LNZ supports a requirement for the Minister to consider a list of matters as a means to ensure appropriate guard rails on national decision making.</p> <p>B+LNZ considers it important that both the positive and adverse effects of the national instrument are considered.</p> <p>B+LNZ is particularly concerned that the “economy” is only mentioned once in the NEB (in clause 56(b), in the context of setting environmental limits). B+LNZ considers it fundamental that economic and social impacts of national directions are considered.</p> <p>By inserting a reference the natural environment, society and the economy in sub-clause (4), B+LNZ considers this will provide an important guardrail as well as be consistent with the use of this phrase in clause 56(b).</p>

	<p>purpose of ensuring there is a coherent set of national instruments.</p> <p>6) The Minister must also consider—</p> <ul style="list-style-type: none"> a) how the proposed national instrument will be monitored and reviewed; and b) any other matter the Minister considers relevant 	
<p>70 – Process for making national direction</p>	<p>70 – Process for making national direction</p> <ul style="list-style-type: none"> 1) Before the Minister publicly notifies a national instrument, the Minister must— <ul style="list-style-type: none"> a) provide iwi authorities with a draft of the proposed national instrument or a summary of it; and b) give iwi authorities what the Minister considers to be adequate time and opportunity to consider the document and provide advice on it; and c) have regard to any advice received from iwi authorities on the document. 2) If after having complied with subsection (1), the Minister proposes to issue a national instrument, the Minister must establish and follow a process that includes the following steps: <ul style="list-style-type: none"> a) the public and iwi authorities must be given notice of— <ul style="list-style-type: none"> i) the proposed national instrument (the proposal); and ii) the purpose of the national instrument in terms of section 77 or 83; and iii) how the proposal achieves the goals; and iv) any report prepared under section 80; and v) a summary of the reasons for the proposal; and vi) <u>a report summarising the assessment of the matters outlined under clause 69 (2)(d); and</u> b) those notified must be given what the Minister considers to be adequate time and opportunity to make submissions on the subject matter of the proposal; and 	<p>B+LNZ supports clause 70 setting out a clear process for making national direction, which includes public participation and evaluation. For reasons explained in the row above, B+LNZ considers that the report must include the assessment of the positive and adverse effects of the proposed national direction.</p>

	<p>c) a report and recommendations must be made by the chief executive to the Minister on the submissions and the subject matter of the proposal.</p> <p>....</p>	
74 – approval of national instrument	<p>74 – Approval of national instrument</p> <p>1) The Governor-General in Council may, on the recommendation of the Minister, approve a national instrument.</p> <p>2) Before recommending that a national instrument be approved after having complied with section 70, the Minister must—</p> <p>a) first, must consider the report and any recommendations made under section 70; and</p> <p>b) secondly, may -</p> <p>i) make any changes, or no changes, to the proposed national instrument as the Minister thinks fit <u>based on the report and recommendations; or</u></p> <p>ii) withdraw all or part of the proposed national instrument and give public notice of the withdrawal, including the reasons for the withdrawal.</p> <p>....</p>	<p>B+LNZ considers that it is important that any changes to the proposed national instrument are based on the report and recommendations referred to in clauses 69 and 70, made by the chief executive to the Minister.</p> <p>There is a risk that if the Minister has discretion to make any changes the Minister thinks fit, then the evaluation, consultation and report process will have no status or purpose, and there will be a lack of appropriate guardrails on national instrument decision making.</p>
85 - Minister must ensure national standards enables resource use only within environmental limits	<p>85 - Minister must ensure national standards enables resource use only within environmental limits</p> <p>1) When preparing national standards that enable the use of natural resources, the Minister must use all reasonable endeavours to ensure that the standards enable the use of those natural resources to occur only within environmental limits <u>or, where environmental limits have already been breached, standards are imposed on the use of natural resources that will, by themselves or in combination with other provisions, contribute to a reduction of the breach.</u></p>	<p>B+LNZ is very concerned that this provision could apply to existing land uses, in particular existing farming. In catchments which have breached environmental limits, this provision could mean existing uses are not allowed and/or result in requirements for significant and irreversible land use change (which would have huge economic and social wellbeing impacts).</p> <p>Such an approach, where existing activities cannot be enabled or allowed as permitted activity in catchments which breach environmental limit, would be contrary to the recent amendments that were made to s 70 of the RMA.</p>

	<p>2) The Minister must assess the proposed national standards to identify any reasonably foreseeable adverse risks of environmental limits being breached.</p> <p>3) The Minister ensure that any risks identified are addressed in the proposed national standards to avoid breaching an environmental limit, including—</p> <ul style="list-style-type: none"> a) if there is a possibility that the limit will be breached, by requiring a rule in a plan or a condition of a permit that is more restrictive than the standard; and b) directing regional councils to undertake forecasting or monitoring; and c) providing a means by which an activity class may be changed to avoid breaching the limit. <p>4) The Minister must—</p> <ul style="list-style-type: none"> a) undertake monitoring and evaluation of national standards or enable it to be undertaken; and b) review existing national standards in light of performance monitoring and to account for new environmental limits. 	<p>B+LNZ has amended sub-clause (1) to provide that existing land uses can continue, provided there are standards which on their own or in combination of other provisions will contribute to a reduction in the breach of the environmental limit.</p> <p>This amendment would also ensure the government’s intention of grater use of permitted activities is achieved.</p> <p>B+LNZ considers that this provision is better directed at development as opposed to existing land uses. If it was focused on development, it would be consistent with the intention of the reform of enabling development subject to meeting limits and where limits are not met, the new development can consider alternative locations where limits have not been breached.</p>
<p>87 – National standards or regulations may set operational details for market based allocation process</p>	<p>87 – National standards or regulations may set operational details for market based allocation process</p> <p>National standards or regulations may—</p> <ul style="list-style-type: none"> a. — require or permit the use of a market based allocation process to determine the allocation of a right to apply for a permit for a natural resource use activity; and b. — impose any operational requirements relating to such matters as— <ul style="list-style-type: none"> i. — the use of a market based allocation process; and ii. — the processes, including auction and tender processes, to be followed; and iii. — eligibility criteria. 	<p>B+LNZ seeks the deletion of clause 87.</p> <p>As explained in section 3, B+LNZ considers that further work is needed to identify which domains or resources are suitable for market based allocation approaches. B+LNZ is particularly concerned about market based allocation approaches for water quality, where there is no reliable way to measure, allocate or trade diffuse discharges.</p> <p>B+LNZ considers that references to allocation methods ought to be deleted and, upon the completion of further work, could be reintroduced through an amendment Bill for the specific and appropriate domains or resources.</p>

	<i>Consequent amendments required to clauses 204 - 207</i>	
Part 3		
Subpart 1 – National <u>Natural</u> environment plans		
97 – Core obligations when preparing and deciding natural environment plan	<p>97 - Core obligations when preparing and deciding natural environment plan</p> <p>1) This section sets out the core obligations that apply when—</p> <p>a) regional council is making a decision on a matter that a national instrument expressly authorises it to make, in relation to if and how it incorporates a standardised plan provision into its plan or proposed plan (see sections 72 and 95); and</p> <p>b) a regional council is preparing or deciding a bespoke plan provision (see section 96).</p> <p>2) A regional council must make its decisions in accordance with its responsibilities and functions under sections 221 to 223 so that the resulting natural environment plan—</p> <p>a) implements—</p> <p>i) the national policy direction; and 25</p> <p>ii) any national standard; and</p> <p>iii) any relevant provision in a regional spatial plan; and</p> <p>iv) subject to paragraphs (i) to (iii), any agreed action in an action plan; and</p> <p>b) ensures that <u>10-year</u> environmental limits are complied with; and</p> <p>c) is not inconsistent with a water conservation order.</p> <p>...</p>	<p>B+LNZ considers that action plans ought to perform a non-regulatory function. They are not developed through an “agreed” or consultative process so it does not make sense to refer to “any agreed action” in an action plan.</p> <p>Action plans will likely collate community agreed and voluntary methods which will likely go beyond what the community and landowners would have been willing to sign up to had there been a regulatory obligation. Further, they action plans not developed in a consultative way or in a way that is subject to robust and independent scrutiny (cf the Schedule 3 process for natural environment plans).</p> <p>Given that the lifetime of natural environment plans is 10 years, and also B+LNZ’s concerns about the setting of aspirational and unrealistic limits, B+LNZ considers that the focus should be on 10 year limits rather than longer term ones.</p>
100 – Rules relating to market-based allocation process or	<p>100—Rules relating to market based allocation process or comparative permitting process</p> <p>1) If required or authorised by a national standard, a rule in a plan may—</p>	<p>B+LNZ seeks the deletion of clause 87.</p> <p>As explained in section 2, B+LNZ considers that further work is needed to identify which domains or resources are suitable for market based allocation approaches. B+LNZ is particularly</p>

<p>comparative permitting process</p>	<p>a) require the use of a market-based allocation process to determine the allocation of a right to apply for that resource permit:</p> <p>b) require a person to hold a right to apply before lodging an application for a permit under a rule:</p> <p>c) enable a consent authority to receive a permit application that is subject to market-based allocation process outside of the time period notified in accordance with section 210.</p> <p>2) If required or authorised by a national instrument, a rule in a plan may—</p> <p>a) require a permit application for a natural resource use activity be determined through the comparative permitting process:</p> <p>b) enable a consent authority to receive a permit application that is subject to the comparative consenting process outside of the time period notified in accordance with section 210.</p> <p>3) A consent authority that receives an application under a rule described in subsection (1)(c) or (2)(b) must hold the application without processing it until the next required time period determined under section 210.</p>	<p>concerned about market based allocation approaches for water quality, where there is no reliable way to measure, allocate or trade diffuse discharges.</p> <p>B+LNZ considers that references to allocation methods ought to be deleted and, upon the completion of further work, could be reintroduced through an amendment Bill for the specific and appropriate domains or resources.</p>
<p>106 - Requirements for evaluation reports</p>	<p>106 - Requirements for evaluation reports</p> <p>1) An evaluation report required under clause 10 of Schedule 3 of the Planning Act 2025 for a draft of a proposed plan must set out how the draft proposed plan implements—</p> <p>a) the relevant spatial plan; and</p> <p>b) any applicable national policy direction; and</p> <p>c) any applicable goal to the extent permitted by section 12(4).</p> <p>2) The evaluation report must—</p> <p>a) summarise the regional council’s reasons for selecting any standardised provision from a national standard, if a national standard authorises or requires the regional council to</p>	<p>The primary regulatory tools for achieving environmental limits appear to be land use and input controls, and caps on resources. Just as an evaluation report is required for land use and input controls, they need to be required for caps on resources to ensure robust decision making.</p> <p>A theme of this submission is the need for non-regulatory approaches to be considered before regulatory approaches, and for freshwater farm plans to be the primary tool for managing the effects of farming on freshwater quality before input controls, minimum standards and/or resource consents are considered. Therefore, sub-clause (4) needs to prioritise the matters listed in a) to c).</p>

	<p>choose between any 2 or more alternative standardised provisions; and</p> <p>b) state how, if at all, the draft has been influenced by—</p> <p>(a) pre-notification consultation (<i>see clause 5 of Schedule 3 of the Planning Act 2025</i>); and</p> <p>(b) any other engagement with local communities.</p> <p>3) If the proposed plan includes rules that controls fishing in the coastal marine area, the evaluation report must also include an assessment of the impact of those rules prepared in the prescribed manner.</p> <p>4) If the proposed plan includes a land use control or input control, <u>or caps on resource use</u> for the purpose of ensuring compliance with an environmental limit, <u>prioritise the use of (a) then (b) then (c): the evaluation must — examine and explain why the following measures are not sufficient to ensure compliance with the limit:</u></p> <p>(a) non-regulatory methods specified in an action plan:</p> <p>(b) freshwater farm plans:</p> <p>(c) <u>the other any</u> rules in <u>the proposed or the rules in the an</u> operative natural environment plan <u>(if there is one in place)</u>.</p> <p><u>(4A) If the regional council considers subsection 4(a) or 4(b) are not sufficient to ensure compliance with the limit, then the evaluation report must explain why not.</u></p> <p>5) The evaluation report—</p> <p>a) must contain sufficient detail to identify the key content in a draft proposed plan; but</p> <p>b) is not required to individually address every objective, policy, rule, or method in the draft</p>	<p>B+LNZ considers that sub-clause (4) ought to also apply to caps on resource use (consistent with the changes it seeks to clause 64 (in the context of regulatory actions an action plan can recommend).</p> <p>It is also important that there is an evaluation of why non-regulatory methods, and then freshwater farm plans, will not achieve the environmental limit before regulatory intervention is considered (new sub-clause (4A)).</p>
<p>108 – Requirements</p>	<p>108 - Requirements for justification reports</p>	<p>B+LNZ considers it fundamentally important that a justification report is prepared for setting any ecosystem health limit, and any</p>

