
PERFORMANCE IMPROVEMENT FRAMEWORK

Follow-up Review of Manatū Mō te Taiao Ministry for the Environment (MfE)

AUGUST 2014

State Services Commission, the Treasury and the Department of the
Prime Minister and Cabinet

Lead Reviewers' Acknowledgement

We are very grateful to the Ministry for the Environment (MfE) staff, leadership team and Chief Executive and the stakeholders who participated in this Review. They each gave generously of their time and were thoughtful, with the sole objective of improving the performance of the Ministry so that it can continue to optimise its contribution to Aotearoa. Many thanks to Kathy McNeill of MfE for the support and assistance she provided.

**Performance Improvement Framework
Follow-up Review: Ministry for the Environment**

**State Services Commission, the Treasury, and the Department of the Prime Minister and Cabinet
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INTRODUCTION

A Performance Improvement Framework (PIF) Review of Te Manatu mo te Taiao, the Ministry for the Environment (MfE) was conducted 18 months ago in December 2012. While the Review commented positively that the agency had come a long way from a very low base in building institutional capability, it noted that MfE had a vital role across the Natural Resources Sector (NRS) to lead improvements that would support environmental sustainability, alongside social, cultural and economic development. Delivery of strong performance was required across at least five significant policy priorities – fresh water, resource management system, marine, climate change and hazards and waste minimisation.

To achieve this the 2012 PIF Review noted that a number of critical success factors required significant improvement, including:

- Strengthening its environmental stewardship role
- Developing and promoting a long-term vision, strategy and analytical framework for natural resources management that integrates environmental, economic, social and cultural elements, ensuring assumptions, analysis, priorities and trade-offs are explicit. This requires a wide range of capability across areas such as the Tiriti o Waitangi (Treaty of Waitangi), fiscal, economic and social impacts, ecosystems and regulatory and institutional resource economics
- Aligning MfE's and NRS' Four-year Business Planning to the long-term strategy and to annual business planning and budgeting. Establishing a clear line of sight for staff across the sector of their roles in achieving the annual business plan, the four-year plan and agreed strategic outcomes is essential;
- Enhancing capability and culture within NRS and MfE that fosters thought leadership and policy entrepreneurship
- Strengthening government agency leadership on system-wide, cross-boundary issues, programme delivery and collaboration
- Accelerating monitoring and evaluation across the environment system to ensure there is an evidential base to drive effectiveness of policy and interventions and ultimately, environmental outcomes
- Developing financial and asset management functions at MfE to be key enablers of business performance improvements. This is increasingly urgent as budget constraints bite and MfE operates over the full span of its core responsibilities.

Following discussions between MfE and the central agencies, an agency response was drawn up to ensure timely action on the Lead Reviewers' findings. This Follow-up Review is an opportunity to check progress against the action plan and test whether MfE's direction is still appropriate and if it is on track to achieve its Four-year Excellence Horizon.

Therefore, the scope of the Follow-up Review is to provide feedback on progress over the past 18 months, with particular focus on the following areas:

1 Purpose, vision and strategy

Medium- to long-term strategy was seen as the critical challenge for the next few years to focus and prioritise MfE's efforts. How well will recent initiatives, such as the analytical framework for the sector and the new operating model, support this and what more is needed?

2 MfE's leadership role in major environmental system reforms

MfE's leadership role in the environmental management system will need to be demonstrated in leading the fresh water and resource management reforms. This must include an understanding of council and stakeholder needs, strong planning for implementation and execution that moves beyond policy development, the right capability and an effective approach to monitoring and evaluation of progress against desired policy outcomes.

3 Monitoring, evaluation and review

The Lead Reviewers noted that MfE had a "patchy understanding of whether environmental legislation is achieving its stated purpose" and that good evidence was essential for decision-making and measuring progress. What more could be done to embed in the way MfE operates more systematic monitoring of the effectiveness of interventions and progress being made towards policy outcomes, including for climate change, water, the Hazardous Substances and New Organisms Act 1996 (HSNO), the Resource Management Act 1991 (RMA)?

4 Capability, especially to provide thought leadership

MfE and NRS were seen to need greater thought leadership and policy entrepreneurship, including building the knowledge base and skillsets for a modern policy environment. NRS members need to engage for the sector, not their individual agency perspectives, and give appropriate attention to longer-term research and stewardship issues. What more could MfE do, as sector leader, to strengthen thought leadership and policy capability internally and across the sector?

5 Financial management and planning

Improvements in financial and resource management are critical to improve business performance. While some improvements have been made, MfE recognises there is still a need to embed sound financial management and planning in the business and therefore feedback is sought on what more could be done?

6. Environmental information and reporting

Environmental information and reporting was considered in 2012 as an important aspect of core business. Legislation will be introduced to give effect to a new environmental reporting system that will provide credible public information and evidence for decision-making. Work with providers is under way to improve data quality and consistency.

Desired Future State: Four-year Excellence Horizon

The 2012 Review provided a description of the ‘Performance Challenge’ and ‘Desired Future State: Four-year Excellence Horizon’, which is still largely relevant. This Follow-up Review has taken the opportunity to update the Four-year Excellence Horizon in light of progress since the 2012 PIF Review. MfE has taken steps to address, in part or full, each of the critical success factors.

While MfE’s direction and progress is on track, the areas requiring focus going forward include developing a strategic plan populated with measurable environmental outcomes, building thought leadership and innovation into how MfE and the sector does business, optimising its high-leverage model through deeper collaboration and delivering those environmental outcomes. This will enable MfE to be an outcomes-, delivery- and stakeholder-centric organisation.

This Follow-up Review was undertaken in June 2014.

A list of interviews undertaken during the Follow-up Review is in Appendix A.

Paula Rebstock
Lead Reviewer

Anita Mazzoleni
Lead Reviewer

AGENCY RESPONSE

The Ministry for the Environment (MfE) welcomes this Follow-up Review, which gives us confidence that improvements made after our first Review in 2012 are on track. The Ministry thanks the Lead Reviewers for their insights and feedback and also our central and local government colleagues, stakeholders, management team and staff for the contributions they made to the Review through interviews and meetings.

The PIF Review in 2012 described seven critical success factors that the Lead Reviewers regarded as in need of significant improvement. Our focus since then has been on addressing these critical success factors and making progress towards the Four-year Excellence Horizon described in the Review. We are committed to continuing with the improvements already under way and ensuring that they are well embedded in the way we work.

