



## STATEMENT OF INTENT 2006 – 2009



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Ministry for the Environment  
Manatū Mō Te Taiao  
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# CONTENTS

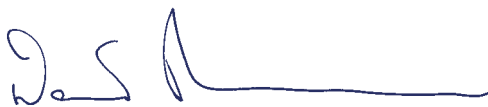
Statement of Responsible Minister .....	2
Statement of Responsibility .....	3
Foreword.....	4
<b>Part One: The Ministry .....</b>	<b>6</b>
Our role as key adviser on the environment .....	8
Our statutory functions.....	9
Our Statement of Intent .....	11
Ministry outcomes .....	14
Enhancing capability and improving our performance .....	55
Organisational responsibilities.....	60
<b>Part Two: Forecast Financial Statements .....</b>	<b>64</b>
Introduction.....	64
Accounting Policies.....	70
Vote: Environment .....	74
Vote: Climate Change and Energy Efficiency.....	78
Contact information .....	81

## STATEMENT OF RESPONSIBLE MINISTER

The Ministry for the Environment's Statement of Intent 2006-2009 reflects my priorities for the next three years and the ongoing work programmes in which the Ministry is involved. It is consistent with the policies and performance expectations of the Government. It is prepared in accordance with section 38 of the Public Finance Act (1989).

The Ministry for the Environment advises Ministers on environmental matters that are of national importance and technically demanding. The challenges are growing. The Government recognises that environmental sustainability is a key component of economic transformation, thriving communities and our national identity. For these reasons the new Chief Executive of the Ministry has been given a clear mandate by Cabinet to take on an extended environmental leadership role across government.

I look forward to working with the Ministry over the next three years to further improve the environmental well-being of New Zealanders.



Hon David Benson-Pope  
MINISTER FOR THE ENVIRONMENT

## STATEMENT OF RESPONSIBILITY

The information for the Ministry for the Environment contained in this Statement of Intent has been prepared in accordance with section 39 of the Public Finance Act (1989).

The Acting Chief Executive of the Ministry for the Environment acknowledges in signing this statement that she is responsible for the forecast financial statements contained in this Statement of Intent.

The financial performance forecast to be achieved by the Ministry for the year ending 30 June 2007 that is specified in part two of the Statement of Intent is as agreed with the Minister for the Environment, who is the Minister responsible for the financial performance of the Ministry for the Environment.

We certify that the information contained in this report is consistent with the appropriation contained in the Estimates for the year ending 30 June 2007, that are being laid before the House of Representatives under section 13 of the Public Finance Act (1989).

Signed



Sue Powell  
ACTING CHIEF EXECUTIVE  
3 April 2006

Countersigned



Fiona Morgan  
CHIEF FINANCIAL OFFICER  
3 April 2006

## FOREWORD



Our work programmes at the Ministry for the Environment are constantly evolving. As programmes move from development of policy through to effective implementation, the nature of the work and the priorities change. We need to be able to adapt and change with it. We made a number of significant changes in 2005 – to our structure, to our legislation, and to some work programmes. This Statement of Intent reflects those changes as we continue to adapt and implement that work.

The Ministry will monitor and report on the New Zealand environment. The newly established Reporting and Review Group will ensure the development of core tools to help us understand our environment.

The Resource Management Act and the Hazardous Substances and New Organisms Act were both amended last year. These amendments see our work programmes in these areas move into the implementation phase.

In 2004, Government announced a review of flood risk management. The background work for this is nearly complete. In the year ahead, the review will ensure the approaches to managing flood risk and river control are robust. It will also address the roles of local and central government in managing flood risk.

Work is underway to develop a management system for our oceans. Led by the Ministry, this whole-of-government programme will develop a system that ensures our oceans are used sustainably.

A whole-of-government climate change policy review took place in 2005. A significant work programme for the Ministry resulted from this and we will continue to develop a strategic framework for climate change. This work programme is important because the first commitment period under the Kyoto Protocol is 2008-2012.

The Ministry for the Environment's Statement of Intent sets out our main work programmes for 2006-2009. We welcome the challenges it presents and look forward to delivering on them.



Sue Powell  
ACTING CHIEF EXECUTIVE

## PART ONE: THE MINISTRY

### **Our vision is:**

- a healthy environment that sustains people and nature

### **Our mission is:**

- delivering the environment that New Zealanders expect and deserve

### **The values that are important to us in our work are to be:**

- effective
- trusted
- influential



*Youth Environment Forum delegates using clarity tubes to test water quality in the Pauatahanui catchment, Porirua.*



## OUR ROLE AS KEY ADVISER ON THE ENVIRONMENT

The Ministry for the Environment is a government department established under the Environment Act (1986).

The Ministry is the Government's key adviser on the New Zealand environment and on international matters that affect the environment. It provides leadership on the environment across both central and local government, while day-to-day environmental management is largely the responsibility of regional councils and territorial authorities. The Ministry also works in partnership with key sectors, organisations and communities to improve our environment.

The Environment Act defines the 'environment' widely to include ecosystems, people and communities, and natural and physical resources. Therefore, the Ministry's interests and responsibilities cover the natural and built environment, and how people behave towards the environment.

It is important that the Ministry for the Environment sets out to fix problems that require central government intervention.

We play a central role in delivering the environment that New Zealanders expect and deserve. We need to achieve a clean, healthy environment and sustainable economic growth. We want to ensure that New Zealand has good environmental governance.

## OUR STATUTORY FUNCTIONS

The functions of the Ministry for the Environment, as set out in the Environment Act (1986), are:

- to advise the Minister on:
  - management policies for natural and physical resources and ecosystems to meet the objectives of the Environment Act (1986)
  - significant environmental impacts of public or private sector proposals, particularly those that are inadequately covered by existing legislative or other environmental assessment requirements
  - ensuring that effective provision is made for public participation in environmental planning and policy formulation, particularly at the regional and local level
- to obtain information, and to conduct and supervise research, so it may advise the Government on environmental policies
- to provide the Government, its agencies and other public authorities with advice on:
  - the application, operation and effectiveness of the Acts specified in the Schedule to the Environment Act (1986), in relation to the achievement of the Act's objectives
  - procedures for assessing and monitoring environmental impacts
  - pollution control and coordinating the management of pollutants in the environment
  - the identification and likelihood of natural hazards and reducing the effects of natural hazards
  - the control of hazardous substances, including managing the manufacture, storage, transport and disposal of hazardous substances
- to facilitate and encourage the resolution of conflict in relation to policies and proposals that may affect the environment
- to provide and disseminate information and services to promote environmental policies, including environmental education and effective public participation in environmental planning
- to provide advice on matters relating to the environment
- to carry out functions specified under any other enactment (this includes the Ministry's functions under the Resource Management Act (RMA)).



## LEGISLATION ADMINISTERED BY THE MINISTRY FOR THE ENVIRONMENT

- Soil Conservation and Rivers Control Act (1941)
- Environment Act (1986)
- Resource Management Act (1991)\*
- Ozone Layer Protection Act (1996)\*
- Hazardous Substances and New Organisms Act (1996)\*
- The Energy Efficiency and Conservation Act (2000)
- Climate Change Response Act (2002)\*
- Aquaculture Reform (Repeals and Transitional Provisions) Act (2004).<sup>1</sup>

<sup>1</sup> The Ministry also has specific functions under those Acts marked by an asterisk.

## OUR STATEMENT OF INTENT

Our Statement of Intent is an evolving document. This year we have shifted from a single-year to a three-year focus in measuring the progress we make towards our outcomes. An essential part of this will be publishing regular, accessible environmental reports linked to our environmental outcomes. These reports will reflect the impact we and all other stakeholders have on changing our environment. Greater attention will also be paid to the implementation of our work programmes, through developing more rigorous consideration of cost-effectiveness.

The environment is not only the natural world that supports all life, but also where we live and the essential underpinning for many sectors of our economy. Any action taken on environmental issues is likely to affect someone's business. So we must always consider the context within which our work is done, including the Government's strategic directions, and how environmental management relates to other elements of New Zealand life.

We have worked with our stakeholders on developing a more integrated approach to our strategy. This consultation, both across central and local government and with our wider stakeholders – business, iwi and community groups – is pertinent to achieving overall success in managing for our environmental outcomes. It also reflects the Ministry for the Environment's greater leadership role, with an aim to become the fully-fledged leader of all-of-government actions in support of the 'environmental pillar' of national well-being. With this new mandate we can, in turn, lead sector-wide debate, dialogue and policy development of environmental matters at a strategic level.

Our work in the Ministry for the Environment is guided to a large extent by the Government's priorities and policy directions with a key focus towards sustainable development of New Zealand.

### THE GOVERNMENT'S PRIORITIES

The Government's priorities have been set out under three key areas:

- economic transformation
- families young and old
- national identity.

### OUR CONTRIBUTION TO GOVERNMENT'S PRIORITIES

The Ministry's work intersects with all these areas.



## ECONOMIC TRANSFORMATION

The Government has highlighted its commitment to economic transformation through increased productivity, more business investment, higher skill levels, improved infrastructure and quality regulation. Ensuring that the Urban Design Protocol is made operational and its implementation is supported is a key component of the Ministry's contribution to this overall priority. A further function of the Ministry's work in this area is to ensure that the Resource Management Act (RMA) is no longer seen as an impediment for business growth and development, while at the same time ensuring the RMA still delivers high levels of environmental quality. The Ministry intends to develop its programmes to monitor the Act, and to provide information and advice on RMA implementation, including working with the Environment Court.

The Ministry has a responsibility to improve economic sustainability. Promoting New Zealand's environmental and sustainable development interests in international fora, including implementing obligations under multilateral environmental conventions and leading the negotiation of environmental provisions in trade agreements, is integral to a sustainable economic transformation. Partnering with industry and government agencies to achieve improved sustainability outcomes is also crucial. The New Zealand Packaging Accord 2004-2009 and the Dairying and Clean Streams Accord are particular examples of this. A further part of this economic sustainability relates to the economic impact of climate change. The Ministry's task is to improve understanding of climate change risks to the primary and local government sectors and infrastructure, to allow for improved private and public sector management decisions.

## FAMILIES – YOUNG AND OLD

The Government has signalled a focus on families, young and old, in an effort to ensure that our communities are safe, our children are healthy and our senior citizens are well provided for. Crucial in providing a safe community is a robust approach to managing flood risk. The Ministry is leading a review of flood risk management, ensuring that New Zealand has a robust flood risk management approach. This must be adaptable to local and regional councils and their particular circumstances and communities.

Our focus on air quality standards is also an important factor affecting the health of our population. The Ministry is involved in developing national standards for air quality.

## NATIONAL IDENTITY

The Government has indicated the importance of prioritising policies that will contribute to a strong sense of national identity. This means that as New Zealanders we want to be able to take pride in who we are and what we do, expressed through cultural influences as well as through our natural environment. An example of the Ministry's work that will support this priority is its joint responsibility in leading the Sustainable Water Programme of Action (with the Ministry of Agriculture and Forestry). Likewise, through our partnership with local government, we are better placed to provide solutions on long-term major water quality problems in Lake Taupo, a lake iconic to New Zealand.

The Ministry's focus on administering the contaminated site remediation fund, including managing the clean-up of the Mapua contaminated site, also contributes to national identity. Similarly, urban design also has an important contribution to make towards developing our national identity and the Ministry's role in this is to support implementation of the Urban Design Protocol, mainly by working with designated champions in signatory organisations and more widely with local government, the private sector and urban design professions.



## MINISTRY OUTCOMES

The Ministry has adopted seven outcomes in order to show how it is contributing to the Government's goals and fulfilling its responsibilities under the Environment Act. It is to these outcomes that the Ministry has aligned all its work programmes. It is also under these seven outcomes that the Ministry will base its future environmental reports.

The outcomes towards which the Ministry is working in the medium term are:

1. New Zealand's air, water and natural resources are protected, enhanced and used sustainably.
2. New Zealanders are informed of the progress being made towards a healthy environment and participate actively through action on the ground.
3. Our towns, cities and communities function well and are healthy and attractive for business, social and cultural life.
4. Government and industry work together so that industry is competitive, profitable and grows sustainably.
5. The Ministry fulfils international obligations and looks after New Zealand's interests in climate change and preparation for climate change impacts.
6. New Zealand has credible and effective environmental governance and legislation.
7. The Ministry has the capability to deliver the advice and services the Government expects of it.

Details of the work programmes supporting these outcomes are described in the following pages. These set out what the Ministry will do, why we are doing it, what we will do over three years (2006-2009) and our progress markers over that period.

To present this clearly and simply, each outcome has a set of work areas assigned to it that best fit the objectives. In reality, of course, work areas usually contribute to more than one outcome.

# SUSTAINABLE ECONOMIC GROWTH

## OUTCOME 1: NEW ZEALAND'S AIR, WATER AND NATURAL RESOURCES ARE PROTECTED, ENHANCED AND USED SUSTAINABLY

### 1.1 WHAT WE WILL DO

Improve air quality nationwide through the continued implementation of National Environmental Standards.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>National environmental standards provide an equitable bottom line of health standards for all New Zealanders across all regions, creating certainty in decision-making.</p> <p>National environmental standards for air quality will improve health, reduce premature death and increase economic productivity. Research shows that these new standards are expected to save 625 lives and reduce hospitalisations by over 570 cases by 2020.</p>	<p>Assist local government in implementing and monitoring the national environmental standards for air quality.</p>	<p>Progress so far</p> <p>Fourteen standards for the prevention of toxic emissions and the protection of air quality were introduced in October 2004. Airsheds (areas identified as likely or known to exceed the national environmental standards) have been identified and are now being monitored by local government.</p>
		<p>Year 1</p> <p>Make airsheds available on the web.</p> <p>Produce good practice guides on assessing discharges to air from industry and from transport.</p> <p>Update the good practice guide for preparing emissions inventories.</p>
		<p>Years 2 and 3</p> <p>Release the State of the Environment information on air quality in New Zealand to the public.</p>

