Ministry for the Environment
Manatū Mō Te Taiao

Ministry for Primary Industries
Manatū Ahu Matua

Annex to Regulatory Impact Statement: Addendum: Application of Resource Management (Freshwater Farm Plan) Regulations 2023

Decision sought	*Cabinet agreement to cease and recommence the rollout of freshwater farm plans in the Southland region by Order in Council under section 217C of the Resource Management Act 1991 (RMA).*
Agency responsible	*Ministry for the Environment, Ministry for Primary Industries*
Proposing Ministers	*Minister for the Environment, Minister of Agriculture, Associate Minister for the Environment*
Date finalised	*23 February 2026*

This is an Annex to *the Regulatory Impact Statement: Addendum: Application of Resource Management (Freshwater Farm Plan) Regulations 2023.*[1]

The Addendum considered options for supporting Environment Southland to implement their Regional Plan farm environment plan requirements.

Limitations and Constraints on Analysis

- **Previous Cabinet decisions and Ministerial direction:** The Government has committed to exploring potential changes to the Freshwater Farm Plan (FW-FP) system. Cabinet has agreed to pause the rollout of FW-FPs while this review is in progress. This has influenced how the policies, problems and options of this RIS have been developed, and has limited the analysis as it is uncertain what the future FW-FP system will look like.
- **Pace of reform:** These changes need to be made urgently (before 27 May 2026) to provide clarity to Southland farmers and Environment Southland, the Regional Council. This timeframe has limited meaningful engagement with Environment Southland, Treaty partners and stakeholders ahead of policy decisions being taken by Ministers and Cabinet.
- **Limited data on costs and benefits of proposed options:** Officials have limited information on the costs and benefits of the options, as the FW-FP system is currently under review.

[1] Supporting Southland with Freshwater Farm Planning

I have read the Regulatory Impact Statement and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the preferred option.

Responsible Manager(s) signature: 9(2)(a)

Ali McHugh
Manager System Tools (MfE)
23 February 2026

9(2)(a)

Responsible Manager(s) signature:
Claire McClintock
Manager Freshwater and Adaptive Farming (MPI)
23 February 2026

Quality Assurance Statement	***[Note this isn't included in the four-page limit]***
Reviewing Agency: MPI	**QA rating:** partially meets

Panel Comment:

The Ministry for Primary Industries' Regulatory Impact Analysis Panel has reviewed the *Annex to Regulatory Impact Statement: Addendum: Application of Resource Management (Freshwater Farm Plan) Regulations 2023* and considers that it **partially meets** the Quality Assurance criteria. Though time constraints limited consultation, the Annex is clear, concise and provides a convincing analysis.

Section 1: Diagnosing the policy problem

What is the context behind the policy problem and how is the status quo expected to develop?

1. Part 9A of the Resource Management Act 1991 (RMA) established Freshwater Farm Plans (FW-FPs) as a regulatory tool that supports farmers and growers to manage on-farm risks to freshwater, in a way that is tailored to their individual conditions and catchment needs.

2. The Government is reviewing the FW-FP system, with objectives to make it more cost effective and practical for farmers. While this is underway, the Government paused the rollout of FW-FPs (which was happening across several regions, including Southland) via the Resource Management (Freshwater and Other Matters) Amendment Act 2024.

