



STATEMENT OF INTENT 2014 – 2018



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Foreword: Minister for the Environment

Our prosperity and much of our Kiwi identity is linked to our environment. We need to manage the environment carefully so New Zealanders can continue to enjoy both the high standard of living they expect and the recreational and cultural opportunities they value.

One of the Government's priorities is to build a more competitive and productive economy. We are focused on opportunities to use New Zealand's natural resources productively and responsibly, while maintaining standards that preserve and enhance the quality of our environment.

This requires a long-term and balanced approach. We are supporting that approach with an ambitious programme of reform that will see the most significant improvement in our environmental regulation framework since the introduction of the RMA in 1991. The Ministry for the Environment – working in partnership with other Natural Resources Sector agencies and local government – is playing a key role in delivering on that agenda.

Mandatory environmental reporting

It has been difficult to have an honest debate about the interactions between the environment and the economy because we have lacked reliable environmental data on a national level. That will change with the introduction of regular mandatory and independent environmental reporting.

New Zealanders will soon be better informed about the state of our environment and will have confidence and certainty about the scope, timing and quality of national environmental information. That means we can shift the debate from frustrating arguments about data quality to discussions on environmental issues and long-term trends, and the public will be in a better position to engage in and prioritise decisions on issues that affect the environment.

Improving environmental outcomes

The point of all this change is that the Government is committed to action, not just words, to improve environmental outcomes.

One example that demonstrates our balanced approach is around offshore oil and gas exploration. We support exploration but we have balanced that with higher environmental standards, lifting them to a level not seen here before. We will also give New Zealanders, for the first time, the chance to have their say on the environmental safeguards that are put in place around the development of any resources that are discovered.

Another area of change is improvement of the management, use and quality of our fresh water. Demand for access to clean water is growing from all sectors and there is increasing concern about water trends in some areas, yet we don't have a minimum national standard to guide decision-making. That too is going to change.

Our National Policy Statement on Fresh Water already requires overall water quality be maintained or improved. The next development is a national objectives framework for water quality national 'bottom lines' to set a basic standard for water quality across the country.

But we also recognise that water is vital for productive farming, which is the source of our national wealth. So we are supporting water management schemes that encourage production but don't compromise on water quality.

Hazardous substances help protect our environment from pests but they can significantly harm human health and the environment if poorly managed. The Ministry will continue to work alongside other key government departments to develop new workplace health and safety legislation to significantly decrease workplace harm due to hazardous substances. This includes supporting the Environmental Protection Authority to improve rules that ensure hazardous substances are correctly labelled and packaged.

There is also a need to manage the contamination resulting from unwise use and disposal of hazardous substances and other harmful waste. As a result I have agreed that, for the first time, the Waste Minimisation Fund should put a focus on projects dealing with waste streams that pose the greatest risk of harm. There are also environmental and economic opportunities from the reuse of waste if we get the incentives right. The Government is working closely with a range of industries on opportunities, as there is the potential to do more in this area.

Supporting Canterbury and Auckland

The Canterbury rebuild is a national priority. Uncertainty about how district and regional plans would address recovery issues has impaired recovery and the Ministry has worked with other agencies in Canterbury to change some of their processes to support the recovery.

The Ministry continues to provide technical support to the Canterbury Earthquake Recovery Authority, and the affected local authorities on RMA-related matters, primarily resource consenting. This ensures the region's planning processes are able to quickly progress essential new housing and infrastructure as the construction phase reaches the predicted rebuild peaks from late 2014.

The Government is also addressing planning issues to better tap the economic potential of Auckland. Previous improvements have streamlined and simplified the RMA. It had been estimated to take between six and 10 years for the first Auckland Unitary Plan to become operative under the old rules. That was too long – Auckland's economy is too important to New Zealand. It is estimated that under the new process most, if not all, of the unitary plan provisions will be operative in three years. The result will still be rigorous with significant levels of community engagement in the design of the plan.

Along with our other proposed RMA changes, these reforms aim to create a system that's more certain, less costly and enables growth, while protecting core environmental standards. One benefit for Auckland will be simpler consenting processes that will support the development of new housing areas, reducing pressure on house prices.

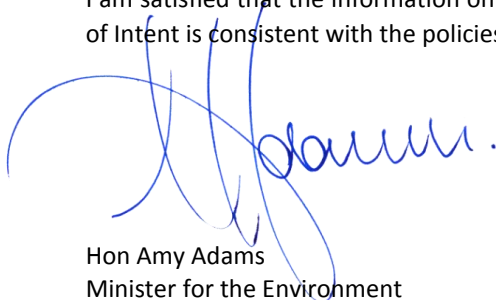
International action on climate change

Our environmental responsibilities go further than our borders. Dealing with global climate change is the greatest environmental issue of our age and New Zealand is doing its fair share, making an unconditional commitment to reduce greenhouse gases by 5 per cent by 2020. The next important milestone is a binding global agreement for reductions after 2020. The Ministry will be working with other government agencies to support the negotiations of an agreement that is ambitious, global in its scope, and flexible, catering for countries' individual circumstances and allowing them to play to their strengths. The Emissions Trading Scheme will also be reviewed in 2015 to ensure it operates effectively in both the local and global drive for emissions reductions.

New Zealand has a rich endowment of natural resources that can provide the platform for continuing economic development. Those resources include clean air, clean water, unpolluted farmland, minerals and petroleum, combined with the creativity of our entrepreneurs. Good information, sound scientific analysis, and long-term thinking will allow us to carefully weigh up the environmental risks and

opportunities in those resources so that today's decisions not only support us achieving our immediate goals but don't compromise the environmental and economic aspirations of future generations.

I am satisfied that the information on strategic intentions provided by my department in this Statement of Intent is consistent with the policies and performance expectations of the Government.



Hon Amy Adams
Minister for the Environment
Responsible Minister

12 May 2014

Introduction from the Chief Executive

It has never been more important to be talking about the issues relating to the environment and the economy. And it is great to see more and more people getting involved in the discussion about how we can ensure New Zealand's environmental resources are available for the use and enjoyment of current and future generations.

The Ministry plays an enabling role in the country's environmental management system. This role requires us to have the perspective and capability to provide robust policy advice that informs and helps New Zealanders build an environmental management system that will deliver the best environmental standards now and into the future. A good example of this is the progress being made in the area of freshwater management reform.

As part of the Natural Resources Sector we have developed the Natural Resources Framework. This will help us to collectively understand and frame issues in a broad stewardship context. It does this by incorporating a broad range of perspectives, focusing our attention on institutions and behaviours, and allowing us to take a 'systems' view. Taking people as its starting point, it will help us to understand the possible future implications of today's policy choices, to make sense of the environmental, economic, social and cultural systems, their interrelationships, and the behaviours that drive outcomes.

We are also working with Statistics New Zealand to improve the country's environmental evidence base. Good information on the state of our environment is important to New Zealand's long-term success. It should underpin all environment and economic decisions, and is essential for understanding the impact of policies and decisions on natural resources over time. The introduction of the Environmental Reporting Bill is an important step in improving the evidence base, providing comprehensive information on five key environmental domains – air, climate and atmosphere, fresh water, marine, and land, with biodiversity as a theme across all the domains.

It is nearly four years since the Ministry's strategic direction – focused on environmental stewardship for a prosperous New Zealand – was launched. It is a testament to the quality of the work that the strategic direction remains a corner stone of the Ministry's journey today. Our challenge over the coming year is to ensure our long-term vision is better integrated with our medium-term planning.

People are the Ministry's most valuable resource and we continue to invest in them. Our focus is on attracting, developing and retaining highly engaged people who can service Ministers well, working in partnership with the rest of the Natural Resources Sector, local government, and central government agencies.

As a Ministry, we are proud of the contribution we make. We are committed to our collective ways of working, and will continue to meet the challenges of operating in this manner.

Chief Executive statement of responsibility

In signing this statement, I acknowledge that I am responsible for the information on strategic intentions contained in the Statement of Intent for the Ministry for the Environment. This information has been prepared in accordance with section 38 and section 40 of the Public Finance Act 1989.



Paul Reynolds
Chief Executive

12 May 2014



Glenn Phillips
Director, Strategic Business Performance
(Chief Financial Officer)

12 May 2014

Nature and scope of functions

Mission: Environmental stewardship for a prosperous New Zealand

Whakatakanga: Tiakina te taiao kia tōnui a Aotearoa

The Ministry for the Environment is the Government's primary adviser on the New Zealand environment and international matters that affect the environment.

The Environment Act 1986, under which the Ministry was established, describes functions that include collecting and disseminating information, providing advice, resolving conflict, and providing an environmental perspective on government proposals.

Our role includes advising the Government on the institutions, laws, regulations, policies and economic incentives that set the framework for environmental management. Currently, these laws, regulations and policies are primarily implemented and enforced through others, especially the Environmental Protection Authority (EPA) and local government. We are now placing greater emphasis on understanding and driving good outcomes from the environmental management system. As a result, we are positioning ourselves at the centre of this system with a much stronger partnership approach to all the stakeholders within it.

Many international issues and agreements, especially global action on climate change, are connected to environmental management. We have a significant role in providing advice on international negotiations and ensuring New Zealand meets its obligations under international agreements.

Fresh water and other natural resources are important for New Zealand's economic development and prosperity. Environmental policy and management, therefore, must connect with economic policy. We work with other government natural resources agencies to give integrated advice on how resources can be used efficiently within sustainable limits. We also monitor the activities and performance of the EPA on behalf of the Minister for the Environment.

Legislation administered by the Ministry for the Environment

A number of our work programmes include administration of legislation. We are responsible for the following laws, including amendments and regulations under these laws:

- 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
- Climate Change Response Act 2002
- Aquaculture Reform (Repeals and Transitional Provisions) Act 2004
- Fiordland (Te Moana o Atawhenua) Marine Management Act 2005
- Waste Minimisation Act 2008
- Environment Canterbury (Temporary Commissioners and Improved Water Management) Act 2010
- Environmental Protection Authority Act 2011
- Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012.

Our operating context

Economic growth and environmental management

The Government continues to focus on ensuring balanced and sustainable economic growth to improve the well-being of New Zealanders. Much of New Zealand's international competitive advantage lies in the quality and quantity of its natural resources. High environmental standards are essential for market access and New Zealand's economic growth. However, there is increasing recognition that New Zealand's natural resources are coming under pressure from competing uses and, in some critical areas, are approaching biophysical and usage limits. There is also recognition that our regulatory regimes are not fit for purpose. While in the past there has been a focus on making marginal improvements to the policy framework, in the medium term this has shifted towards foundation reform in areas such as freshwater and resource management.

