

BRIEFING TO THE INCOMING MINISTER OF CONSERVATION 2008



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1. INTRODUCTION

Welcome to the conservation portfolio.

As Minister of Conservation you are responsible for overseeing the management of 32% of New Zealand's land area; protection of the nation's native plant and animal life, and protection of nationally important historic heritage. You also represent the Crown's interest in the coastal marine area, including public foreshore and seabed.

The Maori name for the department, Te Papa Atawhai, is interpreted to mean "a treasure chest of care".

The department manages 14 national parks, 26 conservation parks, hundreds of reserves, many offshore and sub-antarctic islands, and numerous other places such as historic sites. In the marine environment, it manages almost 7% of the territorial sea (less than 1% of the Exclusive Economic Zone). This includes 32 marine reserves, six marine mammal sanctuaries, two marine parks and one specially protected area.

Tracks maintained by the department stretch for 12,894 kilometres – about 2000 kilometres further than the state highway network. Along the way there are 940 huts.

The department has 1858 permanent staff, and employs a large number of temporary and seasonal staff and contractors. About 9000 volunteers add their support.

This briefing sets out your role and functions as Minister of Conservation and the department's mandate, functions and organisation. It outlines major policy and implementation issues, and identifies upcoming matters for your decision.

Further information on any of the matters raised here can be provided as you require.

Attached to this briefing as Appendix 3 is a document titled *Briefing To The Incoming Government 2008: Environmental Sustainability*. This was developed jointly by government agencies with an interest in natural resources and the environment, including the department.

2. BEING THE MINISTER OF CONSERVATION

Leadership

As Minister of Conservation you determine the policy direction and priorities for the department. Key instruments for this are the annual Statement of Intent and Output Agreement, along with specific policy initiatives advanced through the Cabinet and Budget processes. You also influence policy direction and priorities through statutory decision making.

Although you are obliged to answer in the House for both policy and operational matters, the department's day-to-day operations are the responsibility of the Director-General.

Responsibilities, functions and powers

You have a wide range of statutory responsibilities, functions and powers. Many do not ordinarily require your attention and are routinely delegated to the Director-General.

Ministerial statutory decisions often affect the interests of individuals, companies or other organisations (e.g. local authorities). It is not uncommon for affected parties to seek judicial review. The way in which you make such decisions, and any related actions you take (e.g. meeting interested parties), can affect their legal robustness. Further briefing material will be provided on the principles and processes for statutory decisionmaking.

A full list of relevant statutes is in Appendix 1. Key Acts applying to you are summarised here.

Conservation Act

The Conservation Act 1987 gives you responsibilities, functions and powers in relation to:

- **conservation land** acquisition, disposal and exchange, and the declaration of special forms of protection (e.g. wilderness or ecological areas)
- **concessions** for activities on public conservation land, in the form of leases, licences, permits, or easements
- **charges** for the use of public conservation facilities (other than paths and tracks)
- **appointments** to the New Zealand Conservation Authority, Conservation Boards and Guardians of Lakes Manapouri, Monowai, and Te Anau
- **management plans** for freshwater fisheries, sports fish and game
- **general policy** statements for the implementation of the Act and for any conservation area
- **marginal strips** (the "Queen's chain")
- **covenants** on private land, including Maori land, for conservation purposes

Marine Mammals Protection Act

Under the Marine Mammals Protection Act 1978 you can establish Marine Mammal Sanctuaries in New Zealand waters to create a permanent refuge for marine mammals. You can approve population management plans for marine mammal species, with the concurrence of the Minister of Fisheries. These plans can set maximum allowable levels of fishing-related mortality for the species concerned. You are also responsible for controlling the collection and trade of whalebone.

Marine Reserves Act

Under the Marine Reserves Act 1971 you can recommend the creation of marine reserves, subject to processes set out in the Act. Reserve proposals also need the concurrence of the Ministers of

Transport and Fisheries. A Marine Reserves Bill to amend the Act is currently before Parliament. It is discussed further in sections 5 and 6 of this briefing.

National Parks Act

The National Parks Act 1980 allows you to create new national parks, or additions to national parks, on the recommendation of the New Zealand Conservation Authority. You also have power to grant concessions for activities in national parks.

Reserves Act

The Reserves Act 1977 gives you a large number of specific powers in relation to reserves. Almost all of these are delegated to the Director-General, local authorities and various reserve governance bodies. An exception is the approval of bylaws in relation to reserves. You also have power to grant concessions for reserves vested in the Crown or controlled and managed by administering bodies.

Wild Animal Control Act

The Wild Animal Control Act 1977 gives you wide powers regarding the control of wild deer, chamois, thar, wallabies, possums, goats and pigs. This includes approving wild animal control plans, which are in place for thar and possums. The Act covers licensing for hunting on conservation land, including the granting of concessions.

Wildlife Act

The Wildlife Act 1953 deals with the protection and control of non-domesticated animals and birds and the management of game birds. You have powers to propose bringing additional invertebrates or marine animals under the Act, to propose changes to levels of protection for specific species, and powers relating to controls on hunting, controls on farming certain animals (e.g. stoats, ferrets); the taking and holding of wildlife or wildlife products, and the establishment of wildlife sanctuaries, refuges, management reserves and districts.

The protection status of species under the Wildlife Act has recently been reviewed. Further information is in section 6 of this briefing.

Biosecurity Act

The department provides you and other government agencies with advice on risks to indigenous biodiversity and management of some biosecurity incursions. It also controls priority pests and weeds on conservation lands and contributes to the implementation of regional pest management strategies by local government.

Crown Minerals Act

Under the Crown Minerals Act 1991 your agreement is required for access to public conservation lands and public foreshore and seabed for mineral exploration, prospecting and mining. You and the Minister of Energy can also agree to close certain lands to most mining activities.

Fisheries Act

You and the Director-General have roles under the Fisheries Act 1996 in identifying and assessing the adverse effects of fishing on the aquatic environment (notably on protected species). You also have the authority to levy the fishing industry to fund research that will help reduce those effects. These Conservation Services Levies support science and observer programmes.

Foreshore and Seabed Act

Under the Foreshore and Seabed Act 2004 you are the Minister who represents the Crown as owner of public foreshore and seabed. Together with the Minister of Maori Affairs you have powers to restrict public access to foreshore and seabed to protect wahi tapu in certain circumstances.

Resource Management Act

Your role under the Resource Management Act 1991 (RMA) is focused on management of the coast. Your functions in this area include:

- preparation of the New Zealand Coastal Policy Statement (NZCPS)
- approval of all regional coastal plans
- deciding consents for activities identified in the NZCPS as Restricted Coastal Activities
- vesting rights in reclaimed land
- planning and consent responsibilities for the offshore islands
- calling in consent applications in the coastal marine area that are of national significance.

Trade in Endangered Species Act

The Trade in Endangered Species Act 1989 implements the international Convention on the Trade in Endangered Species of Wild Flora and Fauna (CITES). It controls the importation into New Zealand or the export of species listed under the Convention.

Delegations

If there is an Associate Minister of Conservation you are required by the Cabinet Manual to set out in a letter the Associate Minister's role in the portfolio, any delegated responsibilities, and relevant working arrangements.

The Associate Minister may submit papers to Cabinet committees or Cabinet within his or her designated area of responsibility, with your agreement. The department advises and supports the Associate Minister and his or her staff as necessary.

A number of statutory Ministerial responsibilities are routinely delegated to the Director-General, with further delegations from the Director-General to departmental staff.

To safeguard your interests, all delegations are made on condition that they are referred to a higher level if this is warranted by the issues involved, including:

- sensitive conservation values
- political implications
- social implications
- economic implications
- Treaty of Waitangi implications.

If the Director-General considers a matter of sufficient national interest or importance, you will be asked whether it should be decided under delegation or referred to you for decision, regardless of any standing delegation.

Ministerial relationships

Certain conservation matters are of particular interest or relevance to other ministers. There are also issues falling primarily within the responsibility of other ministers that are relevant to conservation.

The following table sets out key ministerial relationships for conservation. There are parallel consultation obligations between the relevant departments and ministries.

Minister	Issues
Agriculture	Biosecurity, possum control (Animal Health Board), border control, climate change
Arts, Culture and Heritage	Historic conservation, Artists in Residence
Biosecurity	Pest and weed control on conservation land
Economic Development	Aquaculture, bioprospecting, Regional development,
Energy	Renewable energy, minerals and petroleum on conservation lands
Environment	Resource management issues, sustainability, Biodiversity Strategy, climate change impacts and adaptation, aquaculture, freshwater, environmental reporting, hazardous substances and new organisms controls
Finance	Budget round, all proposals requiring additional resources
Fisheries	Marine biodiversity, marine protected areas, aquaculture, Conservation Services Programme, seabird and marine mammal by-catch
Foreign Affairs	All proposals relating to international treaties
Forestry	Sustainable indigenous forestry, SILNA forests
Justice / Attorney-General	Foreshore and seabed administration and redress
Land Information	South Island high country (tenure review), management or transfer of unallocated Crown lands (e.g. riverbeds)
Local Government	RMA issues, Treaty settlements, Reserves Act administration
Maori Affairs	Maori interests in conservation land, appointments to statutory bodies, heritage protection, freshwater fisheries, Treaty settlements, foreshore and seabed
Sport and Recreation	Recreation in conservation areas, outdoor recreation
Research, Science and Technology	Conservation research
State Services	Chief Executive's performance, machinery of government issues
Tourism	Nature tourism, tourism opportunities and pressures on conservation areas
Treaty of Waitangi Negotiations	Treaty negotiations involving cultural redress (conservation land and protocols)

3. YOUR DEPARTMENT

What we do

The department was set up under the Conservation Act 1987 and has powers and functions under other acts. The Act defines conservation as:

‘the preservation and protection of natural and historic resources for the purpose of maintaining their intrinsic values, providing for their appreciation and recreational enjoyment by the public, and safeguarding the options of future generations’.

The key functions as set out in the Conservation Act are to:

- Manage land and other natural and historic resources held under the Conservation Act;
- Preserve as far as practicable all indigenous freshwater fisheries, protect recreational fisheries and freshwater habitats;
- Advocate conservation of natural and historic resources;
- Promote the benefits of conservation (including Antarctica and internationally);
- Provide conservation information; and
- Foster recreation and allow tourism, to the extent that such activities are not inconsistent with the conservation of any natural or historic resource.

The department also contributes to the conservation and sustainable management of natural and historic heritage in areas for which it is not directly responsible. It does this through its roles under other statutes including the RMA, the Fisheries Act 1996, the Biosecurity Act 1993, the Forestry Act 1949, the Forest and Rural Fires Act 1977, and the Crown Pastoral Land Act 1998.

Conservation management and the work of the department have a high level of public input. Conservation is based on public support and on the concept that conservation land is the common heritage of all New Zealanders. All conservation legislation captures the essence of conservation land as being public land.

How we work

Working with you

Meetings

Your most regular personal contact with departmental officials is likely to be through meetings with the Director-General and senior managers. Other staff are available as needed. Meetings are coordinated through your senior private secretary and conservation private secretary.

Papers

Much of your engagement with the conservation portfolio is through papers, including Cabinet papers, briefings and correspondence. The department is very conscious of the demands on your time and the volume of ministerial paperwork and aims to keep it to a minimum.

- *Cabinet papers* are drafted to your requirements by the department, often with input from your office staff. Consultation with other departments on their content is managed by the department. Consultation with other ministers is managed by your office.

- *Correspondence* is managed by your conservation private secretary, with the help of head office staff who coordinate drafting, track progress and maintain records.
- *Briefings* can be requested by you or initiated by the department. Staff are always available to speak to briefings as required.
- *Statutory decision reports* set out the matters you should consider when making statutory decisions.

Statement of Intent

The department's Statement of Intent (SOI) must be consistent with any instructions or directions from you and the Minister of Finance, and with government policy and Cabinet decisions. In preparing the SOI we consult you on the medium-term strategic goals for the department, priority actions towards those goals, and performance expectations. These discussions usually occur between November and February, with a final draft SOI for your signature in March or April.

Output plan

The department's Output Plan is an agreement with you on the services the department will deliver and their associated performance measures. Outputs and measures are set out in enough detail to allow clear allocation of resources and management responsibility. We report thirdly to you against the output plan.

Budget

Budget planning has an initial strategic phase, in which ministers, their staff and departments determine the overall direction and priorities. This is followed by the initiatives (or bids) phase, in which ministers and departments develop specific proposals, which are assessed by Treasury.

We work with you and your staff to identify, cost and prioritise bids. Treasury is consulted on all proposals involving new spending and other departments are consulted as necessary. We help you prepare for Budget meetings with other ministers, including the Minister of Finance.

Final Cabinet decisions on the Budget are usually made around April to May.

Estimates

The Estimates are published on Budget day and outline the costs the government plans to incur on each specified output class within each vote for the coming year and how performance will be measured. They require your signature.

Public engagements and communications

The department works with your staff to provide advice and support for your public engagements and communications. This can include briefings, logistical support, draft speech notes and other written material. We keep you advised of opportunities to participate in significant public events concerning conservation, and look for opportunities to familiarise you with the department's operations and public conservation land.

Treaty of Waitangi / Kaupapa Atawhai

The Conservation Act requires the department to interpret and administer the Act so as to *give effect* to the principles of the Treaty of Waitangi. This is a strong requirement, reflecting the importance to Maori of the lands and resources managed by the department.

Our approach to this responsibility – our Kaupapa Atawhai – involves building and supporting effective conservation partnerships with tangata whenua. The department employs specialist staff in head office and conservancies to do this.

The department also has a growing range of management and consultation arrangements with iwi arising from Treaty settlements and Foreshore and Seabed negotiations.

Strategic Direction

New Zealanders want their natural and historical heritage conserved. To foster this commitment to conservation, people must see there is value in it for itself, and for people's enjoyment and benefit, now and for future generations.

The department has therefore developed the following statement of its strategic direction, to guide its approach to its work:

The overarching purpose of the department is to increase the value that New Zealanders attribute to conservation.

This leads to enhanced care of New Zealand's unique heritage for people to benefit from and enjoy.

To do this the department will:

- seek to entrench conservation as an essential part of the sustainable social and economic future of New Zealand
- be recognised as an effective manager of the lands, waters, species, historic places, and roles entrusted to it
- lead, guide, and facilitate conservation gains throughout New Zealand, wherever conservation is most needed
- weigh society's values, nature's inherent qualities, and scientific criteria in its decision-making
- actively promote outdoor recreation for New Zealanders, especially through fostering recreation, use, and enjoyment on conservation land.

Who we work with

The department works with a wide range of organisations and groups both nationally and locally. National relationships, including those with your office and Parliament, are managed by the Marketing and Communications Group. Regional and local relationships are managed by conservancy and area offices.

Parliament

The department works with Parliament primarily through your office. We provide advice and support on legislation and regulation, respond to requests for information or advice from select committees, and support your office in responding to Parliamentary questions. When appointed as advisers to select committees, departmental staff remain primarily responsible to you. Advisers must advise committees to the best of their abilities and in good faith, while still subject to your direction.

Other Departments and Ministries

The department works closely with a wide range of central government agencies.

Departmental chief executives have recently established a Natural Resources Sector to ensure that, across government agencies, a strategic, integrated and aligned approach is taken to natural resources development and management. The Sector includes:

- the natural resource management agencies – the Ministry of Agriculture and Forestry, Department of Conservation, Ministry of Economic Development, Ministry for the Environment, Ministry of Fisheries, Land Information New Zealand and Te Puni Kokiri
- the central agencies – the State Services Commission, the Treasury, and the Department of Prime Minister and Cabinet.

Other departments with common policy interests include the Ministry for Culture and Heritage, the Ministry of Foreign Affairs and Trade, the Ministry of Education, the Ministry for Research, Science and Technology and the Ministry of Tourism. The department works often with agencies that have relevant operational responsibilities, including the Police, Ministry of Defence, and Customs.

The department has working relationships with a range of Crown entities, including Crown Research Institutes, Tourism New Zealand, the Historic Places Trust, the New Zealand Fish and Game Council, the QEII National Trust, Creative New Zealand and Television New Zealand.

National Conservation and Recreation Organisations

The department has two-monthly meetings with representatives of national conservation and recreation organisations and frequent interactions on policy and operational matters at other times.

National Sector Groups

The department interacts with a wide range of national sector groups, including local government, tourism, science, farming, fisheries, transport, mining and energy.

Education providers

The department works with the Ministry of Education, sector organisations, and other providers to help inform young New Zealanders about their natural and historic heritage. It also collaborates with organisations such as local authorities and scientific bodies on initiatives to build conservation skills and knowledge amongst adult New Zealanders involved with conservation projects.

Local Government

The department works with local authorities to promote protection of natural and historic heritage, including through planning and decision-making under the RMA. A regular means of engagement is the Chief Executives' Environment Forum (CEEF), a meeting convened by the Ministry for the Environment for chief executives from regional councils, Local Government New Zealand, and central government departments concerned with the environment and resource management. The department also has a close involvement with regional councils on coastal management, given your role as the Minister representing the Crown's interest in the coast.

Iwi

Departmental relationships with iwi are managed with specialist help and advice from the Kahui Kura Taiao, a group of staff with specialist knowledge of Maoritanga and tikanga. The

department has an increasing number of formal agreements and protocols with iwi arising from Treaty settlements.

