



Valuing highly productive land: a summary

A summary of the proposed national policy statement for highly productive land

Ministry for Primary Industries
Manatū Ahu Matua



Ministry for the
Environment
Manatū Mō Te Taiao

Our land is a precious taonga – an irreplaceable treasure and a source of life and wellness for our country. Our economy depends on our land, and our history and culture are tied to it.

However, our productive land is under threat and we have a duty to cherish and protect it for future generations. We have already lost a lot of this precious resource. What we give up today is lost forever, which is why we need to act with urgency.

The Ministry for Primary Industries (MPI) and the Ministry for the Environment (MfE) are proposing a National Policy Statement for Highly Productive Land (NPS-HPL) as the most effective way to improve the way highly productive land is managed under the Resource Management Act 1991 (RMA).

The NPS-HPL proposes that councils will be required to consider the availability of highly productive land within their region or district for primary production now and for future generations.

How to have your say

We've prepared a summary of the key issues we would like your feedback on. We have included references in the discussion document where you can find more information.

We appreciate the input and expertise that many organisations and individuals have already contributed to the development of the proposed NPS-HPL. We now invite you to share your views. Continuing this inclusive approach will help us create effective, enduring solutions.

All New Zealanders have a stake in the protection of our land and we want to hear from you.

The discussion document and information about the consultation process can be found at www.mpi.govt.nz/

[HighlyProductiveLand](http://www.mpi.govt.nz/HighlyProductiveLand)

What is highly productive land and why does it matter?

Our survival depends on land - from providing our life-support systems to supporting the expression of our culture, spirituality and identity through the connections to place and history. Highly productive land provides significant economic and employment benefits to communities and underpins the value of New Zealand's primary sector.

Local authorities decide what land is classified as highly productive. Most use the Land-Use Capability (LUC) system, which categorises land into eight classes according to its long-term capability to sustain one or more productive uses. Class 1 is for the most versatile land, with the fewest limitations on its use. For this proposed National Policy Statement (NPS), highly productive land means it has been designated Class 1, 2 or 3 by default. Councils will then be able to consider a number of other factors to exclude some of this land, or to identify other highly productive land. Examples of these other factors are: the suitability of the climate for primary production; the size of land properties to support primary production; water availability; and access to transport routes and appropriate labour markets.

Problems facing highly productive land

In April 2018, MfE and Stats NZ published the *Our land 2018* report, which is a comprehensive assessment of how human activity is affecting the state of New Zealand's land to date. The report identified two main pressures facing highly productive land on the edge of towns and cities:





- expansion of urban areas, and the accompanying loss of productive land; and
- change of land-use on the fringes of urban areas, in particular the increase in lifestyle blocks.

The RMA provides the regulatory framework to sustainably manage the use of land, soil, fresh water and the coastal marine area, but there is a lack of clarity on how highly productive land should be managed, with more weight

generally being given to the value of other matters and priorities.

The absence of considered decision-making is contributing to urban expansion over, and fragmentation of, highly productive land when alternative locations and approaches may be available. This is precluding the best use of this finite resource for primary production for the benefit of New Zealand and future generations.



Overall purpose of the proposed NPS

The overall purpose is to improve the way highly productive land is managed under the RMA to:

- recognise the full range of values and benefits associated with its use for primary production;
- maintain its availability for primary production for future generations; and
- protect it from inappropriate subdivision, use and development.

The NPS's objective is not to provide absolute protection for highly productive land.

Options considered

Under the RMA, national direction can be provided on a particular problem or matter of national significance, and other options outside the RMA can also be used for this purpose.

Three options were considered as the most appropriate to address the identified problems:

1. A National Policy Statement for Highly Productive Land (option one);
2. National Environmental Standards for Highly Productive Land (option two); and
3. Amendments to the National Policy Statement on Urban Development Capacity 2016 (option three).

Option one is considered the best option as it could provide clear direction to local authorities on how to identify and manage highly productive land while still allowing some flexibility to respond to local pressures

and priorities. It would elevate the importance of highly productive land within the RMA planning hierarchy, and help ensure the benefits and value of highly productive land are given more weight in land-use planning and decision-making.

Option two was not chosen as it provides limited flexibility to respond to different local priorities and pressures. A National Environment Standard would also need to be carefully designed to ensure it was appropriate in all locations it applied to and did not have unintended consequences from “locking in” certain land-uses on highly productive land.

Option three could be effective in dealing with urban encroachment on to highly productive lands, but it could not address other concerns. It would have limited ability to address the fragmentation of highly productive land, which is a key problem this proposed national direction seeks to address.



How a National Policy Statement would work

National Policy Statements set out objectives and policies for matters of national significance that are relevant to achieving the purpose of the RMA.

The proposed NPS would require local authorities to identify highly productive land based on a set of defined criteria (soil capability, climate, water availability, size etc) with LUC Classes 1-3 being the default criteria to determine highly productive land until this process has been undertaken.

The proposed NPS focuses on maintaining highly productive land for “primary production” into the future to ensure a particular primary sector is not favoured at the expense of others. Generally, the conversion of highly productive land to urban land-uses results in the irreversible loss of that land for primary production. While the conversion may not be strictly irreversible, higher land prices and smaller economic units mean that a return to primary production is generally very unlikely.

A key focus of the NPS is to protect highly productive land from “inappropriate” use and development. What is appropriate or not will depend on the local context and actual impacts of development on highly productive land.

The proposed NPS includes a definition for “sensitive activities” based on existing practice. The expectation is that district plans will use this definition as part of a rule framework to manage certain sensitive or incompatible activities (e.g. schools) on or adjacent to highly productive land used for primary production. The intent is to encourage setbacks and buffers between area of highly productive land and adjacent residential and rural residential areas.

Recognising that identifying highly productive land will take substantial effort from local authorities, it is proposed that the Government provides guidance and technical assistance, focusing on those regions with the greatest pressures on their highly productive land.

Wider national direction

The proposed National Policy Statement has been developed alongside several other government priorities for national direction. In light of this, MPI and MfE have worked closely with other agencies to ensure all the national direction tools, both existing and proposed, are aligned and work well together. This is particularly important for the current proposals the Government is consulting on for urban development and for freshwater.

Proposed National Policy Statement for Urban Development

The proposed NPS on urban development would direct councils to be more future-focused about planning how and where development should occur, including identifying areas where evidence shows that urban development may not be appropriate through future development strategies.

The Government considers that the requirement to identify highly productive land will support councils in identifying “no-go” areas through their future development strategies while allowing for new urban areas on highly productive land in appropriate circumstances.

The Essential Freshwater work programme

This work programme proposes amendments to the National Policy Statement for Freshwater Management 2014, as well as new National Environmental Standards for Freshwater Management. The objectives of this work programme include:

- stopping further degradation and loss of freshwater resources;
- reversing past damage; and
- addressing water allocation issues.

Councils will need to take into account the above objectives when identifying highly productive land.





Have your say

Your input will help achieve the best outcome for New Zealand. We want to hear from interested organisations and individuals by **5.00pm on 10 October 2019**.

- An online submission tool is available at www.mpi.govt.nz/HighlyProductiveLand
- Submissions can also be emailed to soils@mpi.govt.nz
- Or posted to: Ministry for Primary Industries
PO Box 2526
Wellington 6140
New Zealand.

You can also share your views and have questions answered at workshops being held around the country.

Check out the full discussion document for the proposal at www.mpi.govt.nz/HighlyProductiveLand and find out how to make a submission or attend a workshop.

Your input may address any aspect of the proposed National Policy Statement.

Any questions or for further information, please email soils@mpi.govt.nz.