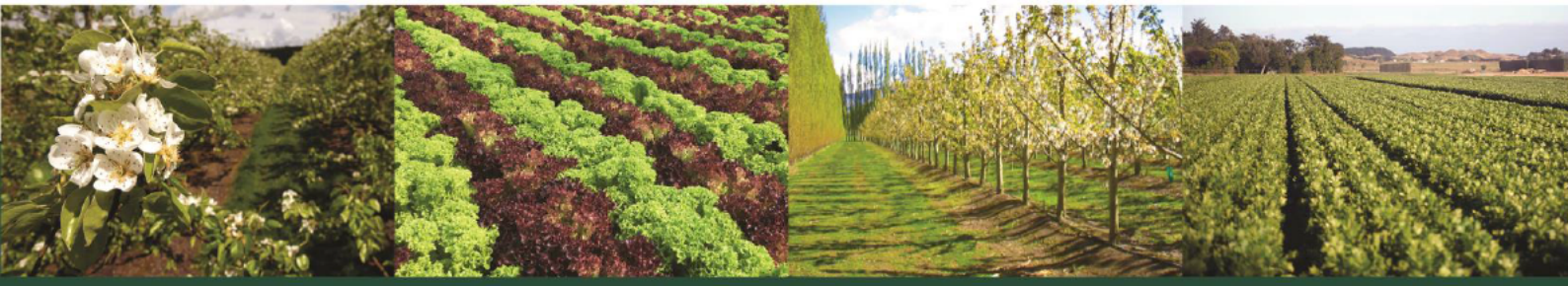
DRAFT SUBMISSION ON

Proposed National Policy Statement for Highly Productive Land

10 October 2019

TO: Ministry for Primary Industries
NAME OF SUBMITTER: Horticulture New Zealand

SUPPORTED BY: NZKGI, New Zealand Apples and Pears, Summerfruit New Zealand, New Zealand Tamarillo Growers, Hawkes Bay Fruit Growers, Katikati Fruit Growers, Potatoes New Zealand, Vegetables New Zealand, Process Vegetables New Zealand, Tomatoes New Zealand, Asparagus New Zealand, Pukekohe Vegetable Growers.



CONTACT FOR SERVICE:
Michelle Sands
Manager – Natural Resources and Environment
Horticulture New Zealand
PO Box 10-232 WELLINGTON
Ph: [redacted]
Email: [redacted]

Introduction

Horticulture New Zealand (HortNZ) thanks the Ministry for Primary Industries (MPI) for the opportunity to submit on the proposed National Policy Statement for Highly Productive Land and welcomes any opportunity to work with MPI 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 from MPI are set out below.

Background to HortNZ

HortNZ was established on 1 December 2005, combining the New Zealand Vegetable and Potato Growers' and New Zealand Fruitgrowers' and New Zealand Berryfruit Growers Federations.

HortNZ advocates for and represents the interests of 5,000 commercial fruit and vegetable growers in New Zealand, who grow around 100 different crop types and employ over 60,000 workers. Land under horticultural crop cultivation in New Zealand is calculated to be approximately 120,000 hectares.

The horticulture industry value is $5.7 billion and is broken down as follows:

Industry value	**$5.7bn**
Fruit exports	$2.82bn
Vegetable exports	$0.62bn
Total exports	**$3.44bn**
Fruit domestic	$0.97bn
Vegetable domestic	$1.27bn
Total domestic	**$2.24bn**

For the first time New Zealand's total horticultural produce exports in 2017 exceeded $3.44bn Free On Board value, 83% higher than a decade before.

It should also be acknowledged that it is not just the economic benefits associated with horticultural production that are important. The rural economy supports rural communities and rural production defines much of the rural landscape. Food production values provide a platform for long term sustainability of communities, through the provision of food security.

HortNZ's mission is to create an enduring environment where growers prosper. This is done through enabling, promoting and advocating for growers in New Zealand to achieve the industry goal (a $10 billion industry by 2020).

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.

SUBMISSION

In our view, a key value that the proposed National Policy Statement for Highly Productive Land (NPSHPL) seeks to protect is food production. Therefore, as well as the link to urban development and water policy, there are also links to health and climate change polices.

In the following sections we discuss related HortNZ's policy positions, and call for a national food policy to integrate the various policies where fruit and vegetables are key to achieving desired outcomes.

We also address the questions posed within the discussion document 'valuing highly productive land', as well as providing specific comment on the proposed objectives and policies.

Highly Productive Land

We recognise land is a finite natural resource that needs to be managed to meet the needs of people now and those of future generations. In our view, sustainable food production is the primary value associated with this resource.

Horticulture occupies only 120,000 ha, with approximately 70,000 ha in fruit production and 50,000 ha in vegetable production.

Different fruit crops require different climates and soils, for example: avocados in Northland, citrus in Gisborne, kiwifruit in Bay of Plenty, Apples in Hawkes Bay and Nelson, and apricots in Central Otago. Vegetables are grown throughout New Zealand to provide a year-round supply of fresh vegetables.

HortNZ broadly supports the direction of the proposed policy, with some key amendments. We are particularly mindful of the link between the proposed National Policy Statement for Freshwater Management (NPSFM), the National Environmental Standard for Freshwater (NES-FW) and NPSHPL. Further work will be required to ensure these policies work together and don't create unintended consequences.

In our view, it is important that the definition of highly productive land includes the key natural and physical resources that contribute to the land's productivity. We also recognise that some of these natural and physical factors can be modified with policy and investment, and that all of these factors contribute to the productive capacity of land.

Guidance to assist with Regional and District Council implementation will be key to the success of the policy and we are committed to working alongside MfE, MPI, Councils and growers to assist in finalising the policy.

Urban and Lifestyle Development

Policies to manage ad-hoc urban and lifestyle development are essential to maintain highly productive land resource for future generations.

Urban and lifestyle development within horticultural areas results in increased pressure on crop rotations, restrict orchard expansion, increased land prices, and increased social tension due to complaints from neighbours about horticultural activities. These pressures threaten the productivity of land, and the ability of land to produce food.

There are many elements that contribute to the productive capacity of land, but land itself is the primary aspect. When land is fragmented or urbanised it is seldom retuned to productive uses, however where there are opportunities to aggregate parcels and reverse fragmentation these should be incentivised.

Urban populations compete for limited water resources with highly productive uses. In our view, only that proportion of new municipal supplies that relates to drinking water and sanitation should have priority over other uses. Municipal supplies are more likely to be able to provide water storage and reticulation and therefore are not as reliant as highly productive land on local water resources. Without water, the productive capacity of land is greatly reduced.

It is important that the proposed NPSHPL and the National Policy Statement for Urban Development (NPSUD) are developed together, and relate to the three waters policy that is underway.

We accept that there needs to be flexibility to develop highly productive land in some places. What is important in our view, is that urban development and productive land are considered together to provide a planned approach so new urban areas are designed in a manner that maintains the overall productive capacity of highly productive land. We are particularly concerned about reverse sensitivity pressures on growers.

One disadvantage of a planned approach to urban development is that land that is ear-marked for urban development tends to be subject to higher rates for many years before its development potential is realised. We understand that rates are not an RMA matter, but we recommend consideration is given to the rates policy for highly productive land that is re-zoned so it can be used productively until it is required for urban development.

Freshwater Management

The National Policy Statement for Freshwater Management (NPSFM) includes the concept of Te Mana o Te Wai. This concept recognises that the health of water, people and the wider environment are interlinked. The proposed NPSFM establishes a hierarchy, with the needs of water first, the essential human health needs of people second, and thirdly the uses of water to support the economic, social, cultural and wellbeing of people and communities now and in the future.

Growers support policies to improve and maintain freshwater environments. We agree that the health of people, water and the environment are interlinked. We maintain that food is an essential human health need, and in particular fruit and vegetables.

The proposed NPSFM establishes a range of new water quality outcomes, to be achieved over time, through regional action plans and limits. The proposed NESFM identifies some catchments with in-stream nitrogen concentrations that exceed the proposed national bottom lines, where additional actions are proposed to reduce nitrogen discharges more quickly, and introduce rules to control intensification.

The proposed intensification rules include a proposal to require water quality discharge consents for any expansion of 10 ha or more of irrigation. This will capture new orchard expansions. On average orchards use a third of the water of irrigated pasture and have lower leaching concentrations (Gentile, et al., 2014), produce less greenhouse gas emissions (BERG, 2018), and have the highest revenue on per ha basis compared to any primary production land use (Ministry of Primary Industry, September 2019).

Capturing fruit and low impact horticultural production in the proposed NPSFM irrigation intensification rule is unlikely to result in improvements in water quality, and won't enhance the productive capacity of land or enable famers to transition to lower emission productive uses. In our view this policy is inconsistent with the proposed NPSFM and contrary to direction of the NPSHPL and the Climate Change Response (Zero Carbon) Amendment Bill.

Some of the high nitrogen catchments include fruit growing. In these catchments fruit is likely to make a very minor contribution to the nitrogen load.

Horticulture growers are committed to implementing independently audited Farm Environment Plans (FEPs) to demonstrate they are operating at or above good management practice for water use and discharges. Approximately 3500 growers have audited Farm Plans under either NZGAP or Global G.A.P., which is equivalent to over 90% of fresh fruit and vegetable production. Export markets and NZ supermarkets require NZGAP or Global G.A.P. certification,

The NZGAP Environmental Management System (EMS) also includes good management practices for soil erosion and health. Zespri G.A.P reviewing its Farm Plans to provide a greater emphasis on environmental management. We see FEPs as a method of integrating policy to improve the health of water and to enhance the productive capacity of land.

A number of catchments that are important for vegetable growing have water quality that is below proposed national bottom lines. In some of these catchments, vegetable growing occurs but is extensive and a minor land use. However, some small stream catchments within the mild west coast growing hubs, which depend on rain and upon which New Zealanders depend for winter vegetables, are included.

Growers are concerned that in catchments where water quality is targeted for improvement, they may be unable to continue to grow vegetables if the regulations do not take into account the impact of potential farm scale nutrient limits on vegetable yields (Ford, 2014).

The proposed intensification rules include an option that would enable grower to expand provided they were operating at good management practice or above, this option is important to enable growers to feed New Zealanders in the future. The other option, requiring offset, is uneconomic (Ford S. , 2019). A modelled scenario testing the offset option proposed in NES FW predicted increases in fresh vegetable prices could be as much as 58% by 2043 (Deloitte, 2018).

If nutrient allocation policy significantly impacts the productive capacity of land, then we are of the view that land should not be prevented from being developed for urban uses.

The potential risks associated with the implementation of the proposed NPSFM and NES FW are felt strongly by growers. Regional Council policy developed to implement the NPSFM 2014 and 2017 has served vegetable growers very poorly. For example, currently the Horizons Proposed Plan Change 2 caps the productive use of LUC I land at dairy farming, stripping the productive capacity of a nationally important vegetable growing hub that provides 20% (KPMG, 2017) of New Zealand's green vegetables. We acknowledge that water quality needs to improve in degraded catchments. In sensitive and highly modified catchments, improvements are likely to require a more targeted approach than simply limiting discharges and abstractions.

In our view, an NES specifically for commercial vegetable growing is required to provide nationally consistent rules for vegetable growing. We are supportive of rules that would hold growers accountable for achieving on-farm improvements, require growers to only rotate onto highly productive land, and set limits for vegetable growing that recognise the value of freshwater and the value of vegetable growing for supporting the health of New Zealanders.

Human Health

Over 80% of vegetables grown in New Zealand are for domestic consumption (Plant and Food, 2018). The vegetable export market is integrated with the domestic vegetable growing, and is important for the economic sustainability of the domestic vegetable market.

When regulations treat all primary production the same, we risk allocating natural resources to existing land uses without considering the health consequences for our population.