<p>for justification report</p>	<p>(1) This section sets out the requirements for a justification report required under clause 11 of Schedule 3 of the Planning Act 2025 for a draft of a proposed plan that contains—</p> <ul style="list-style-type: none"> (a) a bespoke provision; or (b) a provision on a specified topic; or (c) a provision to which section 51(4) applies (which relates to less stringent ecosystem health limits) any ecosystem health limit and any caps under section 62 <p>(2) In relation to a bespoke provision, a justification report must—</p> <ul style="list-style-type: none"> (a) justify why the provision is either— <ul style="list-style-type: none"> (i) expressly authorised by a national instrument; or (ii) not precluded by the national instruments; and (b) describe the positive and negative impacts of the provision; and (c) assess the costs and benefits of the provision, including any costs and benefits from the provision or reduction of development capacity; and (d) state how the regional council proposes to monitor the effectiveness of the proposed provision; and (e) summarise the evidence for its view that section 97(3) applies, if the regional council is proposing that the bespoke provision will not give effect to any provision in the regional spatial plan in accordance with that section; and (f) state how, if at all, the draft has been influenced by— <ul style="list-style-type: none"> (i) pre-notification consultation (see clause 5 of Schedule 3 of the Planning Act 2025); and (ii) any other engagement with local communities. <p>(3) In relation to a provision on a specified topic, a justification report must—</p> <ul style="list-style-type: none"> (a) identify which specified topic the provision relates to; and (b) justify why the provision is not precluded by national instruments; and 	<p>caps on resource use, irrespective of whether they are more or less stringent than a national direction.</p> <p>There are no guardrails in the NEB to prevent councils from setting more stringent limits than national directions and, at present, no requirements to consider the costs and benefits, of setting more stringent limits. For existing farming activities, the prospect of more stringent limits could result in significant economic and social impacts.</p> <p>At present, councils are required to prepare s 32 evaluation reports for any limit setting in regional plans. If justification reports are only required for limits which are less stringent (as currently proposed) then the regime will be less robust and potentially result in greater adverse economic and social effects than is the presently the case under the RMA.</p> <p>Justification reports are just as important for caps on resource use, given they have the same effect as environmental limits i.e. set a threshold which cannot be breached and require the implementation of regulatory and non-regulatory actions to manage resources within caps.</p> <p>In reflection of concerns raised elsewhere, B+LNZ seeks amendments to sub-clause (4) to prioritise non-regulatory methods over regulatory, and to ensure the costs and benefits are properly assessed when considering ecosystem health limits and any other provisions that affect the achievement of the limit.</p>
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	<p>(c) describe the area to which the provision applies; and</p> <p>(d) assess the extent to which the provision is appropriate in relation to the cultural or natural values associated with that area; and</p> <p>(e) describe the key data and evidence that has informed the proposed provision, including the spatial application of the proposed provision; and</p> <p>(f) include the matters in subsection (2)(b) to (e).</p> <p>(4) In relation to an ecosystem health limit <u>and any other provisions that affect the achievement of an ecosystem health limit that is less stringent than the minimum acceptable level specified in national standards</u>, a justification report must <u>comply with the prescribed requirements</u>.</p> <p><u>(a) Prioritise the use of (i) then (ii) then (iii):</u></p> <p><u>(i) non-regulatory methods specified in an action plan:</u></p> <p><u>(ii) freshwater farm plans:</u></p> <p><u>(iii) any rules in an operative natural environment plan.</u></p> <p><u>(b) If the regional council considers subsection 4(a) or 4(b) are not sufficient to ensure compliance with the limit, then the justification report must explain why not.</u></p> <p><u>(c) describe the positive and negative impacts of the provision including positive economic and employment impacts and the value of existing investment; and</u></p> <p><u>(d) assess the costs and benefits of the provision, including any costs and benefits from the provision or reduction of development capacity; and</u></p> <p><u>(e) state how the regional council proposes to monitor the effectiveness of the proposed provision; and</u></p> <p><u>(f) state how, if at all, the draft has been influenced by—</u></p> <p><u>(i) pre-notification consultation (see clause 5 of Schedule 3 of the Planning Act 2025); and</u></p>	
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	<p style="text-align: center;"><u>(ii) any other engagement with local communities;</u> <u>(g) give effect to the principles in 52A(8).</u></p> <p>(5) The justification report must contain a level of detail that corresponds to the scale and significance of the content of the draft proposed plan.</p>	
<p>Part 4 Subpart 4 – Consideration of application and decision</p>		
<p>155 - Matters that a permit authority must disregard</p>	<p>155 - Matters that a permit authority must disregard</p> <ol style="list-style-type: none"> 1) A permit authority must not have regard to— <ol style="list-style-type: none"> a) any effect on a person who has given written approval to the application: b) any adverse effect of the activity on the natural environment if the natural environment plan or a national rule permits an activity with that effect, subject to sections 156(2): c) <u>if the activity is a controlled activity, any matter in relation to which the natural environmental plan, proposed natural environment plan or a national rule has not reserved control:</u> d) if the activity is a restricted discretionary activity, any matter in relation to which the natural environment plan, proposed natural environment plan, a national rule, or a water services standard has not reserved discretion: e) trade competition or the effects of trade competition. 2) See also section 12, which applies to a permit authority when considering a natural resource permit application. 3) Subsection (1)(a) does not apply if the person withdraws their approval by written notice received by the permit authority before the hearing or, if there is no hearing, before the application is determined. 4) This section also applies to a permit authority considering any submissions on the application. 	<p>B+LNZ seeks new sub-clause (1)(c) to provide for controlled activities and to ensure that the effects assessment is limited to those matters over which council has retained control in terms of setting consent conditions. If council cannot impose a condition in relation to a particular effect, there should be no requirement for it to be considered or assessed.</p> <p>This amendment is consistent with the government’s intention of achieving a system with a narrower scope of effects and is more streamlined and cost effective.</p>

<p>156 – Consideration of natural resource permit application</p>	<p>156 - Consideration of natural resource permit application</p> <p>(1) Subject to subsection (3), a permit authority must have regard to the following:</p> <ul style="list-style-type: none"> (a) any adverse effect on— <ul style="list-style-type: none"> (i) a person, unless section 155(1)(a) applies: (ii) the natural environment: (b) any effect that is— <ul style="list-style-type: none"> (i) positive: (ii) cumulative: (c) any measure proposed or agreed to by the applicant to avoid, remedy, minimise, offset, or compensate for, any adverse effects on the natural environment resulting or likely to result from the activity: (d) any relevant provisions of— <ul style="list-style-type: none"> (i) the natural environment plan or proposed plan: (ii) the regional spatial plan or proposed regional spatial plan, if the application is for an activity that is a discretionary activity: (e) any relevant provisions of other key instruments in accordance with section 12: (f) any relevant matter specified in an action plan: (g) if the application is affected by section 181(a) (which applies section 164 of the Planning Act 2025), the value of the investment to the existing permit holder: (h) if the application is affected by section 181(a) (which applies section 164 of the Planning Act 2025) in relation to long-lived infrastructure, the effects of that infrastructure: (i) the matters specified in sections 157 to 164. <p>(2) If the activity is a natural resource use activity, the permit authority may, in its discretion, consider any adverse effect of the activity on natural resources and people regardless of</p>	<p>B+LNZ seeks the deletion of sub-clause (1)(f) to reflect its earlier submission that action plans should not contain regulatory actions or determine the consideration of permits. Those matters should be addressed in a natural environment plan which has been prepared with a justification report and consultation process.</p>
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	<p>whether the natural environment plan or a national rule permits an activity with that effect.</p> <p>(3) However, if a natural resource permit application is for an activity that is a restricted discretionary activity, a permit authority may have regard to a matter only if discretion is reserved in relation to that matter by any of the following:</p> <ul style="list-style-type: none"> (a) a natural environment plan or proposed natural environment plan: (b) a national rule: (c) a water services standard. 10 <p>(4) This section also applies to a permit authority considering any submissions on the application.</p>	
<p>157 – Matters relevant to activities affecting drinking water supply source water</p>	<p>157 – Matters relevant to activities affecting drinking water supply source water</p> <p>The permit authority must have regard to—</p> <ul style="list-style-type: none"> a. the actual or potential effect of the proposed activity on the source of a drinking water supply that is registered under section 55 of the Water Services Act 2021; and b. any <u>the actual or potential</u> risks that the proposed activity may poses to the source of a drinking water supply that are identified in a source water risk management plan prepared in accordance with the requirements of the Water Services Act 2021. 	<p>B+LNZ is concerned that the current drafting requires the permit authority to consider “any risk” the activity “may” pose which could be anything – real or fanciful.</p> <p>B+LNZ seeks that the section focuses on actual or potential risks that are not fanciful and has proposed amendments to reflect that.</p>
<p>166 – Precautionary principle where information uncertain or inadequate</p>	<p>166 – Precautionary principle where information uncertain or inadequate</p> <p>(1) When deciding whether to grant or refuse an application for a natural resource permit, a permit authority must favour caution and environmental protection if the information available to determine the application is uncertain or inadequate.</p>	<p>B+LNZ is concerned that any application of the precautionary principle needs to be proportionate to the scale or likely impact of the activity on natural resources. B+LNZ is particularly concerned that in the context of diffuse discharges from farming, there will inevitably be some uncertainty about the nature and extent of diffuse discharges (given they cannot be measured or reliably modelled), the effectiveness of mitigations and the impact on instream water quality (given things like lags in groundwater</p>

	<p>(2) However, if applying subsection (1) means that the application is likely to be refused, the permit authority must consider</p> <p>a) <u>the scale and likely impact of the activity on natural resources, or</u></p> <p>b) whether including a condition that requires, or conditions that form, an adaptive management approach would address the concerns arising from the uncertainty or inadequacy of the information.</p>	<p>travel time and attenuation between the rootzone and receiving waterbody).</p> <p>By amending sub-clause (2)(a) to require the consideration of the scale and impacts of the activity, B+LNZ hopes that this will bring some balance to the application of the precautionary principle in the context of any resource consent applications for which there is the ability to decline consent.</p>
<p>167 – Permit authority may grant application with adaptive management approach</p>	<p>167 – Permit authority may grant application with adaptive management approach</p> <p>...</p> <p>(2) An adaptive management approach <u>can be tailored to the permit but must consider including the following</u> —</p> <p>...</p>	<p>In the context of farming, an adaptive management approach might be a useful tool for land use change to a more intensive farming use or the adoption of new or novel mitigations in the context of a significant intensification of the farm system or in the context of a sensitive catchment which has significantly breached environmental limits.</p> <p>In these circumstances, B+LNZ considers that for an adaptive management approach to work it needs to be able to be tailored to the particular farm system and the particular environment.</p>
<p>Part 6 Subpart 1 – Enforcement</p>		
<p>266 – Scope of abatement notice</p>	<p>266 – Scope of abatement notice</p> <p>....</p> <p>An abatement notice shall not be served unless the enforcement officer <u>is satisfied has reasonable grounds for believing</u> that any of the circumstances in subsection (1) or subsection (2) exist.</p> <p>....</p>	<p>The new system proposes to move from focusing on approving activities upfront to monitoring compliance with permitted activities, and enforcement. For farming, there are potentially more standards and matters to comply with, depending on the FWP regime and where the requirements for permitted activities land (certainly, as drafted, the NEB will impose more obligations on farming compared with the RMA for example see clauses 32, 39 and Schedule 5).</p> <p>Accordingly, B+LNZ is concerned about how enforcement tools will be applied to farming and the need for certainty for all parties.</p>