Since 2012 we have repositioned our role in the environmental management system to focus on long-term stewardship, co-developed a comprehensive analytical framework with the Natural Resources Sector and modified our operating model to, among other things, allocate specific resources to strategic thinking.

We are currently using the natural resources analytical framework to better understand the environmental management system and the interactions between the various players. This will provide the analytical base and evidence for a more strategic approach to government interventions in the system. Together with the changes already made, this project will provide a strong foundation for the Ministry's future development.

The major recommendation from the 2014 Follow-up Review is concerned with the need for a strategic plan, populated with measurable environmental outcomes. The Ministry acknowledges the need to give this priority.

The Ministry will further develop its thinking about outcomes as part of preparing the 2014 Briefing to Incoming Ministers, building on existing work in several major work programmes. Priority will then be given to developing a strategic plan, with measurable environmental outcomes and targets, to be completed by June 2015. In preparing for the Budget 2015 process, the Ministry will also review and improve the performance measures used to report progress externally and internally.

We will give further consideration to how we can most effectively encourage thought leadership and innovation in the way the Ministry and the Natural Resources Sector work, including the option of establishing an innovation hub. The Ministry will also continue working towards deeper and broader collaboration with our partners and stakeholders.

The Lead Reviewers recognise that the Ministry has come a long way in recent years and has a vital role to play in complex, often contentious, multi-generational issues. This Follow-up Review reassures us that we are well positioned to continue the journey.

Paul Reynolds
Chief Executive

EXECUTIVE SUMMARY

There is increasing recognition that New Zealand's natural resources are coming under pressure from competing uses and in some critical areas are approaching biophysical and usage limits.

In this context the success of MfE's mission – *Environmental stewardship for a prosperous New Zealand* – is intrinsically linked to the success of other sectors and MfE has a vital role across NRS to lead improvements that would support environmental sustainability, alongside social, cultural and economic development.

In the past six years MfE has come a long way from a very low base. It has taken a systematic approach to building organisational capability. This involved a number of step-changes, including fundamental repositioning of MfE's mission, role, organisational design, accountabilities, culture and capability and leading paradigm shifts in the way NRS agencies collaborate and leverage off each other's institutional resources.

Over the past 18 months since the 2012 PIF Review this has enabled MfE to facilitate change in significant policy priorities – fresh water, resource management, the Exclusive Economic Zone (EEZ), climate change and hazards and waste minimisation.

While MfE's direction and progress is on track, there is still much to do to consolidate a long-term strategy. The areas requiring focus for MfE going forward include:

- developing a strategic plan populated with measurable environmental outcomes, building thought leadership and innovation and optimising its high leverage model through deeper and broader collaboration to deliver those environmental outcomes
- crystallising integration of the economy and environment components into a sustainable development agenda requiring MfE and NRS to specify a long-term natural resources strategy that is underpinned by explicit and measurable environment outcomes
- MfE needing to double its effort to keep stakeholders aligned as it develops its long-term strategy and connects its planning to the strategy
- it would be timely for MfE to look again at the role of challenge and debate in delivering its strategy. Thought leadership is by its nature disruptive but MfE's operating model and culture now has a high degree of resilience to manage this.

These critical steps will be a game changer for MfE. They will enable it to fully move from being a process-centric organisation to one that stakeholders recognise as a thought leader that is outcomes, delivery and stakeholder centric.

DESIRED FUTURE STATE: FOUR-YEAR EXCELLENCE HORIZON

Environment

The environment within which MfE operates has changed significantly. There is increasing recognition that New Zealand's natural resources are coming under pressure from competing uses and in some critical areas are approaching biophysical and usage limits. In other areas, there is recognition that our regulatory regimes are not fit for purpose, sometimes regarding the protection of the environment and others in terms of supporting sustainable use of natural resources. We have gone from a focus on making marginal improvements to the policy framework, to seeing desire for more fundamental reforms in areas such as freshwater, oceans, HSNO and resource management systems.

This will raise additional challenges for MfE, as the organisation is stretched to provide high quality, innovative policy advice that is evidenced based and grounded in a deep understanding of how any changes will impact the players across the system. This will put a premium on MfE's organisational depth, breadth and flexibility.

Given the inevitable contestability over the use of our natural resources for economic, conservation, recreational and customary purposes, stakeholder engagement and collaboration has taken on even greater significance. This trend is inevitably going to continue. MfE has certainly lifted its effectiveness in this area, though not to a consistent standard across stakeholders and not in a consistent manner within MfE. Going forward, there will need to be a more sophisticated approach. The Land, Air, Water Aotearoa Forum (LaWF) experience has provided a live example of what is possible in areas that justify high levels of public collaboration. It is vital that NRS takes lessons from this experience, as should the rest of the Public Service.

Business strategy

MfE plays an important role in many sectors: environment, economy (eg, transport, primary industries, tourism, minerals) social, Treaty, legal, local government, etc. The success of the MfE mission – *Environmental stewardship for a prosperous New Zealand* – is intrinsically linked to the success of other sectors. The MfE strategy has recognised this co-dependence and taken its leadership of NRS seriously, as well as its wider non-central government sector roles. Nevertheless, there is still much to do to consolidate a long-term strategy and analytical framework for environment management and to link MfE's four-year plan and annual plan and budgeting process. Recent focus on developing the analytical framework is an important step.

To crystallise the integration of the economy and environment components into a sustainable development agenda requires MfE and NRS to specify a long-term natural resources strategy that is underpinned by explicit and measurable environment outcomes. The use of the NRS analytical framework can bring discipline and focus to this strategy but MfE needs to be careful to not overcomplicate the process. The importance of thought leadership and policy entrepreneurship at this stage cannot be overemphasised. MfE and its sector partners have capability gaps in these skills that need to be addressed as a matter of priority.

As MfE develops its long-term strategy and connects its planning to the strategy, it will need to double its effort to keep stakeholders aligned. The performance challenge currently faced by MfE suggests a further step-change is required in the culture, values and behaviours that support MfE's business. We had strong feedback from MfE staff that they would welcome more robust challenge and debate, greater organisational innovation and a focus on what excellence means for the

organisation in the future. There is an opportunity in business strategy planning to draw staff further into the leadership of the future direction of MfE by using an iterative process between Environment Leadership Team (ELT) and staff.

The development of an environment strategy with measurable outcomes is the next game changer for the Ministry and NRS.