## OUTCOME 1: NEW ZEALAND'S AIR, WATER AND NATURAL RESOURCES ARE PROTECTED, ENHANCED AND USED SUSTAINABLY

### 1.2 WHAT WE WILL DO

#### Improve the quality and allocation of freshwater in New Zealand.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Significant pressures are being placed on freshwater in New Zealand, which is affecting the allocation and the quality of freshwater.</p> <p>Not all expectations and needs for freshwater are currently being met and demands are growing.</p> <p>Water quality is declining in some areas, often as the unintentional consequence of land-use activities.</p>	<p>Develop and implement a national monitoring and reporting strategy for freshwater quality and allocation.</p>	<p><b>Progress so far</b></p> <p>At present, there is no coherent national picture on general trends of freshwater resources. Recreational beach water quality monitoring is well established nationally with many regions using the Ministry's 2003 guidelines. 2004/05 data shows that 48 percent of freshwater and 78 percent of coastal beaches are safe for swimming almost all of the time (95-100 percent of the time).</p> <p>Requirements for a national sample network for river water quality have been identified.</p>
		<p><b>Years 1 and 2</b></p> <p>Make public State of the Environment information on water quality in New Zealand.</p>
		<p><b>Year 3</b></p> <p>Release a State of the Environment report on recreational beach water quality.</p>
		<p><b>Progress so far</b></p> <p>Initial projects in the Sustainable Water Programme of Action have been completed. The projects were developed to explore the specific detail surrounding issues that were raised and to provide potential policy responses to these, for water allocation and use, water quality and identification of potential water bodies of national importance. In April 2006, Cabinet approved a staged package of actions to improve the sustainable management of New Zealand's freshwater resources. Specific recommendations have been agreed that will be requiring detailed policy to go to Cabinet in years 2 and 3.</p>
	<p>Implement the Sustainable Water Programme of Action (SWPoA).</p>	<p><b>Year 1</b></p> <p>Develop a programme in partnership with Ministry of Agriculture and Forestry, sector partners and local government to raise awareness of the issues, seek support for the implementation of the proposed package and develop a set of agreed targets for land-use practice changes to address water quality and quantity.</p>
		<p><b>Years 2 and 3</b></p> <p>Develop detailed policy options for National Policy Statements, National Environmental Standards, other instruments and enhanced tools for local decision-making.</p>

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Problems with Lake Taupo's water quality are due to excess run-off of nutrients, mainly by nitrogen inputs from farms. These inputs need to be cut by 20 percent to maintain water quality for the long term.</p>	<p>Lead a programme for water quality improvements in Lake Taupo.</p>	<p><b>Progress so far</b></p> <p>In July 2004, the Government confirmed funding of \$36.7 million towards an \$81.5 million programme to improve Lake Taupo's water quality. The Ministry is responsible for leading the cross-agency programme to protect the lake, in partnership with Environment Waikato, the Taupo District Council and Ngati Tuwharetoa. Through the programme, pastoral farmers will be encouraged to diversify to low-nitrogen land uses with a mixture of financial incentives and advisory services.</p> <p><b>Year 1</b></p> <p>Establish an administrative structure for a joint fund and ensure a programme is established to reduce nitrogen levels.</p> <p>Help Environment Waikato to ensure regional plan rules capping nitrogen emissions in the catchment are operative.</p> <p><b>Years 2 and 3</b></p> <p>Attend joint committee meetings, ensure funding is spent on priority actions, monitor progress towards the overall programme target, and maintain ongoing involvement in the governance of the Lake Taupo programme.</p>
<p>Water quality in Lakes Rotorua, Rotoiti and several other Rotorua lakes has declined rapidly in recent years, resulting in algal blooms that pose a significant risk to human health.</p>	<p>Contribute to a programme for water quality improvements in the Rotorua lakes, including assisting Environment Bay of Plenty's short-term remedial works to improve the water quality of Lake Rotoiti by funding the construction of a diversion structure in the Ohau Channel.</p>	<p><b>Progress so far</b></p> <p>In 2003, the Ministry engaged a consultant to evaluate current, proposed and potential actions to manage the short-term symptoms and causes of water quality problems. The Ministry is working with Environment Bay of Plenty to help implement a programme to improve the water quality of the lakes. This is expected to significantly reduce the incidence of algal blooms in Lake Rotoiti over the next five years.</p> <p><b>Year 1</b></p> <p>Help Environment Bay of Plenty to complete the Ohau Channel diversion structure.</p> <p><b>Years 2 and 3</b></p> <p>Provide ongoing advice to help Environment Bay of Plenty implement its Rotorua lakes action programmes.</p>

**OUTCOME 1: NEW ZEALAND'S AIR, WATER AND NATURAL RESOURCES ARE PROTECTED, ENHANCED AND USED SUSTAINABLY**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>A national environmental standard for drinking water will help regional councils and water suppliers manage drinking water sources better, which will ultimately lead to better quality drinking water. The standard will reduce the risk to drinking water supplies from catchment activities.</p>	<p>Introduce and implement a national environmental standard for human drinking water sources.</p>	<p>Progress so far</p>
		<p>The Ministry is working with the Ministry of Health to develop and implement a national environmental standard for human drinking water sources under the Resource Management Act (RMA). A draft standard was developed in 2005.</p>
		<p>Year 1</p>
		<p>Proposed standard introduced as regulation.</p>
		<p>Year 2</p>
<p>Develop a users' guide to the regulations to help local government and industry effectively implement the new standard.</p>		
<p>Run workshops for parties who made submissions on the standard.</p>		
<p>Year 3</p>		
<p>Report back on the effectiveness of local government implementation of the standard.</p>		

### 1.3 WHAT WE WILL DO

Ensure that the sustainable use of New Zealand’s natural resources is addressed in the settlement of historical treaty grievances.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>The Government has indicated a continuing commitment to negotiating the settlement of historical Treaty grievances. The Ministry provides advice on the use of natural resources in Treaty settlements as required.</p>	<p>Help the Office of Treaty Settlements (OTS) negotiate and implement priority Treaty settlements, focusing on settlements that relate to the management of resources.</p>	<p>Progress so far</p> <p>The Ministry negotiated settlements of the Te Arawa Lakes Treaty Claims in 2005.</p> <p><b>Year 1</b></p> <p>Participate in negotiations providing advice on settlement redress and legislation as far as it affects environmental issues.</p> <p>Fulfil the Ministry’s obligations under existing settlements, including annual meetings with relevant settled iwi to discuss environmental management issues in their area of interest.</p> <p><b>Years 2 and 3</b></p> <p>Continue to help the OTS.</p>
	<p>Contribute to the implementation of the Resource Management Act (RMA) amendments relating to the Foreshore and Seabed Act.</p>	<p><b>Year 1</b></p> <p>Support the Ministry of Justice in settling Ngati Porou and Te Whanau a Apanui claims over the Foreshore and Seabed.</p> <p><b>Year 2</b></p> <p>Implement any obligations on the Ministry from the Ngati Porou and Te Whanau a Apanui settlements and any subsequent settlements.</p> <p>Ensure the appropriate implementation of the RMA as it relates to the Foreshore and Seabed Act.</p> <p><b>Year 3</b></p> <p>Implement obligations for the Ministry arising from these settlements.</p>

## OUTCOME 1: NEW ZEALAND'S AIR, WATER AND NATURAL RESOURCES ARE PROTECTED, ENHANCED AND USED SUSTAINABLY

### 1.4 WHAT WE WILL DO

#### Develop a national policy framework for managing contaminated land.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Compared to many industrialised nations, New Zealand has generally low levels of toxic contaminants in the environment. Government policy to further reduce the risks to New Zealanders from exposure to contaminants arising from manufacturing and using or storing chemicals, industrial residues or waste products is being developed or is in place.</p>	<p>Confirm a comprehensive policy framework for managing contaminated land, including national environmental standards.</p>	<p><b>Progress so far</b></p> <p>The Ministry is working in partnership with regional councils on a proposed National Environmental Standard for cleaning up contaminated land.</p>
		<p><b>Year 1</b></p> <p>Establish a baseline to protect people and the environment by completing, in partnership with local government, a review of the existing policy framework and opportunities for change.</p>
		<p><b>Year 2</b></p> <p>Confirm and put in place a policy framework for contaminated land, including national environmental standards.</p> <p>Complete a users' guide to the regulations to help local government implement the confirmed policy framework.</p>
		<p><b>Year 3</b></p> <p>Report back on the effectiveness of local government implementation of the standards.</p>
<p>New Zealand has a legacy of unwanted agrichemicals in farm sheds throughout the country that pose a risk to the environment. Many of these unwanted agrichemicals are persistent organic pollutants (like DDT) that are now banned from use. Under the Stockholm Convention, New Zealand is obliged to remove stockpiled persistent organic compounds (intractable agrichemicals) by 2013.</p>	<p>Finish the collection and safe disposal of unwanted agrichemicals stockpiled on farms throughout New Zealand.</p>	<p><b>Progress so far</b></p> <p>The agrichemicals programme was started in 2004; 225 tonnes of intractable agrichemicals was collected by December 2005. Currently, three regions are considered clear of intractable chemicals.</p>
	<p>Work with industry and councils to establish appropriate collection programmes in each region to ensure that stockpiles of unwanted agrichemicals do not build up on farms again.</p>	<p><b>Years 1, 2 and 3</b></p> <p>Eighty tonnes per annum of unwanted agrichemicals are collected and safely disposed of.</p>
		<p><b>Year 1</b></p> <p>Five permanent regional collection schemes are in place.</p>
		<p><b>Year 2</b></p> <p>Five further permanent regional collection schemes are in place.</p>
<p><b>Year 3</b></p> <p>A total of 16 permanent regional collection schemes are in place.</p>		

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
The Ministry will fulfil its obligations as a responsible landowner.	Work with the Department of Conservation to control wilding pines at Mid Dome, Northern Southland.	Progress so far
		The Ministry land at Mid Dome is heavily infested with a closed canopy of Pinus Contorta. This spreads seeds onto surrounding land, resulting in the growth of wilding pines. An aerial spraying programme has been identified as the most cost-effective solution.  In 2004, an initial application was made over approximately half of the trees on the Ministry's land.
		Years 1, 2 and 3
		Undertake one aerial spraying of pine trees per year.

## 1.5 WHAT WE WILL DO

**Provide national leadership/guidance in creating a framework for the coastal environment with the Department of Conservation.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
The New Zealand Coastal Policy Statement (NZCPS) is a requirement of the Resource Management Act.	Participate in the review of the NZCPS by the Department of Conservation.	Progress so far
		Scoping papers have been released to government departments and local government agencies. The Minister of Conservation is to hold a Board of Inquiry into the review of the NZCPS. The Board is likely to be appointed later in 2006. Its terms of reference have not been finalised.
		Year 1
		Help the Department of Conservation review the NZCPS, including drafting the document and the Board of Inquiry process.
		Years 2 and 3
		Help the Department of Conservation guide local authorities on how to interpret and apply the NZCPS.

## OUTCOME 1: NEW ZEALAND'S AIR, WATER AND NATURAL RESOURCES ARE PROTECTED, ENHANCED AND USED SUSTAINABLY

### 1.6 WHAT WE WILL DO

#### Provide national leadership/guidance around indigenous biodiversity.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
The Government wants to provide national direction on the protection of ecosystems that are most vulnerable to extinction of species.	Develop a national policy statement (NPS) on the protection of rare or depleted indigenous vegetation.	<p><b>Progress so far</b></p> <p>A comprehensive draft NPS and a supporting s32 (cost benefit) report have been developed for the Minister to consider. Cabinet has directed the Minister to report back "in due course".</p> <p><b>Year 1</b></p> <p>Consult and test the consequences of the NPS with local authorities. If acceptable, a proposed NPS will be considered following the processes under the RMA and will be approved by the Minister for the Environment.</p> <p><b>Years 2 and 3</b></p> <p>Guide local authorities on how to interpret and apply the NPS. Monitor its implementation and effectiveness.</p>
	Jointly administer (with Department of Conservation) the Biodiversity Condition and Advice Funds to develop a funding deal for biodiversity projects that have multiple benefits but are not eligible for existing funds.	<p><b>Progress so far</b></p> <p>One funding round has been allocated for 2005/06 and an announcement on the funds is pending. A second round in March 2006 will be assessed in June 2006.</p> <p><b>Year 1</b></p> <p>Conduct two funding rounds of the Biodiversity Condition and Advice Funds by June 2007.</p> <p><b>Year 2</b></p> <p>Conduct two funding rounds of the Biodiversity Condition and Advice Funds by June 2008.</p> <p><b>Year 3</b></p> <p>Conduct two funding rounds of the Biodiversity Condition and Advice Funds by June 2009.</p>

## OUTCOME 2: NEW ZEALANDERS ARE INFORMED OF THE PROGRESS BEING MADE TOWARDS A HEALTHY ENVIRONMENT AND PARTICIPATE ACTIVELY THROUGH ACTION ON THE GROUND

### 2.1 WHAT WE WILL DO

#### Promote community awareness in environmental issues.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>New Zealanders should be informed of the progress being made towards a healthy environment.</p> <p>People need to gain an understanding of environmental policies and decisions.</p>	<p>Develop and implement a marketing strategy identifying opportunities for raising community awareness and the environmental data needed to support these.</p>	<p>Progress so far</p> <p>The Lincoln University Report (2004) shows that 80 percent of New Zealanders believed New Zealand's natural environment is either good or very good compared to other countries.</p>
	<p>Enhanced social awareness of the impacts of climate change while helping local authorities and communities prepare for the impacts of climate change.</p>	<p>Years 1, 2 and 3</p> <p>Measure and publish perceptions of the state and management of the New Zealand environment. Publish snapshots and state of the environment information on key issues.</p> <p>Year 1</p> <p>Audit the New Zealand Climate Change communications programme.</p> <p>Year 2</p> <p>Take the recommendations from the audit and apply them.</p> <p>Year 3</p> <p>Monitor these changes.</p>

## OUTCOME 2: NEW ZEALANDERS ARE INFORMED OF THE PROGRESS BEING MADE TOWARDS A HEALTHY ENVIRONMENT AND PARTICIPATE ACTIVELY THROUGH ACTION ON THE GROUND

### 2.2 WHAT WE WILL DO

Support the community in protecting, sustaining and enhancing New Zealand's environment.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>The more New Zealanders become aware of the importance of the environment and what they can do for it, the easier the Ministry's outcomes will be to achieve. The Ministry will become a more effective advocate for our environment by raising awareness, showing what action is possible, providing the resources to take action, and celebrating those who take action.</p>	<p>Public awareness of environmental issues is enhanced.</p>	<p>Progress so far</p> <p>The Ministry runs the Youth Environment Forum, Green Ribbon Awards and Talk Environment Roadshow on a yearly basis. It is also considering running a Water Awareness Campaign in the 2006/07 financial year.</p>
		<p>Year 1</p> <p>Develop monitoring and reporting mechanisms as a reference point to assess the impact of the above mentioned public awareness programmes.</p>
		<p>Year 2</p> <p>Meet targets set in Year 1.</p>
		<p>Year 3</p> <p>Meet and revise targets as set in Years 1 and 2.</p>
		<p>Year 3</p> <p>Meet and revise targets as set in Years 1 and 2.</p>
	<p>Fund community initiatives.</p>	<p>Progress so far</p> <p>The Ministry has the following funds available to community groups:</p> <ul style="list-style-type: none"> <li>• Sustainable Management Fund</li> <li>• Education and Advisory Fund</li> <li>• Environment Centres Fund</li> <li>• Contaminated Sites Remediation Fund</li> <li>• Climate Change Development Fund.</li> </ul> <p>It also provides funding to the Landcare Trust and spends other money on sponsorships. In the 2005/06 financial year, approximately \$7.5 million was allocated to these sources.</p>
		<p>Year 1</p> <p>Review the suite of funds to align them to the future needs of the Ministry and community, and review their monitoring and reporting mechanisms. Once reviewed, set clear annual, measurable milestones for each fund.</p>
		<p>Years 2 and 3</p> <p>Meet targets set in Year 1.</p>
		<p>Year 1</p> <p>Review the suite of funds to align them to the future needs of the Ministry and community, and review their monitoring and reporting mechanisms. Once reviewed, set clear annual, measurable milestones for each fund.</p>
		<p>Years 2 and 3</p> <p>Meet targets set in Year 1.</p>