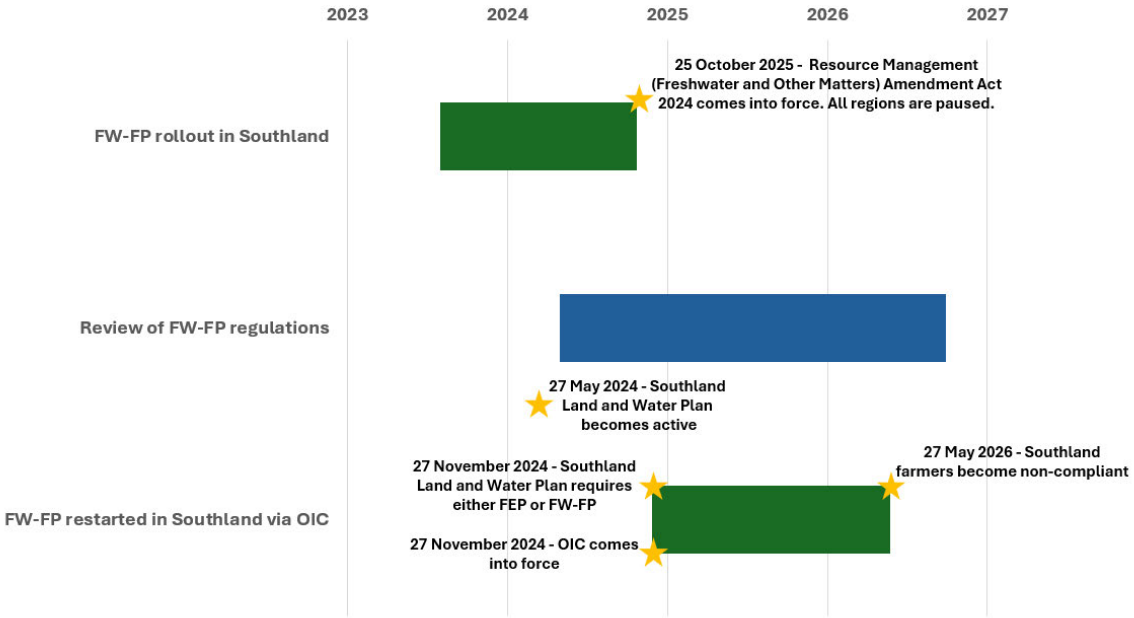
The impacts of pausing the rollout were assessed in the *Regulatory Impact Statement: Options for pausing the implementation of the freshwater farm plan system*.[2]

3. The Southland Land and Water Plan (the Regional Plan) requires farmers to prepare either a regional farm environment plan or, if Part 9A has been applied to the Southland region via Order in council, a FW-FP. If the FW-FP system is live in the Southland region, farm environment plan requirements can be met through a FW-FP, meaning the farmer would only be required to prepare and submit one plan to meet both the national FW-FP requirements, and the regional plan requirements.

4. On 27 November 2024, the rollout of FW-FPs was restarted in Southland, providing farmers 18 months to prepare a FW-FP in accordance with the FW-FP regulations (rather than the six-month timeframe under the Regional Plan). This was done via the Resource Management (Application of Part 9A – Freshwater Farm Plans: Southland) Order 2024 (the Order), in anticipation that the FW-FP review would be completed by May 2026.[3]

5. Southland farmers are required to submit their FW-FP for certification before 27 May 2026. As of February 2026, officials understand Environment Southland have received a small number of certified farm plans (approximately 9). The review of FW-FPs is still underway and will not be concluded before the deadline for FW-FPs in Southland. Figure One below outlines this timeline.

Figure One: Southland FW-FP regulations timeline



What is the policy problem or opportunity?

[2] Pausing-the-rollout-of-freshwater-farm-plans-MFE.pdf
[3] Resource Management (Application of Part 9A—Freshwater Farm Plans: Southland) Order 2024 (SL 2024/238) – New Zealand Legislation

6. The review of the FW-FP system has taken longer than anticipated and will not be completed before 27 May 2026. FW-FP system changes are currently being finalised and are expected to come into force later in 2026. The amended regulations are expected to alter the structure and content of farm plans and the certification process.

7. If Southland farmers are required to certify FW-FP plans by 27 May 2026, they will not benefit from changes to the FW-FP regulations and may face additional costs and duplication of effort to comply with regulations introduced late in 2026.

What objectives are sought in relation to the policy problem?

8. The objective of this proposal is to enable Southland farmers to benefit from future changes to the FW-FP system, avoid additional costs and duplication of effort, and to provide sufficient time to develop practical and effective farm plans (18 months after the Order in Council per current FW-FP regulations[4]) that meet the requirements of both the Regional Plan's farm environment plan system and the FW-FP system.

What consultation has been undertaken?

9. We have spoken with Environment Southland who understand the need to reset the timeline. Environment Southland have indicated they will continue to provide implementation support for farmers to help them develop robust farm plans.

10. MFE advised Ngāi Tahu of the proposed OIC solution to reset the FW-FP timeframe in Southland on 12 February and invited their feedback. 9(2)(ba)(i)

Section 2: Assessing options to address the policy problem

What criteria will be used to compare options to the status quo?

11. The criteria in Table 2 were used to assess whether the option will achieve the policy objective.

Criteria	Explanation
Effective	• Does the option avoid Southland farmers being required to submit a FW-FP for certification ahead of the FW-FP system changes being finalised?
Practical	• Does the option reduce regulatory burden in terms of cost, time and resources needed for farmers in Southland, Environment Southland, and the supporting workforce (certifiers and auditors)?
Credible	• Does the option deliver confidence in the future of the FW-FP system for regulated parties, regional councils, and the supporting workforce?
Integrated	• Does the option integrate with and support the proposed changes to the broader FW-FP system?
Equitable	• Does the option give affected parties an appropriate amount of time to modify practices and transition to the new system?