Operating model

MfE has largely repositioned its operating model over the last few years. It reoriented the leadership team to focus on strategic and outward-facing strategies; set up a Directors' Forum to run the day-to-day business of the organisation; improved accountability lines; established people development systems; reviewed administration support functions, etc. In addition, it invested considerable resource in its sector leadership role, which is now paying significant dividends.

Importantly, MfE has adopted a new operating model that brings Directorates together that encompasses information, policy, and implementation capability from within MfE and across NRS. This operating model drew lessons from the Freshwater and the Resource Management System Reforms. While it is too early to say whether these innovations will be durable, it is certainly encouraging to see MfE rapidly adapt its operating model in response to business need.

Improvements within the MfE operating model have largely been in generic policy areas. Looking forward, MfE needs to ensure that information, evaluation, implementation and delivery receive greater attention at the policy design phase.

One of the critical risks for MfE to manage is its capacity to meet its stewardship responsibility, while also maintaining a credible base-level competency across its full scope of responsibility.

Change capability

MfE has taken a systematic and staged approach to developing the organisational capability of MfE. This necessarily took place over several years and involved a fundamental repositioning of MfE's mission, role, organisational design, accountabilities, culture and capability. Despite this rebuild of organisational machinery, there are some critical business functions that can play a more strategic role in lifting MfE's performance. Of particular note are the financial and resource management functions, which still operate at the transactional rather than enabling end of the continuum. While the Ministry has made notable progress on its annual and four-year business planning and its analytical framework that integrates across the economy and environment, without a long-term environment strategy and measurable outcomes it will continue to struggle to get a full return on the investments it has made in other areas.

It is timely for ELT to clearly articulate what success looks like in explicit outcome terms and what MfE as an organisation needs to look like over the medium term to meet its performance challenge. While much progress has been made, MfE must move quickly to close this gap so its staff and partners can be enlisted effectively to deliver agreed environmental outcomes. Given the focus and capability of the Directors' Forum and the heightened confidence and resilience across the Ministry, there is much to be gained from allowing far more of the organisation to be involved in expeditiously specifying the environment strategy, including measurable outcomes and impacts.

The experience of co-locating significant capability from other agencies, as a result of setting up the Water Directorate, has yielded some interesting insights into the culture, behaviours and values of

MfE. Firstly, it proved the organisation can be very agile in changing its structure, accountabilities and ways of operating if there is a strong business need to do so. Secondly, it has drawn attention to the advantages that diversity of perspective, challenge and robust debate can bring and the inference that there has not been enough of this at MfE. Thirdly, it has demonstrated that the positive aspects of the MfE culture have a high degree of resilience to the introduction of outside behaviours that MfE has previously been concerned about. Overall, it questions whether it would be timely for MfE to look again at culture, especially with respect to the role of challenge and debate. Thought leadership is by its nature disruptive but the analytical framework and operating model helps mitigate any risks this may pose. Finally, the recent focus on 'good too great to exceptional' has served to underscore the value MfE puts on excellence but without a clear statement of what success looks like, the real impact of this is limited.

What will success look like in four years?

MfE would have successfully led development of a long-term vision and strategy for environmental stewardship in New Zealand. This strategy would be underpinned by measurable outcomes and a multi-disciplinary analytical framework that provides a transparent means to set priorities, make trade-offs, sequence policy and programme improvements and integrate economic and environmental objectives. MfE would have garnered support for this framework, with government recognising it provides a long-term policy glide path that accommodates current government priorities but does so with long-term impacts and objectives in mind. MfE and NRS would be respected for thought leadership and policy entrepreneurship in using the analytical framework to underpin development of a long-term natural resources strategy. They would be respected for their focus on implementation and delivery of environmental outcomes.

The backdrop of better long-term strategy, analytical frameworks and public engagement would have allowed the Government to make sustainable progress, while acknowledging that full impacts will take place over the longer term, on a number of pressing issues, including: freshwater management, resource management system, marine and coastal management, HSNO and climate change.

Freshwater management

MfE would have led NRS to deliver a legislative framework that allows for the allocation of freshwater to the highest economic use that is socially and environmentally sustainable.

Resource management system

MfE would have delivered a new resource management framework that facilitates economic growth that is environmentally sustainable, with lower compliance costs and appropriate planning timeframes, for which MfE would have provided leadership and guidance to the implementing authorities. MfE would be monitoring implementation to ensure that the changes make a real contribution to facilitating economic growth that is socially and environmentally sustainable.

Marine and coastal management

Led by MfE, NRS would have developed, as an urgent priority, a marine strategy that would be delivering economic growth from this resource in an environmentally sustainable manner. MfE would have led NRS to deliver a long-term vision and strategy for the marine environment and a legislative framework that allows the allocation of marine resources to the highest economic use that is socially and environmentally sustainable.

Together with reforms to the RMA that MfE would have led, the marine strategy would have the potential to facilitate the timely development of new industry sectors, such as oil and gas and mineral exploration, making a significant contribution to New Zealand's economic growth targets in an environmentally and socially sustainable manner.

Climate change

MfE would have provided national leadership in preparing New Zealand for the medium- and longer-term planning consequences of climate change on our economy and lifestyle. MfE would have provided effective leadership to the public sector, including local government, on transitioning to a low-carbon economy. New Zealand would have continued meeting its international climate change obligations.

HSNO and waste minimisation

MfE would have provided a low cost and simplified compliance environment for businesses to manage waste and hazards, including a system that acknowledges appropriate levels of self-compliance.

MfE would be respected for providing a credible platform for sustainable development in New Zealand. Critical to its success will have been:

- an overarching long-term vision, strategy and multi-disciplinary analytical framework for environment management that could handle the complexity and longevity of issues and allow for transparency of assumptions, data, analysis, key trade-offs and priorities. It would be supported by well specified environmental outcomes and impacts
- a long-term strategy and analytical framework for the natural resources system that could integrate the economy and environment. MfE would have ensured it had alignment across the sector with government and the wider public through timely and effective information, analysis and collaboration. This would have built from the environment and economy principles developed earlier by NRS. The sector would have ensured it had the expertise and information it needed to develop and utilise its analytical framework
- ready access to capability across core competencies, such as environmental management, the Tiriti o Waitangi, economic and social impacts, ecosystems, micro-, regulatory and resource economics and practical business experience
- a culture that values and fosters thought leadership and policy entrepreneurship at the sector level and within MfE. MfE would be seen as bold and innovative, fast to move from strategy to outcomes, proactive and strategic. Importantly, it would be seen as the country's experts on the environment and natural resource management systems. To do this, MfE would have filled its senior analyst and principal analyst roles and would be leading the thinking around major policy projects, across all of its areas of core accountability. Debates within MfE and with the sector and stakeholders would have been robust, challenging and open
- MfE's leadership role in ensuring: consistent, comprehensive and reliable information collected at a local level to allow effective monitoring of all players; national guidance on system-wide and cross-boundary issues; effective collaboration between local government and central government at the planning stages; and oversight of major reforms implementation
- effective monitoring and evaluation regimes for all critical environment management reforms over the last four years. This would have been providing a strong evidential base to underpin future advice and policy and programme improvements