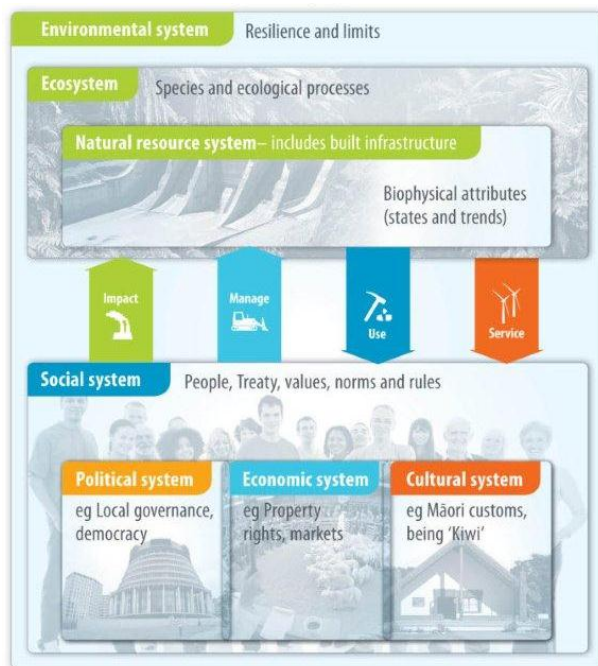
Management of our natural resources has been, and will continue to be, a complex and contentious cross-sector, multi-generational issue. Sustainable use of New Zealand's environment requires stable and enduring policy focused on long-term outcomes. Successful environmental management enables the use of the environment to maximise and maintain benefits, today and in the future.

The environmental management system

New Zealand's environmental management system is best understood by thinking about the underlying *social system* which drives our relationship with natural resources and the *ecological system* on which New Zealanders depend.

The complex social system determines the way New Zealanders use and manage our natural resources. While New Zealand's ecological systems exist regardless of people, they provide us with life-supporting service and resources which underpin our economy and way of life.

Figure 1: the interrelationships within the environmental management system



Our ecological systems are constantly changing, as are the demands we place on them. The environmental management system must be able to adapt to changing circumstances so it must be supported by knowledge of what is happening in the environment, including an understanding of behaviour and performance that affects outcomes. Access to robust and trusted information on the system's performance is critical for good decision-making and for evaluating the impact of policies and decisions on natural resources over time.

As well as being adaptive, the environmental management system needs to be proactive, strategic and forward-looking to plan for future opportunities and pressures. As the issues surrounding our natural resources and how we use them are often complex and contentious, we must recognise that some uncertainty is inevitable and that we can never have all the 'facts'. We should not let this paralyse decision-making though – risks must be considered in a transparent manner, but a precautionary approach taken where outcomes may be undesirable or irreversible.

The environmental management system must be able to deliver stable and enduring policy settings focused on long-term outcomes. The policy settings must be supported by society, recognise Māori rights and interests and the Treaty, and deliver outcomes that are widely supported. This is only possible when all those involved in environmental management understand and are responsive to one another. An example of this in action is the Land and Water Forum which comprises representatives from primary industries, environmental organisations, iwi, and active observers from regional councils and central government – all with different and sometimes conflicting values in relation to freshwater. By working together, understanding and responding to each other's different perspectives, the Forum have been able to build a strong constituency for change and a consensus on a way forward for reform. The challenge for the Ministry is to replicate this success across our other policy areas.

Interaction with the wider environmental management system

Since the reforms of central and local government in the late 1980s, New Zealand has had a heavily decentralised environmental management system. The emphasis has been on managing society's effects on the ecological system with as little national regulation as necessary, while ensuring the sustainable management of natural resources. During this period we have helped establish the high-level framework for managing society's interaction with ecological systems. While guidance, tools and monitoring has been provided, implementation of policies has largely been left to communities to interpret, apply and measure.

In response to growing unease within the community about this highly devolved, light-handed approach, we are now positioning ourselves at the centre of the wider environmental management system with a strong partnership approach to all parts. We will not focus on just our own role, but also the success of all those involved in environmental management and all outcomes that are important to New Zealanders. This represents a fundamental shift in the way we work.

Our partnerships span central government agencies and Crown entities such as the Environmental Protection Authority, iwi/Māori, regional and territorial government, business, NGOs and the wider community. They are all critical parts of environmental management in New Zealand and the Ministry seeks to work closely with them. See appendix 1 for more information on the connections we have with other central government agencies and local government as we carry out our work programme.

The Ministry for the Environment has a vital cross-cutting role to play in leading the Natural Resources Sector, whose purpose is to manage the interaction between the economy and the environment, which

is central to New Zealand's social, cultural, economic and environmental wellbeing. We collaborate with other agencies in the Natural Resources Sector to give the Government consistent advice about policy for, and management of, natural resources.

The Natural Resources Sector is collaborating to lead one of the six Business Growth Agenda (BGA) work streams (Building Natural Resources). The Sector brings together and articulates a common direction for New Zealand's natural resources policy as well as collectively agreeing priorities. The BGA provides opportunity to engage collectively with the informal Natural Resources Ministers' group which is having a positive impact on the quality of policy advice being provided. For more information on the NRS and its role within the environmental management system, see the Natural Resources Sector section below.

The Ministry also works closely and collaboratively with the Environmental Protection Authority (EPA) to improve and monitor environmental management on behalf of the Minister for the Environment. Central government provides direction and guidance for their activities through national policy statements and national environmental standards (which are binding on local authorities), and also through professional development and sharing knowledge about best practice.

Significant policy changes in resource and freshwater management will move from regulation into implementation in the coming years. To ensure the successful implementation of these reforms, we will work closely with the wider environmental management system, providing stronger leadership in system design and implementation, while monitoring the system's performance to identify and make any necessary improvements.

The Natural Resources Sector

One of the ways we maintain effective cross-agency relationships is through the leadership role we take with the Natural Resources Sector (NRS). The Sector was established in 2008 to provide more integrated and consistent high-quality policy advice on natural resources, and connect the economy with the environment.

The NRS is headed by the Chief Executives of seven agencies (chaired by the Ministry for the Environment's Chief Executive), who act as a leadership team for natural resources policy work in central government. They are:

- Ministry for the Environment
- Ministry of Business, Innovation and Employment
- Ministry for Primary Industries
- Land Information New Zealand
- Department of Conservation
- Te Puni Kōkiri
- Department of Internal Affairs.

They are supported by the three central agencies: the Treasury, the Department of Prime Minister and Cabinet, and the State Services Commission. Since the NRS was established five years ago, it has made strong progress.

The role of the Ministry for the Environment

The NRS places a premium on co-creation of policy advice and the development of shared policy frameworks, while also ensuring that leadership of specific work programmes is shared among NRS agencies. However, the Ministry for the Environment convenes the overall work and direction of the NRS and as such requires an ongoing investment in policy leadership capability.

The Ministry houses the jointly funded Support Unit that drives oversight of the NRS work programme and the NRS network on behalf of the Sector. We also provide ongoing strategic oversight and guidance to the Sector through the appointment of the Deputy Secretary Sector Strategy whose role involves taking a sector view on priority issues and championing collective endeavour and common approaches. The combination of our dedicated support for the NRS and our more general policy capacity are being aligned to ensure we can provide effective strategic leadership to the NRS.

Increasing obligations

An increasing proportion of the Ministry's work programme is driven by initiatives led from other portfolio areas. In particular, the Treaty of Waitangi settlement process and free trade agreements both result in obligations for the Ministry. This means we must be involved in negotiations to ensure the obligations are realistic, as well as in implementation.

Environmental accords and relationship agreements are often aspects of Treaty settlements. We currently have obligations that create an ongoing relationship with 27 settled groups and these relationship agreements are increasing in both number and scope.

We also lead the negotiation and implementation of environmental agreements under the 2001 Framework for Integrating Environment Objectives in Trade Agreements. New Zealand is a party to seven trade agreements with eight associated environmental cooperation agreements, and is currently negotiating six further trade agreements which include environmental chapters or have associated environmental agreements.

Strategic objectives

Government priorities 2014–2018

The Government's priorities and expectations outlined in the Budget Policy Statement (December 2013) and the Prime Minister's Statement to Parliament (January 2014) set the context for the ministerial priorities outlined in the foreword. The Ministry's main contributions to the Government's priorities are set out in the table below.

Government priority	Ministry contribution to Government priorities
Building a more productive and competitive economy	<p>The Government believes that balanced and sensible management of our resources will protect the environment while promoting stronger economic growth. The majority of the Ministry's work falls under this priority. For example, the Natural Resources Sector (the NRS) is collaborating to lead one of the six work streams (Natural Resources) under the Business Growth Agenda. It includes, for example, progressing the Resource Management Reform Bill, as well as developing a more comprehensive package of reforms to the resource management system. The Government will also introduce a package of reforms to improve our water quality and the way fresh water is managed.</p>
Delivering better public services within tight financial constraints	<p>The Ministry has taken numerous steps in recent years to improve its efficiency and effectiveness. We will be strengthening our long-term vision and strategic direction through the analytical framework for natural resources management over the coming year, which will also be central to improving planning and prioritisation.</p> <p>We will continue to improve our financial and resource management, gathering better management information through a time-recording system (implemented on 1 July 2013) and using it to inform better planning and budgeting. This will enable us to prioritise based on better evidence.</p> <p>We continue to cooperate with other Natural Resource Sector agencies within government to identify opportunities for shared services and corporate activities.</p>
Rebuilding Christchurch, our second-biggest city	<p>The Ministry has a role to play in the Christchurch rebuild by streamlining a number of regulatory processes (eg, through Orders in Council) and monitoring them. For example, waiving the Waste Disposal Levy on earthquake waste disposed to Kate Valley Landfill (almost \$800,000) and supporting specific Christchurch based waste minimisation projects through the Waste Minimisation Fund (over \$4 million awarded to date).</p> <p>We continue to provide technical support to the Canterbury Earthquake Recovery Authority (CERA), and the affected local authorities (in particular the Christchurch City Council and Environment Canterbury) on RMA-related matters primarily regarding resource consenting.</p> <p>The Ministry's priorities now lie in liaising with CERA, greater Christchurch councils, and government departments on ways to improve resource management process and urban environment outcomes (through the Land Use Recovery Plan) across greater Christchurch.</p>

Natural Resources Sector priorities

Over the next four years, the strong foundations of the Natural Resource Sector (NRS) will be used to provide a step change in the coherence and strategic focus of whole-of-government advice on natural resource policy. The NRS will continue to use its collaborative ethos to focus on forming a common understanding of strategic issues and increasingly approach policy challenges through a shared analytical framework. Ultimately its aim is to provide high-quality multi-disciplinary policy advice based on broad and durable perspectives on some very complex and difficult issues. This will require the Ministry and our NRS partners to build and maintain world class strategic and analytical capability. The combination of the Ministry's dedicated support for the NRS and our more general policy capacity are being aligned to ensure we can provide effective strategic leadership to the NRS.

