

Briefing for the Incoming Associate Minister for the Environment

February 2023





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Briefing for the Incoming Associate Minister for the Environment

Purpose

- This briefing provides you with an introduction to the Environment portfolio. This includes an overview of the state of the environment in New Zealand, as well as information on the Ministry for the Environment including our key work programmes.
- 2. Given the significance and scale, we have also provided you an overview of the Resource Management (RM) reform programme in the accompanying slide pack. This includes content on:
 - an overview and background information on RM reform, upcoming decisions and work programme overview for 2023
 - an additional slide deck called MOG 15b which was presented to Ministers in March
 2022 to explain the resource management system design and highlight significant
 decisions needed prior to the legislation being introduced.
- 3. We will provide you with further information on your associate environment portfolio responsibilities once delegations are confirmed. We look forward to working with you in your role as Associate Environment Minister.

State of New Zealand's natural environment

- 4. New Zealand's natural environment is under increasing pressure. Issues such as pollution, intensive agricultural practices, urban sprawl, resource efficiency and linear production systems have resulted in significant environmental degradation.
- 5. As part of its responsibilities under the Environment Reporting Act 2015, the Ministry regularly reports on the state of New Zealand's environment. Our most recent synthesis report, Environment Aotearoa 2022, provides a comprehensive picture of the environmental issues we are facing today, which include:
 - Loss of wetlands and ecosystem resilience: 90 percent of historic wetland extent have been lost due to draining, ploughing or burning, with approximately 60 percent of remaining wetlands in a moderately to severely degraded state.
 - Threats to native plants, animals and ecosystems: more than 3000 land-based native species are currently threatened with or at-risk of extinction.
 - Degrading soil and water quality: between 2014 and 2018, only 20 per cent of monitored sites met all seven targets for soil quality.
 - Our best growing land is shrinking: 54 percent of New Zealand's highly productive land has been developed and is no longer available for use for commercial food production.
 - Pollution and waste in urban areas: it is estimated almost 18 million tonnes of waste are generated per year, of which 72 per cent goes to landfills. Between 2009 and 2019, waste to municipal landfills increased by 47 percent.
- 6. As human wellbeing is inextricably linked to the health of our natural environment, risks to environmental resilience should be considered risks to human wellbeing, both now and for future generations. These issues have developed over a long timeframe and will take time to address, reinforcing the need to take action now to mitigate these effects.

The Ministry for the Environment

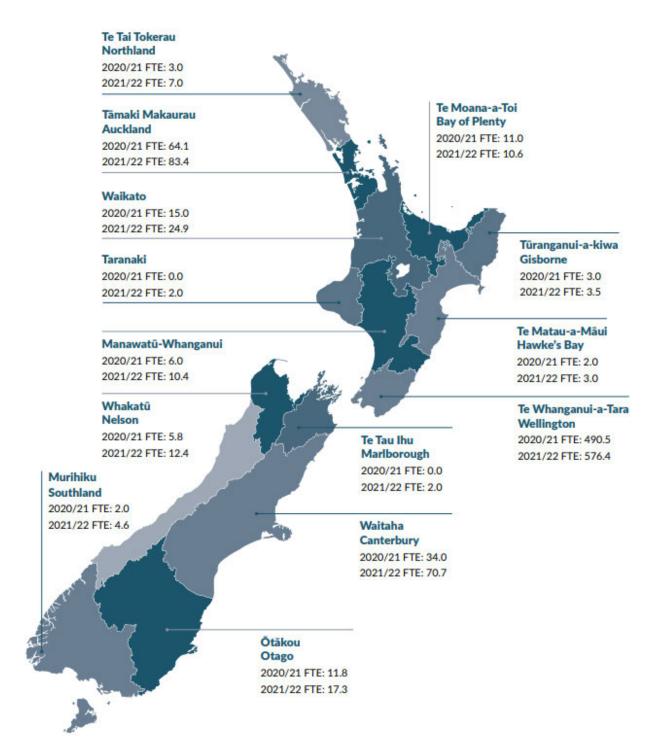
The Ministry was created under the Environment Act 1986

- 7. The Ministry for the Environment is the Government's primary advisor on environmental issues. The Environment Act sets out the Ministry's functions with regard to advising the Minister for the Environment, and by extension, you as Associate Minister. This includes providing advice on all aspects of environmental administration, including:
 - policies influencing the management of natural and physical resources and ecosystems to achieve the objectives of the Act
 - significant environmental impacts of public or private sector proposals
 - ways of ensuring effective provision is made for public participation in environmental planning and policy formulation, particularly at the regional and local level.
- 8. In fulfilling its advisory role, the Ministry is required to ensure that in the management of natural and physical resources, a full and balanced account is taken of the:
 - intrinsic value of ecosystems
 - values individuals and groups place on the quality of the environment
 - principles of the Treaty of Waitangi
 - sustainability of natural and physical resources
 - needs of future generations.