- financial and resource management functions within MfE that enable strong improvements in business performance. In addition to meeting compliance and transactional requirements, the recording and use of financial and resource information would have been driven by strategic need. Information Technology (IT) and financial systems drive the MfE operating environment and allow clear lines of sight from its expenditure to its impact. These would have allowed MfE to identify choices and new ways of operating, accelerating improvements in business performance, despite increasingly tight fiscal constraints. This would have been particularly important in lifting effectiveness as major policy initiatives move into the implementation stage.

Ultimately, MfE will know it has made a difference to the long-term wellbeing of New Zealanders, because it will have been successful in providing environmental stewardship, while supporting New Zealand to sustainably grow, utilising its natural resources. This success would be mirrored by the success in achieving other components of the Government's growth agenda, including meeting targets to substantially grow New Zealand's exports and improve standards of living.

PERFORMANCE CHALLENGE

Sustainable economic, social and environmental development is fundamental

New Zealand's natural resources are under increasing pressure from competing uses and in some critical areas are increasingly approaching their biophysical and usage limits. Management of our natural resources has been, and will continue to be, a complex and contentious cross-sector, multi-generational issue. MfE has a vital cross-cutting role in leading NRS, whose purpose is to manage the interaction between the economy and the environment, which is central to New Zealand's social, economic and environmental wellbeing. It is critical that any increase in economic performance from the use of natural resources is socially and environmentally sustainable and enduring.

Natural resources are a key enabler and contributor to the Government's growth agenda. For this reason MfE is responsible for an extensive set of outcomes, including to:

- improve the resource management framework to manage environmental effects and allocate resources within environmental limits
- improve quality, flow and availability of freshwater through more effective management frameworks
- decrease New Zealand's net emissions of greenhouse gases below business-as-usual levels in a cost-effective way
- reduce harm from natural, chemical and biological hazards and from waste through more effective management frameworks
- achieve better solutions to environmental problems by supporting community involvement and action and international cooperation
- improve the relationship between MfE and Māori by negotiating and implementing fair, durable and fit-for-purpose deeds of settlement and environmental accords.

These outcomes highlight two critical success factors for MfE: more effective resource management frameworks and stakeholder buy-in and collaboration.

Integrating across the environment and economy requires policy entrepreneurship

It is vital that New Zealand has a transparent and evidence-based approach to setting priorities and making trade-offs in environment management through time. New Zealand needs a long-term strategy and analytical framework for environment management that is capable of generating a glide path that New Zealanders broadly sign up to and that can allow for varying government priorities through time. Creating and promoting an overarching long-term vision, strategy and analytical framework for MfE, developing a long-term natural resources strategy using an analytical framework for NRS and highlighting the complexity and longevity of some of the issues, are essential for sustainable development in New Zealand. It is widely acknowledged that bold and innovative thinking is required to achieve this.

MfE, as sector leader, must make development of an analytical framework for its stewardship a priority and to underpin development with NRS of a long-term strategy and analytical framework for management of natural resources. It must also bring the environmental information and expertise

central to its environmental stewardship role, so it can be properly integrated with other agencies' expertise and information.

Long-term vision, strategy and analytical framework attracts public buy-in

Anchoring current environment and economy priorities in a long-term vision and strategy, supported by a multi-disciplinary analytical framework, is essential. However, it will only be successful if there is widespread public buy-in to the vision and strategy. There is an important lesson from the LaWF initiative, which arguably has set a new standard for government agencies on effective collaboration and stakeholder engagement. The challenge comes in understanding how lessons from the LaWF can be cost-effectively taken into a much broader arena, covering the whole of the environment management system.

The current context creates immediate opportunities

There are current opportunities for MfE to lead improvements in outcomes for New Zealand across at least five key policy priorities: fresh water, resource management system, marine, climate change and hazards and waste minimisation.

PROGRESS SINCE THE 2012 PIF REVIEW

Significant progress has been made in major work programme areas over the past 18 months since the PIF Review, especially through:

- reform proposals to strengthen national direction for fresh water and support for decision-making processes
- preparation of a package of resource management reform proposals and improved engagement and support
- implementation of new legislation and regulations for the Exclusive Economic Zone
- international engagement on climate change
- a new framework and legislation for independent national environmental reporting
- improvements to the hazardous substances regime to reduce harm and increase compliance
- a statutory review of the waste levy and better evidence about what actually happens to waste in New Zealand.

Freshwater

The 2012 LaWF report covered tools for managing within limits and achieving freshwater objectives, including integrated catchment management, good management practice, allocation approaches and consenting. During 2012 and 2013, MfE undertook the background policy work and public consultation on delivering freshwater reform. In 2013 the Government announced the next stage of the reforms, including amending the national policy statement (NPS), introducing the national objectives framework (NOF) to support a more integrated process for agreeing values, and establishing an effective national monitoring and reporting system. MfE is also supporting improved decision-making processes between councils, community and iwi/Māori through alternative planning processes and a consistent approach to generating and using scientific and economic information.

Going forward, MfE must determine measurable environmental outcomes and targets for freshwater and timelines and programmes to deliver these. MfE will populate NOF with values, attributes and national bottom lines for fresh water based on scientific work and consultation. A representative set of economic and environmental impact studies across regions will support informed decision-making about water quality and quantity limits and management approaches. Best practice approaches and guidance for collaborative planning and other technical matters will be developed in partnership with councils, based on agreed priorities. It is also anticipated that policy work will be aimed at ensuring freshwater resources are managed efficiently and effectively within limits, the available water can move to higher value uses, access to water is improved for new or excluded users, and iwi and Māori rights and interests are recognised appropriately.

