



**To: Hon Scott Simpson,
Associate Minister for the Environment**

Date: 8 May 2017

Briefing for Incoming Minister

Purpose

1. This paper provides you with information to support you in your role as Associate Minister for the Environment.

Context

2. Material in this paper is focused on preparing you for key decisions and actions related to your delegation.
3. We are meeting with you at 8.45am on Wednesday 10 May to discuss your expectations and to provide you context and advice as necessary. We can use this meeting to commission specific advice you would like to receive in the coming weeks.

Key messages

4. Natural resources support the Government's growth agenda and are critical to New Zealand's economic prosperity. As a resource-based economy with an environmental-based brand, our task is to ensure New Zealanders manage and invest in our resources carefully to support long-term prosperity.
5. New Zealand produces a high volume of waste per capita (713kg of municipal waste per person annually) and the volume of waste produced continues to increase.
6. The OECD recently commented that "New Zealand's growth model, largely based on exporting primary products, has started to show its environmental limits"¹. Using resources efficiently, and minimising waste, are important management responses to environmental issues associated with our current production and consumption patterns.
7. The waste system includes legislative levers such as the Waste Minimisation Act 2008 and the Resource Management Act 1991, and funding levers such as the contestable Waste Minimisation Fund and payments to local government. Additionally, we are looking to non-regulatory tools (such as guidance and voluntary initiatives) to minimise the creation and impact of waste.
8. There are several key stakeholder groups in the waste system:
 - local government (responsible for the management and minimisation of waste)
 - private companies (who undertake waste collection and service), and
 - community groups (who lead waste minimisation initiatives).

¹ See Appendix Two for the OECD's recommendations as they relate to waste.

9. In the last eight years, the government has invested over \$179 million in waste minimisation initiatives. There are positive outcomes that have been achieved with that investment, but we could be doing more to increase the return on investment.
10. The key decisions you will need to make in your first 100 days are:
 - finalising the 2017 review of the Waste Disposal Levy
 - deciding whether to reaccredit four product stewardship schemes, and
 - determining the scope of the proposed regulation for microbeads.
11. Over the next few months you will also have the opportunity to announce 26 projects that have received funding from the Waste Minimisation fund and the reaccreditation of four product stewardship schemes (if reaccredited).
12. Our recent advice to the Minister for the Environment has been to focus on developing a nationally consistent framework for the disposal of waste to land – this is the focus of our 2017/18 work programme alongside managing the Government’s investments in waste minimisation initiatives.
13. At present the disposal of waste to land is regulated by regional and district councils through the Resource Management Act 1991 and is variable across the country. We believe a consistent national framework would:
 - improve the data collected on volume, composition, disposal of waste and waste diversion, and
 - provide an opportunity to improve incentives for waste minimisation.
15. Data provides the foundation to shift to a more comprehensive approach to the government’s and other’s investment in waste. However, accessing data remains a significant challenge, often due to the commercial sensitivities involved.

Your first 100 days

Key activities

There are several activities we advise you focus on in your first 100 days, these are:

- Communicating progress
- Finalising the waste levy review
- Progressing regulation on microbeads
- Considering how to engage on plastic bags
- Meeting with key stakeholders.

Key decisions	When	Opportunity
Feedback on the draft 2017 Review of the effectiveness of the Waste Disposal Levy	[REDACTED]	To influence the final recommendations of the 2017 Review of the effectiveness of the Waste Disposal Levy
[REDACTED]	[REDACTED]	To reinforce successful waste minimisation programmes within the private sector
Cabinet approval for appointments to the Waste Advisory Board	[REDACTED]	The appointments have already been signed off by the Minister for the Environment, and now need to be confirmed at Cabinet
Next steps for the proposal to ban the manufacture and sale of personal care products containing microbeads	[REDACTED]	To announce government action in the area of micro plastics
Funding decisions – Waste Minimisation Fund May 2017	[REDACTED]	To invest in projects that achieve waste minimisation. Decisions on where to invest funding is a significant component of the waste portfolio.