[4] The 18-month timeframe is likely to change as part of changes to the FW-FP regulations.

What scope will options be considered within?

12. The scope of options in this Regulatory Impact Statement is limited to options that can be delivered before 27 May 2026 and within the current scope of Part 9A of the RMA.

13. We considered whether we could cease the application of Part 9A in Southland, and not reapply it. This option would not address the problem, as then the FW-FP pathway would not be available and farmers would immediately be required to get a farm environment plan under the Regional Plan or become non-compliant. Environment Southland have indicated that while they will continue to take an educative approach and support farmers in developing farm plans, they will still need to implement their regional plan under the required timeframe.

What options are being considered?

Option One – [Status Quo / Counterfactual]

14. Under the status quo, farmers in Southland are required to submit a FW-FP for certification before 27 May 2026, or risk being deemed non-compliant. This FW-FP will be used to meet their farm environment plan requirements under the Regional Plan.

Option Two – Reset the timeline for FW-FPs in Southland

15. This option would:

- Cease the application of the Order so that the current timeframes for farmers needing to submit a FW-FP for certification no longer apply.
- Reapply Part 9A of the RMA to Southland via Order in Council, meaning the timeframe for when FW-FPs are required in the region will be reset and farmers will not be required to submit their FW-FP until a later date (18 months after the Order in Council per current FW-FP regulations[5]);
- Make these changes simultaneously, and no later than 27 May 2026.

16. Farmers will not be required to prepare a farm environment plan under the Regional Plan during this time, as the FW-FP system being live overrides this requirement.

[5] The 18-month timeframe is likely to change as part of changes to the FW-FP regulations

How do the options compare to the status quo/counterfactual?

	Option One – Status Quo / Counterfactual	Option Two – Resetting the timeline for FW-FP in Southland
Effective	0 Farmers will be required to submit a FW-FP for certification by 27 May 2026, before changes to the FW-FP system are finalised.	++ Resetting the timeframe will mean FW-FPs will not be required until changes to the FW-FP system are finalised. This means farmers will be able to benefit from changes made to the FW-FP system.
Practical	0 Requiring a FW-FP before changes to the FW-FP system are finalised means farmers will be unable to benefit from the changes to the system and may incur additional costs and duplication of effort. Environment Southland may also incur additional costs and duplication of effort, as they will need to implement the current FW-FP system, and then update their implementation material to align with the new system. A certifier and auditor workforce will also need to be appointed under the current requirements, meaning they also may experience additional costs.	+ Resetting the timeframe for a FW-FP in Southland will reduce unnecessary investment and effort while changes are made to the FW-FP system. Environment Southland will reduce implementation costs and effort, by developing a single implementation process aligned with the updated FW-FP system. Enables applying certifiers and auditors to benefit from anticipated streamlining of the application requirements as part of the wider FW-FP system changes, as this workforce will not be needed before the system changes are finalised.
Credible	0 Requiring farmers to submit a FW-FP for certification while the system is under review could reduce their confidence in FW-FPs, and their willingness to engage in the system. The certifier and auditor workforce may also choose to wait to become certifiers until the FW-FP review is finalised, further risking its credibility.	+ This option encourages farmer buy-in of the system, as they will be able to meet their regional farm planning requirements through the updated FW-FP system. This will support engagement with the FW-FP system, and support the use of regulated FW-FPs as a tool to manage risks to freshwater.
Integrated	0 Requiring farmers to submit a FW-FP for certification before changes to the final system are made does not align well with the review of the FW-FP system. It also means Southland will be	++ This option will integrate well with the wider review of the FW-FP system, as it means farmers will be able to wait to submit a FW-FP for certification until the changes are finalised. It also means that

	running on a significantly different timeframe to the rest of the country.	Environment Southland's implementation of FW-FP can be better aligned with the rollout across the rest of the country.
Equitable	0 Southland farmers and the regional council will be unable to transition to the new system, as these changes are yet to be finalised. This means they will be required to submit a FW-FP for certification under the current system, potentially creating additional duplication and cost.	+ Provides farmers in Southland, and Environment Southland with time to transition to the new FW-FP system. They will be able to develop their FW-FP and implementation material to align with this.
Overall assessment	0 This option is unlikely to achieve the policy objectives, and will likely result in duplication and additional cost for farmers, as they will need to submit a FW-FP for certification under the current regulations. This will create duplication and cost and does not integrate well with the new FW-FP system.	++ This option will achieve the policy objectives, and will enable farmers in Southland to develop and have their FW-FP certified under the new FW-FP system. This will reduce cost for farmers and cost and duplication for Environment Southland, compared to the status quo, and will also have benefits for the certifier and auditor workforce.

