

SUBMISSION ON

Resource Management (Consenting and Other System Changes) Amendment Bill

10 February 2025

To: Environment Committee

Name of Submitter: Horticulture New Zealand

Supported by: NZ Apples and Pears Inc., NZ Kiwifruit Growers Inc, Onions NZ Inc., Pukekohe Vegetable Growers Association, Strawberry Growers NZ, Summerfruit NZ, Tomatoes NZ, Vegetables NZ Inc., Zespri

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Our submission

Horticulture New Zealand (HortNZ) thanks the Environment Committee for the opportunity to submit on the Resource Management (Consenting and Other System Changes) Amendment Bill and welcomes any opportunity to continue to work with the Committee and to discuss our submission.

HortNZ could not gain an advantage in trade competition through this submission. HortNZ wishes to be heard in support of our submission and would be prepared to consider presenting our submission in a joint case with others making a similar submission at any hearing. The details of HortNZ's submission and decisions we are seeking are set out in our submission below.

HortNZ's Role

Background to HortNZ

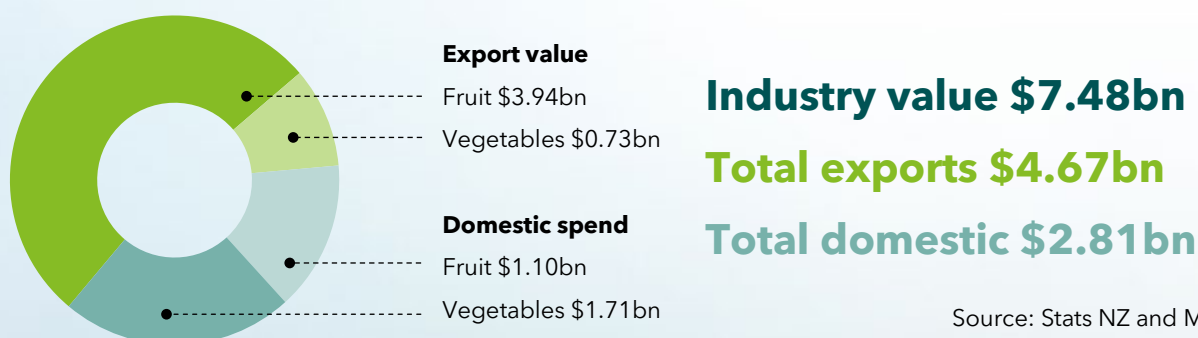
HortNZ represents the interests of approximately 4,500 commercial fruit and vegetable growers in New Zealand who grow around 100 different fruits and vegetables. The horticultural sector provides over 40,000 jobs.

There are approximately 80,000 hectares of land in New Zealand producing fruit and vegetables for domestic consumers and supplying our global trading partners with high quality food.

It is not just the direct economic benefits associated with horticultural production that are important. Horticulture production provides a platform for long term prosperity for communities, supports the growth of knowledge-intensive agri-tech and suppliers along the supply chain, and plays a key role in helping to achieve New Zealand's climate change objectives.

The horticulture sector plays an important role in food security for New Zealanders. Over 80% of vegetables grown are for the domestic market and many varieties of fruits are grown to serve the domestic market.

HortNZ's purpose is to create an enduring environment where growers prosper. This is done through enabling, promoting and advocating for growers in New Zealand.



HortNZ's Resource Management Act 1991 Involvement

On behalf of its grower members HortNZ takes a detailed involvement in resource management planning processes around New Zealand. HortNZ works to raise growers' awareness of the Resource Management Act 1991 (RMA) to ensure effective grower involvement under the Act.



Executive Summary

HortNZ supports the amendments made to the Resource Management Act (RMA) 1991 through the Resource Management (Consenting and Other System Changes) Amendment Bill, referred to as the Amendment Bill throughout this submission.

Infrastructure and energy

HortNZ supports extending port coastal permits to 2046 to give ports the certainty to invest in necessary infrastructure, including for the investment required for low-emissions shipping.

Housing growth

HortNZ's primary concern with housing growth is ensuring that urban expansion does not lead to encroachment into rural productive areas and reverse sensitivity effects which prevent growers from operating as normal.

Housing growth can also lead to the loss of highly productive land. Highly productive land is an intergenerational asset, which once lost is lost forever. Fertile soils are needed to grow the food for the domestic market that will feed a growing population. These soils underpin the whole of the horticulture sector, which is valued at over \$7 billion dollars and is a critical industry for achieving the government's goal to double exports.

- Make "enabling the supply of fresh fruits and vegetables" a matter that RMA practitioners must have regard to under Section 7.
- Make the protection of highly productive land a matter of national importance under Section 6 of the RMA.
- Make explicit that the streamlined planning process requires an integrated approach across planning instruments is required under Section 80CB.

Farming and primary sector

HortNZ supports the amendments to Part 9a as drafted, with minor amendments to clarify that industry organisations may deliver both certification and audit services as follows:

217KA Minister may approve industry organisation to provide certification **and/or** audit services

(1) The Minister may, on application, approve an industry organisation to provide certification **and/or** audit services or both under this Part to its members...

(2) An approved industry organisation may appoint certifiers **and/or** auditors if it is satisfied that the applicable requirements have been met as prescribed in regulations.

The pathway provided for industry assurance programmes will allow growers to fulfil their freshwater farm plan requirements using existing, trusted schemes, such as Good Agricultural Practice (GAP) schemes. This amendment will reduce duplication and cost and smooth the process of onboarding the sector onto freshwater farm plans. HortNZ welcomes these changes after advocating for them for several years.

HortNZ supports the changes to Section 70 to clarify that regional councils can continue to allow discharges as permitted activities in catchments experiencing significant adverse effects on aquatic life, so long as compliance with activity standards is expected to contribute to a reduction in adverse effects over time.

Natural hazards and emergencies

While HortNZ supports the consideration of reasonable natural hazard risks in consent decisions, horticulture activities pose a low risk in the event of hazards and may present the best use of land that is not suitable for higher risk activities.

HortNZ also supports new regulation-making powers to support emergency response and recovery efforts and seeks that biosecurity is clearly recognised in Clause 64 to enable vegetation burning and earthworks in the event of a biosecurity response.

System improvements

HortNZ supports the amendment allowing the Minister to direct timeframes for plan changes to implement national direction. This will ensure the timely adoption of national direction for consistency in planning provisions.

The Government should be mindful of the collective impact of cost recovery measures on the same land users. Recovering the costs for enforcement and determining noncompliance is supported. Charges must not duplicate costs that have been transferred through auditing requirements. Cost recovery for permitted activities could occur for activities that are not audited but permitted through an NES because their cumulative effects will otherwise not be managed. HortNZ suggests a new “audited permitted” activity status under the RMA to make this distinction.

HortNZ supports giving councils guidelines to avoid asking for unnecessary information to process consent applications.

HortNZ suggests that Section 37A(4)(b)(i) be amended to prohibit consenting authorities’ use of special circumstances for reasons of high workload or other internal resourcing issues to justify delays to consenting timeframes.

Submission

1. Horticulture and resource management

National policy direction manages the protection of resources essential to growing fruits and vegetables, like quality soils and clean water. National policy also has the potential to drive regional consistency in resource management plans, giving regulatory certainty to growers and protecting the national value of food production.

