

## HIGH-LEVEL VIEWS ON THE POLICY INTENT OF THE OVERALL REFORM PACKAGE

Vegetables New Zealand Inc. supports the policy intent of the overall reform package.

Our experience over the near 35 year duration of the Resource Management Act 1991 has been one of increasing frustration and concern that changing and compounding planning regulations have impacted vegetable growers' ability to deliver, fresh, nutritious and affordable vegetables to New Zealanders and meet export demands.

We need and support a fundamental change in our planning system that as described in the MfE information sheet *The New Planning System: Backing Our Primary Sector*<sup>1</sup> *'will remove unnecessary compliance barriers and gives farmers more certainty and flexibility to get on with the job'*.

New Zealand's vegetable production system works across district and regional boundaries. It does so because of the need to access land and water resources that enable food production and achieve marketable yields. Vegetable production is a dynamic system that typically relies on crop rotation to manage soil health and soil-borne diseases that can reduce the yield of the crop, shorten storage life or often render crops completely unsalable.

Our collective experience across New Zealand has been that unnecessary, inconsistent and sometime prohibitory regulations across authorities have impacted vegetable production. We have seen perverse outcomes in different regions (e.g. Waikato PC1 and Horizons PC2) where regulations have been promulgated that have not recognised the particular needs and attributes of vegetable production.

It has only been in recent years that resource management frameworks nationally and locally have started to recognise the national significance of New Zealand's vegetable production system to domestic food supply.

We need a national policy framework and a consistent planning approach that supports and enables vegetable production. To achieve this, we need to get the 'top end' of the Planning Act (PB) and the Natural Environment Bill (NEB) right as that directs the matters to consider in all decision making.

The new planning system relies heavily on future secondary legislation and work to deliver the policy outcomes sought. Vegetable New Zealand Inc. considers itself a critical entity to input into that future work and looks forward to working with the relevant ministries and stakeholders.

We are encouraged by the direction of the July 2025 National Direction 2025 Package 3 Freshwater Discussion Document, that proposed:

- a) A new objective in the NPS-FM to enable the continued domestic supply of fresh vegetables, and in doing so, to provide for crop rotation.
- b) Developing new national standards that permit commercial vegetable growing.

We support what this might achieve. However, it is the opinion of Vegetables New Zealand Inc. that permitting commercial vegetable growing should be a method adopted not just from a nutrient management/discharge perspective, but also more broadly in terms of land use and

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<sup>1</sup> [New Planning System: Backing our primary sector | Ministry for the Environment](#)

resource allocation. **A permitted activity status must apply to all elements of commercial vegetable growing.**

Vegetables New Zealand Inc. therefore supports the proposal of HortNZ to identify commercial vegetable growing as an “activity of national importance”. The ‘licence to farm’ is critical for the vegetable production system. We need to remove unnecessary regulation, consenting and compliance. We need certainty through permitted activity status and resource allocation to maintain the food production system. **Escalating regulation and cost that has been directly attributable to increasing vegetable prices in New Zealanders.**

Activities of National Importance would then inform the content of National Policy Directions across the PB and NEB which have a purpose of doing 1 or both of the following:

- to particularise the goals and direct how they must be achieved; or
- to help resolve conflicts between the goals

A nationally consistent framework for commercial vegetable production is likely to provide the mechanism to support and maintain the supply of fresh, affordable fruit and vegetables. There is consistency in the activity and effects that support this approach.

We support the introduction of National Standards and agree with HortNZ that vegetable growing could provide a first case study to show how implementation of national standards can work. However, the primary legislation could be improved to provide a pathway for the national standards specifically as they might relate to the supply of fresh, affordable fruit and vegetables.

Addressing the above, the key matters of interest to Vegetables New Zealand Inc. we wish to highlight through our submission are as follows.

## **GOALS**

As previously stated, it has only been in recent years that resource management frameworks nationally and locally have started to recognise the national significance of New Zealand’s vegetable production system to domestic food supply. To this end the RMA has failed and where there has been recognition, this has proved more problematic than helpful. For example:

### *National Policy Statement for Highly Productive Land*

We now have a National Policy Statement for Highly Productive Land gazetted in 2022, 32 years after the RMA itself. This was amended in 2024 to allow greenhouses to produce food on highly productive land, which were previously restricted and in 2025/2026 to exempt LUC 3 land (the third most productive tier) from the strictest protections.

The NPS-HPL has proved more of a constraint than beneficial to growers as it has been used by regulators to frustrate and constrain primary production activities. It does not mention or explicitly address food production values in the NPS-HPL itself. It does not direct the allocation of resources to enable the productive capability of land to be achieved.

