A clean lake and viable farms

An alternative draft nitrogen policy for farmers in the Lake Rotorua catchment

Stakeholder Advisory Group 16 July 2013

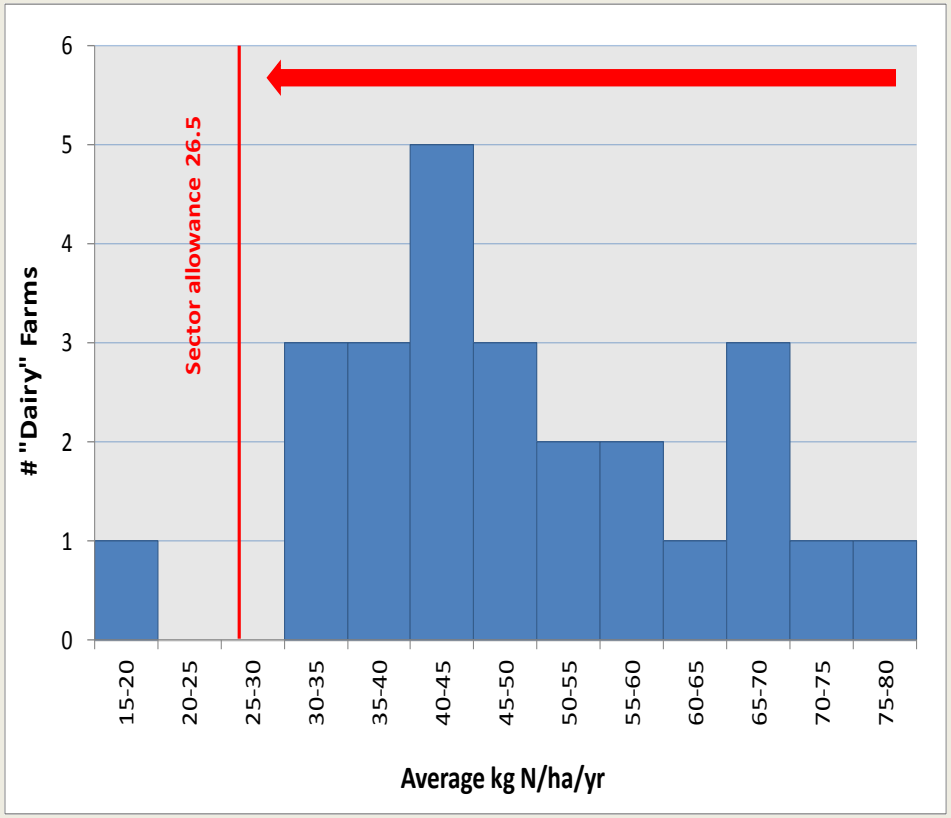
Lake Rotorua Primary Producers Collective

What is BOPRC proposing?

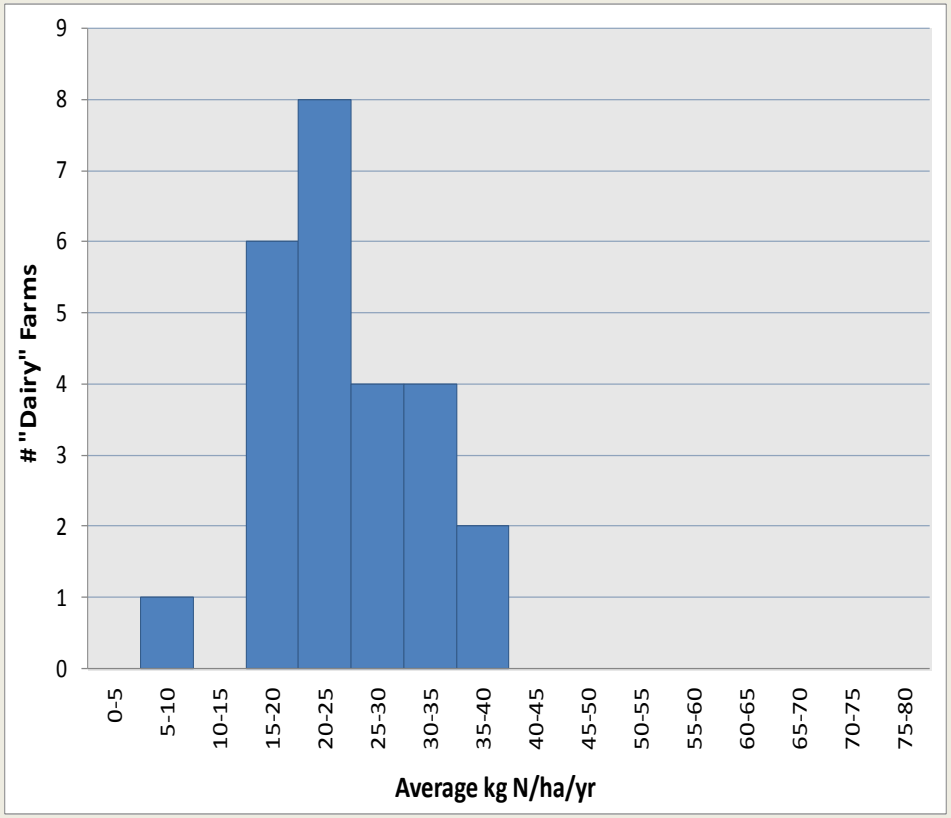
- New rules and allocation to meet RPS target
- 435 tonnes nitrogen per year by 2032
  - translates to 256 tonnes from current rural land
  - 70% progress by 2022, catchment target