The horticulture sector is affected by national direction under the Resource Management Act (RMA) 1991, including the National Policy Statement for Freshwater Management (NPSFM), the National Policy Statement for Highly Productive Land (NPSHPL) and the National Planning Standards. HortNZ was closely involved in the development of these national policy statements and recent resource management reforms, and we appreciate the ongoing opportunity to contribute to policy programmes.

2. National significance of horticulture

Horticulture is a low emissions land use which produces healthy food for New Zealanders and the world. The sector makes \$7.48 billion of value between the domestic and export markets,¹ all on less than 0.1% of New Zealand's land area,² while contributing only 1.1% of New Zealand's greenhouse gas emissions.³

2.1. Domestic food supply and the health of the nation

Fruits and vegetables are necessary to feed New Zealanders and achieve positive nutritional outcomes for a healthy population. Over 70% of the fruits and vegetables purchased by New Zealanders (by value) are produced in New Zealand.⁴ It is not possible to import fresh vegetables at the scale necessary to meet our population's nutritional needs due to our country's geographic isolation and the perishable nature of the product.

The commercial vegetable sector primarily serves this domestic demand, with over 80% of vegetables grown in New Zealand sold for domestic consumption.⁵ Many fruits are grown for the domestic market, particularly citrus, summerfruit and feijoas. This means that a well-functioning horticulture sector is critically important for our domestic food security and access to healthy and affordable food.

Reductions in supply influence the cost of domestically grown fruits and vegetables and reduce the diversity of varieties grown, raising the cost of living and reducing consumer choice. Childhood food insecurity is on the rise in New Zealand. In 2023/24, one in four

¹ HortNZ. [Annual Report to March 2024](#). Accessed online 23/12/24.

² StatsNZ. [Agricultural and horticultural land use](#). 15 April 2021. Accessed online 23/12/24.

³ StatsNZ. [Greenhouse gas emissions \(industry and household\): Year ended 2022](#). 30 April 2024. Accessed online 23/12/24.

⁴ United Fresh, Plant & Food Research. "[Fresh Facts 2024](#)". (p. 33)

⁵ Vegetables NZ, Inc. (personal communication)

children (27%) lived in households where food ran out often or sometimes, up 5.7% from the previous year, and a similar number reported eating less due to a lack of money.⁶ Only one in eleven Kiwi adults and one in twelve children met the recommended intake of fresh vegetables for a balanced diet in 2023/24.⁷

There are complex social and economic reasons why people struggle to meet their nutritional needs. Addressing the issue of food insecurity will be even more difficult, however, should unworkable resource management rules preclude commercial vegetable production from achieving consents, decreasing domestic vegetable supply and reducing access to affordable, healthy food. This is the intersection where resource management rules become a public health concern.

These unworkable rules have the potential to increase fresh vegetable prices due to constrained production.⁸ Increased prices lead to lower consumption of vegetables. A University of Otago study found that a 2% per annum vegetable price increase would result in a loss of 58,300 health adjusted life years, describing the combined burden of disease (morbidity) and mortality. This would cost the New Zealand health care system \$490 million over the collective lifespan of the population living in 2011. A 2.5% price increase would lead to 25% more health adjusted life years lost (72,800) and a \$610 million cost to the health care system.⁹ As such, enabling the commercial vegetable sector to operate without unnecessary cost burdens has a direct effect on national wellbeing and public health spend.

2.2. Doubling exports

Horticulture is New Zealand's third largest primary sector export, forecast to grow to \$8 billion in the year ending 30 June 2025 (including viticulture).¹⁰ The value of Māori collective assets in horticulture is estimated at \$2 billion, with over half of that value resting in the kiwifruit sector.¹¹ Export revenue from the European Union (EU) grew an impressive 77% year-on-year for kiwifruit in 2024, supported by the NZ-EU Free Trade Agreement.¹² This element of the sector's continued growth shows that horticulture will be a strong contributor to the Government's goal to double export value.

2.3. Contribution to a low-emissions economy

Horticulture is a low emissions land use, with the sector's limited greenhouse gas emissions coming from the use of fuel for farm equipment, processing, cool storage and freight. Use of fertiliser also produces nitrous oxide emissions, although horticulture's share of nitrous oxide emissions is only 1% of New Zealand agriculture's total.¹³

⁶ Ministry of Health. [Annual Update of Key Results 2023/24: New Zealand Health Survey](#). 19 November 2024. Accessed 13/01/25.

⁷ Ministry of Health. [Annual Update of Key Results 2023/24: New Zealand Health Survey](#). 19 November 2024. Accessed 13/01/25.

⁸ NZIER. 2024. [Making the case for vegetable production in New Zealand](#). A report for Horticulture New Zealand.

⁹ Cleghorn, C. August 2020. [The health and health system cost impacts of increasing vegetables prices over time](#). University of Otago. Accessed 23/12/24.

¹⁰ MPI. [Situation and Outlook for Primary Industries](#). December 2024.

¹¹ MPI. [Situation and Outlook for Primary Industries](#). December 2024. (p. 21)

¹² MPI. [Situation and Outlook for Primary Industries](#). December 2024. (p. 47)

¹³ StatsNZ. [Greenhouse gas emissions \(industry and household\): Year ended 2022](#). 30 April 2024. Accessed online 23/12/24.

Reducing our country’s emissions is a condition of some trade agreements, including the NZ-EU Free Trade Agreement, meaning it is a condition that must be met for the Government to meet its goal to double export value. Enabling the transition to low emissions land uses is critical for New Zealand to achieve its international and domestic climate change targets.

The existing resource management framework recognises emissions reductions and climate change adaptation, which directs regional and district councils to consider how their plans help achieve these goals and whether planning provisions enable the continued and future operation of low emissions land uses. This policy relationship is illustrated in Figure 1 below.

While HortNZ notes that this Amendment Bill does not propose changes, HortNZ supports the reference to the Emissions Reduction Plan (ERP) and the National Adaptation Plan (NAP) is retained in Sections 44, 61 66 and 74 of the RMA.

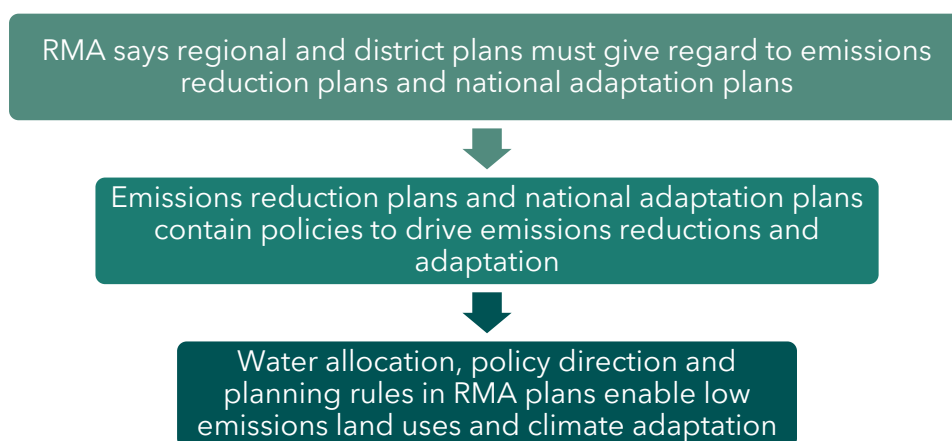


Figure 1: Link between the Resource Management Act 1991, emissions reduction plans, national adaptation plans and resource management plans

The following sections respond directly to the five categories of amendments in the Resource Management (Consenting and Other System Changes) Amendment Bill: housing growth, farming and primary sector, infrastructure and energy, natural hazards and emergencies, and system improvements and discuss how they can support the horticulture sector.

