

THE OTUROA AGREEMENT

between

**Lake Rotorua Primary Producers' Collective (Inc),
Federated Farmers Rotorua**

and

Bay of Plenty Regional Council

18 February 2013

Memorandum of Understanding

Between Bay of Plenty Regional Council, Federated Farmers Rotorua and Lake Rotorua Primary Producers Collective

PURPOSE

1. The following Memorandum of Understanding serves as an agreed statement of principles and intention to:
 - a. Resolve the appeal to the Environment Court in relation to Lake Rotorua water quality matters in the Proposed Bay of Plenty Regional Council Policy Statement (RPS), involving the Bay of Plenty Regional Council (BOPRC), Federated Farmers Rotorua and the Lake Rotorua Primary Producers Collective (Collective) (The Parties);
 - b. identify the intent of all Parties to meet the sustainable nitrogen load for Lake Rotorua of 435 tonne;
 - c. agree on the principles and core intentions that will be used to reach the targets for nutrient reduction in Lake Rotorua;
 - d. describe how the Parties will continue to work together; and
 - e. agree to take a non-litigious approach to reaching agreement.

BACKGROUND

2. The Parties recognise the relationship of Te Arawa with the lake and the need to restore the lake's mauri.
3. The Parties recognise the importance of a clean and healthy Lake Rotorua, and the contribution this makes to the local economy and to the quality of life of local residents. The Parties accept action needs to be taken to restore the lake to previous levels of health.
4. The Parties recognise that the rural sector and BOPRC have made important progress toward reducing nutrient flows into Lake Rotorua.
5. The Parties recognise that nutrient losses from the pastoral sector comprise a significant proportion of the total Lake Rotorua Catchment nitrogen load, and that nitrogen is one of a number of contributing factors to water quality in the Lake Rotorua catchment.
6. The Parties to this agreement wish to recognise the importance of the rural sector to the Rotorua economy in respect of investment, employment, support of local businesses and environmental stewardship.

7. The Parties are committed to reducing nutrient emissions from land use in the catchment.

INTENT

8. It is the intention of the Parties to meet the requirements of the RPS. The Parties note that there are other appeals in relation to Lake Rotorua water quality issues that will need to subsequently be resolved. In this respect the Parties agree to consult on any issue important to any review or resolution of subsequent appeals including scientific developments, timing, best endeavours and nitrogen reduction achievement across the Rotorua catchment.

9. All Parties agree that every effort will be made to meet the spirit of this agreement.

TIME FRAME

10. It is agreed that the timeframe to meet the 435 tonne sustainable annual nitrogen load for Lake Rotorua will be 20 years from 2012 to 2032.

11. In this regard an intermediate target will be set for the reduction of nitrogen loss within the catchment to achieve 70% of the required reduction in the first 10 years followed by 30% in the remaining 10 years. The intermediate targets will be confirmed as part of the Rules and Incentives programmes currently under development by BOPRC in consultation with the Lake Rotorua Catchment Stakeholder Advisory Group.

COOPERATION

12. The Parties agree that the most effective way to achieve a sustainable rural sector and a clean and healthy lake is through the adoption of a collaborative approach that includes all stakeholders.

13. In this respect the Parties agree that the Collective with the support of the BOPRC and in collaboration with industry research organisations will work with farmers to develop individual farm plans and collective solutions to meet nutrient reduction targets.

14. The Parties recognise that commitment to a collaborative approach has already been demonstrated through the establishment of the Lake Rotorua Catchment Stakeholder Advisory Group (StAG). The Group includes representative landowners in the Lake Rotorua catchment and has been endorsed by the Rotorua Te Arawa Lakes Strategy Group.

15. The main purpose of the Stakeholder Advisory Group is to provide oversight, advice and recommendations on "Rules and Incentives" options that will achieve the nutrient reduction targets needed from rural land in order to meet Lake Rotorua's water quality target.