Key meetings / events	When	Opportunity
Meeting of the Waste Advisory Board	[REDACTED]	To discuss priorities / strategy for the waste sector
Publication of our assessment of the waste system for regulatory stewardship reporting requirements	[REDACTED]	To open a discussion on the effectiveness of the existing system
Waste Management Institute of New Zealand annual conference	[REDACTED]	To signal the government's priorities to the waste sector

Key stakeholders	Their connection to your portfolio
Waste Advisory Board (WAB)	The WAB provides independent advice to the Minister for the Environment on matters relating to the Waste Minimisation Act 2008 and waste minimisation. The WAB is next scheduled to meet on 25 July 2017 to discuss their priorities for waste in order to deliver a briefing to incoming Ministers post-election. We advise that you take this opportunity to meet and share your priorities with the Board.
Waste Management Institute of New Zealand annual conference (WasteMINZ)	WasteMINZ is the largest representative body of the waste, resource recovery and contaminated land sectors in New Zealand. We advise that you meet with the WasteMINZ Board to discuss the landscape for waste in New Zealand and the issues faced by the sector. We can support your office to facilitate a meeting. We think this could be achieved within two weeks, subject to your availability.
Waste Management / EnviroNZ	Waste Management and EnviroNZ are the largest private companies in New Zealand's waste sector. Both companies make significant investment decisions for waste management and minimisation in New Zealand. A meeting could be scheduled to discuss the role the private sector has in minimising waste and driving resource efficient behaviours, as well as potential joint investment opportunities. We can support your office to facilitate meetings with both companies. We think this could be achieved within two weeks, subject to availability.
Local government	Local authorities are responsible for waste management and minimisation in their areas. They are required to produce waste management and minimisation plans every six years. There are a number of plans coming up for renewal towards the end of this year and early next year. Each year territorial authorities receive \$15 million to spend in accordance with these plans.

Waste portfolio at a glance

Current context

- New Zealand's environment underpins liveability and the economy.
- All economic activities involve the consumption of energy and raw materials, and generate waste and emissions.
- The OECD's Environmental Performance Review¹ of New Zealand recently noted that while New Zealanders enjoy a high environmental quality of life and access to pristine wilderness, our growth model, based largely on exploiting natural resources, is starting to show its environmental limits.
- New Zealand has a relatively high volume of waste per capita. Our current linear system of production, consumption and disposal patterns are unsustainable.
- Waste is a pressure on the environment and connects to many outcomes. Degradation of ecosystem services (water, biodiversity, and climate) and consumption of natural resources (renewable and non-renewable) have specific, long term implications for business with regard to the costs and supply of resources.
- Addressing business consumption and production patterns requires meaningful and useful information to develop an understanding of pressures on resources, and develop appropriate responses.
- We have historically focussed on reducing harm from waste, but we have new ideas.

System components



Key stakeholder groups

Sector	Stakeholder
Private waste companies	<ul style="list-style-type: none"> • Waste Management • EnviroNZ • O-I Glass • Visy Recycling NZ Ltd
Industry groups	<ul style="list-style-type: none"> • Waste Management Institute of New Zealand (WasteMINZ) • Sustainable Business Network • 3R
Community groups	<ul style="list-style-type: none"> • Community Recycling Network • Pare Kore
Local government	<ul style="list-style-type: none"> • Local Government New Zealand

Planned deliverables 2017/18

Review of the Waste Disposal Levy - The WMA requires the Minister for the Environment to conduct a review of the effectiveness of the waste disposal levy every three years. The current review is scheduled to be completed by 1 July 2017. The focus for the 2017 review will be reporting on the progress made against the 11 recommendations identified in the 2014 levy review and identify areas of focus for the next three years.

Proposed regulation for microbeads – Consultation on the proposal to ban microbeads in personal care products designed to be washed down the drain was carried out earlier this year, with a view to developing regulations under the WMA.

Guidance and Implementation Support – the waste regulatory system has an ongoing engagement programme with stakeholders. Upcoming activities for this work stream include working with territorial authorities on updates to their Waste Management and Minimisation Plans and product stewardship schemes.

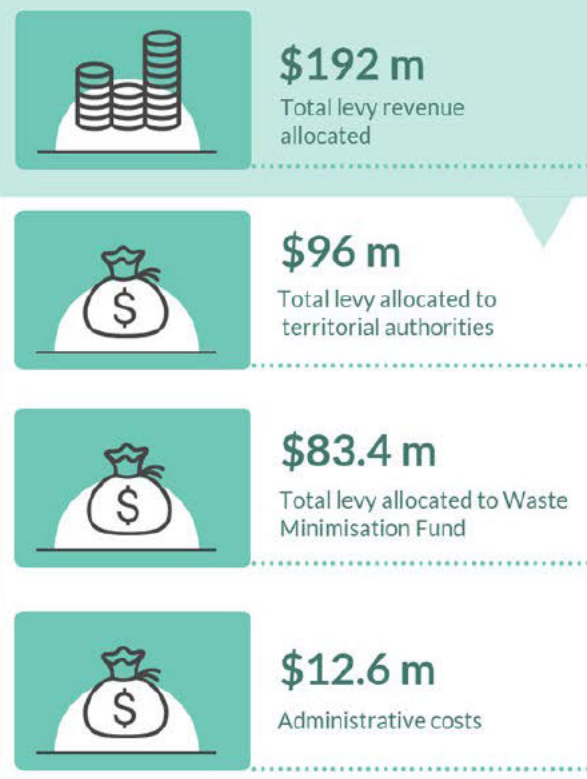
Investment - continued Waste Minimisation Fund rounds with increased strategic and outcomes-focussed project planning, including targeted rounds for high harm waste streams.