Statutory bodies

A large number of statutory bodies have formal roles in conservation management. Further information on these is set out in section 4 of this briefing.

Business

Businesses are increasingly supporting conservation programmes through sponsorship. The department manages these relationships carefully to ensure they deliver mutual benefits, and promotes opportunities for further sponsorship arrangements. The department is also developing opportunities for businesses to invest in forest carbon sink projects on conservation land.

Community groups

The department works in partnership with more than 480 community groups, tangata whenua and associates to carry out conservation work on public land. A 2007 survey of 201 groups found that more than 6000 volunteers were involved, contributing 175,000 hours of voluntary work valued at more than \$2.1 million.

Landowners

The department works with landowners where possible to provide advice and support on protecting threatened biodiversity on private land. Many landowners also support the department's work by allowing access to conservation land across their property, and by collaborating on matters of common interest such as fire, pest and weed control.

Our organisation

The department's structure reflects the geographic spread of its work. Fieldwork and conservation services are delivered mainly from a network of 49 area offices. The 49 areas are grouped into 13 conservancies, each with a conservancy office to provide support. The conservancies are led and managed by two General Managers, Operations; one working from the Northern Regional Office in Hamilton and the other from the Southern Regional Office in Christchurch.

The department's Head Office in Wellington provides national service and support functions, provides policy advice to you, and contributes to whole of government policy processes.

The department employs 1858 permanent staff (as at 7 November 2008) and about 500 temporary full-time equivalent staff a year. About 84% of permanent staff are in field operations and 16% in policy, support and service roles.

A further 9000 New Zealanders contribute to conservation work as volunteers.

Executive Leadership Team

	<p>Director-General <i>Tumuaki Ahurei</i> Al Morrison Al is a graduate of Otago University, where he studied philosophy and education. After working initially as a teacher, Al moved into journalism. He worked in newspaper reporting, commentary and management positions before joining Radio New Zealand in 1996, where he became Political Editor. Al joined the department in 2002 as general manager, external relations, then served as general manager, strategy and policy, before being appointed Director-General in 2006.</p>		
	<p>General Manager, Operations, Northern <i>Tumuaki Te Tari tapere ki te Raki</i> Barbara Browne</p>		<p>General Manager Marketing and Communications <i>Tumuaki Whaka-whanaunga a hapori</i> Sue Paterson</p>
	<p>General Manager, Operations, Southern <i>Tumuaki Te Tari tapere ki te Tonga</i> John Cumberpatch</p>		<p>General Manager Policy <i>Tumuaki Whakahere Kaupapa</i> Doris Johnston</p>
	<p>Tumuaki, Kahui Kura Taiao <i>General Manager Maori Issues</i> Tata Lawton</p>		<p>General Manager People and Organisation Development <i>Tumuaki Whakahiato-kaimahi a Papa Atawhai</i> Felicity Lawrence</p>
	<p>General Manager Corporate Services <i>Tumuaki Tanga Topu Whakaritenga</i> Grant Baker</p>		<p>General Manager Research and Development <i>Tumuaki Rangahau-whakahiato-whakakoi</i> Kevin O'Connor</p>

Structure

Kahui Kura Taiao

Tumuaki: Tata Lawton (Head Office, Wellington)

<i>Unit</i>	<i>Functions</i>
Kahui Kura Taiao Kaihautu Kura Taiao: Evaan Aramakutu	<ul style="list-style-type: none"> ○ Strategic advice, mentoring and support on kaupapa atawhai, Maori protocol and customs, and communication with Maori ○ Representation of the Director General and department at forums and hui ○ Engagement with tangata whenua at government, iwi and community levels
Nga Whenua Rahui Pou Whakahaere: Trevor Lambert	<ul style="list-style-type: none"> ○ Support for the independent Nga Whenua Rahui Komiti, which provides legal protection and funding to conserve biodiversity values on Maori land and increase tangata whenua participation in managing biodiversity
Kaihautu Kaupapa Atawhai: Te Kei Wilson Merito	<ul style="list-style-type: none"> ○ Expert advice and support on matters relating to Foreshore and Seabed Act implementation and kaupapa Maori. ○ Cultural leadership

Corporate Services Group

General Manager: Grant Baker (Head Office, Wellington)

<i>Unit</i>	<i>Functions</i>
Business Services Manager: Dave Alcock	<ul style="list-style-type: none"> ○ project management ○ commercial management, including national contracts and procurement ○ development of sustainable business practices ○ Head Office building management, vehicle fleet management, and customer services
Finance Services Chief Financial Officer: Christeen Mackenzie	<ul style="list-style-type: none"> ○ financial operations and reporting ○ strategic finance, including business development ○ business support systems – financial and asset management ○ business planning and analysis
Information Services Chief Information Officer: Trudy Rankin	<ul style="list-style-type: none"> ○ IT applications and development ○ technology and outsourced services ○ geospatial services ○ knowledge services (library)
Legal Services Manager and Chief Legal Adviser: Jonty Somers	<ul style="list-style-type: none"> ○ legal advice and land administration advice ○ litigation ○ legislation ○ legal systems support

Marketing & Communications Group

General Manager: Sue Paterson (Head Office, Wellington)

<i>Unit</i>	<i>Functions</i>
Communications Manager: Fiona Morris	<ul style="list-style-type: none"> ○ communication advice on national issues, e.g. 1080, marine and media ○ publishing, including science and technical ○ internal communications (including intranet)
International Relations Manager: Andrew Bignell	<ul style="list-style-type: none"> ○ international engagement and negotiations ○ monitoring of international conservation obligations ○ coordinating support for Pacific conservation programmes
Marketing Manager: Robyn Cormack	<ul style="list-style-type: none"> ○ corporate identity and awareness programmes ○ education and community outreach ○ departmental website ○ visitor information, interpretation and visitor centres ○ business partnerships
Ministerial Servicing Manager: Brian Sheppard	<p>Coordination, tracking, vetting and editing of information between the department and Minister, including:</p> <ul style="list-style-type: none"> ○ draft replies to Ministerial correspondence ○ Official Information Act requests ○ answers to Parliamentary Questions ○ Cabinet papers ○ Ministerial speeches ○ briefing papers
Relationships Manager: Nicola Holmes	<ul style="list-style-type: none"> ○ maintenance and development of processes, systems and protocols governing the department's external relationships ○ servicing the Queen Elizabeth II National Trust, New Zealand Conservation Authority, Nature Heritage Fund, Biodiversity Advice and Conditions funds, Terrestrial Freshwater Biodiversity Information Systems funds ○ management of the selection process for conservation boards ○ support for NGO forums

Policy Group

General Manager: Doris Johnston (Head Office, Wellington)

<i>Unit</i>	<i>Functions</i>
Policy (two units) Managers: Jim Nicolson, Nigel Parrott	<ul style="list-style-type: none"> ○ national conservation policy development and advice ○ conservation policy input to policy processes led by other departments
Policy Negotiations Manager: Lucy Alcock	<ul style="list-style-type: none"> ○ development of conservation policy position in relation to Treaty and foreshore and seabed negotiations ○ representation of you and your department in Treaty and foreshore and seabed negotiations
Planning Manager: Guy Kerrison	<ul style="list-style-type: none"> ○ leadership, support and coordination of the department's Conservation Act statutory planning and engagement in RMA processes ○ advice and support on national coastal policy

People and Organisation Development Group

General Manager: Felicity Lawrence (Head Office, Wellington)

<i>Unit</i>	<i>Functions</i>
Employee Relations Manager: Suzanne Edwards	<ul style="list-style-type: none"> ○ employment management and advice ○ payroll ○ health and safety
Organisational Development Manager: Hamish More	<ul style="list-style-type: none"> ○ advice and planning on organisational capacity and effectiveness
Strategy Manager: Elizabeth Thomas	<ul style="list-style-type: none"> ○ advice on strategic direction for the department ○ coordination of Statement of Intent and Annual Report
Internal Audit Chief Internal Auditor: Shagen Ganason	<ul style="list-style-type: none"> ○ oversight of financial and risk management auditing

Research and Development Group

General Manager: Kevin O'Connor (Head Office, Wellington)

<i>Unit</i>	<i>Functions</i>
Ecosystems and Species Manager: Allan Ross	<ul style="list-style-type: none"> ○ threatened species support (tool development, best practice, research, Threat Classification System, Standard Operating Procedures) ○ ecosystems management support (research, restoration best practice, manager advice) ○ Natural Heritage Management System (NHMS) ○ national data collation, analysis and reporting on natural heritage ○ fire support
Aquatic and Threats Manager: Jeff Flavell	<ul style="list-style-type: none"> ○ marine science, species and site protection advice and management support ○ freshwater science, species and site protection advice and management support ○ biosecurity support (pre-border, border, incursion response, Standard Operating Procedures) ○ weed and pest management support (research, tool development, best practice, Standard Operating Procedures, predator detector dogs, animal pest framework) ○ Marine Conservation Services programme

Heritage Appreciation Manager: Dave Jane	<ul style="list-style-type: none"> ○ social science advice ○ historic heritage conservation ○ Asset Management System (including dataloggers) ○ national visitor booking system and visitor management (asset standards, recreation planning, safety, monitoring) ○ visitor counter design, production and delivery ○ concessions management and permissions database ○ archaeological sites database ○ tourism relationships
National Technical Services Manager: Carl McGuinness	<ul style="list-style-type: none"> ○ training (until July 2009) ○ science and technical contracts ○ CITES (Trade in Endangered Species) ○ National Bird Banding Office ○ veterinary advice ○ Standard Operating Procedures review ○ R&D communications ○ conservation electronics ○ engineering oversight and advice
Chief Science Advisor Manager: Geoff Hicks	<ul style="list-style-type: none"> ○ international science obligations ○ external science relationships (advice and support) ○ future science needs, strategy and advice

Northern and Southern Operations Groups

General Manager, Operations, Northern: Barbara Browne (Regional Office, Hamilton)

<i>Functions</i>
<ul style="list-style-type: none"> ○ Leadership and coordination of operational performance across the North Island conservancies (8 conservancies, 27 area offices)

General Manager, Operations, Southern: John Cumberpatch (Regional Office, Christchurch)

<i>Functions</i>
<ul style="list-style-type: none"> ○ Leadership and coordination of operational performance across the South Island conservancies (5 conservancies, 22 area offices)

Conservancies



Northland

Conservator: Chris Jenkins

Staff: 126

Conservation highlights: Waipoua and Trounson kauri forests, Poor Knights Islands Marine Reserve; Cape Reinga and Te Pahi

Key species programmes: Kiwi, kukupa (native pigeon), kokako, land snails, rare shore birds, bats



Auckland

Conservator: Sean Goddard

Staff: 93

Conservation highlights: Hauraki Gulf islands and marine reserves, Kermadec Islands Nature Reserve, more than 2000 Maori or early European cultural heritage sites

Key species programmes: Fairy tern, dotterel, kokako, chevron skink, Maui's dolphin, bats



Waikato

Conservator: Greg Martin

Staff: 107

Conservation highlights:

Waitomo caves, Te Whanganui-a-Hei (Cathedral Cove) marine reserve, wetlands, Pureora and Pirongia Forest Parks, Karangahake Gorge, Mercury and Alderman islands.

Key species programmes:

Kokako, dotterel, kiwi, kaka, dactylanthus (wood rose), native freshwater fish, Moehau stag beetle, Mahoenui giant weta, Archey's and Hochstetter's frogs, tusked weta, striped skink, bats.



Bay of Plenty

Conservator: Henry Weston

Staff: 70

Conservation highlights:

Kaimai-Mamaku Forest Park, marine reserves at Tuhua and Te Paepae Aotea, Whirinaki Forest Park, Rotorua lakes and geothermal areas.

Key species programmes:

Kokako, native freshwater fish, kiwi, dotterel, dactylanthus, native mistletoe, coastal cresses, native orchids, ferns, sea spurge.



East Coast/Hawke's Bay

Conservator:

Peter Williamson

Staff: 91

Conservation highlights:

Te Urewera National Park; Raukumara, Kaweka and Ruahine Conservation Parks; Cape Kidnappers Gannet Reserve; Cook Landing Site National Historic Reserve; Te Angiangi and Te Tapuwae o Rongokako marine reserves, Otatara Pa historic reserve.

Key species programmes:

Dotterel, shore plover, kokako, dactylanthus, kowhai ngutu kaka, native mistletoe.



Tongariro/Taupo

Conservator: Paul Green

Staff: 83

Conservation highlights:

Tongariro National Park, Taupo trout fishery, Kaimanawa Forest Park.

Key species programmes:

Kiwi, whio (blue duck), bats, native snails, native mistletoe, dactylanthus, heather and wilding pine control.



Wanganui

Conservator: Damian Coutts

Staff: 93

Conservation highlights:

Egmont and Whanganui National Parks, Parininihi and Tapuae Marine Reserves, western Ruahine Forest Park

Key species programmes:

Skinks, kiwi, whio, bats, northern dotterel, kererū, brown mudfish and kokopu, Powelliphanta snail, katipo spider, notoreas moth, and plants including Dactylanthus, Olearia gardneri ('Taihape O-G'), pingao.



Wellington

Conservator: Alan McKenzie

Staff: 100

Conservation highlights:

Tararua, Aorangi and Rimutaka Forest Parks, Kapiti Island Nature Reserve, Somes/Matiu Island, Pukaha Mt Bruce Wildlife Centre, Kapiti and Taputeranga Marine Reserves, Chatham Islands.

Key species programmes:

Tuatara, giant weta, skinks and geckos, kakariki, kaka, kokako, kiwi, short-tailed bat, dactylanthus, native mistletoe.

Nelson/Marlborough

Conservator: Neil Clifton

Staff: 163

Conservation highlights:

Abel Tasman, Kahurangi, and Nelson Lakes National Parks; Molesworth Station; Stephens Island and Farewell Spit nature reserves; Marlborough Sounds; Kaikoura Ranges; Long Island, West Haven, Tonga Island and Horoirangi marine reserves

Key species programmes:

Whio, land snails, tuatara, native frogs, kaka, takahe, mohua, endemic plants.



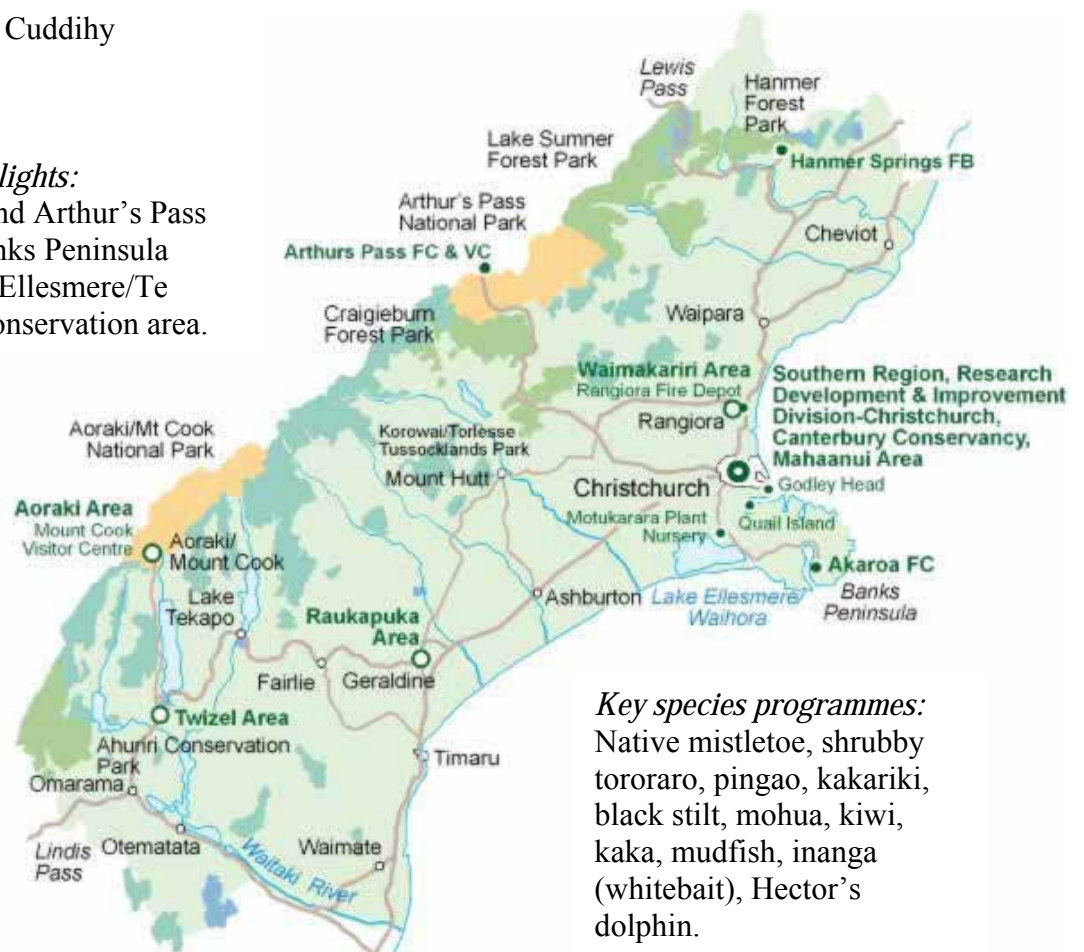
Canterbury

Conservator: Mike Cuddihy

Staff: 156

Conservation highlights:

Aoraki/Mt Cook and Arthur's Pass national parks; Banks Peninsula marine area; Lake Ellesmere/Te Waihora; Lindis conservation area.



