From:
 Stephanie Hill

 To:
 9(2)(a)

 Poppag Pohati
 100 pohati

Cc: Joanna Pohatu [EXTERNAL] (TPK); Tikitu Tutua-Nathan [EXTERNAL] (tpk); Toni Wi; Tim Allen

Subject: RE: Classific Draft Cabinet paper for agency review - performance of government spending funded by the waste disposal levy Date: Friday, I November 2024 8:58:00 am

Attachments

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Kia ora 9(2)(a)

Thank you for your feedback on the paper (and especially within the tight timeframe). You have raised some really good points about how investment of the waste disposal levy can be done in ways that benefit iwi, hapū and Māori. The investment team have previously identified it as an area they would like to improve upon (see eg the info in this report from a few years ago: Waste-funds-annual-report-2021-August-22.pdf). Although this is still something the team would like to achieve, the current focus of investments is larger-scale projects, where we can make a more substantial impact. This means it would likely be larger-scale Māori entities like PSGEs that would be able bring scale that would be a good fit for investment of the fund. Having said that, Tim Allen in our investments team (who is cc'd above) would be very happy to talk further with you about the steps they have taken and what other opportunities there might be.

I have noted your point about the potential financial impact of the levy on Māori businesses also, but I don't think this paper is the right place to explore it, since it is primarily focused on the investment of the levy, to fulfil a requirement on Minister Simmonds to report back on these matters.

Sapere did not engage with iwi, hapū and Māori in undertaking their work, and I have clarified this in the paper. Their report had quite a narrow focus, primarily on quantifiable benefits from investment of the levy (eg tonnages of waste diverted from landfill, emissions avoided).

Thanks again for your input.

Steph

From: 9(2)(a) @tpk.govt.nz>
Sent: Wednesday, October 30, 2024 3:52 PM
To: Stephanie Hill < Stephanie Hill @mfe.govt.nz>

Cc: Joanna Pohatu [EXTERNAL] (TPK) < Joanna.Pohatu@tpk.govt.nz>; Tikitu Tutua-Nathan [EXTERNAL] (tpk) < Tikitu.Tutua-

Nathan@tpk.govt.nz>; Toni Wi <Toni.Wi@tpk.govt.nz>

Subject: RE: Classificatio Draft Cabinet paper for agency review - performance of government spending funded by the waste disposal

levy

Tēnā koe Stephanie,

Ngā mihi nui for the opportunity to provide agency comment on the Cabinet report-back: performance of government spending funded by the waste disposal levy. We have provided some high-level feedback below for your consideration:

- Paragraph 18 on Levy Investment section suggests that recent amendments may reduce investment in areas like resource recovery, composting, and recycling, potentially limiting support for small enterprises and affecting the viability of these initiatives. Te Puni Kökiri seeks clarification on which "small enterprises" are impacted, as we know iwi, hapū, and Māori often reside within the territorial areas where some of these impacts may be felt. Also, if there are iwi, hapū and Māori involved in these projects. We recommend and support including provisions for targeted funding and simplified application processes to support smaller councils and Māori-led initiatives. This would ensure equitable access to funding and sustain waste minimization efforts across diverse communities where iwi, hapū, and Māori involvement and local council resources are critical.
- The Cabinet paper also highlights a "crowding out" risk, where increased government investment may limit funding for smaller projects, potentially affecting their growth and sustainability. We would like to see a step implemented to monitor and identify the impact of these 'crowding out' levy-funded investments on Māori-led initiatives. This could include regular reviews of levy distribution, dedicated funding streams, or an annual report on impacts for iwi, hapū, and Māori. This approach would help identify and mitigate any unintended disadvantages for smaller, community-driven projects for iwi, hapū and Māori and others.
- The Cabinet paper also does not address if there have been potential financial impacts of the levy scheme on iwi, hapū, and Māori. We recommend including a section that outlines these financial implications (if any), particularly regarding any

increased compliance costs or operational burdens. This additional information would give Ministers a clearer understanding of the broader impacts on Māori communities. It would also allow for consideration of potential mitigation options, such as targeted financial assistance, compliance grants, and streamlined processes to support Māori-led projects through waste disposal levy.

• The paper does not clarify whether iwi, hapū, and Māori have been engaged or if concerns were raised during reviews by KPMG NZ and Sapere Research Group NZ. Iwi, hapū, and Māori provide mātauranga and insights that are critical to effective waste management. We recommend including a summary of any feedback received to ensure their perspectives inform the spending funded by the waste disposal levy and broader waste strategy. If there has been no iwi, hapū, Māori engagement then this should be clearer in the paper.

Let me know if you have any questions

Ngā manaakitanga,

9(2)(a)

Senior Analyst | Kaimātai Matua
Te Tari Matua

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From: Stephanie Hill <Stephanie.Hill@mfe.govt.nz>

Sent: Friday, 25 October 2024 1:15 pm

To: Conrad Lendrum < Conrad.Lendrum@mfe.govt.nz >; Ashleigh Moss Brown [EXTERNAL] (Treasury) < Ashleigh Moss

Brown@treasury.govt.nz>; Ben Temple

| Ben Tem

Papers2review@tearawhiti.govt.nz; MB - PP - Rawa Māori <Rawa@tpk.govt.nz>

Cc: mark.tregurtha@dia.govt.nz; Hayden.Glass@dpmc.govt.nz; Glenn Wigley <glenn.wigley@mfe.govt.nz>

Subject:C Draft Cabinet paper for agency review - performance of government spending funded by the waste disposal levy

Dear agency colleagues

Please find attached a draft Cabinet paper for agency review. The purpose of the Cabinet paper is to report back on the performance of government spending funded by the waste disposal levy, which Minister Simmonds was requested to do earlier this year (in the context of the decisions that were made on changes to the Waste Minimisation Act to widen out the matters the waste disposal levy can be spent on). The paper sets out Minister Simmonds' approach to ensure government investment of the levy is targeted and effective and provides value for money.

The paper is supported by two independent reports:

- a review of the efficiency and effectiveness of administration and investment of the waste disposal levy, by KPMG
- an assessment of outcomes and recent performance of waste levy investments, by Sapere

I can provide copies of these reports on request.

If possible can I please receive your feedback by 4pm on Wednesday 30 October. Apologies for the tight timeline. We have had delays in receiving the consultants' reports which has contributed to a fairly tight turnaround at our end.

All the best,

Stephanie

Stephanie Hill (she/her) Principal advisor | Kaiwhakahaere Climate Mitigation and Resource Efficiency

Ministry for the Environment | Manatū Mō Te Taiao stephanie.hill@mfe.govt.nz | mfe.govt.nz

 ${\it Ministry staff work flexibly by default. For me, this means I may not be available at school drop-off/pick-up times.}$











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