The policy priorities for the NRS in 2014 are the Business Growth Agenda Natural Resource Key Areas, Water Reform, Resource Management Reform and Marine. All of these priorities have established work programmes involving staff from across the NRS agencies.

As well as collaborating on key policy areas, the NRS is working together to create the right environment to support its efforts. The NRS can draw on economies of scale from shared services, as well as on the collective skills available (and the wider variety of expertise across the NRS agencies). Its focus will be on:

- continuing to develop better leadership, management, and multi-disciplinary strategic policy capability
- taking a more strategic and collaborative approach to information management and financial management
- ensuring the NRS has the capability and capacity to deliver on its strategic thinking and system stewardship roles, to develop strategic policy responses to medium- and long-term issues
- improving the coherence and alignment of science investment and NRS goals
- reporting on the state of the environment as part of the newly implemented national framework for environment reporting
- refreshing the New Zealand Biodiversity Strategy
- actively supporting the implementation of the resource management and freshwater reforms.

The goals of the Natural Resources Sector are set out in the table below. Progress towards these goals will be reported to the Chief Executives of the NRS agencies.

Natural Resources Sector goals	Shared indicators
To ensure an integrated, aligned and strategic approach across government to natural resources management by: ... delivering high-quality policy advice on critical, cross-agency policy issues	Ministers report that joined-up advice with no surprises is delivered and they are satisfied with the advice on NRS priority initiatives (including co-production, collective problem definition). Advice meets agency's quality assurance assessment criteria. Understanding, ownership, behaviour and culture consistent with the NRS charter increases over time.

Natural Resources Sector goals	Shared indicators
... developing the capability of our people	Three cohorts of Aspiring Leaders are delivered in 2014. Up to five new capability development initiatives are implemented, as developed in the policy capability review in 2013.
... building the sector's systems	Best practice policy frameworks, including the Natural Resources Framework, are applied in policy development. Attendance at the Chief Executives' Environment Forum and NRS Chief Executives' and Deputy Secretaries' meetings is above 80 per cent. Majority of agencies contribute to resourcing the support unit.

Outcomes framework

In carrying out our mission of 'environmental stewardship for a prosperous New Zealand', it is important for the Ministry to take a long-term view, so the capacity of the environment to generate benefits is maintained. The New Zealand economy relies heavily on natural resources. For New Zealanders to be prosperous, resources must be allocated efficiently to generate the most benefit while avoiding damage to the natural environment or public health.

Our focus is on both major environmental issues that need attention and on the overall framework for environmental and natural resource management. We have identified three strategic priorities for our work.

- Reviewing institutions and frameworks – because New Zealand needs tools and institutions that can deliver high levels of economic, social and cultural well-being, while ensuring natural resources can support future generations into the future. To drive better performance, we are taking a stronger leadership role in the design and implementation of the institutions and frameworks, with ongoing monitoring and reporting of performance.
- Land use and health of water resources – because of the environmental, economic, recreational and cultural significance of water, which is coming under increasing pressure from a variety of sources.
- Climate change mitigation and risk management – because of the importance of contributing to international action to minimise the impacts of climate change and dealing with risks to New Zealand's economy and lifestyle, as well as maximise opportunities to increase productivity.

Our outcomes framework was developed for the Statement of Intent 2011-2014. The outcomes framework identifies:

- the longer-term outcomes we are seeking to achieve in relation to our priorities
- the impacts (or results) we want to achieve through our work programme to make progress on these outcomes
- the main work programmes that are intended to achieve the impacts (or results).

Our outcomes framework is shown in figure 2.

Long-term outcomes

The strategic priorities are reflected in the Ministry's three outcomes, which focus on what is needed in the long term to ensure a healthy environment. The table below provides further information about each outcome.

Outcome	Why the outcome is important
New Zealand becomes a successful low-carbon society that is resilient to climate change impacts on its climate, economy and lifestyle.	<p>Climate change is the most challenging international issue of the 21st century. New Zealand must both adapt to changes in climate and contribute to coordinated international action to reduce greenhouse gas emissions in the atmosphere.</p> <p>To become a successful low-carbon society, New Zealand must reduce its emissions in a cost-effective way, increase productivity, and manage the risks posed by climate change impacts.</p>
New Zealand's fresh water is well governed and sustainably managed to realise the maximum benefit possible for present and future environmental, cultural, social and economic values.	<p>Freshwater management (both allocation and maintaining quality) is vital to agriculture, tourism, electricity generation, public health, recreation and New Zealand's quality of life. Innovative solutions will be needed to deal with the pressures on this natural resource.</p> <p>The freshwater outcome was developed in collaboration with other agencies in the Natural Resources Sector of government, many of which have interests in freshwater use and protection.</p>
New Zealand's environmental management systems are strengthened and supported so that they can achieve the greatest overall environmental, economic, social and cultural benefits.	<p>New Zealand's environmental management systems must maintain the environment's capacity to generate benefits for succeeding generations.</p> <p>This does not imply an unaltered environment. It means natural resources should be allocated efficiently, used sustainably, and managed so the environment is not exposed to excessive risk.</p>

The outcomes will be achieved not just through our work but through the combined efforts of central and local government and the wider community, including the Environmental Protection Authority, which will make an important contribution to these outcomes.

Impacts

Our impacts reflect the Ministry's major and long-standing areas of activity and the legislation for which we are responsible.

Achieving positive environmental change (such as better air or water quality) takes time and requires effective management frameworks that are coherent and comprehensive, and can be managed efficiently. As owners of the environmental management system, we are committed to ensuring that the management frameworks that drive decision-making are fit-for-purpose.

The table below provides information about our current impacts and what we intend to achieve.

Impact	What's intended to be achieved
Decrease New Zealand's net emissions of greenhouse gases below business as usual levels in a cost-effective way.	<p>Decreasing greenhouse gas emissions is essential if New Zealand is to become a low-carbon society and will enable New Zealand to meet its international obligations.</p> <p>New Zealand's long-term emissions reduction target is '50 by 50' – a 50 per cent reduction of net greenhouse gases from 1990 levels by 2050.</p>
Improve quality, flow and availability of fresh water through more effective management frameworks.	<p>More effective freshwater management frameworks encourage upfront collaborative decision-making. Decisions are made more quickly, are more transparent and better targeted, and are supported by robust and accurate information about their impact on the environment and economy. The framework creates more certainty for investors and encourages economic growth within environmental limits.</p>
Improve the resource management framework to manage environmental effects and allocate resources within environmental limits.	<p>New Zealand's planning framework meets the many and varied needs of communities, while managing the potential effects on the environment.</p> <p>Improved engagement (including with iwi/hapū) early in the plan-making process minimises tensions created by competing values and activities; and reduces unnecessary duplication and cost later on. This, and greater consistency of plans within regions and nationally, provides certainty and predictability for resource consent applicants, and greater confidence for businesses to grow and create jobs.</p> <p>Resource consent processes are effective, efficient, and in proportion to the complexity or effects of the development being considered. And councils have a clear understanding of what is expected of them to meet the needs of their communities.</p>
Improve the relationship between the Ministry and Māori by negotiating and implementing fair, durable and fit-for-purpose deeds of settlement and environmental accords.	<p>Māori have a strong interest in the use and management of natural resources. Virtually all Treaty of Waitangi settlements now have some natural resource component. This requires the Ministry to be involved in negotiating Treaty settlements and environmental accords and to implement obligations under these agreements.</p> <p>We aim to ensure settlements provide appropriate redress but do not conflict with or undermine existing natural resources policy objectives.</p>
Reduce harm from chemical and biological hazards and from waste through more effective management frameworks.	<p>The hazardous substance management regime helps New Zealand businesses be safe, sustainable and successful. Businesses are better able to understand how to keep safe in the workplace when handling chemical and biological hazards, and are incentivised to comply with safety requirements. The management framework deals with risk without creating barriers to innovation.</p> <p>The management framework for waste minimisation and management protects the environment while creating opportunities for New Zealand manufacturers to develop innovative and efficient processes to reduce waste.</p>
Achieve better solutions to environmental problems by supporting community involvement and action and international cooperation.	<p>Central government support of environmental projects led by others leverages significant contributions of funding or community hours of work that achieves more than either party could do alone.</p> <p>Cooperation with other countries through environmental agreements realise benefits for both countries, as well as opportunities for New Zealand agencies, institutions and firms.</p>

We began our first full year of improved medium-term planning during 2012/13. It has moved from bottom-up annual planning to top-down planning based on its impacts. We use our six impacts to

determine the best outputs that will lead to successfully influencing those impacts. This process is phased throughout the year from strategic planning through to more detailed planning. Ultimately, it (supported by a strengthened vision, strategy and analytical framework, and improved management information through time-recording) will put us in a better position to prioritise work to best achieve its impacts and manage its resources. We are conscious of the need to provide efficient and effective services that represent good value for money for all New Zealanders.

Input from our strategic policy programme and evidence base will also underpin decision-making about the direction of our work programme to achieve these impacts. Monitoring and evaluation of core policies and programmes is a central feature of our approach to policy development, implementation and delivery and helps ensure we have a good understanding of the results of our activities.

How we will measure progress with the impacts is outlined in figure 3.

Trends in progress against these impact measures will be reported each year in our Annual Report.

Output classes

The Ministry's work programme is funded through Vote Environment. The departmental outputs shown in figure 2 reflect the key elements of our work programme that will help achieve the impacts and contribute to the outcomes.

The products and services we provide through outputs are grouped into seven result areas: fresh water, resource management, marine environment, environmental hazards and waste, climate change, Treaty commitments, and working with others. The main focus of our work over the next four years is outlined in the 'Work programme' section.