## OUTCOME 3: OUR TOWNS, CITIES AND COMMUNITIES FUNCTION WELL AND ARE HEALTHY AND ATTRACTIVE FOR BUSINESS, SOCIAL AND CULTURAL LIFE

### 3.1 WHAT WE WILL DO

Develop measures to improve how homes are heated in areas of poor air quality in New Zealand.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Encouraging New Zealand families to install cleaner heating and make their homes healthier and more energy efficient is one way of improving air quality and the health of all New Zealanders.</p> <p>There are currently around 300,000 wood burners in New Zealand. A proportion of these will need to be converted in order to clean up air pollution in some areas.</p>	<p>Implement the Warm Homes programme to improve housing – making it healthier, more efficient and cost effective.</p>	<p>Progress so far</p> <p>The first phase of the Warm Homes project has been completed. It involved collecting data, assessing heating options, looking at best practice overseas, and investigating incentive schemes that encourage householders to choose cleaner heating. The next phase focuses on implementing the findings of the reports in achieving change across New Zealand.</p>
		<p>Year 1</p> <p>Establish partnerships with key stakeholders to begin transformation of the home heating market. Begin awareness-raising programme.</p>
		<p>Year 2</p> <p>Investigate setting up financial mechanisms to encourage a move to clean heating devices. Continue awareness-raising programme.</p>
		<p>Year 3</p> <p>Continue awareness-raising programme.</p> <p>Conduct a review of the effectiveness of the Warm Homes programme over the previous three years, including:</p> <ul style="list-style-type: none"> <li>• number of conversions completed</li> <li>• changes in air quality in areas where conversions have been undertaken</li> <li>• changes in household energy use and efficiency.</li> </ul>

**OUTCOME 3: OUR TOWNS, CITIES AND COMMUNITIES FUNCTION WELL AND ARE HEALTHY AND ATTRACTIVE FOR BUSINESS, SOCIAL AND CULTURAL LIFE**

**3.2 WHAT WE WILL DO**

**Develop a robust approach to managing flood risk and controlling rivers in New Zealand.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>The Manawatu and Bay of Plenty floods in 2004 highlighted the vulnerability of communities to major floods. The Government announced it would review flood risk management to understand what future flood risk might look like, including changing land-use patterns, climate change and how well flood risk is currently being managed.</p>	<p>A robust approach to river control and flood risk management in New Zealand that clearly identifies central and local government interests, assigns roles and responsibilities and is appropriate for and adaptable to local and regional circumstances.</p>	<p><b>Progress so far</b></p> <p>A two-year work programme to improve how New Zealand manages its flood risk was approved by Cabinet in early 2005. We are leading the review, working closely with local government and other government agencies.</p> <p><b>Year 1</b></p> <p>Complete all remaining review work streams and report back to Cabinet by 30 June 2007 on:</p> <ul style="list-style-type: none"> <li>• future best practice</li> <li>• funding and affordability</li> <li>• information management and communication</li> <li>• roles of central and local government.</li> </ul> <p><b>Years 2 and 3</b></p> <p>Implement policy review findings and Cabinet-agreed programme.</p>

### 3.3 WHAT WE WILL DO

#### Partner with industry and local government to improve waste diversion and reuse.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Government adopted the NZ Waste Strategy (NZWS) in 2002. It provides a broad policy framework for the achievement of central and local governments' policy objectives for reducing and managing waste. A review of the strategy is now needed to see if previous targets have been met and if these targets are still relevant.</p>	<p>Complete a review of the NZWS, ensuring the targets and programme of actions are up to date.</p>	<p><b>Progress so far</b></p> <p>The NZWS was published in 2002 and an initial review completed in 2004.</p> <p><b>Year 1</b></p> <p>Report the review findings.</p> <p><b>Years 2 and 3</b></p> <p>Monitor implementation of targets and programme of actions.</p>
	<p>Establish a long-term monitoring programme for waste.</p>	<p><b>Progress so far</b></p> <p>Waste composition data was collected through the Solid Waste Analysis Protocol baseline programme 2002-2004. Landfills data was collected through the landfill surveys in 1995, 1998 and 2002. This approach could be improved on.</p> <p><b>Year 1</b></p> <p>Trial a new approach to monitoring waste flows for landfills and cleanfills.</p> <p><b>Years 2 and 3</b></p> <p>Years 2 and 3 will depend on the outcome of a trial in Year 1.</p>

### OUTCOME 3: OUR TOWNS, CITIES AND COMMUNITIES FUNCTION WELL AND ARE HEALTHY AND ATTRACTIVE FOR BUSINESS, SOCIAL AND CULTURAL LIFE

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Waste management in New Zealand is managed by numerous parties.</p> <p>We need to involve local government and businesses to increase economic performance and reduce the environmental impacts of waste.</p>	<p>Improve the awareness of the economic advantages of diversion and reuse of waste in New Zealand.</p> <p>Improve the management of waste in New Zealand.</p>	<p>Progress so far</p>
		<p>Guidance and background material is available including Resource Efficiency in Building and Related Industries (REBRI) guidance for construction and demolition waste, New Zealand Water and Waste Association biosolids guidelines and the New Zealand Water and Waste Association Liquid Waste Magazine Code of Practice.</p>
		<p>Year 1</p>
		<p>Provide three case studies for demonstrating the costs and benefits of reduction or reuse of construction and demolition waste.</p> <p>Implement a Biosolids Quality Assurance system.</p> <p>Implement a nationwide tracking system for liquid and hazardous waste.</p>
		<p>Year 2</p>
<p>Complete the National Environmental Standard for Biosolids.</p> <p>Complete a marketing strategy for organics.</p>		
<p>Year 3</p>		
<p>Complete agronomy trials to demonstrate benefits of compost.</p> <p>Develop industry accord to continue the implementation of construction and demolition waste diversion and reuse.</p>		

### 3.4 WHAT WE WILL DO

**Work with central government infrastructure providers to improve integration nationally and locally with land-use plans and decisions.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Integrating urban infrastructure and land-use plans/decisions will mean more opportunities to improve efficiency and improve the outcomes for local communities.</p>	<p>Work with sectoral agencies (eg Ministry of Transport, Department of Building and Housing) to advise on the better integration of their policies and programmes with land use at a city region level.</p>	<p>Progress so far</p>
		<p>By implementing the New Zealand Urban Design Protocol and having a regional development focus, the Ministry is working with key central government agencies to improve the integration of infrastructure and land-use planning policies, and enhance central and local government engagement.</p> <p>The current regional planning programme focuses on the Auckland region (eg the Auckland Long-Term Framework and the review of the Auckland Regional Growth Strategy) while working with other key growth regions such as Tauranga/Western Bay of Plenty, Wellington and Christchurch. We are also liaising with government transport sector agencies to improve the integration of transport and land-use policies.</p>
		<p>Years 1, 2 and 3</p> <p>Joint work is progressing and the Ministry's input is valued by local government, partner agencies and sector stakeholders.</p>

**OUTCOME 3: OUR TOWNS, CITIES AND COMMUNITIES FUNCTION WELL AND ARE HEALTHY AND ATTRACTIVE FOR BUSINESS, SOCIAL AND CULTURAL LIFE**

**3.5 WHAT WE WILL DO**

**Coordinate central government engagement with local government on national and regional urban issues.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Integrating central government's engagement with local government will contribute to improved government outcomes, well-aligned policies and better integrated service delivery.</p>	<p>Advise on, and help develop, the appropriate next steps to build on progress made through the Sustainable Cities component of the NZ Sustainable Development Programme of Action.</p>	<p>Progress so far</p>
		<p>The three-year work programme to implement the Sustainable Development Programme of Action ends in June 2006. The Ministry was responsible for coordinating the Sustainable Cities component, which consisted of national programmes and a regional programme focusing on Auckland.</p>
		<p>Year 1</p>
		<p>Develop a 'Successful Cities' work programme to build on the scope and success of the Auckland Sustainable Cities Programme and bring together and integrate a series of city-based initiatives being undertaken at a national and metro-regional level.</p>
		<p>Years 2 and 3</p>
		<p>Implement and monitor the Successful Cities work programme and report on results of the programme. Feedback from central government, local government and the community indicates that they support and endorse the work programme and its results.</p>
		<p>Progress so far</p>
		<p>The Auckland RGS was developed by all eight councils in the Auckland region to set a vision for how Auckland's growth could be sustainably managed for the next 50 years. The current RGS dates back to 1999 and was due for review in 2004. This review was deferred until 2006 to align it with the review of the Auckland Regional Land Transport Strategy.</p>
		<p>Year 1</p>
		<p>Successfully coordinate central government input into the review. Feedback from local government indicates that central government input is valued and provides useful ideas and information for subsequent work programmes.</p>
		<p>Years 2 and 3</p>
<p>Successfully coordinate central government input into the review. Feedback from local government indicates that central government input is valued.</p>		

### 3.6 WHAT WE WILL DO

Promote the importance of quality urban design in making our towns and cities more successful.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Quality urban design produces benefits citywide as well as at the scale of neighbourhoods and individual buildings or spaces.</p>	<p>Ensure that the Urban Design Protocol is made operational and its implementation is supported.</p>	<p>Progress so far</p>
		<p>The Urban Design Protocol was launched in March 2005 and aims to ensure that New Zealand's towns and cities feature quality urban design. The Urban Design Protocol currently has 107 signatories.</p>
		<p>Year 1</p>
		<p>Recruit up to 10 additional signatories to the Protocol. 'Capital Precinct' urban design project (around government buildings in Thorndon, Wellington) is established and is supported by contributing agencies and stakeholders.</p> <p>A progress report on achieving the aims of the Protocol shows continuing support and commitment by signatories.</p>
<p>Years 2 and 3</p>	<p>Monitor and report on action plans received from signatories to the Protocol.</p> <p>A progress report in achieving the aims of the Protocol shows continuing support and commitment by signatories.</p>	

**OUTCOME 3: OUR TOWNS, CITIES AND COMMUNITIES FUNCTION WELL AND ARE HEALTHY AND ATTRACTIVE FOR BUSINESS, SOCIAL AND CULTURAL LIFE**

**3.7 WHAT WE WILL DO**

**Facilitate the take-up of sustainable building and housing policies and programmes across government.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>More sustainable building practices will improve the health and productivity of occupants, reduce whole-of-life costs, reduce environmental impacts and improve innovation in the building industry.</p>	<p>Develop a <i>Smart Build</i> information compendium on sustainable building methods and materials for residential buildings. This work includes pursuing a wider marketing and partnership strategy to leverage supportive market transformation initiatives from other building sector players.</p>	<p>Progress so far</p>
		<p>Work on developing the <i>Smart Build</i> information compendium began in May 2005 with a contract awarded to a consortium to review the suitability of the Australian <i>Your Home</i> information to New Zealand. The intention of <i>Your Home</i> is to produce 'one-stop-shop' information for sustainable residential building and renovating in a format that is endorsed and used by consumers, developers, trades people, councils, and trainers.</p>
		<p>Year 1</p>
		<p>Release the <i>Smart Build</i> information compendium by June 2007 and distribute it via the web.</p>
<p>Years 2 and 3</p>	<p>Good uptake of the <i>Smart Build</i> information by consumers. Other parties are willing to provide additional funding and content development.</p>	

## OUTCOME 4: GOVERNMENT AND INDUSTRY WORK TOGETHER SO THAT INDUSTRY IS COMPETITIVE, PROFITABLE AND GROWS SUSTAINABLY

### 4.1 WHAT WE WILL DO

#### Partner with industry to implement voluntary approaches.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>The Government has entered into a number of voluntary accords to improve the environmental performance of New Zealand. As a partner in the accords we will work with industry to ensure effective implementation so that the environmental impacts are shared with producers, importers, brand owners, retailers and other parties involved in the life-cycle of a product.</p> <p>We want to assist the dairy industry to manage the environmental impacts of their activities and improve their environmental performance.</p>	<p>Continue to implement practical steps to improve water quality on dairy farms.</p>	<p>Progress so far</p> <p>An accord was signed in 2002, and 2007 accord targets for stream crossings, stock access and fencing have been reached, along with 2007 targets for nutrient management.</p>
		<p>Year 1</p> <p>An annual report measuring progress towards Dairying and Clean Streams Accord targets is issued.</p>
		<p>Year 2</p> <p>Compliance with all 2007 interim accord targets.</p>
		<p>Year 3</p> <p>Publish annual progress report measuring progress towards 2012 targets.</p>
<p>New Zealand has a range of special wastes such as tyres, electronics and oil, which can be difficult to manage. Voluntary industry product stewardship schemes enable end-of-life products to be managed and ultimately products to be designed either to reduce waste or maximise reuse.</p>	<p>The establishment of specific industry-led schemes to address certain special wastes throughout New Zealand.</p>	<p>Progress so far</p> <p>Two product stewardship schemes are currently in place (tyres and oil).</p>
		<p>Year 1</p> <p>Two new voluntary product stewardship schemes are established.</p> <p>Product stewardship legislation passed subject to Cabinet approval.</p>
		<p>Year 2</p> <p>Two new voluntary product stewardship schemes are officially registered.</p>
		<p>Year 3</p> <p>Four new voluntary product stewardship schemes are officially registered.</p>

## OUTCOME 4: GOVERNMENT AND INDUSTRY WORK TOGETHER SO THAT INDUSTRY IS COMPETITIVE, PROFITABLE AND GROWS SUSTAINABLY

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
To minimise the environmental impacts of packaging in New Zealand.	Improved sustainability of packaging used in New Zealand is being delivered through the New Zealand Packaging Accord 2004.	Progress so far
		The NZ Packaging Accord was established in 2004 and the first annual progress report is complete. Current recycling rates are: glass 50 percent, plastics 20 percent, steel 35 percent, aluminium 61 percent, and paper 72 percent.
		Year 1
		Report on the Accord's third year of progress.
		Year 2
		Report on the Accord's fourth year of progress.
		Year 3
		Meet the Accord's fifth year targets.

### 4.2 WHAT WE WILL DO

#### Partner with industry to provide incentives for business to plan and operate sustainably.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
A key way of bringing about a critical mass of industry thinking, planning and operating sustainably is to develop a framework that provides both incentives for industry to make changes towards sustainability, and the information and tools to make it happen.	Complete a framework for financial institutions to reward businesses using incentives.	Progress so far
		High-level project planning is complete and in-depth analysis with industry is under way.
		Year 1
		Scope framework with the financial sector.
		Year 2
		A minimum of two finance sector players participate in rewards and incentives pilot.
		Year 3
		Industry adopts rewards initiatives offered by financial institutions.
		Start a second pilot with other receptive financial sector players.