The Ministry has grown in capability and capacity over the last six years

- 9. In 2017, the Ministry employed around 350 people, mostly based in Wellington, with a primary focus on policy advice. Today, we are an organisation of over 1,000 people spread throughout the country working on science, policy, implementation and delivery, funds management, compliance and monitoring, partnerships and education. Figure 1 below provides a breakdown of the Ministry's staff and locations.
- 10. The Ministry's growth has supported us to deliver transformational reforms across the environmental management system. As the development of the legislative framework for these reforms near completion, the Ministry is increasingly focused on policy implementation, including supporting local government, Treaty partners, and resource users to transition to new systems.
- 11. A lack of investment in supporting implementation was identified in the Randerson Report as a historic shortcoming of the current environmental management system. The Ministry's work in this area will ensure policy intent translates into action on the ground, and better outcomes. Supporting implementation of government policies is now our single largest area of work.

Figure 1: Ministry for the Environment staff locations



The Ministry's senior leadership team (Te Pūrengi)



Vicky Robertson
Secretary for the Environment
and Chief Executive



Amanda Moran Chief Operating Officer / Deputy Secretary, Organisational Performance



Melanie Mark-Shadbolt Deputy Secretary, Tūmatakōkiri (Māori Rights and Interests)



Anne Haira
Deputy Secretary,
Partnerships and
Public Affairs / Climate
Change Adaptation
and Evidence



Sam Buckle Deputy Secretary, Water Policy and Resource Efficiency



Natasha Lewis Deputy Secretary, Joint Evidence, Data and Insights



Janine Smith
Deputy Secretary,
Natural and
Built System and
Climate Mitigation



Nadeine Dommisse Deputy Secretary, Policy Implementation and Delivery



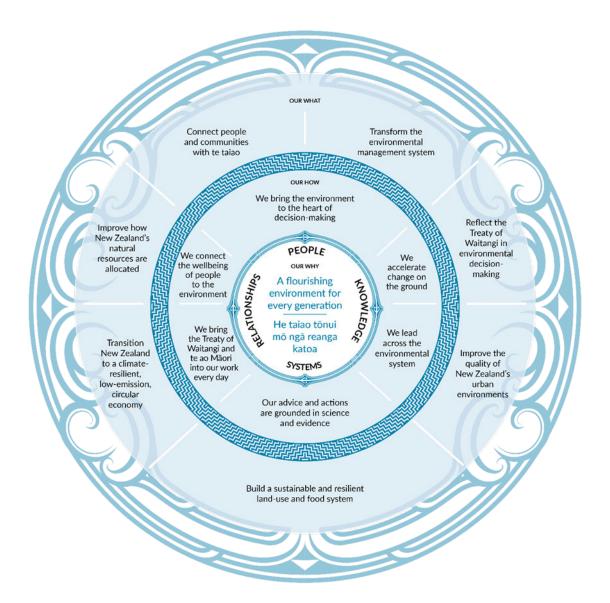
Dr Alison Collins

Departmental Chief
Science Advisor –
Kaitohutohu Mātanga
Pūtajao Matua

Our strategic framework sets our vision for the environment

12. In 2020, the Ministry adopted a new strategic framework to reflect the depth and breadth of our work, and our aspiration for the environment. The framework reflects government priorities and the long-term objectives the Ministry aims to achieve in its role as Aotearoa New Zealand's environmental steward.

Figure 2: Our strategic framework



- 13. At the heart of the framework is our vision: A flourishing environment for every generation / He taiao tōnui mō ngā reanga katoa. We also refer to this as the Ministry's why. The inner circle articulates how the Ministry will achieve this vision. The outer circle summarises what we will focus on as a priority. We aim to:
 - Transform the environmental management system
 - Reflect the Treaty of Waitangi in environmental decision-making
 - Improve the quality of New Zealand's urban environments
 - Build a sustainable and resilient land-use and food system
 - Transition New Zealand to a climate-resilient, low-emission, circular economy
 - Improve how New Zealand's natural resources are allocated
 - Connect people and communities with te taiao.