3. Housing growth

HortNZ recognises the importance of growing New Zealand’s housing supply to keep housing costs affordable for a growing population. While policies that enable urban expansion can increase supply, the policies will need to be carefully balanced to manage the effects on the production of the fruits and vegetables to feed that growing population.

HortNZ’s primary concern is ensuring that urban expansion does not lead to encroachment and reverse sensitivity effects which prevent growers from operating. Horticulture often takes place on the highly productive land at the urban-rural fringe. When residential areas are built next to horticultural operations, new neighbours may not have appropriate expectations for the sights, sounds, smells, sprays and traffic movements of a working rural

environment. Residents' complaints can become a constraint on growing operations, requiring them to change their operations to appease concerns. It is HortNZ's experience, backed up by expert evidence, that buffers between residential and production areas, directed through the planning system, can ease these impacts.¹⁴

An appropriate acknowledgement of the importance of fruit and vegetable production would direct both local authority and urban development resource management practitioners to consider this balance in resource management plans.

3.1. Enabling fresh fruits and vegetables

HortNZ seeks that "Enabling the supply of fresh fruits and vegetables" is a matter that all RMA practitioners should have particular regard to under Section 7 of the RMA.

This amendment is needed to balance protecting our domestic food production areas with enabling more housing due to the national importance of fresh produce for human health and as a high-value, low-emissions primary production activity.

This requested amendment will direct specific consideration of the supply of fresh fruits and vegetables in resource management plan processes, whether they are public and led by local authorities or private plan changes. HortNZ submits on nearly every district and regional plan in the country (of which there are over 100), seeking similar workable rules for growers in each one. These considerable efforts, funded by growers through the fruit and vegetable commodity levy, require convincing council after council of the importance of fresh produce. It is HortNZ's experience and the finding of a recent NZIER report that regional and district councils cannot be expected to balance local interests with national importance without clear national direction.¹⁵

This matter is urgent. Unworkable freshwater rules which could leave vegetable growing unable to gain consent in two important commercial vegetable growing areas are currently under appeal in the Environment Court. Waikato Plan Change 1 and Horizons Plan Change 2 have created an extremely difficult consenting regime. Both are likely to reduce the area of commercial vegetable production in these significant vegetable growing areas, without new, over-arching and superseding national direction. This issue is explored at length in HortNZ's Position Paper on National Direction for Vegetables.¹⁶

3.1.1. ALIGNMENT WITH GOVERNMENT PRIORITIES AND PREVIOUS POLICY

Enabling the supply of fresh fruits and vegetables aligns with the Government's target to double export value in the next ten years¹⁷ and the coalition agreements' commitment to lift

¹⁴ Deloitte. [New Zealand's Food Story: The Pukekohe Hub](#). Prepared for Horticulture New Zealand. August 2018. Accessed 08/01/25.

¹⁵ NZIER. 2024. [Making the case for vegetable production in New Zealand](#). A report for Horticulture New Zealand.

¹⁶ Sands, Michelle. [Position Paper on National Direction for Vegetables](#). HortNZ. 14 November 2024. Accessed online 23/12/24.

¹⁷ National Party. [National sets bold target for export growth](#). 10 October 2023. Accessed via Internet Archive 13/01/25.

New Zealand’s productivity and economic growth to increase opportunities and prosperity for all New Zealanders and “grow the economy to ease the cost of living”¹⁸.

The proposed wording is preceded in Section 129 of the repealed Natural and Built Environment Act 2023¹⁹ and Clause 3.33 of the NPSFM 2020.²⁰ The Town and Country Planning Act 1977 also referred to protecting food production in Section 3(d).²¹

3.2. Housing and highly productive land

The interplay between housing and horticulture is particularly relevant because growing often takes place at the urban-rural fringe. Historical trends have shown continuous loss of prime food growing land to housing. In the mid-1900s, most vegetables were grown close to large towns and cities, in areas that are now mostly subdivisions.²²

Highly productive land is an intergenerational asset, which cannot be recovered once lost. Fertile soils are needed to grow the food for the domestic market that will feed a growing population and to grow crops for the horticultural export industry.

The subdivision of highly productive land to form lifestyle blocks is a pervasive threat to the protection of fertile soils for present and future generations. While lifestyle blocks can be reverted to agriculture, this shift is unlikely due to increased land value associated with smaller parcels.²³ Decreased available land and increased land costs due to housing pressures can also result in more intensive growing, which has the potential for environmental effects.²⁴

If horticulture is pushed onto lower quality soils due to pressures from urban expansion, this could reduce the efficiency of food production, reducing yield and revenue from the land. Lower class soils may also be faster draining, requiring additional irrigation and fertiliser to achieve the same yield with an impact on water availability and quality.²⁵ The nutrients available in the soil directly affect the nutritional quality of our fruits and vegetables, so growing on higher quality soils will bring more diverse vitamins and minerals (and their health benefits) to consumers.²⁶

At the same time, highly productive land can only truly be productive if it is protected from reverse sensitivity effects and land users can abstract and discharge water to support growing. HortNZ understands that the Government intends to change the definition of highly productive land in upcoming amendments to the NPS-HPL. HortNZ understands the

¹⁸ [National ACT Agreement, National NZ First Agreement](#). Accessed 13/01/25.

¹⁹ [Natural and Built Environment Act 2023 No 46 \(as at 23 December 2023\), Public Act 129 National planning framework must provide direction on certain matters](#)

²⁰ This section was quashed only due to deficiencies in the consultation process, not due to the content of the policy. [National Policy Statement for Freshwater Management 2020](#)

²¹ [Town and Country Planning Act 1977](#)

²² NZIER. 2024. Making the case for vegetable production in New Zealand. A report for Horticulture New Zealand.

²³ Andrew, R, & Dymond, JR (2013). [Expansion of lifestyle blocks and urban areas onto high-class land: An update for planning and policy](#). Journal of the Royal Society of New Zealand, 43(3), 128-140.

²⁴ Deloitte. [New Zealand’s Food Story: The Pukekohe Hub](#). Prepared for Horticulture New Zealand. August 2018. Accessed 08/01/25.

²⁵ Andrew, R, & Dymond, JR (2013). [Expansion of lifestyle blocks and urban areas onto high-class land: An update for planning and policy](#). Journal of the Royal Society of New Zealand, 43(3), 128-140.

²⁶ Evans, Matthew. *Soil: The incredible story of what keeps the earth, and us, healthy*. 2021. Murdoch Books.

need for those changes, particularly because land that has been fragmented or surrounded by housing is unlikely to support productive horticultural businesses.

If the definition of highly productive land does change, it will be all the more important to fully protect the highly productive land left and enable its use for primary production. Land without water, where rainfall is insufficient for productive plants, is effectively sterilised for growing. That is why the national importance of this land should be recognised in the RMA.