#### 4.3 WHAT WE WILL DO

##### Work with industry to look for business opportunities arising from climate change.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
The Government wants to maximise benefits of a low carbon economy and encourage uptake of new technologies.	Encourage investment in projects across economy sectors capable of reducing emissions cost-effectively. This investment will deliver significant emissions reductions.	Progress so far
		The Ministry completed its Climate Change Policy Review in December 2005.
		Year 1
		Advise Cabinet on potential options for work programmes with the long-term goal of reducing New Zealand's emissions.
		Years 2 and 3
		Scope and develop work programmes for emissions reductions as advised by Government.

#### 4.4 WHAT WE WILL DO

##### Partner with industry to reduce barriers to operate sustainably.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
Success of key industries, specifically tourism and film, is strongly linked to New Zealand's international reputation as a clean environmental destination. To enable industry to compete and grow sustainably, the Ministry must support businesses to increase their awareness and implementation of sustainable business practices.	An increase in the number of businesses implementing eco-efficiency practices in growth industry sectors (such as tourism and film).  Tools will be made available to support tourism operators wanting to improve sustainability performance.	Progress so far
		The Ministry has developed industry guidelines for film.
		Year 1
		Report on the number of tourism businesses and film companies implementing eco-efficiency practices. Identify one new sector to work in.
		Year 2
		At least one new partnership project developed with a key industry body. Number of businesses participating in tourism and film industry projects continues to increase from 2005 baseline.
		Year 3
		At least one new partnership project developed with a key industry body. One new eco-efficiency project begun. Number of businesses participating in tourism and film industry projects continues to increase from 2005 baseline.

**OUTCOME 4: GOVERNMENT AND INDUSTRY WORK TOGETHER SO THAT INDUSTRY IS COMPETITIVE, PROFITABLE AND GROWS SUSTAINABLY**

**4.5 WHAT WE WILL DO**

**Partner with industry to improve their sustainability through design and innovation.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Design and innovation is a key driver towards sustainable industry practice. Ensuring the thinking occurs at the beginning of the process enables a whole range of sustainability issues – such as materials used, energy efficiency and afterlife of the product – to be considered and addressed.</p>	<p>Benefits of sustainable product design are communicated to key sectors.</p> <p>Tools, resources and capacity to support sustainable innovation and design are available.</p>	<p><b>Progress so far</b></p> <p>Relationships and networks with key stakeholders are established and detailed work programmes are being developed.</p> <p><b>Year 1</b></p> <p>Increased interest in, delivery and availability of sustainable product design.</p> <p>Promote tools and resources on websites to key sectors.</p> <p><b>Year 2</b></p> <p>Increased interest in, delivery and availability of sustainable product design.</p> <p>Increased participation in sustainable design awards and availability of sustainable products.</p> <p><b>Year 3</b></p> <p>Increasing interest in, delivery and availability of sustainable product design.</p> <p>Sustainable product design increasingly considered as part of mainstream design.</p>

## 4.6 WHAT WE WILL DO

### Partner with industry community groups and industry organisations to drive sustainable practice.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Partnering with key organisations that are able to influence industry will build capacity and demonstrate sustainability practice.</p>	<p>Increased availability and scope of community-based recycling initiatives dealing innovatively with waste issues.</p>	<p>Progress so far</p>
	<p>Increased services, resources and activities to support businesses that choose to move along a more sustainable path.</p>	<p>Fifty businesses in Auckland are participating in the environment pilot. Five regional sustainable business network groups are in place.</p>
	<p>Reduced litter through increasing leverage of initiatives being taken under the Packaging Accord.</p>	<p>Year 1</p>
		<p>Over 500 businesses participating in business sustainability programmes in New Zealand. New community waste initiatives established. New Regional Sustainable Business Network established.</p>
<p>Years 2 and 3</p>		
<p>Establish one new partnership with a business or trade organisation to promote practical business sustainability initiatives for its members. New Regional Sustainable Business Network established.</p>		

**OUTCOME 4: GOVERNMENT AND INDUSTRY WORK TOGETHER SO THAT INDUSTRY IS COMPETITIVE, PROFITABLE AND GROWS SUSTAINABLY**

**4.7 WHAT WE WILL DO**

**Provide national leadership/guidance around network infrastructure in conjunction with industry and other government agencies.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Secure and efficient transport, energy and communications infrastructure is essential to a well functioning and high-productivity economy. Mechanisms in the Resource Management Act (RMA), such as National Policy Statements, ensure clear articulation of the national interest.</p>	<p>Scope/develop the potential of creating National Policy Statements or National Environment Standards around network infrastructure, in particular for electricity transmission, electricity generation, telecommunications facilities, land transport noise, storm-water run-off from roads, gas pipelines and facilities.</p>	<p>Progress so far</p>
		<p>Changes have been made to the RMA that came into force on 1 August 2005 and support for RMA work has increased by \$4.5 million a year. To support the RMA Review's implementation, a series of reports to Cabinet on the potential for National Policy Statements and National Environment Standards must occur before June 2006.</p>
		<p>Year 1</p>
		<p>Report to Cabinet on the potential for National Policy Statements and National Environment Standards for electricity transmission, electricity generation, telecommunications facilities, land transport noise, storm-water run-off from roads, gas pipelines and facilities. And, if Cabinet directs, develop National Policy Statements and National Environment Standards.</p>
<p>Years 2 and 3</p>	<p>Develop National Policy Statements and National Environmental Standards as directed by Cabinet.</p>	

## OUTCOME 5: THE MINISTRY FULFILS INTERNATIONAL OBLIGATIONS AND LOOKS AFTER NEW ZEALAND'S INTERESTS IN CLIMATE CHANGE AND PREPARATION FOR CLIMATE CHANGE IMPACTS

### 5.1 WHAT WE WILL DO

Develop and maintain New Zealand's greenhouse gas and carbon stocks accounting and reporting systems, and meet our international reporting requirements.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
New Zealand has commitments under the United Nations Framework Convention on Climate Change and the Kyoto Protocol. The work will improve our ability to track and manage our emissions, and comply with our international reporting obligations.	New Zealand's inventory of greenhouse gases, and carbon stocks and accounting systems meet international reporting requirements and deadlines.	Progress so far
		The Ministry has been producing the annual Greenhouse Gas Inventory reports since 1998. National communications were produced in 1994, 1997 and 2001.
		Year 1
		Meet international reporting requirements, including the production of the annual Greenhouse Gas Inventory, the initial report for the Kyoto Protocol in 2006, and annual Net Position Report as part of the national communication.
		Years 2 and 3
		Meet international reporting requirements, including the production of the annual Greenhouse Gas Inventory.

### 5.2 WHAT WE WILL DO

Lead and coordinate cross-government work on the review of the national climate change goal and work programmes.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
The Ministry is responsible for leading the whole-of-government policy work on climate change as a result of the Climate Change Policy Review and emissions projections.	Develop a strategic framework and climate change work programmes.	Progress so far
		The Climate Change Policy Review was completed in December 2005.
		Year 1
		Advise Cabinet on potential options for work programmes with the long-term goal of reducing New Zealand's emissions.
		Years 2 and 3
		Scope and develop work programmes for emissions reductions as directed by Cabinet.

## OUTCOME 5: THE MINISTRY FULFILS INTERNATIONAL OBLIGATIONS AND LOOKS AFTER NEW ZEALAND'S INTERESTS IN CLIMATE CHANGE AND PREPARATION FOR CLIMATE CHANGE IMPACTS

### 5.3 WHAT WE WILL DO

#### Implement and report on New Zealand's obligations under international Multilateral Environmental Agreements.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
The Ministry is required to report on New Zealand's obligations under the international Multilateral Environmental Agreements and demonstrate implementation of international Environmental Agreements.	Montreal Protocol	Progress so far
		Work on a Ministry-led draft position paper on methyl bromide use in New Zealand is under way. We are working with the Ministry of Agriculture and Forestry and the Ministry of Economic Development to phase out methyl bromide use completely. 2007 has been set as the date for phasing out methyl bromide use by the strawberry industry.
		Year 1
	Rotterdam Convention	Produce an interdepartmental position paper on the continued use of methyl bromide in New Zealand for biosecurity and log exports.
		Years 2 and 3
		Keep talking with other agencies to ensure the phasing out of methyl bromide.
	Monitor developments with the Cartagena Protocol, maintain an oversight of, and report on, New Zealand's domestic compliance with Cartagena Protocol obligations.	Progress so far
		New Zealand is responding to countries' import notification requests as required under the Convention. New Zealand has provided information to the secretariat of the Rotterdam Convention on the regulatory status of all the chemicals currently listed in Annex 3 of the Convention.
		Years 1, 2 and 3
	Continue to process notifications and requests for importations of Annex 3 chemicals. Respond to Rotterdam secretariat requests as they arise.	
	Progress so far	
	The Ministry has participated in two Cartagena meetings of the Parties.	
	Years 1, 2 and 3	
	Participate in developing Ministry-led New Zealand position papers. Participate in meetings of the Parties as requested.	

## 5.4 WHAT WE WILL DO

### Lead the negotiation of environment provisions in international trade agreements.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>The Ministry has a role in helping align international trade and environmental sustainability with national environmental and sustainable development objectives and a role in identifying associated opportunities to influence an area of international importance.</p>	<p>Lead the negotiation of environment provisions in international trade agreements.</p>	<p><b>Progress so far</b></p> <p>The Ministry has led the successful negotiation of environment cooperation agreements with Thailand, Chile, Brunei and Singapore.</p>
		<p><b>Year 1</b></p> <p>Lead the negotiation of environment provisions in the trade agreement with China.</p> <p>Lead the negotiation of environment provisions in the trade agreement with the Association of South East Asian Nations/Australia and New Zealand.</p> <p>Prepare environmental elements of National Interest Analyses of trade agreements.</p>
		<p><b>Years 2 and 3</b></p> <p>Support the negotiation of environment provisions in trade agreements as directed by Cabinet.</p>
<p>Promote New Zealand's environmental and sustainable development interests in international fora.</p>		<p><b>Year 1</b></p> <p>Attend OECD interested parties' review meeting in September 2006.</p> <p>Ensure New Zealand interests are represented at the OECD Environmental Policy Committee meetings.</p>
		<p><b>Years 2 and 3</b></p> <p>Attend OECD meetings as required.</p> <p>Ensure New Zealand interests are represented at the OECD Environmental Policy Committee meetings.</p>

## OUTCOME 5: THE MINISTRY FULFILS INTERNATIONAL OBLIGATIONS AND LOOKS AFTER NEW ZEALAND'S INTERESTS IN CLIMATE CHANGE AND PREPARATION FOR CLIMATE CHANGE IMPACTS

### 5.5 WHAT WE WILL DO

**Implement policies and programmes with small- and medium-sized enterprises and local government to reduce greenhouse gas emissions.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>The Ministry is contributing to global actions to avert the effects of climate change, to protect New Zealand's interests and to prepare for any adverse impacts.</p> <p>The Ministry needs to work alongside industry to ensure they contribute to the reduction of greenhouse gas emissions.</p>	<p>Identify and implement initiatives to reduce greenhouse gas emissions.</p>	<p>Progress so far</p>
		<p>Policy work is currently under way to define work programme.</p>
		<p>Year 1</p> <p>Provide advice to Cabinet on potential options for work programmes with the long-term goal of reducing New Zealand's emissions.</p>
		<p>Years 2 and 3</p> <p>Develop and implement programmes for industry to reduce greenhouse gas emissions as directed by Cabinet.</p>

## OUTCOME 6: NEW ZEALAND HAS CREDIBLE AND EFFECTIVE ENVIRONMENTAL GOVERNANCE AND LEGISLATION

### 6.1 WHAT WE WILL DO

#### Improve the effectiveness of environmental legislation.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
To ensure effective implementation of the Resource Management Act (RMA).	Monitor and improve the quality of RMA processes and decisions by providing guidance and training to resource management practitioners, decision-makers and the public.	<p><b>Progress so far</b></p> <p>A package of changes has been made to the RMA, including a \$4.5 million increase in support for RMA work.</p> <p>As at 1 April 2006, 688 certificate holders had successfully completed the Making Good Decisions programme.</p> <p>The Ministry has provided training to support RMA implementation, including workshops held in 2005 and 2006 on reporting officers at hearings, to complement Making Good Decisions.</p> <p>Material on the Quality Planning website is being updated.</p> <p>A package of material (<i>Everyday Guide to the RMA</i>) is being updated and expanded for business and the public.</p> <p>To support the RMA Review's implementation, a series of Cabinet report backs on how to further improve the RMA's operation must occur before June 2006.</p>
		<p><b>Year 1</b></p> <p>Deliver training programmes for RMA practitioners, including four workshops, and training 300 people.</p> <p>Deliver and enhance the Making Good Decisions programme for RMA decision-makers, with all Chairs of hearings panels accredited by August 2006.</p> <p>Maintain and update the Quality Planning website.</p> <p>Provide accurate and timely guidance on any new RMA instruments.</p> <p>Complete surveys of RMA practitioners to gather stakeholder feedback.</p>
		<p><b>Years 2 and 3</b></p> <p>Deliver training programmes for RMA practitioners, including four workshops, and training 300 people.</p> <p>Deliver and enhance the Making Good Decisions programme for RMA decision-makers (with most hearings panel members accredited by August 2007).</p> <p>Maintain and update the Quality Planning website.</p> <p>Provide accurate and timely guidance on any new RMA instruments.</p> <p>Complete surveys of RMA practitioners to gather stakeholder feedback.</p>

## OUTCOME 6: NEW ZEALAND HAS CREDIBLE AND EFFECTIVE ENVIRONMENTAL GOVERNANCE AND LEGISLATION

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>We are seeking to deliver legislative and non-legislative improvements for hazardous substances and new organisms (HSNO) that focus on the quality of reducing compliance costs, while not compromising good environmental outcomes or public participation.</p>	<p>Promote community awareness and participation in action for the environment. Work with other agencies to develop education materials for public outreach.</p>	<p>Progress so far</p>
		<p>This is a new output.</p>
		<p>Year 1</p>
		<p>Evaluate the extent of the need for information on HSNO management in New Zealand and develop appropriate education and outreach material. Attend 10 stakeholder and/or public speaking opportunities to communicate HSNO issues.</p>
		<p>Year 2</p>
<p>Attend 10 stakeholder and/or public speaking opportunities to communicate HSNO issues.</p>		
<p>Year 3</p>		
<p>Reassess the number of stakeholder and/or public speaking opportunities to communicate HSNO issues based on their effectiveness.</p>		