- BOPRC staff draft N allocation paper (June StAG)
  - Pros and cons of two allocation options:
  1. Grandparenting with 51% clawback, OR
  2. Sector averages, simplified to:
     - dairy @ 27 kgN/ha
     - drystock @ 8 kgN/ha, includes dairy support, deer etc

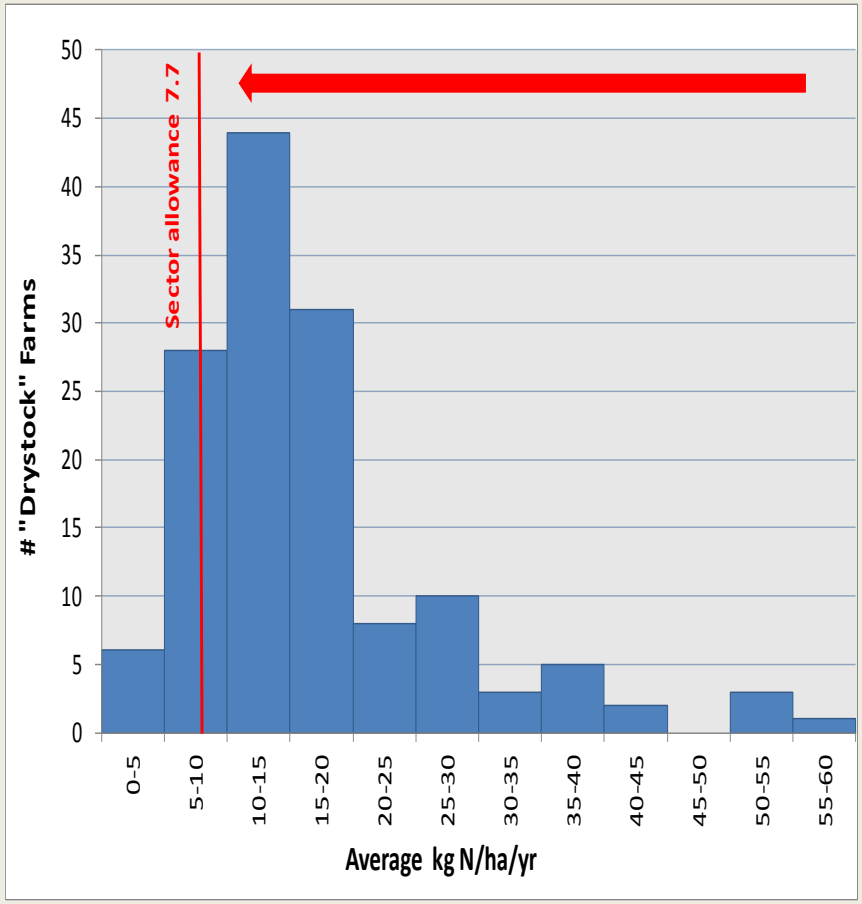
Possible dairy sector allocation Vs 2001-04 N loss