3.3. Protect highly productive land

HortNZ seeks recognition of highly productive land as a matter of national importance under Section 6 of the RMA, mirroring the objective of the NPSHPL with the wording, “the protection of highly productive land for use in primary production, both now and for future generations”. This aligns with the government’s priority to “Allow normal rural activities on Highly Productive Land.”²⁷

This wording is preceded as a system outcome in Section 6 of the repealed Natural and Built Environment Act 2023.²⁸ Similar policy was also included as a matter of national importance in the Town and Country Planning Act 1977 as follows:

Section 3(d) The avoidance of encroachment of urban development on, and the protection of, land having a high actual or potential value for the production of food.²⁹

This new matter of national importance will need to be supported with a definition of highly productive land that accounts for all of the factors that make land highly productive. This definition should be included in the NPSHPL amendments signalled as part of Phase 2 of the RM Reforms.

3.4. Streamlined planning process

Clause 21 of the Bill introduces sections 80CA and 80CB to the RMA. Section 80CB enables a local authority to use the same streamlined planning process to progress matters in a listed planning instrument (defined in the Bill) and matters in another planning instrument (already defined in the RMA).

It is the view of HortNZ that a listed planning instrument (as defined in this Bill) or a planning instrument (as defined in Section 80B of the RMA) includes more than just planning instruments that relate to housing (as seems to be suggested by the Bill’s explanatory note). If consent authorities are using the streamlined planning process, integration with other planning instruments and processes must be clearly understood.

For example, it is clear from Section 80C of the RMA that a local authority by its own volition (or the Minister’s direction) could use the streamlined planning process to promulgate a plan or plan change to give effect to any changes to the NPS-HPL rather than limited to removing or altering Medium Density Residential Standards. It is therefore important that this is clear

²⁷ National Party. [Getting Back to Farming](#). Accessed online 23/12/24.

²⁸ <https://www.legislation.govt.nz/act/public/2023/0046/latest/LMS846032.html>

²⁹ [Town and Country Planning Act 1977](#)

in the Bill. Changes to the new Section 80CB should make explicit that an integrated approach across planning instruments is required.

Throughout the country, HortNZ has seen plan processes that separate the freshwater and non-freshwater planning instruments while integrating the NPS-UD but not the NPS-HPL, for instance. This disjointed planning approach does not balance the objectives of related pieces of national direction.

Outcomes sought

HortNZ's primary concern with housing growth is ensuring that urban expansion does not lead to encroachment into rural productive areas and reverse sensitivity effects which prevent growers from operating as normal.

Housing growth can also lead to the loss of highly productive land. Highly productive land is an intergenerational asset, which once lost is lost forever. Fertile soils are needed to grow the food for the domestic market that will feed a growing population. These soils underpin the whole of the horticulture sector, which is valued at over \$7 billion dollars and is a critical industry for achieving the government's goal to double exports. The national importance of this land should be recognised.

- Make "enabling the supply of fresh fruits and vegetables" a matter that RMA practitioners must have regard to under Section 7.
- Make the protection of highly productive land a matter of national importance under Section 6 of the RMA.
- Make explicit that the streamlined planning process requires an integrated approach across planning instruments is required under Section 80CB.

4. Farming and primary sector

4.1. Part 9A - Industry assurance

HortNZ supports and welcomes the amendments to Part 9A to allow nationally approved industry assurance programmes to deliver certification and auditing of freshwater farm plans. This is more efficient than requiring industry programmes to apply to each regional council for recognition. In particular, HortNZ supports Ministerial approval of industry assurance programmes to provide certification or audit services (or both) if the Minister is satisfied that the organisation meets eligibility requirements outlined in the regulations. The content of the regulations is, therefore, critical. HortNZ welcomes the opportunity to be involved in the development of the regulations.

HortNZ has advocated for changes to allow for national recognition of industry assurance programmes for several years. We support the amendments to Part 9A as drafted, with minor amendments to clarify that industry organisations may deliver both certification and audit services.

The changes to Part 9A will allow growers to fulfil their freshwater farm plan requirements using trusted industry assurance programmes, such as Good Agricultural Practice (GAP) schemes. This will reduce duplication and cost, while enabling the sector to onboard growers to the freshwater farm plan system.

4.2. Section 70 - Discharge rules

HortNZ supports the changes to Section 70 to clarify that regional councils can continue to allow discharges as permitted activities in catchments experiencing significant adverse effects on aquatic life, so long as activity standards contribute to a reduction in adverse effects over the period of time specified in the rule.

This amendment will allow the discharges that occur from growing fruits and vegetables to be a permitted activity. This is the case at present throughout most of New Zealand. The direction for the improvement of freshwater quality over the time period specified in the rule is supported as activities need time to adjust and implement good management practices.

Outcomes sought

HortNZ supports the amendments to Part 9A as drafted, with minor amendments to clarify that industry organisations may deliver both certification and audit services as follows:

217KA Minister may approve industry organisation to provide certification **and/or** audit services

(1) The Minister may, on application, approve an industry organisation to provide certification **and/or** audit services or both under this Part to its members...

(2) An approved industry organisation may appoint certifiers **and/or** auditors if it is satisfied that the applicable requirements have been met as prescribed in regulations.

The pathway provided for industry assurance programmes will allow growers to fulfil their freshwater farm plan requirements using existing, trusted schemes, such as GAP schemes. This amendment will reduce duplication and cost and smooth the process of onboarding the sector onto freshwater farm plans. HortNZ welcomes these changes after advocating for them for several years.

HortNZ supports the changes to Section 70 to clarify that regional councils can continue to allow discharges as permitted activities in catchments experiencing significant adverse effects on aquatic life, so long as compliance with activity standards is expected to contribute to a reduction in adverse effects over time.

5. Infrastructure and energy

5.1. Extending port permits to 2046

HortNZ supports extending port coastal permits to 2046 in clause 47 of the Amendment Bill. Most horticultural exports are dependent on maritime freight to travel to their destination. Horticulture is already a low emissions industry on-farm, so international freight is the emissions category where we have the greatest opportunity to reduce.

In order for low emissions shipping alternatives to be accessible to New Zealand suppliers, consents for port infrastructure upgrades for low-emissions ships and fuel bunkering should be fast-tracked. Bigger ports are needed to handle the larger, low-emissions ships. In general, ships are increasing in size, which means they cannot always be accommodated at New Zealand ports.³⁰

The Amendment Bill extends consents for ports to 2046, allowing for limited consultation with iwi/Māori parties and the Director-General of Conservation about consent conditions needed to manage environmental effects. Without this extension, coastal permits for ports would expire in 2026, requiring ports to go through the RMA process to achieve consent.³¹

This amendment will give ports and their users the long-term certainty about their future operation needed to invest in infrastructure, including upgrades for low-emissions shipping and managing their environmental responsibilities.

Outcomes sought

HortNZ supports extending port coastal permits to 2046 to give ports the certainty to invest in necessary infrastructure, including for low-emissions shipping.

6. Natural hazards and emergencies

HortNZ supports expanded direction to manage natural hazards and emergency response.

6.1. Natural hazard risk and consents

The Amendment Bill would give natural hazard provisions in resource management plans immediate legal effect and states that consent applications may be declined on the basis of natural hazard risk.