The outputs are agreed with the Minister for the Environment and the Minister for Climate Change Issues each financial year, and are recorded in an Output Plan. We report quarterly to the Ministers on work programme progress and annually in its annual report to Parliament.

Appendix 2 shows how non-departmental output classes contribute to the outcomes and impacts.

Figure 2: Ministry for the Environment outcomes framework

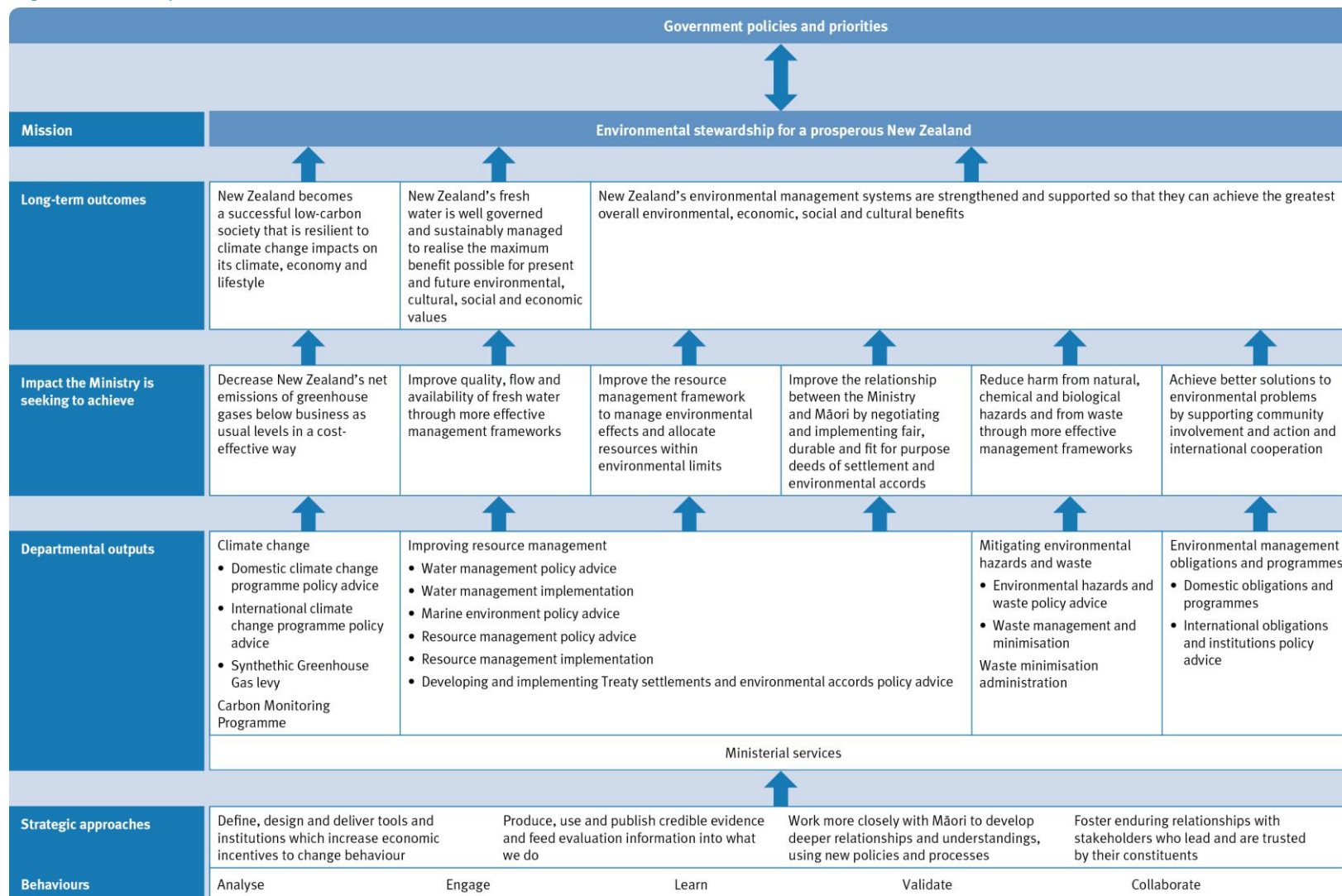


Figure 3: Impacts, measures and targets

Impact	Impact measures	Target
Outcome: New Zealand becomes a successful low-carbon society that is resilient to climate change impacts on its climate, economy and lifestyle.		
1. Decrease New Zealand's net emissions of greenhouse gases below business as usual levels in a cost effective way	i. Trends in greenhouse gas emissions and removals in the annual greenhouse gas inventory.	Downward trend in net emissions
	ii. Trends in greenhouse gas intensity of the economy by emissions per unit of GDP and emissions per capita.	Downward trends
	iii. Divergence between forecast net position and Kyoto Protocol obligations.	Decreasing liability / increasing asset
Outcome: New Zealand's fresh water is well governed and sustainably managed to realise the maximum benefit possible for present and future environmental, cultural, social and economic values.		
2. Improve quality, flow and availability of fresh water through more effective management and frameworks	i. Proportion of water used for consumptive purposes that is subject to measurement and reporting.	Increasing proportion
	ii. Number of large surface water catchments that have quantified flow regimes in place that set limits.	Increasing number
	iii. Number of significant catchments that have quantified policy for land and water management that sets surface water quality limits.	Increasing number
	iv. Number of monitored sites showing maintained or improved water quality.	Increasing proportion of monitored sites improving
Outcome: New Zealand's environmental management systems are strengthened and supported so that they can achieve the greatest overall environmental, economic, social and cultural benefits.		
3. Improve the resource management framework to manage environmental effects and allocate resources within environmental limits	i. Improvement in customer satisfaction with resource management decisions.	Upward trend
	ii. Improvement in the quality of analysis and community involvement in plan-making, including s32 analysis and Māori engagement.	Upward trend
	iii. Number of appeals to the Environment Court and objections to decisions by local authorities	Downward trend
	iv. Trends in Environmental Protection Authority (EPA) and local government compliance with statutory resource consent processing timeframes (which are relative to the size and significance of the proposal).	Upward trend (councils) / 100% (EPA)
4. Improve the relationship between the Ministry and Māori by negotiating and implementing fair, durable and fit-for-purpose deeds of settlement and environmental accords	i. Percentage of Māori partners in deeds of settlement and environmental accords satisfied or very satisfied with Ministry implementation of obligations.	80% satisfied or very satisfied
	ii. Percentage of relevant Ministry obligations under deeds of settlement and environmental accords met.	100% compliance
5. Reduce harm from natural, chemical and biological hazards and from waste through more effective management frameworks	i. Changes in the incident data compiled by the Environmental Protection Authority and enforcement agencies under the Hazardous Substances and New Organisms Act.	Reduced number of incidents
	ii. Trends in tonnage of waste disposed of at waste disposal facilities per unit of GDP.	Downward trend
6. Achieve better solutions to environmental problems by supporting community involvement and action and international cooperation	i. Progress in investigation, remedial planning or remediation of priority contaminated sites in conjunction with regional councils and / or landowners – increasing percentage managed or remediated. (Also contributes to impact above.)	Increasing proportion of priority contaminated sites remediated and / or managed
	ii. Level of community involvement in projects funded by the Community Environment Fund.	Increasing community involvement
	iii. Percentage of Community Environment Fund and Waste Minimisation Fund completed projects that report full achievement against objectives.	100% of objectives met by 80% of completed projects

Work programme

This section summarises our planned work for the next four years. We provide more detailed information on our work programme in the Information Supporting the Estimates of Appropriations for Vote Environment (Budget documents).

Fresh water

Fresh water is one of New Zealand's key economic assets. While New Zealand is fortunate to have an abundant supply of fresh water, these freshwater stocks are coming under increased pressure from greater demands caused by a growing population, increased land-use intensification, and climate change. Also, urban pressures or poor land-use practices have caused some water bodies to become polluted which can take many years and many taxpayer and ratepayer dollars to clean up. Over allocation can also harm New Zealand's economy as it creates uncertainty about the reliability of supplies which creates a significant barrier to investment.

To manage these pressures, New Zealand needs a freshwater management system:

- that encourages collaboration and engagement between regional councils, communities, iwi, and resource users at the front end of the decision-making process rather than confrontation at the back end
- where decision-makers have access to robust information about the impacts (economic, environment, and social) of the decisions they are considering and mechanisms to monitor, reassess and adjust decisions in light of new information and a strong national framework of expectations
- which makes decisions about allocating and using fresh water based on what is best overall for the economy and the environment.

In May 2011, the Government announced the Fresh Start for Fresh Water Programme. The Programme was built on the work of the stakeholder-led Land and Water Forum that included iwi advisors, electricity generators, primary industries, environmental organisations, recreational groups, with active observers from regional councils and central government during 2009 to 2012. The Forum succeeded in building a wide consensus on a pathway for reform. Their efforts have underpinned policy work by the Ministry for the Environment and the Ministry for Primary Industries to set in place the direction and foundations for a more efficient and effective freshwater management system, including the National Policy Statement for Freshwater Management 2011 (NPS-FM), and the creation of two funds to facilitate irrigation and clean-up iconic lakes and rivers.

In July 2013 following public consultation, the Government announced key elements of the next stage of the freshwater reforms to build on progress made to date. These were based on, and consistent with, the Land and Water Forum's recommendations. These key elements included:

- strengthening national direction through an amendment to the NPS-FM to introduce a National Objectives Framework (NOF). The NOF will support regions to set freshwater objectives and limits, including a set of values a water body can be managed for with associated minimum states. The NOF will require that all water bodies meet minimum states for ecosystem health and human health
- development of an effective monitoring and evaluation framework for fresh water. This will allow evaluation of the performance of freshwater policy and the performance of council planning and consenting. It will also enable the evaluation of the environmental outcomes achieved, the

environmental, economic and social impacts, and detection of emerging issues for continual improvement

- improving the quality of decision-making. This will be done by providing for a collaborative planning process for water, creating provisions for improved iwi/Māori involvement in the planning process, providing better guidance material and training, and outlining a streamlined and nationally-consistent approach to generating and using scientific and economic information so communities can focus on the discussions they need to have and avoid duplication and delay.

The total freshwater reform package is an integrated set of institutional changes and tools. Delivering the components to make this work will require a combined effort, with central government providing the direction and support needed for councils. Iwi/Māori, stakeholders and communities will all need to play their part to get high quality plans in place across the country by 2030.