## 6.2 WHAT WE WILL DO

With key stakeholders, develop a process for monitoring and evaluating the effectiveness of policies, plans, processes and decisions related to environmental statutes, in particular the Resource Management Act (1991) and National Environmental Policies, accords and agreements.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>To achieve a healthy environment New Zealand needs effective policies, legislation and governance. The Ministry needs to monitor and review the implementation and effectiveness of these to ensure acceptable progress towards the intended environmental outcomes is being made. The Ministry is also fulfilling international legislation obligations.</p> <p>Anecdotal evidence shows that businesses often see the RMA as an impediment to development.</p>	<p>Survey the quality of local government's performance of its RMA functions.</p>	<p><b>Progress so far</b></p> <p>An RMA review function has been established and work on the scope of this function is under way in consultation with local government.</p> <p>The RMA survey of local authorities provides core information about resource consent processes carried out by local authorities under the RMA and provides a measure of comparative performance.</p>
		<p><b>Years 1 and 2</b></p> <p>Work with local government authorities, Local Government New Zealand and relevant central government agencies to develop a joint review programme.</p> <p>Conduct the biennial RMA survey.</p>
		<p><b>Year 3</b></p> <p>Conduct the biennial RMA survey. The biennial RMA survey shows a steady improvement in council practices.</p>
	<p>Implement the Stockholm Convention National Implementation Plan.</p>	<p><b>Progress so far</b></p> <p>In September 2004, New Zealand ratified the Stockholm Convention on persistent organic pollutants derived from anthropogenic sources.</p>
		<p><b>Year 1</b></p> <p>Lodge the National Implementation Plan with the Stockholm Convention secretariat by December 2006.</p>
		<p><b>Year 2</b></p> <p>Implement the Dioxin Action Plan including the ongoing update of a release inventory of dioxins.</p>
		<p><b>Year 3</b></p> <p>Implement the Dioxin Action Plan including the ongoing update of a release inventory of dioxins.</p> <p>Complete the agrichemical collection programme.</p>

## OUTCOME 6: NEW ZEALAND HAS CREDIBLE AND EFFECTIVE ENVIRONMENTAL GOVERNANCE AND LEGISLATION

### 6.3 WHAT WE WILL DO

**Develop and implement a strategy for ensuring that monitoring, evaluating and reporting measures are included in national and international environmental policies, accords and agreements.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Decision-makers need useful national environmental data that is scientifically robust, pragmatic and useful.</p> <p>The Ministry is responsible for reporting national scale environmental information to meet reporting requirements.</p> <p>To achieve a healthy environment effective policies, legislation and governance are needed. The Ministry needs to monitor and review the implementation and effectiveness of these to ensure acceptable progress toward the intended environmental outcomes is being made.</p> <p>New Zealand has ratified various international conventions and has international commitments to report on these obligations.</p>	<p>Environmental reporting meets national and international requirements.</p>	<p>Progress so far</p> <p>An environmental dataset and reporting framework has been developed and implemented to identify and prioritise national and international reporting.</p>
		<p>Year 1</p> <p>National Environmental Classification Tools are supported, and uptake and use across government grows.</p> <p>The interdepartmental management of the OECD Environmental Performance Country Review process runs smoothly. Publish information regarding the Review.</p> <p>Stockholm Convention requirements to submit the first national report on persistent organic pollutants are met.</p>
		<p>Year 2</p> <p>National Environmental Classification Tools are supported, taken up and used to deliver programmes to the Ministry and other agencies.</p>
		<p>Year 3</p> <p>National Environmental Classification Tools are supported, taken up and used to deliver programmes to the Ministry and other agencies.</p> <p>Reporting requirements for New Zealand's progress in elimination of polychlorinated biphenyls and agrichemicals to the Stockholm secretariat are met.</p>

## 6.4 WHAT WE WILL DO

### Assist Ministers with their statutory functions under environmental laws and ministerial responsibilities.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT	
<p>The Ministry provides advice and support to Ministers to ensure good governance in the delivery of their services as required under the following Acts: the Resource Management Act (1991), the Public Finance Act (1989), the Crown Entities Act (2004), the Hazardous Substances and New Organisms Act (1996) (for ERMA), and the Energy Efficiency and Conservation Act (2000) (for EECA).</p>	<p>All formal requests for statutory Acts under the Resource Management Act are dealt with, including Water Conservation Orders, requiring authority approvals and call in requests.</p>	<p>Progress so far</p> <p>The Ministry assists the Minister for the Environment with statutory functions under the RMA, including Water Conservation Orders, Requiring Authorities Applications, Heritage Protection Authorities, statutory submissions on plans and consents, and Clause Three consultation.</p>	
		<p>Years 1, 2 and 3</p> <p>Process all formal requests for statutory Acts under the RMA.</p>	
		<p>Progress so far</p> <p>This is an ongoing advisory role to the Minister on the Bioethics Council with regards to appointments and the review of the Council.</p>	
		<p>Year 1</p> <p>Work with State Services Commission (SSC) to oversee a review of the Council, report back to the Minister and implement recommendations.</p>	
	<p>Advise the Minister for the Environment on appointments to the Bioethics Council and review of the Bioethics Council.</p>	<p>Monitor the performance of the Energy Efficiency Conservation Authority (EECA) against outputs the Minister has agreed to purchase (as defined in the Purchase Agreement) and advise the Minister on appointments to the Authority.</p>	<p>Years 2 and 3</p> <p>Provide further advice on implementation of review recommendations and on appointments, as required.</p>
			<p>Progress so far</p> <p>This is an ongoing governance role.</p>
			<p>Years 1, 2 and 3</p> <p>Formalise internal processes for monitoring policy performance.</p> <p>Coordinate appointments.</p> <p>Assist with drafting and signing off on EECA's reporting requirements and brief Minister.</p> <p>Put in place improved financial reporting requirements to accompany EECA's quarterly reports.</p>
			<p>Progress so far</p> <p>This is an ongoing governance role.</p>
	<p>Monitor the performance of the Environmental Risk Management Authority (ERMA) against outputs the Minister has agreed to purchase (as defined in the Purchase Agreement) and advise the Minister on appointments to the Authority.</p>	<p>Monitor the performance of the Environmental Risk Management Authority (ERMA) against outputs the Minister has agreed to purchase (as defined in the Purchase Agreement) and advise the Minister on appointments to the Authority.</p>	<p>Years 1, 2 and 3</p> <p>Assist with drafting and signing off on ERMA's reporting requirements, coordinate appointments and brief Minister.</p>

## OUTCOME 6: NEW ZEALAND HAS CREDIBLE AND EFFECTIVE ENVIRONMENTAL GOVERNANCE AND LEGISLATION

### 6.5 WHAT WE WILL DO

Develop the environmental legislation framework to cover significant gaps in oceans management and policy.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
The oceans within New Zealand's jurisdiction need an integrated management regime.	Develop and implement an overarching oceans policy.	Progress so far
		Oceans policy work was put on hold in 2000, awaiting thorough public consultation on what New Zealanders wanted for the oceans.
		Year 1
		Complete public consultation on a draft oceans policy and proposals for implementation by 4 September 2006. Gain Cabinet approval on final policy and proposals for implementation by 13 December 2006.
		Year 2
		Implement the oceans policy, subject to Cabinet approval in previous year.
		Year 3
		Introduce a Bill by the end of February 2008, subject to outcomes in previous year.

### 6.6 WHAT WE WILL DO

Increase the effectiveness of Māori participation in the management and use of our natural resources.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
More effective participation by Māori in the management and use of natural resources will ensure improved environmental outcomes and management of natural resources.	Work with local government and iwi to engage effectively in the management, use and development of natural resources, including relationship and governance, training and supporting for RMA implementation as well as sustainable development.	Years 1, 2 and 3
		Liaise with iwi, local government and central government to ensure wider participation of Māori in the management of natural resources including: <ul style="list-style-type: none"> <li>• RMA training</li> <li>• facilitating meetings with iwi, local government, central government and the Chief Executives' Environment Forum</li> <li>• incorporate Māori input in relevant government policy development.</li> </ul>

## 6.7 WHAT WE WILL DO

### Support the implementation of the Aquaculture reforms and the Fiordland management regime.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>In December 2004, the Aquaculture Amendment Act reformed the way we plan for and allocate space to aquaculture in New Zealand. This increases the emphasis on regional councils to plan for aquaculture development in their regions.</p> <p>The Fiordland (Te Moana o Atawhenua) Marine Management Act was enacted on 20 April 2005. This creates a new community-focused management regime for the Fiordland area, including the creation of the Fiordland Marine Guardians Advisory Group. The Ministry has responsibility for administering the Act and servicing the Guardians.</p>	<p>Work with councils and marine farmers to implement the Aquaculture Implementation Plan.</p>	<p>Years 1, 2 and 3</p> <p>Continue to support councils and industry in implementing the Aquaculture Amendment Act, in particular the review of the existing aquaculture operations and their transition to the new regime, and the developments of new Aquaculture Management Areas.</p> <p>Undertake a review of the Aquaculture Implementation Plan to assess the effectiveness of actions to date and review priorities for future activities.</p>
	<p>Coordinate the implementation of the new management regime in the Fiordland (Te Moana o Atawhenua) Marine Area by project managing the implementation programme.</p>	<p>Years 1, 2 and 3</p> <p>The Fiordland Marine Management Act is adequately administered and the Guardians Advisory Group work is recognised.</p>

## 6.8 WHAT WE WILL DO

### Resolve issues at the interface of the Hazardous Substances and New Organisms (HSNO) Act and Biosecurity Act.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Officials have determined that there is no policy alternative to resolve the jurisdictional issues at the interface of the HSNO and Biosecurity Acts. Leaving the current situation in place risks new organisms falling between the two Acts, placing ecosystems at risk, or having agencies implement competing legislation.</p>	<p>Develop legislation to address the jurisdictional inconsistencies between the HSNO and Biosecurity Acts.</p>	<p>Progress so far</p> <p>Advised the Minister on the need for statutory options.</p>
		<p>Year 1</p> <p>Develop and enact legislation subject to Cabinet approval.</p>
		<p>Years 2 and 3</p> <p>Agencies work together to ensure new organisms are adequately addressed by legislation.</p>

## OUTCOME 6: NEW ZEALAND HAS CREDIBLE AND EFFECTIVE ENVIRONMENTAL GOVERNANCE AND LEGISLATION

### 6.9 WHAT WE WILL DO

#### Hazardous Substance Compliance and Enforcement Review.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
Reinforcing the compliance and enforcement infrastructure under HSNO will ensure that users or those disposing of hazardous substances are aware of their responsibilities.	<p>Provide educational materials – including a user-friendly, comprehensive and accessible screening and assessment tool – for small businesses so that they are aware of the regulatory requirements relating to hazardous substances.</p> <p>Provide sufficient staff to provide compliance assistance.</p> <p>Take appropriate corrective action to assist those who are non-compliant.</p>	Progress so far
		This is a new output.
		Year 1
		Complete comprehensive review of compliance and enforcement. Seek adequate resources for implementation.
		Year 2
Develop and distribute educational materials. Develop a web-based screening and risk assessment tool and put it online.		
Year 3		
Establish systems to collect and compile data of hazardous substance types and locations.		

## OUTCOME 7: THE MINISTRY HAS THE CAPABILITY TO DELIVER THE ADVICE AND SERVICES THE GOVERNMENT EXPECTS OF IT

### 7.1 WHAT WE WILL DO

#### Strengthen partnerships with key stakeholders.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>The Ministry wants to be seen as a trusted, respected and effective organisation that other organisations want to work with to achieve a common goal.</p> <p>The Ministry is also expected to take on an increased leadership role in the environment sector and to lead sector-wide debate, dialogue and policy development at a strategic level.</p>	Run the Chief Executives' Environment Forum (CEEF).	<p>Progress so far</p> <p>The first Chief Executives' Environment Forum was held in February 2004. CEEF is a forum of chief executives from central and regional government that works on strategic environmental issues of common concern to members. Feedback from attendees indicates that it is very useful.</p>
		<p>Years 1, 2 and 3</p> <p>Co-chair and provide secretariat services to three CEEF forums per annum.</p>
	Maintain and improve the capability of Ministry staff to effectively engage with local government and provide support and advice to local government on the Ministry's activities.	<p>Progress so far</p> <p>The Ministry regularly attends relevant local government meetings and forums.</p>
		<p>Years 1, 2 and 3</p> <p>Positive feedback received from local government about engagement, relationship and advice provided by Ministry staff.</p>
	Provide advice and information to other central government agencies on our work programme and our engagement with local government, as it relates to our responsibilities for environmental well-being within the context of the Local Government Act.	<p>Progress so far</p> <p>The Ministry regularly attends and participates in relevant central government meetings and forums.</p>
		<p>Years 1, 2 and 3</p> <p>Feedback from local government indicates improved relationships with a range of central government agencies.</p>
	Feedback gained through stakeholder liaison meetings is positive.	<p>Years 1, 2 and 3</p> <p>Measure feedback. Monitor relationships and develop processes around how to make relationships more positive.</p>

**OUTCOME 7: THE MINISTRY HAS THE CAPABILITY TO DELIVER THE ADVICE AND SERVICES THE GOVERNMENT EXPECTS OF IT**

**7.2 WHAT WE WILL DO**

**Support the Bioethics Council in its role to conduct dialogue with New Zealanders on the cultural, ethical and spiritual dimensions of biotechnology.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Developments in biotechnology should have regard to the values of New Zealanders.</p>	<p>Provide administrative support to the Bioethics Council's work plan, research capabilities and analysis so the Council can achieve its role of providing dialogue with the public and developing resources and programmes for the education sector.</p>	<p>Progress so far</p> <p>Produced three reports in 2005 on:</p> <ul style="list-style-type: none"> <li>• use of human genes in other organisms</li> <li>• animal to human transplanted</li> <li>• nanotechnology.</li> </ul> <p>Year 1</p> <p>Prepare and deliver to the Bioethics Council reports on neuroscience, stem cells, aging, tikanga and biotechnology.</p> <p>Organise and facilitate a hui on the impacts of biotechnology on tikanga.</p> <p>Conduct eight focus groups on the cultural, ethical and spiritual dimensions of stem-cell research, the results of which will prepare the Bioethics Council for a large public dialogue on this issue.</p> <p>Year 2</p> <p>Develop and implement a pilot programme for the secondary school biotechnology curriculum on the cultural, ethical and spiritual dimension of biotechnology.</p> <p>Year 3</p> <p>Develop a 'future watch' programme that will enable the Council to alert the Minister and the Government to the possible cultural, ethical and spiritual dimensions of new and emerging biotechnologies.</p>

### 7.3 WHAT WE WILL DO

**Attract, develop and retain the right combination of people for the Ministry.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
Having skilled staff who want to work at the Ministry will enable the provision of high quality advice and service.	Attract, develop and retain the right combination of people for the Ministry.	Progress so far
		In the 2005 Staff Climate Survey, 96 percent of individuals rated their commitment to the Ministry as positive.
		Years 1, 2 and 3
		Conduct a staff climate survey and maintain or improve on the results achieved in the previous year's climate survey.