Key species programmes:

Native mistletoe, shrubby tororaro, pingao, kakariki, black stilt, mohua, kiwi, kaka, mudfish, inanga (whitebait), Hector's dolphin.

West Coast Tai Poutini

Conservator: Mike Slater

Staff: 167

Conservation highlights:

Westland Tai Poutini and Paparoa national parks; Te Wāhipounamu South West New Zealand World Heritage Area; Oparara; Punakaiki; Fox and Franz Josef glaciers; Okarito.

Key species programmes:

Okarito brown kiwi, Haast tokoeka, whio, kotuku, Westland petrel, mohua, Fiordland crested penguin, giant land snails, NZ fur seal, Hector's dolphin.





Otago

Conservator: Jeff Connell

Staff: 137

Conservation highlights:

Mt Aspiring National Park; Otago Goldfields Park; Otago Central Rail Trail; Taiaroa Head albatross colony; Te Papanui conservation park.

Key species programmes:

Grand and Otago skinks; northern royal albatross; NZ sea lion; mohua; Buff weka; rare tree daisies; Cook's scurvy grass; endemic shrubs, trees, grasses and herbs.

Southland

Conservator: Barry Hanson

Staff: 150

Conservation highlights:

Fiordland National Park; Te Wahipounamu Southwest New Zealand World Heritage Area; Rakiura (Stewart Island) National Park; Subantarctic Islands; 12 marine reserves.

Key species programmes:

Kakapo, takahe, NZ dotterel, mohua, albatross, mollymawk, Fiordland crested penguin, Hector's dolphin, *Olearia hectorii*.



Finances

Running the department currently costs about \$300 million a year.

Rising costs meant that in 2008 the department was facing a likely annual deficit of at least \$8 million by 2010/11. Support and service functions were reviewed to realign them with the department's strategic direction, and this review also looked for opportunities to reduce costs. Annual savings ranging from \$3.5 million to \$3.9 million were identified for the next three years. These savings, combined with additional capability funding of \$3.4 million a year in the 2007 Budget, put the department in a substantially improved financial position for coming years.

The following tables summarise the department's financial performance over the past year and its position at the year's end. The department will offer a further briefing for you and your staff on the department's finances and on your accountabilities under the Public Finance Act 1989.

Statement of financial performance for the year ended 30 June 2008		2007/08 actual (\$000)
Revenue		
	Crown	263,950
	Other	30,979
	Total	294,929
Expenses		
	Personnel costs	133,103
	Operating costs	103,363
	Depreciation and amortisation	20,639
	Capital charge	31,704
	Loss on sale of property, plant and equipment	2,348
	Total	291,157
Net surplus		3,772

Statement of financial position as at 30 June 2008		Actual (\$000)
Assets		
	Current	90,397
	Non-current	404,163
	Total	494,560
Liabilities		
	Current	37,052
	Non-current	11,439
	Total	48,491
Taxpayers' funds		446,069
Total liabilities and taxpayers' funds		494,560

4. INSTITUTIONAL ARRANGEMENTS

Statutory Bodies

Conservation legislation makes substantial provision for public engagement with conservation management, including through a number of statutory bodies. Many members of these bodies are appointed by you as Minister.

The range and roles of statutory bodies are outlined here. Section 6 of this briefing has further information on Ministerial appointments due in 2009.

Early in 2009 you will receive a detailed briefing from the department on upcoming appointments and details of all Ministerial appointees and their terms of appointment.

Conservation Authority and Conservation Boards

New Zealand Conservation Authority

The New Zealand Conservation Authority (NZCA) is a statutory body representing the public interest in conservation at a national level. It advises you and the Director-General and approves key conservation management documents, including general policy for national parks, conservation management strategies, and national park management plans. As Minister you are required to consult with the NZCA on matters including appointments to conservation boards.

Members of the NZCA are appointed by the Minister of Conservation on the recommendation of designated organisations, in consultation with specified Ministers, or following public nominations, as set out in the following table:

Ministerial appointments to the New Zealand Conservation Authority	
<i>Consultation with, or recommendation from:</i>	<i>Number of appointments</i>
Ngai Tahu	1
Federated Mountain Clubs	1
Royal Forest and Bird Protection Society of New Zealand	1
Royal Society	1
Minister of Tourism	2
Minister of Maori Affairs	2
Minister of Local Government	1
Public Nominations	4
<i>Total</i>	<i>13</i>

NZCA members are appointed for three years. Current terms all expire on 31 May 2011.

Don Ross QSM is the current chairperson of the authority. He is a former chief executive of the New Zealand Landcare Trust.

Conservation boards

Conservation boards are independent statutory bodies, appointed by you as Minister. They advise on the department's policy and activities at a regional level. There are 14 boards, one for each of the 13 conservancies and one for the Chatham Islands. Each board may have up to 12 members.

A major responsibility for each board is overseeing the development of the Conservation Management Strategy for its region. Once a strategy has been approved by the NZCA the board advises on its implementation. Each conservation board reports annually to the NZCA.

Approximately one third of conservation board members are appointed by the Minister each year for three-year terms. Up to 55 conservation board appointments are due in 2009. Further information is in section 6 of this briefing.

Fish and Game Councils

Fish and Game Councils are Crown entities responsible for the management of freshwater sport fishing (for trout and salmon) and gamebird hunting (for ducks, geese, swans, pheasants, partridges and quail). The councils employ about 70 staff and are funded from sales of sport fishing and hunting licences, with an annual budget of about \$6 million.

There are 12 regional councils, each with 12 members elected every three years by licence holders. Each region appoints one person to the national body, the New Zealand Fish and Game Council. There is a non-voting departmental representative on each regional council and the national council.

Fish and Game Councils must provide annual financial reports to you, but have considerable independence. As public entities they are not subject to Ministerial direction. You are responsible for approving their annual budgets, licence fees and conditions for fishing and hunting. You can require councils to amend notices that they recommend each year specifying the conditions for game seasons.

The national council is responsible for advising you on sports fish and game matters, developing policy and guidelines, advocating for the national interests of anglers and hunters, and co-ordinating sport fishery and gamebird management nationally.

The Taupo sports fishery is the exception to management of sports fisheries by fish and game councils. It is managed by the department in consultation with the Taupo Fishery Advisory Committee, which has 10 members appointed by you.

The current chairman of Fish and Game New Zealand is Rob Roney and the chief executive is Bryce Johnson.

Queen Elizabeth II National Trust

The Queen Elizabeth II National Trust is a statutory body that helps landowners protect significant natural and cultural features on their land, primarily through open space covenants. It helps fund covenant projects, advises landowners on managing covenants, and monitors protected areas. The Trust has an annual budget of about \$4 million, mostly from government grants.

As the Minister responsible for the Trust under its establishing Act you appoint the chairperson and three directors. Two more directors are elected by Trust members. There is an annual purchase agreement between the Trust and the Minister, and the Board reports annually to you.

The current chairperson is Sir Brian Lochore and the chief executive is Margaret McKee.

New Ministerial appointments to the Trust are due in 2009, including the chair. Further information is in section 6 of this briefing.

Nature Heritage Fund

The Nature Heritage Fund is a contestable ministerial fund to protect representative examples of indigenous ecosystems. It is administered by a Ministerially appointed advisory committee, serviced by a secretariat in the department.

The Fund receives applications from landowners, non government organisations, local authorities and the department. The committee considers applications and makes recommendations for your approval. Since 1990 the fund has protected more than 340,000 hectares of indigenous ecosystem by means including direct purchase, covenanting and fencing.

In 2008 the purchase of St James Station, near Lewis Pass, was funded by way of a drawdown from the Fund over 6 years (with additional funding from Vote Lands). This reduced the scheduled appropriations for the Fund in coming years to just over \$3 million a year.

The chairperson of the Fund is Di Lucas.

Nga Whenua Rahui Komiti

Nga Whenua Rahui is a contestable Ministerial fund for the protection of indigenous ecosystems on Maori land. It is administered by the Nga Whenua Rahui Komiti (committee), which is serviced by a secretariat in the department. The fund currently has a budget of \$3.5 million a year.

Organisations representative of iwi and hapū can apply to Nga Whenua Rahui for funding. Protection mechanisms include covenants (kawenata), fencing, and establishment of Maori reservations under the Te Ture Whenua Act 1993. The criteria and mechanisms of Nga Whenua Rahui are geared towards the owners retaining tino rangatiratanga (ownership and control).

Nga Whenua Rahui also administers the Matauranga Kura Taiao Fund, which supports retention and use of traditional Maori knowledge in biodiversity management.

The committee, which currently has six members, considers applications and makes recommendations for your approval.

The chairperson of Nga Whenua Rahui Komiti is Tumu Te Heuheu.

Guardians

There are seven Ministerially appointed Guardians of Lakes Manapouri, Monowai and Te Anau. They meet twice a year and work with power companies in monitoring the impact of power generation on the lakes, particularly on water levels.

There are four Ministerially appointed Guardians of Lake Wanaka. They monitor the environmental health of the lake.

Taupo-nui-a-Tia Management Board

The Taupo-nui-a-Tia Management Board administers the beds of Taupo waters. It has four Ngati Tuwharetoa members and four Crown members appointed by you in consultation with the Minister of Maori Affairs.

Waitangi National Trust

You are an *ex officio* member of the Waitangi National Trust Board, which oversees the management of the Treaty grounds at Waitangi.

Marine Reserve Committees

Some marine reserves have committees to advise on the management of the reserve. Some are established by you under the Conservation Act, under terms of reference set by you. Others are committees established by the relevant conservation board.

Joint management and advisory committees

One joint management committee and three joint advisory committees have been established under Treaty settlement legislation.

The joint management committee – Te Tapatoru A Toi – was established under the Ngati Awa Claims Settlement Act 2005 to manage Moutohora (Whale Island) Wildlife Management Reserve, Ohope Scenic Reserve and Tauwhare Pa Scenic Reserve in the Bay of Plenty. It has representatives nominated by you as Minister, by Ngati Awa and by the Bay of Plenty Conservation Board.

There are two joint advisory committees in the Bay of Plenty and one in Taranaki. These committees also include Ministerial appointees.

Reserve Boards

Reserve boards control and administer reserves according to the Reserves Act 1977. In most cases Ministerial authority to appoint members is delegated to the Director-General. Exceptions to date are the Lake Okataina Scenic Reserve Board, the Rotoiti Scenic Reserve Board and the Kaiteriteri Recreation Reserve Board.

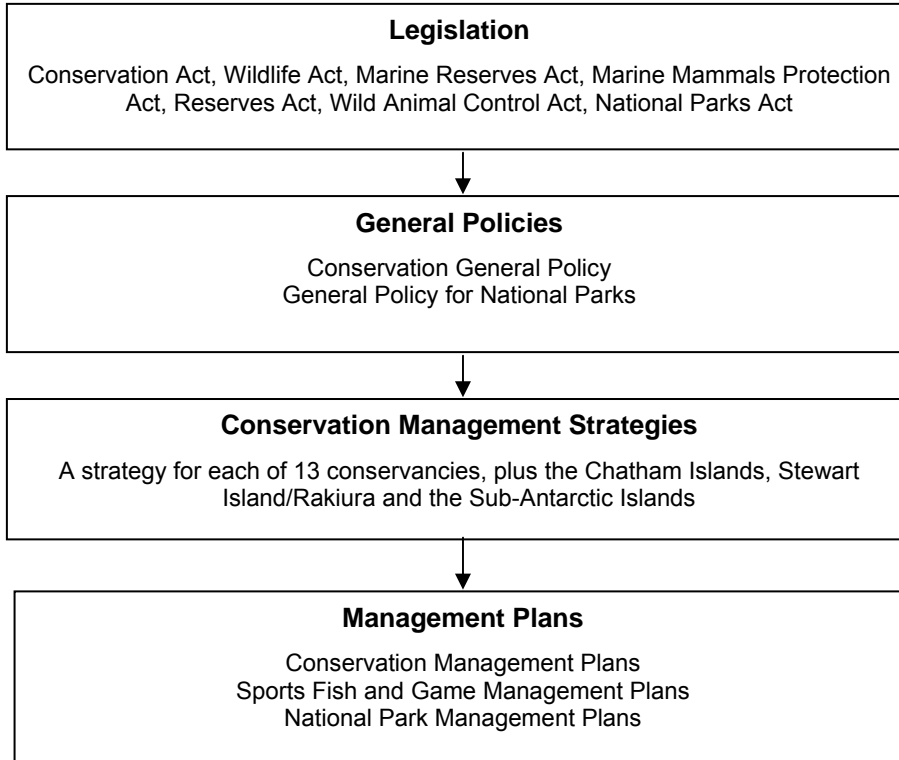
Other bodies

The trust deeds for some private trusts give you the right to nominate or appoint a member to their management bodies. Examples are the Eastwoodhill Arboretum on the East Coast, the Fiordland Museum Trust in Te Anau and the Peninsular Counties Library Trust in Otago.

Statutory planning

Planning framework

Conservation management planning is governed by a hierarchy of planning documents established by conservation legislation, as set out in the following diagram:



General Policies

General policies provide guidance for the interpretation of conservation legislation and the development of conservation management strategies and plans. They guide and in some cases direct decisions by the Minister, Director-General and other decision-makers under the legislation, such as the New Zealand Conservation Authority, conservation boards and fish and game councils.

Conservation Management Strategies

A Conservation Management Strategy (CMS), is a statutory 10-year plan for conservation management, under the Conservation Act. A CMS sets out a strategy for the integrated management of all lands and marine areas administered by the department in a conservancy or region. CMS policies guide the department in carrying out its statutory responsibilities, advocating for conservation, developing relationships with tangata whenua, and working with other statutory agencies, community and user groups and the public.

CMSs are developed through a public process set out in the Conservation Act. They are approved by the New Zealand Conservation Authority, which must have regard to any recommendations from you on the final draft.

Most first-generation CMSs are under review or due for review, as set out in the following table:

Conservation Management Strategy (CMS)	Status
West Coast	In draft
Tongariro/Taupo	In effect
Northland Auckland Waikato Bay of Plenty East Coast/Hawke's Bay Wanganui Chatham Islands Wellington Nelson/Marlborough Canterbury Stewart Island/Rakiura	Under review
Otago Mainland Southland/West Otago The sub-antarctic islands	Due for review

Conservation Management Plans

Conservation Management Plans (CMPs) are detailed plans for the management of particular sites. CMPs are not required, unless they have been specifically mentioned as a task in the relevant CMS, and there are relatively few conservation management plans to date. CMPs are approved by conservation boards or on rare occasions the New Zealand Conservation Authority.

National Park Management Plans

The National Park Act requires a management plan for every national park. These are 10-year plans, whose preparation includes public consultation. The New Zealand Conservation Authority (NZCA) approves national park management plans after having regard to your views on the final draft. Some national park management plans are under review or due for review soon, as set out in the following table:

National Park Management Plan	Status
Te Urewera Tongariro Egmont Abel Tasman Arthur's Pass Aoraki/Mt Cook Fiordland Westland Tai Poutini	In effect
Whanganui Kahurangi Mt Aspiring	Under review
Nelson Lakes Paparoa	Due for review
Rakiura	In preparation

Concessions

A concession is an authorisation, usually with operating conditions and charges, to conduct private or commercial activity on conservation lands. A concession may be a permit, licence, easement or lease. Revenues from concession fees can supplement departmental operating budgets and support conservation projects.

Concessions are issued in the name of the Minister but decisions are generally delegated to departmental managers or conservators. Decisions on activities of national significance can be made by the Director-General or by you.

The department's decision-making processes for concessions vary according to the situation. The aim is to deliver decisions efficiently and cost-effectively while taking due account of conservation risks and stakeholder interests. Much more is involved for a hydro dam proposal, for example, compared to an application for a guided walk on existing tracks, and current processes reflect this

An environmental impact assessment is usual for all concession applications. Consultation with the public, tangata whenua and boards can be required, particularly where significant effects, long terms of operation, or exclusive use of an area are anticipated. Conditions can be set to minimise impacts and promote safety. Research and monitoring can also be required.

In recent years there have more than 1000 concession applications a year. The following table shows indicative statistics for 2007/08. Pending applications include many that are not being actively pursued by applicants and others whose progress depends on separate processes such as resource consent proceedings.

Concession applications 2007/08: processing and outcomes		
	<i>Number</i>	<i>%</i>
Received	1156	100
Approved	786	68
Declined	8	1
Withdrawn	46	4
Pending	316	27

The range of activities undertaken with concessions is broad, as shown by the following indicative figures for the last financial year.

Concessions in effect at 30 June 2008		
<i>Activity</i>	<i>Number</i>	<i>%</i>
Grazing	812	21
Access/easement	598	16
Accommodation	488	13
Guiding	473	12
Telecommunications	429	11
Structures	329	9
Aircraft	149	4
Boating	107	3
Wild animal control	91	2
Extraction	66	2
Vehicle	53	1
General agriculture	47	1
Unidentified	46	1
Events	40	1
Skifields	25	1
Storage	19	<1
Education/instruction	18	<1
Retail	14	<1
Attractions	11	<1
Filming/photography	9	<1
Horticulture	7	<1
Aquaculture	1	<1
Total	3832	100

Revenue from concessions totalled just over \$14 million in 2007/08.

