

Estimates Hearing – Hon Andrew Hoggard

Topic	Talking Points
Value and impact of our science investment	<ul style="list-style-type: none"> • The Ministry invested \$14.7 million into improving environment and climate information in the year to 30 June 2024, including evidence to support its statutory reporting obligations (\$5.7m, or 39% of the total), environmental data systems improvements (\$4.8m, 33%), direct policy evidence (\$3.0m, 20%), and costs associated with science governance, assurance, and strategic partnerships (\$1.2m, 8%). An example is \$130,000 towards the development of environmental DNA (eDNA), which has shown to be an effective environmental monitoring and early detection biosecurity tool. • The Ministry's science budget is a small part of New Zealand's overall environment and climate research funding. The Parliamentary Commissioner for the Environment's most recent estimate of national environmental research expenditure (for 2018/19) showed that central government and regional councils spent \$427-\$516 million, while the Ministry spent only \$4.1-\$4.6 million - about 1% of the total. While the Ministry's science budget for 2024/25 is \$10 million, this remains a small fraction of the overall national investment. The figure is down 32% from the previous year, but this is broadly in line with the Ministry's reduced overall budget. The Ministry has introduced centralisation controls to improve efficiency and value. • The Ministry has a strong interest in Science, Innovation and Technology (SIT) system reforms, particularly the form and funding models of the new Public Research Organisations (PROs), which will need to deliver much of the research and data that the Ministry relies on to fulfil its statutory obligations and deliver on Government priorities. Environment Ministers and officials are engaged at various levels to influence the reforms. Specifically, the Ministry is suggesting that funding be prioritised across the SIT system to ensure that PROs are set up to deliver stewardship data and science, and to make it freely available where it has high public benefit or potential to foster innovation. An example is data and expertise needed to make improvements to the freshwater farm plan system and set environmental limits as part of resource management reform.
Significant Natural Areas (SNAs) and the National Policy Statement for Indigenous Biodiversity (NPS-IB)	<ul style="list-style-type: none"> • The Government made a commitment to pause the identification of new Significant Natural Areas (SNAs) under the National Policy Statement for Indigenous Biodiversity (NPS-IB) and review their operation. • The Resource Management (Freshwater and Other Matters) Amendment Act enacted provisions suspending for three years requirements under the NPS-IB for councils to identify new SNAs and include them in district plans and extended some SNA implementation timeframes. • A review of the NPS-IB has occurred. The review focused on consideration of criteria for identifying SNAs, the process of assessing and identifying, and the management of land subject to SNAs. • Any further changes to the NPS-IB will be progressed through Phase 3 of the Government's resource management reform programme.
Phase Two RMA Reforms - National Direction)	<ul style="list-style-type: none"> • The Government has committed to replace the National Policy Statement for Freshwater Management 2020 (NPS-FM) and the National Environmental Standards for Freshwater (NES-F) to better reflect the interests of all water users. • A discussion document on freshwater (proposing amendments to the NPS-FM and the NES-F) was released for consultation at the same time as other national direction changes on 29 May and runs for eight weeks until 27 July. • <i>[Due in part to the broad range of options being consulted on, this will be followed by an exposure draft of the NPS-FM/NES-F to be formally notified later in the year. The exposure draft will reflect Ministers' decisions based on post-consultation feedback and advice. Final policy decisions will be made by Cabinet in 2026.]</i> • Topics consulted on include: <ul style="list-style-type: none"> ○ Require freshwater management to balance multiple objectives and provide for key outcomes such as vegetable growing and water storage, while safeguarding the health of freshwater. ○ Provide more direction on managing the scale and pace of change. Councils need to consider the cost impacts of meeting freshwater targets, and that long timeframes may be appropriate. ○ Rebalance Te Mana o te Wai. We think there is uncertainty around what Te Mana o te Wai requires, and that it has become too complicated and too restrictive. We want this framework to better reflect the importance of freshwater to all New Zealanders. ○ Focus management and monitoring of freshwater. We want councils to be able to manage only the contaminants that have an impact on freshwater in their region and set environmental limits appropriate to the catchments. ○ Simplify rules around wetlands and culverts. There is strong support for protecting wetlands, but also for clearer and simpler regulations that incentivise wetland construction. ○ Further cut red tape for farmers by removing some stock exclusion requirements and making changes to fertiliser regulations. We want to remove regulations where the benefits of the rules do not outweigh the costs to our primary sector. ○ Promote water storage and security. Councils need to take a long-term approach to water security, including by enabling water storage. ○ Enable commercial vegetable growing. We want to direct councils to enable the continued domestic supply of commercial vegetable growing and remove the need for consent to allow crop rotation. ○ Improving drinking water protections. Requiring councils to map source water areas is a low-cost improvement to council management of risks facing drinking water, and part of the ongoing response to the 2017 Havelock North Drinking Water Inquiry. • Commercial Vegetable Growing: As part of the freshwater consultation, proposals include: <ul style="list-style-type: none"> ○ a new objective within the NPS-FM for councils to recognise and provide for commercial vegetable growing, and