The most recent round of changes, asked whether ‘special agricultural areas’ should be identified in the NPS-HPL potentially with criteria including crop type, productivity metrics, and existing infrastructure. This was not widely supported by vegetable growers as this was not supported by resource allocation. **HPL cannot be considered in isolation of the other factors necessary to enable vegetable production.**

## *National Policy Statement for Freshwater Management*

We have had 4 main iterations (2011, 2014, 2017, 2020) of the National Policy Statement for Freshwater Management, there have been roughly 6 to 8 significant "change events" if you include the specific amendment acts and recent 2024/2025 regulatory shifts. The fundamental concept of Te Mana o te Wai that underpins the NPS-FM has added uncertainty for food producers, noting that the prescribed hierarchy of obligations in Te Mana o te Wai prioritises:

- (a) first, the health and well-being of water bodies and freshwater ecosystems*
- (b) second, the health needs of people (such as drinking water)*
- (c) third, the ability of people and communities to provide for their social, economic, and cultural well-being, now and in the future.*

There have been unresolved arguments on whether food production fits in clause b. or c, whether specified vegetable growing areas are needed from a freshwater management perspective, and whether water quality and quantity is suitable for irrigation needs, including supporting the cultivation of food crops should be a 'compulsory' or 'other' value to consider in decision making under the NPS-FM.

This perpetual spinning of policy has done nothing to support the vegetable production system that has by necessity continued to provide fresh, nutritious and affordable food to sustain human health and well-being.

### *Goals*

The above speaks to our concerns with the Goals prescribed in both the PB and NEB neither of which provide specific Goals related to food production.

The Goals are as follows:

#### *Planning Bill 11 Goals*

*All persons exercising or performing functions, duties, or powers under this Act must seek to achieve the following goals subject to sections 12 and 45:*

- a) to ensure that land use does not unreasonably affect others, including by separating incompatible land uses:*
- b) to support and enable economic growth and change by enabling the use and development of land:*
- c) to create well-functioning urban and rural areas:*
- d) to enable competitive urban land markets by making land available to meet current and expected demand for business and residential use and development:*
- e) to plan and provide for infrastructure to meet current and expected demand:*
- f) to maintain public access to and along the coastal marine area, lakes, and rivers:*
- g) to protect from inappropriate development the identified values and characteristics of—*
  - (i) areas of high natural character within the coastal environment, wetlands, and lakes and rivers and their margins*
  - (ii) outstanding natural features and landscapes:*
  - (iii) sites significant historic heritage:*
- h) to safeguard communities from the effects of natural hazards through proportionate and risk-based planning:*
- i) to provide for Māori interests through—*
  - (i) Māori participation in the development of national instruments, spatial planning, and land use plans; and*

- (ii) *the identification and protection of sites of significance to Māori (including wāhi tapu, water bodies, or sites in or on the coastal marine area); and*
- (iii) *enabling the development and protection of identified Māori land.*

#### *Natural Environment Bill*

##### *11 Goals*

*All persons exercising or performing functions, duties, or powers under this Act must seek to achieve the following goals subject to sections 12 and 69:*

- a) *to enable the use and development of natural resources within environmental limits:*
- b) *to safeguard the life-supporting capacity of air, water, soil, and ecosystems:*
- c) *to protect human health from harm caused by the discharge of contaminants:*
- d) *to achieve no net loss in indigenous biodiversity:*
- e) *to manage the effects of natural hazard associated with the use or protection of natural resources through proportionate and risk-based planning:*
- f) *to provide for Māori interests through—*
  - (i) *Māori participation in the development of national instruments, spatial planning, and natural environment plans; and*
  - (ii) *the identification and protection of sites of significance to Māori (including, wāhi tapu, water bodies, or sites in or on the coastal marine area); and*
  - (iii) *enabling the development and protection of identified Māori land.*

We have reviewed these from the perspective of human health and well-being needs and in particular in terms of the foundation needs for human survival, being the essentials of housing, food, and water.

The NEB has a Goal to enable the use and development of natural resources within environmental limits. It also repeats part of the sustainable management purpose of the RMA being to safeguard the life-supporting capacity of air, water, soil, and ecosystems. There is a Goal of protecting human health from contaminant discharges. There is no Goal concerning human health and well-being nor Goal that focuses on food supply which has an invariable relationship with natural resources.