Resource Management System

Management of natural resources under RMA is mostly devolved, though MfE has some statutory obligations. Within this system MfE aims to ensure that RMA decisions will achieve sustainable management. MfE's role is also to lead and support thinking about the future of the system, including options beyond the scope of RMA. Since 2012 MfE has supported a package of RMA reforms through

policy advice, consultation and legislative drafting, aimed at improving the workability and cost-effectiveness of RMA and the quality of decision-making. MfE has also refined and expanded tools for providing guidance and support to local decision-makers. Guidance on managing onshore petroleum development activities, including hydraulic fracturing, was released and has been well received. A plan database now holds information about the status and change process of every plan across the country. A review of the Environmental Protection Authority (EPA) after its first three years will take place in 2014, as required by legislation. MfE intends to develop a more strategic and internally coordinated approach to MfE's interests in EPA, with a stronger focus EPA's role in the environmental management system.

MfE has also supported policy development, consultation and legislative drafting for more far-reaching reform proposals aimed at improving the quality of planning under RMA. To ensure that MfE can proactively advise the Government on the future of the resource management system (RMS) it has developed an outcomes framework/logic model to guide the work and facilitate thought leadership. Development of a medium-term outlook for RMS has begun, alongside building up the evidence base and developing a framework for evaluation. Going forward, MfE's objectives for RMS are:

- MfE will determine measureable environmental outcomes and targets for RMS and timeframes and programmes to deliver these
- advising on and implementing reform in line with government policy in a way that is likely to achieve the environmental outcomes
- improving support for councils and others to ensure robust decision-making
- building the evidence base to improve understanding of how the RMS is working and how policy choices may impact it
- developing a medium-term view on how RMS might evolve
- meeting MfE's statutory obligations.

Marine & EEZ

Since 2012 MfE has been developing and implementing the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 (EEZ) and supporting regulations. This has been a complex task as comprehensive management regimes, including environmental effects for the two biggest users of the EEZ – fishing and transport – remain largely intact. There are also interfaces with oil spill response, health and safety and biosecurity legislation, particularly with WorkSafe and Maritime New Zealand. The EEZ Act came into force in 2013 and the new regulatory regime will be in place in 2014, allowing marine users to transition from fragmented environmental regulation under Crown minerals and maritime safety regimes. The EEZ regime has been compared favourably with RMA by the mining sector in its recently released briefing to the incoming government. The EPA's role has significantly expanded to administer the new EEZ regulatory regime.

Going forward, MfE intends to determine measurable environmental outcomes and targets for the marine environment and the EEZ and timelines and programmes to deliver these. We agree that taking a broader, more integrated and strategic approach to resource management across marine interests should be a key focus for NRS. It must concentrate on exploring ways to deliver economic return from New Zealand's EEZ that are environmentally sustainable. NRS aims to address significant information gaps (only 3% of the EEZ is currently mapped) and better manage the complex system of regulation and governance (currently at least 25 statutes) is appropriate.

Climate change and Emissions Trading Scheme (ETS)

New Zealand remains compliant with its obligations under the United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol. The NZ ETS is the main mechanism for establishing an incentive to reduce emissions and for assisting in meeting current and future international obligations. An Amendment Act passed in 2012 extended the transitional provisions in the NZ ETS beyond their previously planned life, and made a number of technical changes, and a decision has been made to close the NZ ETS to international offset units from 2015. In 2013 New Zealand announced a target of reducing emissions by -5% on 1990 levels by 2020, in anticipation of a new global agreement on climate change, which is to cover the post-2020 period.

Going forward, New Zealand's key goal for climate change remains a broadly-based international agreement. This is now focused on the United Nations Conference of the Parties in Paris in 2015, which is expected to be a major step in developing and deciding on an agreement to take effect from 2021 and the domestic policy settings that would support it. This will provide the opportunity for better analysis to support a bundle of domestic policies and future emission profile, which will build a national conversation and put plans behind targets for a decarbonising future. MfE will need to determine measurable environmental outcomes and targets for New Zealand to achieve its contribution to mitigate climate change and to prepare for its effects, and timelines and programmes to deliver these.

Environmental reporting

Since 2012, in consultation with experts, MfE has been developing a framework to direct environmental reporting. An Environmental Reporting Bill that provides a legislative basis for independent, reliable national reporting was introduced in 2014. The aim is to improve public confidence in environmental reporting by producing robust, independent reports using transparent processes and accurate data to which there is open access. National environmental reporting will be a joint responsibility of the Secretary for the Environment and Government Statistician, conducted at arm's-length from the government of the day, with the Parliamentary Commissioner for the Environment providing an independent opinion on any aspect of the reporting. The expectation is that one environmental domain report (eg, air, fresh water) will be released every six months and a synthesis report every three years. Work is already under way on the domain and synthesis reports and new indicators for reporting are being developed. MfE is working with science providers to ensure the data needed is available and is of sufficient quality. A data improvement plan for environmental reporting and a science sector stakeholder engagement plan are being developed to guide this work. New indicators have been developed for air quality and new indicators and modelling methodology have been developed for national reporting on river condition. National environmental monitoring standards have been established for the collection of freshwater quality information and are being considered for other environmental domains.

Going forward, MfE plans to determine measurable environmental outcomes and targets for each domain area and its components and timelines and programmes for delivering these. Key results to achieve include the establishment of a robust regime for co-production of environmental reporting with Statistics New Zealand and production of the first round of domain reports and the synthesis report. National environmental reporting must operate as a collaborative process since most of the data is held by others. MfE must also work with other agencies across the environmental management system to acquire the quality data needed to underpin national reporting and policy information requirements and to ensure that science providers understand MfE's research needs and priorities.

Hazardous substances and new organisms

MfE's major focus is on improving New Zealand's hazardous substance management regime to help New Zealand businesses be safe, sustainable and successful. Proposed amendments to HSNO have been developed and are being considered as part of the Health and Safety Reform Bill. The changes are intended to reduce harm from hazardous substances in the workplace by assisting businesses and individuals to more easily understand safety requirements.

For new organisms MfE's stated focus is on identifying improvements to HSNO and regulations to increase efficiency and effectiveness, better manage risks and ensure the regime can meet the needs of fast-evolving technologies. Working closely with EPA, the implementation agency for HSNO, MfE's aim is to improve monitoring and evaluation of the Act, particularly of environmental effects and chronic harm and to use this to assess the performance of the HSNO regime. Health and Safety Reform is a joint work programme with the Labour and Environment division of the Ministry of Business, Innovation and Employment (MBIE). The two agencies are well aligned in relation to the direction of this work and are working closely together.