The benefits of fruit and vegetable consumption are well established, particularly their role in preventing general micronutrient-deficiencies and chronic diseases (Moore, Barton, & Young, 2019). Low fruit and vegetable intake are identified as a leading risk factor in loss of health. In New Zealand, having a high body mass index (i.e. being overweight or obese) has overtaken tobacco as a leading cause in health loss (Ministry of Health, 2013).The Institute for Health Metrics and Evaluation (IHME) carry out the Global Burden of Disease study. This study attempts to quantify the health loss due to various diseases and risks. The study estimated that almost 800 deaths were caused by low vegetable intake in New Zealand in 2017, as well as quality of life lost due to morbidity (IHME, 2017).

The price of meeting micronutrient requirements is very expensive in New Zealand compared to other countries. Without changing the land use the situation is unlikely to get better and could get worse (Moore, Barton, & Young, 2019).

Affordability is a key factor in why people eat less than the recommended intake of fruit and vegetables. If fruit and vegetable growing cannot expand to meet the growing demand with an increased population, the reduced availability of vegetables and an increased price would impact on the health of the most vulnerable people (Moore, Barton, & Young , 2019).

Higher food prices don't affect everyone equally; generally low-income households have a stronger response to changes in cost. Healthier food has been the first essential that low income families compromise in times of economic hardship, exacerbating existing nutritional deficiencies resulting from general lack of money (Cheer, Kearns, & Murphy, 2002).

In New Zealand, for families living in deprived areas, increases in fruit and vegetable prices especially around their off-season, compel them to substitute the purchase of healthier whole fruit and vegetables with cheap energy-dense and nutrient-poor products (Rush, Savila, Jalili-Moghaddam, & Amoah, 2018).

A 2019 Ministry of Health study has analysed household food insecurity among children in New Zealand, many of these children live in the Waikato. (Ministry of Health, 2019).

174,000 (19%) children in NZ are estimated to live in food insecure households. When considering just the children in food insecure households, almost two-thirds lived in the two most deprived quintiles of neighbourhoods (Quintiles 4 and 5: 63.3%) (Ministry of Health, 2013).

There is an extensive body of research indicating that children experiencing household food insecurity have lower fruit and vegetable intake, diets higher in fat, and are at an increased risk of obesity (Ministry of Health, 2019).

Local vegetable production may provide a pseudo-subsidy through increased access to seasonal discounts and holding transports costs down. This would have long term public health benefits (Moore, Barton, & Young, 2019).

Climate Change

The Paris Agreement aims to limit global warming to 1.5 degrees and foster low emissions development in manner that does not threaten food production.

The Eat-Lancet Commission report found that food is the single strongest lever to optimize human health and environmental sustainability, and without action the world risks failing to meet the United Nations Sustainable Development Goals and the Paris Agreement. The report recommended a transformation to healthy diets by 2050 requiring substantial dietary shifts, with global consumption of fruits, vegetables, nuts and legumes having to double, and consumption of foods such as red meat and sugar being reduced by more than 50%.

"The food we eat and how we produce it will determine the health of people and planet, and major changes must be made to avoid both reduced life expectancy and continued environmental degradation." (Eat-Lancet, 2019)

The Intergovernmental Panel on Climate Change (IPCC) Climate Change and Land report recognizes the global food system is under pressure from non-climate stressors (e.g., population and income growth, demand for animal-sourced products), and from climate change. These climate and non-climate stressors are impacting the four pillars of food security (IPCC, 2019).

The contribution New Zealand makes to global food security, like our contribution to emissions, is relatively small. However, improving the global food system so it contributes more to the health of people, and less to climate change, requires global action.

New Zealand already produces carbon efficient horticultural crops. As other countries develop systems to meet their Paris Agreement commitments, the risks of carbon leakage will be reduced. However, there is still an opportunity for New Zealand growers and farmers to differentiate our products by their lower carbon footprint. This low carbon footprint could be achieved by both increasing efficiency and with on-farm sequestration.

Whilst carbon foot printing of individual products and comparison with similar products (either imported, or export competitors) is important to reduce the risk of carbon leakage, this method on its own could result in New Zealand producing less food and specialising in producing efficient but carbon intensive food products. This outcome would not achieve the aims of the Paris Agreement, because it could result in reduced food production.

The measure of New Zealand's success in adapting our food production system in a way that contributes to global efforts to reduce global warming, will be to reduce the overall carbon intensity of New Zealand's food production, by changing, but not reducing our production.

Horticulture, and in particular fruit for export, presents an opportunity for current and future generations to produce more food in New Zealand with much lower emissions than animal agriculture. There are barriers to expansion of horticulture. While there is potentially 1,000,000 ha of land with a suitable soil and climate for horticulture (BERG, 2018), not all of this land has the necessary infrastructure or water availability to realise its potential productive capacity at this time.

Food Policy

The definition of food security has experienced a substantial evolution over a period of decades, moving from a supply-focused concept, mostly related to food availability, to a multidimensional notion that also considers food accessibility, food utilisation and food stability.

One regularly cited definition of food security was defined at the World Food Summit in 1996 by the Food and Agriculture Organisation (FAO, 2016) and is stated: *"Food security is achieved when all people at all times have physical and economic access to sufficient, safe and nutritious food to meet dietary needs and food preferences for an active and healthy life".*

This definition of food security encompasses the five key pillars of availability, accessibility, acceptability, adequacy and stability (PMSEIC, 2011). These are defined as:

- **Availability** – Sufficient supply of food for all people at all times,
- **Accessibility** – Also referred to as *equality of access to food*; this describes the idea of physical and economic access to food at all times,
- **Acceptability** – Access to culturally acceptable food which is produced and obtained in ways that do not compromise people's dignity, self-respect or human rights,
- **Adequacy** – Access to food that is nutritious, safe, and produced in environmentally sustainable ways, and
- **Stability** - Reliability of food supply.

Nations will prioritise different dimensions of food security to reflect their social, economic, geographic, historic and cultural experience and goals (McWha, Li, & Moore, 2019).

New Zealand's food policy has tended towards self-reliance, and exporting products we have a comparative advantage in and importing other products.

New Zealand has also been relatively self-sufficient for fresh vegetables and fruit, while importing mainly canned and frozen vegetables, and out of season fruit (Plant and Food, 2018). Due to New Zealand's isolation, we are unlikely to be able import sufficient fresh vegetables to replace locally grown vegetables, if due to urban or water policy, fresh vegetables growing cannot expand to meet the demand of New Zealanders in the future.

A movement towards increased food self-sufficiency could be beneficial for New Zealand's food security, given the potential impacts that increased food prices could have on disadvantaged parts of society. Increased domestic production of horticulture, particularly in a variety of different crops, could improve the nation's ability to feed itself and make it less dependent on imports. It would also be less susceptible to a single crop failure from disease or biosecurity incursion (McWha, Li, & Moore, 2019).

Increased domestic horticultural production could also support New Zealand's ability to be food self-reliant. If New Zealand is able to increase the quantity and quality of crops in which it has a comparative advantage (such as kiwifruit or apples), then this could drive higher income from exports. This would enable an increased variety of foods to be imported that can serve the country's food security agenda.

While the objectives of increased food self-sufficiency and food self-reliance may seem in opposition to each other, this would only be the case if the domestic production sector remained static. A more diverse and productive domestic food sector would likely help serve both goals and improve the overall level of food security in New Zealand. To achieve these goals, domestic production must be strategic and informed, responding to consumer trends internationally, as well as the stability and accessibility of food for New Zealanders (McWha, Li, & Moore, 2019).

In our view, New Zealand should develop a food policy. New Zealand's food policy would need to consider food security, climate change, the impacts of food production on ecosystem health and natural resources, and the importance of sustainability to New Zealand's international food brand.

Discussion questions

What are the values and benefits associated with highly productive land?	The values and benefits associated with the use of highly productive land are significant for horticulture. They include: • Economic benefits – employment, export, industry growth potential, infrastructure needs; • Diversity and resilience in New Zealand's rural production system – using the most highly productive land for a broad range of domestic and export products; • Climate change/transition to low emissions economy; • Health outcomes and social well-being – adverse health outcomes resulting from not eating enough fruit and vegetables; • Fresh food/food supply – national food supply and domestic food security which will become more important with population growth; • Horticulture is an efficient land use and contributes to rural character and amenity; • Cultural and social values associated with some crops e.g., Kumara in Northland, Kiwifruit in Bay of Plenty, leafy greens from the Horowhenua; and • The settlement pattern of New Zealand (Maori and European) saw many towns and cities develop adjacent to the resources required to support the occupants including land for food production. That relationship remains in some areas, and is progressively being lost in others but will remain critical for future generations. The key values associated with highly productive land at a regional level should be identified as part of Policy 1 prior to the identification of highly productive land in the region. The values would assist in the process of identifying highly productive land, and when assessing the relatively productive capacity impacts of activities, a values-based assessment of the effects on the social, economic and cultural outputs of highly productive land could be undertaken to inform how the productive capacity of highly productive land can maintained within limits.

What are the values and benefits associated with existing food growing hubs and how can these be maximised?	A 2018 report on the Pukekohe Hub ('Hub'), which has an area of 4,359 ha (representing 3.8% of New Zealand's total fruit and vegetable growing area) stated that: • The Hub's horticulture industry directly contributes approximately $86 million per annum, in value-added terms, to the regional economy; • The Hub's horticulture industries indirect contribution, reflecting expenditure on intermediate inputs such as agriculture support services, water, machinery, feed, fertiliser and seed, is $175 million per annum, in value-added terms; • The Hub employs 3,090 full time equivalents and 90% of the produce grown in the Hub is for the domestic market; and • The Hub contributes to the social fabric of the community. Hawke's Bay is another important food growing hub, and the following illustrate the value and benefit of that food production to the region and New Zealand as a whole: • 'Food production' in Hawke's Bay accounts for 52.5% of the region's GDP[1]; • There are about 400 growing operations in the Hawke's Bay region, comprised of orchards, fresh vegetable and process vegetable growing operations, and there are also three growers of indoor covered crops; • Hawke's Bay produces 61% of New Zealand's apple and pear crops, 70% of the country's summer fruit and 50% of the country's squash crop; • While a range of fresh fruit and vegetables are grown for domestic supply, with Hawke's Bay providing into the domestic food chain at times of the year when other regions are not able to provide fruit and vegetables, the majority of Hawke's Bay's horticultural produce is exported – either fresh, or processed by one of the several large processing firms located in Hastings; • Two of the largest post-harvest facilities located within the region (Heinz, Watties and McCains) alone employ over 1800 people; and • Around 16,800 ha of commercial fruit and vegetable production is on the Heretaunga Plains. Ensuring the ability of the food growing sector to continue to grow in Hawke's Bay is critical to both the region and the country – particularly from an economic perspective, but also from a cultural and social perspective as well.

[1] According to the 2016 report 'Matariki, the Hawke's Bay Regional Economic Development Strategy and Action Plan'.

	In Northland region overall, the horticulture industry affords a range of social, cultural, environmental and economic benefits to the region: a) Cultural values The kumara has a long history of cultivation in New Zealand, dating back over a thousand years with the arrival of early Maori settlers. Although today's kumara are not the same species, it still has a place within New Zealand's cultural tapestry and is classified as a national taonga under the Wai 262 Treaty Settlement findings. b) Economic values The horticulture industry contributes significantly to local economy. In 2017, Northland's kumara industry contributed over $60 million in profit and has grown almost $20 million in value in 3 years. The kumara production in Kaipara is regionally and nationally significant as 90% of the domestic production occurs within a small footprint in the area. Northland's avocado industry represents 47% of national avocado production. In 2016/2017 the industry generated $43 million to Northland growers. For the 2017/2018 season, the kiwifruit industry contributed over $44 million to Northland kiwifruit growers. Using standard economic multipliers this equates to $264 million to the wider Northland economy. c) Social value The kumara is an important food source for New Zealanders. In 2017, kumara was in the top 10 vegetables for consumer spend as is reflected in the $20 million increase in revenue since 2014. Significantly, the Northland kumara industry alone provides 90% of domestic supply. At a local level, the Northland horticulture industry provides much needed employment opportunities. The kumara industry employs 170 full time employees (FTE), increasing to 1,200 during planting and harvesting. The kiwifruit industry employs 182 FTE (2015/2016) with a 133% increase (to 886 FTE's) anticipated by 2029/2030. For each of these hubs and the other growing hubs in New Zealand, there are different opportunities and constraints that impact on the productive capacity of land; issues around urban and lifestyle expansion as well as environmental constraints, policy constraints, and constraints around infrastructure and labour.