International agreements and bodies

New Zealand is party to a wide range of international agreements and a member of a number of international bodies dealing with environmental and conservation issues. Your approval or guidance may be needed on negotiating positions and Ministerial representation at international meetings and negotiations is recommended at times. Your engagement with international conservation matters is also determined by your priorities as Minister.

Key international agreements and bodies include:

The Agreement on the Conservation of Albatrosses and Petrels (ACAP)

This multilateral agreement aims to safeguard albatross and petrel populations in the Southern Ocean, particularly through reducing seabird bycatch from commercial fishing.

Antarctic Treaty

This treaty promotes peaceful international scientific co-operation in Antarctica. The supplementary *Protocol on Environmental Protection to the Antarctic Treaty* provides for protection of the Antarctic environment and ecosystems.

Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES)

The department is New Zealand's administering agency for this convention, which facilitates the regulation and control of international trade in wild animals and plants.

Convention on Biological Diversity

This convention promotes the conservation of biological diversity, sustainable use of genetic resources, and fair sharing of the benefits. It gave rise to the New Zealand Biodiversity Strategy.

Convention on the Conservation of Antarctic Marine Living Resources

The department provides technical input to an international commission established under this convention that studies and supervises the preservation of fish and bird life in Antarctica.

Convention on the Conservation of Migratory Species of Wild Animals

This convention is relevant to a number of species that spend part of their migratory cycle in New Zealand territory.

Convention on Conservation of Nature in the South Pacific (Apia convention)

This convention established the South Pacific Regional Environment Programme (see below).

Convention on the Conservation of Southern Bluefin Tuna

This convention created the Commission for the Conservation of Southern Bluefin Tuna, which aims to manage the fishery.

International Convention for the Regulation of Whaling

This convention established the International Whaling Commission (IWC). New Zealand has advocated for protection of whales and supported the current moratorium on commercial whaling and the establishment of the Southern Ocean Whale Sanctuary.

IUCN - World Conservation Union

The IUCN is an association of government and non-government organisations that promotes conservation research, field projects, policy, law and best practice and maintains the global "Red List" of threatened species. The department, the NZCA and six New Zealand NGOs are members.

Memorandum of Understanding for the Conservation of Cetaceans and their Habitats in the Pacific Islands Region

This memorandum, developed in 2006, aims to achieve concerted action to protect the habitats of cetaceans, especially the great whales.

Natural Resource Management Council; Environment Protection and Heritage Council

These councils of Australian and New Zealand ministers provide opportunities to exchange information and develop co-ordinated policies for environment and conservation issues.

Convention on Wetlands of International Importance (Ramsar Convention)

Five New Zealand wetlands have been registered under this convention as Wetlands of International Importance. They are protected under the reserves system and the RMA.

South Pacific Regional Environmental Programme (SPREP)

SPREP is a regional organisation established by Pacific governments and administrations to co-ordinate environmental projects. It is based in Apia, Samoa.

United Nations Open-ended Informal Consultative Process on Oceans and Law of the Sea

This process was begun in 1999 to facilitate the annual review by the UN General Assembly of developments in ocean affairs and the law of the sea.

World Heritage Convention

This convention was established by UNESCO to identify and protect the world's cultural and natural heritage places. New Zealand has three listed World Heritage sites: Te Wahipounamu (South West New Zealand); Tongariro National Park and the sub-antarctic Islands.

Biodiversity funds

There are 13 funded programmes across government to implement the New Zealand Biodiversity Strategy. The department has leading roles in four:

Biodiversity Advice Fund

The Biodiversity Advice Fund supports provision of information and advice to land managers. It funds projects which inspire landholders or groups to better protect indigenous species on their land, such as workshops, field-days, and publications. The fund is administered by the department.

Biodiversity Condition Fund

The Biodiversity Condition Fund aims to improve and maintain the condition of areas of indigenous vegetation, species and habitats. The fund seeks to broaden community effort in the management of indigenous biodiversity. Suitable projects can include fencing or pest control on private land. The fund is administered by the department.

Matauranga Kura Taiao Fund

This is a contestable fund supporting hapu and iwi initiatives to retain and promote traditional Maori knowledge and its use in biodiversity management. It is administered by the Nga Whenua Rahui Komiti, which allocates about \$0.5 million a year.

Terrestrial and Freshwater Biodiversity Information System

This programme aims to increase awareness of and access to data and information about New Zealand's terrestrial and freshwater biodiversity. It allocates \$2.7 million a year to fund research and support the development and maintenance of databases. The department administers the programme, with advice from a steering committee that includes representatives of the Ministry for the Environment, Ministry of Fisheries, local government and Crown Research Institutes.

Community Conservation Fund

The Community Conservation Fund is a contestable fund established in 2008 for established community groups to undertake restoration projects on public land. It aims to improve and maintain the condition of rare and threatened native areas, particularly wetlands, river streams and banks, dune lands, urban waterways and forest remnants. The fund is administered by the department and totals \$4 million, to be allocated between 2008 to 2010 to projects that require \$5000 to \$40,000 for up to two years.

5. MAJOR POLICY AND IMPLEMENTATION ISSUES

Natural resource management

As sustainability becomes a more dominant policy concern, the case for conservation must increasingly refer to a full range of benefits – economic, social and cultural, as well as environmental.

The protection and restoration of natural and historic heritage contributes in all four dimensions. Management to protect our native plants and animals will improve the health of the ecosystems that provide the physical services (water, soil, air, carbon storage) that fuel our economy. The state of those natural places is critical to our tourism industry; to our national identity and New Zealand's brand as a clean, green country; and to the physical, mental, spiritual and cultural health of our people.

Although the contribution that conservation makes to sustainability is of great value to New Zealanders, it is difficult to quantify. Studies have shown that some natural areas on public conservation land are important for recreation and domestic and overseas tourism, generating increased spending and job creation in regional economies. The economic value of fresh water from the tussock covered catchment in Otago's Te Papanui Conservation Park has been estimated at \$11 million a year for Dunedin town supply, Taieri valley irrigation and electricity generation. Other indicators of the value of conservation to New Zealanders include the hundreds of private and community-led volunteer conservation projects under way nationwide and private sector investments in conservation sponsorship. The department will continue to seek wider recognition of conservation as an investment in New Zealand's prosperity and its social and cultural strength, as well as its environmental health.

Major advancement in natural resource management in New Zealand will require more coordination across government agencies with environmental responsibilities. The department views the recent development of the public sector Natural Resources Sector (see page 10) as a potentially significant improvement in this area.

The department now works in a growing 'conservation sector' with partners including councils, NGOs, iwi, private landowners, and community groups. This is a welcome development as the conservation task is too large for the department alone: halting indigenous biodiversity loss would require more resources than the department is ever likely to deploy, and much threatened natural heritage is on private land.

People and businesses are becoming more sensitive to environmental issues and reputations. While economic and population growth continue to fuel demand for natural resources and infrastructure, there is growing acceptance that environmental limits must be respected and natural systems maintained.

Sustainable management of natural and physical resources is the purpose of the RMA. The department, along with other organisations, government departments and the public, participates in the public processes of the RMA to promote recognition of the full range of values and impacts relevant to sustainability. While there are issues with local authority capacity and implementation, community consultation and participation rights promote sound and durable decision-making.

The department receives a large number of requests from applicants to discuss development proposals. Councils also seek feedback, which informs their decisions on whether or not to call for submissions on resource consent applications. The department concentrates most of its effort on council policies and plans. In particular we seek to ensure that these address matters of significance for conservation, such as the effects of activities on threatened and indigenous species and their habitats. We lodge a small number of submissions on resource consent applications and occasionally lodge appeals. The department also participates in RMA processes to ensure activities adjacent to public conservation lands are appropriately managed, and applies for resource consent when necessary for its own activities.

The department encourages its contractors to deliver sustainable services and includes sustainability criteria when calling for tenders.

There is an opportunity to establish more firmly the connections between conservation and sustainability, and increase the value that New Zealanders attribute to conservation. This is the strategic direction informing the department's approach to its work.

Biodiversity

New Zealand's indigenous biodiversity — our native species, their genetic diversity, and the habitats and ecosystems that support them — is of huge value to our economy, our quality of life, and our sense of identity as a nation. Its uniqueness is of global significance. Since humans arrived, however, New Zealand has had one of the highest species extinction rates in the world, mostly due to habitat loss and the effects of introduced plant and animal pests.

Indigenous biodiversity has continued to decline throughout the 20th century, slowed only in part by conservation and natural resource management over the last three decades. Almost 2800 native species are now listed as threatened. About 3000 more are data deficient, which means they could be threatened but too little is known to confirm their status.

The department has developed recovery plans for 200 species. These include iconic species such as kiwi, kakapo, takahe and tuatara. Species programmes will continue, but the department is moving to place-based management of biodiversity. This is an “ecosystems approach” to conservation, in which the interactions and relationships between species at a place are understood and management targets all threats on site. As the ecological health of the target area improves, so do the prospects for all its native species.

Offshore islands cleared of predators are vital refuges for many threatened native species. Other areas under intensive pest management to protect native species include six “mainland islands”, five kiwi sanctuaries, 11 Operation Ark areas in the South Island and several areas of kokako habitat in the North Island. Operation Ark targets possums, stoats and rats to protect whio (blue duck), orange fronted parakeets (kakariki karaka), mohua (yellowheads) and pekapeka (bats).

The department uses a range of pest control methods, including aerial applications of 1080 poison. While the use of 1080 attracts some public criticism, it is the most cost-effective method available to the department in certain circumstances and pest control could not be maintained at current levels without it. In 2007 an exhaustive review of the use of 1080 by the Environmental Risk Management Authority concluded that “overall, the protection and regeneration of native flora and fauna were greatly assisted by the use of 1080 through aerial application”.

To enable the most cost-effective use of resources for species management, the department is developing the Natural Heritage Management System (NHMS). This system can measure indicators of the ecological integrity of a site, monitor trends over time, rank sites in order of priority, and enable coherent reporting on the state of biodiversity conservation in New Zealand. This is a major advance from the department's initial focus on individual species programmes, with high reliance on individual programme managers' expertise and limited ability to prioritise work on a national scale.

Because so much threatened biodiversity is on private land, its protection and restoration increasingly requires collaboration with the public, non-government organisations, businesses and other government agencies. The Biodiversity Condition and Advice Funds, administered jointly by the department and the Ministry for the Environment, support the protection of biodiversity on private land. The Terrestrial and Freshwater Biodiversity Information System, administered by the department with a multi-agency steering committee, is available to all organisations contributing to biodiversity management. Involving the community in caring for their natural heritage through education, sponsorships, awards, volunteer programmes, partnerships and events such as Conservation Week is also a vital part of the department's work.

Recreation and tourism

Conservation is the foundation of New Zealand's international 'clean and green' brand, and sustains many of the iconic places and experiences on which the tourism industry is based. The department manages most of New Zealand's major natural tourism attractions and provides extensive opportunities for outdoor recreation on conservation land and waterways. It also protects, restores and interprets important historic and cultural places, including high-profile 'icon' sites such as the Kerikeri Basin, Ship Cove and Denniston.

To meet the needs of visitors the department provides extensive facilities including 26 visitor centres, 940 huts, more than 12,000 kilometres of tracks, and numerous camp sites, structures, roads and carparks. The range and number of recreation opportunities available to New Zealanders and international visitors is extended by co-operation with private operators, through more than 1000 longer-term concessions for recreation activities.

The department is constantly seeking to refine and improve concession management. This includes enabling businesses aligned to conservation objectives to gain easier access through streamlined concession processes. Over the past two years three new processes have been developed:

- *re-issue* – a quicker, cheaper process for existing concessionaires to reapply for a concession
- *conforming* – the department identifies guiding opportunities and offers a streamlined process for applicants with conforming proposals
- *allocation in limited supply situations* – a process agreed with the Tourism Industry Association and the Ministry of Tourism for allocating concessions in places where use must be limited to maintain conservation values.

Growing demand and changing expectations for visitor experiences require a responsive approach to planning for tourism and recreation opportunities. The department's Visitor Strategy identifies six broad groups of visitors, ranging from those who make only short stops to seekers of extended wilderness experience. Conservation land is classified into seven types along a recreation opportunity spectrum from urban to wilderness. The outcomes planned for different places take account of the experience to be provided, the accessibility and sensitivity of the sites

and their place in the wider network of recreation opportunities. The department consults and works closely with others, including tourism and recreation providers, local authorities, recreational and conservation groups, and iwi, to ensure it is responding effectively to visitor preferences.

Work to support recreational opportunities requires regular improvements to management systems and standards. Examples of work under way are new visitor safety guidelines, a new 'activities finder' on the department's website and expansion of online bookings for top attractions. Effective provision of visitor amenities also requires a programme of research into visitor behaviour, expectations and experiences. This often requires collaboration with other agencies, a recent example being a study on vehicle crime at outdoor recreation and tourist destinations involving the department, the Police, Auckland Regional Council, the Ministry of Justice and the Tourism Industry Association.

The department has begun work on a visitor monitoring implementation plan, to build a more consistent approach to monitoring and increase monitoring capacity. Visitor participation and satisfaction are tracked through surveys. Recent results indicated 40% of New Zealanders aged 15 years or over had visited an area managed by the department and 84% of visitors were satisfied or very satisfied with the facilities provided. Rising expectations and evolving techniques for presenting interpretive information mean, however, that visitor facilities must be steadily updated to maintain satisfaction levels.

Marine conservation

Marine biodiversity protection lags behind protection of terrestrial species and areas. Limited knowledge of many aspects of the marine environment means the impacts of human activities are harder to state with certainty. Public support for marine reserves and marine protection in general is high in principle, but specific proposals can encounter strong opposition from a vocal minority of stakeholders.

With use and development of marine resources increasing, continued slow progress on marine reserves could permanently extinguish opportunities for representative marine protection. The Marine Protected Areas Policy and Implementation Plan has begun regional processes to identify sites for protection. This has the potential to accelerate progress towards protection of a representative selection of marine ecosystems. Marine reserves are one of the protection mechanisms that can be used under the policy.

There remains no overall policy framework for management of New Zealand's marine environment, particularly in the EEZ. Multiple interests and organisations (including the department) with varying accountabilities, principles and approaches continue to struggle to find an appropriate balance between development and conservation.

Aquaculture

Aquaculture has become a whole-of-government initiative because it involves coastal planning, customary rights and environmental management. The department is working on the Aquaculture Reform Implementation Programme with the Ministry of Fisheries and the Ministry for the Environment, dealing with issues arising from statutory reform and supporting local government planning for aquaculture.

The Aquaculture Chief Executives Forum, comprising leaders from the industry, local authorities and government departments (Environment, Fisheries and Conservation) has commissioned an independent report on options to improve aquaculture law. The report, led by economic consultancy LECG, is due by Christmas and the Forum expects to make recommendations to government in February 2009. The Minister of Fisheries and Minister for the Environment are due to report to Cabinet in March 2009.

Treaty / Foreshore and Seabed

The department is active in the Treaty settlement process led by the Office of Treaty Settlements. Given the particular importance of land and natural resources to iwi the department is included in each Crown negotiating team.

The department's participation relates mainly to 'cultural redress'. Some iwi seek the transfer of large areas of land or lake beds to them. Others are concerned about the liabilities of ownership and seek involvement with conservation management rather than sole responsibility. Cabinet policy has been that conservation land is not readily available for use in Treaty settlements, but small sites of high significance to iwi can be transferred. Ministers have frequently made exceptions in the interests of concluding a settlement.

Redress ranges from the transfer of small, discrete sites of high significance, to temporary camping entitlements for food gathering purposes. Other options include provisions for iwi management of sites, joint Crown and iwi management, or particular recognition of iwi associations. A protocol governing the department's future relationship with an iwi has become standard. Recent settlements have included major departures from existing policy frameworks and rapid development of a range of new instruments, such as the Waikato river accord.

The accumulation of settlements is increasing administrative costs and complexity for the department and raising skill requirements for staff. At the same time Treaty settlement negotiations present the department with an important opportunity to enhance relations with iwi. Positive relationships can be reinforced and weak or poor relationships can be strengthened by building trust and familiarity through negotiation. The department also has a long-term role in implementing settlements. The Office of Treaty Settlements is assessing the work involved across government to complete all outstanding settlements and it is likely that there will be resource implications for the department arising from this assessment.

The Foreshore and Seabed Act 2004 enables iwi to enter negotiations with the Crown over claims to foreshore and seabed or pursue claims through the Courts. To date, iwi have preferred to negotiate and these negotiations have become very broad in scope.

Carbon, climate and energy

New Zealand has a commitment under the United Nations Framework Convention on Climate Change to conserve and enhance, where appropriate, reservoirs and sinks of greenhouse gases. The carbon stock on public land managed by the department, mostly in native forests or forest-shrublands, is about 2400 million tonnes – about half of the total stock of New Zealand's vegetation and soil. A small overall percentage change in the total carbon stock on public conservation land would equate to a significant emission or removal of carbon dioxide.

The department is identifying sites where government-funded conservation projects on public conservation land initiated since 1990 have also resulted in an increase in carbon stocks. Some of

the carbon sequestered is likely to be eligible to help New Zealand meet its commitments under the Kyoto Protocol. Another research programme, Wild Animal Control for Emissions Management (WACEM), is investigating the effects on carbon stocks of introduced animal herbivores and their control.

