

## ALLOCATION OF NUTRIENTS TO PRODUCTION LAND PRINCIPLES

These principles have been developed by the HortNZ Board to guide the organisations input into the development of a policy for the allocation of nutrients to productive land. These principles are designed to work with the more general principles above in relation to freshwater.

**1. The flexibility of rural land use over time has provided significant benefits and must be maintained to the greatest extent practical.**

*Explanation: The benefit provided by rural production is a result of the diversity represented in rural production and the opportunity to innovate as market conditions change. While limits need to be achieved, controls should seek to manage adverse effects on rural land use flexibility.*

**2. The allocation policy must take account of the national values contained in the National Policy Statement for fresh water management 2014.**

*Explanation: This includes a range of values including irrigation and food production. The key being that the policy must respond to both environmental and economic values.*

**3. Both the “polluter pays” and “beneficiary pays” concepts should apply to the costs of managing to limits where catchments are judged to be over allocated.**

*Explanation: All New Zealanders benefit from the use of water to produce goods and services. All New Zealanders have a responsibility to contribute to the improved management of water quality. This principle reflects the need for those polluting water, the customers and consumers of the goods and services produced using the water and those who benefit from cleaner water to all meet the costs where catchments are judged to be over allocated.*

**4. All sources of nutrients generated as a result of human activities should be managed.**

*Explanation: All human derived sources of nutrients should be managed in an equitable way within a catchment nutrient limit. Significant natural sources of nutrients will be recognised.*

**5. Nutrient allocation decisions should be applied in the most efficient way to achieve the narrative value states identified in the National Objectives Framework for fresh water.**

*Explanation: Activities need to be undertaken in a way that ensures efficient nutrient use. Nutrient allocation decisions and loss limits should be set with knowledge of natural capital and the associated opportunity to achieve best sustainable gains for communities. Amongst other things, the approach should incentivise more efficient use of nutrients and water.*

**6. The inherent properties of soil and their susceptibility to nutrient loss should be considered in the establishment of an allocation process.**

*Explanation: There are significant differences in nutrient leaching and run-off risks between soil types and topography. The allocation approach taken should recognise these differences.*

- 7. The allocation system(s) should be applicable at enterprise, community, sub-catchment and catchment levels and should be applied in defined management zones.**  
*Explanation: The allocation approach(es) chosen needs to be able to be applied at different catchment scales. The management zones should be based on catchment boundaries. Information on whether they are predominantly groundwater or surface water fed should be used to define boundaries of the zone.*
- 8. The allocation system will be determined with considerations of the legitimate expectations of people and the law, natural justice principles, and applied adopting a transition process which allows balanced allocation.**  
*Explanation: Allocation systems will recognise the social and economic importance of allowing existing businesses to continue, and that existing land uses have made investment and undertaken their activities in compliance with relevant regulations and in the absence of nutrient load limits. This should not allow continuation of poor practice and should not adversely impact on the flexibility of low leaching businesses.*
- 9. The allocation system should be technically feasible, simple to operate and understandable.**  
*Explanation: A high level of technical feasibility is fundamental to the allocation approach. At the same time the simpler the system, the more likely it is to be able to operate effectively. The approach must also be understandable by both land users and the wider community.*
- 10. The administration and transaction costs associated with the implementation of a nutrient allocation approach should be assessed relative to the benefits, and compared with alternative approaches.**  
*Explanation: The nutrient allocation approach should minimise costs associated with administration, collection of information, and costs to land users and to the community.*
- 11. The allocation policy should drive innovation and encourage and reward adoption of industry best practice.**  
*Explanation: The policy should drive investment in research and innovation and the adoption of industry best practice. This requires a measurement system that can differentiate between poor and good industry practice.*
- 12. The allocation policy should be responsive to new science and technology.**  
*Explanation: Science and understanding in this area is developing quickly and we need a policy that will encourage the adoption of new science and technology. We need to ensure the policy does not lock us into old science and technology.*
- 13. Measurement should as much as possible be outcome focused rather than input driven.**  
*Explanation: rather than simply driving a reduction in use of nutrients that could impact of productivity this will encourage growers to innovate to achieve reductions in leaching (e.g. by using different products, application techniques, etc) This also has the potential to better recognise the nutrient requirements and leaching susceptibility associated with specific crop/farm physical feature combinations.*