SECTION 3.1: PROBLEM STATEMENT [PAGE 23]	
Does the RMA framework provide sufficient clarity and direction on how highly productive land should be managed? Why/why not?	The RMA lacks clear direction on how highly productive land should be managed. The previous Town and Country Planning Act 1977 explicitly provided for the value of food production (and the need to avoid urban encroachment and 'sporadic' development in rural areas) as a matter of national importance. While highly productive soils are a relevant consideration under sections 5(2), 7(b) and 7(g) of the RMA, as identified in the discussion document: • Section 5(2) "In this Act, sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while— a) sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and b) safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and c) avoiding, remedying, or mitigating any adverse effects of activities on the environment." • Section 7(b) "the efficient use and development of natural and physical resource" is to be given particular regard. • Section 7(g) "any finite characteristics of natural and physicals resources" is to be given particular regard. These references do not provide sufficient clarity and direction because: • Highly productive land (and the soil resource) is not identified as a matter of national importance (Section 6) of the RMA. • Sections 5(2), 7(b) and 7(g) are not specific to the features of highly productive land and can also be related to other resources (e.g. the provision of housing, a physical resource). • A number of other matters (e.g. freshwater management, urban development, renewable energy generation, electricity transmission, the coastal environment) have National Policy Statements which provide clear direction in plan making and implementation. In the absence of clear guidance around highly productive land, other priorities (which can often be competing) can be given precedence during plan development and then subsequently in resource consent decision making.

	As a result of this 'policy gap' there is inconsistent and sometimes deficient policy with regard to: • Subdivision and urban growth in rural areas and protection of highly productive land; • Management of the rural/urban interface, which shifts as a result of urban growth; and • Plan approaches to protect and supporting horticultural production activities and the allocation of resources to sustain production. Limited policy guidance can result in these values only being considered at the resource consent stage. Horticulture as an industry is unique in that highly productive soils need to be considered at a broader scale, the value of highly productive land cannot be considered only at the local level. At present, the regional and district planning system generally does not allow consideration of the overall national food system in New Zealand and how land use decisions at a district or regional level affect food production and availability of supply at both the local and national level. Highly productive land and the growing hubs that rely on this resource cannot be considered in spatial isolation at the district or regional level. The land is part of the national food production system around which there is benefit in direct RMA policy and a national food strategy.
Does the RMA framework provide sufficient clarity on how highly productive land should be considered alongside competing uses? Why/why not?	The RMA does not provide sufficient clarity on how highly productive land should be considered alongside competing uses. As noted above, highly productive land (by reference in Part 2 to protection of natural resources to enable people and communities to provide for their social, economic, and cultural well-being, safeguarding the life-supporting capacity of soil, efficient use and development of natural resources and having regard to finite characteristics of natural resources) is a matter central to sustainable management, however unlike other national issues there is no further national level policy guidance. In the absence of specific recognition (and policy) for highly productive land, there is no guidance on how to consider this alongside competing uses. This lack of guidance on how to consider highly productive land in decision making is particularly apparent when being compared to other activities that have National Policy such as urban development and electricity transmission.

	Competing uses are not just urban development and rural lifestyle development but also include activities in rural production areas such as infrastructure, industrial and commercial uses and tourism. The existence of such activities can compromise the use of highly productive land but the RMA does not provide a clear framework for balancing such competing uses. We suggest that there is currently not sufficient guidance on how highly productive land should be considered alongside other competing uses and that the introduction of an NPS, and the need for that to be given affect to in lower order planning documents, will provide clarity on how highly productive land should be considered.
How are values and wider benefits of highly productive land being considered in planning and consenting processes?	There is considerable variability in how the values and wider benefits of highly productive land are being considered in planning and consenting processes. Somewhat unhelpfully, there is variation within regions (as well as between regions). Some local authorities are putting very high importance on the protection of the soil resource – both in planning and consenting processes, and have declined applications citing the need to protect versatile land as one of the key reasons for decline. However other local authorities do not appear to be placing such importance on the value and benefit of highly productive land with the assumption being that the resource is not limited and that a loss of production in one area may be supplemented by production in another. This approach demonstrates a lack of understanding about what is required to produce food and that not all land is suitable for food production. To ensure that highly productive land is considered as part of resource consent application there needs to be a robust planning framework to enable assessment of the effects of the activity on the highly productive land resource. Without clear direction in the RMA and at a national level there is no requirement to include such provisions in a district plan, and hence part of the consent assessment process. Otago Regional Council has identified 'significant soils' in the RPS and established a framework which district council will need to give effect to but as yet district plan changes have not been made. Whangarei District Council established criteria for identifying areas suitable for rural residential development that gave some consideration to highly productive land that sought to provide for a variety of rural living opportunities in the District without materially reducing the potential of the

	Rural Area for productive use of land by providing for the RLE in locations that met the criteria, including: do not materially reduce the potential for soil-based rural production activities on land with highly versatile soils or land with established rural production activities (RA.1.3.4). However, the criteria were not sufficiently robust as areas of highly productive land were still identified as Rural Living in the plan and thereby removed from productive use. Part of the difficulty arose from the fact that many areas of highly productive land in Whangarei are on Class IV land because of slope or presence of rocks due to volcanic activity. But the land is highly productive for avocado production as the limitations are not significant to that production system. This is an example of where the focus on 'versatile soils' and LUC 1-3 is deficient in terms of defining highly productive land. The lack of a national context has resulted in inconsistent and ad hoc planning approaches. Consenting processes typically fail to consider a national context and the result is incremental local loss of nationally and regionally significant land. An issue for current consenting processes, and which will likely become more apparent should the NPS-HPL progress, is a need to consider a national position on whether soils can be relocated to enhance the productive capability of other land.
SECTION 3.2: URBAN EXPANSION ON TO HIGHLY PRODUCTIVE LAND [PAGE 24]	
How is highly productive land currently considered when providing urban expansion? Can you provide examples?	• Versatile soils and rural productivity are somewhat used interchangeably/practice varies – e.g. various terms used to include high class, high value, elite, versatile, fertile. • What is considered 'versatile soils' varies, e.g. Horizons RPS Objective 3-4 Urban growth and rural residential subdivision on versatile soils considers only the benefits of retaining Class I and II versatile soils. Auckland Unitary Plan prioritises Class I (Elite) over Class II and III (Prime). • RMA considerations include 5(2)(a) -(c), 7(b), 7(g) for soils, but this does not necessarily provide certainty that the need for land supply will not result in protection of soils and land. • Value of soil is often reflected at the district level only e.g. *the loss represents 3% of the land in the district currently used for arable farming and 0.6% of land with LUC 2 soils in the*

	District (Rangitikei PC to rezone 217 hectares south of Marton from existing rural land into industrial)[2] • What is typically lacking is consideration of the future interface of urban land with highly productive land – the sterilisation of production activity occurs not just on the highly productive land lost to urban land use but also in the urban-rural interface where conflict with differing amenity expectations occur. The Northland RPS has Objective 3.6 which seeks to limit reverse sensitivity and sterilisation of land to support economic activity in the region. However, while this objective and policy were part of the consideration in the Whangarei District Rural plan changes, some highly productive land was lost to urban development and rural residential development. The policies for significant soils in the Proposed Otago Regional Policy Statement provided a strong direction to protect the resource. However, through the appeal process and giving effect to the NPSUDC the policy framework was weakened as the requirements of the NPSUDC had a higher priority than the protection of significant soils. In Hawke's Bay, the Heretaunga Plains Urban Development Strategy[3] (2017) (HPUDS) has as one of its guiding principles "the productive value of its versatile land and water resources are recognised and provided for and used sustainably" and in the preamble to the 2017 version, specifically recognises the value of soil and water as a significant resource for ongoing food production and as a major contributor to the regional economy. The strategy sets out the preferred settlement pattern of 'compact design' and defines growth areas. The Regional Policy Statement identifies management of the built environment as a significant regional issue, and gives effect to the "general tenents" of HPUDS, but also includes specific objectives and policies that relate to versatile soil and provide some direction about how versatile soils should be considered when urban expansion is being considered. For example, Objective UD1 seeks the establishment of compact and strongly connected urban form throughout the region that, [amongst other things] (d) avoids unnecessary encroachment of urban activities on the versatile land of the Heretaunga Plains; and POL UDI states that in providing for

[2] 2019 The property group. Proposed District Plan Change Report for rezoning 1165, 1151, 1091 State Highway 1, Marton

[3] A joint initiative between Hastings District Council, Napier City Council and Hawke's Bay Regional Council that seeks to manage urban growth on the Heretaunga Plains from 2015 [it was initially drafted in 2010 and reviewed in early 2017] to 2045. It is not a statutory planning document, although its development, ongoing review and implementation by the signatory Council's has been set out and agreed to in a Memorandum of Agreement.

	urban activities in the Heretaunga Plains sub-region, territorial authorities must place priority on (a) the retention of the versatile land of the Heretaunga Plains for existing and foreseeable future primary production. However regardless of the guiding principles, significant areas of Heretaunga Plains have been identified for urban development. Such rezoning reinforces the need from strong policy direction to ensure that highly productive land is appropriately protected.
How should highly productive land be considered when planning for future urban expansion?	The values of highly productive land and potential costs and benefits of enabling and/or allowing urban expansion onto highly productive land should be specifically considered as part of the process of identifying areas that may be appropriate for future expansion. The impact of losing that land to primary productive use is a matter that should be specifically investigated, and those findings then considered, alongside other relevant matters, when decisions about areas that are potentially suitable for future urban expansion are made. An NPS could direct this, and we believe that would be useful. The spatial scale of the assessment is relevant. When an assessment of the social, economic and cultural values associated with the primary production use, compared to an urban use of a specific block are compared against the same assessment at a Fresh Management Unit, the magnitude of adverse and beneficial effects will differ. At a catchment scale the benefits of urban development may be achievable on alternative land compared to a loss of productive capacity which may not be able to be replaced. On the other hand, the loss of some highly productive land may be offset at the fresh water management scale by improvements in productive capacity elsewhere associated with a development. The temporal scale of the assessment is relevant. Land that has potential to have high productive capacity could have temporarily reduced productivity, for example due to pests or disease or water over allocation. In the longer-term the land and the lands productivity could be enhanced, for example, due to future investments in water storage or improvements in technology. On the other hand, when the productivity of highly productive land is constrained in the present, preventing landowners from exiting constrained land and maximising their land value through urbanisation can have significant impacts on the long-term viability of those businesses. An NPS could direct these assessments, and we believe that would be useful.