Going forward, MfE intends to determine measurable environmental outcomes and targets for HSNO and timelines and programmes for delivering these. Over the next three to five years MfE will progress reforms to the hazardous substances policy framework to reduce harm, while ensuring that the application and reassessment processes are effective and cost-efficient. Much of the hazardous substances work is connected to reform of the workplace health and safety system. Alongside this MfE will implement new international obligations related to hazardous chemicals and waste.

Waste minimisation and management

MfE is seeking to consolidate the Waste Minimisation Act 2008 (WMA) and progress recommendations from the statutory review of the waste disposal levy. Evidence on what actually happens to waste in New Zealand indicates that the majority goes into non-municipal landfills and farm dumps. It is therefore potentially not subject to appropriate environmental controls or to the waste disposal levy. A key focus of the review of the waste levy is whether it is being applied fairly and correctly and what needs to be done to ensure a level playing field for those paying the levy. The review is also looking at the impact the levy is having on changing waste behaviour and the effectiveness of the funding granted, both through the Waste Minimisation Fund and directly to territorial authorities. The review has also found that waste levy funds are spread too thinly across too many projects to make a measurable difference. Criteria for evaluation of applications have been amended to better encourage funding to be invested in dealing with waste streams, with the highest potential to cause harm to the environment. MfE has provided advice to the Government on encouraging better producer responsibility for waste streams or products of most concern. Since the WMA was enacted in 2008, 11 voluntary product stewardship schemes have received accreditation. However, voluntary schemes appear to have had limited effectiveness so far in reducing waste volumes or reducing harm and therefore recent advice has focused on the need to consider regulatory options for some problem wastes.

Going forward, MfE must determine measurable environmental outcomes and targets for waste minimisation and timelines and programmes for delivering these. In the short to medium term MfE is seeking to consolidate the WMA and progress recommendations for change, resulting from the statutory review of the waste disposal levy. MfE is also working towards closer alignment of non-departmental funds with policy outcomes, for the funds administered by MfE and across NRS.

ORGANISATIONAL CHANGES AT MfE SINCE THE 2012 PIF REVIEW

Environmental outcomes and Strategic Plan

Since 2012 there has been a fundamental shift in the way MfE thinks about the environmental management system and its role in ensuring it operates effectively. Recognising the need for a more strategic approach to environmental management and planning of future work, MfE has put in place many of the tools and work programme to achieve this. An analytical framework for natural resources was co-developed with NRS. It is being used to develop the sector's briefing for incoming Ministers and to explore MfE's understanding of the environmental management system and medium-term programme.

The shift in the way MfE thinks about its role in leadership and stewardship across the environmental management system is increasingly evident at senior levels and reflected in the Four-year Plan and accountability documents, which have a stronger emphasis on MfE's overall responsibility for a joined-up environmental management system and how MfE will need to work in future at the centre of that system. The wider systems approach indicated in the Four-year Plan is still in its early stages. Planning continues to be variable in quality and there is considerably more work needed to share this approach across the organisation and to embed it in MfE's work and strategic documents.

Going forward, the new national environmental reporting system, as proposed in the Environmental Reporting Bill, will also provide an evidence base that contributes to better understanding of progress against longer-term outcomes, once these are defined. A programme to articulate the medium-term direction for MfE work is under way and the proposed review of the MfE outcomes framework has been deferred until the medium-term work is completed. This PIF Follow-up Review strongly suggests that it is imperative for MfE to undertake this work simultaneously, iterating the top-down and bottom-up views to make timely progress. Defining measurable environmental outcomes and targets, as well as timelines and programmes for delivering these, are critical to success and represent the next game changer for MfE. Those defined environmental outcomes will drive MfE's long-term strategic plan and the medium- and short-term action plans arising from it. MfE will then have a clear view for the environmental management system of:

- what its overall objective is (mission)
- where it is going (vision)
- what success will look like (measureable environmental outcomes)
- a roadmap of how it is going to get there (the strategic plan from which the medium-term, four-year plan and annual plan are derived)
- how it is tracking and how far it has to go (including environmental pressure reports).

Unless MfE has clearly articulated the targeted environmental outcomes from which everything else drives, the environmental management system risks being piecemeal and not as effective nor delivered as efficiently as it needs to be. Tools such as the analytical framework will underpin the strategic plan and will facilitate trade-offs and priorities, both within MfE's work programmes and for NRS. Defining environmental outcomes, timelines and programmes will serve as MfE's call to action, connecting key stakeholders, including MfE staff, within a whole-of-system approach to environmental management so each understands the contribution they make to achieving environmental outcomes.

Operating model to support outcomes delivery

A review of the operating model was undertaken internally in 2013, adopting the best elements of the earlier approach to the fresh water and resource management reforms. The new operating model in place from 2013 established multi-disciplinary directorates covering policy, regulatory policy, implementation and science/information. It ensures that responsibility for monitoring of policy implementation and effectiveness will sit alongside the related policy work. It also set up a new Stewardship Directorate to help strengthen the Ministry's stewardship focus, with responsibilities in strategy, evaluation, thought leadership, national environmental reporting and international engagement. As a result, silos within the organisation are increasingly disappearing. The ultimate test of the operating model will be whether policy work in the future better anticipates implementation and delivery constraints, risks and opportunities.

Sector engagement and relationships

MfE continues to work towards deeper relationships with iwi leaders, as well as with settled iwi where MfE has obligations under Tiriti o Waitangi settlements. Relationships with strategic stakeholders continue to deepen and are now coordinated with activity by directors, so that MfE connects with key organisations at different levels. There has been a stronger focus on working closely with implementation agencies, especially EPA and regional councils.

As stakeholder relationships widen and deepen, MfE could consider investing in a customer relationship management (CRM) database so that the information can be utilised across MfE. This would mean stakeholders would not have to repeat or restart conversations (largely a consequence of MfE's high staff turnover), which is a concern for them. Stakeholders required to implement reforms are also seeking MfE to address their implementation issues at the front end of any reforms and to road test proposed changes before they are implemented.