Key for qualitative assessment:

++	much better than doing nothing/the status quo/counterfactual
+	better than doing nothing/the status quo/counterfactual
0	about the same as doing nothing/the status quo/counterfactual
-	worse than doing nothing/the status quo/counterfactual
- -	much worse than doing nothing/the status quo/counterfactual

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

17. We consider Option 2: Resetting the timeline for FW-FPs in Southland best addresses the problem and meets the policy objectives, as:
    - Southland farmers will not be required to submit a FW-FP for certification before the changes to the FW-FP system are finalised;
    - Farmers will have more certainty of their regulatory requirements in the short term and support the transition to the new FW-FP system;
    - Farmer buy-in of FW-FP system to manage risks to freshwater is encouraged.
    - Environment Southland's implementation of FW-FP will be better aligned with the rollout across the rest of the country.

18. The Minister's preferred option in the Cabinet paper is the same as the agency's preferred option in the RIS.

What are the marginal costs and benefits of the preferred option in the Cabinet paper?

Affected groups *(identify)*	**Comment** *nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.*	**Impact** *$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.*	**Evidence Certainty** *High, medium, or low, and explain reasoning in comment column.*
Additional costs of the preferred option compared to taking no action			
Regulated groups	No costs identified	Low	Medium
Regulators	Minor costs to Environment Southland associated with updating their implementation plan and material to account for the new timeframes for when certification is required	Low	Medium
Supporting workforce	Minor costs associated with rural advisers going through certifier training and appointment process, and not having FW-FPs to certify and audit due to the later timeframes for when certification is required.	Low	Medium
Environment	Minor costs associated with extending the timeframes for when certification is required meaning there is a longer period before FW-FPs are fully implemented in the region.	Low	Medium

Total monetised costs	Minor	Low	Medium
Non-monetised costs	Minor	Low	Medium
Additional benefits of the preferred option compared to taking no action			
Regulated groups	Extend the timeframes for when a FW-FP is required to be submitted for certification, reducing unnecessary investment while changes are made to the wider FW-FP system.	Medium	Medium
Regulators	Ability to streamline implementation costs	Low	Medium
Supporting workforce	Enables applying certifiers and auditors to benefit from changes made to the application requirements as part of the wider FW-FP system changes, as this workforce will not be needed before the system changes are finalised.	Low	Medium
Environment	Supports the delivery of a nationally consistent FW-FP system, which is designed to better manage the adverse effects of farming on freshwater and freshwater ecosystems through the use of FW-FPs.	Low	Medium
Total monetised benefits	Minor	Low/ Medium	Medium
Non-monetised benefits	Minor	Low/ Medium	Medium

Section 3: Delivering an option

How will the proposal be implemented?

19. If agreed by Cabinet, an Order in Council to cease the application of the Order and reapply Part 9A of the RMA will be gazetted prior to 27 May 2026. This will only affect the Southland region.

20. We anticipate the changes to the FW-FP system will be finalised mid-2026, meaning there will be time for these changes to be incorporated into the rollout of the system in Southland. We will continue to work with Environment Southland, so they have adequate support in delivering the FW-FP system. This will include as much clarity as

possible over proposed changes, to support the effective implementation of the system.

21. A key risk associated with Part 9A being disapplied and then immediately reapplied is that it may create confusion regarding farm planning requirements. To manage this risk, MPI and MfE will work with Environment Southland and MPI's On Farm Support team so farmers receive clear messaging on their obligations. This will include making sure farmers are supported through the changes, and receive clear messaging on what the changes mean for them.

22. We understand Environment Southland have received a small number (approximately 9) of certified farm plans. As part of the wider changes to the FW-FP regulations, we will look to transition these plans into the new national system.

How will the proposal be monitored, evaluated, and reviewed?

23. Environment Southland will be responsible for monitoring and evaluation of FW-FPs in its region. Part 9A sets out data and reporting requirements for certifiers, auditors, and regional councils (e.g., the certifier must notify the regional council when a FW-FP has been certified).

24. As the system is currently under review, we cannot be certain as to what the monitoring, evaluations and review of the FW-FP system will be. This will be assessed as part of the wider review of FW-FPs.