		<p>Abatement notices can be an effective enforcement tool but only if applied properly.</p> <p>In recognition of the seriousness and implications of an abatement notice for a farming or any other business, B+LNZ considers that clause 266 needs to be set at the standard of “satisfied” which is a higher threshold than “reasonable grounds for believing.”</p>
<p>267 – Compliance with an abatement notice</p>	<p>267 – Compliance with an abatement notice</p> <p>1) A person on whom an abatement notice is served must—</p> <p>a) comply with the notice within the period specified in the notice; and</p> <p>b) unless the notice directs otherwise, pay all the costs and expenses of 10 complying with the notice.</p> <p>2) This section is subject to the rights of appeal in section 269.</p> <p>3) <u>An abatement notice ceases to have effect on the earlier of either:</u> <u>(a) all required steps specified in an abatement notice being completed; or</u> <u>(b) [3] years after the notice issued under section 266 or confirmed under section 271 unless the relevant authority has served notice that it is satisfied section 266(4) continues to apply.</u></p> <p><i>(Consequential changes to clause 271 are also sought)</i></p>	<p>B+LNZ is aware of situations where abatement notices have been issued on farms, the risk or concern has long been addressed but the abatement notice is never reviewed or removed. Even if the issue has been addressed, there is no obligation on a council to remove or review an abatement.</p> <p>Further, if the all of the steps required by an abatement notice have been completed, there is no reason for the abatement notice to remain.</p> <p>B+LNZ considers that a lapse clause (based on either completion of required steps or a 3 year period) would avoid any undue hardship as a result of abatement notices not being reviewed or removed.</p>
<p>271 – Cancellation of an abatement notice</p>	<p>8) <u>Notwithstanding subsections (1)-(7) above, an abatement notice ceases to have effect [3] years after the notice being issued unless the relevant authority is satisfied section 266(4) continues to apply.</u></p>	<p>Consequential change to reflect change sought to clause 267.</p>

<p>278– Offences under this Act</p>	<p>278 – Offences under this Act</p> <p>1. A person commits an offence against this Act if the person contravenes, or permits a contravention of, any of the following:</p> <ul style="list-style-type: none"> a. sections 17, 18, 19, 20, and 21 (which impose duties and restrictions in relation to the coastal marine area, the beds of certain rivers and lakes, water, and discharges of contaminants): b. any enforcement order: c. any condition of a natural resource permit: d. any abatement notice: e. any monetary benefit order made under clause 29 of Schedule 8 of the Planning Act 2025: <p>....</p>	<p>B+LNZ is concerned that the issue of an abatement notice could be then used to create an additional offence which has implications for penalties, including fines. Abatement notices should be used as an enforcement tool not as a tool to create offences. If there is a breach of a relevant section of the NEB, that will continue and provide grounds for prosecution without the need to rely on the abatement notice.</p>
<p>281 – Liability of principal or acts of agents</p>	<p>...</p> <p>2. Person B is liable for the offence as if person B had personally committed it, if 35 it is proved that person B—</p> <ul style="list-style-type: none"> a. authorised or consented to the act constituting the offence; or b. knew the offence was, or was to be, committed and failed to take all reasonable steps to prevent or stop it. <p>...</p> <p>4) If proceedings are brought against person B under subsection (2), person B has a good defence if—</p> <ul style="list-style-type: none"> a. person B proves,— <ul style="list-style-type: none"> i) in the case of a natural person (including a partner in a firm),— <ul style="list-style-type: none"> A. that person B did not know, and could not reasonably be expected to have known, that the offence was to be or was being committed; or B. that person B took all reasonable steps to prevent the commission of the offence; or 	<p>Clause 281 relates to the liability of principals, including for the actions of their agents. In a farming situation, the might be the liability of the farm owner for actions of the lessee or the actions of a farm worker. If there is going to be greater emphasis on tools such as farm plans, B+LNZ is worried that (as currently drafted), clause 281 creates a significant liability or obligation for the farmer to ensure others using the farm or working on the farm follow and comply with things such as actions in a farm plan.</p> <p>The issue is the obligation to take “all reasonable steps.” The word “all” sets a very high bar. By deleting “all” there is still a requirement to demonstrate to prove that the principal took “reasonable steps” to, for example, stop a contravention of the NEB.</p>

	<ul style="list-style-type: none"> ii. in the case of a person other than a natural person,— <ul style="list-style-type: none"> A. that neither the directors (if any) nor any person involved in the management of person B knew, or could reasonably be expected to have known, that the offence was to be or was being committed; or B. that person B took all reasonable steps to prevent the commission of the offence; and b. person B proves that they took all reasonable steps to remedy any effects of the act or omission giving rise to the offence <p>5) If a person other than a natural person is convicted of an offence against this Act, a director of the defendant (if any), or a person involved in the management of the defendant, is guilty of the same offence if it is proved—</p> <ul style="list-style-type: none"> a. that the act or omission that constituted the offence took place with the person’s authority, permission, or consent; and (b) that the person knew, or could reasonably be expected to have known, that the offence was to be or was being committed and failed to take all reasonable steps to prevent or stop it. 	
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Subpart 3 – Regulations

Natural resource levies

<p>313 – Regulations relating to natural resource levies</p>	<p>1) The Governor General may, by Order in Council, on the recommendation of the Minister, make regulations prescribing a levy for the taking or use of natural resources specified in section 223.</p> <p>2) The Minister may recommend the making regulations under this section for the following purposes:</p> <ul style="list-style-type: none"> a) to— 	<p>B+LNZ is very concerned about changes to introduce natural resource levies. Taking freshwater as an example, B+LNZ is very concerned that there is insufficient information and understanding of many aspects of freshwater management to be able to consider (let alone impose) a levy. There could be a raft of unintended consequences, including significant economic and social cost.</p>
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	<p>i) fund the resolution of issues resulting from over allocation of a resource in a management unit; or</p> <p>ii) provide for efficient use of natural resources:</p> <p>b) to fund central Government and regional councils to undertake their functions and duties, and exercise their powers under this Act, to the extent that the costs of those activities are not recovered through other mechanisms under this Act.</p> <p>3) Regulations made under this section may—</p> <p>a) identify the taking or use of natural resource to which the levy applies; and</p> <p>b) set different levy rates for different natural resources and different locations; and</p> <p>c) prescribe the amount of the levy or a method for calculating the amount; and</p> <p>d) specify who is liable to pay the levy; and</p> <p>e) provide for exemptions from or waivers of a levy, in whole or in part, in any class of case, including prescribing any criteria that must be met for an exemption to apply; and</p> <p>f) identify any proportion of the levy that may be retained or transferred to persons specified in the regulations; and</p> <p>g) specify how any proportion transferred under paragraph (f) may be used by the specified person, including any conditions that must be satisfied before the transferred portion of the levy is used; and</p> <p>h) set out reporting obligations of regional councils in relation to levies set under paragraph (h); and</p> <p>i) direct 1 or more regional councils to undertake 1 or more of the matters specified in paragraphs (a) to (d) in accordance with prescribed procedures and subject to prescribed conditions.</p> <p>4) The following are exempt from any charges prescribed by regulations made under this section:</p>	<p>B+LNZ considers that natural resource levies are something which require further work and if it turned out they had merit for some resources, they could be incorporated into the NEB through an amendment Act.</p>
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	<p>a) a protected customary rights group—</p> <p>i) when exercising a protected customary right for which they are not liable under section 52(2) of the Marine and Coastal Area (Takutai Moana) Act 2011; and</p> <p>ii) when exercising any other protected customary right under that Act;</p> <p>b) a customary marine title group—</p> <p>i) when exercising a customary right for which they are not liable under section 60(2) of that Act; and</p> <p>ii) when undertaking an activity in relation to their customary marine title area.</p> <p>5) Regulations made under this section are secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements).</p>	
<p>314 – Conditions to be satisfied before regulations made under section 313</p>	<p>Delete clause 314</p>	<p>As above, B+LNZ does not support providing for natural resource levies in the NEB.</p>
<p>315 – Regulations relating to moneys collected from market based allocation mechanisms</p>	<p>Delete clause 315</p>	<p>As explained in section 2 of this submission, B+LNZ is very concerned about the use of market based allocation mechanisms, particularly in the context of water quality. B+LNZ considers that it is premature to provide for them in the NEB.</p> <p>B+LNZ considers that it would be more appropriate for the government to undertake further work to clarify the resources and circumstances in which market based allocation mechanisms would be appropriate and then amend the NEB to provide for them.</p>

333 – Collection and spending of levy under section 313(2)(a)	Delete clause 333.	Consequential amendments to levy related clauses – delete and consult separately on natural resource use levies before deciding on their introduction into the Act.
334 – Collection and spending of levy under section 313(2)(b)	Delete clause 334	As per B+LNZ’s submission on clause 313 above, B+LNZ seeks the deletion of all references to levies in the NEB. B+LNZ considers it would be more appropriate to introduce them later (through an amendment Bill) following further evaluation and consultation on them, including the resources and circumstances in which levies might be appropriate.
335 – Collection and spending of moneys from market-based allocation mechanisms	Delete clause 335	See submission on clause 313.
Schedule 5 Freshwater Farm Plans		
3 Application of this schedule	<p>3 Application of this schedule</p> <ol style="list-style-type: none"> 1. This schedule applies only— <ol style="list-style-type: none"> a. to a region, district, or part of New Zealand specified in an Order in Council under this clause; and b. on and from the date specified in the Order in Council (but <i>see clause 4</i>, which relates to when this schedule ceases to apply). 2. The Governor-General may, by Order in Council, on the recommendation of the Minister, determine— <ol style="list-style-type: none"> a. that this schedule applies to a specified district, region, or part of New Zealand; and b. the date on which this schedule applies to that district, region, or part of New Zealand. 	<p>B+LNZ’s position is that it is not appropriate, equitable or efficient to require all farms to have a FWFP. However, as drafted, Schedule 5 requires all pastoral farms over 50ha to have a FWFP and regulations can only change that land use area threshold but not specify that the FWFP requirements to not apply to a specific activity or farm system.</p> <p>B+LNZ considers that there will be low risk farms for which a FWFP should not be required. These might be sheep only farm systems, or certain farms in locations where there are no surface waterbodies or groundwater.</p>

	<p>3. The Governor-General may, by Order in Council, on the recommendation of the Minister, in relation to a region, district, or part of New Zealand to which this schedule applies,—</p> <ul style="list-style-type: none"> a. disapply a statutory land use area threshold, <u>a particular activity, or a particular land use</u>; or b. disapply a statutory land use area threshold and prescribe a higher land use area threshold in its place. <p>4. Before making a recommendation under subclause (2) or (3), the Minister must—</p> <ul style="list-style-type: none"> a. be satisfied that regulations are necessary to achieve the purpose of this schedule in the specified district, region, or part of New Zealand; and b. consult the Minister of Agriculture. <p>5. An order under this clause is secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements).</p>	<p>Having the flexibility to provide exceptions for certain farm systems and/or certain activities would help to ensure an enduring regime as well as a cost efficient approach to FWFPs.</p>
<p>5 farm must have freshwater farm plan if it meets land use threshold</p>	<p>5 Farm must have freshwater farm plan if it meets land use threshold</p> <p>1. A farm, <u>or a prescribed area of a farm</u>, must have a freshwater farm plan if—</p> <ul style="list-style-type: none"> a. 50 or more hectares of the farm is pastoral or arable; or b. 50 or more hectares of the farm is viticultural or orcharding land use; or c. 5 or more hectares of the farm is horticultural land use other than viticultural or orcharding land use; or d. a prescribed area of the farm is other agricultural land use prescribed in regulations made under clause 15(1)(c); or 	<p>B+LNZ seeks amendments to the legislation so that it contemplates that a FWFP may apply to part of a farm. Where a FWFP is required because a prescribed area is used for a high risk activity (as described in regulations), B+LNZ's position is that only that part of the farm should be required to have a FWFP.</p> <p>B+LNZ does not consider it proportionate, equitable or efficient to require a low intensity or low risk farming activity to obtain a certified, and audited, FWFP for the whole farm just because a high-risk activity occurs on a discrete area e.g. a 2,000ha sheep and beef farm which irrigates on only 60ha.</p> <p>As explained above, B+LNZ does not support a blanket requirement for every pastoral farm above 50 ha being subject to a mandatory requirement to prepare a farm plan, with the</p>

