

StAG Subcommittee, 29 July 2014

BORPC, 1125 Arawa St Rotorua 9:00 am

Present:

Collective Reps: Stuart Morrison, Wendy Roe; DairyNZ's Ollie Parsons (video); BOPRC's Sarah Omundsen, Sandra Barns and Anna Grayling; Tanira Kingi (StAG Chairman); LWQS Warren Webber; Ben O'Brien (B&LNZ), Gwyn Morgan (Fed Farmers); Gloria Zamora (Support) and Simon Park (Subcommittee Chair).

Apologies, Previous Minutes, General Business Items

- Apologies: Paulina Wilhelm and Stephen Lamb
- No recent previous minutes or actions
- General Business Items to add:
 - Farm nutrient plans discussion as raised at the drystock rules consultation meeting last night

ACTION LIST

1. Sarah Omundsen: circulate table on farm % area and titles in catchment
2. Sarah Omundsen: ask about Perrin presenting at any further drystock rules consultation meetings
3. Gwyn Morgan and Ben O'Brien: provide a schedule of further meetings for beef/sheep farmers
4. Tanira Kingi: provide a schedule of further meetings for Te Arawa led by Te Taru White, John Fenwick and Arapeta Tahana
5. Gwyn Morgan: research counselling/support currently in place for farmers and initiate a meeting with Sir Toby Curtis and Mayor Chadwick
6. Sandra Barns: add detail to research summary and make the list more comprehensive
7. Sandra Barns: list which economists could be used and who can contribute financially
8. Oliver Parsons to: (i) draft Economic Impacts Project proposal based on DairyNZ's draft; schedule meeting with Lee Matheson, other ag consultants and farmers to seek agreement on a mitigation protocol (iii) identify gaps in the current farm systems typologies
9. Gloria Zamora: sort out contracts for the following: Perrin Ag; rep farm systems types and mitigation protocol meeting; peer review of protocol meeting.
10. Simon Park: clarify how slope can be included in catchment modelling.
11. Ben O'Brien: define the basis of a natural capital approach
12. Ben O'Brien: contact the accredited providers for LEP workshops, check B&LNZ extension team capacity and liaise with Jo Carr
13. Simon Park: check access to BOPRC's "top 40" drystock farm list and send to Ben
14. Wendy Roe: contact 5 farmers to sign up for LEPs
15. Simon Park: draft method for scientific review and add to next StAG agenda

Item 1: Draft rules consultation feedback from dairy (22/7), drystock (28/7) and other initiatives

- a. **Dairy:** focus on farm efficiency and the need to better understand nitrogen leaching levels.
- b. **Drystock meeting:** diverse range of reactions with much focus around resource consents and very little feedback on the rules package. This highlighted there is still a lot of work to be done with drystock farmers. Questions from farmers centred around the following topics:
 - i. Memorandum of Understanding preferred to resource consents but not really understood

- ii. Catchment mitigation options – disagree that these have been fully researched
 - iii. Consent duration: 35 years length preferred, 5 years not tenable.
 - iv. Allocation: Council needs to be clear about trade-offs with the different allocation systems.
 - v. Overseer: Is it good enough, especially for enforcement?
 - vi. Nitrogen policy and science reviews: these are very important
- c. **Feedback calls and forms:** mainly from people with small blocks who are concerned, although most feedback forms have been positive.
- i. Currently 17% of pastoral land is < 40 ha, 2300 property titles, Sarah to provide table
- d. **Te Arawa Meeting** (Tanira Kingi): General view that “here is an opportunity”. Focus on \$40 million, collaboration and using the rules & incentives to lift the performance & productivity of the Maori blocks in the catchment. However, low attendance by Māori farmers.
- e. **Farmers Collective** (Wendy Roe): Valuers valuing properties according to benchmark so farmers with large debt are fear of losing their farm values.
- i. A question to be answered: is property value loss a real problem in this policy context?
- f. **Rural Professionals Meeting:** dominated in part by few real estate agents and worried bankers with clients in newly defined groundwater catchment.
- i. Still need to clarify if rules are on property size or effective area, especially 2-40ha.
- g. **Next consultation steps:** Now with the initial meetings completed, a geographical communication plan needs to be formulated on farmers not reached.
- i. BOPRC needs a more comprehensive database and to reach small blocks more, with an ability to query the database.
 - ii. Lee Matheson (or Duncan Walker) should present at the next meeting(s) regarding NDA impacts, plus someone should cover Overseer basics.
 - iii. Gwyn/Ben willing to identify further meetings for commercial beef/sheep farmers
 - iv. Tanira to figure out further meetings for Te Arawa, supported by Te Taru, John and Arapeta. Trying to get a hold of comprehensive database that has a complete list of Te Arawa blocks.
 - v. Gwyn Morgan to check counselling/support for farmers, as raised at RTASLG 25th July.