Data collection – We are looking at ways to improve data collection within the waste system to better inform investment decisions in this area.

Reducing litter - A number of projects have been funded from the WMF, including Keep New Zealand Beautiful, that will help build public awareness and develop a robust data collection and reporting framework that can be used to inform future decisions and policy with respect to litter, including a future potential review of the Litter Act 1979.

Waste Disposal Levy

Total levy collected and allocated from 2009 to 30 June 2016



13%	9,473,508 tonnes
The amount that municipal waste generation rose between 2012 and 2014	of waste went to levied landfills between 2013 - 2016
30%	
The estimated amount of total landfilled waste that is covered by the Waste Disposal levy	
13	32
Voluntary product Stewardship schemes are currently accredited	The average amount of litter items per 1,000m ² in urban areas
170 projects	60
Waste Minimisation Fund projects have been approved since 2009 for over \$80M in funding	currently active Waste Minimisation Fund projects with total project costs of \$43,871,826

About the Ministry for the Environment

16. Our purpose - he whenua mana kura mō te tangata - is to make New Zealand the most liveable place in the world – for our kids, their children and grandchildren. This means we act as stewards for the environment, so that New Zealand and New Zealanders continue to prosper.
17. Using 'liveable' puts our customers (all New Zealanders) at the heart of our work and recognises the critical role that our environment plays in all aspects of our lives. A thriving environment underpins our economic prosperity. It contributes to our health and our physical well-being and is central to what it means to be a Kiwi.

Figure 1: What liveable means for the Ministry



18. As a resource-based economy with an environmental-based brand, our task is to ensure New Zealanders manage and invest in our resources carefully to support long-term growth. We have an opportunity to be at the forefront of creating sustainable wealth. In a practical sense, this means understanding what's happening in the environment and working with others to both address issues and improve our natural resources.
19. The Ministry looks across the natural resources system and supports all of its players to make good decisions about how we manage the environment. Our aim is to safeguard our natural assets and ensure we properly value and grow those over time. That includes improving the quality of fresh water, soil and ecosystems, moving to a resilient, low-emission economy, having healthy air and sustainable, liveable cities, and being world-leading in how we manage marine ecosystems.

20. With 86% of the population living in cities and towns, New Zealand is one of the most urbanised countries in the OECD. Its cities feature large open green spaces, generally clean air and good water and waste services. However, population growth and urban expansion are putting pressure on land use, housing, transport and other urban infrastructure.
21. Waste is a pressure on our environment. The generation of waste reduces the value of our natural capital through landfilling, contributes to our emissions profile and enters our waterways and marine environments. Waste is not domain specific, it impacts upon many of our outcomes in the environmental system.

Table 1: Examples of how waste connects to the natural resources system

Marine	Climate	Land
<ul style="list-style-type: none"> • Marine debris is a rapidly increasing and serious issue • Inappropriate disposal of waste contributes to marine debris 	<ul style="list-style-type: none"> • Greenhouse gas emissions from solid waste and waste water disposal and from waste incineration are 5% of NZ's greenhouse gas emissions • Emissions from waste have fallen in absolute and proportional terms despite increasing volumes of waste being generated • These trends are mainly due to improving emissions management practices by landfill operators, including capture of landfill methane for electricity generation 	<ul style="list-style-type: none"> • Most waste in New Zealand is disposed of to land • Regional and district councils make decisions on land use and disposal activities under the Resource Management Act (1991)

22. Across the New Zealand public sector there is a move to a more open, customer-centric and data-driven government that is focused on delivering results. Our size and connections across the system put the Ministry in a strong position to be at the forefront of this shift.
23. We are building the capability of the Ministry to be at the cutting edge of how policy is done in this country so that we can deliver the best results for New Zealanders. This includes drawing in the expertise and resources of others through purposeful engagement, using more than regulation to solve problems, and underpinning our case with compelling data and information that inspires and focuses action.
24. Our focus is on looking at the whole system, and aligning our policy so that that we are getting the greatest benefit for New Zealanders.
25. For the Ministry this means:
- looking for new approaches to how we solve a problem and make an impact. Regulation is not our only lever – we can inform, learn together, consult, partner, and empower, or do something totally different to solve a problem.
 - partnering with purpose. Strong partnerships, particularly with Maori and iwi, underpin our ability to succeed. Understanding what drives and motivates people, helps us create cutting edge policy. Engaging with stakeholders more as 'partners' needs to become part of our policy capability, and we see opportunities to improve this both in terms of engaging early and providing feedback on the impact of that engagement.