	<p>e. 50 or more hectares of the farm is a combination of 2 or more of the land uses set out in paragraphs (a) to (d); or</p> <p>f. the farm holds a Dairy Supply Number.</p> <p>2. However,—</p> <p>a. if an order made under clause 3(3)(a) disapplies a statutory land use area threshold, <u>a particular activity, or a particular land use</u>, a farm is not subject to that threshold; and</p> <p>b. if an order made under clause 3(3)(b) disapplies a statutory land use area threshold and prescribes a higher land use area threshold in its place, a farm is subject to the higher threshold.</p> <p>3. A freshwater farm plan may applies apply to <u>all or part of</u> the entire farm.</p>	<p>regulations only able to change that area threshold and not able to specify low risk or low intensity farms that should be exempt. B+LNZ has proposed changes to clause 3(3)(a) and made a consequential amendment to clause 5(2)(a) in response to its concerns.</p>
<p>6 Main duties of farm operators</p>	<p>6 Main duties of farm operators</p> <p>1. A farm operator who is required to have a freshwater farm plan must submit <u>all or part of</u> the plan for certification if—</p> <p>a. the farm is undertaking activities identified in activity-based criteria prescribed in regulations; or</p> <p>b. the farm is located in a catchment prescribed in regulations; or</p> <p>c. the operator is required to submit <u>all or part of</u> the freshwater farm plan for certification to meet other regulatory requirements.</p> <p>2. A farm operator of a farm that is required to have a freshwater farm plan must—</p> <p>a. prepare have a freshwater farm plan in accordance with which meets the requirements of this schedule and regulations; and</p>	<p>B+LNZ’s position is that not all FWFPs should require certification and the regulations should prescribe the situations where certification is not required.</p> <p>Consistent with above, B+LNZ also considers that where a high risk activity is carried out on a prescribed area and that is the only factor that triggers a need for a FWFP, then certification should only be required for that part of the FWFP which relates to the high risk activity.</p> <p>B+LNZ also considers that duplication of farm plans should be avoided. A farm operator should have the choice of specifically preparing a new farm plan for the purposes of this schedule and the regulations or relying on an existing farm plan (with may not need modification if it meets the requirements, or may only need slight modification, for example). The word “prepare” gives the impression it is a new farm plan prepared specifically for this</p>

	<ul style="list-style-type: none"> b. ensure that the farm operates in compliance with the freshwater farm plan; and c. arrange for the farm to be audited in accordance with this schedule and regulations for compliance with the freshwater farm plan. <p>3. A farm operator must keep the certified freshwater farm plan fit for purpose by—</p> <ul style="list-style-type: none"> a. amending the plan as necessary to reflect any changes in the farm; and b. amending the plan as necessary to comply with this schedule and regulations. <p>4. A farm operator must amend and recertify a certified freshwater farm plan if any circumstances prescribed by regulations apply.</p> <p>5. A farm operator must comply with the same freshwater farm plan certification requirements under this Act as a farm operator referred to in subclause (1) if—</p> <ul style="list-style-type: none"> a. the farm operator is not required under subclause (1) to have the farm’s freshwater farm plan certified; but b. the farm operator chooses to have the farm’s freshwater farm plan certified. 	<p>purpose. Therefore, the wording has been made more neutral to contemplate the potential amendment of existing farm plans thereby avoiding duplication.</p>
<p>7 Content of freshwater farm plan</p>	<p>7 Contents of freshwater farm plan</p> <p>A freshwater farm plan must—</p> <ul style="list-style-type: none"> a. identify any adverse effects of activities carried out on the farm on freshwater and freshwater ecosystems and any relevant human health or environmental <u>ecosystem health</u> limits to which those adverse effects on freshwater may contribute, <u>or as otherwise directed by regulations made pursuant</u> 	<p>Subclause (a)</p> <p>The NEB uses the terms “human health limits” and “ecosystem health limits.” “Environmental limits” is a broader term encompassing both of these limits and potentially more. B+LNZ considers that the terminology should be consistent throughout the Bill.</p> <p>B+LNZ wishes to ensure that FWFPs take a proportionate and risk based approach to identifying adverse effects. B+LNZ considers a</p>

	<p><u>to this schedule or in response to a national instrument;</u> and</p> <p>b. specify requirements that—</p> <p>i. are appropriate for the purpose of avoiding, minimising-, remedying, or of offsetting or compensating when appropriate and enabled in a plan, the adverse effects of those activities on freshwater and freshwater ecosystems; and</p> <p>ii. are clear and measurable; and</p> <p>c. demonstrate how any outcomes prescribed in <u>this schedule, regulations and national instruments</u> are to be achieved; and</p> <p>d. comply with any other requirements in <u>this schedule and</u> regulations; and</p> <p>e. comply with clause 14.</p>	<p>direction to identify “any” adverse effect is too broad/vague and could significantly increase the cost of preparing FWFPs for little/no environmental benefit.</p> <p>B+LNZ considers that the regulations ought to be able to provide further guidance for specific situations, specific effects, specific activities or specific catchments. This will help to achieve a regime which is proportionate and risk based, as well as one which will encourage farmer buy in and implementation of mitigations.</p> <p>Subclause (b)</p> <p>This amendment is consistent with the changes sought to clause 15 of the NEB and B+LNZ refers to its reasoning set out earlier in this table.</p> <p>Subclauses (c) and (d)</p> <p>This amendment is necessary to clarify that it is the freshwater farm plan regulations and not just any regulations. FWFPs are specifically for meeting freshwater outcomes and B+LNZ does not support them being broadened to meet a wider range of outcomes e.g. health and safety, animal welfare etc.</p> <p>This amendment is also consistent with the terminology elsewhere in Schedule 5.</p>
<p>8 Certification of freshwater farm plan</p>	<p>8 Certification of freshwater farm plan</p> <p>1. A farm operator who must, under clause 6(1), submit <u>all or part of</u> a freshwater farm plan for certification must do so within the prescribed time frame.</p>	<p>B+LNZ proposes amendments to contemplate that the regulations might not require all FWFPs to be certified and that for farms carrying out certain high risk activities, a certified FWFP plan might only be required for the part of the farm where that activity occurs.</p>

	<p>2. The certifier must certify a freshwater farm plan if the certifier is satisfied that the plan complies with the requirements in clause 7.</p> <p>3. The certifier must, as soon as practicable, notify the relevant regional council—</p> <ol style="list-style-type: none"> a. that <u>all or part of</u> the freshwater farm plan has been certified; and b. the date on which it was certified. <p>4. This clause applies, with any necessary modifications, to <u>all or part of</u> a certified freshwater farm plan that is required by regulations to be amended and recertified.</p>	
<p>9 Audit of farm for compliance with freshwater farm plan</p>	<p>9 Audit of farm for compliance with freshwater farm plan</p> <ol style="list-style-type: none"> 1. A farm operator must— <ol style="list-style-type: none"> a. arrange, within the prescribed time frame, for an auditor to audit the farm, <u>or prescribed area of the farm required to be audited</u>, for compliance with the freshwater farm plan; and b. arrange for further audits to be carried out at the frequency required by regulations <u>made pursuant to this schedule or national instruments</u>. 2. The audit must be completed in the manner prescribed in regulations <u>made pursuant to this schedule</u>. 3. The farm operator must provide the auditor with reasonable access to the farm (or any part of it) for the purpose of any audit inspection 	<p>Consistent with the position above, B+LNZ considers that Schedule 5 should contemplate the making of regulations which specify that for certain high risk activities only that part of the farm on which the activity occurs is required to have a farm plan and therefore also required to be audited for compliance with the farm plan.</p> <p>B+LNZ also considers that auditing should be in accordance with freshwater farm plan regulations and not any other regulations which might require auditing.</p> <p>B+LNZ’s position is that audits should be as cost effective as possible. Subclause (2) contemplates the regulations prescribing the way the audit will occur, and B+LNZ considers the regulations should specifically enable desktop audits based on photographs, invoices, drone footage or other materials which will avoid the need for an auditor to have to “walk the farm.”</p>
<p>14 Relationship between freshwater farm</p>	<ol style="list-style-type: none"> 1. Relationship between freshwater farm plan and specified instruments 2. A freshwater farm plan may contain a requirement that— 	<p>B+LNZ is particularly concerned about avoiding duplication, particularly in regions which already have (or a soon to have)</p>

<p>plan and specified instruments</p>	<ol style="list-style-type: none"> 3. relates to an activity carried out on the farm (an activity) even if there is no similar requirement relating to that activity in a provision of a specified instrument; or 4. restricts an activity more than a provision of a specified instrument. 5. However, if a provision of a specified instrument restricts an activity more than a requirement of a freshwater farm plan, the provision of the specified instrument prevails, <u>unless otherwise specified in regulations made pursuant to this schedule.</u> 6. To avoid doubt, compliance with a requirement of a certified freshwater farm plan— 7. does not of itself authorise a person to undertake an activity: 8. may be specified or included as a requirement or condition in any specified instrument relating to an activity. 	<p>operative freshwater farm plan regimes e.g. Southland and Waikato.</p> <p>It is inevitable that there will be differences in the form, content and processes for farm plans required by regional plans compared with FWFPs required by the yet to be drafted FWFP regulations.</p> <p>B+LNZ considers it really important that FWFP regulations are able to avoid duplication by, for example, directing that the FWFP regulations supersede a regional plan requirement for a farm plan (to avoid a farmer needing two farm plans to meet different national and regional obligations) or to be able to deem farm plans “equivalent” even where there might be differences in form or terminology or approach.</p> <p>This will also help to avoid cost, delay and potentially litigation about whether a provision in a specified instrument is the same or more stringent – differences in terminology, timeframes and definitions can make it very difficult to determine which is more stringent.</p>
<p>15 - Regulations relating to freshwater farm plans</p>	<p>15 Regulations relating to freshwater farm plans</p> <ol style="list-style-type: none"> 1. The Governor-General may, by Order in Council made on the recommendation of the Minister after consulting the Minister of Agriculture, make regulations that— <ol style="list-style-type: none"> a. prescribe crops for the purpose of the definition of arable land use in clause 2: b. prescribe agricultural land uses for the purpose of the definition of farm in clause 2: c. prescribe the area of land described in clause 5(1)(d) (in relation to agricultural land use prescribed under paragraph (b)): 	<p>Subclause (1)(e)</p> <p>The amendments to (i), (ii) and (iii) are for consistency with amendments sought to clause 7 of Schedule 5 and B+LNZ refers to the reasoning set out above.</p> <p>Subclause (1)(f)</p> <p>This amendment is necessary to clarify that the regulations may require some FWFPs to be certified and some may not (the use of the word “must” in the NEB made it sound like all FWFPs must be certified).</p> <p>Subclause (i)(i)</p>