ACTION: Sarah to ask about Perrin presenting at any further drystock rules consultation meetings

ACTION: Gwyn/Ben to provide a schedule of further meetings for commercial beef/sheep farmers

ACTION: Tanira Kingi to provide a schedule of further meetings for Te Arawa led by Te Taru White, John Fenwick and Arapeta Tahana

ACTION: Gwyn Morgan will research counselling/support currently in place for farmers and initiate a meeting with Sir Toby Curtis and Mayor Chadwick.

Item 2: Lake Rotorua Catchment Economic Impacts of Nitrogen Reduction

- a. **Section 32 context discussion** including a summary of economic advice received to date update given by Sandra Barns.
 - i. Need to figure out the price of N otherwise everything else is speculative.
 - ii. Do modellers Alvaro and/or Waikato Uni need to start from scratch? No, but note:
 - MŌTŪ work cannot be used as it has a different basis
 - An agreed mitigation methodology needs to be established
 - Sandra Barns to make research summary list more comprehensive.
 - Be very clear on what questions need to be answered – get agreement at the outset
- b. Draft proposal from DairyNZ’s Oliver Parsons – key points:

- i. Build an approximation of what's out there right now
 - ii. Identify 10-15 farm systems, look at mitigation protocol and check it with farmers to ensure the actions to be taken make sense and are acceptable. Then apply the protocol to different allocation scenarios. Once that is completed, build a mathematical catchment model.
 - iii. Outputs to cover impact on different types of farmers, profits, debt distribution, how many farms have negative returns, revenue impact across whole catchment, employment, GDP
 - iv. Mitigation protocol is the most difficult and time consuming. Every consultant has their own method in mitigation protocol and not all methods are appropriate for each farm type.
 - v. Lee, Ollie, a few consultants and farmers to hold meeting to agree on protocol. Will work with Gloria to put contracts together. Then it needs to be peer reviewed.
 - vi. Ben O'Brien will define the basis of a natural capital approach
 - vii. Representative farm systems types - contract needed with Perrin Ag.
 - Ollie will identify the gaps in the representative farm systems.
 - Slope needs to be added to the "natural capital" allocation option.
- c. Project management, funding and timeline
- i. Which economists will be used? Need a protocol, who is contributing, who pays for what. Sandra Barns will put together a draft
 - ii. Milestones need to be agreed by everyone.
 - iii. Three types of contractors needed:
 - Those coming to meetings to agree on farm system types and mitigation protocol
 - Mechanical task of implementing mitigation protocol
 - Scaling up to a catchment model

ACTION: Sandra Barns to add detail to research summary and make the list more comprehensive

ACTION: Sandra Barns to list which economists could be used and who will contribute financially

ACTION: Oliver Parsons to (i) draft Economic Impacts Project proposal based on DairyNZ's draft; schedule meeting with Lee Matheson, other Ag consultants and farmers to seek agreement on a mitigation protocol (iii) identify gaps in the current farm systems typologies

ACTION: Gloria Zamora to sort out contracts for the following: Perrin Ag; rep farm systems types and mitigation protocol meeting; peer review of protocol meeting.

ACTION: Simon Park to clarify how slope can be included in catchment modelling.

ACTION: Ben O'Brien to define the basis of a natural capital approach

Item 3: General Business – Farm Nutrient Plans

- a. Call by several farmers to understand where they are now and where they need to get to by 2032.
- b. Suggest Collective could be involved in drawing up a FNP "game plan"
 - i. FNP scope needs to be clear and stripped down, driven by the rule requirements.
 - ii. We need an implementation plan to rollout FNPs
 - iii. B&LNZ has accredited providers for the LEP workshops to develop plans. Ben to find out from extension team and their capacity, advise next StAG (liaise with Jo Carr)
 - Need to clarify who publicises the LEP workshop
 - LEP process is that farmers sign up and B&LNZ books a facilitator to run a LEP workshop with 10-15 farmers, with much of the LEP template completed during the workshop. Some

1:1 follow up will be needed for detailed Overseer assessments. This would be a “Level 1 plus” LEP

- Scheduling/resourcing workshops will be challenging – can do one soon (targeting more informed farmers) but most may need to wait till next autumn
 - Scope to use BOPRC’s mapping resources in LEPs – John Paterson keen on this aspect.
- iv. Simon is liaising with John Paterson and DairyNZ’s Adrian Brocksopp on the Sustainable Milk Plan (SMP) roll out – need to improve the “face page” progress report.

ACTION: Ben O’Brien: to contact the accredited providers for LEP workshops, check B&LNZ extension team capacity and liaise with Jo Carr

ACTION: Simon to check access to BOPRC’s “top 40” drystock farm list and send to Ben

ACTION: Wendy Roe to contact 5 farmers to sign up for LEPs

Item 4: Next StAG Agenda

- a. Clarify enforcement around rules and what happens if the catchment misses its targets
- b. Draft method for scientific review for next StAG:
 - i. The farmers Collective: need to consider economic implications of science outcomes i.e. need buy-in from Council that it is to be a science and economics review.
 - ii. Need StAG to come up with questions for science review.

ACTION: Simon Park to draft method for scientific review, add to StAG agenda and elicit questions members want answered from the science review.

Meeting ended 12:30 pm.