A single adverse weather event can decimate a season's crop, but there are some adaptive growing systems that mitigate the chances of disaster. Covered cropping – the practice of growing indoors – keeps plants warm through the winter and protected from heavy rain, wind and frost, enabling a year-round supply of fresh produce like tomatoes, cucumbers, courgettes, capsicum, eggplants, herbs and lettuce. Other protection for our food supply from the weather include frost fans, which move air to reduce the risk of temperatures

³⁰ New Zealand Horticulture Export Authority. *2024 Barriers to our Export Trade*.

³¹ Ministry of Transport. [Regulatory Impact Statement: Extending the duration of Port Coastal Permits under section 384A](#). 14 August 2024. Accessed 14/01/25.

dropping before crops are damaged by frost, and hail covers, which protect from hail, wind and birds.

The framework for determining risk should accurately recognise the differences between urban and rural activities. Non-habitable horticultural structures and ancillary buildings should not be accidentally caught up in the rules designed to protect urban areas, since their risk profiles are different.

Structures that support climate adaptive growing systems like greenhouses, frost fans, artificial crop protection structures and crop support structures are not inhabitable and pose little risk to human safety in the face of natural hazards. Other ancillary buildings that are part of horticultural production like packhouses similarly pose little risk.

6.1.1. DESIGN LIFE OF STRUCTURES

Clause 37 of the Amendment Bill amends section 106A of the RMA and outlines a method for natural hazard risk assessment.

HortNZ supports 106A (2) (b), which considers the material damage to land and structures in determining natural hazard risk. The limited design life of horticultural structures should mean that the risk is lower for these activities.

Crop support structures, which direct the growth of orchard trees and vines, have a design-life close to 15 years. Orchards also have short periods when they can profit from certain varieties of fruit, so they often replace their trees every decade or so to follow market demand for new varieties. As such, the life of these structures is much shorter than residential, commercial or civic buildings.

6.1.2. HEALTH AND SAFETY OF PEOPLE

HortNZ supports 106A (2) (d), which considers whether the land use would have adverse effects on the safety or health of people. Given that small numbers of people, if any, sleep at horticultural properties, the relative risk of horticulture in natural hazard areas should be lower than sensitive activities like housing or hospitals.

6.2. Emergency management provisions

HortNZ supports Clause 64 of the Amendment Bill, which enables the rapid creation of emergency response regulations to accelerate recovery works. This is relevant given the industry's previous experience with the timeliness of Orders in Council to permit recovery works after Cyclone Gabrielle.

We consider biosecurity should be clearly added to this clause to support activities such as vegetation burning and earthworks that may need to be progressed rapidly in a biosecurity response.

Outcomes sought

While HortNZ supports the consideration of reasonable natural hazard risks in consent decisions, horticulture activities pose a low risk in the event of hazards and may present the best use of land that is not suitable for higher risk activities.

HortNZ also supports new regulation-making powers to support emergency response and recovery efforts and seeks that biosecurity is clearly recognised in Clause 64 to enable vegetation burning and earthworks in the event of a biosecurity response.

7. System improvements

7.1. Directing plan changes

Clause 6 of the Amendment Bill amends Section 25A of the RMA to grant the Minister the power to direct councils to develop plan changes to meet the requirements of national direction within chosen timeframes.

HortNZ supports this amendment to ensure the timely adoption of national direction for national, regional and territorial consistency in planning provisions.

7.2. Cost recovery

Clause 10 of the Amendment Bill amends Section 36 of the RMA to allow councils to recover costs for the monitoring of permitted activity compliance.

Treasury guidelines state the importance of considering the entire landscape of cost recovery measures before imposing additional fees. The guidelines state,

“Cost recovery regimes do not operate in isolation. Customers/users will have many other interactions with government services. It is useful to understand what recent or potential changes in government charging arrangements may have an impact on the customer/user base so that your approach and analysis can be adapted accordingly.”³²

As such, the Government should be mindful of the collective impact of cost recovery measures on the same land users. For instance, this Amendment Bill makes changes to Part 9A of the RMA to allow industry assurance programmes to deliver Freshwater Farm Plans, in a policy to reduce compliance costs.

A permitted status for an activity is determined when the effects of that activity on the environment, including cumulative effects, are known and considered acceptable (subject to any conditions imposed on the permitted activity). Any actual or potential adverse effects are acceptable or manageable through the standards that are imposed on the permitted activity. A permitted activity status has been determined to be the most efficient and effective method in accordance with the relevant statutory considerations. While it is

³² The Treasury. [Guidelines for Setting Charges in the Public Sector](#). April 2017. Accessed 09/01/25.

sometimes necessary for councils to monitor permitted activities, this should not be overly burdensome or costly.

There is often a wider public good associated with permitted activities such that they are fully anticipated or even encouraged. Councils are already required to monitor the state of the environment, and HortNZ is concerned that this amendment will shift that duty of the wider public benefit onto all permitted activity resource users. This is unsustainable. Some cost should be borne by the wider society that benefits from permitted activities. Any charges must be reasonable and proportionate relative to the nature and significance of the activity and its cumulative contribution to any actual or potential adverse environmental effects.

We do not support additional charges for permitted activities due to their low anticipated risks.

Under this Bill's amendments to Section 70, normal permitted activities must meet a test that the activity's standards lead to improvement in the environment over time. A permitted activity meeting this test would be beneficial and should not require cost recovery for monitoring.

An activity that has been permitted under a National Environmental Standard (NES) is not required to meet the Section 70 test, but it must meet the Section 43A test. Section 43A requires that activities with significant adverse effects on the environment must not be permitted under an NES. These effects are not assessed cumulatively. Therefore, there could be a case for recovering costs for activities permitted by an NES to manage the cumulative impact.

We consider there is potential for adding a new category of activity, to provide for recognition of the slightly higher risk profile of activities that may be required to have audit, such as those under the Freshwater Farm Plan regulations.

We do not support council charges for audited permitted activities, as we consider this is duplication of costs that will encourage councils to duplicate the actions being undertaken by certifiers and auditors. This should be true whether the audited permitted activity status is established at the national or regional level.

The remaining activities permitted by NES but not audited could have cost recovery imposed on them because they would not otherwise be assessed cumulatively.

We support cost recovery for enforcement and abatement where there is non-compliance.

7.3. Consenting

Clause 28 of the Amendment Bill amends Section 88 of the RMA such that:

- An applicant must ensure that information required by subsection (2)(b) (an assessment of environmental effects) is provided at a level of detail that is proportionate to the nature and significance of the activity.

- A consent authority may accept an application that does not fully comply with subsection (2)(b) if the authority is satisfied that the information provided by the applicant is proportionate to the nature and significance of the activity.

Clause 30 of the Amendment Bill amends Section 92 of the RMA to require consent authorities to consider before requesting information whether:

- The information is needed under relevant provisions of national direction or resource management plans or any other matter the consent authority considers relevant and reasonably necessary to determine the application (under Section 104(1)(b) or (c) of the RMA);
- It can assess the effects of the consent proposal from information already available;
- Any information is proportionate to the nature and significance of the proposal.