Working with our Treaty partners

- 14. As the lead public agency working on environmental policy, the Ministry is responsible for ensuring Māori perspectives, rights, and interests are incorporated in the policy development and decision-making process. The Ministry's ability to complete its work in alignment with the principles of Te Tiriti o Waitangi depends fully on maintaining strong, respectful and productive working relationships with Māori.
- 15. Alongside our broader Te Tiriti obligations, the Ministry has specific commitments under Treaty settlement legislation, related relationship agreements and accords. These commitments can include regular relationship meetings, sharing of information and resources, assistance with capability building, and requirements to engage and consider certain interests when developing policy.
- 16. The Ministry is currently undertaking work to amend the Environmental Reporting Act 2015, which will give a stronger voice to Te Tiriti o Waitangi, te ao Māori, and mātauranga Māori within the environmental monitoring and reporting system. This will improve how mātauranga Māori is shared, collected, managed and protected.

The Ministry's work programme

Putting the foundations in place

17. Over the last six years, we have undertaken significant policy and legislative reform to put in place the foundations needed to ensure our vision of a flourishing environment for every generation. This foundational work includes:

Environmental management system reform

- Undertaking the design of a new resource management and spatial planning system.
- Developing the Natural and Built Environment Bill and Spatial Planning Bill which were introduced to parliament in 2022.
- response to COVID-19, including legislative change to enable fast-track consenting, and the Jobs for Nature programme
- delivery of the national environmental reporting programme with StatsNZ and advising on changes to the environmental reporting regime.

Climate Change

- Delivering the Climate Change (Zero Carbon) Amendment Act, which established the Climate Change Commission and provides the framework to move New Zealand to a low emissions, climate resilient economy.
- Reformed the Emissions Trading Scheme.
- Developed New Zealand's first Emissions Reduction Plan and National Adaptation
 Plan.

Waste and resource efficiency

 Currently undertaking work to repeal and replace the Waste Minimisation Act 2008 and developing a new national waste strategy to guide our transition toward a circular economy. Significantly increasing the waste disposal levy, phasing out hard-to-recycle products, and increasing investment in modernising New Zealand's waste infrastructure.

Freshwater and sustainable land management

- Delivered the Essential Freshwater package, which puts in place a framework to safeguard and enhance our freshwater resources. The package includes:
 - National Policy Statement on Freshwater Management 2020
 - National Environmental Standards for Freshwater 2020.

Our 2022/23 work programme is our largest ever

18. Key aspects of the Ministry's 2022/23 work programme are presented below.

2022/23 Work programme		
Environmental management system reform	Complete policy work on resource management system reform, including introducing and passing new planning and environmental legislation.	
	Begin work to support implementation of the new resource management system, including the transition of Treaty settlements, the development of model plans, and establishing governance entities.	
	 Advance the National Planning Framework, including developing limits and targets, and working with regional partners to develop new NBA plans. 	
Freshwater policy and implementation	Continue to implement the Essential Freshwater package, including the implementation of Freshwater Farm Plan regulations.	
	Advise on a new system to allocate freshwater and contaminants, including Māori Rights and Interests.	
Waste and resource efficiency	 Finalise New Zealand's waste strategy, take steps to further kerbside recycling and develop further product stewardship schemes, including for EV batteries. 	
Biodiversity, land use and environmental reporting	Support amendments to the Environmental Reporting Act 2015, including provisions to give a stronger voice to Te Tiriti o Waitangi and mātauranga Māori.	
	Advise on changes to the monitoring and reporting system to be more effective.	
	Advise on required changes to science and research funding.	
	Advance the National Policy Statement for Indigenous Biodiversity, and complete the National Policy Statement for Highly Productive Land.	
Climate change	Support the implementation of the Emissions Reduction Plan, including development of funding and financing systems needed for mitigation and adaptation transitions.	
	Implement an agricultural emissions pricing system with the primary sector through He Waka Eke Noa.	
	Progress the National Adaptation Plan, and begin drafting the Climate Adaptation Bill for introduction in 2023.	

Key decisions in 2023

19. Key upcoming decisions across all work programmes are presented in Appendix One.

Legislative reform in 2023

- 20. The Ministry is responsible for a number of significant pieces of legislation, including the Resource Management Act 1991, the Climate Change Response Act 2002, the Waste Minimisation Act 2008, the Hazardous Substances and New Organisms Act 1996 and the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012. A diagram of the Ministry's proposed legislative programme for 2023 is provided in Appendix Two.
- 21. Reform of the resource management system is a "once in a generation" event. The Natural and Built Environment (NBE) Bill and the Spatial Planning (SP) Bill will replace the current Resource Management Act (RMA) and are currently in Select Committee. 9(2)(f)(iv)
- 22. Other key reform areas include the repeal and replacement of both the Waste Minimisation and Litter Acts with legislation that regulates how people manage waste and promote circularity for the use of products. Novel (and potentially complex) waste regulations are also due for development in 2023. 9(2)(g)(i)
- 23. 9(2)(g)(i)
 - Changes are also being made to the Environmental Reporting Act following a review of the Act by the Parliamentary Commissioner for the Environment.
- 24. The Ministry is also leading climate change reform for 2023. This includes amendments to the emission trading scheme in relation to industrial allocation, the treatment of agricultural emissions and market governance regulation. The Government is also due to introduce into the House the Climate Change Response Bill prior to the 2023 election. These Bills are overseen by the Minister for Climate Change.