SECTION 3.3: FRAGMENTATION OF HIGHLY PRODUCTIVE LAND [PAGE 25]	
How is highly productive land currently considered when providing for rural-lifestyle development? Can you provide examples?	Approaches vary across local authorities and are clearly related to the provisions within the current district plan, and also to a degree by the frameworks set out in regional policy statements and regional plans. Local authorities that have very permissive rural zoning provisions are in many cases limited in their ability to consider the impact of rural-lifestyle development on highly productive land, and review of their district plans is necessary to address this. We believe this is being done by local authorities as they are able to do so, however in some cases (for example, the recently notified Draft Central Hawke's Bay District Plan) proposals to establish multiple rural zones, based on the productive potential of land[4] with different rules relating to rural lifestyle development particularly limit landowners ability to undertake rural lifestyle developments within the plans production zone. The council also proposes to establish a specific rural living zone. When notified for feedback, many submissions raised strong opposition to the proposal for multiple rural zones as this was considered by many to unnecessarily limit the development potential of landowners. Whether the proposal to establish multiple rural zones survives the draft planning stage remains to be seen. The direction that would be provided by an NPS would be of assistance in a situation such as this.
How should highly productive land be considered when providing for rural-lifestyle development?	The location of highly productive land should be considered when zones are delineated that allow (via resource consent) rural-lifestyle development, and where possible such zones should avoid highly productive land. However, as evidenced in the Whangarei Rural Living example the criteria that were applied to identify the zones were insufficient to protect all highly productive land in the area. Therefore, there is a need for robust policy direction that establishes criteria that will ensure that highly productive land is not rezoned rural lifestyle or rural residential, unless there are extenuating circumstances. There should also be a robust policy framework in plans against which proposals can be assessed. Any resource consent for subdivision use or development on land identified as highly productive land

[4] The Draft version of the Central Hawke's Bay District Plan proposed to replace a single 'Rural Zone' with two rural zones – a plains production zone, and a rural production zone. The extent of each rural zone was generally based on the LUC classification of the land, with the plains production zone encompassing most of the LUC Class 1-3 land within the district, and the rural production zone the remainder of the district.

	should be a non-complying activity thereby having to demonstrate it meets the objectives and policies of the plan and the effects are no more than minor. As part of the resource consent processes rural-lifestyle development should only be allowed on land identified as being highly productive if it can be shown (by an appropriately qualified person) that the identification of it as highly productive is not accurate at the individual property level, or that there are benefits for the productive capacity of highly productive land and other benefits and these benefits exceed the benefit of using alternative land for rural-lifestyle development. There are a range of effects from rural-lifestyle development. It is also important to be aware that residential activities in a countryside living situation have rights under section 14 of the RMA to take water to meet reasonable domestic needs. While a single dwelling will have a limited impact, the cumulative effect of 'as of right' water takes for domestic use can be significant and reduce what is available for other users including for growing food. There is also a potential conflict with water abstraction for domestic uses. The nitrate levels in groundwater are elevated beneath some highly productive land. A planned approach is needed to provide for essential water sanitation for urban communities to the scale to enable a drinking water sources to be protected, and for treatment to be provided. For a country side living situation, ensuring un-treated water meets the health needs of people in any location, places considerable constraints on highly productive land. A planned approach to urban and lifestyle development which considers the constraints on the development could place on the water and nutrient allocation within the same catchments is required. Demand for countryside living is a consequence of urban growth and also has a relationship with improvements to transport and communication connections. New areas become commutable for urban workers when road or rail services improve. Home occupations become more attractive as communications technologies change. As this happens the character and amenity expectations in rural areas change. Conflicts develop between competing land uses for resources and space. Pressure comes on Councils to provide more urban services, including 'rubbish collection', hard engineering responses (kerb and channel), effluent disposal, water, and street lighting. For these reasons, it is important that these activities are well managed. Where there is significant pressure, specific rural residential or countryside living zones should be put in places. In others, directive policies and rules that avoid ad hoc rural lifestyle subdivision and land use from undermining the productive potential of rural land are required.

	Consistent with HortNZ's position on urban expansion, rural residential and countryside living subdivision and land use should: • Be consolidated, rather than disbursed; • Be located on land with low productive potential; • Make efficient use of land; • Be located so as to avoid giving rise to reverse sensitivity effects for existing rural production activities; and • Not compete with or degrade rural resources required to support rural production activities e.g. water. There should be caution also in providing for 'production lots'. As noted above, there is a long-standing expectation that there is a right to establish a dwelling on a lot, including if the nominal purpose of that lot is as a 'production lot'. While smaller lots may initially be used for production – as market or environmental conditions change these smaller lots are attractive for rural living, rather than production. This was observed in the Franklin District and can drive long-term and irreversible land fragmentation. Alternatives such as transferable rural lot subdivision that ensure no net increase in the number of rural lots should be considered as alternatives to production-lot subdivision. Other measures that can be adopted include the use of consent notices to provide an inextricable and conditional link between any dwelling established on the site and the use of the site for primary production, however the long-term viability and enforceability of these measures is questionable.
SECTION 3.4: REVERSE SENSITIVITY [PAGE 26]	
How should the tensions between primary production activities and potentially incompatible activities best be managed?	Tensions between primary production activities and other incompatible activities can impact on the social license to operate, economic and operational limitations. A key requirement in managing such potential tensions is the planning framework, particularly the need to clearly set out rural character and amenity expectations and establish a robust policy framework for assessing applications. These could be more explicitly set out in the District Plan in relation to the outcomes and issues for the relevant zones. A requirement for large separation distances between existing primary production activities and incompatible activities, such as residential dwellings does assist in managing tensions. But an appropriate balance must be struck

	between providing such separation/buffer and not effectively preventing additional highly productive land from being utilised for primary production purposes. There is a need to recognise that not all effects can be internalised and the introduction of sensitive elements into rural production environments erodes the accessibility and utility of highly productive land. An example of where tensions between incompatible activities has been evident is around Kerikeri in Far North District where there has been a very open approach to activities locating in the rural area and led to a high density of rural lifestyle development in key horticultural growing areas which are located on highly productive land. This planning framework has led to industrial activities, child care facilities and lifestyle development locating and placing considerable pressure on the orchardists in the area leading to increasing complaints about the orchard activities. Clear policy direction at a national level for highly productive land which are given effect through the RPS and district plan would contribute significantly to limiting the type of outcome in Kerikeri. Another issue that is observed is the expectations around the amenity of rural land, with an expectation from some that rural should be an open pastoral or arable landscape, with resistance to essential horticultural infrastructure such as crop protection structures on highly productive land. For example, in Opotiki District Plan, an environment NGO's preference was the rural amenity associated with low-value maize production, and sought stricter controls on the use of crop protection structures. The protection structures are required to convert the land to high value horticulture, and realise the potential productive capacity of the land. The NPSHPL could provide some assistance in weighing up the amenity effects of increasing the productive capacity of highly productive land. There is potential to provide more 'education' of those pursuing a rural lifestyle who have not previously had any experience in a rural area. Who is best to deliver such information/education is difficult to identify, but it would seem that local authorities have a role to play in some way.
How can reverse sensitivity issues at the rural-urban interface best be managed?	Reverse sensitivity issues can manifest within the rural production area, between rural lifestyle areas and at the rural-urban interface because of the location of incompatible activities. It is not just a rural urban interface issue. Objective 3 in the draft NPSHPL does not limit reverse sensitivity to the rural urban interface.

	Managing the potential for reverse sensitivity is similar to managing tensions between primary production activities and incompatible activities. There needs to be a clear planning framework for managing/supporting areas where urban development and rural lifestyle development directly adjoins Rural Zoned land. Methods to manage reverse sensitivity include: • Setbacks for new residential activity and sensitive activities in the rural production zone and setbacks on the boundaries of the zone (applying within the adjacent zone); • Limiting the ability to establish sensitive activities within the rural production zone; • Buffer strip requirements, which could include landscaping requirements – using roads and reserves as interfaces to provide defensible boundaries; and • Establishing clear expectations of what are realistic rural character and amenity expectations through RPS and district plan provisions. We are aware that it is necessary for growers to ensure that they undertake their productive activities in accordance with industry best practice to ensure that reverse sensitivity issues are minimised as far as practicable, and where appropriate, ensuring that (where applicable) regional and district plans are clear in their requirements of growers which helps make expectations clear. There is a new reverse sensitivity issue emerging. As a result of pressure on growers near urban centres some have sought to relocate to new rural production areas. However, if there is established rural lifestyle dwellers in the new areas there is resistance to growing operations locating and has led to complaints about the activity. An example is in Waimate North where potato growers have established some new growing operations but rural lifestyle dwellers in the area are objecting to the spraying of the crops.
SECTION 3.5: THESE ISSUES ARE BEING SEEN THROUGHOUT NEW ZEALAND [PAGE 26]	
Do you agree that there is a problem? Has it been accurately reflected in this document?	Yes, we agree that there is currently a problem with the level of recognition and protection that is afforded to highly productive land, and generally this seems to be reflected in this document.
Are you aware of other problems facing highly productive land?	Other issues that horticultural uses of highly productive land face include: • Increased land values that flow through to rates, when land is zoned or identified for future development, but also due to speculation around future development potential;

	• Cost-benefit analysis for plan changes and consents for urban activities on highly productive land are unable to weigh food production values, which are typically outweighed by job creation and economic outputs, from urban activities. Need to consider the wider values associated with food production; • Cumulative effect of municipal water takes, that often have priority in plans; • Urbanisation degrades water quality through increasing impervious surfaces and the discharge of contaminants, and can impact on the resource required to realise the productive potential of rural land; • Flood protection and land drainage often serving both urban and highly productive land changes stream hydrology and reduces ecosystem health and water quality; • Restrictive rules regarding supporting structures that are an inherent part of some horticultural operations (e.g. crop protection structures and greenhouses); • Increasing restrictions on land use change (as land use change by many interest groups is considered to result in intensification irrespective of the actual impact on land use intensification of a particular activity) which can make realising the value of highly productive land difficult, even in cases where land use change will potentially decrease the nutrient loss from the land; and • Availability of water (acknowledging that there is a need to limit new water in areas where limits appear to have been reached), however increasing restrictions on the ability to transfer water can again make realising the productive potential of highly productive land difficult. • Resistance from existing rural lifestyle dwellers in rural production zones when new growing operations are established in the area on highly productive land. Such growers are limited to areas into which they can locate but are being further limited by such resistance to their operations.
SECTION 4.5 PREFERRED OPTION – A NATIONAL POLICY STATEMENT [PAGE 31]	
Which option do you think would be the most effective to address the problems identified in Chapter Three? Why?	A National Policy Statement specifically addressing highly productive land is considered the most appropriate means of addressing the issues discussed because: • A NES would not allow for variability across the country; • An NPS requires, but also enables each region and district to identify the highly productive land located within their region/district and make decisions about how it is best managed;

	• An NPSHPL would establish a national framework but enable regional variation in implementation through identifying the values of highly productive land in the region; and • It demonstrates the importance of considering highly productive land, which making changes to the proposed NPS for Urban Development would not, and it is argued an NES also does not highlight as well. This should be supported by a national strategy for food production.
Are there other pros and cons of a National Policy Statement that should be considered?	A national policy applies in all regions and requires work of Councils, some regions have much lesser urban and lifestyle pressures In locations where policy doesn't already exist, it could result in loss of value of land, due to reduced development potential impacting on individuals. Depending on the wording, it could prevent development that could be designed to achieve other benefits, including benefits to the productivity of highly productive land and other environmental, social and cultural benefits.
Are there other options not identified in this chapter that could be more effective?	Long term changes to Section s6 of the RMA should be considered to ensure that food production and highly productive land is a matter of national importance.
SECTION 5.2 PURPOSE OF THE PROPOSED NATIONAL POLICY STATEMENT [PAGE 34]	
Should the focus of the National Policy Statement be on versatile soils or highly productive land more broadly? Why/why not?	HortNZ supports the focus on highly productive land rather than versatile soils, as highly productive land takes in a wider range of relevant factors. In our view, highly productive land should be defined on the basis of the natural and physical resources that contribute to the existing and potential productivity of land. This would include: Soil (LUC or better information), fragmentation and cohesion, climate, water resource availability, receiving environment sensitivity and infrastructure. These elements can be considered the long-term natural physical resource foundation of highly productive land. However, it is not just the natural and physical resources that define the productive capacity of land.