	<ul style="list-style-type: none"> ○ seeking feedback on the option to develop standards so growers do not need to obtain a resource consent under either the Resource Management Act 1991 or the new resource management system. ○ It's challenging to deliver standards under which growers will not need to obtain a resource consent under the current resource management system. We will consider whether changes are made now under the current system, or when the new resource management system is in place.
Resource Management (Freshwater and Other Matters) Amendment Act 2024	<p>The Resource Management (Freshwater and Other Matters) Amendment Act 2024(the Act) came into effect in October 2024 and made changes to national direction by:</p> <ul style="list-style-type: none"> ● excluding the hierarchy of obligations in the National Policy Statement for Freshwater Management (NPS-FM) from consideration in resource consenting, while a review and replacement of the NPS-FM is undertaken. ● repealing the low slope map and associated requirements from stock exclusion regulations. ● repealing the permitted and restricted discretionary activity regulations and associated conditions for intensive winter grazing in the National Environmental Standards for Freshwater (NES-F). The Act replaces these with standalone regulations on riparian setback and critical source areas. ● aligning the provisions for coal mining with other mineral extraction activities under the National Policy Statement for Indigenous Biodiversity (NPS-IB), NPS-FM and NES-F. ● suspending for three years requirements under the NPS-IB for councils to identify new Significant Natural Areas (SNAs) and include them in district plans and extending some SNA implementation timeframes. ● streamlining the process for preparing and amending national direction, including national environmental standards, national planning standards, national policy statements and the New Zealand Coastal Policy Statement. ● clarifying councils' ability to grant consent for discharges that would result in significant adverse effects, provided conditions reduce effects over time. ● pausing the roll-out of freshwater farm plans until work to improve the system is finalised. ● restricting notification of freshwater planning instruments (regional policy statements and plans that give effect to the NPS-FM 2020) until a new NPS-FM takes effect on 31 December 2025.
Freshwater farm plans	<ul style="list-style-type: none"> ● We are committed to make freshwater farm plans more practical and affordable. ● Farm plans are useful tools, but they must be practical and matched to actual environmental risk. ● We have paused rollout of the status quo freshwater farm plan system (everywhere except Southland), while we work on improving the system. We left the system on Southland to ensure Southland farmers and growers are not affected by unreasonable regional farm plan deadlines, ● Cabinet has agreed to progress improvements, meeting a key commitment in our Q1 Action Plan. ● The Resource Management (Consenting and Other System Changes) Amendment Bill also proposes amending Part 9A of the Resource Management Act 1991 to make farm plan certification and audit services more practical and cost effective by allowing the Minister for the Environment to appoint industry organisations to deliver those services. The Bill is now before the Environment Select Committee. The Committee is expected to report back by 17 June 2025. ● We expect to finalise an improved freshwater farm plan system before the end of 2025.
Voluntary Carbon Market/Biodiversity Credit Market	<ul style="list-style-type: none"> ● The Government is considering opportunities to grow the voluntary carbon and nature markets, in line with international best practices to ensure integrity. ● Item 38 in the Government's Q2 Action Plan is to "Take Cabinet decisions on scaling up the New Zealand biodiversity credit market to incentivise the protection and restoration of native wildlife." ● Voluntary carbon and nature markets present an opportunity to help mobilise finance towards projects that have climate and environmental benefits, while helping businesses and entities to meet voluntary commitments. ● The voluntary markets in New Zealand are currently small, fragmented, and unregulated, although since 2022 we have had interim guidance in place. ● New Zealand entities frequently buy voluntary credits, but these are mostly sourced internationally. I have directed officials to consider what barriers are preventing growth of a domestic supply of credits, not just for domestic purchasers but also international buyers, so that we can help direct private finance towards achieving our climate and environmental goals, alongside social and economic benefits.
Jobs for Nature	<ul style="list-style-type: none"> ● The Jobs for Nature programme ends on 30 June 2025. Final reporting and closure activities will be completed by November 2025. ● A small number of projects will finish at later dates. Those projects will be supported and managed by their respective agencies. ● A final, independent evaluation report on the programme will be published by September 2025. ● An end of programme report will be published in November 2025. This report will summarise the programme across its five years from 2020, its impact, and learnings. It will draw on the independent evaluation, final quarterly reporting, project closure reports, a social impact assessment, and a final economic analysis using updated Treasury guidance.
Performance story	<ul style="list-style-type: none"> ● The Ministry published a new Strategic Intentions (SI) statement in February 2025, reflecting its updated strategic framework. ● The SI firms up the Ministry's role and purpose in the system, and balances long-term outcomes requiring all system partners' contributions with strategic priorities and impacts the Ministry is responsible for delivering on. ● The Ministry's next Annual Report (for 2024/25), due in October 2025, will reflect the changes made to the strategic framework and performance reporting against it. ● The Ministry is developing fewer but more meaningful and enduring performance measures to track the progress and ensure it is transparent and accountable.

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| | <ul style="list-style-type: none">• Progress towards Ministerial priorities is reported via quarterly Ministerial Dashboards which provides a progress update on all Ministerial priorities, risks, and strategic outcomes.• State of the Environment reporting shows New Zealanders where improvements are being made and where further work is needed. |
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