	<ul style="list-style-type: none"> d. prescribe the kinds of farm activities or catchments in respect of which a certified freshwater farm plan is required: e. provide for the content of a freshwater farm plan, including (without limitation) specifying— <ul style="list-style-type: none"> i. any requirements, including actions, criteria, methods, or thresholds for the purpose of identifying, measuring, avoiding, minimising, remedying, or of offsetting or compensating when appropriate and enabled in a plan, any adverse effects of activities carried out on the farm on freshwater and freshwater ecosystems; and ii. outcomes that must be achieved for the purpose of avoiding, minimising, remedying, or of offsetting or compensating when appropriate and enabled in a plan, those adverse effects on freshwater and freshwater ecosystems; and iii. any requirements, including actions, criteria, methods, thresholds, or outcomes for the purpose of achieving relevant human health or environmental ecosystem health limits. iv. any other information that must be included in the plan for the purpose of this schedule: f. provide for the form and manner in which a freshwater farm plan that must required to be 	<p>B+LNZ’s position is that FWFPs ought to either be audited as a prescribed frequency or in the event of certain circumstances (in that sense, they are “auditable” with auditing triggered by an event rather than a timeframe).</p> <p>B+LNZ considers that this approach would be more cost effective and proportionate, as well as better incentivise farmer buy in and support for the regime.</p> <p>Subclause (o) A new sub-clause is proposed to provide a catch all for any matter which might arise as a national instrument and need to be provided for in the FWFP regulations.</p>
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	<p>certified is certified, including (without limitation) prescribing—</p> <ul style="list-style-type: none"> i. time frames that must be complied with by the farm operator and certifier; and ii. any fees payable by the farm operator or the manner of calculating those fees: <p>g. prescribe the circumstances in which a certified freshwater farm plan must be amended and recertified:</p> <p>h. prescribe requirements that must be met for the approval of industry organisations under clause 13 or the revocation of their approval, including any further obligations for approved industry organisations:</p> <p>i. provide for the form and manner in which a farm must be audited for compliance with a freshwater farm plan, including (without limitation) prescribing—</p> <ul style="list-style-type: none"> i. the time frame by which a farm must be audited <u>or the circumstances that will give rise to a requirement for a freshwater farm plan to be audited</u>; and ii. the frequency at which those audits must be carried out; and iii. the period after which the auditor must provide their final report; and iv. any matters that an auditor must take into account when considering whether the farm achieves compliance with the freshwater farm plan; and v. the information that the farm operator must provide to the auditor for the purpose of the audit; and 	
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	<ul style="list-style-type: none"> vi. any fees payable by the farm operator or the manner of calculating those fees: j. prescribe criteria that apply to the appointment of a person as an auditor or certifier and their continuation in that role: k. require auditors, certifiers, and farm operators to supply prescribed information to regional councils for the purpose of clause 10: l. prescribe information that a regional council must keep in relation to farms in its jurisdiction: m. prescribe infringement offences for the contravention of, or non-compliance with, a provision of this schedule or of any regulations made under this clause: n. provide for any other matters that are contemplated by, or necessary for giving full effect to, this schedule and for its due administration. <u>o. Otherwise give effect to any national instrument.</u> <ol style="list-style-type: none"> 2. Regulations under this clause may apply generally or to specified districts, regions, or parts of New Zealand. 3. Regulations under this clause may apply to all certifiers or auditors generally, or may apply only to certifiers and auditors appointed— <ul style="list-style-type: none"> a. by a regional council under clause 12(1); or b. by an approved industry organisation under clause 13(2). 4. Regulations under this clause may incorporate material by reference under Part 4 of Schedule 2 (which applies as if references in that schedule to a national instrument were references to regulations under this clause). 5. Regulations under this clause are secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements). 	
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Planning Bill

Part 2 Foundations

Subpart 1 – Core provisions for decision making

<p>11 – Goals</p>	<p>11 – Goals</p> <p>1) All persons exercising or performing functions, duties, or powers under this Act must seek to achieve the following goals subject to sections 12 and 45:</p> <ul style="list-style-type: none"> a) to ensure that land use does not unreasonably affect others, including by separating incompatible land uses: b) to support and enable economic growth and change by enabling the use and development of land: c) to create well-functioning urban and rural areas: d) to enable competitive urban land markets by making land available to meet current and expected demand for business and residential use and development: e) to plan and provide for infrastructure to meet current and expected demand: f) <u>To protect the actual and potential value of land and soil for primary production</u> <p>....</p>	<p>One of the objectives of the reform is to enable primary sector growth and development. B+LNZ is concerned that there is no specific goal in respect of farming or the primary sector, yet there are specific goals about other sectors e.g. urban and infrastructure.</p> <p>While a lot of aspects of the components of farming activities will be regulated under the NEB, there will still be a lot of aspects of farming that are regulated under the PB. These could include reverse sensitivity (residential land uses located next to farming activities), odour, construction of buildings, noise from machinery, dust from track maintenance etc.</p> <p>As explained in section 2 of this submission, B+LNZ is very concerned that the development of one sector could come at the cost of existing farming land uses. Therefore, it is important to ensure that the value of land for farming is something which is recognised and considered in decision making under the PB.</p>
<p>13A – Decision making principles</p> <p>New clause sought</p>	<p><u>13A – Decision-making principles</u></p> <p>1) <u>All persons empowered to make recommendations or decisions under this Act must—</u></p> <ul style="list-style-type: none"> a) <u>act in an enabling manner in accordance with subsections (b)-(e) and sections 11-13;</u> 	<p>This is the same amendment as is proposed above for the NEB. For the same reasons provided above, B+LNZ considers the PB would benefit from decision making principles to help to streamline decision making as well as ensure consistent, efficient and proportionate decisions.</p>

	<ul style="list-style-type: none"> b) <u>manage adverse effects including cumulative effects of using and developing the environment in accordance with the goals in section 11;</u> c) <u>have regard to any measures proposed to avoid, remedy, mitigate, offset or compensate adverse effects of a proposal;</u> d) <u>have regard to the positive effects of using and developing the environment to achieve the goals in section 11;</u> e) <u>grant applications for resource consent unless the consent authority can be satisfied there are adequate reasons not to do so and that conditions of consent could not be imposed to ensure adverse effects are acceptable;</u> f) <u>prioritise the use of non-regulatory methods over regulatory methods.</u> <p>2) <u>A person may apply to the Planning Tribunal for a declaration where the principles in subsection (1) have not been complied with.</u></p> <p>3) <u>Where a person applies for a declaration under (2), the process under clause 22A of Schedule 10 of this Act will apply with all necessary modifications.</u></p> <p>4) <u>A local authority must report on any declarations made under (2) to the chief executive on a quarterly basis.</u></p> <p><i>Consequential changes are required in Schedule 10 of the Planning Act including a new clause 22A (but the drafting of a new clause 22A is not included in this submission)</i></p>	
<p>15 – Considering adverse effects of activities</p>	<p>15 – Considering adverse effects of activities</p> <p>1) A person exercising or performing functions, powers, or duties under this Act who is considering the effects of an activity—</p> <ul style="list-style-type: none"> a) must consider how— <ul style="list-style-type: none"> ⌘ adverse effects are to be avoided, minimised, or remedied, where practicable; or 	<p>These are the same amendments as B+LNZ has proposed to the parts of clause 15 of the NEB. B+LNZ refers to the reasoning provided above, which apply equally to clause 15 of the PB.</p> <p>B+LNZ considers it fundamental the success of the new system that there is no effects management hierarchy and that the scope of effects as narrowed and as certain as possible.</p>

	<p>ii) adverse effects are to be offset or compensated for, where appropriate.</p> <p>b) must not consider a less than minor adverse effect unless the cumulative effect of 2 or more such effects create effects that are <u>more greater than less</u> than minor.</p> <p>2) A national instrument may specify—</p> <p>a) how, and in what order, adverse effects are to be avoided, minimised, or remedied, offset, or compensated; and</p> <p>b) when it is practicable for adverse effects to be avoided, minimised, or remedied; and</p> <p>c) when it is appropriate for adverse effects to be offset or compensated; and</p> <p>d) where specific effects are managed under this Act and under the Natural Environment Act 2025.</p> <p>3) <u>If no national instrument is in force to guide or direct the use of offsetting and compensation, the management of adverse effects through offsetting and compensation:</u></p> <p><u>(a) must not be guided or directed by provisions of a natural environment plan; and</u></p> <p><u>(b) may be provided for in the context of determining an application for a permit but only if the offset or compensation has been proposed or agreed to by an applicant.</u></p> <p>4) The order in which an approach to managing effects appears in this section does not assign an order of importance to how effects are managed.</p> <p>5) In this section, a less than minor adverse effect means an adverse effect that is acceptable and reasonable in the receiving environment with any change being slight or barely noticeable.</p>	
<p>3 – Interpretation</p>	<p>effect—</p>	<p>B+LNZ seeks the same amendment to the definition of effect in the NEB and refers to the reasoning set out above. B+LNZ considers that reasoning applies equally to the PB.</p>

	<p>(a) includes, irrespective of the scale, intensity, duration, or frequency,—</p> <ul style="list-style-type: none"> (i) any positive or adverse effect; and (ii) any temporary or permanent effect; and (iii) any past, present, or future effect; and (iv) any cumulative effect that arises over time or in combination with other effects, <u>or as otherwise defined by a national instrument</u>; and <p>(b) also includes—</p> <ul style="list-style-type: none"> (i) any potential effect of high probability; and (ii) any potential effect of low probability but that has a high potential impact 	
Subpart 3 – Key instruments		
31 – Principles for classifying activities	<p>31 Principles for classifying activities</p> <p>When exercising or performing a function, power, or duty under this Act, a person must be guided by the following principles:</p> <p>(a) an activity should be classified as a permitted activity <u>wherever possible while giving effect to the goals in section 11, national instruments or regional spatial plans (as required by section 12) including in the following circumstances</u> if—</p> <ul style="list-style-type: none"> (i) the activity is acceptable has <u>(or is likely to have) effects that are minor or less than minor, is anticipated, or achieves the desired level of use, and development, or protection of the natural environment</u>; or 	<p>B+LNZ seeks similar amendments to clause 31 of the PB as are sought to clause 32 of the NEB, and to the extent it is relevant, B+LNZ refers to its submission above on clause 32 of the NEB.</p> <p>Clause (a) This clause is amended to reflect changes made to clauses 11, 12 and 15 of the PB.</p> <p>It is also amended to recognise FWFPs as an alternative to a resource consent, and to prioritise non-regulatory methods, then FWFPs before regulatory methods are considered.</p> <p>B+LNZ also considers that the protection of the natural environment ought to also be considered. B+LNZ is concerned</p>

	<p>(ii) any adverse effects of the activity <u>on the natural environment</u> are known <u>well understood</u> and can be managed <u>by other methods including national regulation, freshwater farm plans or non-regulatory methods (or some combination of those methods)</u>; or</p> <p>(iii) a specific assessment of the activity or part of the activity is not required:</p> <p><u>(ba) an activity should be classified as a controlled activity if –</u></p> <p><u>(i) the activity is acceptable, anticipated, or achieves the desired level of use, development or protection of the natural environment, but 1 or more of the activity’s effects require addressing by 1 or more conditions that are not listed for permitted activities;</u></p> <p><u>(ii) effects of the activity on the natural environment can be appropriately managed through national standards or permit conditions;</u></p> <p><u>(iii) the range of potential effects of the activity are known and can be appropriately managed through consent conditions;</u></p> <p>(b) an activity should be classified as a restricted discretionary activity if–</p> <p>(i) the activity is acceptable, is anticipated, or achieves the desired level of use, and development <u>or protection of the natural environment</u> but 1 or more of the effects of the activity requires a specific assessment; and</p>	<p>that the PB may prioritise development of certain industries, sectors or activities and that could come at the expense of existing farming activities i.e. require existing farming to do more under the NEB to ensure environmental limits are not breached.</p> <p>Sub-clause (ba) As explained above (in the context of clause 32 of the NEB), B+LNZ considers that controlled activity consents play an important role in the RMA and will continue to play an important role over the PB and NEB. B+LNZ considers that controlled activities should be retained to ensure a streamlined, cost effective and efficient planning regime.</p> <p>Sub-clause (b) As with the amendment to clause (a), B+LNZ considers it important that the protection of the natural environment is able to be considered when classifying activities under the PB.</p> <p>Sub-clause (e) For certainty, and to avoid unnecessary litigation about what a “specific assessment” means in sub-clause (a)(iii), B+LNZ considers that “specific assessment” should be defined.</p>
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	<p>(ii) the range of potential effects of the activity are known and can be appropriately managed through consent conditions:</p> <p>(c) an activity should be classified as a discretionary activity if–</p> <p>(i) the nature and type of activity requires an assessment of all the effects of the activity; or</p> <p>(ii) the adverse effects of the activity are unknown or uncertain; or</p> <p>(ii) the activity is inconsistent with the regional spatial plan; or</p> <p>(iii) the activity is not anticipated and may be inappropriate:</p> <p>(d) an activity should be classified as a prohibited activity if the activity will have an unacceptably high level of adverse effects that cannot be managed by consent conditions.</p> <p><u>(e) in this section, a specific assessment of an activity’s effects means an assessment required when a risk is present that is likely different from the risks typical of the activity and which cannot be managed by a standard condition.</u></p>	
<p>32 – Consequences of permitted, restricted discretionary, or restricted discretionary activity classification</p>	<p>32 – Consequences of permitted, <u>controlled</u>, restricted discretionary, or restricted discretionary activity classification</p> <p>Insert a new clause 32(2A) as follows:</p> <p><u>(2A) If the activity is classified as a controlled activity, —</u></p> <p><u>(a) the activity requires a planning consent; and</u></p> <p><u>(b) the territorial authority must not notify (either public or targeted notification) and must grant the consent subject to section 147;</u></p> <p><u>(c) the territorial authority’s power to impose conditions is restricted to the matters over which control is reserved and</u></p>	<p>As above, B+LNZ seeks the retention of a controlled activity category in both the NEB and the PB.</p>

