

Allocation and Ranges Trading

Recommendations required from
StAG

17 March 2015



Proud Partners



Recommendations sought from StAG

- 💧 Recommendations on Allocation
- 💧 Recommendations on relevant Ranges
- 💧 Recommendations on Trading
 - 💧 Trading yes/no?
 - 💧 Short term trading?
 - 💧 Head start for the Incentives Scheme

Quick revisit of background

- 💧 Regional Policy Statement policies:
 - 💧 435 tonnes per year
 - 💧 allocated amongst land uses
- 💧 Principles to support allocation
- 💧 Options considered
- 💧 Consideration of implications

Allocation Options Discussed

| Approach | |
|---------------------|--------------------------------|
| Grandparenting | Grandparenting |
| Pastoral averaging | Pastoral averaging |
| Sector averaging | Sector averaging |
| Land use capability | Sector Averaging and ranges |
| Input based limits | Land use capability |
| Output based limits | <i>Single sector</i> |

- 💧 Extensive analysis
- 💧 Number of discussion
- 💧 Council decisions following StAG recommendations
- 💧 Allocation workshop

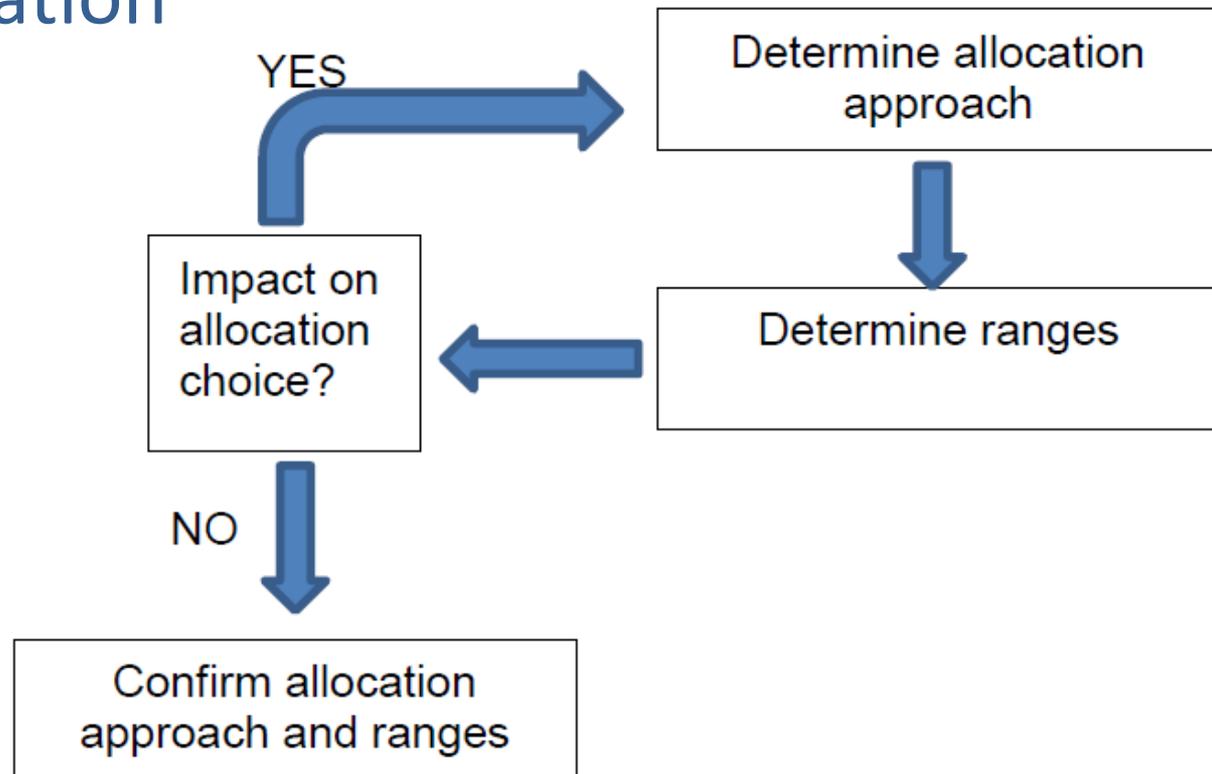
Incumbent Position

- **Sector averages with ranges**
- Based on Rule 11 benchmarking
- Discussion over the ranges:
 - *Drystock 10-20 kgN/ha/y*
 - *Dairy 30-40 kgN/ha/y*

Mathematical model, pragmatic

Ranges

- Range discussion now important to confirm allocation – as range is part of determining the combination



- 💧 Integrated Framework
- 💧 Adopted by StAG and Council
- 💧 Including the incumbent position
- 💧 Amendments if required to align with today's recommendations

Discussion on Allocation Option

Incumbent position

Ranges?