The department has begun to explore opportunities that emerging markets for carbon credits offer to work with the private sector to establish new native forests on public conservation land, and increase carbon stocks in existing native forests. Areas of conservation land have been made available for forest carbon sinks to offset emissions from central government agencies (including the department) seeking to become carbon neutral by 2012. Projects in these areas are under way. Discussions are in progress with private sector partners to establish new forests and one company has agreed to fund new activities to increase the carbon stocks. The department aims to secure significant conservation project investments alongside the forest carbon sink projects involving commercial partners.

Emissions trading and related afforestation programmes are expected to encourage forest development on private land. This could include planting or natural regeneration of native species, although it remains to be seen whether incentives for indigenous afforestation are sufficient when exotic species can offer higher short-term rates of carbon sequestration. Exotic afforestation is likely to have some adverse effects on indigenous biodiversity and natural landscapes as a result of clearance of significant natural areas or planting into them, and the spread of wilding conifers.

Energy policy settings and industry trends are increasing demand for land and water for renewable electricity generation. Where projects have potential adverse environmental effects the department has an important role in the resource consent process as an advocate for conservation and provider of expert advice on effects on natural and historic heritage. We engage with applicants and other stakeholders to seek ways in which development can maintain conservation values. We lodge some submissions in support of renewable energy projects and in other cases submit on matters of significance for conservation. Current examples include a hydroelectricity proposal in Marlborough and wind farm proposals near Kawhia and Raglan, all of which potentially affect threatened birdlife.

The department has an emissions reduction plan designed to reduce its greenhouse gas emissions by 15% by 2012 (from a 2006/07 baseline). Operational use of helicopters and vehicles is the major challenge, accounting for nearly two thirds of total emissions. Initiatives to reduce emissions include more efficient scheduling of vehicle and helicopter use, buying more fuel-efficient, lower emission vehicles, and installing small off-grid renewable power generation and solar water heating in departmental buildings, houses, huts and remote sites.

Freshwater

Substantial parts of many freshwater catchments are on conservation land, where conservation management makes a large but often under-recognised contribution to the maintenance of water quality and flow. Pollution of freshwater from intensive urban and rural land use is increasing. This increases threats to indigenous freshwater species, wetland and estuarine ecosystems and the quality of inshore coastal waters and habitats. Growing demand for abstraction of freshwater for economic uses, including irrigation, domestic supply and hydroelectric generation, is raising more frequent challenges to the maintenance of flow levels that support riverine ecosystems. Invasive freshwater fish and plants such as gambusia (mosquitofish) and *Didymosphenia* ("rock

snot” algae) are difficult to control and pose further threats to native biodiversity and important recreational sites.

Many government agencies, including the department, have formal roles or responsibilities for managing elements of freshwater ecosystems and species. Fragmented responsibilities have hampered effective management of aquatic ecosystems outside protected areas. A lack of clarity regarding the jurisdictions of the department and the Ministry of Fisheries over freshwater species is yet to be resolved.

The department works closely with other central government agencies on freshwater management issues. A National Policy Statement for Freshwater Management is currently open to public submissions through a Board of Inquiry, which is due to report on progress to the Minister for the Environment in May 2009.

Compared with land-based ecosystems, few entire freshwater catchments are protected or managed by the department. We rely often on advocacy, including statutory advocacy through the RMA, and community liaison to ensure important freshwater places and species are considered when resource management decisions are made.

High country

Review of Crown pastoral leases for high country farming in the South Island has led to the establishment of significant new areas under conservation management. The tenure review programme continues, led by Land Information New Zealand (LINZ).

The department provides advice to LINZ on the ‘significant inherent values’ of properties, through conservation resource reports. Of 2.17 million hectares of high country subject to lease or licence, 1.3 million hectares has been identified as having conservation values, which could be protected in a variety of ways. Conservation management of high country freshwater catchments also contributes significantly to downstream water quality and flow.

As of 31 October 2008, 57 (19%) of 303 Crown pastoral leases have completed tenure review and a further five properties have been purchased outright by the Crown. Reviews are in process for another 104 leases, with 137 (44%) not subject to review. Some 180,199 hectares (48 percent) has been, or will be transferred to the department as public conservation land. Most of this is mountain and high altitude hill country. About 196,735 hectares (52 percent), mostly at lower altitudes, has been converted to private freehold ownership. Eleven new conservation parks have been established in the high country, from Marlborough to southern Otago. Another in mid-Canterbury – Te Kahui Kaupeka (Two Thumb) – has been approved but not yet announced and opened. Further information is in section 6 of this briefing.

The Parliamentary Commissioner for the Environment is conducting an investigation into tenure review, to assess the contribution the process has made to sustaining the natural capital of the high country. This began in 2006 and a report is expected by December 2008.

6. UPCOMING MATTERS FOR YOUR ATTENTION

Budget 2009

Development of the Budget is compressed following a late-year general election. A timetable for the 2009/10 Budget process is expected to be available from the Treasury in December 2008. A likely timeframe is:

January 2009	Development of any departmental Budget bids agreed with you
early February	Presentation of bids to the Minister of Finance
mid February	Ministerial bilateral meetings
early April	Final Cabinet decisions on Budget initiatives

A draft Conservation Output Plan will be available for your comment by early June 2008 and will need your approval by the end of that month.

Statement of Intent 2009-2012

Discussions with you regarding your priorities for the Statement of Intent usually occur between November and February. We will seek an early opportunity to discuss a draft statement with you and ensure it meets your priorities. A final draft will need to be ready for your signature by late April 2009.

Legislation

The incoming government will determine the further progress and priority of government bills that were before the House or in preparation at the conclusion of the last Parliament.

Lapsed Bills

A government bill aimed at repealing and replacing the Marine Reserves Act, and a member's bill designed to amend that Act, lapsed on the dissolution of the last Parliament. A lapsed bill may be reinstated by resolution of the House at any time in the first session of the new Parliament. If this occurs, the Bill has the same status it had in the previous Parliament. The department will seek your advice on the government's preferred direction for statutory reform in this area, and provide whatever further briefing you require on the issues and options.

Marine Reserves Bill 2002

This bill resulted from a review of the Marine Reserves Act 1971, which was a priority action under the New Zealand Biodiversity Strategy. The bill would update the legislation to allow the creation of marine reserves to meet biodiversity objectives; streamline the process for creating reserves; recognise explicitly the Treaty of Waitangi; allow reserves within the EEZ; provide for concessions within marine reserves; and provide opportunities for the public to be involved in management of reserves. The bill was introduced in June 2002 and has been under consideration by the Local Government and Environment Select Committee.

The National Party fisheries policy proposes to "amend the Marine Reserves Act to prevent DOC being both the applicant and decision-maker". The Marine Reserves Bill 2002 would not remove the department's ability to propose a marine reserve. The Marine Protected Areas Policy and Implementation Plan does however state that new marine reserve proposals shall only be initiated through the MPA process.

Marine Reserves (Consultation with Stakeholders) Amendment Bill

The Marine Reserves (Consultation with Stakeholders) Amendment Bill, a member's bill introduced by Hon Eric Roy in June 2006, would amend section 5 of the Marine Reserves Act to provide for consultation with user groups in an area subject to a marine reserve proposal.

Bills in preparation

Conservation (Authorisations, Compliance & Enforcement) Bill

The primary aim of this proposed bill is to rationalise the department's powers, penalties and offences. It would also make a number of miscellaneous amendments to the department's primary legislation, including changes to address freshwater fisheries issues. Drafting by Parliamentary Counsel has been suspended pending advice on the incoming government's legislative priorities.

Conservation (Concessions and Other Approvals) Bill

This proposed bill would make a number of changes to Part 3B of the Conservation Act dealing with concessions. It would also affect the concessions regime under the National Parks Act and the Reserves Act. Policy work is still under way.

Marine Mammals Protection Amendment Bill

This proposed bill would simplify domestic trade in whalebone from whales that have been stranded on New Zealand beaches. It would formalise the role of Maori and the management of whale strandings, with provisions on consultation and enabling the Minister to enter agreements with tangata whenua. Policy work is still under way.

Marine Mammals Protection and Wildlife Legislation Amendment Bill

This proposed bill would amend the Marine Mammals Protection Act and the Wildlife Act to make the reporting requirements on bycatch species consistent with regulations made under the Fisheries Act 1996 or the Fisheries (reporting) Regulations 2001.

Trade in Endangered Species Amendment Bill

This proposed bill would amend the Trade in Endangered Species Act 1989 to bring it into line with wording used and understood by all parties to the Convention on International Trade in Endangered Species of Wild Flora and Fauna (CITES).

Regulations and bylaws

Kahurangi National Park Bylaws

The first bylaws for Kahurangi National Park have been drafted and await your approval.

Whirinaki Forest Park Regulations

Regulations are proposed under the Conservation Act to limit mountain bike access to certain parts of the park. Policy will need Cabinet approval before drafting instructions can be given to Parliamentary Counsel.

Marine conservation

Marine Reserve proposals

The department is preparing reports to you on two proposals for marine reserves. These will need your approval, followed by the concurrence of the Ministers of Fisheries and Transport. There is an outstanding legal issue regarding one recently established marine reserve.

Tawharanui

The Auckland Regional Council has applied to establish a marine reserve at Tawharanui, north Auckland, currently the site of a no-take Marine Park adjoining a regional park. The proposal has been publicly notified, public submissions have been received and analysed, and the department expects to report to you with recommendations in early 2009.

Akaroa

The Akaroa Harbour (Dan Rogers) Marine Reserve was notified by the Akaroa Harbour Marine Protection Society in 1996, but suspended for consideration of a taiapure in the harbour. The taiapure was established in 2006 and the marine reserve application reopened. The department will report to you by mid-2009.

Taputeranga marine reserve

In 2002 Ngati Toa sought judicial review of the Minister's decision to establish a marine reserve on the south coast of Wellington. The reserve has been established and the review proceedings are expected to be discontinued.

Marine Protected Area proposals

Under the Marine Protected Areas Policy and Implementation Plan, public consultation and planning forums are established to make recommendations to you and the Minister of Fisheries for new protection sites, including marine reserves. The first two forums cover the subantarctic islands and the West Coast.

Subantarctic islands

The Subantarctic Marine Protection Planning Forum has prepared draft recommendations on protection options for the seas around Campbell, Bounties and Antipodes islands. These are subject to public consultation before being reported to you in the first or second quarter of 2009.

West Coast

The West Coast Marine Protection Forum is expected to produce draft recommendations on protection options in early 2009. Following public consultation these would be reported to you late in the year.

Future forums

You and the Minister of Fisheries will be asked around mid-2009 to approve terms of reference for two more marine protection planning forums, covering the northeast biogeographic region (from Cape Reinga to East Cape) and the southern biogeographic region (Otago and Southland).

Conservation Services Programme

Each year a Conservation Services Programme Annual Plan identifies the research and observer activities to be funded by levies on the fishing industry. The 2009/2010 plan is due to be presented for your approval in April 2009 following consultation with stakeholders.

Coastal management

New Zealand Coastal Policy Statement

The New Zealand Coastal Policy Statement (NZCPS) is a national policy statement required by the RMA. The existing policy statement dates has been in effect since 1994. It has been reviewed and a proposed new statement has been prepared.

The proposed new NZCPS has been examined by a Board of Inquiry, chaired by Environment Judge Shonagh Kenderdine. The Board publicly notified the proposed statement nationwide, received more than 500 submissions and held hearings for submitters between August and November 2008. It is due to report to you, with recommendations regarding the content of the proposed statement, by 30 December 2008.

The 1994 NZCPS defines certain activities as Restricted Coastal Activities (RCAs), for which you as Minister are the final decision-maker on resource consent. The Proposed NZCPS 2008 retains and simplifies these definitions. Whether the NZCPS should persist with RCAs, and if so in what form, will be one of the matters on which the Board is expected to make recommendations to you.

When you receive the Board's report you may, but need not, make changes to the proposed policy statement in response to the Board's recommendations.

Wanganui Port

The Wanganui District Council has legal advice that the Crown is potentially an owner of structures in the Wanganui port, and therefore a part lessor to the port company. This raises the prospect of significant Crown liability for maintenance and investment, with possible implications regarding other ports. The council is expected to seek a declaration from the High Court on the matter. The department and the Ministry of Justice consider that the Crown is not the owner or part lessor, although there is a degree of uncertainty and some risk of an unfavourable Court decision. An adverse decision is likely to require your involvement in consideration of the Crown response.

Restricted Coastal Activities

Applications pending

A number of applications for resource consents for Restricted Coastal Activities are likely to require your decision soon. These include applications for sewage discharges at Wellington and Hokitika; a marina at Tairua; reclamation, breakwaters, dredging and occupancy at Paihia; reclamation and a seawall at Whangarei; harbour channel dredging at Nelson; and coastal protection works on Stewart Island. You will receive full briefings when hearing committee recommendations are available.

Kaipara tidal energy project

Crest Energy been granted resource consents by the Northland Regional Council to construct and manage 200 tidal electricity generating turbines at the entrance to the Kaipara Harbour in Northland. Iwi have appealed the council decisions to the Environment Court, opposing the development. The department has also appealed, not opposing the project outright but seeking changes to consent conditions including longer pre-construction site monitoring and avoidance of adverse effects on the critically endangered Maui's dolphin.

Two of the 13 consents are for Restricted Coastal Activities, which require your approval. The council recommended that you approve these consents, but the recommendations are subject to inquiry in the Environment Court. Whether and when they are forwarded to you for a decision depends on the Court.

Offshore Islands Regional Coastal Plan

The department is preparing an Offshore Islands Regional Coastal Plan covering the islands for which you have planning responsibility under the RMA. A draft is planned to be ready for discussion with stakeholders by mid-2009.

Treaty / Foreshore and Seabed

The further progress of Treaty and Foreshore and Seabed settlement negotiations that were under way before the general election will be a matter for the incoming government. The following is a summary of processes that could require Cabinet decisions, with conservation issues for your attention, over the coming months.

Treaty claims

The timing of Waitangi Tribunal reports is uncertain and the reports do not bind the Crown, but the following matters are of particular relevance to conservation.

Indigenous flora and fauna

In 1991, six iwi filed a Treaty claim to indigenous flora and fauna and associated cultural and intellectual property rights. Hearings on the claim, known as WAI262, were held in 2006 and 2007. The department was one of a number of government agencies to give evidence. The Tribunal's report is pending. This claim has significant inter-iwi support and is likely to influence iwi engagement with government over laws and policies for indigenous flora and fauna.

Tongariro National Park

A total of forty Treaty claims from a number of iwi and hapū relating to an area of the central North Island encompassing most of Tongariro National Park are being addressed together by the Waitangi Tribunal as the National Park Inquiry. A key issue is the gift of the mountain peaks to the Crown by Tuwharetoa paramount chief Te Heuheu Tukino in 1887. Hearings were held in 2006 and 2007 and a report is pending.

Waikato river bed ownership

Representatives of the Pouakani hapū have been seeking to establish an ownership interest in a length of the upper Waikato River bed. They sought a declaration from the High Court that the Crown holds the relevant part of the riverbed in trust for the Pouakani people. In July 2008 the Court decided in favour of the Crown and the Pouakani representatives have filed an appeal. The case is significant as it relitigates issues addressed in a Treaty settlement. Success for the appellants would have major consequences for the durability of other deeds of settlement. The department is one of the agencies meeting the legal costs of the Crown because it will be adversely affected by a decision in favour of the appellants.

Negotiations in progress

Tuhoe

Negotiations with Tūhoe began in July 2008. The parties agreed at that time to aim for an Agreement in Principle by June 2009, which would imply Cabinet consideration in March or April 2009. The major conservation issues concern iwi interests in Te Urewera National Park.

Te Hiku Forum

Discussions with Northland iwi Ngati Kahu, Te Aupouri, Te Rarawa, Ngai Takoto and Ngati Kuri began in September 2008 with a view to concluding a partial settlement over Aupouri Forest

and Ninety Mile Beach. Any decisions relating to the beach would probably involve creation of a new body and require your consideration.

The top of the South Island (Te Tau Ihu)

Collective negotiations with Ngati Toa and two iwi groups (Ngati Kuia, Rangitane and Ngati Apa in the Kurahuapo group; Te Atiawa, Ngati Rarua, Ngati Tama and Ngati Koata in the Tainui Taranaki ki te Tonga group) were intensive before the general election but did not reach an agreement with the Crown. Ngati Toa also have interests in Kapiti and Wellington that would be settled under this agreement.

Other negotiations

Other negotiations under way that could require decisions from you regarding redress include Ngati Whare, a central North Island iwi that has been aiming to conclude a Deed of Settlement by June 2009, and Ngati Porou, who are due to begin cultural redress negotiations later this year.

Agreements reached

Over 2007 and 2008 a number of iwi signed Agreements in Principle, and in some cases Deeds of Settlement, with the Crown. Some details of the final packages may come to you for agreement. Where Deeds have been signed, the department is required to assist with drafting settlement legislation and could seek your direction on legislative proposals. For iwi with Agreements in Principle, you may be asked to consider design of new instruments, and in some cases, renegotiation of the agreement.

Iwi who have signed Agreements in Principle but are likely to seek renegotiation are Ngati Kahu, Ngati Kahu ki Whangaroa, Te Aupouri and Te Rarawa.