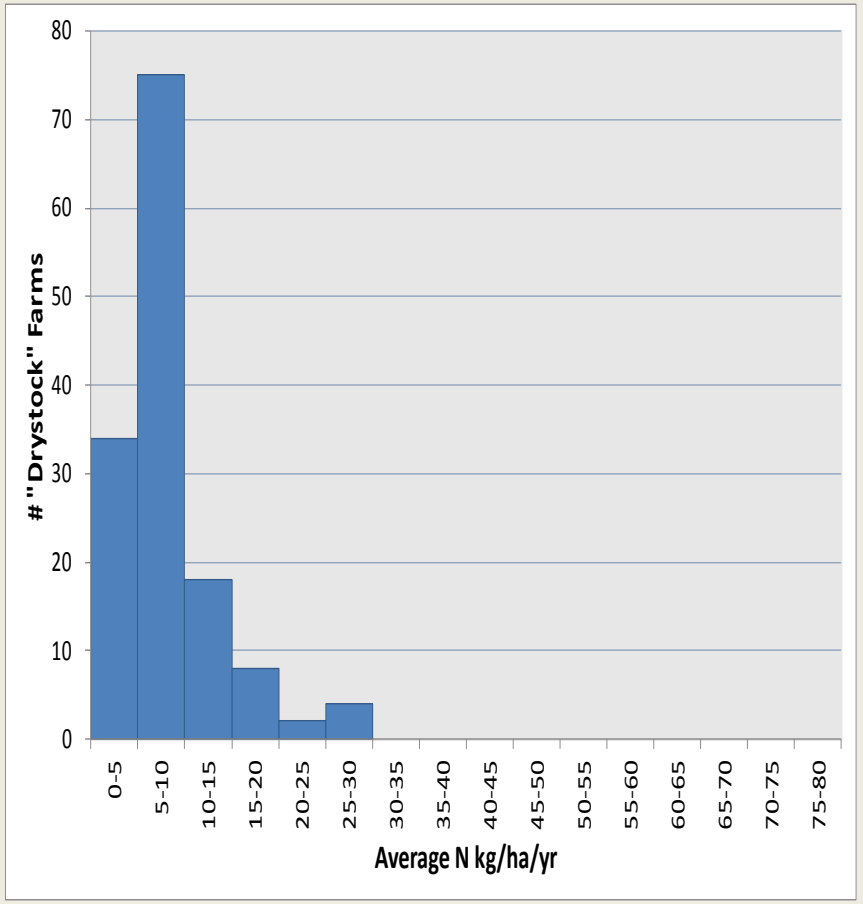
Possible dairy grand parent allocation, 51% clawback



Possible drystock sector allocation Vs 2001-04 N loss



Possible drystock grand parent with 51% clawback



The Collective's view

- Oppose both grand parent & sector limits
  - Suggested N limits not viable for most farmers
  - 100% farmer responsibility to meet 256 tN unfair
- Want consistency with Oturoa Agreement
  - Clean lake **and** viable farms
- Allocation needs integration with incentives
- Draft Collective alternative prepared
  - Revised after Collective AGM
  - Now seek StAG input

Collective's DRAFT alternative

- 270 tN reduction shared between farmers & fund

Responsibility	Reduction	How?
farmers	140 tN	dairy & drystock sector N loss ranges, modest incentives, management change
joint	30 tN	gorse to trees, per ha incentive
fund	100 tN	Multiple methods, flat rate incentive, Collective helps ID opportunities

- Plus
  - Comprehensive farm nutrient plans by 2015
  - Front-loading incentives to meet 70% by 2022
  - Resource consents in place by 2022 (or earlier) for 2032 limits
  - Ongoing mitigation research
  - Reviews – trigger points for change need discussion

Draft numbers to illustrate

NOW	area	kgN/ha/yr	tN/yr
dairy	5050	45	227
drystock	16125	16	258
total	21175		485

15% progress towards 256 tN

2032 NDA	area	kgN/ha/yr	tN/yr
dairy	5050	35	177
drystock	16125	13	210
total	21175		386
		gorse	-30
	NDA + gorse project		356

Average NDA of a range, e.g: 30-40 dairy & 9-17 drystock to reflect soil, rainfall, slope and possibly some grand-parent

52% progress

63% progress

Possible incentive to meet 2032 NDA:
- $125/kgN, fund cost = $12.4m

Gorse incentive, adjusted from per hectare rate
- $100/kgN, fund cost = $3m

Combined fund cost = $15.4m

100 tN beyond NDA

Voluntary

$30m fund available

$300/kgN

Many options...

Options to achieve final 100 tN reduction

- combine radical farm systems, trees, lifestyle, new crops?
- use full 19 year window, research, collaboration, TDRs
- responsibility with fund/BOPRC , plus farmer cooperation
- example below uses land use change to trees to simplify

Simplified 2032 future			
Land use	**area**	**kgN/ha/yr**	**tN/yr**
dairy at NDA	**2000**	**35**	**70**
dairy below NDA	**1500**	**28**	**42**
dairy to lifestyle	**1050**	**13**	**14**
dairy to trees	**500**	**3**	**1.5**
drystock low NL	**11000**	**13**	**143**
drystock to trees	**5125**	**3**	**15**
totals	**21,175**		**286**

What next?

- What changes would get wider StAG support?
  - Review terms? NDA thresholds? Incentive thresholds?
- Collective executive to discuss tomorrow
  - Collective feedback to 13 August StAG
- Present to BOPRC Committee 17 September
  - alongside staff presentation?
- Continue research, develop implementation tools
  - Fill gaps, especially impacts on Maori land
- Keep talking!