The use of Section 92 of the RMA (and associated Sections 88 and 37) by consenting authorities is a significant frustration for grower resource consent applicants. HortNZ supports amendments to Sections 88 and 92 to clarify and limit the level of detail required to be presented in a resource consent application. HortNZ also supports that the scope of a request for further information by a consenting authority is limited to the actual need for that information.

Feedback to HortNZ from grower applicants is that Section 88 and Section 92 are frequently used to delay decision making and to impose unnecessary information requirements that do not respond to the nature and significance of the proposal. Therefore, HortNZ supports the requirement that any detail or additional information is proportionate to the nature and significance of the proposal.

While HortNZ supports these amendments, frustrations are still likely to occur through the misuse of Section 37 (Power of waiver and extension of time limits) by consenting authorities. It is common practice today for consenting authorities to extend processing time periods from 20 to 40 working days, citing complexity in applications, even in situations when applications are clearly not complex. It is also common for consenting authorities to seek agreement from applicants to exceed timeframes. Applicants often feel that they do not have the leverage to push back on the extension of time requests without risk of adverse effect on the application outcome.

It is inappropriate to rely on Section 37 to meet statutory timeframes where a consenting authority has a high workload or other internal resourcing issues.³³ This is not a special circumstance pursuant to Section 37A(4)(b)(i). However, this appears to often be the underlying reason for the time extension with no recourse for an applicant.

HortNZ suggests that Section 37A(4)(b)(i) be amended to prohibit consenting authorities' use of special circumstances for reasons of high workload or other internal resourcing issues.

³³ Quality Planning. "[Resource Consent Process](#)". Accessed 04/02/25.

Outcomes sought

HortNZ supports the amendment allowing the Minister to direct timeframes for plan changes to implement national direction. This will ensure the timely adoption of national direction for consistency in planning provisions.

The Government should be mindful of the collective impact of cost recovery measures on the same land users. Recovering the costs for enforcement and determining noncompliance is supported. Charges must not duplicate costs that have been transferred through auditing requirements. Cost recovery for permitted activities could occur for activities that are not audited but permitted through an NES because their cumulative effects will otherwise not be managed. HortNZ suggests a new "audited permitted" activity status under the RMA to make this distinction.

HortNZ supports giving councils guidelines to avoid asking for unnecessary information to process consent applications.

HortNZ suggests that Section 37A(4)(b)(i) be amended to prohibit consenting authorities' use of special circumstances for reasons of high workload or other internal resourcing issues to justify delays to consenting timeframes.

Submission on Resource Management (Consenting and Other System Changes) Amendment Bill

Without limiting the generality of the above, HortNZ seeks the following decisions on the Resource Management (Consenting and Other System Changes) Amendment Bill, as set out below, or alternative amendments to address the substance of the concerns raised in this submission and any consequential amendments required to address the concerns raised in this submission.

Additions are indicated by bolded underline, and deletions by strikethrough text.

Provision	Support/oppose	Reason	Decision sought
New provision: Section 6 amended (Matters of national importance)		Productive soils are a limited, intergenerational resource of strategic importance for New Zealand's food production. See section 3.3 of this submission.	In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall recognise and provide for the following matters of national importance... (a) the preservation of the natural character of the coastal environment... (b) the protection of outstanding natural features and landscapes... <u>(bb) the protection of highly productive land for use in primary production, both now and for future generations:</u> (c) the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna...

Provision	Support/ oppose	Reason	Decision sought
New provision: Section 7 amended (Other matters)		<p>Fresh fruit and vegetables are nationally significant for the health of the nation, for domestic nutrition and food security and for export value as low emissions, high value products.</p> <p>This amendment will direct specific consideration of the supply of fresh fruits and vegetables in resource management plan processes. This matter is urgent due to impending unworkable regional rules for commercial vegetable production.</p> <p>See section 3.1 of this submission.</p>	<p>In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall have particular regard to–</p> <p>(a) kaitiakitanga...</p> <p>(ba) the efficiency of the end use of energy:</p> <p><u>(bb) enabling the supply of fresh fruits and vegetables</u></p> <p>(c) the maintenance and enhancement of amenity values...</p>
10 Section 36 amended (Administrative charges)	Support with amendment	<p>There is often a wider public good associated with permitted activities such that they are fully anticipated or even encouraged. Councils are already required to monitor the state of the environment, and HortNZ is concerned that this amendment will shift that duty with wider public benefit onto all permitted activity resource users. This is unsustainable. Some cost must be borne by the wider society that benefits from permitted activities.</p> <p>Audited permitted activities provide for a private cost recovery of monitoring through the audit and certification costs.</p>	<p>After section 36(1)(c), insert:</p> <p>(caaa) charges payable by a person carrying out a permitted activity, for the carrying out by the local authority of monitoring the person’s compliance with any rule in a plan that relates to the permitted activity <u>if permitted by NES and not an audited permitted activity:</u></p> <p>(caab) charges payable by a person who an enforcement officer considers has contravened this Act, a national environmental standard, a regulation, a rule in a plan, or a resource consent, for the carrying out by the local authority of any function necessary to determine whether the contravention has occurred,</p>

Provision	Support/ oppose	Reason	Decision sought
		<p>It is important that these monitoring activities are not duplicated by council, and the cost recovery mechanism risks encouraging councils to duplicate in this area.</p> <p>Activities that are not audited but permitted by an NES could be eligible for cost recovery because their cumulative impacts would not otherwise be assessed under audit or Section 70.</p> <p>There is a case for cost recovery if the investigation identifies non-compliance; however, if the investigation shows compliance then the party should not be penalised because they have not done anything unlawful.</p> <p>See section 7.2 of this submission.</p>	<p>but <u>only in the case where it is found a contravention has occurred.</u></p>
11 Section 37 amended (Power of waiver and extension of time limits)	Support with amendment	<p>Section 37A(4)(b)(i) should be amended to prohibit consenting authorities' use of special circumstances for reasons of high workload or other internal resourcing issues.</p> <p>See section 7.3 of this submission.</p>	<p>In section 37A(4)(b)(i), insert: special circumstances apply (including special circumstances existing by reason of the scale or complexity of the matter <u>and does not include reasons of a consenting authority's high workload or internal resourcing issues</u>); or</p>
21 New sections 80CA and 80CB inserted	Amend	<p>Throughout the country, HortNZ has seen disjointed plan processes that separate the freshwater and non-freshwater planning instruments while integrating the NPS-UD but not the NPS-</p>	<p>80CB Local authority may use same streamlined planning process to progress matters in different instruments</p>

Provision	Support/ oppose	Reason	Decision sought
		HPL, for instance. This creates a disjointed planning process that does not balance the objectives of related pieces of national direction. See section 3.4 of this submission.	A local authority may use the streamlined planning process to progress 1 or more matters in a listed planning instrument and 1 or more matters in another planning instrument. <u>In choosing to use the streamlined planning process the local authority must consider the requirement to achieve integrated management of natural and physical resources under section 30 for regional councils and section 31 for territorial authorities.</u>
15 Section 70 amended (Rules about discharges)	Support	See section 4.2 of this submission.	Retain as proposed.
New Section 77A amended	New Clause Amend	This clause is linked to cost recovery provisions, to be clear that costs should not be recovered on audited permitted activities. See section 7.2 of this submission.	77A Power to make rules to apply to classes of activities and specify conditions (1) A local authority may– (a) categorise activities as belonging to one of the classes of activity described in subsection (2); and (b) make rules in its plan or proposed plan for each class of activity that apply– (i) to each activity within the class; and (ii) for the purposes of that plan or proposed plan; and (c) specify conditions in a plan or proposed plan, but only if the conditions relate to the matters described in Section 108 or 220. (2) An activity may be–