Our aspiration in relation to waste

26. The Ministry is focusing on a longer-term plan for reducing harm and increasing resource efficiency in New Zealand. We have a target of developing a consistent national framework for managing the disposal of waste to land by 2025.
27. We believe a consistent national framework would provide a strong foundation to assist us in reaching our longer-term goals of improving the data and evidence we have to inform investment decisions, and ultimately a drive towards reduced waste and increased resource efficiency.

Next step: improving the data and evidence we have to inform investment decisions

28. Access to reliable data and information about the volume of waste generation, waste composition, waste disposal and waste diversion is a significant issue. The only data available is aggregated data collected from levied landfills (representing an estimated 30% of all waste disposed of to land).
29. The lack of data restricts us and our stakeholders from building a robust picture of waste issues and opportunities in New Zealand. Of most concern, neither the Ministry nor territorial authorities have access to information (with the exception of levied landfills) about the location, nature, or extent of disposal of harmful and potentially toxic materials anywhere in the country. This information is critical to achieving the purpose of the Waste Minimisation Act 2008. Without this information the Ministry does not know where New Zealand's waste is going, how much of it there is or what it's made up of. As a result, we are unable to monitor the extent or the effects of waste on the environment as well as we would like.
30. The majority of waste data in New Zealand is held by private companies and is often commercially sensitive. In addition, there is a lack of dedicated resources to manage, analyse and store waste sector data. A national and coordinated approach would ensure waste related data and information are maintained and disseminated appropriately to provide necessary evidence and information to direct policy shifts and support decision-makers with investment decisions.
31. Better data and evidence on waste was a key recommendation from the OECD's recent Environmental Performance Review.

Over the medium-term: more targeted investment

32. We are developing an investment strategy and outcomes measurement framework to enable us to better advise the Crown on targeted waste investments. We are looking to improve our systems and processes to enable better service delivery and to focus on achieving long-term outcomes.
33. The application of an Investment Approach to our funding portfolio would ensure that we can obtain the best return on investment (in terms of environmental, social, cultural and economic outcomes). The approach requires the use of reliable data to identify appropriate interventions and investment opportunities.

Over the longer-term: transitioning to a circular economy

34. While New Zealand has made significant progress in the area of waste management and minimisation, there is potential for further improvement. New Zealand produces a high volume of waste per capita, and the net volume of waste produced continues to increase.
35. Circular economy models are restorative and regenerative by design. They aim to keep products, components, and materials at their highest utility and value at all times. The Ministry acknowledges that it is no longer sufficient to tackle problems as they arise when "waste" is produced at the product's end of life. Rather, products can be

viewed as resources capable of being recovered in the first instance, or otherwise reused or recycled. There is potential for significant environmental and economic gains to be made when a circular economy perspective is adopted.

36. We are still in the explorative phase of thinking how circular economy initiatives could be adopted in the New Zealand context, however this is an area where significant change and positive impact could be achieved in the future, and applied to other environmental portfolios such as climate change (the waste sector contributes 5% of New Zealand's emissions).

Your leadership Team

Vicky Robertson – Chief Executive

Vicky has been Secretary for the Environment and Chief Executive since April 2015. Formerly, she was Deputy Chief Executive, Chief Operating Officer and Acting Secretary and Chief Executive at the Treasury.



KEY CONTACT: Cheryl Barnes – Deputy Secretary Organisational Performance & Operations, and Chief Operating Officer

Cheryl leads the Legal, Human Resources, Procurement, Investments and Partnerships, IT, Project Management, Finance and Communications Directorates at the Ministry. Cheryl brings experience in public sector leadership. Most recently she was Director of Budget and Public Services at the Treasury. Cheryl is the main contact for your portfolio.



KEY CONTACT: Shaun Lewis - Director, Investments and Partnerships - Mana Honohono

Shaun is responsible for the Ministry's investments and partnerships directorate. Shaun will be the main contact person for Waste Management and Policies.



Vicky Robertson

Date

Secretary for the Environment

Contents noted.