Vote Environment

25. Spending the Ministry is responsible for has increased significantly in recent years. Currently, Vote Environment is responsible for over \$650m annually. This includes departmental funding, non-departmental funding, and contingency funding tagged for specific purposes. Funding for the Vote will increase to \$717m in 23/24, decreasing to \$581.3m in 26/27.

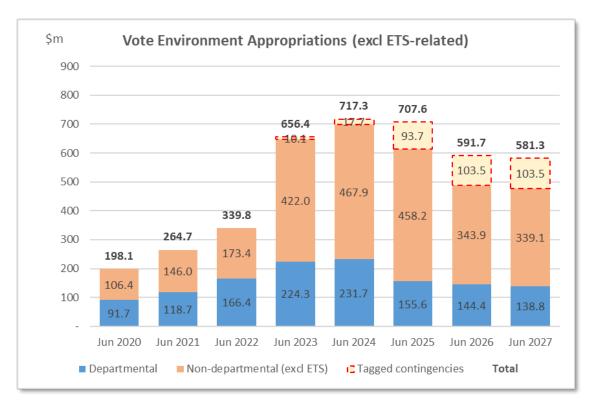


Figure 3: Vote Environment appropriations 2020-2027

- 26. Over the next four years non-departmental spending is primarily comprised of:
 - \$1.0b in waste minimisation funds and levy disbursements to local authorities
 - \$233.0m in freshwater improvement funds
 - \$111.0m in other environmental remediation grants
 - \$94.0m in emissions reduction and Māori climate action activity as part of the Climate Emergency Response Fund
 - \$178.0m in Crown Entity funding
 - The reducing non-departmental funding in out-years reflects the Covid-19 Response and Recovery Fund (CRRF) ending.

Our role in monitoring Crown Entities

- 27. The Ministry provides oversight and monitors the performance of two key Crown entities; the Environmental Protection Authority (EPA) and the Climate Change Commission.
- 28. Alongside our relationships with the EPA and Climate Change Commission, the Ministry will increasingly work with new interdepartmental executive boards for climate and spatial planning, the new National Māori Entity, as well as agencies focused on discrete aspects of the system, such as the Ministry for Housing and Urban Development.

The Environmental Protection Authority

29. The Environmental Protection Authority (EPA) was established under the Environmental Protection Authority Act 2011. The Minister for the Environment is responsible for

- overseeing and managing the Crown's ownership, policy and regulatory interest in the EPA. This includes appointing the EPA Board.
- 30. The EPA is responsible for administering the Hazardous Substances and New Organisms Act 1996, which aims to prevent or manage the adverse effects of hazardous substances and new organisms, including genetically modified organisms within New Zealand.
- 31. Other functions of the EPA include:
 - administering applications for major infrastructure projects
 - assessing fast-track consenting applications
 - helping industries work safely with hazardous substances
 - administering the Emissions Trading Scheme and New Zealand Emission Trading Register
 - managing the environmental impact of activities in the EEZ, including prospecting for petroleum and minerals, seismic surveying and scientific research.



Climate Change Commission

- 33. The Climate Change Commission (the Commission) was established by amendments to the Climate Change Response Act 2002. The Minister for Climate Change is responsible for appointing the Commission's Board.
- 34. The purposes of the Commission are to:
 - provide independent, expert advice to the Government on mitigating climate change (including through reducing emissions of greenhouse gases) and adapting to the effects of climate change
 - monitor and review the Government's progress towards its emissions reduction and adaptation goals.

The Ministry's role in supporting you

- 35. This briefing will be followed by a more detailed second tier briefing once delegations are confirmed. We will also have a dedicated portfolio private secretary in your office who will directly support you on the associate Environment portfolio.
- 36. The Ministry will provide weekly support to you and your office through the Environment Weekly Update. This is sent to all Environment Ministers and covers updates on key work programmes.
- 37. As the need arises, we will also prepare responses to Ministerial Correspondence, Parliamentary Questions and any Official Information Act requests you receive in this portfolio.