### 7.4 WHAT WE WILL DO

**Operate robust, future-proof and practical systems and structures.**

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
These systems enable the Ministry to operate efficiently in the delivery of its work programmes.	Operate robust, future-proof and practical systems and structures.	Years 1, 2 and 3
		Audit report of the Ministry's systems is sound and any areas of concern raised in the previous year are addressed and a strategy developed for implementation.

## OUTCOME 7: THE MINISTRY HAS THE CAPABILITY TO DELIVER THE ADVICE AND SERVICES THE GOVERNMENT EXPECTS OF IT

### 7.5 WHAT WE WILL DO

#### Partner with government to embed practices to influence the supply chain.

WHY ARE WE DOING IT	OUTPUT OVER A THREE YEAR PERIOD	HOW WE WILL MEASURE PROGRESS TOWARDS THE OUTPUT
<p>Central and local government activities make up a large proportion of our economy, and government spending on goods and services amounts to over \$5 billion per year. Improving the sustainability of this activity will reduce the environmental impact of central and local government.</p>	<p>Report on government performance in implementing sustainable practices.</p> <p>Government improves environmental performance in areas of buildings, waste reduction, vehicles and office consumables via the Govt<sup>3</sup> programme.</p>	<p>Progress so far</p> <p>Currently 44 agencies are signed up to the central government (Govt<sup>3</sup>) programme.</p>
		<p>Year 1</p> <p>The Ministry's annual environmental performance is reported publicly.</p> <p>Seventy percent of central government agencies have action plans.</p> <p>A data collection system for gathering baseline data of government agencies is established.</p> <p>Work programme for working with local government is established.</p>
		<p>Year 2</p> <p>Ninety-five percent of government agencies have action plans that are monitored against baseline information.</p> <p>Four additional local government councils have developed sustainable procurement tools.</p>
		<p>Year 3</p> <p>Eight local government councils have implemented sustainable procurement.</p>

## ENHANCING CAPABILITY AND IMPROVING OUR PERFORMANCE

Achieving the goals and outcomes identified in this Statement of Intent means the Ministry must continue to develop its capability and improve its performance.

Capability in this context is the ability to attract, develop and retain the right combination of people; to involve the whole community in the governance of the environment; and to operate robust, future-proof, practical systems and structures.

To do this we need to:

- provide a clear strategic direction, lead by example and appropriately measure our achievements
- constantly engage with our stakeholders
- treat our staff with utmost importance, reward them appropriately and provide opportunities for them to grow
- continue to improve our corporate systems thus making us more transparent and efficient.

### CAPABILITY IN SETTING STRATEGIC DIRECTION

Environmental governance issues are complex. It can be difficult to determine the most effective points for government intervention and there are often no direct causal links between outputs and the outcomes we seek. This means we may need to develop our capability to produce better information to help Ministers prioritise activities so they make the greatest contribution to achieving the Government's outcomes.

The previous Statement of Intent saw our outcomes refined from 13 to seven. This year we have retained the same outcomes, giving greater consistency to our work programmes and our ability to reach our long-term objectives. This Statement of Intent also more clearly aligns our key work programmes with the outcomes and relevant tools for measuring progress.

Also clearer within this Statement of Intent is how we will measure our progress. We recognise that it is important to measure both what we do, in terms of our outputs, as well as measuring the state of the environment, in terms of our work areas. This higher-level measurement, which is affected by more than just the Ministry's actions, is often very difficult to undertake, particularly for a policy-focused entity. However, such measurement will make us more efficient in developing our strategy, and is important knowledge to gain. Such gains will almost certainly have flow-on effects for other stakeholders involved in managing for the same environmental outcomes.

Over the next three years we will focus on:

- identifying and using opportunities to improve capability and performance
- aligning activities with outcomes
- aligning with, measuring and reporting on outcomes
- developing cost-effectiveness measures
- developing measures of our work programmes.



## PARTNERING WITH STAKEHOLDERS

We share the environment stage with a variety of stakeholders, each with their own charter and responsibilities. Working and communicating successfully with them is integral to the Ministry's success.

Good governance of the environment requires collaboration with many stakeholders, so that together we can achieve the best possible environmental outcomes.

We will continue to focus on strengthening our relationships with stakeholders, while maintaining traditional relationships with Ministers. We will achieve this by strengthening and maintaining open lines of communication and continuing to develop working relationships with a broader range of stakeholders. We will also do this by "getting out there" engaging, consulting and running such events as the Talk Environment Roadshow. In partnership, we will develop a common approach to awareness, governance and intervention.

## HUMAN RESOURCES CAPABILITY

The Ministry needs the staff capability to achieve its goals and outcomes. To be recognised and respected sufficiently to influence the behaviour of others, we must build our leadership capability while significantly developing our ability to build strong working relationships with a wide range of groups and organisations, both within and beyond the public sector. To reach these goals the Ministry will need to be considered an employer of choice to gain the right mix of people.

We have a human resource strategy designed to:

- continue to develop our leadership and management capability
- encourage an innovative culture that motivates people to make things happen and reinforces a spirit of service to New Zealand and its community
- ensure we recruit and retain high quality staff with the capability to deliver our outcomes
- create an open, friendly work environment
- enhance human resource information systems to provide more effective management human resource information.

Key investments to implement this strategy are:

- a leadership programme for all staff
- extensive investment in staff development – training and coaching programmes encouraging a strong culture of constant learning
- a climate survey that monitors staff morale and areas for improvement
- a graduate recruitment programme
- regular social activities to ensure staff interaction
- an on-line Human Resource system available to all staff – eg leave and training modules
- staff performance assessment.

## ROBUST CORPORATE SYSTEMS

To support a culture of leadership, capability and excellence, appropriate corporate systems are needed. The Ministry continually works towards having systems that provide staff with the support they need, while ensuring that rigorous management checks and measures are maintained. Our systems will reflect our design to integrate seamlessly with a whole-of-government system.

Our focus for the next three years will be on:

- implementing the Ministry's information strategy
- refining corporate support systems to match changing requirements
- maintaining appropriate and flexible financial and human resource management systems
- where possible, automating functions and reporting.

## QUALITY STANDARDS FOR POLICY ADVICE

The Ministry has a number of policies, standards, best practice documents and standard operating procedures to ensure that its service performance remains at an optimum level. These standards are applied to all aspects of our organisation, and are maintained through internal processes to ensure the quality of our policy advice. Such processes include peer review, and consultation within the organisation and with relevant external agencies.

The General Managers also regularly work with the Chief Executive and the Deputy Chief Executive, with all issues discussed at weekly meetings to ensure that work programmes remain consistent with the Ministry's core objectives. One change in the near future will be the requirement for all monthly reporting to be on an outcome rather than output basis.

## MEASURING SUCCESS

It is important for the Ministry to know how we are doing and to demonstrate what difference we have made. We make use of rigorous monthly reporting on all activities and monitor our organisational performance in terms of our strategic goals. In this Statement of Intent, we have an increased focus on measuring our progress over three years, with greater emphasis placed on linking our measurement to our Annual Report.

The focus of our organisational performance measurement is on:

- achievement against planned targets
- meeting stakeholder needs, particularly output delivery for Ministers
- the strength and quality of stakeholder relationships
- creating value in outcomes for stakeholders (making a difference)
- robust management controls.



## RISKS TO ACHIEVING SUCCESS

The greatest strategic challenge facing the Ministry is determining and delivering on our given mandate and where we can make the greatest difference – as opposed to what we ‘can do’ or ‘could do’ to enhance the management of the environment. There is a constant risk that we will get pulled in too many directions and end up stretched too thinly. While the expectations of our stakeholders are high, they often have conflicting values. This can create an ongoing tension in dealing with environmental issues and governance.

The key business risks are:

- We will continue to be under pressure to adopt new priorities and consider new issues. While there will sometimes be new tasks that we must take on, we need to keep to our strategic focus and complete what we start.
- Our aim is to work more closely with other organisations – such as other central government agencies, local government, community and industry – not all of whom agree on the issues or agree with our approach. Developing the respect of others and maintaining effective working relationships with them is critical to our effectiveness.
- To achieve the outcomes and goals in this Statement of Intent, we need to recruit and retain highly skilled and knowledgeable staff. They must be able to provide leadership and work in partnership with stakeholders who have differing views and priorities. However, we are competing in a labour market of high demand that places a premium on the skills we need and value.

The key operational risks are:

- We must focus on the environmental issues seen as the greatest risks and manage them appropriately. This also requires an emphasis on timely action.
- We must be aware of, and respond to, the economic, social and political context in which we are working. We must recognise the economic impact of any regulatory intervention, including the economic and health benefits of appropriate action.

## CROWN RISK

Alongside the departmental risks mentioned in the previous paragraphs, there exists a financial risk with the Kyoto liability. This relates to our contribution under the Kyoto Protocol, in which New Zealand committed to reduce emissions in the period 2008-2012 down to the levels in 1990. The provision for this liability is affected by key factors that include the exchange rate and the international price of carbon. Other factors influencing the position of this liability include changes in oil prices, the weather, economic growth and changes in forestry activities, all of which are outside of the Ministry’s control.

## COST-EFFECTIVENESS

The Ministry is currently investigating options for developing and implementing effectiveness and efficiency measures and monitoring for key environmental programmes with an aim to communicate this in next year's Statement of Intent. One of the challenges we will be working through is how to measure the effectiveness of individual programmes when many environmental issues are complex and often have long time lags before good environmental outcomes are apparent.

## MAJOR EVALUATIVE ACTIVITIES

Evaluating our priorities and work programmes is very important to the Ministry, not only for our internal processes and the functioning of the entities we monitor, but also that we are peer-evaluated to ensure we are on the right track to achieve our desired outcomes. Major evaluative activities that have occurred in the last financial year include reviews of climate change policy, the policies and procedures of the environmental legal assistance fund, a review of our policies for contracting with non-governmental organisations, and a review of New Zealand's environment centres, particularly with respect to the centres' alignment with the Ministry's desired outcomes and priorities. The results of all of these have been, or are being, implemented.

We assist with SSC-led reviews of agencies over which we have monitoring responsibility. In the past year, this has included reviews of the Bioethics Council and of the energy sector (including the role played by EECA).

We also contribute to international reviews of New Zealand's environmental performance. Each decade or so, for example, the OECD peer reviews each participating country's environmental performance, and New Zealand's environmental performance is currently under review. The OECD report will be finalised in late 2006 and published in early 2007. It will cover all aspects of environmental performance, including:

- water quality
- waste
- nature and biodiversity
- the environment – economy interface
- implementing environmental policies
- social and the environment
- international cooperation.



## ORGANISATIONAL RESPONSIBILITIES

The Ministry comprises six working groups that enable efficient delivery of our work programmes. In 2006, we restructured the climate change group. The functions of this team were absorbed into Central Government, Reporting and Review, with parts remaining in the Sustainable Industry Group.

### THE SENIOR MANAGEMENT GROUP

Leading, directing and linking the work of the Ministry internally and externally is the role of the Acting Chief Executive, Sue Powell, who is supported by the Deputy Chief Executive, Lindsay Gow, and five General Managers. The Senior Management Group ensures that all policy development and actions link cohesively, and that activities and outcomes are well defined, to ensure everything the Ministry does contributes to a good environment through good governance.

### WORKING WITH CENTRAL GOVERNMENT

The Working with Central Government Group is led by Dave Brash. This group is the primary force behind the environmental sector leadership role that the Ministry will undertake across government. It is responsible for developing and maintaining the framework of environmental legislation and developing environmental policy such as an oceans policy, hazardous substances and new organisms, and product stewardship.

The Working with Central Government Group is coordinating a whole-of-government approach to climate change policy development, including liaison with stakeholders, and the development of New Zealand's international negotiating position.

The Group also works on policy in the areas of marine issues, foreshore and seabed issues and Treaty of Waitangi claims relating to natural resources.

Other key work areas include providing support for the Bioethics Council, managing relationships with Ministers, other government agencies and iwi, and monitoring the performance of ERMA and EECA.

### WORKING WITH LOCAL GOVERNMENT

The Working with Local Government Group is led by Martyn Pinckard, who is currently acting in this position while Sue Powell is acting as the Chief Executive. It manages the relationship with local government and works with local government in areas of collective interest. It also reports on the performance of our environmental policies, carries out statutory functions under the RMA, and develops National Environmental Standards and other national instruments.

## SUSTAINABLE INDUSTRY

The Sustainable Industry Group is led by Rachel Depree. It promotes sustainable business practices and supports innovation in environmental management by working with industry and business to identify solutions. It works with targeted sectors to improve environmental performance through initiatives such as product stewardship, policy measures to reduce New Zealand's greenhouse gas emissions, and sustainable procurement practices.

## REPORTING AND REVIEW

The Reporting and Review Group is led by Maryanne Macleod. It works to ensure that New Zealanders have credible environmental information to make good decisions and measure progress in maintaining a healthy environment, including our contribution to the global environmental effort. It monitors and reports on the effectiveness of policies and legislation; liaises with the science community to report on emerging environmental issues and inform policy decision-making; coordinates national, international and other environmental reporting obligations; and works closely with local government to evaluate the effectiveness of policies, plans and decisions related to the RMA (1991) and the Ministry's other statutes.

## URBAN AND MARUWHENUA

The Urban and Maruwhenua Group is led by Lindsay Gow. The urban team provides leadership across central government for Urban Affairs (as a specific portfolio responsibility of the Minister for the Environment). Over the next three years, the team's work will build on these foundations to facilitate and promote cross-government delivery of the policies and programmes to make New Zealand's towns and cities more successful. Included in this is the implementation of the Urban Design Protocol. The team also administers the Environmental Legal Assistance Fund.

The Maruwhenua team undertakes work with Māori on resource management issues, including encouraging Māori to be leaders in creating positive environmental outcomes.

## CORPORATE AND COMMUNITY

The Corporate and Community Group is led by Fiona Morgan. It promotes environmental awareness and action in the community, coordinates corporate communications and manages relationships with the community. It is also responsible for the coordination and provision of legal, strategic and financial advice – advice on legislation, compliance, contractual relationships and payments to, and with, stakeholders.

Alongside this, the Group provides the information, human resource and administrative support required for an organisation with 280 employees. From these three teams the Ministry is provided with strategies to support reporting, capacity and capability.

## MINISTRY FOR THE ENVIRONMENT ORGANISATIONAL CHART





*The clean-up of New Zealand's most contaminated site – at Mapua near Nelson.*

## PART TWO: FORECAST FINANCIAL STATEMENTS

### INTRODUCTION

These forecast financial statements for the Ministry for the Environment contain the following statements pursuant to section 41 of the Public Finance Act (1989):

- a statement of financial performance reflecting the forecast revenue and expenses for the financial year ending 30 June 2007
- a statement of the estimated financial position as at 30 June 2006 and forecast financial position as at 30 June 2007
- a statement of cash flows reflecting forecast cash flows for the year ending 30 June 2007
- a statement showing the reconciliation of the net forecast operating surplus to the net cash flow forecast from operating activities for the year ending 30 June 2007
- a statement of forecast movements in taxpayers' funds (equity)
- a statement of forecast commitments
- a statement of forecast details of physical assets by category
- a statement of departmental capital expenditure
- a statement of significant underlying assumptions
- a statement of accounting policies
- a statement of objectives specifying the financial performance forecast for the Ministry for the year ending 30 June 2007
- a statement of objectives specifying the performance forecast for each class of outputs for the year ending 30 June 2007.