The PB has Goal for urban land use and specifically residential needs. There is a Goal for infrastructure. A Goal for economic growth and change. The singular Goal explicit for rural New Zealand is 'to create well-functioning urban and rural areas'.

We are unsure of the intent of the Goal but assume that a well-functioning rural area is defined by its productivity and elements that include:

- **Primary Production First:** The primary goal is ensuring that land is used for rural land use like farming, horticulture, and forestry rather than being used or developed where that might conflict of primary production activity.
- **Reverse Sensitivity Management:** Ensuring that activities sensitive to the effects of primary production don't move in next to established primary production activities and then complain about the noise, dust, or smell. A well-functioning rural area protects the "right to farm."
- **Rural-Specific Infrastructure:** Recognizing that rural areas need different types of connectivity (like high-speed satellite internet, resilient roads and bridges) rather than the buses or trains found in cities.

- **Functional Environments:** Acknowledging that rural areas aren't just for food—they support communities, are for tourism, mineral extraction, and renewable energy (like solar and wind farms).

There are other elements including those of the natural environment, protection of particular values/characteristics and communities that contribute and are (or should be) addressed through other Goals.

Food production systems are coming under increased pressure from population growth, competing resource use, climate change, and the need to improve environmental outcomes. While New Zealand is a net food exporter, many of the vegetables and some fruit we grow are only for domestic food supply.

There are existing and potential future problems associated with the food production system and the resources upon which that system relies, notably related to increased pressure from population growth (for land and volume of production), competing resource use, reverse sensitivity, pests, and climate change. Food is clearly a human health need and food production enables people and communities to provide for their health and well-being.

It is not possible to import fresh vegetables to meet our population's nutritional needs by volume or at an affordable price due to our country's geographic isolation and the perishable nature of vegetables. If we are to maintain the supply of fresh fruit and vegetables we must have a specific Goal in resource management planning to do so.

Primary production encompasses many activities, including production, from agricultural, pastoral, forestry activities or horticultural including supporting activities like post-harvest facilities. It may be directly reliant on the soil resource of the land or reliant on the rural location to support the activity (eg greenhouses).

The effects of primary production cannot often be fully internalised. While some might consider those effects (sights, smells, sounds) part of the character and amenity of the rural environment, others consider them adverse or even offensive.

The rural environment is already compromised by legacy planning decisions that have created tension at the rural-urban interface or leaked sensitive activities into these areas. We are not starting with a clean land use slate such that while we might wish to 'avoid' conflict and reverse sensitivity, 'mitigating' the effects is a more likely planning outcome. This should be an explicit Goal.

### **Planning Bill Goals**

Goal 1(a) seeks to ensure that land use does not unreasonably affect others and then provides a method – including by separating incompatible land uses. This method can be helpful and used to support zones and setbacks. There are other methods that may also be available and there are a range of conflicts where this Goal will assist with planning. However, the Goal would be strengthened by directly referencing to the singular effect of Reverse Sensitivity that is the common concerns for primary producers.

*Amend Planning Bill Goal 1(a) as follows*

HortNZ suggestion:

- to ensure that land use does not unreasonably affect others, including by separating incompatible land uses **and managing reverse sensitivity effects**.

Other options???:

- to ensure that land use does not unreasonably affect others **and managing reverse sensitivity effects**, including by separating incompatible land uses.

- to ensure that land use does not unreasonably affect others **and avoid where practicable or mitigate reverse sensitivity effects**, including by separating incompatible land uses.

A well-functioning rural area is a worthy Goal that we support. However, this is not focused enough on what is a key resource management issue for New Zealand's future. We reiterate that in our current planning system, the production, supply and security of food is a resource management issue of concern that has in the past had little direct attention and assumed to have been dealt with broadly in planning instruments. That deficiency was addressed in [s129 of the now repealed Natural and Built Environment Act 2023](#). There, the national planning framework was required to provide direction on 'enabling the supply of fresh fruit and vegetables'. Vegetables New Zealand Inc. believes a similar outcome must be expressed as a Goal (or Goals) in the PB and NEB.

*Amend Planning Bill Goal 1(c) as follows*

HortNZ suggest:

(c) to create well-functioning urban **areas which provide for housing and business land:**

**(ca) to create well-functioning rural and peri-urban areas which provide for primary production:**

**(da) to enable the use of rural and peri-urban land for primary production use and development:**

Other option???:

- to create well-functioning rural areas **that prioritise primary production, conflict management and rural infrastructural needs.**

### **Natural Environment Bill Goals**

The natural environmental bill would be improved with a Goal addressing human health and well-being relative to the natural resources and food supply. This could include a Goal to provide for the foundation needs for human survival, being the absolute essentials of housing, food, and water. Specifically, the commercial vegetable production is nationally important for domestic food supply and has a role in provisioning food to the global population and an export earner.