	Highly productive land is made up a combination of natural and physical resources, and these together with social, legal and investment decisions define the potential productive capacity of land. All factors must be considered together when determining the impact of activities on the productive capacity of highly productive land. It is important to emphasize that soil is not the only factor and on its own it does not create highly productive land, but it is the most fundamental of the building blocks that creates highly productive land. The LUC is a starting point for defining the versatility of soil, but as better information becomes available the location of highly productive land should be refined to reflect improved information, this includes soils that are highly productive, but are not LUC I, II, III. The ability for regional refinement to define highly productive land is critical.
Should the focus of the National Policy Statement be on primary production generally or on certain types of food production activities? Why/why not?	The focus of the NPS should be on primary production generally, but with particular emphasis on food. All primary production is important to the national economy, and land that is highly productive for one purpose, e.g. wine production, would not necessarily be particularly productive from a vegetable growing perspective. However, we do think food production should have a greater emphasis due to its importance for domestic food supply, and for contribution of global food security objectives. In identifying values for highly productive land at a regional level there may be particular primary production uses that are more valued: e.g. kumara in Kaipara, cherries in Central Otago, kiwifruit in Bay of Plenty.
SECTION 5.3 THE SCOPE OF THE PROPOSAL [PAGE 35]	
Do you support the scope of the proposal to focus on land use planning issues affecting highly productive land? Why/why not?	Yes. Land use planning issues are currently the biggest threat facing the availability of highly productive land, and therefore we believe focusing on addressing those issues is of critical importance. This should be supported by a national strategy for food production.

What matters, if any, should be added to or excluded from the scope of the National Policy Statement? Why?	The Discussion Document (pg. 36) expects that councils will articulate the key values and benefits associated with highly productive land within the context of their region or district. Yet there is no requirement to identify those values prior to identifying the highly productive land in the region. Identifying such values would greatly assist the identification process, particularly where land other than LUC 1-3 is considered to be highly productive land. Such a step is akin to the identification of values in the NPSFM prior to establishing freshwater objectives. It is suggested that this step be added to Policy 1. In our view, it is important that if land cannot be used for productive purposes due to water policy (water quality, allocation or water quantity), or other significant constraints then it should not be prevented from being developed, particularly if development could result in improvement in the productive capacity of other land, for example though additional mitigations partly funded by development, or development of some highly productive land into lifestyle to reduce pressure on an overallocated catchment, such that the highly productive land with the highest productive capacity can utilised. In some cases, where the constraints on the productive use of highly productive land are significant, an exit strategy that includes compensation of land owners could be developed to ensure the highly productive land can remain intact for future generations who may have technological solutions that are not yet available to enable the land to be used productively gain. We do not think the definition of highly productive land should include access to water – this should be included within the definition of productive capacity.
Should future urban zones and future urban areas be excluded from the scope of the National Policy Statement? What are the potential benefits and costs?	We believe that the proposal to exclude future urban areas identified in district plans is reasonable. Perhaps there could be a process whereby people with highly productive land that have been identified as future urban and to be removed, although this is unlikely to resolve reverse sensitivity risks. Growth strategies outside the RMA process should be re-evaluated based on the NPSHPL criteria. Where a Schedule 1 process is still underway for potential future urban or urban areas on highly productive land, consideration could be given to re-evaluation using the NPSHPL criteria to confirm if the land is still suitable for future urban or urban zoning.

Should the National Policy Statement apply nationally or target areas where the pressures on highly productive land are greater?	The NPS should apply nationally as areas that may come under increasing pressure from urban growth may change in the future, and if the NPS was only targeting specific areas, these areas would not be afforded the protection of the NPS.
Specific questions for Section 5.3	
How should the National Policy Statement best influence plan preparation and decision-making on resource consents and private plan changes?	The NPSHPL should explicitly require the specific consideration of the impact of any activity (other than primary production) on highly productive land – in both plan preparation and decision-making on resource consents and private plan changes. Objectives and policies in the NPSHPL need to be included that require this.
Should the National Policy Statement include policies that must be inserted into policy statements and plans without going through the Schedule 1 process? What are the potential benefits and risks?	This would seem to ensure almost immediate protection for highly productive land and avoid a subdivision rush as is typical of district plan changes processes where more restrictive subdivision methods are proposed. It would also save councils time and money that would otherwise be absorbed going through a Schedule 1 process, so on balance this would seem to be an effective means of embedding the NPS into local level documents efficiently. However, the accuracy of the LUC information presents some risks. People should have the opportunity to challenge, review and update the soils information that underpins the decisions on how to identify land for future urban development on an ongoing basis, for decisions around private plan changes and subdivision. For example, the former Franklin District Plan Transferable Title method had a requirement for paddock scale assessment of LUC classes. In addition, the mapping could be treated in a similar manner to significant ecological overlays in Auckland, which are mapped, but also the criteria are described and features meeting the description but not mapped are still subject to policies. This approach could work to manage impacts of private plan changes and subdivisions, while the regional mapping is being developed. There is a risk that land identified in the RPS without going through a Schedule 1 process can only be changed through a plan change initiated by a territorial authority or regional council. An RPS cannot be changed through a private plan change. Therefore, a requirement to identify highly productive land as Class 1-3 may mean that some land is included that may not be included if a full assessment

	was undertaken. This could only be changed when the council undertakes the full assessment and a plan change is notified.
What areas of land, if any, should be excluded from the scope of the proposed National Policy Statement? Why?	We believe that no areas of highly productive land, other than those already identified as urban or future urban in an Operative District Plan, should be excluded from the scope of the proposed NPS. The discussion document considers whether there should be a limitation by lot size. However, lot size is best addressed at the district plan level if considered appropriately. In the Whangarei Rural Living plan change, lot size was included but it did not reflect the fact that many horticulture properties in the district operate on small parcels of land.
SECTION 5.4 THE PROPOSED NATIONAL POLICY STATEMENT [PAGE 37]	
What would an ideal outcome be for the management of highly productive land for current and future generations?	An ideal outcome would be that the management of highly productive land and its uses (whether it be for primary production purposes or other) is deemed to be the most appropriate use for that land, considering in a balanced manner, the individual characteristics of the particular property in the context of the productive capacity at the property scale and at the freshwater management unit scale, considering both long term and short term adverse and beneficial effects, where the productive capacity of land is defined by economic, social and cultural contribution, and the values associated with those contributions.
Specific questions for Section 5.4	
What level of direction versus flexibility should the objectives provide to maintain the availability of highly productive land for primary production?	Strong direction should be provided in the objectives to maintain the availability and productive capacity of highly productive land for primary production and in particular food production. The objectives should be directive. Some flexibility should be provided within the policies. We have suggested flexibility where the loss of highly productive land would result in benefits for the productive capacity of highly productive land and benefits to environmental, economic, social and cultural values.
Should the objectives provide more or less guidance on what is "inappropriate subdivision,	The term 'inappropriate subdivision, use and development' is a well-established RMA term with case law to guide implementation. MfE provides 'User Guides' for a number of documents such as the NPSFM and a similar approach would be appropriate for the NPSHPL.

use and development" on highly productive land? Why/why not?	The provision of more guidance about what is "inappropriate subdivision, use and development" would ensure a high level of consistency in how the NPS is interpreted across the country. Therefore, we believe that as much guidance as possible should be provided about this to ensure that its application is consistent. However, whether such guidance should actually be provided in an objective, or whether it might be better placed in a 'user guide' or other such document that was released at the time an NPS was gazetted may make it easier to revisit guidance about what inappropriate subdivision, use and development is, and keep it up-to-date and in-line with case law and current best planning practice. In our view, the appropriateness would link back to whether there are benefits to the productive capacity of highly productive land as well as environmental, economic, social and cultural values.
POLICY 1: IDENTIFICATION OF HIGHLY PRODUCTIVE LAND [PAGE 41]	
If highly productive land is to be identified, how should this be done and by whom?	HortNZ supports an approach that considers both LUC and other land characteristics that are unique to specific regions or districts, and to update the soil element of highly productive land as better information becomes available, and to use existing information have already identified soils that are not LUC I, II or II as being highly productive. Initially utilising the well-established LUC system seems like a sensible first step in identifying highly productive land and given that this information already exists at the national scale, its adoption will enable the swift adoption of protection for highly productive land. Requiring local authorities to identify highly productive land is a big task that will take time and resource, and for that reason, the requirement to undertake new identification/classification work in areas where the LUC may be reasonably accurate should be kept in mind so that work is not duplicated unnecessarily. Any work done at a local authority scale may still not take into account individual property level variations. Therefore, the ability of assessments to be done (by a suitably qualified person) at a property level must be enabled. It is also noted that expertise in applying/assessing land using the LUC may currently be somewhat limited, therefore setting up a framework that requires many professionals with such qualifications should be done with some caution until the level of expertise that exists within this field is well understood.

	There must be an opportunity for land owners to challenge council interpretation of highly productive land, where site specific evidence is available, and there should be the opportunity for this information to inform strategic planning and private plan change and subdivision applications.
Are the proposed criteria all relevant and important considerations for identifying highly productive land? Why/why not?	We are of the view that all natural and physical resources that contribute to the productive capacity of land should be identified when identifying highly productive land. There should also be the ability for councils to identify land with specific characteristics that make it highly productive land but sits outside the mandatory LUC classes of the NPS. Such examples are Whatatiri in Whangarei where the land is Class IV due to slope and rock but highly productive for avocado; Central Otago where Class IV land is highly productive for cherries; some Class V sandy land that is highly productive for asparagus. Such crops are significant at a regional or district level and will be reflected in the values for highly productive land that the Council establish prior to identifying highly productive land. The NPS needs to provide scope for such land to be identified as highly productive land. There also needs to be the ability to not include mandatory LUC 1-3 land as highly productive land if there are extenuating circumstances that means it is so constrained that it is unable to be used for high production value. Such a determination should be linked to an assessment of productive capacity and how it applies to particular areas of land. We also note that, while some of these factors are natural, others are subject to policy and investment decisions historically and decisions in the future could also enhance or constrain the productive capacity of highly productive land. Those elements that are subject to change due to investment (for example irrigation storage or crop protection structures), or subject to change due to policy (for example water and nutrient allocation policy), must be considered when decisions are made about the degree to which activities maintain, enhance, or constrain the productive capacity of highly productive land.
Specific questions for Policy 1	
What are the pros and cons of requiring highly productive land to be spatially identified?	HortNZ believes highly productive land should be spatially identified, this would provide certainty for investment in rural production systems and for plan users.

	There should be the opportunity for the maps to be updated outside of the planning cycle and be kept as living documents for the purposes of assessing private plan changes and subdivision applications. For private plan changes and subdivision, site specific information would be required, and detailed site-specific information would generally be expected to be more reliable than LUC or S-Map datasets. Site specific information should be given more weight in decisions where this level of information is available. A risk of spatially identifying highly productive land is that if this exercise is not done comprehensively to include a broad range of factors, land that is not identified will not be afforded protection, or protected unnecessarily; this emphasises the importance of the Appendix A criteria and the process undertaken. As any classification system will have advantages and disadvantages, and pathways for identifying new land that isn't spatially identified as being highly productive, but meets the criteria, and therefore should be afforded the same level of protection as land that is spatially identified; needs to be clearly addressed in the NPS.
Is the identification of highly productive land best done at the regional or district level? Why?	HortNZ considers that the identification is best done at a regional level and included in the RPS to ensure consistency in approach across a region. Expertise related to land generally sit within regional councils rather than at district level, however if an approach is agreed and all districts within a region agree to follow it, then the issue of consistency could be addressed. Ultimately, the identification of highly productive land should be done by appropriately qualified persons, in a cost-effective manner, and how that is best achieved in each region could vary.
What are the likely costs and effort involved in identifying highly productive land in your region?	N/A
What guidance and technical assistance do you think will be beneficial to help councils identify highly productive land?	The criteria that is selected to be used to identify highly productive land and the productive capacity of highly productive land will need to be very well defined so that terms used are well understood, and therefore consistently applied across the country.