You are likely to be asked for decisions on design of proposed co-management regimes for conservation land with:

- Pahauwera (East Coast, around the Mohaka River)
- Ngati Makino (Bay of Plenty)
- Waitaha (Bay of Plenty) and
- Waikato River iwi (Raukawa, Maniapoto, and affiliate Te Arawa iwi and hapū).

Legislation is pending to implement the Deed of Settlement for Waikato River claims for Waikato-Tainui. The department is also involved in implementation processes that could require further decisions from you. Settlement legislation for Taranaki Whanui ke Te Upoko o Te Ika (Wellington) is currently before the House.

Foreshore and seabed

Te Whanau a Apanui

A Heads of Agreement was signed on 28 February 2008 and significant progress has been made towards a Deed of Settlement. If a Deed is completed and ratified the department would be involved in preparing legislation and implementing the agreement.

Ngati Porou

Legislation to implement the Ngati Porou Deed of Agreement was introduced in September 2008. The Deed was signed on 31 October 2008. The department will be involved in the implementation of this agreement.

Wakapuaka

With the Attorney-General you are party to a Court of Appeal case against a claim to freehold ownership of a Nelson estuary by local iwi. The claim pre-dates and was not extinguished by the Foreshore and Seabed Act 2004. In 1986 and 1998 the Maori Land Court treated the Wakapuaka Mudflats in Delaware Bay as part of the title to the Wakapuaka Block, determined by the Native Land Court in 1883. The Crown unsuccessfully sought judicial review of the Maori Land Court's decision in the High Court, then appealed to the Court of Appeal. The case was heard in May 2008 and a judgment is expected shortly. If the Court decides in favour of iwi, consideration will need to be given about whether to appeal to the Supreme Court.

Implementation

Tauira Kaitiaki Taiao programme launch

You will have an opportunity early in 2009 to launch a pilot programme to build Maori capacity for conservation management and support the implementation of Treaty settlements. North Island iwi who have received a Treaty settlement will be encouraged to nominate candidates for a two-year work and study programme. The pilot is similar to a trainee ranger development programme operating in the South Island.

Wildlife

Wildlife Act Schedules review

The listings of wild animal species in the Schedules to the Wildlife Act 1953 have been reviewed. Nearly all wildlife is protected under the Act, except for species listed on the Schedules. The review responds to concerns that some (mostly exotic) species have too much protection under the Act, while some native species have too little.

The preliminary findings of the review include recommendations to change the scheduling of certain species. The proposals of highest public interest are to change the status of Canada geese in some regions, to enable more control of the populations by culling. Any changes to listings on the schedules will need to be made by Order in Council, with Cabinet approval.

Native land snails

In 2005 Forest & Bird successfully sought a High Court declaration that Solid Energy would need a permit from the Minister of Conservation and the Associate Minister of Energy under the Wildlife Act 1953 if native land snails were to be disturbed, injured, or killed by coal mining on the Stockton Plateau. Solid Energy appealed this judgment to the Court of Appeal. The case was adjourned pending separate proceedings brought by Solid Energy, seeking declarations on the relationships between the Wildlife, Coal Mines and Resource Management acts in relation to activities at Stockton and Cypress Coal mines. Solid Energy argues that the High Court's earlier judgment did not amount to a declaration but was merely for the guidance of parties. This case was heard in June 2008 and a judgment is expected shortly. If the decision is in favour of Solid Energy you will need to consider with the Solicitor-General the possibility of an appeal.

Hunting

Advisory committee reports

Two advisory committees on hunting matters were appointed in 2008. The committees were established in response to the recommendations of a Ministerial panel on management of deer, chamois, tahr and wild pigs.

The Wild Animal Control Advisory Committee will report to you by the end of 2008 on best practices for encouraging hunting and improving the hunting experience. The committee's appointment expires when it has delivered its report.

A second committee has been appointed to establish a Big Game Hunting Council. The council, to be sector-funded, would represent and advocate for all hunting sector interests. The establishment committee has been allocated funding for two years and will report to you when it has reached conclusions on the optimal structure of the council.

Waikato game reserve

A decision by the previous Minister of Conservation not to authorise a proposed private game reserve in the Waikato is under judicial review. The proposal by Driven Shooting Ltd was opposed by the Auckland Waikato Fish & Game Council. The Minister accepted the council's position and did not include the proposed game reserve in the 2008 game notice. The company alleges that the Minister acted erroneously, took into account irrelevant considerations, and failed to take into account relevant considerations. Recommendations to you early next year on the 2009 game notice are likely to be influenced by the outcome of the case, which is due to be heard in the High Court in January 2009.

Land protection

National park proposals

National Party conservation policy includes establishing a new national park in Northland's Waipoua and surrounding Kauri forests, and initiating a formal investigation under the National Parks Act 1980 of a new national park on the public lands of the Waitakere Ranges. The New Zealand Conservation Authority is responsible under the Act for considering proposals for the establishment of new national parks, and has the power to request the Director-General to investigate a national park proposal. The department can assist with arrangements for you to meet the Authority regarding these matters.

New conservation parks

Kawatiri

On the West Coast the proposed Kawatiri Heritage Conservation Park would encompass 91 existing conservation areas between the Buller and Little Wanganui rivers, adjoining Kahurangi National Park. It includes the Mokihinui gorge, where a hydroelectricity scheme is proposed (see below), and conservation land that is subject to access agreements for coal mining. The proposal has been subject to public consultation and will require your approval.

Te Kahui Kaupeka / Two Thumb

The preceding Minister of Conservation approved the establishment of the Te Kahui Kaupeka/Two Thumb conservation park in mid-Canterbury. You will have the opportunity to announce the establishment of the park and officially open it. The park brings together 11 areas of conservation land across the Two Thumb Range, totalling about 93,800 hectares. It includes the Mount Dobson and Round Hill ski fields.

St James Station

In October 2008 the government purchased the 78,196 hectare St James Station, near Lewis Pass in north Canterbury, for conservation purposes. The land adjoins Molesworth Station to the east,

Nelson Lakes National Park to the north, and Lewis Pass National Reserve to the west. It has outstanding ecological, landscape, recreation and historical values. The preliminary views of stakeholders on the future management of the St James land will be sought in a meeting onsite in early December. Decisions will be needed in due course on the status of the land, including possible areas of national park or conservation park.

Mokihinui

Meridian Energy proposes to construct a hydro dam and power station on the Mokihinui River, 40 km north of Westport. A concrete dam, 11 kilometres upstream from the coast and 80-85 metres high, would create a narrow lake 14 km long. As far as can be determined, this is the largest proposed inundation of public conservation land since the Manapouri scheme. The department submitted against resource consents for the power scheme and associated transmission lines, presenting extensive evidence of adverse effects on indigenous species and habitat, landscape and natural character, and historic and recreational values. Meridian has applied for a concession from the department for the proposed dam, inundation area, construction works and transmission lines. This is under assessment, with a decision due to be made by the Director-General. The company has indicated that it intends to offer a land exchange, which would require your approval.

Mining access

Schedule 4 of the Crown Minerals Act 1991 lists high value conservation areas over which the Minister of Conservation cannot grant permission for access for mining activities. The preceding Ministers of Energy and Conservation initiated the preparation of material for consultation with mining and conservation interests on whether certain marine reserves and areas of high value conservation land should be added to Schedule 4. Consultation was also proposed on whether Schedule 4 should be amended so that closure to mining is automatic for protected lands such as national parks and marine reserves, and so that land closed to mining would not remain closed if it lost its protected status. The department will seek your advice as to whether this consultation should proceed.

Protection funds allocation

As Minister you are able to determine the distribution of \$9.8 million in New Zealand Biodiversity Strategy funding across the three funding bodies that support biodiversity protection – the Nature Heritage Fund (NHF), Queen Elizabeth II National Trust (QEII) and Nga Whenua Rahui. The preceding Minister recently indicated an intention to redistribute some funding from the NHF to QEII and Nga Whenua Rahui from 2009/10, and communicated this to the funds' governing bodies. The department and the funds will seek your advice early in 2009 on the future distribution of funds.

Pest management

Review of national framework

MAF-Biosecurity NZ is leading a review of the roles, responsibilities and legislative framework for managing established pests in New Zealand. All Crown landholding agencies could be affected, including the department. We expect to be able to brief you on issues, options and stakeholders' views in May 2009.

Animal Health Board possum control

The Animal Health Board is a major investor in possum control for the purpose of managing bovine tuberculosis, and is reviewing its bovine tuberculosis National Pest Management

Strategy. Between 2010–30 the Board will progressively reduce the scale of its possum control operations as it achieves its bovine tuberculosis objectives. This includes withdrawing from operations on about 895,000 hectares of indigenous forest (about two-thirds of it on conservation land) where control has biodiversity as well as animal health benefits. Maintaining some or all of this possum control would require a significant increase in effort by the department and regional councils. An initial departmental report on the likely biodiversity benefits from the bovine tuberculosis National Pest Management Strategy in 2010 is available.

Appointments

Queen Elizabeth II National Trust

The terms of appointment of the chairperson of the Queen Elizabeth II National Trust, Sir Brian Lochore, and the deputy chairperson, Yvonne Sharp, expire on 30 September 2009. Both have served two three-year terms on the Trust board. The maximum board tenure is nine years.

Appointments to the Trust attract significant interest. The Trust's governing legislation requires a public call for nominations before Ministerial appointments are made, and consultation with the Minister of Agriculture, Federated Farmers and the Minister of Maori Affairs.

The department will provide you in early 2009 with a full briefing on appointments to the Trust. This is likely to recommend that proposed appointments be referred to Cabinet in about July 2009.

Conservation Boards

The terms of appointment of 55 conservation board members, from all 13 boards, expire on 31 October 2009.

Ministerial appointments to conservation boards must be preceded by public notification of vacancies, with a call for nominations. Some appointments require consultation with the Minister of Maori Affairs, and nominations from certain Maori trust boards. You are able to consider a diverse range of conservation and recreation interests when identifying potential board members.

The department will provide you in early 2009 with a full briefing on appointments to conservation boards. This is likely to recommend that proposed appointments be referred to Cabinet in about June or July 2009.

Visitor services

Aoraki / Mt Cook visitor centre

A \$5.5 million upgrade of the Aoraki/MtCook Visitor centre is near completion and you will be invited to open it in about March 2009. The number of visitors to the centre has risen steadily to more than 200,000 a year. The redevelopment provides more space, new interpretive displays including an outside walkway and restored historic hut, and improved roads, car parking and footpaths.

7. APPENDIX 1: LEGISLATION AND INTERNATIONAL AGREEMENTS

Legislation administered by the Department of Conservation

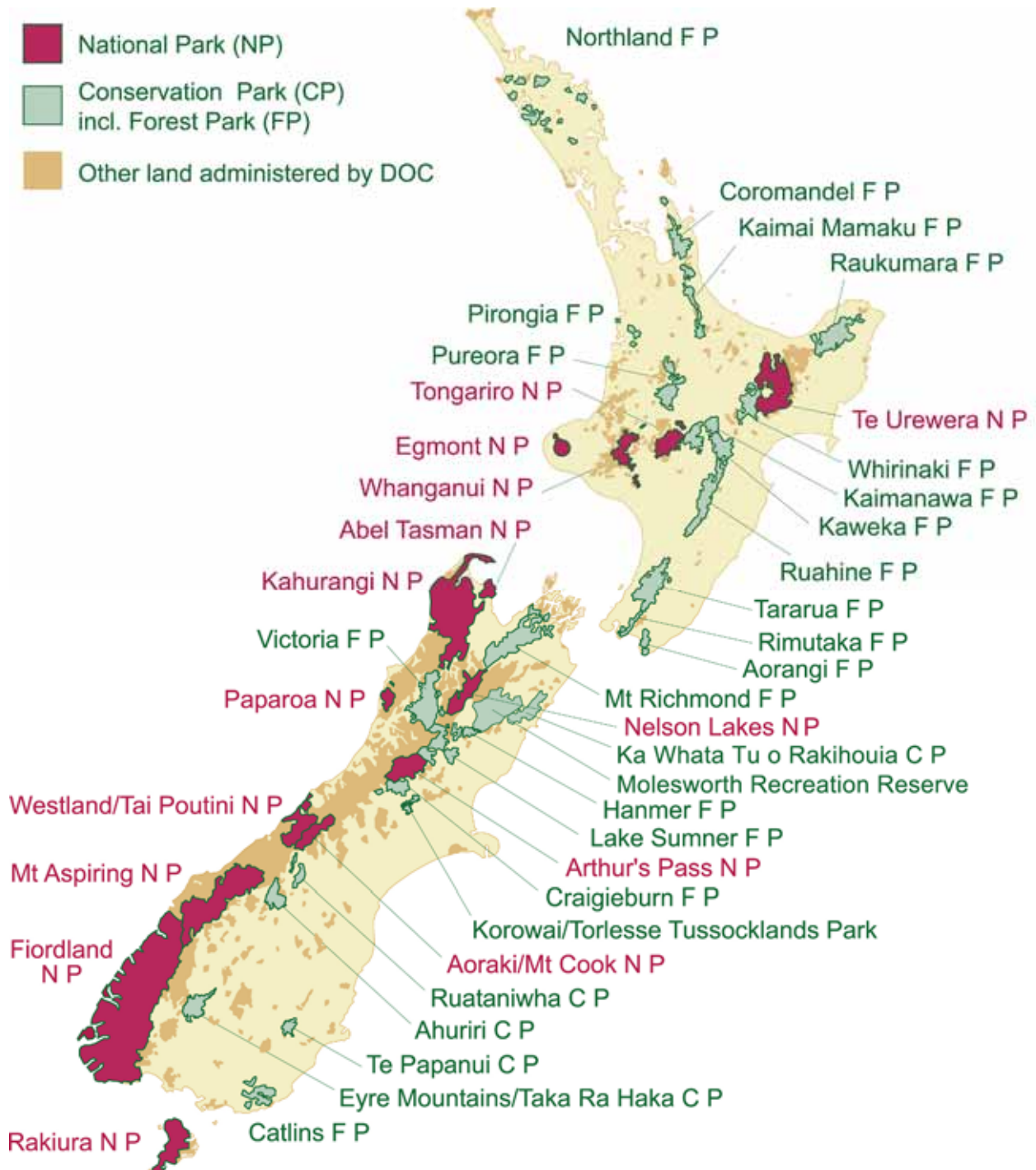
Conservation Act 1987	Queen Elizabeth the Second National Trust Act 1977
Canterbury Provincial Buildings Vesting Act 1928	Queenstown Reserves Vesting and Empowering Act 1971
Harbour Boards Dry Land Endowment Revesting Act 1991	Reserves Act 1977
Hauraki Gulf Marine Park Act 2000	Stewart Island Reserves Empowering Act 1976
Kapiti Island Public Reserve Act 1897	Sugar Loaf Islands Marine Protected Area Act 1991
Lake Wanaka Preservation Act 1973	Trade In Endangered Species Act 1989
Marine Mammals Protection Act 1978	Tutae-Ka-Wetoweto Forest Act 2001
Marine Reserves Act 1971	Waitangi Endowment Act 1932-1933
Mount Egmont Vesting Act 1978	Waitangi National Trust Board Act 1932
National Parks Act 1980	Waitutu Block Settlement Act 1997
Native Plants Protection Act 1934	Wild Animal Control Act 1977
Ngai Tahu (Tutaepatu Lagoon Vesting) Act 1998	Wildlife Act 1953