*Add Goals as follows*

HortNZ suggest:

**- to enable the supply of fresh fruit and vegetables.**

**and/or**

**(ab) to enable activities of national importance.**

Other options???:

**- to provide for the foundation needs for human survival, being the essentials of food and water.**

**- to enable the supply of fresh fruit and vegetables.**

**- to enable activities of national importance.**

## **MINISTERIAL POWERS**

Vegetables New Zealand supports the ministerial powers proposed in the PB and NEB which we see as providing a significantly more “directive” role for central government. This includes the ability of the minister to issue a national policy direction, set national standards and environmental limits.

As discussed above, the vegetable growing sectors experience with district and regional planning has been unnecessary, inconsistent and sometime prohibitory regulations that have affected food production. There are multiply examples across New Zealand where different regulatory regimes are in place for:

- Agrichemical and spray use.
- Fertiliser application.
- Cultivation practice and erosion and sediment controls.
- Bird scaring devices.
- Wind machines.
- Crop protection and support structures.
- Post-harvest facilities.
- Worker’s accommodation.
- The allocation of water.
- Discharge controls.

The activities and effects are the same, yet a grower operating a sustainable practice of rotational vegetable production may be subject to different regulations from one paddock to another depending on the regulatory territory or catchment. We would be happy to support a minister in developing a nationally consistent framework for vegetation production.

While happy with the intent of the ministerial powers we note that this has some risk of significant change in direction (through political/societal change). This creates uncertainty and could lead to the same frustrations growers currently deal with.

Mitigating the risk to the food production system of significant shifts in planning direction can be achieved at the top end of the PB and NEB. Embedding specific Goals that elevates primary production values and food supply ensures this remains key to any future decision making.

Include specific Goals that provide for primary production values and specifically the supply of fresh fruit and vegetables.

## ALLOCATION OF RESOURCES

The new planning regime proposes a significant shift in resource allocation in a move from the first-in-first-served approach to alternatives including market-based that are enabled if and when central government determine national instruments (like national standards) provide for them e.g:

- **Auctions** — allocating rights through competitive bidding.
- **Tenders** — invites bids for allocated rights.
- **Comparative consenting** — deciding between competing applications based on criteria rather than order of receipt.

As earlier described, the vegetable production system in New Zealand is often rotationally dependant. It moves across the rural landscape and changes where and how natural resources are used. Transfers of land and water characterise the system under formal and informal structures. This creates efficient resource use and collective management.

Vegetables New Zealand Inc. support the ability to continue to transfer resources and in terms of water, have supported planning rules to do so through regional plans (section 136 of the RMA). We have also supported enterprise or collective consenting of resources to a number of users (for example Canterbury nutrient allocation).

We would not support a market-based allocation system that allocates resources to the highest bidder (including auctions or tenders) and see this as a significant risk to the supply of vegetables.

While commercial vegetable production is the dominant activity in a limited number of catchments nationally, it is typically the minority land use and venerable if a market-based allocation system based purely on price is imposed. It is a system unable to compete with other rural production systems and in particular export-based parts of the primary sector. It is not of the scale to do so nor able to achieve competitive market returns as a lower return operation.

Commercial vegetable production would be unable to compete for necessary resources to produce food in a market-based allocation system where large corporates, infrastructure providers and municipal authorities dominate the price of water or discharges.

It will simply be priced out at the detriment of food supply and diversity and resilience in New Zealand primary system.

Those domestic food producers that might be able to compete in a market-allocation system would need to pass on the cost. **This will raise the price of vegetables to domestic consumers.**

To avoid the risk of allocation systems disrupting the commercial vegetable production system, the activity must be prescribed as permitted and resources allocated accordingly.

The specific Goals discussed above provide the strategic support for vegetable production and food production values can be further reinforced through the spatial planning provisions, discussed further below.



Remove market-based allocation as an allocation system option from the NEB.

Include specific Goals that provide for primary production values and food supply.

Commercial vegetable production system must be prescribed as permitted with resources allocated.

Require food production values, resource needs, rotational requirements to be directly considered in the content of spatial planning and HPL identified as an opportunity rather than a constraint with the resources necessary to enable the productive capability of HPL are allocated.