	A 'user guide' in how to identify highly productive land will need to be produced, and should be road tested with councils as part of the development process, but also needs to be publicly available at the same time the NPS is gazetted, as any delay will otherwise result in councils having to start work on identification of soils without clear, consistent guidance, which will result in a multiplicity of interpretations of how to do it. The Ministry also needs to ensure resource is available to respond to queries that will inevitably arise as councils start to identify highly productive land and productive capacity in a timely fashion, and guidance is regularly updated and made available as quickly as possible.
Specific questions for Appendix A (Criteria to identify highly productive land)	
Should there be a default definition of highly productive land based on the LUC until councils identify this? Why/why not?	We support the use of LUC as an interim dataset. This should also include soils other than LUC I, II, II where councils have already identified these are highly productive. The LUC data se should be used until better or site-specific information is available. However, the definition must include the other aspects of highly productive land as well.
What are the key considerations to consider when identifying highly productive land? What factors should be mandatory or optional to consider?	In our view, highly productive land should be defined on the basis of the natural and physical resources that contribute to the existing and potential productivity of land. This would include: Soil (LUC or better information), fragmentation and cohesion, climate, water resource availability, receiving environment sensitivity and infrastructure. These elements can be considered the long-term natural physical resource foundation of highly productive land. Highly productive land is made up a combination of natural and physical resources, and these together with social, legal and investment decisions define the potential productive capacity of land. The legal environment can alter the cohesion of highly productive land, this could enhance the productive capacity of land through amalgamation of fragmented titles, or could constrain the productive capacity through allowing subdivision of highly productive land. The legal environment includes policy decisions on water and nutrient allocation. These policies could enhance or constrain the productive capacity of land, for example the pastoral natural capital allocation system used in the Horizons One Plan, which prevents the use of highly productive land for

	vegetable growing. National and regional policy create a legal constraint. Similarly, resource consents create an allocation regime. Consents are generally granted for between 10 – 30 years. The physical resources are modified with investments, for example investment in infrastructure can enhance or constrain the productivity of land. For example, land that is too windy to support high value horticulture, can become suitable with the provision of crop protection structures. Land that has insufficient water reliability to support irrigated horticulture, could have its productive capacity improved through water storage. Investment in worker accommodation, can improve the productive capacity of land by alleviating labour shortages. Incompatible neighbouring land uses can constrain the productive capacity of land through social pressures and complaints. All factors must be considered together when determining the impact of activities on highly productive land and impact on its productive capacity.
What are the benefits and risks associated with allowing councils to consider the current and future availability of water when identifying highly productive land? How should this be aligned with Essential Freshwater Programme?	We think that existing water availability and receiving water sensitivity should be included within the definition of highly productive land. However, there is uncertainty regarding the future availability of water (due to a range of issues such as catchment specific plan changes, opportunities for water storage, the impacts of climate change). We suggest the initial identification of land should not include consideration of current availability of water, but that is a matter along with the other factors that contribute to the productive capacity of land, and future policy decisions and climate change can be taken into account when going through a planning or resource consenting process to determine the impact of the development on the productive capacity of land. We think there is a link to the Freshwater Programme at the farm scale in contributing to achieving maintenance of the productive capacity of land. This would be implemented though good management practices that, for example, improve the soil health or reduce erosion risk within the Freshwater Module of the Farm Plan.

	In water planning process, consideration could be given to how policies that support water storage, harvesting and augmentation could be designed to achieve both freshwater and productive land outcomes. In future water allocation decisions, the value associated with the productive capacity of land could inform decision making about the water quality and quantity allocation criteria to allocate limits in the manner that best provides for the social, cultural and economic well-being of people now and in future. In our opinion the importance of highly productive land in providing food for New Zealanders must be given priority in water allocation processes to provide for the essential human health needs of people.
Should there be a tiered approach to identify and protect highly productive land based on the LUC class (e.g. higher levels of protection to LUC 1 and 2 land compared to LUC 3 land)? Why/why not?	HortNZ considers that it would create added complexity for potentially limited benefit. The NPS as proposed does not set out to avoid any future urban development on highly productive land, but rather seeks to ensure that any planning processes specifically consider the impact of activities other than primary production on highly productive land. In our view, the class of soil would be a factor in assessing the productive capacity of highly productive land and therefore a degree of weight could be afforded to Class 1 land compared to Class 3 land when individual proposals are being considered, however, this would be considered alongside other factors influencing productive capacity. Specifying this in the NPS is not considered necessary, nor appropriate.
POLICY 2: MAINTAINING HIGHLY PRODUCTIVE LAND FOR PRIMARY PRODUCTION [PAGE 42]	
What are the pros and cons associated with prioritising highly productive land for primary production?	Pros – food security, health, natural resources maintained, social and economic (employment, industry, export etc.), protects the finite resources. Cons – on an individual level, less flexibility to change land use, could result in urban development occurring in locations that are less desirable from a social or cultural perspective, could result in less investment in productive capacity of highly productive land if growers are financially disadvantaged by reduction in development potential of some of their land.

ALIGNMENT WITH THE URBAN GROWTH AGENDA [PAGE 43]	
Do you think there are potential areas of tension or confusion between this proposed National Policy Statement and other national direction (either proposed or existing)?	Yes – the drafting of the NPS on urban development and the proposed freshwater reforms (especially the NPSFM) will need to done carefully, and comprehensive cross-checking undertaken once the form of each of the relevant instruments is known to ensure that consistency is achieved between all relevant documents. Consideration also needs to be given to the NPSET and the potential impacts on highly productive land where the NPSET could constrain the use of HPL. In the Otago RPS situation, if there was a NPSHPL that had to be considered as well as the NPSUDC then the policy framework would have had to consider both directives and balanced them out in an appropriate way for the regional context.
How can the proposed National Policy Statement for Highly Productive Land and the proposed National Policy Statement on Urban Development best work alongside each other to achieve housing objectives and better management of the highly productive land resource?	Ensure that they clearly articulate their relationship to one another, to address competing issues consistently. It may be appropriate that the NPSUDC refers to the NPSHPL to ensure that it is taken into account at a regional level. Both NPS's should be regularly reviewed and the impact of each NPS on the other specifically considered, and any areas of tension specifically reviewed, and changes made in an effort to alleviate tension.
POLICY 3: NEW URBAN DEVELOPMENT ON HIGHLY PRODUCTIVE LAND [PAGE 45]	
How should highly productive land be considered when identifying areas for urban expansion?	In the first instance areas of highly productive land should be prioritised for primary production. The impacts of any development of highly productive land should be carefully considered, and if it would result in reduced productive capacity, it should only be allowed if alternatives do not exist or are not feasible and there are environmental, economic, social and cultural benefits.
Specific questions for Policy 3	
How can this policy best encourage proactive and transparent consideration of highly productive land when identifying areas for new urban development and growth?	HortNZ considers that separating the largely fixed aspects of highly productive land: soil, climate, water resource, receiving water sensitivity, and fragmentation criteria for highly productive land, from the other criteria which define the productive capacity of highly productive land is essential in achieving a transparent method for defining highly productive land. The criteria in Policy 3b) will provide a framework for assessing whether the highly productive land should be excluded from urban development.

How can the proposed National Policy Statement for Highly Productive Land best align and complement the requirements of the proposed National Policy Statement on Urban Development?	Each NPS should acknowledge the existence and requirements of the other, and provision of guidance from central government about how tensions might be addressed, and requirements prioritised would assist and ensure consistent approaches are taken across the country.
POLICY 4: RURAL SUBDIVISION AND FRAGMENTATION [PAGE 46]	
How should the National Policy Statement direct the management of rural subdivision and fragmentation on highly productive land?	We agree with the focus on maintaining the productive capacity of highly productive land and avoiding fragmentation. The criteria in Policy 4 provide a strong direction regarding rural lifestyle development, but it is contingent on appropriate identification of highly productive land at the regional level.
Specific questions for Policy 4	
Should the National Policy Statement provide greater direction on how to manage subdivision on highly productive land (e.g. setting minimum lot size standards for subdivisions)? If so, how can this best be done?	Although there are potentially some benefits in the NPS providing direction about how to manage subdivision on highly productive land (such as national consistency, and clarity about what can/cannot be done), there is potentially a need for local authorities to have some flexibility in how they deal with this matter to ensure that they have consistency and coherence within their plans, and can tailor their plan provisions to the particular circumstances that exist within their local area.
Should the proposed National Policy Statement encourage incentives and mechanisms to increase the productive capacity of highly productive land (e.g. amalgamation of small titles)? Why/why not?	Yes – Many Councils have these provisions, such as Auckland, Waipa and Hastings. The Hasting District Plan does this (encourages the amalgamation of small titles). If the mechanisms to achieve these types of things can be simplified/streamlined in any way then that would be helpful, as regulatory barriers certainty do not enable the protection of highly productive land. Mechanisms such as transferable development rights would potentially be beneficial. There is also a need to ensure boundary adjustment rules are fit for purpose to facilitate title boundary changes to support rural production.
POLICY 5: REVERSE SENSITIVITY [PAGE 47]	
How should the National Policy Statement direct the management of reverse sensitivity	Most councils with larger areas of highly productive land already have guidance about how reverse sensitivity should be managed.

effects on and adjacent to highly productive land?	The current wording of Policy 5 suggests that new sensitive and potentially incompatible activities could establish on highly productive land (subsection b) however we believe that avoidance should be the first response, and suggest rewording is necessary to address this. Objective 3 seeks to avoid or mitigate reverse sensitivity effects so the focus should be on avoidance to implement the objective.
Specific questions for Policy 5	
How can the National Policy Statement best manage reverse sensitivity effects within and adjacent to highly productive land?	Requiring building setbacks for sensitive activities is one tool that definitely assists with the management of reverse sensitivity effects. Establishing clear and realistic expectations of the amenity that can be expected in rural, and rural residential/lifestyle zones is an important component of managing reverse sensitivity effects. Sensitive activities are defined and these activities should be excluded from areas of rural production or require a non-complying activity consent.
POLICIES 6 AND 7: CONSIDERATION OF PRIVATE PLAN CHANGES AND RESOURCE CONSENT APPLICATIONS ON HIGHLY PRODUCTIVE LAND [PAGE 49]	
How should the National Policy Statement guide decision-making on private plan changes to rezone highly productive land for urban or rural lifestyle use?	The NPSHPL should require specific and robust consideration of the effects of the loss of the highly productive land on the region, alternatives and a detailed assessment of benefits for highly productive land and economic, environmental, social and cultural values.
How should the National Policy Statement guide decision-making on resource consent applications for subdivision and urban expansion on highly productive land?	It should require specific consideration of the impact that the loss of highly productive land will have on the productive capacity of highly productive land of the region, and consider interregional impacts.
Specific questions for Policy 6 and 7	
Should these policies be directly inserted into plans without going through the Schedule 1 process (i.e. as a transitional policy until each council gives effect to the National Policy Statement)? What are the potential benefits and risks?	Yes – this could avoid the risk of a run of consent applications/private plan change requests being lodged while a council goes through the Schedule 1 process. The current drafting of the policy needs some refinement, including definitions of some words, as it is a little unclear as is currently drafted. There is a risk that inserting policies into plans could create some issues with interpretations if the NPS definitions vary from those already in a plan (acknowledging that the national planning

	standards will address this issue in time, but have not yet been adopted by all councils, so there could initially be tensions).
How can these policies best assist decision-makers consider trade-offs, benefits, costs and alternatives when urban development and subdivision is proposed on highly productive land?	Include definitions of what these terms mean. The provision of a user guide outlining examples would also be helpful. The policy only applies to urban expansion or subdivision. There should also be consideration of other activities, such as industrial or commercial, on highly productive land that could compromise the use of that land.
Should the policies extend beyond rural lifestyle subdivision and urban development to large scale rural industries operations on highly productive land? Why/why not?	Yes – any development that is potentially going to remove highly productive land from primary production should be considered in the context of its impact on the overall highly productive land resource. Policies related to rural industries would need to be specific to those activities, as some do have a locational need to be situated on primary production sites, but an assessment of alternatives should still be required, as locating within an alternative zone such as an industrial zone, or post-harvest zone may be a better option. Non-soil dependent greenhouses need large land areas, proximity to urban centres, heating (access to gas if available), as well as labour and transport linkages.
SECTION 5.5 INTERPRETATION [PG.50]	
Do any of the draft definitions in the National Policy Statement need further clarification? If so, how?	What is a land parcel as referred to in the definition of highly productive land? What do 'initial processing' and 'different product' mean in the definition of primary production?
Should there be minimum threshold for highly productive land (i.e. as a percentage of site or minimum hectares)? Why/why not?	No. Identification of a suitable threshold will be very challenging, and potentially once identified a particular threshold could create unintended consequences. If land meets the criteria to be identified as highly productive, then the impact of any activity that will remove it from primary productive use should be assessed on its merits (or otherwise). Setting a minimum threshold would potentially just create another loop hole through which highly productive land may slip and not be afforded the protection of the NPS, which is not desirable. However, the productive capacity of very small blocks will be small, and therefore policies that consider the productive capacity of highly productive land will account for the contribution of small sites to the productive capacity of highly productive land would be considered.
SECTION 5.6 IMPLEMENTATION [PAGE 52]	