Hon Scott Simpson

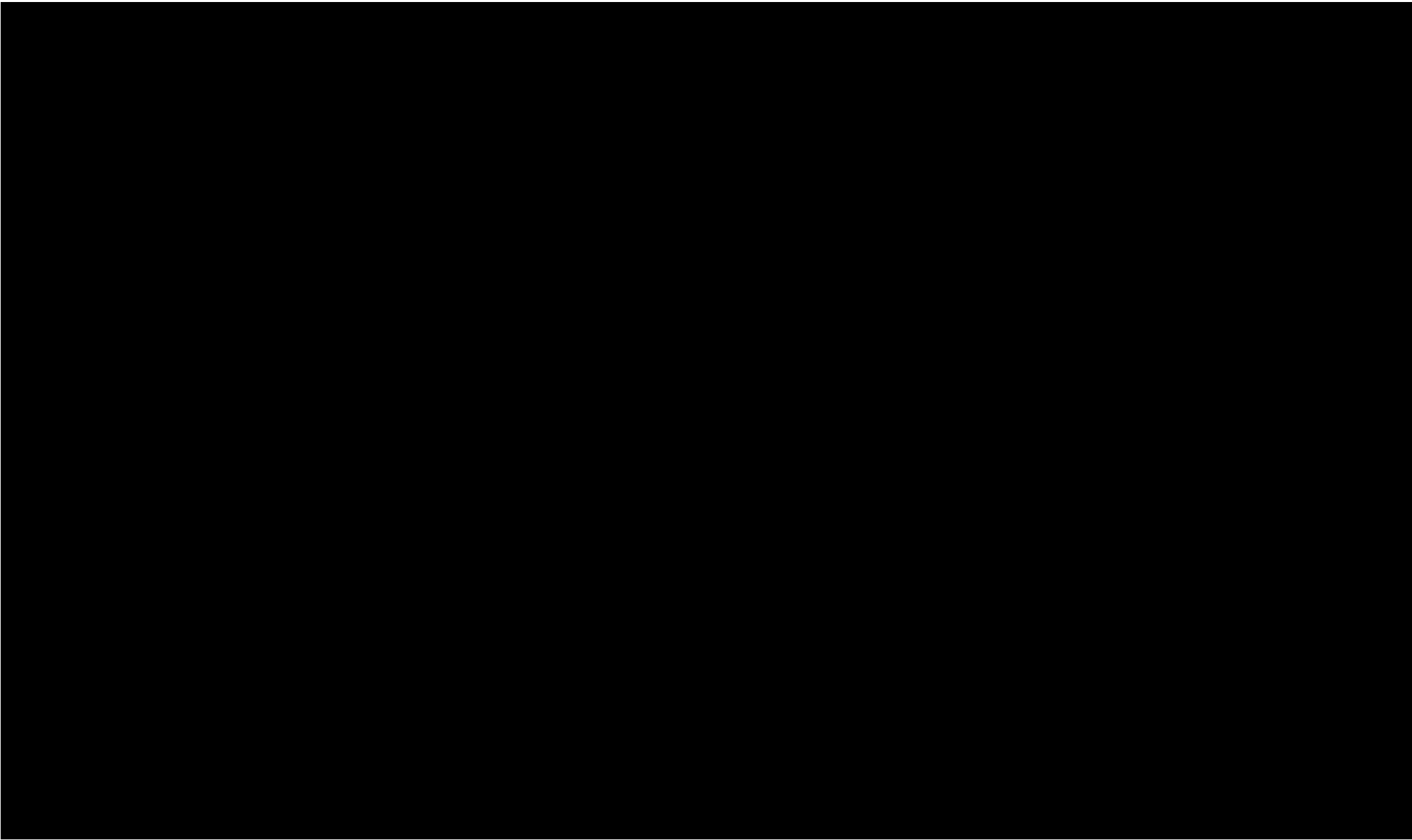
Associate Minister for the Environment