	<p><u>specified in a land use plan, proposed land use plan, or national rule; and</u></p> <p><u>(d) the activity must comply with any conditions of the consent.</u></p> <p><i>Consequential amendments are required to, for example, clauses 138, 139, 148.</i></p>	
<p>38 – Permitted activities</p>	<p>38 Permitted activity rules</p> <p><u>(1A) A permitted activity rule may include one or more conditions designed to manage any adverse effect of the activity, which may include a condition described in section 151 (as if that section applied to permitted activities).</u></p> <p>(1) A permitted activity rule must—</p> <p>(a) require an activity to be registered <u>if registration is required by a national instrument or a plan;</u> or</p> <p>(b) relate to a matter described in section 151 or Part 1 of Schedule 7.</p> <p>(2) A permitted activity rule referred to in subsection (1)(a) must provide that an activity is a permitted activity only if—</p> <p>(a) the activity is registered with the territorial authority (see section 180); and</p> <p>(b) the person carrying out the activity does 1 or more of the following:</p> <p>(i) obtains the written approval of all persons who may be directly affected by the activity;</p> <p>(ii) obtains a certificate from a qualified person that the activity complies, or would comply, with any specified requirement;</p> <p>(iii) pays a fee fixed in accordance with section 192;</p> <p>(iv) complies with any other requirement relating to a matter described in section 151 or Part 1 of Schedule 7.</p>	<p>As explained earlier in this submission (section 2 and in the context of clause 39 of the NEB), B+LNZ is concerned that a consequence of enabling greater permitted activities in the new system is that the requirements for existing permitted activities have become more stringent. B+LNZ is very concerned that for some existing permitted activities they will be a pseudo consent under the NEB and the PB.</p> <p>B+LNZ proposes amendments to clause 38 so that more onerous requirements (like registration or a condition described in clause 151) can be considered for those activities which currently require consent but will be permitted in the new regime. But, importantly, B+LNZ also proposes amendments so that those more onerous requirements are not mandatory and the types of activities which are considered to be “permitted” in the current regime are not subjected to them.</p>

	<p>(3) A permitted activity rule referred to in subsection (1)(a) may specify requirements for the information that must be included in the notice required by section 180.</p> <p>(4) An approval described in subsection (2)(b)(i) is valid for 3 years from the date it is given, unless withdrawn in writing by the person who gave it.</p>	
Subpart 4 – National instruments		
<p>45 – Matters to consider when making national direction</p>	<p>45 – Matters to consider when making national direction</p> <ol style="list-style-type: none"> 1. This section applies to the Minister when making a national instrument. 2. The Minister must have regard to the following principles: <ol style="list-style-type: none"> a. achieving compatibility between the goals is to be preferred over achieving one goal at the expense of another; b. not all goals need to be achieved in all places at all times; c. any conflicts within the proposed national instrument should be resolved in that document as far as reasonably practicable. d. <u>the positive and adverse effects of the proposed national instrument must be considered.</u> 3. The Minister must consider all submissions received as a result of the process established under section 46. 4. The Minister’s consideration of any adverse effects <u>including on the natural environment, society and the economy</u>— <ol style="list-style-type: none"> a. must be appropriate to the nature of the proposed national instrument; and b. is subject to sections 14 and 15(1). 5. If the proposed national instrument contains new content, the Minister must consider all existing national instruments for the 	<p>One of the key themes of B+LNZ’s submission is to ensure that social and economic costs are considered and to ensure appropriate guardrails on national directions. Accordingly, B+LNZ proposes a new clause (d) to ensure that the positive and adverse effects (costs and benefits) are considered when making national direct.</p> <p>B+LNZ made a similar submission on clause 69 of the NEB and refers to its reasoning above.</p>

	<p>purpose of ensuring there is a coherent set of national instruments.</p> <p>6. The Minister must also consider—</p> <ol style="list-style-type: none"> a. how the proposed national instrument will be monitored and reviewed; and b. any other matter the Minister considers relevant 	
46 – Process for making national instrument	<p>(2) If after having complied with subsection (1), the Minister proposes to issue a national instrument, the Minister must establish and follow a process that includes the following steps:</p> <p>(a) the public and iwi authorities must be given notice of—</p> <p>...</p> <p>...</p> <p><u>(vi) a report summarising the assessment of the matters outlined under section 45 (2)(d): and</u></p>	<p>Consistent with the submission on clause 45 above, B+LNZ proposes an amendment to clause 46 add a new sub-clause (2)(a)(vi) to require a report summarising the positive and adverse effects of the proposed national instrument.</p> <p>B+LNZ made a similar submission on clause 70 of the NEB and refers to its reasoning above.</p>
Clause 50 – Approval of national instrument	<ol style="list-style-type: none"> 1) The Governor-General in Council may, on the recommendation of the Minister, approve a national instrument. 2) Before recommending that a national instrument be approved after having complied with section 46, the Minister must— <ol style="list-style-type: none"> a) first, must consider the report and any recommendations made under section 46; and b) secondly, may - <ol style="list-style-type: none"> i) make any changes, or no changes, to the proposed national instrument as the Minister thinks fit <u>based on the report and recommendations; or</u> ii) withdraw all or part of the proposed national instrument and give public notice of the withdrawal, including the reasons for the withdrawal. 	<p>Consistent with the submission on clauses 45 and 46 above, B+LNZ proposes an amendment to clause 50 to ensure that changes to national instruments (following consultation) are made based on the report and recommendations (and not only any matters the Minister thinks fit).</p> <p>B+LNZ made a similar submission on clause 74 of the NEB and refers to its reasoning above.</p>
<p>Part 3 – Combined plan Subpart 1 – Requirements for regional spatial plans</p>		

<p>67 – Purpose of regional spatial plans</p>	<p>A regional spatial plan must—</p> <ol style="list-style-type: none"> a. set the strategic direction for development and public investment priorities in a region for a time frame of not less than 30 years; and b. enable integration at the strategic level of decision making under this Act and the Natural Environment Act 2025; and c. implement national instruments made under this Act and the Natural Environment Act 2025 in a way that provides for use and development within environmental limits; and d. support a co-ordinated approach to infrastructure funding and investment by central government, local authorities, and other infrastructure providers; and e. (e) promote integration of development planning with infrastructure planning and investment. f. <u>not direct, prohibit or specify types or intensity of primary production activities in rural areas.</u> 	<p>B+LNZ is very concerned about the effect regional spatial plans could have on existing farming land uses, as well as potential development of land for farming. B+LNZ is concerned that regional spatial plans could drive land use change, grandparent existing land uses or land use intensities, or have unintended consequences either for or as a consequence of limit setting under the NEB.</p> <p>Spatial plans are a zoning or planning tool. From a farming perspective, the spatial plan might identify where in the rural area windfarms or quarries should be located, future housing growth areas, where roading upgrades will be needed in the future or railway lines for freight, where wastewater treatment plants and landfills to support future housing will be needed etc.</p> <p>However, it would not be appropriate for a spatial plan to go to the next step of specifying the location for different types of farming activities in a rural area. The appropriateness of different types of farming activities will depend on the nature of the farm system, mitigations employed, how intensive it is, proximity to sensitive receiving bodies and impact of groundwater travel times or attenuation etc. The level of granularity needed to undertake that work is not only disproportionate to any benefit but, more fundamentally, the science simply does not exist (in most cases) to definitively say that a certain type of existing farming activity should not continue.</p> <p>With the science in this field emerging and developing, and significant gaps in information, it would be too risky (as well as impose significant social and economic cost) to require irreversible land use change, or to grandparent existing land uses or land use intensities, by specifying the locations for certain farming activities in regional spatial plans.</p>
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		To address B+LNZ’s concerns, a new sub-clause (f) is proposed to make it clear that spatial plans are not to direct the location of different types of farming activities.
69 – Process agreement for preparation of regional spatial plan	Amend to ensure clear roles and responsibilities and create a conflict resolution pathway.	<p>While B+LNZ supports the PB clarifying how regional spatial plans are to be prepared (given they will require coordination of several or many local authorities), B+LNZ is concerned that clause 69 lacks specificity or direction, particularly where agreement cannot be reached or where one local authority is a more powerful position than another.</p> <p>B+LNZ has not proposed specific wording changes but considers that the clause ought to be amended to clearly set out responsibilities, how disputes are to be resolved and how unnecessary delay will be avoided.</p>
Subpart 2 – Land use plans		
89 – Requirements for justification reports	<p>89 – Requirements for justification reports</p> <ol style="list-style-type: none"> 1) This section sets out the requirements for a justification report required under clause 11 of Schedule 3 for a draft of a proposed plan that contains a bespoke plan provision or a provision on a specified topic. 2) In relation to a bespoke plan provision, a justification report must— <ol style="list-style-type: none"> a) justify why the provision is either— <ol style="list-style-type: none"> i) expressly authorised by a national instrument; or ii) not precluded by any national instrument; and b) describe the positive and negative impacts of the provision; and 	<p>A theme of this submission is that economic and social impacts need to be appropriately considered in decision making – whether that is national direction or plan making or consents.</p> <p>B+LNZ seeks amendments to clause 89 to ensure that economic and social values are taken into account in decision making.</p>

	<ul style="list-style-type: none"> c) assess the costs and benefits of the provision, including any costs and benefits from the provision or reduction of development capacity; and d) state how the territorial authority proposes to monitor the effectiveness of the proposed provision; and e) summarise the evidence for its view that section 80(3) applies; if the territorial authority is proposing that the bespoke plan provision will not give effect to any provision in the regional spatial plan in accordance with that section; and f) state how, if at all, the draft has been influenced by— <ul style="list-style-type: none"> i) pre-notification consultation (see clause 5 of Schedule 3); and ii) any other engagement with local communities. <p>3) In relation to a provision on a specified topic, a justification report must—</p> <ul style="list-style-type: none"> a) identify which specified topic the provision relates to; and b) justify why the provision is not precluded by national instruments; and c) describe the area to which the provision applies, including any site, structure, landscape, or feature (as the case requires); and d) assess the extent to which the provision is appropriate in relation to the <u>economic, social</u>, cultural or natural values associated with that area; and e) describe <u>include</u> the key data and evidence that has informed the proposed provision, including the spatial application of the proposed provision; and f) include the matters in subsection (2)(b) to (e). <p>4) The justification report must contain a level of detail that corresponds to the scale and significance of the content of the draft proposed plan.</p>	
Part 6		

Subpart 1 – Enforcement		
240 – Scope of abatement notice	<p>240 – Scope of abatement notice</p> <p>....</p> <p>4) An abatement notice shall not be served unless the enforcement officer <u>is satisfied</u> has reasonable grounds for believing that any of the circumstances in subsection (1) or subsection (2) exist.</p> <p>....</p>	B+LNZ proposes the same change to clause 266 of the NEB and refers to its reasoning in respect of that clause above.
241 – Compliance with an abatement notice	<p>241 – Compliance with an abatement notice</p> <p>1) A person on whom an abatement notice is served must—</p> <p style="margin-left: 20px;">a) comply with the notice within the period specified in the notice; and</p> <p style="margin-left: 20px;">b) unless the notice directs otherwise, pay all the costs and expenses of complying with the notice.</p> <p>2) If a person against whom an abatement notice is made under section 240(1)(c) (which relates to the emission of noise) fails to comply with the notice, an enforcement officer may, without further notice, enter the place where the noise source is situated (with a constable if the place is a dwelling house) and—</p> <p style="margin-left: 20px;">(a) take all any reasonable steps as they consider necessary to cause the noise to be reduced to a reasonable level; and</p> <p style="margin-left: 20px;">(a) when accompanied by a constable, seize and impound the noise source.</p> <p>3) This section is subject to the rights of appeal in section 243.</p> <p>4) <u>An abatement notice ceases to have effect [3] years after the notice issued under section 240 or confirmed under section 245, unless the relevant authority has served notice that it is satisfied section 240(4) continues to apply.</u></p> <p><i>(Consequential changes to clause 245 are also sought)</i></p>	B+LNZ proposes the same change to clause 267 of the NEB and refers to its reasoning in respect of that clause above.