Other Acts under which the department has functions

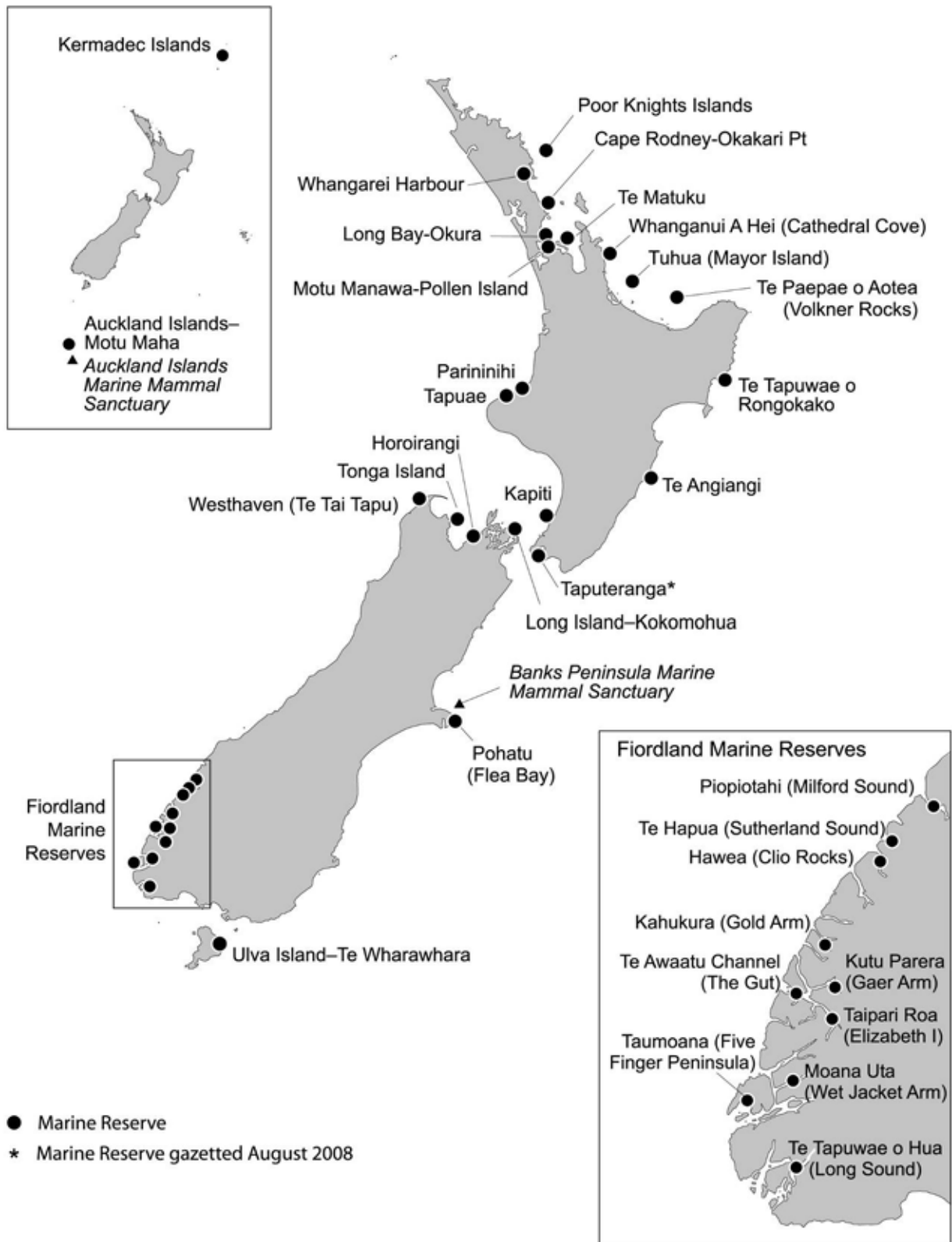
Biosecurity Act 1993	Land Act 1948
Crown Forest Assets Act 1989	Local Government Act 1974
Crown Minerals Act 1991	Local Government Act 2002
Crown Pastoral Land Act 1998	Maori Land Amendment and Maori Land Claims Adjustment Act 1926
Fisheries Act 1996	Public Works Act 1981
Foreshore and Seabed Act 2004	Resource Management Act 1991
Forest and Rural Fires Act 1977	Treaty of Waitangi Settlement Acts
Forests Act 1949	

8. APPENDIX 2: MAPS

Public conservation land



Marine reserves and marine mammal sanctuaries



9. APPENDIX 3: BRIEFING TO THE INCOMING GOVERNMENT 2008: ENVIRONMENTAL SUSTAINABILITY

1. Purpose and introduction

1. This paper focuses on several critical issues in the environmental area, as New Zealand is not yet capitalising on significant opportunities or managing significant risks as well as we could in those areas. The paper also sets out the importance of environmental sustainability for New Zealand's overall wellbeing, and discusses (at a high level) some of the choices to be made in addressing environmental sustainability and the capability improvements needed within central government.
2. Environmental sustainability has moved from the periphery to a central issue for New Zealand. The reason for this shift is not just a change in public or global opinion, but recognition that we have reached a crossroads: some environmental limits have been reached, and the full consequences of many legacy issues (like land contamination) are now becoming clear. The links between environmental sustainability and economic growth are now better understood, and a 'business as usual' approach will not deal with the increased threats or new opportunities. If New Zealand takes the wrong path, we risk lasting damage to our domestic wellbeing and international reputation.
3. This paper has been developed jointly by government agencies with an interest in natural resources and the environment, led by the Ministry for the Environment. Working collaboratively across the relevant agencies, Chief Executives have decided to establish new governance arrangements for a formalised Natural Resources Sector¹ to improve strategic leadership and collaboration. This has delivered better identification of the priority issues and alignment of good environmental outcomes with economic, social and cultural considerations. This paper complements other cross-departmental briefings on climate change and Auckland issues, as well as departmental briefings.

2. Environmental sustainability and sustainable development

4. A working definition of environmental sustainability is: "*A healthy environment, based on healthy functioning ecosystems, that provides for the wellbeing of society, now and in the future.*" Ecosystems include natural and human-altered ecosystems, and societal wellbeing includes social, cultural and economic wellbeing.
5. Environmental sustainability is pursued for more than environmental reasons. As in other policy areas, government policies relating to environmental sustainability should aim to maximise New Zealanders' overall wellbeing. Environmental, social, cultural and economic goals should interact in a way that delivers 'sustainable development', or as many benefits as possible across all objectives.
6. The aim of this approach is to maximise the overlaps and 'win-wins' between the various goals, rather than treating all decisions or interactions as trade-offs between values or outcomes. This will not always be possible, however, particularly at local levels, and so as a nation we will increasingly need to make difficult choices between values in order to maximise overall national benefit.

¹ Comprising the Ministry for the Environment, Ministry of Agriculture and Forestry, Department of Conservation, Ministry of Fisheries, Ministry of Economic Development, Land Information New Zealand, Te Puni Kōkiri, Treasury, Department of Prime Minister and Cabinet, and the State Services Commission.

3. Environmental sustainability's importance to overall wellbeing

7. Environmental sustainability is crucial to New Zealand's overall wellbeing because of the biological basis to our export earnings. Primary production and tourism equate to about 17% of New Zealand's gross domestic product, and generate roughly \$29 billion in export earnings (2006 to 2007 figures). Running down New Zealand's natural capital would eventually damage the economy.
8. The ecosystem services people draw from the environment, such as food, fuel, water, and cultural connections, are also very important. Sometimes an economic value can be calculated for these – for example, the water supply services (drinking water, hydro-electricity and agricultural irrigation) of Te Papanui Conservation Park in Otago were valued at \$11 million a year in 2005 dollars. Other ecosystem services cannot be easily quantified in this way, yet are highly valuable.

Social and cultural values

9. The environment is central to New Zealand's national identity. Most New Zealanders value the environment highly and gain pleasure and recreation from it. This value is reflected in the groundswell of action on sustainability and climate change outside government. Environmental performance also has social consequences. For example, about 1,100 New Zealanders die prematurely each year from exposure to air pollution, and lack of safe drinking water is a risk to community health.
10. The environment and natural resources are also central to Māori identity and mana. Many Māori value an holistic relationship with the environment, balancing economic aspirations with their cultural values, and maintaining healthy natural resources for the benefit of present and future generations.

Importance of environmental sustainability for economic growth

11. The big economic issue at the heart of many environmental issues in New Zealand is not resource use in itself. The issue is ensuring that resources are used efficiently by those who value them most (in an economic, social or cultural sense) and that resource users face the costs they impose on others or the environment (i.e. pricing of externalities). New Zealand is having to confront these issues for the first time as we approach, or have already reached, some resource limits.
12. In the longer run, higher environmental standards and efficiencies are consistent with – and are likely to be essential for – economic growth. Higher standards will be needed to gain market premiums for our exports, and probably even to maintain market access. For some individual businesses, meeting higher standards in the short term may limit growth. Despite the current economic difficulties, however, it is important to keep a focus on New Zealand's longer-term interests.
13. Globally, environmental issues are driving fundamental changes in business conditions and creating new opportunities. Much of New Zealand's international competitive advantage lies in the quality and quantity of our natural resources and in our 'clean green' image. Because of our favourable image, reputation for integrity, natural resource base and related capabilities, New Zealand is well placed to take advantage of these opportunities, but the benefits could be squandered if we degrade the environment in pursuit of higher short-term production.
14. To take up the opportunities, New Zealand (particularly business) needs to be vigilant about the current and likely effects of changing consumer preferences, rising world prices for raw materials, energy and food security concerns, carbon pricing in the global and domestic economy, and other emerging issues. The growing international trend towards the use of environmentally focused technical barriers to trade could affect our exports. Already, more

consumer attention is being given to water footprints and biodiversity impacts as well as to carbon footprints.

4. The most critical issues for New Zealand

15. Departments in the natural resources sector have identified a short-list of critical issues related to New Zealand's move towards environmental sustainability. These issues are significant because they come with risks and unrealised opportunities that could affect national wellbeing, and because New Zealand is not yet performing as well as it could in these areas. The critical issues have proved difficult to address in the past because potential solutions are complex, costly and/or contentious, due to the public and private interests that will be affected.
16. The short-list includes both pressures on the environment, and issues arising from the policy or management arrangements for addressing those pressures:
 - a. The role of the Resource Management Act in providing for environmental and socio-economic outcomes, and allocating scarce resources
 - b. Developing natural resources policy and management arrangements that better reflect the Treaty of Waitangi relationship, and managing some emerging issues with the use of natural resources in Treaty settlements
 - c. Fresh water quality decline, demand pressures and allocation
 - d. Pressures on biodiversity and ecosystems
 - e. Environmental pressures and allocation issues for New Zealand's oceans, particularly the near-shore marine environment, and
 - f. Meeting New Zealand's international climate change obligations, reducing greenhouse gas emissions and adapting to climate change (dealt with in the briefing on climate change).
17. The Ministry for the Environment's reporting on the state of the environment suggests that the most significant issues are freshwater consumption and land use intensification in some regions, water quality in many catchments, and greenhouse gas emissions. The trends indicate that, if we do not change current paths, we risk hitting environmental limits or effects that are irreversible or very costly to remedy.
18. The critical issues are all complex and interconnected. Several underlying themes have emerged from examining these issues:
 - a. Central government has multiple interests and roles in any environmental issue, but is often not clear (or strategic) about the high-level outcomes it is seeking or the role it is exercising. This lack of clarity about outcomes can contribute to deferral of difficult but necessary decisions and failure to prioritise issues or problems, which tends to magnify problems over time.
 - b. New Zealand has a highly devolved resource management system, which makes it difficult to apply national direction and balance national and local costs and benefits. Many councils are leaders in sustainable development, but others face challenges in resourcing, capability and leadership. Councils are required to make many difficult decisions, but have not always been well provided with central government guidance on how to approach these.
 - c. The need for greater national strategy or direction does not detract from the need for environmental management responses and solutions to be appropriate for – and adaptable to – local circumstances. Too many special-purpose regional arrangements can, however, detract from national strategy and create cumulative effects and costs.

- d. Increased resource competition and environmental pressures are stressing existing resource allocation mechanisms. A 'first-in first-served' approach does not provide well for efficient allocation of scarce resources or management of competing uses. Legislation already enables the development of alternatives to first-in first-served, but there has been little trialling or implementation of these – with the notable exception of fisheries.
- e. Addressing the role, rights and interests of Māori and iwi, particularly at the regional level, is critical for robust policy and well-functioning environmental management systems.

Issue A: Resource Management Act

19. The Resource Management Act 1991 (RMA) is the principal legislation for managing New Zealand's environment and allocating most natural resources. Effective and efficient operation of the RMA is critical for both environmental and socio-economic outcomes. The RMA is, however, frequently criticised both for unnecessary delays and compliance costs that hinder economic growth and major infrastructure development, and for failing to protect the environment, given the negative trend in several key environmental indicators.
20. This raises a question as to whether there are problems with the RMA's implementation, its decision-making processes, or its fundamental principles. Some common complaints about the RMA are anecdotal and not supported by evidence. Departments do, however, consider that there are some real practical issues with both the provisions of the RMA and its implementation by central and local government.
21. Devolved RMA decision-making has exacerbated capacity issues in local government, and led to variability in planning controls and the speed and quality of consent processing. It is often difficult, both practically and politically, for councils to factor national benefits, priorities and strategies into planning and decision-making when the costs of decisions fall locally. Central government has recently started to make more use of the RMA instruments that offer greater national direction, involvement and guidance (including those added in 2005). There is, however, no overall strategy for the use of these powers, which creates a lack of certainty for all parties about when and how central government will intervene.
22. Good RMA implementation relies on high quality statutory plans. Quicker final decisions are needed on both statutory plans and resource consents, especially for major infrastructure projects (although the interface with other legislation can also be a factor in delays). Cumbersome planning processes make it harder for councils to respond quickly to changing conditions or new evidence. Broad rights of public participation and multiple appeals on consents and plans can cause considerable delays in RMA decision-making. This suggests a need for reassessment of the balance between public participation and appeal rights on the one hand, and efficiency, effectiveness and responsiveness on the other.
23. Under current RMA practice, effective and efficient resource allocation is not occurring and new or expanding high-value uses are not being provided for. Problems are most keenly felt where resources are at or approaching full allocation in some areas: fresh water, coastal space and air-sheds. The current first-in first-served system evolved from case law at a time when there was less resource competition and no explicit central government direction. The 2005 RMA amendments enabled councils to develop alternative forms of resource allocation, but it is still too early to determine how councils are responding.
24. There is little evidence that decision makers routinely make skewed decisions because of the balance of the sustainable management purpose and principles of the RMA. It is, therefore, uncertain whether some economic concerns could be addressed by re-evaluating the principles of the RMA and giving more weight to economic factors and the benefits of infrastructure. Any alterations could range from minor changes to a more fundamental

review, which would be contentious and create a period of uncertainty as new case law developed.

25. Improvements to the operation of the RMA could be achieved by strengthening the role of central government and being more strategic about the use of central government's powers, especially on matters of national importance such as major infrastructure projects. Gains would also be made from streamlining the processes for planning and consenting, and from more leadership by central government on alternatives (including market-based approaches) to current allocation models. Further process efficiencies might also be gained from improving alignment between the RMA and related legislation such as the Local Government Act, Building Act, Public Works Act, Conservation Act, Electricity Act and Fisheries Act.

Issue B: Reflecting the Treaty relationship in natural resources policy

26. The Crown-Māori relationship, based on the Treaty of Waitangi, is important for New Zealand's social cohesion and prosperity. Iwi and Māori have a strong interest in environmental policy, and natural resources are an increasing focus in historical Treaty settlements and foreshore and seabed negotiations. This reflects the importance of natural resources to Māori economic and cultural wellbeing. Many Māori are also dissatisfied with the roles available to them in resource management (including setting outcomes) and the level of recognition of their rights and interests.
27. The process of engagement with iwi and Māori on significant areas of natural resource policy has sometimes created challenges. The Crown does not always have an established position on sensitive matters like the appropriate management role for iwi and the nature and extent of Māori rights and interests. The government's objectives and interests are not clearly articulated in some major policy processes. This lack of clarity can sometimes make it difficult to engage effectively with Māori, who operate across a number of issues as Treaty partner, rights holders, kaitiaki, resource users, prospective developers, and/or litigants.
28. These uncertainties have contributed to delays in some policy areas where difficult decisions are needed, like fresh water. Delay could be turned into opportunity for progress, through a consideration of the nature and extent of Māori rights and interests alongside exploration of the full range of policy tools (such as market mechanisms) and the interests of others. To date, this has often been deferred because of perceived Treaty and litigation risks.
29. These risks and delays in policy development can encourage the parties to try to resolve contemporary issues through the settlement of historical Treaty claims. Some recent Treaty claim settlements and foreshore and seabed agreements have included new forms of redress, including mechanisms to include iwi in aspects of local decision-making. The suite of new tools has many benefits, but recent negotiations have tested – and at times moved beyond – the policy framework for use of natural resources in Treaty settlements established in 1997-98.
30. Negotiations create an opportunity for solutions tailored to local circumstances and iwi aspirations. Flexibility is important for development of appropriate redress, but mechanisms negotiated on a case-by-case basis may conflict with or undermine existing national policy objectives, or pre-empt the development of national policy. The case-by-case approach can also increase the risk of high implementation costs, unintended precedents and cumulative effects, inconsistent and complicated management regimes, and equity concerns between iwi. The deadline for settling historical Treaty claims adds to the tension between maintaining the current momentum on settlements and developing national policy on natural resources.
31. Councils are often left to handle, with limited central government support, the difficult questions (such as allocation) which the Crown has not yet resolved – yet local government's Treaty obligations are limited. Local government performance and RMA implementation with

regard to Māori interests has improved over the years, but the concerns of some iwi can push local issues into a Treaty settlement or foreshore and seabed context.

32. Progress is being made on resolving some outstanding issues, but we may well be at a crossroads. There is an opportunity to deal with issues through high-level dialogue in a more proactive and coherent way while maintaining flexibility in the relationship, which could result in a more strategic pursuit of shared outcomes for New Zealand. On the other side there is a risk that, if we lose momentum or fail to deliver on expectations, we could revert to a more adversarial climate that diverts resources and energy away from a collaborative relationship.
33. One way to maintain the current progress is to continue engagement and wide-ranging dialogue with iwi leaders on major policy areas like climate change and water, and on natural resources generally. Some senior iwi leaders are likely to seek early engagement on these matters. A greater alignment between natural resources policy and Treaty settlement processes is also needed, to support the timely settlement of remaining historical Treaty claims in a coherent and consistent way. The Natural Resources Sector considers that more use of national direction and policy development (including policy on the roles, rights and interests of iwi and Māori, and further support for local government) to address resource management issues common to all iwi would smooth the settlement process for all parties.

