

Trading short term entitlements (STE)



Proud Partners



With funding from



Short term entitlements

- Straight forward
 - Who can buy, who can sell, duration
 - Options as to how to set up rights (e.g. kg or % of total)
- More complex
 - Many buyers and sellers
 - Markets need certainty
 - Monitoring and enforcement
 - Establish protocols for selling and buying
 - Changes to nitrogen management plans
 - Changes to resource consents



Proud Partners



With funding from



Will trading STEs add value?

- 2017-2022?
 - Pathway not defined
 - Influence of STEs
- Benefit in first period only if going above current Rule 11 benchmark – not supported



Proud Partners



With funding from



Current Position

- NDA trading is supported
- STE not supported:
 - Complexity defining the STE
 - Challenge establishing an efficient market
- Little benefit pre-2022
- Sufficient demand from landowners through submissions could mean they are introduced for future.



Proud Partners



With funding from