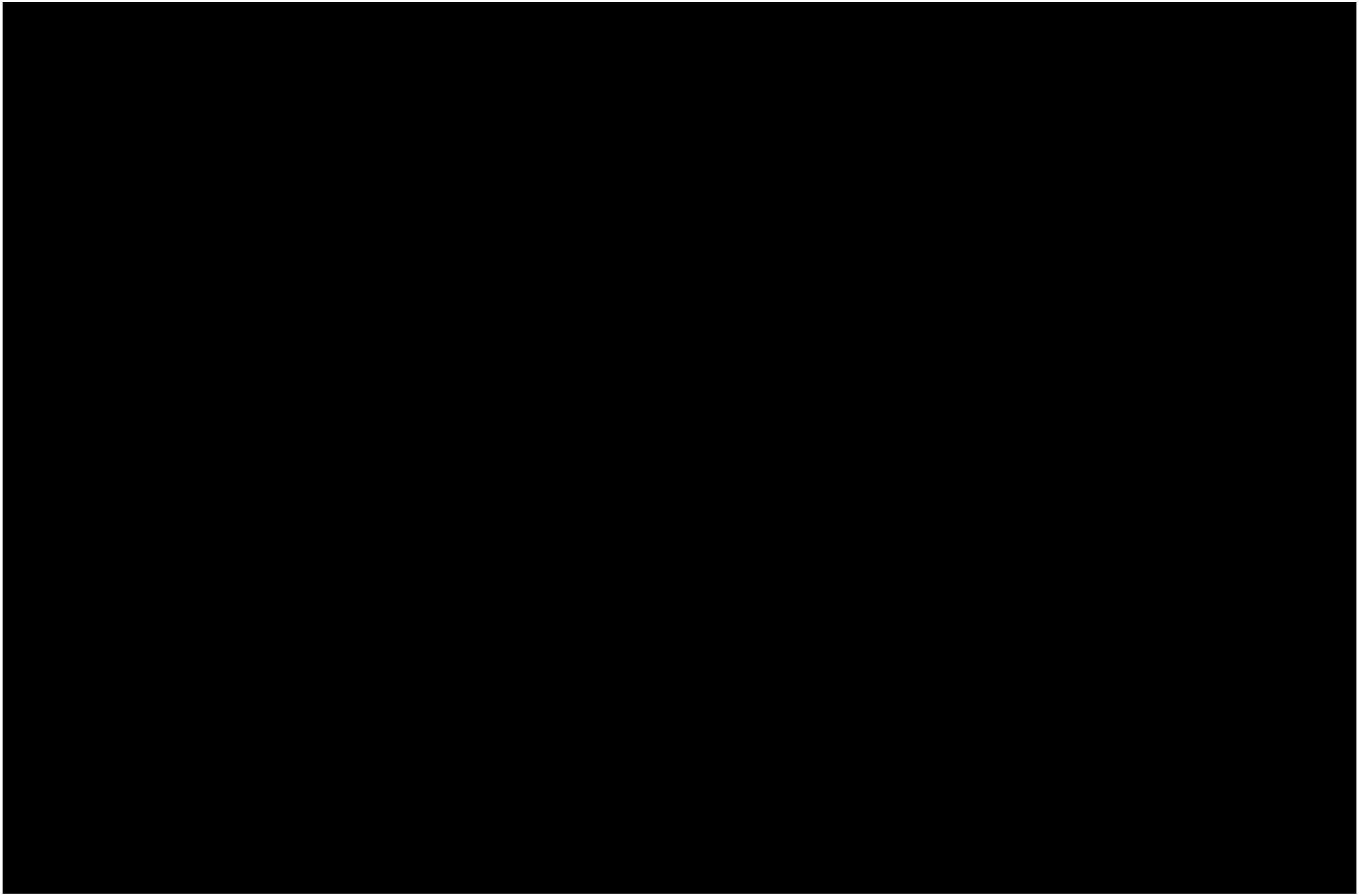
Date

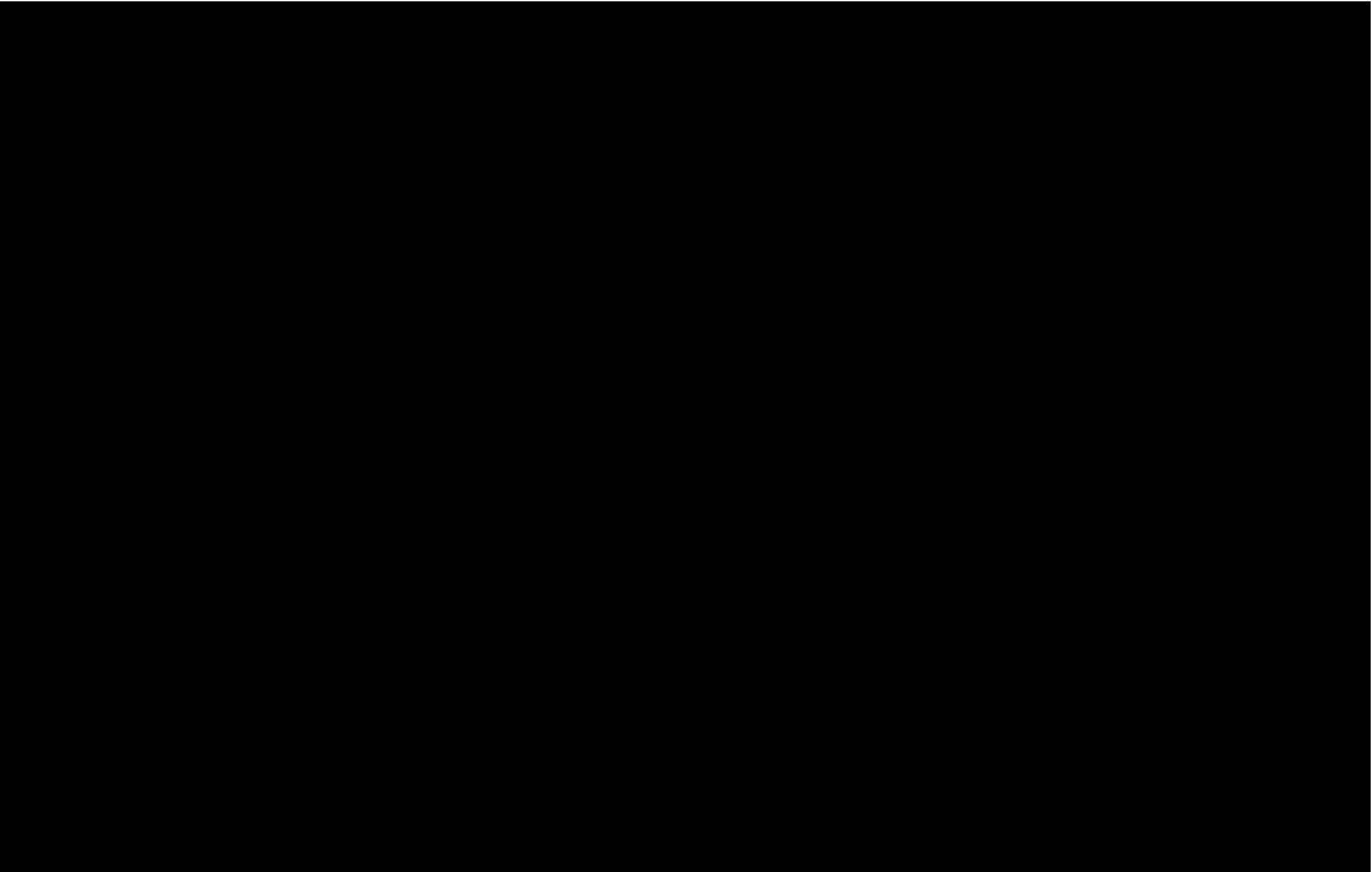