Next steps for the freshwater reforms

Implementing these reforms is a long-term initiative, with solutions that start now and adapt over the long term. Consultation on the NPS-FM amendments ran from November 2013 to February 2014 with final decisions expected to be made and changes in place by mid-2014. The collaborative planning reforms are expected to be progressed through amendments to the Resource Management Act 1991 in a Bill to be introduced in 2014.

What will we do to achieve this?

The Ministry will:

- work alongside regional councils as they implement the NPS-FM
- support improved council, community and iwi/Māori decision-making under the RMA through:
 - improved planning processes, with the option of collaborative planning, supported by better guidance and training
 - a streamlined and nationally consistent approach to generating and using scientific and economic information to avoid duplication of effort and enable communities to focus on the decisions they need to make
- help regional councils navigate the complexities of the new legislative requirements, with a medium-term intention of growing a community of practice in collaborative planning practice
- develop an effective monitoring and evaluation framework for fresh water. This will enable evaluation of the environmental outcomes and the environmental, economic and social impacts of freshwater management
- continue to support and monitor implementation by third parties of initiatives funded by the Fresh Start for Freshwater Funds, including the Lake Taupo Protection Programme, the Rotorua Lakes Protection and Restoration Programme, the Waikato River Clean-up Fund, and the Fresh Start for Fresh Water Clean-up Fund.

Resource management

The resource management system enables the sustainable management of New Zealand's natural and physical resources, leading to better environmental, social, cultural and economic outcomes as New Zealand's communities grow and change.

The resource management system has evolved over the past two decades as central and local government have adapted to meet changing and sometimes conflicting public needs and expectations. At the core of the resource management system is the Resource Management Act 1991 (RMA). While the RMA is a piece of legislation with an environmental focus, it is also our primary piece of planning legislation. The RMA provides the framework under which decision makers consider how best to meet the many and varied needs of their communities, while managing the potential effects on the environment.

New Zealand can do a better job of managing its natural and built resources and planning for the needs of its communities. The resource management system needs to encourage proactive rather than reactive decision-making. Effective community engagement is needed during the plan-making process to ensure the difficult decisions and trade-offs involving the use of natural resources are made early in the resource management process. Better plan making will provide greater certainty and predictability for all users and better environmental, social, cultural and economic outcomes for communities.

The Government has already embarked on a multi-phase programme of resource management system reform. The first phase involved simplifying and streamlining RMA processes to reduce delays, uncertainties, and costs. These 2009 amendments reduced the scope for frivolous, vexatious, and anti-competitive objections that can significantly increase costs for the consent applicant. They also established the Environmental Protection Authority to ensure the efficient processing of major projects of national importance within a set time limit of nine months.

The second phase of reforms began in 2013, with legislative amendments that improved the resource consent regime, streamlined the delivery of Auckland's first unitary plan, improved the information basis for local decision-making, and improved the workability of the RMA through minor and technical amendments.

These reforms are set to continue with more fundamental changes to the RMA planned to improve New Zealand's resource management system. These reforms will focus on improving engagement between communities, iwi/hapū and councils in resource management planning; the standardisation of local plan structure, format and content to provide more certainty and predictability for businesses and communities; reducing the costs and time taken to get decisions under the RMA; improving central government tools for providing national direction; and the development of a National Monitoring System to track the performance of the resource management system. These reforms are expected to be introduced in the Resource Management (System Reform) Amendment Bill in 2014.

To ensure the success of these reforms, the Ministry will play a more collaborative hands-on role by providing active support for and engagement with councils and others, including iwi, not only during the implementation of the reforms but in the longer term also.

Environmental reporting

Reporting on our resource use and environmental impacts is an important element of the environmental and resource management system. In February 2014, the Government introduced the Environmental Reporting Bill into Parliament. This Bill mandates the provision of comprehensive environmental information in a way that is easy to understand, independent from the government of the day, and relevant. Once implemented, decision makers will have access to consistent and representative data to inform the debate about the interface between environmental, economic, cultural, and social dimensions so resources can be allocated to the best use. Over time, decision makers will be able to assess the impact of their decisions and be able to make informed adjustments to policies and plans.

What will we do to achieve this?

The Ministry will:

- advise on possible national direction instruments for priority policy issues to be progressed with urgency, in advance of the finalisation of the new national planning template
- develop a set of council performance expectations with a new National Monitoring System in place to track the performance of the resource management system
- continue to develop a medium-term view of potential future reforms to the resource management system
- assist Ministers with their statutory functions under the Resource Management Act
- advise the Minister on proposals of national significance
- advise on and implement the environmental reporting framework consistent with the Environmental Reporting Bill
- continue working with data providers, such as regional councils and Crown research institutes to improve the quality and breadth of national-scale data collection, as well as its storage and accessibility.

Subject to the introduction of a Resource Management (System Reform) Amendment Bill, we will:

- deliver a package of materials, including guidance, templates, and ‘model’ agreements, seminars and training, to support councils, iwi, and others to implement the reform changes
- develop a national planning template, with input from iwi and key stakeholders, which provides national consistency through standardised structure, format, and content, while still allowing for specific local issues to be addressed through locally-developed plan content
- provide targeted support to individual councils (both those who can act as champions and those most in need of support) and through groups of councils (in communities of practice) to ensure the most effective implementation of the new approaches to planning and consenting.

Marine

New Zealand’s Exclusive Economic Zone (EEZ) is the area of sea and seabed that extends from 12 nautical miles off the coast to 200 nautical miles. Together with our continental shelf, its area is about 20 times the size of our land mass, making it one of the largest EEZs in the world. This zone not only supports highly diverse marine ecosystems and species, but also provides New Zealand with significant economic opportunities through fishing, petroleum mining, and shipping. It also connects us to the rest of the world through undersea telecommunication cables, and ships and aircraft passing through the zone. Being an island nation, the health of our ocean, our land, and our people are inextricably linked.

While the Resource Management Act 1991 regulates activities on land and in the territorial sea out to 12 nautical miles, there has been limited ability to regulate activities beyond this limit. This gap in New Zealand’s environmental management regime was filled when the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 and regulations came into effect.

The Ministry is now focusing on ensuring the successful implementation of the regulatory framework that underpins the EEZ. Gaining a better understanding of New Zealand’s marine environment, particularly for the location of sensitive environmental and extractive resources will become increasingly important over the next four years to ensure the EEZ framework remains fit-for-purpose over time. Improving the understanding of the marine environment and taking a broader, more integrated and

strategic approach to resource management across marine interests (for example, fishing, minerals mining, and conservation) will be an increasing focus over the coming five to 10 years.

Public interest in the marine environment is high at present – most recently in oil and gas exploration and in contested areas where values are high nearer the coast. The Ministry, and Natural Resources Sector agencies, intend to use the current debate to build agreement on how New Zealand can maximise value from its marine resource within environmental limits.

What will we do to achieve this?

The Ministry will:

- monitor and evaluate the EEZ regulatory regime and marine pollution regulations in the territorial sea. We will work closely with, and support, the Environmental Protection Authority to sustainably manage the EEZ
- work with other agencies to embed an integrated approach to managing the marine environment that helps ensure New Zealanders are getting the highest value (includes economic, environmental, social and cultural values) within environmental limits by:
 - establishing how the marine environment functions and how people value and use it
 - fostering collaborative approaches to making and choosing new management options
 - minimising uncertainty for users and decision makers where high value uses collide
- influence existing research programmes to improve our understanding of the marine environment and its resources
- ensure we are complying with our international marine-related agreements and obligations and contribute to developing new international agreements.

Climate change

The current focus of our climate change activity is both New Zealand's domestic policy settings and international negotiations. New Zealand is involved in negotiating a new global agreement on climate change to come into effect from 2020 with the goal of limiting global temperature rise to two degrees Celsius. The Government's main domestic policy instrument for addressing climate change and providing an incentive to reduce greenhouse gas emissions is the New Zealand Emissions Trading Scheme (NZ ETS).

The climate change work programme has five key components: international negotiations, the NZ ETS, other mitigation measures, delivering on international reporting obligations, and adapting to anticipated climate change impacts. These components are underpinned by work to maintain the evidence base.

A key focus remains the effective operation of the NZ ETS. We have a continuing role in ensuring the effective operation and implementation of the NZ ETS, advice to the Government, and developing and updating regulations.

The NZ ETS was amended in 2012, following a review in 2011, to improve its operation and effectiveness. In December 2013, the Minister for Climate Change Issues announced further decisions restricting the eligibility of Kyoto units in the NZ ETS from mid-2015 onwards. We are continuing to monitor the impact of that decision and will provide advice on whether any further changes might be necessary before the proposed 2015 review of the NZ ETS. There is an ongoing need to assess how the NZ ETS should evolve as New Zealand's international obligations change and to continue to explore

options for measures to sit alongside the NZ ETS that will improve productivity and reduce New Zealand's greenhouse gas emissions.

We lead cross-government activity on climate change, supported by many other government agencies. We also coordinate national and international reporting on greenhouse gas emissions, removals and projections. International reporting is supported by the Land Use and Carbon Analysis System, which tracks and quantifies changes in land use.

We also provide information and guidance on climate change effects considered most likely to have a significant impact at a regional, national or sectoral level, and the expected timing of these effects. This information is provided to help local government and other decision-makers plan for and adapt to the effects of climate change. This includes technical guidance on preparing for future flooding and coastal hazards.

The key priorities for the Ministry between now and 2015 will be as follows.

- involvement in negotiations towards a new global climate change agreement and considering possible contributions New Zealand could make under that agreement
- ongoing monitoring of the effective operation of the NZ ETS, including consideration of possible approaches to auctioning, ensuring the NZ ETS remains appropriate to domestic and international circumstances, and preparing for the next NZ ETS review
- identifying potential measures to sit alongside the NZ ETS
- assessing how New Zealand could strengthen its ability to adapt to the impacts of climate change
- ensuring the processes which support New Zealand's climate change reporting under international obligations remain fit-for-purpose and deliver on these obligations in a timely manner.

What will we do to achieve this?