MfE continues to lead the close work with other NRS agencies in a way that is a paradigm shift from traditional collaboration across central government agencies. Within NRS, a cross-agency reference group has been an effective forum for coordinating advice on the RMA reforms and priorities for national direction and a process for assessing future topics to enable more strategic decision-making at national level about priorities and more certainty at local level. The Natural Resources Framework was developed in collaboration with other NRS agencies. A project led by MfE and the Department of Conservation (DOC) to compile a stocktake of the collective policy capabilities across NRS was completed in 2013. This found common issues across the sector, including the shape of the workforce, and the skillsets and conflict between NRS collaborative approaches and agency performance drivers. NRS agencies have completed a medium-term strategic study of marine issues. NRS agencies agreed to three cross-agency objectives for policy development on climate change, relating to an international agreement, domestic mitigation and adaptation. MfE expects that up to 50% of each principal analyst's time will now be spent on strategic and cross-Ministry activities.

Effectiveness of interventions in delivering environmental outcomes

The 2012 PIF and Martin Jenkins reviews found that evaluation to better understand system performance and how MfE's legislation and interventions are working was not yet well embedded in MfE's activities. A cross-Ministry evaluation network has been established following the 2013 review of the operating model and a strategy to promote continuous improvement in monitoring and evaluation is being developed. The need for better research, monitoring and evaluation is now higher. Many research, monitoring and evaluation strategies have been or are being developed, though not many implementation reviews and evaluations have been completed to date.

Capability

A more active recruitment programme aimed at strengthening capability and increasing capacity, especially for implementation of the major reforms, was begun in 2013. This lifted the head count to around 300 full-time equivalent (FTE) staff. MfE staff are demonstrating new-found confidence and resilience from working in an organisation that has proven it can be agile and deliver major cross cutting policy work in fresh water and RMA activities and an operating environment that encourages assumptions to be challenged even under high workloads and tight timeframes. Much of the processes and practice built from 2008 has been embedded systematically in ways that have diminished leadership dependency. As major policy work is completed, MfE's work will increasingly be focused on implementation and it is expected to continue to do this smartly by deepening its model of leveraging off the existing connections, staff, resources and assets of other central and local government stakeholders.

MfE still has some of the highest staff engagement scores in the public sector. Nevertheless, addressing the causes (including the young age profile of staff and the time to achieve pay scales relative to the rest of the public sector) and the consequences of high turnover is a key issue for staff and external stakeholders. MfE should evaluate indirect, as well as the high direct costs of turnover to validate the considerable payback estimated from higher staff retention.

Financial and resource management

Better tools are now available to support financial management; forecasting and budgeting is now done online, which significantly improves the efficiency of compiling information across MfE. Managers now get their monthly results through a dashboard and can access real-time information about expenditure on contracts. Annual planning and four-year planning is more robust. Significant changes have been made in information and communications technology (ICT), with the focus being on building strong foundations that will support a more strategic approach in future. Since July 2013 MfE has been working on alignment of ICT service delivery with Land Information New Zealand (LINZ) and moving from an 'owned and operated' model to a 'managed service' model. The ICT infrastructure has been moved to an external data centre that also provides services to LINZ. The Office of the Auditor-General has continued to grade two key elements of MfE's audit results as 'very good'. More attention is needed to ensuring that expenditure provides value for money, especially sharing information about the performance of contractors and suppliers. Business planning is stronger over the four-year horizon but still generally needs to be more systematic at directorate and team level, with clear linkages to accountability documents.

WHAT MORE IS NEEDED?

MfE asked the Lead Reviewers to identify what more could be done in the following areas, listed in order of priority for MfE:

1 Purpose, vision and strategy

The 2012 PIF Review noted the imperative to have a medium- to longer-term strategic plan and outcome measures. It was noted that a strong analytical framework was necessary, given the complexity of issues, and that the Ministry would need an operating model capable of delivering on its mission.

Since 2012 MfE, together with NRS, has taken a number of important steps to improve its stewardship of the sector, including through the development and increasing use of an environment analytical framework, a revised operating model and a well specified Four-year Plan.

Looking forward, the big game changer for the Ministry and sector is to specify a long-term strategy, with measurable environment outcomes, including deliverables for the near and medium terms. Without this the sector does not have a strong call to action, especially relative to other sectors that have long been focused on explicit statements of what success looks like. It is very difficult to get alignment within the Ministry, let alone across the sector or with key partners, without a strategy. Without alignment, cumulative impact will be too slow to emerge. The Ministry is currently running a high leverage model without the strategy needed to anchor and direct it.

With an explicit strategic plan and measurable outcomes, the centre of gravity for the Ministry can shift to being outcomes, stakeholder and delivery oriented rather than introspective and process oriented. The Ministry is currently working towards this but it needs to be careful to not over complicate this stage. While there are gaps in the evidence base, many of the scientific targets and measurements exist, as does agreement on how long some of these will take to address. Such environmental outcomes have been set before, with programmes to reach achievable targets that have made demonstrable environmental improvements, for example, in areas such as air quality standards and emissions limits for climate change obligations.

2 MfE's leadership role in major environmental system reforms

In the 2012 PIF Review it was noted that MfE's leadership role in the environmental management system will need to be demonstrated through leading the fresh water and resource management reforms. It was recognised that this would require an understanding of council and stakeholder needs, strong planning for implementation and execution that moves beyond policy development, the right capability and an effective approach to monitoring and evaluation of progress against desired policy outcomes.

Since 2012 MfE has made significant progress in the areas of fresh water, RMA, air quality, environmental reporting and in building the effectiveness of NRS. It is also positioning itself to get ready for the 2015 work on climate change, which may require it to do some first principles thinking, without starting over. The HSNO and waste areas are also receiving dedicated focus. In the case of EEZ, the Ministry has had to take corrective action to address implementation and delivery issues that were not anticipated when the policy was developed.

While it must be acknowledged that MfE is responsible for some of the most complex policy issues, and it is increasingly seen to be improving its performance, there is still work to do to meet its sector leadership ambitions. Until MfE and NRS set a clear long-term direction, supported by measurable

environment outcomes, including in the medium term, it will struggle to fulfil its leadership role. To move from being a confident facilitator to a leader, the Ministry needs to be clear what success looks like. Only then will its engagement with partners be purposeful and allow it to effectively enlist others to its mission.

Looking forward, there are a number of other matters the Ministry needs to make progress on, including getting far better at uncovering and addressing actual implementation risks at the policy stage; managing external stakeholder expectations through the Government decision-making stages; working with influential external parties to build appropriate coalitions at different stages; and ensuring that feedback loops from evaluation and monitoring work in practice. Most importantly, the Ministry needs to continue to shift from process focused to outcomes, stakeholder and delivery focused.