Appendix 1: Detailed list of announcements

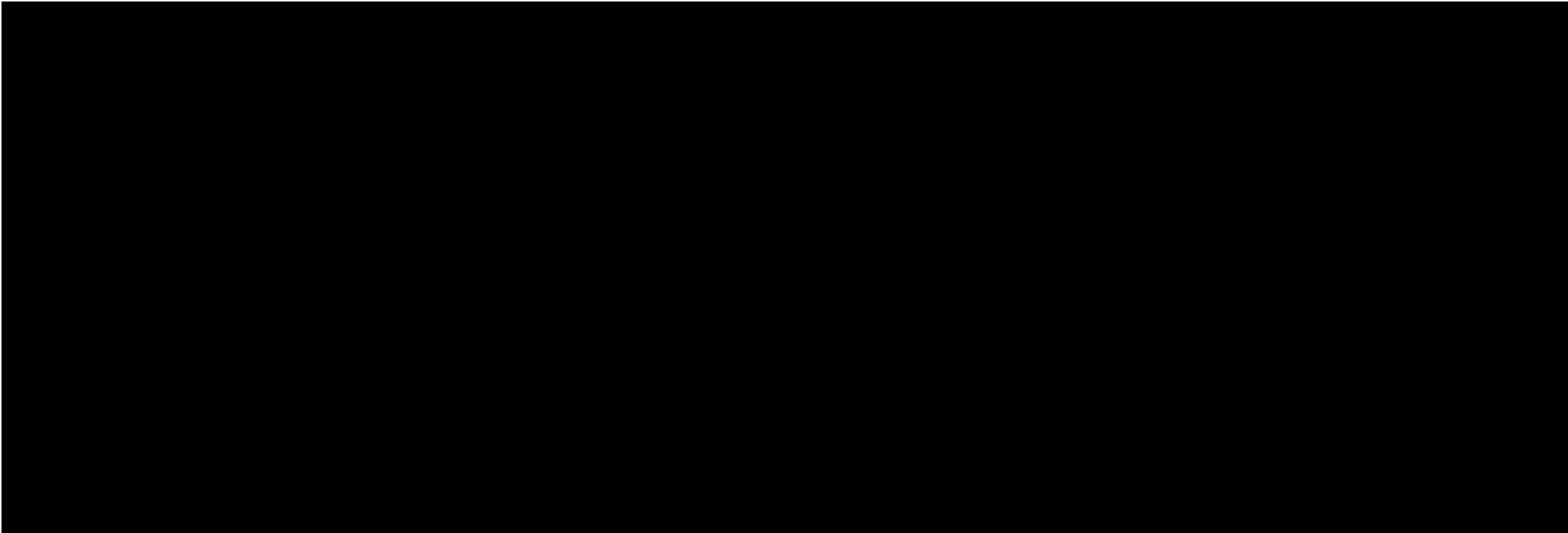
[Redacted]