Provision	Support/ oppose	Reason	Decision sought
			(a) a permitted activity; or <u>(aa) an audited permitted activity</u> (b) a controlled activity; or (c) a restricted discretionary activity; or (d) a discretionary activity; or (e) a non-complying activity; or (f) a prohibited activity
28 Section 88 amended (Making an application)	Support	See section 7.3 of this submission.	Retain as proposed.
30 Section 92 amended (Further information, or agreement, may be requested)	Support	See section 7.3 of this submission.	Retain as proposed.
37 New section 106A inserted (Consent authority may refuse land use consent in certain circumstances)	Support in part	HortNZ supports 106A (2) (b), which considers the material damage to land and structures in determining natural hazard risk. The limited design life of horticultural structures should mean that the risk is lower for these activities. HortNZ supports 106A (2) (d), which considers whether the land use would have adverse effects on the safety or	Retain 106A (2) (b) and 106A (2) (d).

Provision	Support/oppose	Reason	Decision sought
		<p>health of people. Given that people do not, for the most part, sleep at horticultural properties, the relative risk of horticulture in natural hazard areas should be lower than activities like housing or hospitals.</p> <p>See section 6.1 of this submission.</p>	
54 Section 217B amended (Interpretation)	Support	<p>HortNZ supports recognition of approved industry organisations. This will allow industry assurance organisations such as GAP to deliver freshwater farm plans.</p> <p>See section 4.1 of this submission.</p>	Retain definition as proposed.
55 Section 217H amended (Audit of farm for compliance with certified freshwater farm plan)	Support	<p>HortNZ supports that the details of audit and certification can be left to the approved industry organisation delivering the freshwater farm plan.</p> <p>Requiring the farm operator to provide the auditor with reasonable access to the farm for inspection is reasonable.</p>	Retain as proposed.
56 Section 217I amended (Functions of regional councils)	Support with amendment	<p>HortNZ supports that these amendments give regional councils the power to monitor the delivery of certification and auditing by industry assurance organisations.</p>	<p>(2) A regional council may do all or any of the following:</p> <p>(a) require a farm operator to produce a certified freshwater farm plan for inspection:</p> <p>(b) request information from an approved industry organisation under the Freshwater Farm Plan</p>

Provision	Support/ oppose	Reason	Decision sought
		<p>Requests for information from approved industry organisations should be limited to information specified in the Freshwater Farm Plan regulations to avoid onerous information requests and protect the commercial sensitivity of growers.</p> <p>It is reasonable that regional councils have the authority to inform the Minister of any concerns about the performance of approved industry organisations to provide checks and balances in the system.</p>	<p>regulations that the council considers reasonably necessary for carrying out its functions under this section:</p> <p>(c) notify the Minister of any significant or persistent concerns regarding the performance under this Part of an approved industry organisation operating in the council's region, including concerns arising in the course of the council's exercise of its functions under subsection (1)(e).</p>
<p>57 Section 217KA replaced (Regional council may approve industry organisation to provide certification or audit services)</p>	<p>Support with amendment</p>	<p>HortNZ strongly supports the power for the Minister to nationally approve an industry assurance organisation to deliver freshwater farm plans and appoint their own certifiers and auditors.</p> <p>The ability of the Minister to revoke approval under appropriate circumstances is sensible as a check on the system.</p> <p>Amendments are suggested to clarify that industry organisations may provide both certification and audit services.</p>	<p>217KA Minister may approve industry organisation to provide certification and/or audit services</p> <p>(1) The Minister may, on application, approve an industry organisation to provide certification and/or audit services or both under this Part to its members...</p> <p>(2) An approved industry organisation may appoint certifiers and/or auditors if it is satisfied that the applicable requirements have been met as prescribed in regulations.</p>

Provision	Support/ oppose	Reason	Decision sought
58 Section 217M amended (Regulations relating to freshwater farm plans)	Support	HortNZ supports that the details of the form and manner in which farms must be audited for compliance are included in the regulations rather than the primary legislation.	Retain as proposed.
64 New section 331AA inserted (Emergency response regulations)	Support	<p>HortNZ supports the rapid creation of emergency response regulations to accelerate recovery works.</p> <p>Add biosecurity, as relates to the RMA regulated activities relevant to a biosecurity event, such as burning and earthworks.</p> <p>See section 6.2 of this submission.</p>	<p>331AA Emergency response regulations</p> <p>(1) The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations (emergency response regulations) for the purpose of—</p> <p>(a) responding to a natural hazard event, biosecurity event or other emergency in an area; and</p> <p>(b) enabling recovery efforts in the affected area (including any work required to improve the resilience or standard of assets).</p>

Addendum

8. Permitted Activity Status for Commercial Vegetable Production

8.1. National Importance of Vegetable Production

The New Zealand vegetable sector supplies New Zealanders with vegetables year-round. It is not possible to import fresh vegetables to meet our population's nutritional needs due to our country's geographic isolation and the perishable nature of the product. This means that a well-functioning sector is critically important for our domestic food security and ensuring New Zealanders have access to healthy and affordable food. For instance, horticultural production was recognised as essential during the COVID-19 pandemic because maintaining a reliable supply of healthy food for our population is essential.

8.2. Unworkable Regional Rules

Over 20% of New Zealand's fresh vegetable supply is threatened by unworkable freshwater regulations likely to become operative in 2024-25. If over one-fifth of the country's supply of fresh vegetables is disrupted by unworkable regulations, the impact on the price and accessibility of fresh vegetables for New Zealanders will be severe. It is predicted that a 20% price increase is likely, but prices may increase by more than 100%.^{34, 35}

Councils have created rules to manage diffuse discharges by requiring land users to reduce nitrogen leaching per hectare incrementally over time. If freshwater limits are designed to consider leaching intensity without considering value of the activity, then the social and economic costs of the water quality limits are not adequately assessed.

Council rules also struggle to accommodate crop rotation, a growing system used for millennia that involves changing which crop is grown on a piece of land to manage soil health, pests and diseases. As crops rotate, leaching rates change across time and location across a mix of owned, leased and swapped land. Councils have been unsuccessful at designing effective regulation that accounts for this complexity and allows this standard growing practice to continue.

8.3. Consistent National Approach

HortNZ does not support maintaining the status quo. Current regional approaches are making it near impossible to consent vegetable growing in some regions which is a threat to New Zealand's domestic food supply and the future of the vegetable growing industry, as described throughout this submission.

A nationally consistent approach is warranted because:

³⁴ [Agchain 2023. Sensitivity of Domestic Food Supply to Loss in Vegetable Growing Production in Specified Vegetable Growing Area. Report for MfE.](#)

³⁵ NZIER. 2024. [Making the case for vegetable production in New Zealand.](#) A report for Horticulture New Zealand.