3 Monitoring, evaluation and review

Prior to the 2012 PIF Review, MfE was compliance monitoring its obligations. However, it gave little attention to evaluating the effectiveness of its interventions nor how it was contributing to policy outcomes. Since then MfE has made a significant step-change in entrenching the language of monitoring, review and evaluation across the whole organisation and embedding this in most of its processes.

These processes could become a real gauge for MfE to assess the effectiveness and efficiency of environmental interventions where it defines its environmental outcomes, as these set the benchmarks against which those interventions are measured and the priority they should be given. Without those outcomes, MfE is likely to risk these processes becoming an extensive compliance exercise.

MfE should also lock down the benefits it has identified from existing reviews, including with NRS, to remove multiple duplications across funds, as well as refocusing them to achieve the defined environmental outcomes. This will tangibly demonstrate to the organisation the value to be gained from these monitoring and evaluation reviews.

4 Capability, especially to provide thought leadership

The 2012 PIF Review noted that the Ministry and NRS were in need of greater thought leadership and policy entrepreneurship, including through building its knowledge base, skillsets and longer-term research and stewardship.

Since 2012 MfE has taken a number of important steps, including reinvigorating its Directors' Forum, freeing up resource and time for strategic thinking, developing an analytical framework and eventually filling the principal analyst positions.

Looking forward, MfE needs to find explicit ways to institutionalise thought leadership, recognising that by its nature thought leadership is necessarily disruptive. The Ministry should take comfort that the analytical framework can help mitigate the risks this might present. Most importantly the Ministry and NRS need a long-term environment strategy, including near- and medium-term deliverables, and associated outcome measures to focus and direct thought leadership to those things that will make the biggest difference.

In the long term MfE needs to grow its capacity but in the short term it needs to identify and empower thought leaders and put them in the right roles. The Ministry needs to keep an active watch on its high turnover, the balance of generalist to specialist, economic expertise and whether it is overweight policy versus implementation and delivery capability.

A number of approaches could be considered, such as an external brain's trust and an environment innovation hub. It would be useful for ELT and the Directors' Forum to explicitly revisit the Ministry's risk appetite in light of the changes it has made to its operating model, the analytical framework and the strategic plan and outcomes, once the latter are put in place.

5 Financial management and planning

The 2012 PIF Review identified that while MfE had made significant improvements in streamlining internal support processes and functions, including significant reduction in support FTE, the financial management and planning systems operated at a fairly rudimentary level and much more could be done for them to work as organisation enablers.

Since 2012 MfE has continued to develop its support systems and make some progress in financial reporting, including management reporting, external accountability documents and in planning. There have been some good results, including much greater clarity in the Statement of Intent (SOI) and Four-year Plan, although for many stakeholders it is difficult to understand how these, along with the analytical framework and MfE's mission statement join together to provide clarity around MfE's purpose. MfE has achieved strong ESCO ratings, especially in service performance, albeit on some low-effect outcome measures. There is still some way to go to optimise financial management and planning and MfE has identified other activities to lift performance of these functions.

Nevertheless, the key to having an excellent financial management and planning function that can truly assist the organisation to deliver on its defined outcomes, is one where good financial and planning functions are a given and the focus remains firmly on performance monitoring, with both internal and external reporting focused on measuring actual performance against true outcome measures and the effectiveness of interventions.

6 Environmental information and reporting

The 2012 PIF Review noted that the paucity and inconsistency of environmental information and the lack of consistent guidance on standards and quality for collecting environmental information was an area of real concern for a number of stakeholders. Much of the information was scattered across a number of central and local government stakeholders. The new environmental reporting legislation will result in a step-change in the consistency, quality and standard of environmental reporting over time. MfE has continued to demonstrate its agility and effectiveness in the way it has approached the implementation of this legislation, maximising its model of leveraging resources across its central and local government relationships, including existing databases and environmental information and the independence and robustness of Statistics New Zealand.

The environmental information and reporting resulting from this legislation can also be a real game changer for MfE. This is provided MfE uses the domain and synthesis reports and pressure reports, with a consistently high integrity of data and evaluation, to proactively drive its work programmes on a timely basis.

MfE should also use these to predict necessary adaptations to its operating model so they can be implemented in time to facilitate rather than inhibit delivery of environmental outcomes through the work programmes.

CONCLUSION

The Ministry is on track to meet its Four-year Excellence Horizon, which remains largely relevant. We have taken the opportunity to refresh the Excellence Horizon for the Ministry to reflect developments and improvements made over the last two years. Looking forward, the biggest risk to the Ministry meeting the improvements it needs to make to deliver on its mission is a failure to now rapidly agree its long-term strategic plan and measurable environment outcomes. The Ministry has the capability to address this.

APPENDIX A – INTERVIEWEES

Minister of Finance, Hon Bill English

Minister for the Environment, Hon Amy Adams

DairyNZ

Fonterra

Federated Farmers

Land & Water Forum

New Zealand Planning Institute

Environmental Protection Authority

Ministry for Business, Innovation & Employment

Te Puni Kokiri

Statistics New Zealand

Waikato River Authority

Canterbury Earthquake Recovery Authority

Bay of Plenty Regional Council

Auckland Council

Petroleum Exploration & Production Association

Agcarm

Contact Energy

ABBREVIATIONS USED IN THE REPORT

The following abbreviations and acronyms are used in this report:

CCRA	Climate Change Response Act 2002
CEEF	Chief Executives Environment Forum (central and regional government)
DOC	Department of Conservation
EEZ	Exclusive Economic Zone
ELT	Environment Leadership Team (Chief Executive and Deputy Secretaries)
EPA	Environmental Protection Authority
ESCO	Environment, systems, and controls underlying the financial statements
HSNO	Hazardous Substances and New Organisms Act 1996
ICT	Information and communications technology
IPCC	Intergovernmental Panel on Climate Change
ICT	Information and communications technology
LAaWF	Land, Air, Water Aotearoa Forum
LINZ	Land Information New Zealand
LUCAS	Land Use and Carbon Analysis System
MBIE	Ministry of Business, Innovation and Employment
MFAT	Ministry of Foreign Affairs and Trade
MfE	Ministry for the Environment
MOT	Ministry of Transport
MPI	Ministry of Primary Industries
NES	National environmental standard
NOF	National objectives framework for freshwater
NPS	National policy statement
NRS	Natural Resources Sector (central government)
NZ ETS	New Zealand Emissions Trading Scheme
RMA	Resource Management Act 1991
SOI	Statement of Intent
UNFCCC	United Nations Framework Convention on Climate Change
WMA	Waste Minimisation Act 2008