## FINANCIAL HIGHLIGHTS

	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
Revenue: Crown	51,593	48,949	48,949	54,817
Revenue: Departmental and Other	438	774	774	438
Output expenses	52,026	49,517	47,217	55,250
Other expenses	-	-	-	-
<b>Net surplus from operations</b>	<b>5</b>	<b>206</b>	<b>2,506</b>	<b>5</b>
Physical assets	2,580	2,014	2,014	3,165
Taxpayers' funds	2,693	2,043	2,043	3,543
<b>Net cash flows from operating activities</b>	<b>671</b>	<b>(2,056)</b>	<b>244</b>	<b>819</b>
<b>Net cash flows from investing activities</b>	<b>(1,245)</b>	<b>(1,147)</b>	<b>(1,147)</b>	<b>(1,895)</b>

## STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDING 30 JUNE 2007

	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
<b>REVENUE</b>				
Crown	51,593	48,949	48,949	54,817
Departments	428	428	428	428
Other	5	341	341	5
Interest	-	-	-	-
<b>Total revenue</b>	<b>52,026</b>	<b>49,718</b>	<b>49,718</b>	<b>55,250</b>
<b>EXPENDITURE</b>				
Personnel	19,740	19,740	19,740	19,785
Operating	31,468	29,041	26,741	34,563
Depreciation	671	589	589	749
Capital charge	147	147	147	153
<b>Total expenditure</b>	<b>52,026</b>	<b>49,517</b>	<b>47,217</b>	<b>55,250</b>
Profit on sale of assets	5	5	5	5
Other expenses	-	-	-	-
<b>Net surplus from operations</b>	<b>5</b>	<b>206</b>	<b>2,506</b>	<b>5</b>

**STATEMENT OF ESTIMATED FINANCIAL POSITION AS AT 30 JUNE 2006 AND FORECAST FINANCIAL POSITION AS AT 30 JUNE 2007**

	<i>Actual financial position as at 30 June 2005</i>	<i>Estimated actual financial position as at 30 June 2006</i>	<i>Forecast financial position as at 30 June 2007</i>
	<i>\$'000</i>	<i>\$'000</i>	<i>\$'000</i>
Taxpayers' funds	1,843	2,043	3,543
<b>Total taxpayers' funds</b>	<b>1,843</b>	<b>2,043</b>	<b>3,543</b>
<b>Represented by:</b>			
<b>CURRENT ASSETS:</b>			
Bank	7,423	5,745	3,663
Pre-payments	59	100	100
Debtors and receivables	2,329	-	-
<b>Total current assets</b>	<b>9,811</b>	<b>5,845</b>	<b>3,763</b>
Physical assets	2,003	2,014	3,165
<b>Total assets</b>	<b>11,814</b>	<b>7,859</b>	<b>6,928</b>
<b>CURRENT LIABILITIES:</b>			
Creditors and payables	7,571	2,010	2,080
Provision for the repayment of surplus to the Crown	975	2,506	5
Employee entitlements	763	650	650
<b>Total current liabilities</b>	<b>9,309</b>	<b>5,166</b>	<b>2,735</b>
<b>NON-CURRENT LIABILITIES</b>			
Employee entitlements	662	650	650
<b>Total liabilities</b>	<b>9,971</b>	<b>5,816</b>	<b>3,385</b>
<b>Net assets</b>	<b>1,843</b>	<b>2,043</b>	<b>3,543</b>

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 30 JUNE 2007

	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Cash provided from:</b>				
Supply of outputs to Crown	51,593	48,949	48,949	54,817
Supply of outputs to Departments	428	533	533	428
Supply of outputs to others	5	2,565	2,565	5
<b>Cash disbursed to:</b>				
Cost of producing outputs	(51,208)	(53,956)	(51,656)	(54,278)
Capital charge	(147)	(147)	(147)	(153)
<b>Net cash flows from operating activities</b>	<b>671</b>	<b>(2,056)</b>	<b>244</b>	<b>819</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Cash provided from:</b>				
Sale of physical assets	5	5	5	5
<b>Cash disbursed to:</b>				
Purchase of physical assets	(1,250)	(1,152)	(1,152)	(1,900)
<b>Net cash flows from investing activities</b>	<b>(1,245)</b>	<b>(1,147)</b>	<b>(1,147)</b>	<b>(1,895)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Cash provided from:</b>				
Capital contribution	850	200	200	1,500
<b>Cash disbursed to:</b>				
Repayment of surplus to Crown	(5)	(975)	(975)	(2,506)
<b>Net cash flows from financing activities</b>	<b>845</b>	<b>(775)</b>	<b>(775)</b>	<b>(1,006)</b>
Net decrease in cash held	271	(3,978)	(1,678)	(2,082)
Opening cash balance at 1 July	3,057	7,423	7,423	5,745
<b>Projected closing cash and deposits at 30 June</b>	<b>3,328</b>	<b>3,445</b>	<b>5,745</b>	<b>3,663</b>

**RECONCILIATION OF NET OPERATING SURPLUS TO NET CASH FLOW FROM OPERATING ACTIVITIES  
FOR THE YEAR ENDING 30 JUNE 2007**

	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
Net surplus from operations	5	206	2,506	5
<b>ADD NON-CASH ITEM</b>				
Depreciation	671	589	589	749
<b>ADD/(LESS) MOVEMENTS IN WORKING CAPITAL ITEMS</b>				
Increase in pre-payments	-	(41)	(41)	-
Decrease in debtors and receivables	-	117	117	-
Decrease in payables and provisions	-	(1,479)	(1,479)	-
Increase / (decrease) in other accrued liabilities	-	(3,730)	(3,730)	70
Decrease in provision for employee entitlements	-	(125)	(125)	-
Decrease in GST receivable	-	2,412	2,412	-
<b>ADD/(LESS) INVESTING ACTIVITY</b>				
Net gain on sale of physical assets	(5)	(5)	(5)	(5)
Net cash flow from operating activities	671	(2,056)	244	819

**STATEMENT OF THE FORECAST MOVEMENT IN TAXPAYERS' FUNDS  
FOR THE YEAR ENDING 30 JUNE 2007**

	Actual financial position as at 30 June 2005 \$000	Estimated actual financial position as at 30 June 2006 \$000	Forecast financial position as at 30 June 2007 \$000
Taxpayers' funds brought forward as at 1 July	343	1,843	2,043
Net surplus from operations	975	2,506	5
Total recognised revenues and expenses for the year	975	2,506	5
Provision for repayment of surplus to the Crown	(975)	(2,506)	(5)
Capital contribution	1,500	200	1,500
Taxpayers' funds as at 30 June	1,843	2,043	3,543

## STATEMENT OF FORECAST COMMITMENTS FOR THE YEAR ENDING 30 JUNE 2007

	Actual financial position as at 30 June 2005 \$000	Estimated actual financial position as at 30 June 2006 \$000	Forecast financial position as at 30 June 2007 \$000
<b>OPERATING AND ACCOMMODATION LEASE COMMITMENTS (GST EXCLUSIVE)</b>			
Not later than 1 year	7,387	901	901
More than 1 year but not later than 2 years	2,919	2,282	2,282
More than 2 years but not later than 5 years	6,353	3,860	3,860
More than 5 years	6,060	9,231	9,231
<b>Total operating and lease commitments</b>	<b>22,719</b>	<b>16,274</b>	<b>16,274</b>
Capital commitments	-	-	-
<b>Total commitments</b>	<b>22,719</b>	<b>16,274</b>	<b>16,274</b>

## FORECAST DETAILS OF PHYSICAL ASSETS BY CATEGORY AS AT 30 JUNE 2007

	Estimated actual position as at 30 June 2006 \$000	Cost as at 30 June 2007 \$000	Accumulated depreciation as at 30 June 2007 \$000	Net book value as at 30 June 2007 \$000
Furniture and fittings	1,433	1,887	564	1,323
Computer software	229	1,832	278	1,554
Computer hardware	263	1,183	1,007	176
Office equipment	89	359	247	112
<b>Total</b>	<b>2,014</b>	<b>5,261</b>	<b>2,096</b>	<b>3,165</b>

## DEPARTMENTAL CAPITAL EXPENDITURE

Capital expenditure is incurred in accordance with section 24 of the Public Finance Act (1989).

Departmental Capital Expenditure (\$000)	2006/07 Forecast	2005/06 Estimated actual	2005/06 Budget	2004/05 Actual	2003/04 Actual	2002/03 Actual	2001/02 Actual
Furniture and fittings	152	152	152	1,500	7	15	55
Office equipment	62	62	62	3	21	32	57
Computer software	1,534	234	234	0	38	9	20
Computer hardware	152	152	152	260	231	325	261
<b>Total</b>	<b>1,900</b>	<b>600</b>	<b>600</b>	<b>1,763</b>	<b>297</b>	<b>381</b>	<b>393</b>

The furniture and fittings expenditure for the 2004/05 financial year is related to the fit out of the Ministry's new head office (Environment House). Other expenditure is for the routine replacement and upgrade of the Ministry's information technology and office equipment, to help our staff efficiently deliver the services set out in this Statement of Intent.

# ACCOUNTING POLICIES

## STATEMENT OF SIGNIFICANT UNDERLYING ASSUMPTIONS

These prospective financial statements have been compiled on the basis of government policies and the Ministry for the Environment's Output Plan as agreed with our Ministers.

## STATEMENT OF ACCOUNTING POLICIES

### Reporting entity

The Ministry for the Environment is a Government department as defined in section 2 of the Public Finance Act (1989).

These are the financial statements of the Ministry for the Environment prepared pursuant to section 41 of the Public Finance Act (1989).

## MEASUREMENT SYSTEM

The financial statements have been prepared on the basis of historical cost with the exception of certain items for which specific accounting policies are identified.

## ACCOUNTING POLICIES

### (i) Budget and appropriation figures

The budget and appropriation figures are those presented in the Budget Night Estimates (Main Estimates) and those amended by the Supplementary Estimates and any transfer made by Order in Council under section 26A of the Public Finance Act (1989) (Supplementary Estimates).

### (ii) Revenue

The Ministry derives revenue through the provision of outputs to the Crown and for services to third parties. Such revenue is recognised when earned and is reported in the financial period to which it relates.

### (iii) Cost allocation

The Ministry for the Environment derives the costs of outputs using a cost allocation system. This is outlined below.

#### Cost allocation policy

Direct costs are charged directly to the Ministry's outputs. Indirect costs are charged to outputs based on a primary cost driver of salaried full-time equivalents.

#### Criteria for direct and indirect costs

'Direct costs' are those costs directly attributed to an output. 'Indirect costs' are those costs that cannot be directly associated with a specific output.

#### Direct cost assigned to outputs

Direct costs are charged directly to outputs.

#### Indirect costs assigned to outputs

Indirect costs are assigned to outputs based on a proportion of the number of full-time equivalents assigned to each output.

#### (iv) Debtors and receivables

Debtors and receivables are recorded at estimated realisable value, after providing for doubtful debts.

#### (v) Operating leases

Leases, where the lessor effectively retains all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease expenses are recognised on a systematic basis over the period of the lease.

#### (vi) Plant and equipment

All fixed assets are recorded at cost less accumulated depreciation. Fixed assets are recognised as individual items costing \$1,500 (GST exclusive) or more, which have a useful life greater than one year.

#### (vii) Depreciation

Depreciation of fixed assets is calculated on a straight-line basis so as to allocate the cost of the assets, after recognising residual values, over their useful lives.

The estimated useful lives of the assets are:

	Depreciation rate (%)	Useful life (years)
Furniture and fittings	12.5-20	5-8
Office equipment	20	5
Computer software	33	3
Computer hardware	33	3

The cost of leasehold improvements (included in furniture and fittings) is capitalised and depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is shorter. Items classified as furniture and fittings but not deemed to be part of leasehold improvements are depreciated over their useful lives.

Losses and gains on disposal of fixed assets are taken into account in determining the operating result for the year.

#### (viii) Employee entitlements

Provision is made in respect of the Ministry's liability for annual leave, retention/refresher leave, long service leave and retirement leave. Annual leave is calculated on an actual entitlement basis at current values of pay. All annual leave is expected to be settled within 12 months of the reporting date.

Long service leave and retirement leave are calculated on an actuarial basis, based on the present value of expected future entitlements. These have been provided for as long-term liabilities in the Statement of Financial Position.

#### (ix) Statement of cash flows

'Cash' means cash balances on hand and cash held in bank accounts.

Operating activities include cash received from all income sources of the Ministry and record the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise capital injections by, or repayment of capital to, the Crown.

#### (x) Financial instruments

The Ministry for the Environment is party to financial instrument arrangements as part of its normal operations. All financial instruments are recognised in the Statement of Financial Position and all revenues and expenses relating to financial instruments are recognised in the Statement of Financial Performance. The Ministry for the Environment has not entered into any off-balance sheet transactions.

The following methods and assumptions were used to value each class of financial instrument:

- accounts receivable are recorded at expected realisable value
- all other financial instruments including cash and bank, short-term deposits and accounts payable are recognised at their fair value.

#### (xi) Goods and Services Tax (GST)

All statements are GST exclusive, except where otherwise stated. Creditors and Payables and Debtors and Receivables in the Statement of Financial Position are stated inclusive of GST. GST payable/receivable at balance date is included in Creditors and Payables or Debtors and Receivables.

#### (xii) Taxation

The Ministry for the Environment is exempt from income tax in terms of the Income Tax Act (1994). Accordingly, no charge for income tax has been provided for.

#### (xiii) Commitments

Future expenses and liabilities to be incurred on contracts that have been entered into at balance date are disclosed as commitments at the point a contractual obligation arises, to the extent that they are equally unperformed obligations.

#### (xiv) Contingencies

Contingent liabilities and contingent assets are disclosed at the point at which the contingency is evident.

#### (xv) Taxpayers' funds

Taxpayers' funds are the Crown's net investment in the Ministry.

#### (xvi) Changes in accounting policies

There have been no changes in accounting policies since the date of the last audited financial statements. All policies will be applied consistently throughout the period.