The Ministry will:

- advise on climate change policy, including the evolution of the New Zealand Emissions Trading Scheme and the need for other mitigation measures
- ensure the effective operation of the Emissions Trading Scheme, including administration of cross-government activity, maintenance and development of regulations, and engagement with stakeholders
- participate in international climate change negotiations and advise on New Zealand's negotiating position and possible New Zealand contributions under a new global agreement, with supporting domestic policy options
- project and report New Zealand's greenhouse gas emissions and removals for the first commitment period of the Kyoto Protocol (2008-2012) and for the period 2013-2020, to comply with international obligations and to track progress towards meeting New Zealand's commitments.

Environmental hazards and waste

While fundamental to our economy and environmental management, the use and management of hazardous chemicals and the introduction of new organisms pose risks to New Zealand's environment, people's health and our economy. The policy framework is designed to manage these risks, while ensuring New Zealand gets the benefits delivered by the use of hazardous substances and new

organisms. There is also a need to manage the contamination resulting from unwise use and disposal of hazardous substances in the past.

New Zealand is a party to multilateral environmental agreements that help manage the risks posed by certain hazardous substances, hazardous waste and new organisms. Participation in such agreements offers advantages to New Zealand's trading environment (for example, consistency of classification and labelling) and management of environmental hazards. We will continue to work with other countries and international agencies, and with New Zealand departments and industry, to ensure New Zealand meets its obligations under these multilateral environmental agreements.

Our role is to monitor the performance of the system for regulating chemical and biological risk. Our focus will continue to be to improve New Zealand's hazardous substance management regime to help New Zealand businesses be safe, sustainable and successful. We are working with the Environmental Protection Authority (EPA) and Ministry for Business, Innovation and Employment on key actions to reduce workplace harm. Part of this includes reforming the hazardous substances policy framework to ensure businesses are better able to understand how to keep safe in the workplace, and ensure businesses are incentivised to comply with safety requirements. This work is largely being progressed through the Health and Safety Reform Bill. Together with the Environmental Protection Authority we are also looking to identify ways in which the hazardous substances regime can operate more efficiently and provide savings to New Zealand. This will include investigating opportunities for increased alignment with other countries, and assessing how the hazardous substances application and reassessment processes could be more cost efficient.

The importation of products containing asbestos has been identified as an issue requiring further investigation, given the risks asbestos presents to human health. We are commissioning research into this issue which will inform any further steps to be taken.

In the new organisms area, we note that the current system may not be sufficiently flexible or responsive to scientific advances. Our current regulations under the HSNO regime date from 1998, and it is timely to assess their effectiveness. We intend to improve monitoring of the Hazardous Substances and New Organism (HSNO) regime, with a particular focus on risk management.

The Ministry is taking several steps to address duplication in the management of hazardous substances and new organisms at the national and regional level. Regulating hazardous substances and new organisms under two regimes can lead to unnecessary compliance costs and complexity. Proposed amendments to the RMA will clarify the role of local authorities and we will continue to engage with local authorities, through events such as the New Zealand Planning Institute Conference and on a one-on-one basis as needed.

We will continue to support the EPA to improve the monitoring of the HSNO Act to demonstrate how we are reducing harm to people and the environment, that the regime is efficient, and policy and operational responses are proportionate to risk.

We are also providing advice on the policy framework for waste minimisation and management that protects the environment and provides environmental, social, economic and cultural benefits. Waste disposal at landfills can indicate that resources are not being used efficiently and can contribute to pollution.

In addition to providing advice on the policy framework, the Ministry has a more operational role in administering the waste levy paid on waste disposed of to landfill and the accreditation of product stewardship schemes that minimise waste and/or reduce the environmental impact of manufactured

products. Another area of significance will be the work with territorial authorities to help them meet statutory planning requirements for waste management and minimisation.

What will we do to achieve this?

The Ministry will:

- complete the Parliamentary treaty examination process for the new Minamata Convention on Mercury
- implement upcoming and new international obligations towards hazardous chemicals and waste (for example, disposing of polychlorinated biphenyls under the Stockholm Convention on Persistent Organic Pollutants)
- progress reforms to the hazardous substances policy framework aimed at increasing compliance, and reducing compliance costs
- commission research into the importation of products containing asbestos into New Zealand
- assess the HSNO (Organisms Not Genetically Modified) Regulations 1998 to ensure their effectiveness
- reduce duplication in RMA plans of HSNO controls through a number of ways, including legislative amendment and engagement with local authorities
- work with the EPA to continuously improve the monitoring of the HSNO regime, particularly to improve the monitoring of environmental effects
- advise on and implement the Waste Minimisation Act 2008, including collecting and distributing waste disposal levy funds, assessing product stewardship schemes, and facilitating good waste management and minimisation planning by local authorities
- investigate options for government intervention for improving long-term management of priority waste streams.

Treaty commitments

The Crown and iwi both have an interest in managing and developing natural resources. The majority of Treaty of Waitangi settlements now have some natural resource component. This requires the Ministry to be involved in negotiating Treaty settlements and environmental accords and to implement obligations under these agreements. Our aim is to ensure that settlements provide appropriate redress but do not conflict with or undermine existing natural resources policy objectives.

Treaty settlements and environmental accords often contain provisions which provide for ongoing Māori involvement in natural resources management. This may include provisions for co-management or joint management involving both local authorities and iwi. The Ministry has a significant and growing role in implementing aspects of settlements and accords. Currently we have ongoing obligations with 27 settled groups and the most significant of those are related to the Waikato River.

We are also focusing on developing a stronger working relationship with Māori to ensure effective natural resource management. We have developed valuable relationships with iwi while working on policy related to the resource management system, water, climate change, and the Exclusive Economic Zone.

What will we do to achieve this?

The Ministry will:

- implement our obligations under Treaty of Waitangi settlements and environmental accords
- support the Waikato River co-governance and co-management arrangements
- support the Office of Treaty Settlements in negotiating historical Treaty of Waitangi settlements, and negotiate environmental accords and relationship agreements with iwi.

Working with others

In providing policy advice to the Government, we generally work with others, both domestically and internationally, to find solutions to environmental problems. Community involvement and international cooperation can often achieve solutions and results we could not deliver working alone.

At a domestic level, we administer grant schemes through which parties can seek funding to achieve environmental objectives. Through these grant schemes, the government partners with other parties such as community organisations and councils to achieve more than either party could achieve alone.

At the international level, we are involved in negotiating and implementing environmental cooperation agreements associated with free trade agreements. We also support the Ministry of Foreign Affairs and Trade negotiations of environment provisions associated with those agreements. These provide for New Zealand to share with, and learn from, other countries about best practice in environmental management and to advance our common interests.

We also work within international environmental forums to:

- promote action on important international environmental issues
- ensure New Zealand's interests are protected and advanced in the work of international organisations such as the Organisation for Economic Cooperation and Development, the United Nations Environment Programme, and the United Nations Commission on Sustainable Development
- ensure New Zealand meets its obligations under multi-lateral environment agreements it has ratified, including the United Nations Framework Convention on Climate Change, the Stockholm Convention, and the Rotterdam Convention.

The 'Working with others' result area is mainly operational, with a focus on administering government funding, coordinating activities with partner countries, and involvement in projects with other organisations.

What will we do to achieve this?

The Ministry will:

- contract, manage, monitor and audit government funding and grant schemes, including the Community Environment Fund (to support practical environmental initiatives) and the Environmental Legal Assistance Fund (to remove barriers to public participation in resource management processes)
- through the Contaminated Site Remediation Fund, help regional councils investigate and remediate priority contaminated sites in their regions
- provide support for collaborative governance approaches on environmental problems

- work with other countries to develop international agreements designed to address environmental issues
- help other countries improve their environmental policies and programmes.

Monitoring, review and evaluation

Quality of analysis and advice

Most of the Ministry's work involves advice, ranging from advice about the policy framework and legislation through to advice on operational matters.

We operate a system for assessing, reporting on, and improving the quality of our policy advice products, building on our policy guide called COBRA (Cost Opportunity Benefit Risk Analysis) developed in 2010 to guide the policy process.

An internal panel of senior Ministry staff, with rotating membership, assesses a sample of the Ministry's policy advice with an independent chair. The frequency of panels has been increased in 2013/14 from quarterly to two or three times each quarter.

This approach produces a rating for external reporting purposes, feedback to relevant analysts and managers that supports organisational learning and continuous improvement, and overall messages for communication across the organisation on areas for improvement. A quality target is now to be built into all directors', managers' and principal analysts' personal development plans. New common policy indicators have also now been introduced across government departments, which will help us to better understand and track the progress of our policy function. Our three new measures covering cost per output hour, ministerial satisfaction and technical quality assessments appear in the Information Supporting the Estimates 2014 (Budget documents).

Criteria for quality policy advice

The Ministry's quality policy advice criteria can be summarised as an expectation that policy advice and analysis:

- focuses on the needs of the audience and the decisions needed
- provides appropriate context to explain the big picture
- has a clear problem definition which indicates the size and scope of the problem, how current policy settings contribute, and how changes can lead to better outcomes
- displays a robust approach to analysis, based on evidence and logic
- identifies the risks of the problem, risks of change options, delivery risks, and mitigation strategies
- displays evidence of appropriate consultation and collaboration across government and with affected parties
- identifies and evaluates a range of practical options for meeting the policy objectives, and selects a preferred option
- provides action-oriented recommendations with realistic commitments
- is well-structured, presented in the correct format, and is free of errors.

There are a number of requirements we must meet in relation to legislation, regulations, and national instruments (for example, national policy statements under the Resource Management Act). This includes assessing the likely benefits, costs and effects of new or changed legislation and regulations. The Ministry's Regulatory Impact Analysis Panel assesses the quality of our regulatory impact

statements in meeting government requirements. The panel also provides advice to staff on how to conduct their analysis.

Monitoring implementation of the Resource Management Act

We are currently developing a National Monitoring System that is expected to replace the Biennial RMA Survey of Local Authorities (RMA Survey). The system will institute new arrangements for the collection of more detailed, nationally consistent and comparable information on the implementation of the RMA, including national environmental standards and national policy statements.

Measuring effectiveness of policy interventions

Monitoring and evaluation of core policies and programmes is a central feature of our approach to policy development, implementation and delivery. Our Evaluation Hub is responsible for planning, coordinating and facilitating the implementation of our multi-year evaluation programme and is focused on building evaluative capability across teams.

During 2014/15 we will continue to build upon the monitoring and evaluative activity already underway, and will develop monitoring and evaluation plans for significant new policy initiatives and regulations under existing legislation (eg, the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 and the Hazardous Substances and New Organisms Act 1996). We will also share monitoring and review information more widely within the Ministry to encourage greater whole-of-Ministry ownership of results, and therefore place more emphasis on outcomes and our progress towards them.