Issue C: Fresh water

34. Fresh water is fundamental to the present and future environmental, cultural, social and economic well-being of New Zealand – and these values can easily come into conflict. Our ecosystems, primary producers, community health and cultural values depend on water. Water gives us a competitive advantage in primary production, energy generation and tourism. By international standards, our water supplies are abundant and of relatively good quality, but performing better than most of our peers may not be enough for New Zealand's long-term prosperity.
35. Freshwater quality is declining, particularly in rural lowland rivers, streams and groundwaters (with consequent negative effects on the near-shore coastal environment). One-third of our lakes have poor water quality, and 40% of monitored groundwaters have nitrate levels raised by land use. Water is unsafe for stock to drink at 75% of sites in the Waikato region. Because of the long time lags in hydrological systems, water quality in some of our catchments will get worse before it gets better, even if we introduce best practice management now.
36. Addressing water quality is not simple, because environmental deterioration is closely linked to urban and rural land use intensification, and so to economic growth. Poor water quality is much more than an environmental problem – it will be a constraint on economic opportunities, create additional costs (e.g. for treatment of drinking water), and be a continuing focus of community concern. Nevertheless, the decisions needed to improve water quality in the long term may have costs for primary producers in the short to medium term.
37. In some regions, catchments have been over-allocated or are close to full allocation, resulting in potential users being denied access to water and foregone economic opportunities. Limited use of the mechanisms for re-allocating water and promoting efficient use (including urban and rural demand management) means that water is not necessarily going to its most valued uses, and this constrains economic growth.
38. New Zealand is at grave risk of further environmental damage and squandering our natural advantages if this situation does not change. Several factors amplify the risks:
 - a. There is not yet a wide public understanding of how critical water issues are for New Zealand's long-term wellbeing.

- b. Restoring water quality is expensive and time-consuming (as demonstrated by work on Lake Taupo, Rotorua Lakes and the Waikato River).
- c. Changes in land use, particularly from forestry or dry stock farming to dairying, are being made before there are effective plans to address additional impacts on water.
- d. There is increasing international scrutiny of New Zealand's environmental performance. Our trade may be affected if overseas consumers react to real or perceived issues about poor water quality, waste or over-allocation.
- e. Climate change will probably increase the frequency and intensity of droughts and floods.
- f. In some parts of New Zealand, we have already captured or allocated the readily accessible water. Further economic development will require re-allocation to higher value uses and/or more water storage and distribution systems to deal with variability in when and where water is available.
- g. Relevant science research capacity has declined by 35-40% over the last decade or so, and it is difficult for central and local government to get access to science that will support good decision-making on water issues.

39. Inertia by some local authorities in developing water plans and tackling non-compliance with consents has accentuated problems. In the case of Environment Canterbury, officials are concerned that successful challenges to its approach to water allocation create a risk of system failure and loss of authority as resource manager for the region. Some of the inertia, however, arises from lack of direction from central government. National policy development has been hampered by delays in dealing with Māori rights and interests in water. In general, disquiet in parts of the community about anything that looks like 'privatisation' of water has created a disincentive to trialling new approaches to allocation.

40. Officials consider that it is imperative to take further action to address both quality and allocation issues, so that we make better use of our water in ways that increase growth without compromising environmental outcomes. Such action could build on existing work programmes by putting more focus on central government leadership and powers; development of interventions tailored to local quality, allocation, efficiency or governance issues; support for local government through development of coherent national outcomes and policy, and 'off-the-shelf' management tools; and development of new models (including economic instruments) for allocation and re-allocation of water. As noted above, the Natural Resources Sector also recommends keeping up the momentum of engagement with iwi leaders on water issues.

Issue D: Biodiversity

41. Healthy functioning ecosystems, both natural and human-altered, underpin our economy and are essential to social and cultural wellbeing. New Zealand has a responsibility to maintain our unique and globally important genetic and environmental resource. Indigenous biodiversity is also a draw-card for overseas tourism, and a major element of New Zealand's '100% Pure' marketing image.

42. These critical resources are, however, under significant pressure and are challenging to manage. New Zealand is the last major habitable landmass to be settled by humans, so the rate of decline of our indigenous biodiversity is high compared to most countries – and some level of decline has, perhaps, been unavoidable.

43. In 2000, the New Zealand Biodiversity Strategy set an ambitious goal of halting the decline of indigenous biodiversity. Substantial progress has been made in some areas, including intensive management in mainland islands, eradication of pests on offshore islands, creation of marine reserves and benthic protection areas, and gains on private land.

44. But the goal of 'halting the decline' is not being met. There have been serious declines in the status of many threatened species and ecosystems, continuing spread of pest fish and aquatic weeds, growing numbers of weed species, and ongoing loss of rare and threatened biodiversity on private lands. Significant modification and pollution of harbours and estuaries (which are important breeding grounds for many species, including some harvested fish stocks) is likely to be having a major impact on coastal marine biodiversity.
45. Exotic animal pests and weeds are a significant threat to indigenous and primary production systems, especially on land. It takes a lot of resources to manage pests and weeds, and to stop them from entering the country. Biosecurity is an issue of permanent urgency. If potential incursions are not stopped at the borders and threats are not addressed as soon as they become apparent, the costs soon escalate. Additional pressures on biodiversity include conversion of native habitat to other uses; water pollution, over-abstraction and disruption of natural water flows; terrestrial runoff and sedimentation of coastal waters; impacts of fishing; climate change; and the effect of land use on soils and slope stability.
46. The complexity and scale of the biodiversity management challenge requires a collaborative approach across government and society and a systems approach. Yet the governance structures for policy-making, decision-making and implementation are sometimes disconnected and incoherent, and responsibilities can be split across several local and central government agencies.
47. Effective implementation may be hampered by inadequate capacity and capability within agencies. This is particularly apparent in the different responses by local authorities to their responsibilities to manage biodiversity on private land, and disparities in the effectiveness of their programmes. Lack of information about ecosystem functioning, particularly in the marine environment, hampers development of adequate responses.
48. Officials consider more action is needed if we are to halt or slow the decline in the health and functioning of indigenous ecosystems and ensure the continuing health of productive systems. Intensive management is not necessary or justified for all places or species. More effort and resources may, however, be needed to achieve particular thresholds of restoration and protection. Greater prioritisation and national direction would help to focus effort. Better approaches, including incentives, would encourage biodiversity conservation outside government.

Issue E: Marine environment

49. New Zealand's marine environment is an integral part of our national identity and contributes significantly to our economy (through ecosystem services, tourism, fishing and aquaculture, oil and gas, transport, and telecommunication links). A lack of outcomes or strategy to guide how the marine environment is managed compromises our ability to ensure environmental integrity while providing for different uses and values.
50. The ocean is a large interconnected ecosystem but different activities and values are managed under different laws and approaches, which are not always well integrated. In particular, the disconnected management of environmental effects in the ocean risks damage to the environment – especially near to shore. It is difficult to effectively manage cumulative environmental effects, and consistent standards or restrictions are not applied across all activities. These factors could also constrain further economic growth from New Zealand's extensive marine resources.
51. Management under the RMA (which applies out to 12 nautical miles from shore) is generally poor at factoring adverse effects on fishing and marine ecosystems into 'upstream' consents and plans. As a result sensitive fisheries habitats, ecosystems and some activities suffer from sedimentation and pollution caused by land use, and poor management of other coastal activities like dredging. Fisheries management also needs to better address adverse effects

on the environment. There are management gaps outside the 12 nautical mile limit in the Exclusive Economic Zone (EEZ), where we lack a comprehensive biodiversity protection tool and legislation to manage the environmental effects of some activities.

52. There is an increasing demand for coastal marine space and resources across a range of activities and values, but some of our tools to manage demand are not adequate. Allocation difficulties are intensifying – illustrated most strongly by poor progress in aquaculture development in recent years. These development pressures will also grow in EEZ ‘hotspots’ as more oil and gas exploration and seabed mining is proposed. In addition, competition between the recreational, customary and commercial sectors is difficult to manage in some fisheries.
53. It can be hard to establish new uses such as marine reserves or aquaculture, even if they are the highest value use (in either a national or local sense) if they will affect other values or existing uses. At the same time, other interests such as recreation, amenity values and fishing can get squeezed out by activities that require exclusive use of space, such as marinas and marine farms. These allocation difficulties discourage investment and economic growth and can also result in unnecessary cost, with people using the courts, consent processes and political lobbying to defend their real or perceived entitlements.
54. New Zealand’s marine area is the sixth largest in the world, and about 14 times bigger than our land mass. This makes it difficult and expensive to obtain information. The lack of comprehensive information is a major impediment to good decision-making in the marine environment, and can exacerbate risks and delay decisions. These gaps in our knowledge mean the marine environment should be managed in a precautionary manner, with the ability to make adaptive management decisions, but this can conflict with economic drivers. The collection, management and use of information by government agencies can be uncoordinated and overlapping. Information available about fish stocks is limited, and even less is known about the impacts of extractive use or some land based activities on the marine environment. A lack of comprehensive monitoring and reporting means that government and stakeholders cannot effectively analyse management performance, reducing the ability to learn from experience.
55. A suggested first step in addressing these issues is to elaborate some national outcomes for New Zealand’s marine environment and its uses. These outcomes would form the basis for reviewing the overall approach to marine management, particularly the alignment between different regimes and the new tools needed to address identified problems and achieve the outcomes. Drafting of legislation to regulate the environmental effects of activities in the EEZ was well advanced under the previous government; progressing that policy would fill a large management gap. Any review of RMA provisions and implementation could also look at how to improve the management of environmental effects in coastal waters, improve resource allocation in the coastal marine area, and assist local government to control land-based effects on the sea more effectively.

Addressing environmental sustainability

56. Addressing environmental sustainability (and particularly the critical issues) requires a more strategic approach, better articulation of the national interest, a willingness to tackle difficult issues, good governance, good information, and partnerships outside central government. The approach must also be dynamic, so it is able to anticipate and respond to major or sudden changes in circumstances.
57. The need for change in how we consider and set policy for environmental sustainability, within the paradigm of sustainable development, will put greater demands on public policy processes and the government agencies involved. Recognising this, the agencies in the natural resources sector have begun to adopt a more collaborative approach, to raise the

quality of advice and effectiveness of implementation, and to ensure that interventions target the government's priorities.

Outcomes and Targets

58. As part of a move to take a more strategic and networked approach, officials have developed a set of potential outcomes for New Zealand. These describe a desired 'state of the environment' rather than attempting to capture all relevant values:
- a. *Atmosphere*: Air is fit to breathe and greenhouse gas and ozone depleting substance emissions meet international agreements.
 - b. *Land*: Healthy and productive soils, contamination avoided or mitigated, and erosion by human activities minimised.
 - c. *Fresh water*: The quality of fresh water meets the range of needs and values for which it is required while supporting healthy and functioning ecosystems; water levels and flows are sufficient to support healthy and functioning ecosystems and meet the range of needs and values for which it is required.
 - d. *Marine*: The state of the sea floor and quality of marine waters supports healthy and functioning ecosystems.
 - e. *Biodiversity*: Ecosystem composition and processes are maintained or enhanced, human-induced extinctions are avoided and human-induced declines are minimised; genetic resources of introduced species are maintained to meet the range of needs and values for which they are required.
59. Outcomes can be given life by setting achievable but ambitious targets, but poorly chosen targets can push policy in the wrong direction. Targets reflect high-level choices among economic, social, cultural and environmental values. They need to be revisited from time to time, to maintain a fit with overall goals and compatibility with other targets. An initial assessment suggests that the current target package is patchy, and developed mostly to meet sectoral rather than broader outcomes. There would be benefit in re-examining New Zealand's current targets to assess whether they and their associated policies will deliver on New Zealand's environmental sustainability goals.

Policy frameworks and considerations

60. In addition to the principle of maximising overall wellbeing for New Zealand, we see some other important considerations or principles that should underpin environmental policy:
- a. Environmental systems and issues are highly interdependent and complex, which mandates a more sophisticated policy approach.
 - b. Effective and efficient policy responses tend to be based on a combination of different interventions.
 - c. Economic incentives – particularly pricing of externalities (the negative effects of resource use that fall on others or the environment) or 'polluter pays' – create a strong incentive for more sustainable behaviour.
61. Approaches to environmental management can be placed on a spectrum, from a strategic or systems approach to a more ad hoc approach. Because the critical issues are complex and interconnected, New Zealand's approach needs to be more strategic and seek more integrated outcomes. There will always need to be a reactive response to some issues, but doing so too often can polarise economic and environmental values, and encourage adversarial positioning and pursuit of short-term opportunities.
62. New Zealand has struggled with difficult decisions requiring value judgments or potential trade-offs partly because we lack high-level national outcomes, strategies, bottom lines, standards or planning frameworks to inform those decisions. (These factors also make it hard to manage cumulative effects on the environment.) Decisions involving value judgments will always have a political element, but it is important for these decisions to be constrained

by bottom lines (environmental, economic, social and cultural) which protect overall wellbeing, and to be informed by national objectives and strategies, advantages, costs, and risks.

63. The government can use a wide range of tools such as legislation, regulation, markets, incentives, rents or user charges, verification services, standards, information, voluntary mechanisms and co-management. No single tool will suffice; the challenge is to apply the combination which is most efficient at getting the greatest overall value (usually a mix of economic and non-monetary values) from resources while also providing for the environment, managing equity issues, and not creating excessive transaction costs. The critical issues suggest a need for a better combination of regulation and market settings to manage natural resources, as this combination has often been most effective at managing resource pressures and promoting efficient use.
64. Generally speaking, putting a price on resources that reflects the cost to society of their use increases overall wellbeing. Use of 'public' resources like water and the atmosphere (as a sink for pollutants) has been underpriced in the past. Users who do not face the costs of their impacts on others or the environment lack an economic incentive to change their behaviour. The response of firms and individuals to economic incentives like the pricing of externalities and scarcity-driven price increases can drive reduced consumption and the development of alternative technologies.

Strengthening government capability

65. A strategic approach to policy requires greater performance, information and resources from central government. A more collaborative approach is needed across central government to ensure that existing capability and information is used effectively, and that greater capability is developed. Stronger sector leadership will ensure that environmental outcomes are well articulated and inform decisions across government. As mentioned above, Chief Executives have decided to establish new governance arrangements for a formalised Natural Resources Sector to improve strategic leadership and collaboration across agencies.
66. Unlike economic and social policy, environmental decision-making in New Zealand is not well supported by a strong evidence base. In particular, we lack the integrated environmental and economic information needed to systematically assess the effects of policy on resource efficiency, the environment, economic activity and productivity. This makes it difficult to demonstrate New Zealand's environmental sustainability at a national or sectoral level. To support good decision-making, we need to strengthen the existing environmental-economic accounts and other related data, and build capability across government to use that information. The evidence base should be a key component of the official statistics system, shared across government, and focused on the current and future priorities for New Zealand.
67. Research, science and technology is central to good environmental management. Science provides much of the data, information and tools needed to manage the environment effectively. There has been a decline over the last ten to twelve years in environmental science capacity based in science institutions and working on research related to some of the critical issues, largely because funding has stayed flat over that period (for example, research staffing on freshwater science has declined by 35-40%). Further, research and information management in some areas is not well coordinated and departments and councils have found it difficult to engage with the environmental part of the science and research sector. These factors hinder evidence-based policy and informed discussions.
68. The government cannot achieve outcomes on its own. Central government also needs capability in change management, to help to develop public understanding of the importance of environmental sustainability for New Zealand's wellbeing, and the significance of some of the challenges we face. If New Zealand is to maintain economic growth without worsening our environmental performance (at both the macro level and within businesses, farms and

households) this will require a change in attitudes and practices. Change will take time, encouragement, information and incentives. This message may be harder to convey in a time of economic stress, when attention is focused on socio-economic concerns and capital for investment in new technologies is harder to come by – but the current climate may also support a constituency for change. Community acceptance of new sustainable technologies (such as the shift from largely ‘invisible’ thermal generation to much more visible wind or hydro power) will also require buy-in to a longer-term national goal.

Conclusions

69. Our analysis has identified six critical environmental pressures and management issues (see paragraphs 15-18): climate change, fresh water, the Resource Management Act, the Treaty of Waitangi relationship, biodiversity and marine. Some common elements are seen across these issues – downward environmental trends, tensions caused when trying to articulate national direction or national interest in our highly devolved resource management system, the inability of ‘first-in first-served’ allocation systems to deliver scarce resources to their most valuable or valued uses, and the need to further consider the role of Māori in resource management. Another theme is the need to explore the use of economic tools and incentives, within regulated environmental limits, to encourage efficiency and reallocation. Investigation of such tools creates an opportunity to further explore the role, rights and interests of Māori.
70. For some of these issues (such as management of certain water-bodies) we do not have much time before environmental pressures start to hurt the economy. While there is a need for greater urgency, the issues are probably not best addressed by hastily developing separate solutions for each. Rather, New Zealand’s long-term interests are likely to be served by a more strategic approach to the environment and its intersections with our economic, social and cultural wellbeings. Decisions will be much better informed, and the inevitable value judgments will be much more transparent, when we have a process for setting clear outcomes, targets and standards. In order to protect our overall wellbeing, we also need more robust bottom-lines which deliver for economic, social and cultural needs as well as environmental values.
71. This need for a strategic approach presents a challenge for departments to work at a higher level, and for the government to build a constituency around the real value of New Zealand’s environment and the need for change.

Recommendations

72. We recommend you:
- a. **Note** the information in this briefing about the importance of environmental sustainability and the critical issues in the environmental sector.
 - b. **Note** that the portfolio and overview briefings of the departments in the sector provide further relevant information, and will also canvass issues beyond the environmental dimension of sustainability.
 - c. **Advise** Chief Executives of any further information you require.