NITROGEN REDUCTION SCHEME

16. The Parties agree that nutrient trading can offer an additional tool to achieve the sustainable nitrogen load. In this respect the Parties agree that a key role of StAG will be to provide advice on the development of a Nitrogen Reduction Scheme that may involve trading and/or purchasing of N to assist the rural sector implement the RPS.

PHOSPHOROUS REDUCTION

17. The Parties recognise the role that phosphorous reduction has in improving the lake's Trophic Level Index (TLI). It is agreed that every effort will be made to continue to encourage and support both on and off-farm phosphorus reduction initiatives. Scientific advice from the Land and Water Technical Advisory Groups, and other sources, will continue to be used by all Parties.

REVIEWS

18. Monitoring of the implementation of the RPS will be reported every five years with a full review of the RPS after 10 years as required by the RMA. Monitoring of the Regional Water and Land Plan (which includes the TLI target for Lake Rotorua) is also subject to the same five and 10 year review requirements.

The Parties recognise that these RMA review requirements mean there will be an ongoing opportunity to review targets, such as the sustainable nitrogen load of 435tN, that relate to Lake Rotorua's water quality. Should the advice of the Technical Advisory Group suggest that the sustainable nitrogen load be adjusted, then a review of the target will be undertaken.

The Parties recognise the importance of scientific rigour in the review process and as such, agree to the Collective nominating a recognised water quality and nutrient management scientist to participate in the Technical Advisory Groups, subject to the group's Terms of References.

It is agreed that the StAG and the TAG will provide advice to BOPRC on the development of the Terms of Reference for the reviews of the Regional Water and Land Plan in respect of Lake Rotorua.

CONCLUDING REMARKS

19. All parties will commit to collaborating to achieve the sustainable nitrogen load for Lake Rotorua.

BOPRC will continue to support and participate in the Lake Rotorua Stakeholder Advisory Group as part of this commitment.

20. The 2032 timeframe and intermediate reduction targets will be included in revised RPS wording for Policy WL 6B: Managing the reduction of nutrient losses.

Where amended text is required in the Proposed RPS to meet the terms of this agreement, the Parties will develop the text together through negotiation.

21. Where agreement is reached on the revised wording for Policy WL6B, the parties will prepare and sign a draft Environment Court consent order for consideration by the Court in order to settle Federated Farmers appeal no. ENV000087 and the Collective 274 notice, subject to any determination by the Court in respect of any other appeals or 274 notices against the Rotorua Lakes water quality provisions in the Proposed RPS.

22. The Parties agree that upon the Court making a consent order confirming the revised wording to Policy WL6B (and any other revised wording changes to other water quality provisions in the Proposed RPS as agreed previously between the parties at mediation), the appeal by Federated Farmers and the 274 notice filed by the Collective will be considered resolved with no order as to costs.

23. The Parties recognise that it is the statutory responsibility of the BOPRC to adopt rules to give effect to the RPS.


24. For all other terms, the Parties agree to implementing this agreement through appropriate policy and planning mechanisms. The Parties note that this MOU does not affect the Council's long term plan and annual plan decisions.

Signatures:

Executed for the Lake Rotorua Primary Producers' Collective (Inc)

By its duly authorised representative: **Tanira Kingi (Chairperson)**

SIGNED:



Date: 18 February 2013

Executed for Federated Farmers

By its duly authorised representative: **Bruce Wills (President)**

SIGNED:



Date: 18 February 2013

Executed for the Bay of Plenty Regional Council

By its duly authorised representative: **Mary Anne Macleod (Chief Executive)**

SIGNED:



Date: 18 February 2013

Witnessed by: Todd McClay MP. Member of Parliament for Rotorua

SIGNED:



Date: 18 February 2013

Endorsed in support of the Parties and Principles of this Agreement:

A handwritten signature in blue ink, appearing to read 'I. McLean', written in a cursive style.

Ian McLean

on behalf of the Lakes Water Quality Society Inc