245 – Cancellation of an abatement notice	Consequential changes to those sought under clause 241	As above
254 – Offences under this Act	<p>254 – Offences under this Act</p> <p>1) A person commits an offence against this Act if the person contravenes, or permits a contravention of, any of the following:</p> <p>a) sections 17, 18, 19, 20, and 21 (which impose duties and restrictions in relation to the coastal marine area, the beds of certain rivers and lakes, water, and discharges of contaminants):</p> <p>b) any enforcement order:</p> <p>c) any condition of a natural resource permit:</p> <p>d) any abatement notice:</p> <p>e) any monetary benefit order made under clause 29 of Schedule 8 of the Planning Act 2025:</p>	B+LNZ proposes the same change to clause 278 of the NEB and refers to its reasoning in respect of that clause above.
257 – Liability of principal for acts of agents	<p>257 - Liability of principal for acts of agents</p> <p>In subsections (2)(b), (4) and (5), change “all reasonable steps” to “reasonable steps”.</p>	B+LNZ proposes the same change to clause 281 of the NEB and refers to its reasoning in respect of that clause above.
Part 6		
Subpart Part 3 – Regulations		
283 – Regulations relating to planning consent levies	Delete clause 283	Consistent with its position on natural resource levies, B+LNZ opposes the introduction of planning consent levies and refers to its submission above on clause 313 of the NEB.
Schedule 2 – Regional spatial plans		
Part 1		

<p>2 - Contents of regional spatial plans</p>	<p>2 Contents of regional spatial plans</p> <p>(2) A regional spatial plan must be consistent with— (a) environmental limits; and (b) national instruments; and (c) any water conservation order that applies in the region.</p>	<p>B+LNZ is concerned about the potential unintended consequences if regional spatial plans are required to be consistent with environmental limits and refers to its submission on clause 67 of the PB above.</p> <p>It is also unclear how a spatial plan will be consistent with environmental limits given that environmental limits are to be set after the spatial plan. B+LNZ is very concerned that, in effect, spatial plans could drive the setting of environmental limits if the spatial plan is set first and then arguments are made that environmental limits cannot be inconsistent with the spatial plan because that would mean the spatial plan does not meet clause 2(2) of Schedule 2 of the PB.</p>
<p>5 – General considerations</p>	<p>Insert a new sub-clause: (2) The spatial plan committee must, to the extent relevant to the draft regional spatial plan,— (a)have regard to— (xii) <u>any outcome from the work done by local authorities with other groups identified in section 69(g); and</u></p>	<p>B+LNZ seeks an amendment to ensure that work done with infrastructure providers, development and sector groups, and anyone else with a strong interest in spatial planning, and communities is required to be taken into account when preparing and reviewing spatial plans.</p>
<p>6 – Incorporation of information from land use and natural environment plans</p>	<p>Amend to reflect the order in which the plans are intended to be developed.</p>	<p>Clause 6 of Schedule 2 allows a regional spatial plan to incorporate information from operative land use plan or natural environment plans. However, clause 68(1) of the PB directs that land use and natural environment plans must implement the spatial plan.</p> <p>B+LNZ considers that it would be helpful to clarify which is required to implement which, and also whether clause 6(3) is intended to apply to review and amendment of the regional spatial plan as opposed to the first regional spatial plan.</p>

<p>13 – Audit of draft regional spatial plan</p>	<p>Delete clause 13.</p>	<p>B+LNZ is not sure what problem clause 13 is intended to address by enabling the Minister to audit a draft regional spatial plan. B+LNZ is concerned that this could be a significant intervention in the context of a draft plan still making its way through a consultation process. B+LNZ considers that clause 13 ought to be deleted.</p>
<p>32 – Review required every 10 years and if national instruments require</p>	<p>32 Review required every 10 years and if national instruments require</p> <p>Review required every 10 years and if national instruments require (1)A spatial plan committee must review its regional spatial plan—</p> <p style="padding-left: 40px;">(a) within each 10 year period starting from the date on which it is adopted to assess whether the plan needs to be amended to maintain compliance with section 67(c); and</p> <p>when required to do so by national instruments <u>but not more often than every 5 years.</u></p>	<p>B+LNZ is concerned about the cost of the councils, and also potential uncertainty if national instruments were to require frequent reviews of regional spatial plans. B+LNZ proposes to address this by specifying a 5 year minimum period between reviews.</p>

Section 4: Farm Case Studies

The following section reviews two typical New Zealand farms against key themes in the RMA reform to assess the impacts of the proposed changes to the farms. Both farms represent common sheep and beef systems, yet they differ substantially in scale, stock classes, biophysical characteristics, and regional context – which highlights the diversity of sheep and beef farms in New Zealand.

- Farm 1 is an extensive hard hill country property located in the Rangitikei district in the Horizons Region of the North Island. The farm covers 270 ha, running approximately 1,600 ewes and 50 cows, and is predominantly classified as Land Use Capability (LUC) Class 7.
- Farm 2 is a mixed operation combining intensive irrigated land with extensive hill country in Canterbury. The total farm area is 1,100 ha, supporting around 4,000 ewes, 250 cows, and seasonally up to 6,000 lambs and 240 calves. Its land comprises a mix of LUC Classes 1, 3, 4, and 6.

Farm 1 – Extensive hard hill country – North Island	Farm 2 – Mixed irrigated / hill country – South Island	Comments
Overview		
<p>Farm size:</p> <ul style="list-style-type: none"> - 270 ha total area – all effective - Approximately 70 ha in space planted trees <p>Stock:</p> <ul style="list-style-type: none"> - 1600 ewes - 430 replacements - 16 rams - 52 cows - 1 bull <p>Biophysical characteristics:</p> <ul style="list-style-type: none"> - LUC 7 - Small amount of LUC 3 around the house and woolshed - Average rainfall: 800mm 	<p>Farm Size: 1100 ha total area</p> <ul style="list-style-type: none"> - 930 ha effective area for sheep and beef farming - 90 ha production forestry - 87 ha regenerating native - 38.5 ha intensive winter grazing area - 100 ha irrigation <p>Stock:</p> <ul style="list-style-type: none"> - 4,000 ewes - 25 rams - 250 in calf cattle - 8 bulls - Dependent on time of year: 6000 lambs and 240 calves <p>Biophysical characteristics:</p>	N/A

Farm 1 – Extensive hard hill country – North Island	Farm 2 – Mixed irrigated / hill country – South Island	Comments
<ul style="list-style-type: none"> - Silt loam soil types <p>Waterways:</p> <ul style="list-style-type: none"> - 1 intermittent (not stock excluded) - 2 ephemeral (not stock excluded) <p>Water takes:</p> <ul style="list-style-type: none"> - Stock drinking water (stock direct access to waterways) - Primary stock drinking water supplied via troughs (reticulated from community water scheme) <p>Infrastructure:</p> <ul style="list-style-type: none"> - 1 house - 1 shearers quarters - 1 woolshed - Main covered sheep yards - Second small sheep yards - 2 sheds - Workshop - 1 Offal pit - 1 rubbish pit - A paper road runs through the property 	<ul style="list-style-type: none"> - LUC 1, 3, 4 and 6 - Average rainfall: 600mm - Soils: 5 soil types <p>Waterways:</p> <ul style="list-style-type: none"> - 1 river (stock excluded) - 2 streams (stock excluded) - Multiple Ephemeral waterways - Duck ponds (10+) - Wetlands (5-10) - Springs (6 identified on regional plan) <p>Water takes:</p> <ul style="list-style-type: none"> - Stock drinking water, reticulated from public supply. - Irrigation, surface water take since 1960s. <p>Infrastructure:</p> <ul style="list-style-type: none"> - 3 farmhouses - Woolshed - 5 Haysheds - 5 sheep and cattle yards. 1 main sheep yard, 1 main cattle yards, plus smaller more seldomly used yards. - Workshop and storage sheds - 3 Silage pits - 1 Offal pit - 2 Rubbish pits 	

Farm 1 – Extensive hard hill country – North Island	Farm 2 – Mixed irrigated / hill country – South Island	Comments
B. Councils		
Horizons Regional Council Rangitikei District Council	Environment Canterbury 2 x district councils	
C. Consents		
Nil	<p>Permitted:</p> <ul style="list-style-type: none"> - Forestry harvest – permitted activity with council being notified. <p>Controlled:</p> <ul style="list-style-type: none"> - Land use consent (consent to farm): Triggered by 100ha irrigation <p>Non-complying:</p> <ul style="list-style-type: none"> - Afforestation (notified) - Irrigation consents (non-notified) <ul style="list-style-type: none"> o To disturb the bed and place a structure in the bed of a river. o Take, use and dam water o Take and use surface water <p>Category unknown:</p> <ul style="list-style-type: none"> - To disturb the bed of a river by way of installation of pipes under stream - Install structure in bed (stock crossing bridge) 	<p>Under the new framework controlled and non-complying activity categories are removed. This would see Farm 2 seeing a shift in how its current activities are managed and permitted.</p> <p>The removal of the controlled activity category creates uncertainty for the land-use consent, which currently guarantees approval for farming the land subject to conditions. Under the new system, this activity may face stricter assessment pathways, potentially increasing costs, delays, or requiring additional mitigation requirements. The non-complying consents may become easier if they become discretionary activities or if national direction provides greater direction and/or certainty around what is or isn't possible.</p> <p>Irrigation has taken place on Farm 2 since the 1960s with infrastructure and management practices being improved over time. However, each time the consent is renewed it has become more difficult and expensive because of changing national and regional rules.</p>

Farm 1 – Extensive hard hill country – North Island	Farm 2 – Mixed irrigated / hill country – South Island	Comments
D. Permitted Activities		
<p>At least 14 permitted farming activities. This does not include activities relating to domestic households (e.g. septic tank).</p> <p>Horizons:</p> <ul style="list-style-type: none"> - Culverts - Other structures including bridges, fords and other access structures - Minor takes and uses of surface water - Discharges of contaminants onto or into land that may enter water - Small scale land disturbance - Vegetation clearance - Fertiliser - Small scale application of agrichemicals - Widespread application of agrichemicals - Outdoor burning - Offal holes and farm dumps - Introduction, planting, removal or destruction of a plant in or on the bed of a river <p>Rangitikei District:</p> <ul style="list-style-type: none"> - Existing primary production - Buildings, structures, and ancillary activities associated with any permitted activity. 	<p>At least 29 permitted farming activities. This does not include activities relating to domestic households (e.g. septic tank).</p> <p>ECan:</p> <ul style="list-style-type: none"> - Discharge of agrichemicals, or agrichemical equipment of container wastewater - Offal pit - On-site refuse disposal pit - Silage pit - Discharge of fertiliser onto land - Discharge of fertiliser from an aircraft - Stock crossing of river - Extraction of gravel from bed of river - Vegetation clearance - Use of land for earthworks - High Soil Erosion Risk planning overlay - <ul style="list-style-type: none"> o Spraying or cultivation on slopes less than 25 degrees. o Hand clearance and spot spraying of vegetation. o Silvicultural practices o Vegetation clearance o Earthworks within production forest o Construction of fences o Other earthworks dependent on size and meeting conditions - Installation and alteration of bridges and culverts in a river 	<p>Sheep and beef farms carry out a number of activities that are permitted under regional and district plans. Permitted activities give farmers the discretion to complete these activities if conditions are met.</p> <p>Across the two farms there are at least 43 permitted activities under regional and district plans. And some of these permitted activities cover multiple farm activities for example: small scale land disturbance can apply to track maintenance, and new fencing.</p> <p>Requiring these farms to meet the requirements of NEB clause 39 will be costly, inefficient for the farms and councils, and not deliver environmental benefits.</p>