## NATURAL RESOURCE LEVIES

Vegetables New Zealand Inc. oppose the introduction of Natural Resource Levies which can be imposed to fund the resolution of issues resulting from overallocation or provide for efficient use of natural resources.

The value attributed to a levy will likely influence market-based allocation and introduce a value to common resources. As above, we see this as a risk to food supply. Commercial vegetable production will be unable to compete with other resource users.

Councils already take levies for resource use. For example, water permit holders are subject to annual monitoring charges dependent on volume and the conditions of/risk to the resource. That money should be used for information gathering, resource accounting, state of the environment assessment and critically, inform consent renewals, particularly in over or near allocation situations.

We have not seen this in practice and do not see natural resource levies as a mechanism to improve this system.

Issues of overallocation or provide for efficient use can and should be addressed in other ways that don't place the food production system at risk. This includes industry accredited farm plans and value-based allocation.

Natural resource levies are another cost that would be passed on to domestic consumers. **This will raise the price of vegetables to domestic consumers.**

Remove Natural Resource Levies from the NEB.

## SURVIVAL WATER

Security of water supply is vital for food production and domestic food supply. There is no alternative to water for the survival of crops during drought periods. No water means plants die. This can result in lost income and constraints on food supply to market. There are potential long-term effects on productive capacity with growers giving up and walking away from former productive units. If the water is not there, there is little compelling reason to replant or continue production with no security for survival and economic return. Potential consequences include less productive rural land use or lifestyle use with incomes for resident's sourced offsite and loss of onsite rural employment opportunities.

Potential economic impacts are not only felt by growers and the horticultural industry, but also on consumers who face increased prices as a result of reduced supply. Impacts also flow on to

the local community, not just as consumers, but as employees and recipients of grower contributions to the community fabric (be they social or financial contributions).

Climate change is affecting the rural production system, with documented examples in recent years of adverse weather events directly affecting New Zealand food supply. Reliability of water in a changing environment is critical.

The case for survival water to horticultural rootstock and water sensitive crops for human consumption is well established in regional plans around New Zealand but has taken much evidence, time and cost to the industry.

We note that the NEA carries over from the RMA, the permitted activity water right for an *individual's reasonable domestic needs or the reasonable needs of a person's animals for drinking water*. It provides no protection for the water needs to maintain food supply being essential for human health and wellbeing.

Provision should be made for water required to sustain crops for human consumption to achieve a Goal of enabling the supply of fresh fruit and vegetables.

Provision should be made either within clause 20 *Restrictions Relating to Water* and/or clause 272 *Water Shortage Directions* for water required to sustain crops for human consumption.

## **SPATIAL PLANNING**

Spatial planning could also be a significant step toward ensuring New Zealand's food security is protected, and where needed direct planning and allocation decisions. This should be part of the cascaded planning framework that recognizes the particular value of fresh fruit and vegetables from a National Policy Direction through the Goals and delivery through a nationally consistent framework for commercial vegetable production.

Spatial plans are the key point in the system where trade-offs between the environment and land use occur. This is where the value of food production must be directly considered.

For it to be a helpful mechanism for protecting and enabling the ongoing supply fresh fruit and vegetables, it must fully provide for all elements of the commercial vegetable production system. This includes:

- Recognition that defining 'highly productive land' as mapped by the New Zealand Land Resource Inventory is highly inaccurate and does not represent productive land on its own.
- Productive capability (as per the definition of the NPS-HPL) includes physical characteristics (such as soil type, properties, and versatility); legal constraints (such as consent notices, local authority covenants, and easements); and the size and shape of existing and proposed land parcels.
- Reliable water is the key resource.
- The discharge of nutrients is part of the vegetable production cycle.
- Rural infrastructure, labour, proximity to market are part of a productive system.
- Post-harvest facilities are a critical component.
- Vegetable production is characterized by the particular attributes of rotational cropping.

**Spatial planning must be directly linked to resource use and allocation, but it cannot be a mechanism that creates a handcuff that prohibits change.**

The commercial vegetable production system is dynamic and adaptable. It moves and changes across the landscape and is affected by a number of externalities. The reliability of water, climate change, pests and diseases, market, input costs etc can affect the viability of individual land parcels or groups of parcels.

Spatial planning should enable land use and allocate resources but not lock in a land use. Commercial vegetable growers must have flexibility for change.

Require all elements of the commercial vegetable production system to be considered in the content of spatial planning and HPL identified as an opportunity rather than a constraint with the resources necessary to enable the productive capability of HPL allocated.

Ensure spatial planning does not lock in a land use but enables change.