



Hon. David Parker
Minister for the Environment

Dear Minister,

Re: Feedback on the comprehensive review of the resource management system

I am writing to you in response to a Cabinet invitation, in my capacity as Minister for Climate Change. This letter identifies issues to be considered as part of the comprehensive review of the resource management system (the review), as they pertain to my portfolio.

As highlighted from previous correspondence, you are aware that I consider climate change to be of key importance to the reform of the Resource Management Act 1991 (RMA). I am therefore pleased to see the centrality of climate change reflected in the most recent Cabinet paper.

I consider the review to be an important opportunity to create a land use planning system that supports the transition to a low emissions and climate resilient future. To achieve this, I consider there are two overarching questions that should be addressed:

- **Mitigation:** What role should the resource management system play in supporting emissions reductions and a transition to a low emissions economy?
- **Adaptation:** How can we create a land use planning system that sufficiently deals with the existing impacts of climate change while also ensuring we're planning effectively for the future – to reduce risk and vulnerability over time?

In particular, I consider the review should address the following:

The RMA needs to support the transition to a renewable energy future

Our Government has set ambitious renewable targets for 2035. Currently applicants seeking consents for windfarms, and other renewables face significant challenges under the RMA despite the critical status given to renewables in the national policy mix.

The National Policy Statement on Renewable Electricity Generation has been described by stakeholders and commentators as weak and non-directive. New technologies are making windfarms more efficient and economically viable. However, the current consenting framework acts as a barrier to uptake, as there are tensions between local and national interests. Coupled with lengthy and costly appeal processes in the Environment Court, the planning system acts as a deterrent to greater uptake of renewable energy.

To meet our Government's 2035 renewable energy targets, a future system should prioritise, and remove barriers to, renewable energy facilitation. This includes better reflecting the

importance of renewable energy in the purpose and principles of the RMA. I expect the review to assess where the RMA could better enable the uptake of renewable energy to support emissions reductions.

The RMA needs to support mitigation in urban form

The current planning system does allow emissions to be considered in decision making about urban form. The Productivity Commission has made clear that we must take a cross-sectoral approach to transitioning our economy. The RMA is unique in its influence of outcomes in the built, energy and transport sectors, but is a barrier to building denser urban areas.

The incoming statutory spatial planning under the RMA needs to enable urban intensification by removing barriers and costs to low emissions development. To support emissions reductions, the RMA needs to encourage building on brownfield sites, high-rise development and make viable refurbishing existing energy inefficient infrastructure.

The RMA needs to be available as a tool to support emissions reductions

It may be that other policy measures will not deliver emission reductions in line with the Government's climate change targets. Where clear information supports this, there may be a role for regulatory measures under the RMA to reduce emissions. Currently, under sections 70A and 104E, local authorities are prohibited from considering the effect their consent and planning decisions will have on emissions. For example, in consenting a new coal-fired boiler, the decision-maker cannot take into account future emissions. Reviewing whether this prohibition is appropriate is already identified as being within scope of the review and draft Terms of Reference for the review panel, and I support further consideration of this.

I previously wrote to you about s 142 reform. Currently, a Board of Inquiry cannot consider the future greenhouse gas emissions of a project called in by the Minister for the Environment. Allowing the Board to take into account emissions, would provide for significant decisions to assess the appropriateness of locking-in major emissions-intensive infrastructure through planning decisions. This change would help ensure New Zealand's planning system and regional economic development is consistent with low-emissions pathways. As we move towards meeting our emissions reduction targets, this consistency is important.

A system that provides a clear framework for successful adaptation

New Zealand's institutional, legislative and regulatory system will struggle to cope with the scale and rate of changes necessary to adapt to the impacts of climate change. In order to ensure communities are more resilient to the changes that climate change will bring, the planning system needs to be more responsive. The review should consider how to ensure long term, intergenerational planning across competing objectives. New spatial planning tools for decision making will be a critical component in successfully adapting to the impacts of climate change.

The review needs to deliver on the role of new resource management concepts, by strengthening community and ecosystem resilience to climate change and natural hazards.

A system that incentives risk-based land use planning for natural hazards and climate change

Proactive land use planning that considers the consequences as well as the likelihood of events is required in order to ensure New Zealand successfully adapts to the effects of climate change. The Panel must take into account how the current risk-based approach to the management of natural hazards can be expanded and strengthened through the review. The review must address how to support communities to avoid, accommodate, defend and retreat from high risk areas (facilitate managed retreat).

A system that ensures clear functions, roles and responsibilities – providing a strong mandate to act

Under the existing framework for natural hazard management and climate change adaptation, some councils struggle to find a clear mandate to act. The review needs to deliver on how to clearly divide functions, roles and responsibilities between central and local government, and between regional councils and territorial authorities. Such division should align with institutional capacity and capability.

I look forward to engaging with you on the review as it progresses.

Ngā mihi, nā,



Hon. James Shaw
Minister for Climate Change

Proactively released