We will be initiating a review of the Environmental Protection Authority (EPA) in July 2014 as mandated by Cabinet when the EPA was established. The scope of the review is expected to include the effectiveness of the EPA's strategy, culture, resources and structure; a review of the EPA's ability to fund its functions, including cost recovery practices across all of its functions with the intention to deliver a new charging framework to be in place for 2015/16; and how effectively the legislation is contributing to efficient decision making. This review will form a major component of our EPA Monitoring and Governance work programme during the 2014/15 financial year.

In line with our commitment to adopting a stronger partnership approach during system design and implementation, we intend to work closely with councils to embed a consistent, comparable and fit-for-purpose national evaluation framework to enable ongoing monitoring and evaluation of the effectiveness of interventions being implemented through the freshwater and resource management reforms. We expect this framework to be confirmed by the time implementation work begins, following enactment of the reform Bills.

Our organisational health and capability

Implementing the strategic direction

The Ministry's strategic direction (launched in 2010) provides guiding principles for how we want to operate. The first phase of implementing the strategic direction concentrated on the approaches and behaviours which are seen as essential to success. Five supporting strategies were developed to help staff integrate these approaches and behaviours into our everyday work.

The supporting strategies focused on people and capability, stakeholder engagement, engagement with Māori, information and evidence, and new ways of thinking. Good progress has been made towards many of the objectives identified in the strategies and we now have many extra resources that can help us in our work. Those initiatives that need continuing reinforcement, for example stakeholder engagement, have now been incorporated into normal business activities.

The second phase of implementation focuses on our mission of 'environmental stewardship for a prosperous New Zealand'. It also builds on the advice of our Performance Improvement Framework reviewers that the Ministry 'will need to be quite exceptional...to make the contribution New Zealand needs from it'.

We have identified four priorities under the *Good to Great to Exceptional* approach:

- strengthening our leadership (internally and externally)
- knowing where we are going and how we are doing (in terms of understanding what environmental impacts we want to have and being able to measure our progress towards achieving them)
- being a flexible and agile workforce
- achieving value for money.

Knowing that we cannot address all of these at once, we have chosen to work initially on the first two priorities – strengthening leadership and clarifying the medium-term direction. There is also a strong focus on engaging and listening to our staff through a series of staff forums on topics of concern to them, such as workload, and exploring what stewardship means for the Ministry.

The *Good to Great to Exceptional* approach is still at an early stage of implementation. Progress is monitored by a governance group and will be reported regularly to the Leadership Team.

Objectives for organisational health and capability

The following table sets out our objectives for organisational health and capability and the measures we will monitor to know if we are achieving them. Progress against these objectives is reported regularly to the Leadership Team and will be reported publically each year in the Ministry's Annual Report.

What we want to achieve	How we will know if we are achieving these outcomes
Create the right conditions and supporting tools to grow and develop our people.	Improvement in staff engagement as measured by the annual Staff Engagement Survey.
Ensure we provide integrated and consistent high-quality policy advice on natural resources across the economy, environment, society and culture.	Continuous improvement in policy advice products as measured by the quality assessment panel and the internal Regulatory Impact Analysis Panel.

What we want to achieve	How we will know if we are achieving these outcomes
Ensure the Crown – Māori relationship is better reflected in environmental policy.	Build capacity within the Ministry to develop relationships with Māori through the Pae Ngatahi course, as measured by percentage of staff attending and pre- and post-course evaluations of attendees' capability.
Ensure we have high quality relationships with influential sector leaders.	External stakeholders will appreciate the Ministry's goals and perspectives, and have a positive view of us, as measured by a survey of stakeholder perceptions.

Performance Improvement Framework review

In 2012, the Ministry had its first Performance Improvement Framework (PIF) review. The review concluded that we were well-positioned for the future and that improvements we had made to date have provided a sound foundation for further development. However, the review did note that, to successfully deliver our work programme, we could no longer settle for being good – we needed to be 'exceptional'.

In response to the challenge to be 'exceptional', the Ministry has committed to a more intensive focus on the following priority areas:

- strengthening our environmental stewardship role and strategy
- enhancing our capability and culture, especially increasing long-term innovative thinking, challenge and debate
- expanding the evidence base, especially monitoring and evaluation
- improving the effectiveness of our interventions and organisational efficiency.

These will be progressed by prioritising work already underway and modifying our existing strategies, as explained further below and in the earlier strategic direction section.

Strengthening our environmental stewardship role and strategy

We have established a dedicated stewardship division to provide the capacity to develop the medium- and long-term strategy as well as to be a hub to link to the wider environmental management system. The 2013 launch of the Natural Resources Framework provides a multi-disciplinary analytical framework that will guide decision-making, inform trade-offs, and help strategic thinking.

Once the medium- to long-term strategy has been developed, we will review our Outcomes Framework to ensure resources are being directed towards delivering the highest priority activities.

Enhancing our capability and culture, innovation, challenge and debate

We acknowledge that we need to improve our capacity for leading the development of ideas and innovation as well as our level of comfort with robust challenge and debate.

We have recruited additional principal analysts to lead medium-term strategic policy; our recruitment and assessment tools and practice have been reviewed to maximise their effectiveness and to ensure we bring in the right capability; we intend to introduce a number of communities of practice (internally and across the Natural Resources Sector (NRS) to further strengthen critical and technical skills; and we will look for opportunities to share resources more efficiently across the NRS.

Expanding the evidence base, especially monitoring and evaluation

An effective environmental management system is always underpinned by knowledge of what is happening in the environment, including an understanding of behaviour and performance that affects outcomes. This requires continuous monitoring followed by comprehensive and accessible reporting which enables us to adapt our management approaches when necessary.

Access to robust evidence is critical to providing coherent and effective policy advice. We have made developing a structured approach to producing, using and publishing credible evidence, and making monitoring and evaluation of programmes and policies an ordinary thing we do as part of our work a priority. This strategy will continue to be given priority as we implement the Environmental Reporting Bill that was introduced into Parliament in February 2014.

In our operating model, the monitoring of policy implementation and effectiveness function is integrated into the same directorates as the related policy work. Connecting these functions helps promote a culture within the Ministry that concentrates more on outcomes than process.

Improving the effectiveness of interventions and organisational efficiency

Stronger collaboration across the wider environmental management system is critical to improving the effectiveness of our interventions, as is effective monitoring and reporting which helps us track our progress towards achieving our desired outcomes, enabling adjustments where necessary. This has prompted the Ministry's shift from the edge of the environment system to the centre with a strong partnership approach to all parts. The current reforms of the freshwater and the resource management systems, as well as the changes to national-level environmental reporting, rely on successful collaboration between all those involved in environmental management.

The Performance Improvement Framework review signalled that we need to improve our financial and resource management maturity. We continue to make progress under a multi-year project to improve planning and financial management and the Information Systems Strategic Plan. We have put in place tighter accountability for budget forecasting and management. We also implemented time recording in 2013 to ensure we have better information for planning and to support resource allocation decisions.

Equal employment opportunities

The Ministry is committed to providing equal opportunities. We remain a member of the EEO Trust and we pay careful attention to ensuring procedures for recruitment and selection, career development and progression, training, and conditions of employment will provide equal opportunities across all levels of the Ministry.

The Natural Resources Framework

The Natural Resources Framework – a multi-disciplinary analytical framework – was launched in August 2013. This framework was developed in conjunction with the Natural Resources Sector in response to a recommendation made in the Ministry's Performance Improvement Framework review carried out by independent reviewers in 2013, and provides a framework for environmental management that ensures assumption, analysis, priorities and trade-offs are explicit. It will be used to guide decision-making, inform trade-offs, and help strategic planning. This framework has been applied to the Natural Resources Sector's marine strategy work and will be used to help develop the sector's medium- to long-term strategy.

Risk management framework

Our risk management programme is designed to help us manage risks that could affect our ability to achieve our mission. We use this approach in our day-to-day operations.

A key element of our programme is the Audit and Risk Committee. The committee monitors Ministry performance regularly and provides independent assurance and risk management advice to the Chief Executive. It considers that the Ministry has made significant progress in managing our key risks of leadership, reputation and effective management.

We class our risks into three categories: strategic risk, business risk, and operational risk. The Ministry's leadership team regularly reviews, monitors and identifies key strategic risks they perceive the Ministry faces over the next three to five years. This is to ensure adequate mitigation strategies are in place to manage these risks. A summary of our strategic risks and mitigation strategies is outlined below. The Directors' Forum reviews and monitors business risks that impact on delivery of Ministry outcomes. Operational and project team management monitor and review operational risk that impacts on their daily work activities. Our risk management framework provides for a bottom-up and top-down approach to risk management.

Appropriate procedures and guidelines are in place to support all policies. We use an internal organisational policy framework to ensure all policies are written clearly and consistently. The Risk Management Policy is reviewed every two years, and a toolkit for risk management is available for staff on our intranet.

Key risk	Mitigation strategy
Organisational strategy, leadership and reputation	
The Ministry loses the confidence of its Ministers.	The governance structure ensures the Ministers' priorities are reflected in our work programme. We continue to provide regular reports to the Ministers. We seek the Ministers' formal feedback on our performance each quarter and use this information to ensure the business understands our Ministers' needs and to improve processes.
Key external relationships that matter in achieving our objectives are not developed and maintained.	The Ministry proactively engages with its top 20 stakeholders. Its Tūhono Strategy seeks to build effective and enduring relationships with Māori while Ministry leadership continues to engage with leaders in other government and non-government sectors to build strong working relationships.
Inadequate compliance with the Health and Safety in Employment Act 1992 could result in massive penalties and reputational damage to the Ministry, the Minister and the Crown.	We are committed to having a safe working environment for our employees, contractors, funding recipients and their contractors who are involved in hazardous substances and waste clean-up activities. We regularly monitors activities managed by funding recipients and their contractors to ensure safety compliance. The Health and Safety Committee meets at least three monthly to discuss and manage health and safety issues. We also seek to ensure that the Environmental Protection Authority has a robust health and safety management process.
Delivery of key priorities, projects and programmes	
Ministerial priorities for the next four years, and poor work programme and resource planning results in large over or under spending of budget.	The increasing demands of government initiatives and ministerial priorities will continue to stretch the Ministry's budget over the next four years. We have been working on improving our work programme planning and budgeting over the past three years to become more efficient and effective. We will work with the Government to secure further funding for the Ministers' priorities.