Farm 1 – Extensive hard hill country – North Island	Farm 2 – Mixed irrigated / hill country – South Island	Comments
	<ul style="list-style-type: none"> - The enhancing, restoring or creating of a wetland - The introduction or planting of any plant, or the removal and disturbance of existing vegetation in, on or under the bed of a river. <p>District Council 1:</p> <ul style="list-style-type: none"> - Clearance of indigenous vegetation – within 50m of any wetland, 20m of the bank of a waterbody (under certain conditions). - Planting within riparian margins (indigenous species only). - Cultivating within riparian margins where areas of cultivation existed prior to 2022. - Earthworks within riparian margins for the maintenance and repair of existing fences, tracks, or roads. - Earthworks within riparian margin to construct a new fence. - Use of airstrips and helicopter landing sites - Permanent workers accommodation <p>ONF & VAL overlays:</p> <ul style="list-style-type: none"> - The earthworks are for the purpose of maintenance and repair of: existing - fencing, farm tracks, reticulated stock water, natural hazard mitigation works. - Construction of fenceline <p>District Council 2:</p> <ul style="list-style-type: none"> - Farming Activities excl. intensive farming 	

Farm 1 – Extensive hard hill country – North Island	Farm 2 – Mixed irrigated / hill country – South Island	Comments
	<ul style="list-style-type: none"> - Aviation Activities associated with primary production - Riparian Management - Forestry Activities - General Tree and Vegetation Planting - Clearance of vegetation 	
E. Inefficient Plan Change Processes & changing legislation		
N/A	This farm is subject to three different Council plans, this results in constantly changing plans and uncertainty for the farm despite the same ongoing activities.	RMA reform needs to deliver certainty for farmers to invest and support economic growth with a long-term lens.
F. Non regulatory environmental actions (Action Plans)		
<p>This farm has a Whole Farm Plan as part of the Sustainable Land Use Initiative (SLUI). These Whole Farm Plans are targeted at erosion control. This plan was developed in 2009. Implementation includes poplar pole planting to stabilise erosion prone slopes.</p> <p>The whole farm plan complements this farming system well, not only by reducing erosion, but also by adding shade and shelter for stock throughout the farm; farming operations are able to continue without disruption as stock numbers do not need to be reduced as compared to retiring large areas.</p>	<p>On farm environment management is key to this farm. With several successful initiatives being completed without regulatory pressure. This includes:</p> <ul style="list-style-type: none"> - Pest control (including 1100 wallabies shot within 3 years at farmers expense) - 87 ha of regenerating natives (made possible through voluntary grazing management and pest control) - 1.8km of stream restoration works including: 5.6 hectares of riparian plantings including 6 hectares of willow removal and 3.9 km of stream fencing (supported by council funding). - All wetlands are fenced off with riparian buffers. 	<p>Farmers are active environmental stewards, undertaking a wide range of non-regulatory initiatives on their properties. Non-regulatory action plans offer farmers a constructive pathway to engage in environmental management, supported through council funding, voluntary Farm Environment Plans developed with industry, and participation in catchment groups. These approaches consistently lead to significant progress, not only for the environment but also for farm profitability and social cohesion within the community bringing groups together.</p> <p>Farm 2 demonstrates this, with several successful environmental initiatives already in</p>

Farm 1 – Extensive hard hill country – North Island	Farm 2 – Mixed irrigated / hill country – South Island	Comments
<p>The landowners are also valued members of the local community including:</p> <ul style="list-style-type: none"> - Previous members of the school board - Organise and run fundraising events for the local school and community hall - Local dog trial club committee - Trainers for the Growing Future Farmers programme - Catchment group members 	<ul style="list-style-type: none"> - Poplar planting of erodible land - Retirement of erodible land - Working with ECan to protect endangered mudfish. - NZFAP plus with Silver Fern Farms (voluntary FEP) - eDNA testing and other water monitoring - Weather stations and soil monitoring to support decisions around cultivating and fertilising. - School planting days - Weed and erosion control of public walkways - Catchment Group members - District Council Significant Natural Areas Steering Group members 	<p>place. However, it has also experienced complex and costly consent processes that have diverted time and financial resources. Instead of enabling further on-farm improvements, regulatory requirements have often constrained the farm’s ability to invest in additional environmental work.</p> <p>RMA reform should prioritise encouraging and supporting non-regulatory initiatives through non regulatory action plans.</p>
G. Market Mechanisms		
<p>Given this farm has already implemented mitigation actions as per the SLUI whole farm plan, any costs/charges for contaminant discharges eats into farm profitability.</p> <p>As this this farm is relatively small the landowners already top up the family income with other off-farm income sources and don’t have surplus income to spend on increased resource taxes, market allocation, or regulatory burden.</p>	<p>Farm takes water for irrigation, provided through a resource consent that was completed on a first in first serve basis.</p>	<p>Market-based mechanisms would affect the two farms in different, but significant, ways. For Farm 1, which already has a sediment erosion plan (SLUI), any additional costs attached to water-quality discharges would directly reduce already tight profit margins. As a relatively small enterprise with limited capacity to absorb new expenses, further charges or taxes would place disproportionate financial pressure on the landowners, who already rely on off-farm income to sustain the household.</p>

Farm 1 – Extensive hard hill country – North Island	Farm 2 – Mixed irrigated / hill country – South Island	Comments
		<p>Farm 2 would feel the impact through water-quantity mechanisms. Its irrigation supply is currently secured through a first-in, first-served consent, but the introduction of market allocation, such as pricing, bidding, or trading for water could undermine this certainty. This may increase costs for irrigation or create competition for water that the farm has not previously had to navigate. Competition may come from other industries that are more profitable. It will also cause future uncertainty in gaining consents and the farms ability to continue to invest in developing infrastructure.</p>
H. Freshwater Farm Plans (FW-FPs)		
<p>The farm has a SLUI sediment farm plan as highlighted under Action Plans. This is a non-regulatory plan not requiring an audit or certification.</p>	<p>Farm has an audited Canterbury Farm Environment Plan (FEP) as part of the farm Land Use Consent, and a Voluntary NZFAP+.</p>	<p>For farm 1, a regulated FW-FP would significantly increase the regulatory burden on this property. Given that the SLUI has already been implemented and the low number of cattle on the slopes, there are few additional levers to pull to further reduce the risk of erosion. Increased costs and regulation for little additional environmental gain would likely see this property become unprofitable and converted to pine trees.</p> <p>Given this farms topography they primarily sell lambs store, rather than finishing on-farm selling directly to processors, therefore an NZFAP+ would not result in a market premium.</p>

Farm 1 – Extensive hard hill country – North Island	Farm 2 – Mixed irrigated / hill country – South Island	Comments
		<p>For farm 2 it is hard to identify the impact of FW-FPs. It is essential that the new system includes equivalency to avoid the farm having three separate FEPs. Given this farm already has two audited FEPs, a FW-FP is unlikely to result in any additional environmental improvements whilst resulting in further costs.</p>
<p>I. Diffuse Discharges and Environment Limits</p>		
<p>This farm occupies primarily LUC 7 land which is prone to erosion – hence why the property has had a SLUI plan since 2009.</p> <p>In addition to the erosion mitigation actions already completed as part of the SLUI, the farm manages this risk through only running a small number of cattle.</p> <p>Any costs/charges for contaminant discharges or consent requirements depending on where environment limits are set eats into farm profitability. As this this farm is relatively small the landowners already top up the family income with other off-farm income sources.</p>	<p>Farm 2 is in a high soil erosion risk area, a high runoff risk phosphorus zone, and an orange nutrient allocation zone.</p> <p>Farm manages the associated risks through:</p> <ul style="list-style-type: none"> - Grazing management - Soil monitoring and tests - Cultivation practices - ECan FEP - Managing waterways with riparian margins and stock exclusion. 	<p>Measuring and monitoring the cumulative impact of diffuse contaminants is not practical. Both Farms 1 and 2 have already implemented non-regulatory mitigations that have proven to be successful. However, as currently drafted, and depending on secondary legislation, these two farms are likely to face extra restrictions and increased regulatory burden.</p> <p>Despite being well managed if environmental limits are set incorrectly, they may put extra restrictions on farm and increase regulatory burden for example, an activity cannot be permitted if the catchment is over allocated. These farms are subject to almost 50 permitted activities which could result in these being restricted discretionary under the reform.</p>

6. Some key statistics about Sheep and Beef sector

Key statistics about the sector include:

- a) Size of sector – the sheep and beef sector comprises 7.1 million hectares (ha) across 23,403 farms. There are approximately 25 million sheep and 4 million beef cattle spread evenly between the North and South Islands¹¹.
- b) Production efficiency – sheep and beef farmers are amongst some of the most efficient in the world with an average lambing percentage of 130% and sale lamb and cattle carcass weights (CW) of 19 kg CW and 310 kg CW, respectively in 2022¹².
- c) Employment – New Zealand’s sheep and beef sector is part of our cultural identity with 93% of farms run by owner-operators and their families. The sector employs 92,000 people each year; 36,000 through direct employment and 56,000 through indirect employment¹³.
- d) Exports – red meat and co-product exports totalled \$11.48 billion with wool adding another \$452 million¹⁴. Key lamb markets are North Asia (China), North America, the European Union and Great Britain while North America and North Asia are major importers of our beef.
- e) Productivity – overall, on-farm production has improved over the past 10 years with net meat production per hectare lifting by 23%¹⁵. Although wool adds export value to the sector, poor farm gate prices have driven many farmers to focus on meat rather than wool characteristics in their breeding programs.
- f) Biodiversity – sheep and beef farms are home to significant biodiversity, with a contribution of 2.8 million hectares or 25% of the total native vegetation in New Zealand. Since 1990, the area of forestry and native vegetation on-farm has increased while the area used for sheep and beef farming has declined¹⁶.
- g) Emissions – New Zealand sheep and beef farms have some of the lowest carbon footprints in the world with sheep producing 6.01 kg CO₂-e per kg and cattle 8.97 kg CO₂-e per kg. Nitrogen (N) use on sheep and beef farms is typically low at 17 kg N/ha/yr, compared to 30-40 kg N/ha/yr for other agricultural and horticultural land uses¹³.
- h) Māori Agribusiness – In 2024, Māori land being farmed accounted for 651,800 hectares, representing 5 percent of total New Zealand farmland. This includes 1.2 million sheep (5% of national total) and 194,500 beef cattle (5.3% of national total). Nearly 80 percent of Māori land is on LUC class 6 – 8¹⁷.

^{11, 13, 14, 15, 18} Beef + Lamb New Zealand (2023). Compendium of New Zealand Farm Facts 2023 47th Edition. Wellington: Beef + Lamb New Zealand. <https://beeflambnz.com/knowledge-hub/PDF/farm-facts-2023.pdf>

¹² This is 8.19 kg CO₂e per kg and 5.13 kg CO₂e per kg lower than world average studies.

¹⁶ Norton, D., Pannell, J (2018) Desktop assessment of native vegetation on New Zealand sheep and beef farms. <https://beeflambnz.com/knowledge-hub/PDF/desk-top-assessment-native-vegetation-new-zealand-sheep-and-beef-farms.pdf>

¹⁷ Statistics NZ (2024) Tatauranga umanga Māori – Statistics on Māori businesses: 2024.

<https://www.stats.govt.nz/information-releases/tatauranga-umanga-maori-statistics-on-maori-businesses-2024-english/>