[Redacted]










Appendix 2: Recommendations from the 2017 OECD Environmental Performance Review of New Zealand

1. The OECD noted that New Zealanders enjoy a high environmental quality of life and access to pristine wilderness. However, New Zealand's growth model, based largely on exploiting natural resources, is starting to show its environmental limits.
2. Waste was not a central feature of the recent review. However, the report did make the following recommendations in relation to waste:

Recommendations:


- Extend the waste disposal levy to cover all relevant landfill types; encourage local authorities to introduce quantity- or volume-based waste charges to help minimise waste, foster recycling and improve recovery of waste service costs.
- Improve the collection of data on the generation, disposal and treatment of waste, with a view to producing timely, comprehensive and internationally comparable information.
- Prepare new and review existing NPSs and NESs to reinforce the national-level regulatory and methodological framework for managing air and water pollution; establish national standards for hazardous waste management.
- Establish nationally standardised requirements for air and water discharge permits and waste generation and management; encourage better cross-media integration of discharge permits on the basis of best available techniques; extend consent and permit requirements to existing use rights obtained under older regulatory regimes.



Our purpose

Aotearoa New Zealand is the most liveable place in the world
Aotearoa – he whenua mana kura mō te tangata

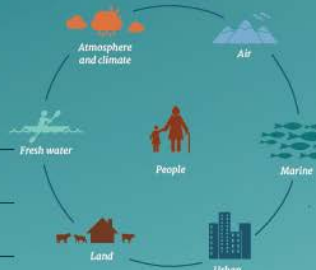
We are stewards for the environment, so that we continue to have a prosperous Aotearoa New Zealand, now and in the future



Our next steps

Shifts for 2016/2017

Our liveable future



We are committed to New Zealand having:

- Atmosphere and climate** – Innovative, productive, resilient and low emission
- Fresh water** – Improving quality, increasing value
- Land** – Improving soil and ecosystems, increasing value

- Air** – Healthy, with world-leading quality
- Marine** – World-leading in sustainable ecosystem management
- Urban** – Sustainable, liveable cities
- The system** – Developing practical policy, enabling good decisions and action

Policy plus

We are at the cutting edge of how policy is made and the difference it can make to people. **This means:**

- We actively shape the agenda
- We advise with impact: using storytelling, insights from data, real life examples, and the views of end users
- We focus on supporting the decisions Ministers need to make
- We problem solve in many ways: non-regulatory interventions, visual tools and more
- We harness our diverse perspectives and the skills of our workforce
- We see the whole system and play a brokering role

Partnering with purpose

We bring our ideas together with others' to give the best advice and delivery. **This means:**

- We are clear about what we and others bring to the table and the results we all seek
- We partner with Māori and iwi to make Aotearoa New Zealand uniquely liveable
- We engage early in our thinking and doing, and others bring us into theirs
- We work with people to inspire them to action and to get results

2016/17

Using an investment approach and other market mechanisms

Low emission economy – Developing a long term plan

2016/17

Moving to opportunity in our relationship with Māori and iwi

Engaging and partnering – Changing the way we work with others

Leading the natural resources sector with a focus on natural capital

The scale of change

Our core business – 80%

These are the things we already do well that continue to set our foundations for everything else we do. We are good at this and will continue to look at how we can do better.

Creating the shift – 20%

This is our space for exploring further. It's about creativity, innovation and challenge. We are comfortable testing and trialling – moving on where things don't work and scaling up our successes.

Our focus

Mana Talao, Mana Tangata

Success means...

- We enable people to act in a way that benefits society and the environment
- We optimise how we use the environment and natural resources now and in the future
- We manage risks to people and the environment
- We safeguard the environment's capacity to sustain itself

Our edge

He rau mano, he rau kotahi tangata: we embrace our multiple talents

- We are curious
- We are innovative
- We are courageous
- We take action
- We lead
- We help others succeed

My contribution

We all contribute directly to our shift through our day-to-day work. **Ask:**

1. What is the shift the Ministry is taking?
2. What does it mean for my team?
3. What can I do differently to seize new opportunities?

Final
September 2016