Key risk	Mitigation strategy
The Ministry does not meet increasing expectation regarding Natural Resources Sector leadership and delivering sector outcomes.	The Government fully expects the Natural Resources Sector (NRS) to deliver work programmes that will achieve good outcomes for New Zealand. We work with our NRS partners to improve our breath and depth of understanding and share responsibilities in delivering sector outcomes. The Ministry's leadership strives to strengthen relationships through the NRS secretariat, the Chief Executives' Environment Forum and other NRS leadership groups to achieve better integration of work across central and local government.

Developing the right capability and capacity	
Ministry vision is not met and staff are unclear about Ministry expectations or lose sight of the Ministry's vision.	Staff engagement and focus on the vision are essential for the Ministry to become the high performing adviser to government and the sector leader that we aspire to be. To achieve this, we aim to be clear, simple and aligned with our strategic direction when communicating key messages. Ministry management uses multiple channels to communicate with staff internally. We have been measuring staff engagement since 2008/09. This survey has shown consistent and significant improvement annually since that time. Staff engagement remains high. We actively plan for improving engagement after the survey is complete and monitor this risk.
Effective business continuity plan and clear responsibilities for action is not in place.	The Ministry's ability to respond if there is a major disaster is critical. In January 2014, the Ministry reviewed and tested the effectiveness of its business continuity management plan. The Business Continuity and Response Team meets every two months to discuss, educate and be prepared for disaster events.
IT infrastructure and data are inadequate and poorly managed to enable work to be delivered effectively.	Technology is well embedded in internal functions of the Ministry. We have adopted 'infrastructure as a service' approach to future-proof our IT services. Our IT infrastructure is hosted at Datacom and our IT support function will be provided by Land Information New Zealand (LINZ).
The lack of capability and capacity has an impact on staff morale and output.	Management is aware that capability and capacity issues exist and has been working towards addressing these concerns. Strategies implemented include quarterly management reviews, the establishment of programme boards and advisory groups to monitor and review projects and programmes, development of staff and management capabilities, and improvements to staff performance and development plans.

Crown risk

International climate change obligations post-2012

The Government has determined the unconditional target New Zealand will commit to post-2012. The conditional commitments are subject to international negotiations and agreements. Currently no rights or obligations are included in the fiscal forecasts for any post-2012 agreement. New Zealand's climate change conditional and unconditional commitments post-2012 could have significant financial implications, which will need to be recognised when the commitments are considered to be binding and the Government has no discretion to avoid the liabilities.

Ministry budget and assets

Improving strategy and financial and asset management functions

We have focused on improving our efficiency and effectiveness over a sustained period of time, including introducing a new strategic direction in 2010. To deliver the most effective high quality advice and support, the Ministry has undertaken reviews of management, communications, policy functions, and administrative support while using savings to fund priorities for the Government, including establishing the Environmental Protection Authority and funding the clean up of Tui Mine.

In response to the Performance Improvement Framework review, we continue to make progress under a multi-year project to improve planning and financial management. We have strengthened accountability for budget forecasting and management. We also implemented time recording in 2013 to ensure we have better information for planning and to support resource allocation decisions. We also actively use benchmarking from *Benchmarking Administrative and Support Services* to improve efficiency.

Processes and technology, and physical assets

We launched a new Information Systems Strategic Plan (ISSP) in November 2011. The ISSP identifies key strategic focus areas where we will concentrate our investment to ensure our information technology enables and supports the organisation to achieve our strategic direction.

In line with the ISSP, our information, communications and technology functions transitioned to a shared services delivery model with Land Information New Zealand (LINZ) in April 2014. As this delivery model matures, it is expected that both organisations will gain increased economies of scale by joining together when considering major IT purchases, as well as being able to leverage organisational learnings on integrating and shared resources and services that can be used to support further opportunities to work across agency boundaries.

Departmental capital and asset management intentions

Historically, the Ministry has incurred capital expenditure of approximately \$650,000 per annum. Following the transition to a shared services delivery model with LINZ, the ongoing capital expenditure is expected to reduce to approximately \$300,000 per annum for standard capital items that relate mainly to updating our desktop infrastructure. We also allocate some funds to the purchase and development of upgrades to our core systems. For example, we continue to upgrade our Online Waste Levy System to improve our efficiency and effectiveness.

Organisational structure

The Ministry is led by the Environment Leadership Team comprising the Chief Executive and four Deputy Secretaries (including the Tumuaki). The Environment Leadership Team provides strategic leadership to our work programmes, discusses how we operate externally, and how we run the internal business.

Across all divisions, 10 directors hold collective responsibility for delivering the work programme. This includes managing the financial and people resources required to ensure we are well placed to deliver the work and advising the Environment Leadership Team.

Appendix 1: Linkages to other government agencies

Outcomes	Connections with other government agencies	Cross-cutting relationships with other agencies
<p>New Zealand becomes a successful low-carbon society that is resilient to climate change impacts on its climate, economy and lifestyle.</p> <p>Result areas:</p> <ul style="list-style-type: none"> Climate change 	<ul style="list-style-type: none"> Department of Conservation Land Information New Zealand Ministry for Primary Industries Ministry of Business, Innovation and Employment Ministry of Foreign Affairs and Trade Ministry of Health Ministry of Transport Statistics New Zealand The Treasury Environment Protection Authority Energy Efficiency and Conservation Authority Local government 	<p>Central agencies and their goals</p> <ul style="list-style-type: none"> Department of Prime Minister and Cabinet Good government with effective public sector support. State Services Commission Lead adviser on New Zealand's public management system and works with government agencies to support the delivery of quality services to New Zealanders. The Treasury Delivering better, smarter frontline public services funded primarily from within public agencies' existing operating baselines. <p>-----</p> <p>The Natural Resources Sector's goals:</p> <p>To ensure an integrated, aligned and strategic approach across government to natural resources management by:</p> <ul style="list-style-type: none"> delivering high quality policy advice on critical, cross-agency policy issues developing the capability of our people building the sector's systems. <p>The Natural Resources Sector comprises:</p> <ul style="list-style-type: none"> Ministry for the Environment Ministry for Primary Industries Ministry of Business, Innovation and Employment Department of Conservation Department of Internal Affairs Land Information New Zealand Te Puni Kōkiri <p>-----</p> <p>Contributors to the Ministry's 'evidence base' and role as National Inventory Agency under the Kyoto Protocol</p> <ul style="list-style-type: none"> Regional councils Crown research institutes Statistics New Zealand Natural Resources Sector Ministry of Transport Ministry of Business, Innovation and Employment
<p>New Zealand's water is well governed and sustainably managed to realise the maximum benefit possible for present and future environmental, cultural, social and economic values.</p> <p>Result areas:</p> <ul style="list-style-type: none"> Fresh water Working with others. 	<ul style="list-style-type: none"> Department of Conservation Land Information New Zealand Ministry for Primary Industries Ministry of Business, Innovation and Employment Ministry of Foreign Affairs and Trade Ministry of Health Statistics New Zealand Te Puni Kōkiri The Treasury Local government 	
<p>New Zealand's environmental management systems are strengthened and supported so that they can achieve the greatest overall environmental, economic, social and cultural benefits.</p> <p>Result areas:</p> <ul style="list-style-type: none"> Resource management Treaty commitments Environmental hazards and waste Working with others. 	<ul style="list-style-type: none"> Department of Conservation Land Information New Zealand Ministry for Primary Industries Ministry of Business, Innovation and Employment Ministry of Foreign Affairs and Trade Ministry of Health Statistics New Zealand Te Puni Kōkiri Environmental Protection Authority Department of Internal Affairs Ministry of Civil Defence and Emergency Management Ministry of Culture and Heritage Ministry of Justice Maritime New Zealand Office of Treaty Settlements Local government 	

Appendix 2: Non-departmental appropriations

The table below shows how non-departmental appropriations contribute to the outcomes and impacts.

Outcomes	Impacts	Appropriation
New Zealand becomes a successful low-carbon society that is resilient to climate change impacts on its climate, economy and lifestyle.	Decrease New Zealand's net emissions of greenhouse gases below business as usual levels in a cost-effective way.	<ul style="list-style-type: none"> Administration of New Zealand Units held on Trust Allocation of New Zealand Units Emissions Trading Scheme Framework Convention on Climate Change Debt Impairment – Climate Change Activities
New Zealand's fresh water is well governed and sustainably managed to realise the maximum benefit possible for present and future environmental, cultural, social and economic values.	Improve quality, flow and availability of fresh water through more effective management frameworks.	<ul style="list-style-type: none"> Community Environment Fund Fresh Start for Fresh Water: New Initiatives Protecting Lake Taupo Programme Multi-year Appropriation (MYA) Fresh Start for Fresh Water: Rotorua Lakes Restoration Programme Fresh Start for Fresh Water: Waikato River Clean-up Fund Water Science and Economics Te Mana o Te Wai – restoring the life-giving capacity of fresh water
New Zealand's environmental management systems are strengthened and supported so that they can achieve the greatest overall environmental, economic, social and cultural benefits.	Improve the resource management framework to manage environmental effects and allocate resources within environmental limits.	<ul style="list-style-type: none"> Environmental Protection Authority: Regulatory Functions Multi-Category Appropriation (MCA) – Decision-making; and Compliance and Enforcement
	Improve the relationship between the Ministry for the Environment and Māori by negotiating and implementing fair, durable and fit-for-purpose deeds of settlement and environmental accords.	<ul style="list-style-type: none"> Waikato River Co-governance Waikato River Co-management Te Pou Tupua
	Reduce harm from natural, chemical and biological hazards and from waste through more effective management frameworks.	<ul style="list-style-type: none"> Contaminated Sites Remediation Fund Contestable Waste Minimisation Fund Environmental Protection Authority: Regulatory Functions Multi-Category Appropriation (MCA) – Decision-making; and Compliance and Enforcement Debt Impairment – Environment Activities Waste Disposal Levy Disbursements to Territorial Local Authorities

Outcomes	Impacts	Appropriation
	Achieve better solutions to environmental problems by supporting community involvement and action and international cooperation.	<ul style="list-style-type: none"> • Climate Change Development Fund • Community Environment Fund • Environmental Legal Assistance • Environmental Training Programmes • Promotion of Sustainable Land Management • International Subscriptions • United Nations Environment Programme