## FORECAST PERFORMANCE INDICATORS FOR THE YEAR ENDING 30 JUNE 2007

	Unit	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
<b>OPERATING RESULTS</b>					
Revenue: Crown	\$000	51,593	48,949	48,949	54,817
Revenue: Departments and other	\$000	438	774	774	438
Output expenses	\$000	52,026	49,517	47,217	55,250
Net surplus/(deficit)	\$000	5	206	2,506	5
<b>WORKING CAPITAL</b>					
Net current assets	\$000	763	679	679	1,028
Liquid ratio	%	129	124	113	138
<b>RESOURCE UTILISATION</b>					
Physical assets	\$000	2,580	2,014	2,014	3,165
Physical assets as % of total assets	%	42.9	36.2	25.6	45.7
Additions as % of physical assets	%	48.4	29.8	29.8	60.0
Physical assets per employee	\$000	8.9	7.2	7.2	10.9
<b>TAXPAYERS' FUNDS</b>					
Level at year-end	\$000	2,693	2,043	2,043	3,543
Level per employee	\$000	9.3	7.3	7.3	12.2
<b>FORECAST NET CASH FLOWS</b>					
Surplus/(deficit) from operating activities	\$000	671	(2,056)	244	819
Surplus/(deficit) from investing activities	\$000	(1,245)	(1,147)	(1,147)	(1,895)
Surplus/(deficit) from financing activities	\$000	845	(775)	(775)	(1,006)
Net increase/(decrease) in cash held	\$000	271	(3,978)	(1,678)	(2,082)
<b>HUMAN RESOURCES</b>					
Staff turnover	%	12	14	14	13
Average length of service	Years	3.3	3.9	3.9	4.1
Total staff	No.	290	280	280	285

### CONTRIBUTION TO MINISTRY OUTCOMES

All work programmes and output classes contribute to the achievement of the Ministry's outcomes. While some programmes and classes only contribute to one outcome, others contribute to several.

At the Ministry, we will only undertake work if it contributes to at least one of our outcomes. We also favour (new) work programmes that are directly connected with one of the Government's three priorities.

Further information on the linkages between the output classes and outcomes can be found on the Ministry's website: [www.mfe.govt.nz](http://www.mfe.govt.nz).

# VOTE: ENVIRONMENT

## OUTPUT CLASS: ENVIRONMENTAL POLICY ADVICE

### Description

The Ministry takes a strong role in environmental governance and provides investigation, analysis, review and provision of advice on a range of environmental issues. This includes leading all government initiatives, coordinating the collaboration of central and local government in the delivery of environmental programmes, and administration of legislation as well as advice to the Government and others.

OUTPUT OPERATING STATEMENT				
	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
<b>REVENUE</b>				
Crown	34,922	32,141	32,141	34,359
Other	372	573	573	372
<b>Total revenue</b>	<b>35,294</b>	<b>32,714</b>	<b>32,714</b>	<b>34,731</b>
Annual appropriation	35,294	32,513	30,713	34,731
Surplus	-	201	2,001	-

### Overarching priority

To achieve the outcomes and outputs that have been identified, the Ministry needs to continue to:

- enhance its capability
- develop effective systems and structures
- build strong relationships with key stakeholders.

### Outputs

Within this output class the Ministry will deliver on all of the Ministers' priorities including:

- developing and implementing a strategy for the Ministry to take a more active leadership role in environmental issues across government and the broader environment and sustainable development sectors
- developing three National Policy Statements and National Environmental Standards as agreed by Ministers
- administering the Resource Management Act (1991), monitoring practice under it, providing information and advice on RMA implementation and supporting implementation including work with the Environment Court
- administering the Contaminated Site Remediation Fund, including managing the clean-up of the Mapua contaminated site
- working with iwi and local government to build the capacity of all groups to engage effectively in the management and use of natural resources
- leading the oceans policy development and providing advice on fisheries and marine issues

- statutory responsibilities under environmental statutes, including:
  - the Soil Conservation and Rivers Control Act (1941)
  - the Environment Act (1986)
  - the Resource Management Act (1991)
  - the Hazardous Substances and New Organisms Act (1996)
  - the Ozone Layer Protection Act (1996)
  - Fiordland (Te Moana o Atawhenua) Marine Management Act 2005
- publishing regular environmental reports
- jointly leading the Sustainable Water Programme of Action (with the Ministry of Agriculture and Forestry) and providing solutions, in partnership with local government, on long-term, major water quality problems in Lake Taupo
- ensuring that the Urban Design Protocol is made operational and its implementation is supported
- partnering with industry and government agencies to achieve improved sustainability outcomes, particularly the New Zealand Packaging Accord 2004-2009 and the Dairying and Clean Streams Accord
- ensuring that New Zealand has a robust flood risk management approach that is adaptable to local and regional councils and their particular circumstances and communities
- promoting New Zealand's environmental and sustainable development interests in international fora, including implementing obligations under multilateral environmental conventions and leading the negotiation of environmental provisions in trade agreements
- advising on ERMA New Zealand governance and performance issues.

Four performance measures for this output class are:

<i>Performance measures of the output – Improve the effectiveness of environmental legislation</i>	
Quality	Receive feedback from RMA practitioners, with feedback at least 50 percent positive.
Quantity	Deliver training to support RMA implementation to 300 RMA practitioners.
Timeliness	Deliver training by 31 May 2007.

<i>Performance measures of the output – Develop and implement an overarching oceans policy</i>	
Quality	Attendance at the workshops held is representative of relevant stakeholders and feedback given suggests that all relevant aspects have been addressed.
Quantity	Hold at least four public workshops to discuss the draft oceans policy.
Timeliness	Complete consultation by 4 September 2006.

<i>Performance measures of the output – Ministerial servicing</i>	
Quality	At least 90 percent of the Ministerial drafts provided for the Minister's signature will be accurate.
Timeliness	The percentage of draft Ministerial replies to be completed within 20 working days of receipt by the Ministry, unless specified urgent: 95 percent.

<i>Performance measures of the output – Strengthen partnerships with key stakeholders</i>	
Quality	Feedback from attendees at the Chief Executives' Environment Forum validates its usefulness.
Quantity	Co-chair and provide secretariat services to three CEEF forums in 2007.
Timeliness	Conduct forums before 30 June 2007.

## OUTPUT CLASS: ADMINISTRATION OF THE SUSTAINABLE MANAGEMENT FUND

### Description

This output class covers the purchase of policy advice on the allocation of funds to other parties, and the administration and management of contracts. This includes promoting the Sustainable Management Fund (SMF), and developing SMF publications, funding projects through tendering and applications processes, payments to providers, contract management, and monitoring and auditing funded projects.

OUTPUT OPERATING STATEMENT				
	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
<b>REVENUE</b>				
Crown	662	662	662	662
Other	-	-	-	-
<b>Total revenue</b>	<b>662</b>	<b>662</b>	<b>662</b>	<b>662</b>
Annual appropriation	662	662	662	662
Surplus	-	-	-	-

### Outputs

Within this output class, the Ministry will purchase policy advice on the allocation of funds to other parties, and the administration and management of contracts including:

- advising on the size of allocation and payments to approved providers in accordance with criteria in the Sustainable Management Fund (SMF) Guide for Applicants 2006/2007
- monitoring SMF expenditure, including completing technical audits
- making payments to, and monitoring, the Landcare Trust.

The performance measures for this output class are:

<i>Performance measures of the output – Allocate funding</i>	
Quality	Seek a minimum of 200 applications. Seek feedback from applicants via a survey with an 80 percent satisfaction rating.
Quantity	Hold one contestable funding round to allocate funding to projects to achieve long-term environmental objectives.
Timeliness	Hold the contestable funding round by 30 June 2007.

<i>Performance measures of the output – Manage contracts</i>	
Quality	Ninety-five percent of contracts to remain on track. Ninety-five percent of contracts meet the contract requirements. Ninety-five percent of contracts are assessed as no risk or without problems.
Quantity	Manage all SMF contracts, including a minimum of one visit per contract. Assess the outputs of each contract, including gaining technical advice where necessary. Financially audit a minimum of 10 contracts each year.
Timeliness	Dependent on the timeframe of each contract.

<i>Performance measures of the output – Landcare Trust</i>	
Quality	Landcare Trust achieves 98 percent of deliverables.
Quantity	Enter into a contract with Landcare Trust to assist and encourage the establishment and maintenance of Landcare groups by providing support through trained coordinators, developing information networks and working with industry groups.
Timeliness	Quarterly reports are received and feedback given within 20 working days of the quarter.

## OUTPUT CLASS: BIOETHICS COUNCIL

### Description

This output class provides for the effective operation of the Bioethics Council. This Council is a ministerial advisory committee. Its role is to:

- provide independent advice to government on biotechnological issues involving cultural, ethical and spiritual dimensions
- promote and participate in public dialogue on cultural, ethical and spiritual aspects of biotechnology, and enable public participation in the Council's activities
- provide public information on the cultural, ethical and spiritual aspects of biotechnology.

<b>OUTPUT OPERATING STATEMENT</b>				
	<i>2005/06 Main estimates \$000</i>	<i>2005/06 Supplementary estimates \$000</i>	<i>2005/06 Estimated actual \$000</i>	<i>2006/07 Budget \$000</i>
<b>REVENUE</b>				
Crown	1,333	1,333	1,333	1,333
Other	6	6	6	6
<b>Total revenue</b>	<b>1,339</b>	<b>1,339</b>	<b>1,339</b>	<b>1,339</b>
Annual appropriation	1,339	1,339	1,339	1,339
Surplus	-	-	-	-

### Outputs

The Bioethics Council is responsible for providing accurate and informative information to government on biological issues. The Ministry assists the Council by:

- providing administrative support and research material for the Council
- leading the whole-of-government approach by coordinating government agencies able to contribute to the Council's effectiveness
- collaborating with similar international groups to procure relevant research information to assist the Council
- assisting with the coordination of public dialogue and participation in Council activities.

The performance measures for this output class are:

<i>Performance measures of the output – Support the Bioethics Council</i>	
Quality	Feedback from the Council on the Ministry's support is positive.
Quantity	Assist in organising eight focus groups on the cultural, ethical and spiritual dimensions of stem-cell research, the results of which will prepare the Bioethics Council for a large public dialogue on the issue.
Timeliness	Feedback and focus groups to have been completed by 30 June 2007.

# VOTE: CLIMATE CHANGE AND ENERGY EFFICIENCY

## OUTPUT CLASS: POLICY ADVICE – ENERGY EFFICIENCY AND CONSERVATION

### Description

This output class covers the monitoring of the Energy Efficiency and Conservation Authority (EECA). It also provides for research analysis and advice necessary to shape a sustainable and efficient energy future for New Zealand. It involves integrating environmental, economic, social and cultural aspects of policy development.

OUTPUT OPERATING STATEMENT				
	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
<b>REVENUE</b>				
Crown	216	216	216	216
Other	-	-	-	-
<b>Total revenue</b>	<b>216</b>	<b>216</b>	<b>216</b>	<b>216</b>
Annual appropriation	216	216	216	216
Surplus	-	-	-	-

### Outputs

The following activities are included within this output class:

- monitoring EECA
- providing policy advice on energy efficiency and conservation issues
- managing the transfer of funds for the Crown loan scheme
- advising the Minister on matters relating to energy efficiency and conservation, and the use of renewable sources of energy in New Zealand
- administering the Energy Efficiency and Conservation Act (2000)
- administering energy efficiency regulations.

The performance measures for this output class are:

<i>Performance measures of the output – Monitoring of the Energy Efficiency and Conservation Authority</i>	
Quality	Minister is satisfied with the advice given by the Ministry.
Quantity	Provide formal advice to the Minister on matters relating to energy efficiency, at least on a quarterly basis.
Timeliness	Advice on EECA's quarterly reports will be received by the Minister no later than one month after the quarter end.

## OUTPUT CLASS: CLIMATE CHANGE – POLICY ADVICE AND IMPLEMENTATION

### Description

This output class includes:

- providing climate change policy advice
- ongoing management of previous Negotiated Greenhouse Agreements
- managing existing projects to reduce emissions agreements
- operating climate change information programmes
- fulfilling New Zealand’s international climate change obligations and building international relationships.

OUTPUT OPERATING STATEMENT				
	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
<b>REVENUE</b>				
Crown	10,804	8,582	8,582	8,271
Other	55	55	55	55
<b>Total revenue</b>	<b>10,859</b>	<b>8,637</b>	<b>8,637</b>	<b>8,326</b>
Annual appropriation	10,859	8,637	8,637	8,326
<b>Surplus</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Outputs

Within this output class the Ministry will:

- develop cost-effective abatement measures that preserve the competitiveness of New Zealand business
- develop and implement policies aimed at reducing greenhouse gas emissions from key sectors including agriculture, small and medium enterprises and energy-intensive businesses, local government and transport
- develop materials and information to help key sectors prepare for the impacts of climate change
- represent New Zealand at multilateral and bilateral international fora
- implement a public awareness and education programme on climate change and keep New Zealanders well informed about climate change science
- ensure New Zealand’s response to climate change takes account of the latest information on relevant science and technology
- coordinate the preparation of New Zealand’s annual Greenhouse Gas Inventory
- advise on the development of regulations under the Climate Change Response Act (2002).

The performance measures for this output class are:

<i>Performance measures of the output – Develop and implement policies aimed at reducing greenhouse gas emissions</i>	
Quality	Key stakeholders including agriculture, small and medium enterprises and local government are consulted on, and agree with, key elements of the Cabinet-approved work programme.
Quantity	Develop an agreed work programme, with the long-term goal of reducing New Zealand’s emissions.
Timeliness	Work programme for the next 3-5 years will be taken to, and agreed upon, by Cabinet by 30 September 2006.

## OUTPUT CLASS: CARBON MONITORING PROGRAMME

### Description

This output class involves the implementation of the New Zealand Carbon Monitoring Programme to ensure our land use, land-use change and forestry (LULUCF) data in our Greenhouse Gas Inventory and entering the carbon accounting system is robust, meets international requirements, and underpins the economic return on sink credits.

OUTPUT OPERATING STATEMENT				
	2005/06 Main estimates \$000	2005/06 Supplementary estimates \$000	2005/06 Estimated actual \$000	2006/07 Budget \$000
<b>REVENUE</b>				
Crown	2,900	5,259	5,259	9,976
Other	-	135	135	-
<b>Total revenue</b>	<b>2,900</b>	<b>5,394</b>	<b>5,394</b>	<b>9,976</b>
Annual appropriation	2,900	5,394	4,894	9,976
Surplus	-	-	500	-

### Outputs

This output class covers:

- data collection in indigenous forests, regenerating scrub forests and the soils beneath
- data collection on soils undergoing land-use change (eg from pasture to forestry and vice versa)
- analysis, allometric model development and provision of other science related to data collected
- data on soils other than those covered above
- planted production forestry growth data
- land use, land-use change and forestry underpinning science and science capability
- provision and analysis of data for tracking the land-use change from 1990
- development, management and coordination of the carbon accounting and monitoring system.

The performance measures for this output class are:

<i>Performance measures of the output – New Zealand’s inventory of greenhouse gases, and carbon stocks and accounting systems meet international reporting requirements and deadlines</i>	
Quality, Quantity and Timeliness	Meet international reporting requirements for the production of: Greenhouse Gas Inventory – 15 April 2007 Initial report for the Kyoto Protocol in 2006 – 1 December 2006 Net Position report – 1 June 2007.

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