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Committee Council
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Sustainable Dairying: Water Accord – A Commitment to New Zealand by the Dairying Sector

1. Purpose

To seek the endorsement of Council to become a ‘Friend’ to the *Sustainable Dairying: Water Accord – A Commitment to New Zealand by the Dairying Sector*.

2. The decision-making process and significance

The matter requiring decision in this report has been considered by officers against the requirements of Part 6 of the Local Government Act 2002.

2.1 Significance of the decision

Officers have considered the significance of the matter, taking into account the Council's significance policy and decision-making guidelines. Due to the procedural nature of this decision officers recommend that the matter be considered to have low significance.

Officers do not consider that a formal record outlining consideration of the decision-making process is required in this instance.

3. Background

The Dairy Environment Leadership Group (DELG), comprising representatives from the dairy sector, central government, regional councils, iwi and the NZ Fish and Game Council, has developed the *Sustainable Dairying: Water Accord – A Commitment to New Zealand by the Dairying Sector* (the Water Accord) to build on and succeed the 2003-2013 Dairying and Clean Stream Accord (DCSA).

DELG are now seeking support from regional councils to the Water Accord through their commitment to become a “Friend of the Accord”.

The Regional Sector Group (RSG) discussed this request from the DELG at their meeting on 30 November 2012. The RSG decided that while as a whole they would support the Water Accord, each council would need to make their own decision as to whether or not they wanted to sign up as a Friend of the Water Accord.

The Water Accord itself is the dairy sector’s commitment to industry self improvement. and recognises that the dairy sectors actions and expectations do not exist in isolation of other parties. It is designed to promote the delivery of better water quality outcomes by forming partnerships and developing a common understanding of the issues and challenges and action needed to improve water quality. In effect it ‘replaces’ the previously existing DCSA.

The purpose of the Water Accord is to enhance the overall performance of dairy farming as it affects freshwater by:

- Committing to good management practices and regulatory compliance for all dairy farmers in New Zealand
- Recording pledges by the dairy sector, with the support of others, to assist and encourage dairy farmers to adopt those good management practices and to monitor and report progress

3.1 Regional Councils and the Water Accord

Regional Councils provided feedback and comment on the development of the Water Accord through a sub-group of the Resource Managers Group (RMG) who worked with Water Accord writers, and also via the involvement of two Regional Chief Executives (Bill Bayfield and Bob Laing) on the DELG. This regional council involvement notably influenced the purpose and intent of the Water Accord around a move away from promoting specific commitments and accountabilities to be placed on regional councils in favour of a move to the development and implementation of regional programmes of action.

The Water Accord has three levels of commitment:

- Accountable partners: Dairy companies and Dairy NZ
- Supporting partners: organisation that make commitments to the outcomes of the Water Accord I support of the accountable partners
- Friend of the Accord: iwi, environmental NGOs and regional councils who are supportive of the purpose of the Water Accord and commit to contribute to its success in the spirit of collaboration

By signing up to become a Friend to the Water Accord, the key commitment for regional councils is to engage with the dairy sector in the development and implementation of the regional programmes of action referred to above to

“identify specific opportunities for coordinated and mutually beneficial action targeted at shared goals”.

All regional councils have been asked to formally consider whether or not they will sign up to becoming a Friend of the Water Accord in early 2013. The Water Accord itself is intended to be publically launched in late February.

A summary of the Water Accord is found at **Attachment 1**, with a full version of at **Attachment 2**.

4. Comment

The Water Accord is the dairy sector’s medium to long term commitment to continuous improvement and partnership. It is also a stated commitment to monitor and report on performance, and to improve the overall performance of dairy farming to minimise its effects on freshwater.

Key Features of the Water Accord

The key commitments contained in the Accord relate to:

- Stock exclusion, including permanent fencing from most streams, all lakes, and identified significant wetlands and encouragement to exclude stock from smaller streams (where practicable)
- Mandatory stock crossings where cows cross and return more than two per month
- The preparation of riparian planting management plans and completion for planting by 2030
- The supply of information from dairy famers to respective dairy companies to allow an assessment of nutrient management against other dairy farmers
- A need to comply with regional council effluent and water take rules
- Stronger expectations for new dairy farms conversions

Importantly it is also recognised that the Water Accord is not a substitute for regional council’s statutory functions to control land and water. In this regard it is recognised that the Water Accord does not, and cannot, supersede regional policies and rules. It is also recognised the Water Accord is not a water quality setting tool – the National Policy Statement for Freshwater Management requires regional councils to undertake this task.

Key differences between the Water Accord and the DCSA

All dairy companies across New Zealand have committed to the Water Accord, and Dairy NZ has also signed the Accord. This is a clear improvement on the DCSA which was a partnership between Fonterra and Central and Local Government only.

The Water Accord is also a more comprehensive document in that the DCSA was silent on the issues of riparian planting, water use and management and dairy conversions, and had a less robust approach to the issue of nutrient management.

The Water Accord also recognises that operating at a catchment scale, with local partnerships, is a necessary requirement to improve the dairy sectors performance. Again, this is an enhancement on the DCSA.

The Wellington Region and the Water Accord

We have 176 dairy farms in the Wellington region. In the 2011/2012 reporting year, 95% of these farms were fully compliant with their resource consent conditions. This is similar to compliance rates over the last few years and a significant improvement in performance with dairy effluent compliance rates earlier in the life of the DCSA in our region. For instance, there was only 53% full compliance in the 2007/08 reporting year. Overall, the rates of compliance in the Wellington region are now amongst the highest in the country.

In general we have developed a strong relationship with Fonterra and have worked cooperatively and proactively with them and dairy farmers in the region, particularly over the last three to five years, to strengthen relationships and deal with issues of non-compliance when they arise. This work is reflected in the improved compliance rates as outlined above.

As already noted, the Accord does not supersede regional rules or policies found in Council Regional plans. As the Council goes through the ongoing process of developing our second generation regional plan, the Water Accord will no doubt provide a point of reference in discussion with the dairy sector, and the wider community, as issues such as stock access, intensification and nutrient management are discussed. However, it is worth stressing total discretion is retained by the Council as to whether or not rules that are eventually adopted into a regional plan are similar to, or stronger than, the commitments in the Accord.

In summary, becoming a Friend to the Water Accord should be considered as confirming a commitment to working in partnership with the dairy industry - including in the development of a regional programme of action - rather than being seen as placing any form of binding requirement on the Council.

5. Communication

The decision by Council as to whether or not to become a Friend to the Water Accord will be communicated to accountable partners, supporting partners and other friends of the Water Accord.

6. Recommendations

That the Council:

1. **Receives** the report.
2. **Notes** the content of the report.
3. **Agrees** to support the Sustainable Dairying: Water Accord and to become a “Friend of the Accord”.

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Attachment 1: Summary of the Suitable Dairying: Water Accord

Attachment 2: Full version of the Sustainable Dairying: Water Accord