What guidance would be useful to support the implementation of the National Policy Statement?	Further guidance to support Appendix A, in terms of how highly productive land is identified and how to define the productive capacity of highly productive land. Further guidance on 'inappropriate' subdivision and development. A 'user guide' for both local government, and owners of highly productive land that helps them understand the potential impacts of the NPS, and how it will be implemented.
Specific questions for Section 5.6	
Do you think a planning standard is needed to support the consistent implementation of some proposals in this document?	Potentially, but the provision of good guidance from central government at the time the NPS is gazetted may alleviate the need for a planning standard, or if one does prove to be necessary, at least it could be targeted at the areas within the NPS where particular issues with consistency of implementation arise. We support the development for a NES for Commercial Vegetable Growing. Commercial vegetable growing is an activity that is depends on highly productive land, and is productive use of land when assessed considering the food produced from the land used.
SECTION 5.7 TIMEFRAMES [PAGE 52]	
What is the most appropriate and workable approach for highly productive land to be identified by council? Should this be sequenced as proposed?	Sequencing does seem like a sensible approach. The capability and capacity of each council to undertake this work will vary, and expertise in this field within New Zealand may be limited, so, while it is important to have this work undertaken, any timeframes set need to be realistic and allow sufficient time for the work to be done accurately, rather than rushed through for the sake of meeting a timeframe.
What is an appropriate and workable timeframe to allow councils to identify highly productive land and amend their policy statements and plans to identify that land?	Suggest that guidance on this matter would be best taken from councils who understand what the workload is, how it will be accommodated, and skills that are currently available to do such work.

Submission on proposed objectives and policies

Provision	Support /oppose	Reason	Decision sought
Objective 1: Recognising the benefits of highly productive land To recognise and provide for the value and long-term benefits of using highly productive land for primary production.	Support in part	Support the reference to long-term benefits to reflect that sustainable management requires sustaining natural resources for future generations and to recognise the finite nature of the resource, and its productive capacity values, in particular for producing food.	Objective 1: Recognising and providing for the benefits of highly productive land To recognise and provide for the values and long-term benefits of using highly productive land for primary production, in particular the capacity for food production.
Objective 2: Maintaining the availability of highly productive land To maintain the availability of highly productive land for primary production for future generations.	Support in part	It is not just the availability of highly productive land that is required, but the productivity of that land, so policy should seek to maintain the productivity of the land through measures such as avoidance and mitigation of reverse sensitivity and by considering the relationship between soil and water in achieving productivity.	Objective 2: Maintaining the availability and productive capacity of highly productive land To maintain the availability and the productive capacity of highly productive land for primary production for future generations.
Objective 3: Protecting from inappropriate subdivision, use and development To protect highly productive land from inappropriate subdivision, use and development, including by: • avoiding subdivision and land fragmentation that compromises the	Support, in part	Recognises that protection of highly productive land is not absolute, because on a case-by-case basis an argument could be made that subdivision use and development is appropriate. We support a focus on strategic planning and avoidance and mitigation of reverse sensitivity and fragmentation impacts.	Objective 3: Protecting from inappropriate subdivision, use and development To protect the productive capacity of highly productive land from inappropriate subdivision, use and development, including by: • avoiding subdivision, ~~and~~ land fragmentation and inappropriate use and development that compromises the use of

use of highly productive land for primary production; • avoiding uncoordinated urban expansion on highly productive land that has not been subject to a strategic planning process;and • avoiding and mitigating reverse sensitivity effects from sensitive and incompatible activities within and adjacent to highly productive land.			highly productive land for primary production; • avoiding uncoordinated urban expansion on highly productive land that has not been subject to a strategic planning process; and • avoiding and mitigating reverse sensitivity effects from sensitive and incompatible activities within and adjacent to highly productive land.
Policy 1 – Identification of highly productive land Regional councils must identify areas of highly productive land using the criteria set out in Appendix A and: • map each area of highly productive land; and • amend their regional policy statements to identify areas of highly productive land within the region. Territorial authorities must amend their district plans to identify highly productive land identified by the relevant regional council under policy 1.1.	Support in part	We support identification of HPL within the RPS. Support the requirement to map, for clarity and certainty. Mapping should be subject to technical standards, there should be a process to incorporate new and better information on the location of HPL, in response to detailed soil surveys. There is a need to identify the values of HPL are a precursor to identifying HPL in a region.	Policy 1 – Identification of highly productive land Regional councils must identify <u>the values of highly productive land for the region and</u> areas of highly productive land using the criteria set out in Appendix A and: • <u>Identify regional values for highly productive land;</u> • map each area of highly productive land; and • amend their regional policy statements to identify areas of highly productive land within the region. Territorial authorities must amend their district plans to identify highly productive land identified by the relevant regional council under policy 1.1.
Appendix A: Criteria to identify highly productive land In accordance with Policy 1, regional councils must use the following criteria to assess and identify areas of highly productive land:	Support, in part	In our view, it is important that the relationship between water quality and quantity allocation and highly productive land is considered together, but defining highly productive land by water policy risks masking the tension between water allocation	Appendix A: Criteria to identify highly productive land In accordance with Policy 1, regional councils must use the following criteria to assess and identify areas of highly productive land:

• the capability and versatility of the land to support primary production based on the Land Use Capability classification system; • the suitability of the climate for primary production, particularly crop production; and • the size and cohesiveness of the area of land to support primary production. When identifying areas of highly productive land, local authorities may also consider the following factors: • [the current or potential availability of water – see question below]; • access to transport routes; • access to appropriate labour markets; • supporting rural processing facilities and infrastructure; • the current land cover and use and the environmental, economic, social, and cultural benefits it provides; and • water quality issues or constraints that may limit the use of the land for primary production. Highly productive land excludes: • urban areas; and • areas that have been identified as future urban zones in district plans.		decisions and the impact of them on highly productive land. Therefore, at the RPS level it is our preference that existing water availability is included in the definition of highly productive land, but that additional policy and investment matters, which are subject to change, are picked as part of the productive capacity of land that Policy 2 addresses. This criteria enables Councils to identify land that is not LUC I, II, III where this is highly productive. Some regions have already done this, and these existing assessment would generally be expected to meet the criteria of appendix 1.	• the capability and versatility of the land to support primary production based on the Land Use Capability classification system or better information as it becomes available; • Identify specific areas of land that has special characteristics suitable for highly productive value that is regionally significant; • the suitability of the climate for primary production, particularly crop production; • the size and cohesiveness of the area of land to support primary production; • Existing access to water; • Existing infrastructure; and • Sensitivity of receiving environment. ~~When identifying areas of highly productive land, local authorities may also consider the following factors:~~ ~~[the current or potential availability of water – see question below];~~ ~~access to transport routes;~~ ~~access to appropriate labour markets;~~ ~~supporting rural processing facilities and infrastructure;~~ ~~the current land cover and use and the environmental, economic, social, and cultural benefits it provides; and~~ ~~water quality issues or constraints that may limit the use of the land for primary production.~~ Highly productive land excludes:

			• urban areas; and • areas that have been identified as future urban zones in operative district plans.
Proposed Policy 2: Maintaining highly productive land for primary production Local authorities must maintain the availability and productive capacity* of highly productive land for primary production by making changes to their regional policy statements and district plans to: • prioritise the use of highly productive land for primary production • consider giving greater protection to areas of highly productive land that make a greater contribution to the economy and community; • identify inappropriate subdivision, use and development of highly productive land; and • protect highly productive land from the identified inappropriate subdivision, use and development. *Note the draft definition for productive capacity is: "means, in relation to highly productive land, the physical qualities of the land to support primary production and generate the most economic output. This includes consideration of physical constraints on use of land for primary production (e.g. lot size, presence of structures and buildings) but does	Support, in part.	We agree with greater consideration for areas of highly productive land that make a greater contribution to the economy and community, based on the values identified in the RPS. We think the assessment of capacity must include those aspects that can change through investment (e.g. packhouses) or through other polices which Council influences (e.g. water quality allocation). This definition of capacity, also assists in clarifying what may be appropriate or inappropriate. For example, uses that improve capacity while reducing availability may be appropriate in some situations.	**Proposed Policy 2: Maintaining highly productive land for primary production** Local authorities must maintain the availability and productive capacity* of highly productive land for primary production <u>at the freshwater management unit scale</u>, by making changes to their regional policy statements, regional plans and district plans to: • prioritise the use of highly productive land for primary production; • consider giving greater protection to areas of highly productive land that make a greater contribution to the economy and community; • identify inappropriate subdivision, use and development of highly productive land; and • protect highly productive land from the identified inappropriate subdivision, use and development. *Note the draft definition for productive capacity is: ~~"means, in relation to highly productive land, the physical qualities of the land to support primary production and generate the most economic output. This includes consideration of physical constraints on use of land for primary production (e.g. lot size, presence of structures and buildings) but does not include consideration of~~

not include consideration of wider soil quality issues			~~wider soil quality issues~~ means, in relation to highly productive land, the physical qualities of the land to support primary production. The measure for productive capacity is the economic, environmental, social and cultural contribution from the highly productive land at the freshwater management scale. Assessment of the productive capacity of land must consider the physical and legal constraints and enhancements for the productive capacity of land. The assessment must include all relevant factors, including the following factors, and may include others: • Water allocation limits and allocation policy; • Water quality limits and allocation policy; • Lot size; • Presence of structures and buildings; • Access to transport routes; • Access to appropriate labour markets; • Supporting rural processing facilities and infrastructure; • The current land cover and use and the environmental, economic, social, and cultural benefits it provides; • Availability of suitable land for crop rotation; • Lack of reverse sensitivity constraints; • Access to energy for greenhouses; • Access to transport routes; • Worker accommodation; and