- ensuring a reliable supply of vegetables for New Zealand is nationally important.
- Vegetable growing in New Zealand is small, and the water quality effects can be managed. The impact of allowing vegetable production of continue as a permitted activity will have negligible impact on water quality outcomes or the freshwater regulatory design for other activities
- Vegetable growers compete in the domestic market, they support nationally consistent rules, that will drive them all to operate at good management practice using Freshwater Farm Plan.

8.4. Water Quality Effects of Commercial Vegetable Production

The overall area of CVP is small, nationally estimated at about 37,000 ha, and has contracted in the last ten years.³⁶ Recent supply shocks have demonstrated that the CVP supply is vulnerable, and some expansion is needed to enable a resilient supply of vegetables for New Zealand. CVP contributes a small proportion of the nutrient, sediment and pathogen load at a national level (much less than 1%) and makes up a minor proportion of the contaminant load in almost all catchments, with a small number (six of LAWA monitored waterbodies) where CVP and cropping makes up more than 50% of the nitrogen load. It should be noted that these small catchments only contain 2,000 ha of CVP cumulatively,³⁷ and all these catchments have nitrate toxicity below NPSFM bottom lines (i.e. poor water quality).

CVP can improve contaminant losses with the adoption of good management practice (GMP), as can other activities. GMP improvements from CVP (assuming a 2017 baseline consistent with the NPSFM), have been predicted to be approximately 24%,³⁸ with the reduction varying from grower to grower.

Existing CVP continuation is likely to result in a small reduction in contaminant loads discharged to receiving environments compared with the existing situation due to the adoption of GMP mitigations, and therefore, a minor improvement or neutral environmental effect.

The expansion of CVP can be considered in two parts:

- Domestically focused rotations: These are the rotations with higher leaching, shallow rooted crops and the need to produce year-around supply. The expansion of these rotations is unlikely to exceed population growth.
- Potentially export focused rotations: Crops such as onions and process potatoes have the potential to expand at a greater rate than domestic population growth, but these crops are commonly integrated with pastoral and arable farming and have contaminant losses similar to other farming land uses.

³⁶ United Fresh, Plant & Food Research. "[Fresh Facts 2024](#)". (p. 47)

³⁷ Appendix 1: Collaborations, Sept 2024. Nitrogen Load Modelling.

³⁸ www.hortnz.co.nz/assets/Environment/Reports-research/AgChain-Sensitivity-of-domestic-food-supply-in-SVGAs.pdf

The predicted population growth over the next 15 years is in the order 10-15%.³⁹ Expansion of CVP is most likely to occur in existing vegetable growing areas because these locations have the combination of soils, climate, access to water and access to labour required for CVP.

If CVP expands relative to its current footprint in catchments where it is currently located, the adoption of GMP will mitigate the increase in contaminant load associated with CVP expansion. The change in discharge contaminant loads will be neutral or a slight improvement.

If the expansion includes process vegetables or export crops grown in rotations integrated with pastoral farming, the effect on contaminant loads is likely to be neutral as these rotations have similar leaching losses to the type of pastoral farming that is currently located on suitable soils. Therefore, expansion of this kind would have a neutral environmental effect.

When assessed in combination with other activities, if all activities are implementing good management practices, the expansion of vegetable production can be provided for and water quality improvement achieved.

8.5. Policy Options for Addressing Commercial Vegetable Production

Resource management direction for vegetables is urgently needed at a national level in the RM2 phase of work due to impending court decisions on Waikato Plan Change 1 and Horizons Plan Change 2.

As such, we seek an interim amendment to the RMA, as described below. These changes could also be progressed through provisions within the NES Freshwater with policy support in the NPSFM. In the long term, an NES Commercial Vegetable Production could be suitable, after these interim policies are in force.

8.5.1. TARGETED RMA AMENDMENT

Commercial Vegetable Production is made a permitted activity, provided robust good management practice (GMP) standards are met and demonstrated through an audited Freshwater Farm Plan.

An RMA amendment is required to override unworkable regional plan rules to manage the risk of vegetable supply constraints and increased price volatility for the next 5-10 years, ahead of the RMA replacement legislation.

HortNZ has proposed two options:

- Medium term option - An RMA amendment that would make CVP (existing and expansion) permitted with a Freshwater Farm Plan. This would address the issue, until the new legislation is developed to replace the RMA.

³⁹ <https://www.stats.govt.nz/information-releases/national-population-projections-2022base2073/>

- Short term option - An RMA amendment that would make existing CVP (including rotation onto new and changing land parcels) permitted. This is a short-term solution, until the revised NPSFM and NES CVP are developed and until RMA replacement legislation is in force.

Targeted Amendments to the Resource Management Act to Make Commercial Vegetable Production a Permitted Activity

Provision	Reason	Decision sought
New provision: Section 2 amended (Interpretation)	A definition of Commercial Vegetable Production is needed to support a Permitted Activity for Discharges from Commercial Vegetable Production This definition is from the Commodity Levies (Vegetables and Fruit) Order 2019.	Commercial Vegetable Production is defined based on the definition from the Commodity Levies (Vegetables and Fruit) Order 2019.
Option 1 - Medium Term Solution		
New provision for Permitted Activity for Discharges from Commercial Vegetable Production	Commercial Vegetable Production (CVP) should be managed with a permitted activity standard that requires a freshwater farm plan.	<p><u>Rules relating to the discharge of a contaminant to water or land from Commercial Vegetable Production.</u></p> <p><u>(a) Despite section 15 the discharge of contaminants to land and water from Commercial Vegetable Production is a permitted activity provided that all Commercial Vegetable Production over 5 ha is managed with a Freshwater Farm Plan developed in accordance with Part 9A.</u></p> <p><u>(b) This section prevails over any Commercial Vegetable Production rules and policies within Regional Plans and has immediate effect.</u></p>
Option 2 - Short Term Solution		
New provision for Permitted Activity for Discharges from	Commercial Vegetable Production (CVP) should be managed with a permitted activity standard that requires a freshwater farm plan.	<u>Rules relating to the discharge of a contaminant to water or land from Commercial Vegetable Production.</u>

Provision	Reason	Decision sought
Commercial Vegetable Production		<p>(a) <u>Despite section 15 the discharge of contaminants to land and water from existing Commercial Vegetable Production is a permitted activity provided that all Commercial Vegetable Production over 5 ha is managed with a Freshwater Farm Plan developed in accordance with Part 9A.</u></p> <p>(b) <u>Existing Commercial Vegetable Production is permitted to practice crop rotation onto new and changing land parcels within a Freshwater Management Unit without being classified as expansion</u></p> <p><u>(b) This section prevails over any Commercial Vegetable Production rules and policies within Regional Plans and has immediate effect.</u></p>
New provision: Section 2 amended (Interpretation)	Crop rotation includes the sequence of crops on a parcel or land, and also includes moving onto and off different parcels of land overtime, as part of changing lease arrangements. Crop rotation is essential for soil health and plant health but is also an economic necessity of vegetable production where a high proportion of land is leased. Changes of lease arrangements currently trigger 'expansion' rules in some councils, and with expansion being very difficult to achieve consent for.	<p><u>Crop rotation means -</u></p> <p><u>The systematic planting of different crops in sequence over multiple years within the same growing space, or across new and changing land parcels, which can and often includes a pasture phase or fallow period. This process helps maintain soil structure and nutrients in the soil, reduces soil erosion, and prevents reduces plant diseases and pests.</u></p>