			• Other constraints that may limit the use of the land for primary production.
Proposed Policy 3: New urban development and growth on highly productive land Urban expansion must not be located on highly productive land unless: • there is a shortage of development capacity to meet demand (in accordance with the NPS-UDC methodologies and definitions); and • it is demonstrated that this is the most appropriate option based on a consideration of: o a cost-benefit analysis that explicitly considers the long-terms costs associated with the irreversible loss of highly productive land for primary production; o whether the benefits (environmental, economic, social and cultural) from allowing urban expansion on highly productive land outweigh the benefits of the continued use of that land for primary production; and o the feasibility of alternative locations and options to provide for the required demand,	Support in part	This policy directs the Council planned urban expansion and future growth. In our opinion this planned development should avoid reducing the productive capacity of highly productive land, unless the criteria defined are met.	**Proposed Policy 3: New urban development and growth on highly productive land** Urban expansion must not be located on highly productive land, unless: • there is a shortage of development capacity to meet demand (in accordance with the NPS-UDC/NPS-UD methodologies and definitions); and • it is demonstrated that this is the most appropriate option based on a consideration of: o a cost-benefit analysis that explicitly considers the long-term costs associated with the irreversible loss of highly productive land for primary production; o Values based assessment of the benefits (environmental, economic, social and cultural) from allowing urban expansion on highly productive land outweigh the benefits of the continued use of that land for primary production; and o the feasibility of alternative locations and options to provide for the required demand,

including intensification of existing urban areas.			including intensification of existing urban areas.
Proposed Policy 4: Rural subdivision and fragmentation Territorial authorities must amend their district plans to manage rural subdivision to avoid fragmentation and maintain the productive capacity of highly productive land, including by: • setting minimum lot size standards for subdivision located on highly productive land to retain the productive capacity of that land; • incentives and restrictions on subdivisions to help retain and increase the productive capacity of highly productive land; and • directing new rural lifestyle development away from areas of highly productive land.	Support, in part	We support policy to reduce fragmentation, we see incentives as an important way to achieve improvements in the productive capacity of highly productive land.	**Proposed Policy 4: Rural subdivision and fragmentation** Territorial authorities must amend their district plans to manage rural subdivision to avoid fragmentation and maintain the productive capacity of highly productive land, including by: • setting minimum lot size standards for subdivision located on highly productive land to retain the productive capacity of that land; • incentives and restrictions on subdivisions to help retain and increase the productive capacity of highly productive land; and • directing new rural lifestyle development away from areas of highly productive land, unless, there are benefits for the productive capacity of the highly productive land at the freshwater management scale, associated with the subdivision, compared to the long-term productive capacity that would occur from the continued or potential use of the land for primary production.
Proposed Policy 5: Reverse sensitivity Territorial authorities must recognise the potential for sensitive and incompatible	Support, in part	We are of the view that new sensitive and incompatible activities on highly productive land should be avoided.	**Proposed Policy 5: Reverse sensitivity** Territorial authorities must recognise the potential for sensitive and incompatible activities

activities within and adjacent to areas of highly productive land to result in reverse sensitivity effects and amend their district plans to: • identify the typical activities and effects associated with primary production activities on highly productive land that should be anticipated and tolerated in rural areas; • restrict new sensitive and potentially incompatible activities on highly productive land to ensure these do not compromise the efficient operation of primary production activities; • establish methods to avoid or mitigate reverse sensitivity effects including through setbacks and the design of developments; and • establish methods to avoid or mitigate reverse sensitivity effects at the interface between areas of highly productive land and adjacent residential and rural lifestyle zones.			within and adjacent to areas of highly productive land to result in reverse sensitivity effects and amend their district plans to: • identify the typical activities and effects associated with primary production activities on highly productive land that should be anticipated and tolerated in rural areas; • ~~restrict~~ avoid new sensitive and potentially incompatible activities on highly productive land to ensure these do not compromise the efficient operation of primary production activities; • establish methods to avoid or mitigate reverse sensitivity effects including through setbacks and the design of developments; and • establish methods to avoid or mitigate reverse sensitivity effects at the interface between areas of highly productive land and adjacent residential and rural lifestyle zones.
Policy 6: Consideration of requests for plan changes When considering a request for a private plan change for urban expansion on highly productive land, or to rezone an area of highly productive land to rural lifestyle use, local authorities must have regard to: • The alignment of the request with relevant local authority statutory and	Support, in part	We have removed the clause providing for the alternative land assessment. This recognizes that that planned urban expansion approach is likely to provide sufficient capacity due to the requirements of NPSUD and therefore this criterion may be practically difficult to meet. We think consideration could be given to private plan changes if they can demonstrate	Policy 6: Consideration of requests for plan changes When considering a request for a private plan change for urban expansion on highly productive land, or to rezone an area of highly productive land to rural lifestyle use, or industrial or commercial use, local authorities must have regard to: • The alignment of the request with relevant local authority statutory and non-

non-statutory plans and policies relating to urban growth and highly productive land; • The benefits (environmental, economic, social and cultural) from the proposed use of land compared to benefits from the continued use of that land for primary production; and • Whether there are alternative options for the proposed use on land that has less value for primary production.		benefits for highly productive land capacity as well as environmental, economic, social and cultural values.	statutory plans and policies relating to urban growth and highly productive land including the values of highly productive land; • The benefits (environmental, economic, social and cultural) from the proposed use of land compared to benefits, from the continued use of that land for primary production; and • There are benefits for the productive capacity of the highly productive land at the freshwater management scale, associated with the development, compared to the long-term productive capacity that would occur from the continued or potential use of the land for primary production. • ~~Whether there are alternative options for the proposed use on land that has less value for primary production,~~
Proposed Policy 7: Consideration of resource consent applications for subdivision and urban expansion on highly productive land When considering an application for subdivision or urban expansion on highly productive land, consent authorities must have regard to: • The alignment of the application with relevant local authority statutory and non-statutory plans and policies relating	Support, in part	We support the requirement for applications to include a site-specific LUC assessment prepared by a suitably qualified expert. It stands to reason that the development or subdivision of a block would impact that block. We think a more useful test is the degree to which it could be designed to provide an overall benefit to the productive capacity of highly productive land.	**Proposed Policy 7: Consideration of resource consent applications for subdivision, use or development and urban expansion on highly productive land** When considering an application for subdivision use or development or urban expansion on highly productive land, consent authorities must have regard to: • The alignment of the application with relevant local authority statutory and non-

to urban growth and highly productive land; • The extent to which the subdivision or development will impact on the existing and future use of the land for primary production; • The practical and functional need for the subdivision or urban expansion to occur at that location; • The potential for reverse sensitivity effects and proposed methods to avoid or mitigate potential adverse effects on, and conflicts with, lawfully established activities; and • The benefits (environmental, economic, social and cultural) from the proposed activity compared to the long-term benefits that would occur from the continued or potential use of the land for primary production. • Resource consent applications must include a site-specific Land Use Capability Assessment prepared by a suitably qualified expert.			statutory plans and policies relating to urban growth and highly productive land; • The extent to which the subdivision or development will impact on the existing and future use of the land for primary production; • <u>The benefit on productive capacity of other highly productive land from the proposed activity compared to the long-term benefits that would occur from the continued or potential use of the land for primary production;</u> • The practical and functional need for the subdivision, <u>use or development</u> or urban expansion to occur at that location; • The potential for reverse sensitivity effects and proposed methods to avoid or mitigate potential adverse effects on, and conflicts with, lawfully established activities; • <u>Values based assessment of the</u> benefits (environmental, economic, social and cultural) from the proposed activity compared to the long-term benefits that would occur from the continued or potential use of the land for primary production; <u>and</u> • Resource consent applications must include a site-specific Land Use Capability Assessment prepared by a suitably qualified expert.

Definition - Highly productive land means: land that has been identified as highly productive by a. local authority in accordance with Policy 1 and Appendix A of this national policy statement; or b. where a local authority has not identified highly productive land in accordance with Policy 1 and Appendix A, a land parcel in a rural area that contains at least 50% or 4 hectares of land (whichever is the lesser) defined as Land Use Capability 1, 2 and 3 as mapped by the New Zealand Land Resource Inventory or by more detailed site mapping; but c. does not include urban areas or areas that have been identified as a future urban zone in a district plan or proposed district plan.	Support, in part	We have added the ability for Regional Councils to alter the definition of the applicable parcel size. Some horticultural activities can be productive on small sites, but other require larger site to be productive, it is crop and region specific.	**Definition - Highly productive land means:** land that has been identified as highly productive by a. local authority in accordance with Policy 1 and Appendix A of this national policy statement; or b. where a local authority has not identified highly productive land in accordance with Policy 1 and Appendix A, a land parcel in a rural area that contains at least 50% or 5 hectares of land (whichever is the lesser~~)~~,or a different scale as defined by the Regional Council to reflect local horticultural use, defined as Land Use Capability 1, 2 and 3 as mapped by the New Zealand Land Resource Inventory and may include other soils identified by the Regional Council as highly productive and must use more detailed site mapping where it exists ; but c. does not include urban areas or areas that have been identified as a future urban zone in an operative district plan.
Definition - Primary production means: a) any agricultural, pastoral, horticultural, or b) forestry activities; and includes initial processing, as an ancillary	Support	Consistent with National Planning Standards	

activity, of commodities that result from the listed activities in a); and c) includes any land and buildings used for the production of the commodities from a) and used for the initial processing of the commodities in b); but excludes further processing of those commodities into a different product. n -Primary production			
Definition -Productive capacity means, in relation to highly productive land, the physical qualities of the land to support primary production and generate the most economic output. This includes consideration of physical constraints on use of land for primary production (e.g. lot size, presence of structures and buildings) but does not include consideration of wider soil quality issues	Support in part		**Definition -Productive capacity** means, in relation to highly productive land, the physical qualities of the land to support primary production ~~and generate the most economic output. This includes consideration of physical constraints on use of land for primary production (e.g. lot size, presence of structures and buildings) but does not include consideration of wider soil quality issues~~. The measure for productive capacity is the economic, social and cultural contribution from the highly productive land at the freshwater management scale, the weighting of the economic, social, environmental, and cultural contribution of the productive capacity of land, is defined by the values established for highly productive land. Assessment of the productive capacity of land must consider the physical and legal constraints and enhancements for the productive capacity of land. The assessment must include all relevant

			factors, including the following factors, and may include others: • Water allocation limits and allocation policy; • Water quality limits and allocation policy; • other constraints that may limit the use of the land for primary production; • Lot size; • Presence of structures and buildings; • access to transport routes; • access to appropriate labour markets; • supporting rural processing facilities and infrastructure; • the current land cover and use and the environmental, economic, social, and cultural benefits it provides; • Availability of suitable land for crop rotation; • Lack of reverse sensitivity constraints; • Access to energy for greenhouses; • Access to transport routes; and • Worker accommodation
Definition Sensitive activity means an education facility, community facility, residential activity, visitor accommodation, retirement village, health facility or hospital, marae.	Support, in part		**Definition Sensitive activity** means an education facility, community facility, residential activity, visitor accommodation, retirement village, places of worship, health facility or hospital, marae.
Definition Rural area means an area identified in a district plan or proposed district plan as a general rural zone or rural production zone, but does not	Support		

include an area identified as a rural lifestyle zone (however described).			
Definition Rural lifestyle development means subdivision and development where the primary purpose is rural-residential or rural lifestyle use within a rural area with a lot smaller than those of the General Rural and Rural Production zones, typically in the range of 0.2-8 hectares	Oppose	The Planning Standard describes the Rural lifestyle zone as areas used predominantly for a residential lifestyle within a rural environment on lots smaller than those of the General Rural and Rural production zones, while still enabling primary production to occur.	**Definition Rural lifestyle development** means subdivision and development where the <u>areas used predominantly for a residential lifestyle within a rural environment on lots smaller than those of the General rural and Rural production zones, while still enabling primary production to occur.</u>
Definition Urban area means an area identified in a district plan or proposed district plan as being primarily zoned for residential, industrial, or commercial activities, together with adjoining special-purpose and open-space zones, however described; but does not include an area zoned primarily for rural or rural-lifestyle activities, however described.	Support		
Definition Urban expansion means a rezoning or development proposal that would result in land use change from a primarily rural use to a primarily urban use (residential, industrial or commercial).	Support		
Definition – General rural zone	Support	Consistent with National Planning Standards	
Definition – Residential activity	Support	Consistent with National Planning Standards	
Definition – Rural lifestyle zone	Support	Consistent with National Planning Standards	
Definition – Rural production zone	Support	Consistent with National Planning Standards	

New Definition - Values of highly productive land			**New Definition - Values of highly productive land** The productive capacity of highly productive land is measured as social, economic and the cultural contribution. Examples of contributions could be: • Economic benefits – employment, export, industry growth potential, infrastructure needs; • Diversity and resilience in New Zealand's rural production system – using the most highly productive land for a broad range of domestic and export products; • Health outcomes and social well-being – adverse health outcomes resulting from not eating enough fruit and vegetables; • Other primary products; • GDP contribution; • Biodiversity; • Cultural and social values associated with some crops e.g., Kumara in Northland, Kiwifruit in Bay of Plenty, leafy greens from the Horowhenua; and • Cultural significance of growing systems, e.g. market gardening. The value setting process identifies the regional importance of the elements of the social, cultural and economic contribution made by highly productive land.

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